PLAZACORP RETAIL PROPERTIES LTD.

PLAZACORP RETAIL PROPERTIES LTD.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on December 11, 2013

- and -

MANAGEMENT INFORMATION CIRCULAR

with respect to certain special business including a

PLAN OF ARRANGEMENT

providing for the reorganization of the corporation and capitalization of

PLAZA RETAIL REIT

November 1, 2013

This Notice, Information Circular and the accompanying materials require your immediate attention. If you are in doubt as to the actions required to be taken by these documents or the matters discussed therein, please consult your professional advisors. Neither the Toronto Stock Exchange nor any securities regulatory authority has in any way passed upon the merits of the Arrangement described in this Information Circular.

November 1, 2013

Dear Shareholders:

You are invited to attend the special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Plazacorp Retail Properties Ltd. (the "**Corporation**") which will be held in the Governor's Ballroom "B" of the Delta Fredericton Hotel, 225 Woodstock Road, Fredericton, New Brunswick, E3B 2H8 on December 11, 2013 at 10:00 a.m. AST.

At the Meeting, Shareholders will be asked to consider and vote upon a proposed reorganization of the Corporation pursuant to a plan of arrangement (the "**Arrangement**").

The purpose of the Arrangement is to convert (the "**Conversion**") the Corporation from a corporation into a real estate investment trust ("**REIT**"). Provided the Arrangement is approved and all conditions in the arrangement agreement are satisfied or waived, the Corporation anticipates filing the articles of arrangement that give effect to the Arrangement on or about January 1, 2014 (the "**Effective Date**").

Some of the reasons for the Conversion are that the resulting trust structure will:

- enhance Shareholder value;
- allow for the Corporation to be more comparable to its peers;
- represent the preferred vehicle in Canada for owning real estate;
- create a favourable platform for growth and development of the properties and business of the Corporation;
- provide the Corporation with greater flexibility when raising capital;
- provide a vehicle to deliver cash flow from the business of the Corporation to securityholders in a tax efficient manner; and
- simplify the Corporation's structure.

Pursuant to the terms of the Arrangement and subject to the limitations described below, Shareholders will receive, in exchange for each of their Common Shares, one unit of the REIT.

In connection with the Arrangement, the REIT will assume all of the covenants and obligations of the Corporation in respect of the outstanding convertible debentures of the Corporation. Provided the Arrangement is completed, holders of convertible debentures will thereafter be entitled to receive trust units of the REIT on conversion of their debentures.

Shareholders must approve the resolution authorizing the Arrangement by not less than two-thirds of the votes cast at the Meeting, in person or by proxy. The Arrangement is also subject to the approval of the Court of Queen's Bench of New Brunswick and certain other conditions. The directors and officers of the Corporation, who collectively own, directly or indirectly, or exercise control or direction over, approximately 30.81% of the outstanding Common Shares, have indicated that they intend to vote in favour of the Arrangement.

The accompanying information circular provides a detailed description of the Arrangement, as well as information regarding the REIT. Please give this material your careful consideration. If you require assistance, consult your financial, tax or other professional advisors.

If you are unable to attend the Meeting in person, please complete and deliver the form of proxy enclosed with this information circular so that your Common Shares can be voted at the Meeting.

On behalf of the board of directors, management and the employees of the Corporation, I would like to thank you for your consideration of these important transactions and for your continued support of the Corporation. We look forward to seeing you at the Meeting.

Yours very truly,

(signed) "*Earl Brewer*"
Earl Brewer, Chairman

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, pursuant to an order (the "**Interim Order**") of the Court of Queen's Bench of New Brunswick (the "**Court**") dated November 6, 2013, a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Plazacorp Retail Properties Ltd. ("**Plazacorp**" or the "**Corporation**") will be held in the Governor's Ballroom "B" of the Delta Fredericton Hotel, 225 Woodstock Road, Fredericton, New Brunswick, E3B 2H8 on December 11, 2013 at 10:00 a.m. AST, for the following purposes:

1. to consider pursuant to the Interim Order and, if deemed advisable, to pass, with or without variation, a special resolution, the full text of which is set forth in Appendix A to the accompanying information circular dated November 1, 2013 (the "**Information Circular**") to approve a plan of arrangement under section 128 of the *Business Corporations Act* (New Brunswick), all as more particularly described in the Information Circular; and

2. to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Information Circular.

Each person who is a holder of record of Common Shares at the close of business on November 4, 2013 (the "**Record Date**") is entitled to receive notice of, and to attend and vote at, the Meeting, and any adjournment thereof.

Registered Shareholders have the right to dissent with respect to the Arrangement, if the Arrangement becomes effective, and to be paid the fair value of their Common Shares in accordance with the provisions of section 131 of the *Business Corporations Act* (New Brunswick) and the Interim Order. A Shareholder's right to dissent is more particularly described in the accompanying Information Circular. Failure to strictly comply with the requirements set forth in section 131 of the *Business Corporations Act* (New Brunswick), as modified by the Interim Order, may result in the loss of any right of dissent.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the form of proxy for use at the Meeting or any adjournment thereof to the attention of CST Trust Company, Proxy Dept., P.O. Box 721, Agincourt, Ontario, M1S 0A1 (i) in the envelope provided, (ii) by email at proxy@canstockta.com or (iii) by facsimile to 416-368-2502 (Toll Free:1-866-781-3111 Canada & US) at any time up to and including Tuesday, December 9, 2013 until 5:00 p.m. AST.

DATED at Fredericton, New Brunswick this 1st day of November, 2013.

By order of the Board of Directors,

(signed) "*Earl Brewer*"
Earl Brewer, Chairman

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GENERAL INFORMATION

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of management of Plazacorp for use at the Meeting and any adjournment(s) or postponement(s) thereof. No person has been authorized to give any information or make any representation in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the Corporation or management of Plazacorp.

All summaries of, and references to, the Arrangement in this Information Circular are qualified in their entirety by reference to the complete text of the Plan of Arrangement, a copy of which is attached as Schedule "A" to the Arrangement Agreement, which is attached as Appendix F to this Information Circular. You are urged to carefully read the full text of the Plan of Arrangement.

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth under "*Glossary*". Information contained in this Information Circular is given as of the date of this Information Circular unless otherwise specifically stated.

FORWARD-LOOKING STATEMENTS

This Information Circular contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Plazacorp to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include: (1) the intention to complete the Arrangement; (2) the expected benefits of the Arrangement to Plazacorp and its Shareholders (3) the description of the REIT that assumes completion of the Arrangement; (4) the intention to grow the business and operations of the REIT; and (5) the intention to pay monthly distributions to Unitholders. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Information Circular. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, the ability of the REIT to obtain necessary financing; satisfy conditions under the Arrangement; satisfy the requirements of the Exchange with respect to the Arrangement and obtain Shareholder approval with respect to the Arrangement. Additional, important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, local real estate conditions, including the development of properties in close proximity to Plazacorp's properties, competition, availability and cost of additional real estate properties, changes in government regulation, dependence on tenants' financial condition, interest rates, the availability of equity and debt financing, environmental matters, tax related matters, and reliance on key personnel. There can be no assurances that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. These cautionary statements qualify all forward-looking statements attributable to Plazacorp and persons acting on its behalf. Unless otherwise stated, all forward looking statements speak only as of the date of this Information Circular and Plazacorp undertakes no obligation to update such statements except as required by law. The factors identified above are not intended to represent a complete list of the factors that could affect Plazacorp and the REIT. Additional factors are noted under "*Risk Factors*" in this Information Circular.

INFORMATION FOR UNITED STATES SECURITYHOLDERS

THE SECURITIES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE OR OTHER U.S. JURISDICTION; NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OR OTHER U.S. JURISDICTION

PASSED UPON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Units to be issued under the Arrangement have not been registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**") or any state securities laws, and are being issued in reliance on the exemption from registration set forth in Section 3(a)(10) of the 1933 Act on the basis of the approval of the Court, which will consider, among other things, the fairness of the Arrangement to Unitholders. See "*The Arrangement – Securities Law Matters*" for additional information.

Holders of Units should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States are not described herein. U.S. securityholders should consult their own tax advisors regarding the United States federal, state and local and foreign tax consequences of participating in the Arrangement.

The solicitation of proxies hereby is not subject to the proxy requirements of Section 14(a) of the United States *Securities Exchange Act of 1934*, as amended (the "**1934 Act**"), by virtue of an exemption applicable to proxy solicitations by "foreign private issuers", as defined in Rule 3b-4 under the 1934 Act. This Information Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Securityholders in the United States should be aware that such requirements are different than those of the United States.

Financial statements and information included or incorporated by reference herein have been prepared in accordance with IFRS and are subject to auditing and auditor independence standards in Canada. These financial statements may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles and the rules and regulation of the United States Securities and Exchange Commission and United States auditing and auditor independence standards.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated or organized outside the United States, that some or all of its officers, directors and the experts named herein are residents of a foreign country, and that all or a substantial portion of the assets of the Corporation and said persons are located outside the United States. As a result, it may be difficult or impossible for U.S. securityholders to effect service of process within the United States upon the Corporation, its officers, directors, or the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state or other jurisdiction within the United States. In addition, U.S. securityholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state or other jurisdiction within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state or other jurisdiction within the United States.

See "*The Arrangement – Securities Law Matters – United States*" generally and for a discussion of applicable resale limitations.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Information Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference in this Information Circular can be found on the Corporation's website at www.plaza.ca or on the Corporation's pages on SEDAR at www.sedar.com. The following documents are specifically incorporated by reference into, and form an integral part of, this Information Circular:

(a) Plazacorp's consolidated financial statements for the year ended December 31, 2012;

(b) Plazacorp's management discussion and analysis of results of operations and financial condition for the year ended December 31, 2012 (the "**Annual MD&A**", together with the Interim MD&A, the "**MD&A**");

(c) Plazacorp's condensed interim consolidated financial statements for the three and six months ended June 30, 2013;

(d) Plazacorp's management discussion and analysis of results of operations and financial condition for the three and six months ended June 30, 2013 (the "**Interim MD&A**");

(e) Plazacorp's annual information form dated February 28, 2013 (the "**AIF**");

(f) Plazacorp's management information circular dated February 28, 2013 (the "**MIC**"); and

(g) Plazacorp's business acquisition report dated July 9, 2013, filed in connection with Plazacorp's acquisition of all of the issued and outstanding units of KEYreit.

Any document of the type referred to in the preceding paragraph and any material change report (excluding confidential material change reports) or press release filed by the Corporation with a securities commission or similar authority in Canada after the date of this Information Circular and prior to the Meeting that specifically states that it is intended to be incorporated by reference into this Information Circular will be deemed to be incorporated by reference into this Information Circular.

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

GLOSSARY

The following terms used in this Information Circular have the meanings set forth below.

"**1933 Act**" means the United States *Securities Act of 1933*, as amended;

"**1934 Act**" means the United States *Securities Exchange Act of 1934*, as amended;

"**Advance Notice Provision**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Advance Notice Provision*";

"**affiliate**", when used to indicate a relationship with a person, has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus and Registration Exemptions*;

"**AFFO**" means funds from operations adjusted for, among other things, the amortization of mortgage transaction costs, straight-line rent, lease acquisition costs on existing properties and maintenance capital expenditures, all as calculated by the REIT;

"**AIF**" means Plazacorp's annual information form dated February 28, 2013;

"**Annual MD&A**" means Plazacorp's management discussion and analysis of results of operations and financial condition for the year ended December 31, 2012;

"**Arrangement**" means the proposed arrangement, under the provisions of Section 128 of the NBBCA, on the terms and conditions set forth in the Plan of Arrangement;

"**Arrangement Agreement**" means the agreement between Plazacorp and the REIT dated November 1, 2013 with respect to the Arrangement, attached hereto as Appendix F;

"**Arrangement Resolution**" means the special resolution to be considered by Shareholders at the Meeting in substantially the form attached to this Information Circular as Appendix A;

"**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under subsection 128 of the NBBCA to be filed with the Director under the NBBCA after the Final Order has been made giving effect to the Arrangement;

"**associate**" has the meaning specified in Section 1(1) of the *Securities Act* (Ontario), as in effect on the date hereof;

"**Beneficial Shareholder**" has the meaning ascribed thereto under "*Proxy and Voting Information – Advice to Beneficial Shareholders*";

"**Board**" means the board of directors of Plazacorp;

"**Board of Trustees**" means the board of trustees of the REIT;

"**Broadridge**" means Broadridge Financial Solutions Inc.;

"**Business Day**" means any day except a Saturday, Sunday or a statutory holiday in the cities of Toronto, Ontario or Fredericton, New Brunswick;

"**CDS**" means CDS Clearing and Depository Services Inc.;

"**Certificate**" means the certificate or certificates or other confirmation of filing to be issued by the Director under the NBBCA, pursuant to subsection 128 of the NBBCA giving effect to the Arrangement;

"**Closing**" means the completion of the Arrangement and related transactions;

"**Closing Market Price**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Redemption Right*";

"**Common Shares**" means the common shares of Plazacorp;

"**Conversion**" means the conversion of the Corporation from a corporation into a real estate investment trust;

"**Convertible Debentures**" means the Series VI convertible debentures of Plazacorp maturing on March 31, 2015;

"**Convertible Debenture Indenture**" means the trust indenture dated February 19, 2010 between the Convertible Debenture Trustee and Plazacorp and all supplemental indentures, governing the terms of the Convertible Debentures;

"**Convertible Debenture Trustee**" means Grant Thornton Limited, as trustee, or its successor as trustee, under the Convertible Debenture Indenture;

"**Corporation**" or "**Plazacorp**" means Plazacorp Retail Properties Ltd., and includes any successor thereto;

"**Court**" means the Court of Queen's Bench of New Brunswick;

"**CRA**" means the Canada Revenue Agency;

"**CRA Ruling**" has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Consequences – Tax Considerations Applicable to the Conversion*";

"**December 2012 Proposals**" means the proposed amendments to the Tax Act released on December 21, 2012;

"**Declaration of Trust**" means the declaration of trust of the REIT dated November 1, 2013 pursuant to which the REIT was established under the laws of the Province of Ontario, as the same may be amended and/or restated from time to time;

"**Depositary**" means CST Trust Company in its capacity as depositary for the Common Shares exchanged pursuant to the Arrangement;

"**Direct Subtrusts**" has the meaning ascribed thereto under "*The Arrangement – General Description of the Arrangement – Arrangement Transactions*";

"**Director**" means the director duly appointed under the NBBCA;

"**Directors**" means the directors of Plazacorp;

"**Dissent Rights**" means the right of a registered Shareholder to dissent to the Arrangement Resolution and to be paid the fair value of the Common Shares in respect of which such registered Shareholder dissents, all in accordance with Section 131 of the NBBCA and the Interim Order;

"**Dissenting Shareholders**" means registered holders of Common Shares who validly exercise the rights of dissent provided to them under Section 131 of the NBBCA and the Interim Order;

"**Distribution Date**" means, any date on which the Trustees have determined that a distribution will be made by the Trust to the Unitholders;

"**Dividend Reinvestment Plan**" has the meaning ascribed thereto under "*The Corporation – Dividends – Dividend Reinvestment Plan*";

"**DRIP**" means the distribution reinvestment plan of the REIT to be entered into on Closing;

"**Effective Date**" means January 1, 2014;

"**Effective Time**" means the time specified in the Plan of Arrangement for the Arrangement to become effective;

"**Exchange**" or "**TSX**" means the Toronto Stock Exchange;

"**Final Order**" means the order of the Court approving the Arrangement to be applied for following the Meeting and to be granted pursuant to the provisions of subsection 128 of the NBBCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"**Gross Book Value**" means, at any time, the greater of (i) the value of the assets of the REIT and its consolidated Subsidiaries, as shown on its then most recent consolidated statement of financial position, less the amount of any receivable reflecting interest rate subsidies on any debt assumed by the REIT and (ii) the historical cost of the assets of the REIT and its consolidated Subsidiaries;

"**IFRS**" means International Financial Reporting Standards;

"**Indebtedness**" has the meaning ascribed thereto under "*The REIT – Investment Guidelines and Operating Policies – Operating Policies*";

"**Interim MD&A**" means Plazacorp's management discussion and analysis of results of operations and financial condition for the three and six months ended June 30, 2013;

"**Independent Trustee**" means a Trustee who is "independent" pursuant to National Instrument 58-101 – *Corporate Governance Guidelines*;

"**Information Circular**" means this Management Information Circular;

"**Interim Order**" means the order of the Court dated November 6, 2013 under subsection 128 of the NBBCA containing declarations and directions with respect to the Arrangement and the Meeting and issued pursuant to the application of Plazacorp, a copy of which Interim Order is attached as Appendix A to this Information Circular;

"**Lead Trustee**" refers to the Independent Trustee of the Board who is responsible for ensuring the appropriate leadership for the Independent Trustees, as further described under "*Declaration of Trust and Description of Units – Conflicts of Interest*";

"**Letter of Transmittal**" means the letter of transmittal (printed on blue paper) delivered to registered Shareholders to be completed and returned to the Depositary, together with certificate(s) for Common Share(s);

"**Listed Debentures**" means the Series A Debentures, the Series B Debentures, the Series C Debentures and the Series D Debentures;

"**Listed Debenture Indenture**" means the trust indenture dated September 27, 2007 between the Listed Debenture Trustee and KEYreit (formerly Scott's Real Estate Investment Trust) and all supplemental indentures, governing the terms of the Listed Debentures;

"**Listed Debenture Trustee**" means CIBC Mellon Trust Company, as trustee, or its successor as trustee, under the Listed Debenture Indenture;

"**Market Price**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Redemption Right*";

"**MD&A**" means the Annual MD&A together with the Interim MD&A;

"**Meeting**" means the special meeting of shareholders of the Corporation to be held December 11, 2013 in respect of which this Information Circular is provided;

"**MIC**" means Plazacorp's management information circular dated February 28, 2013;

"**Mortgage Bonds**" means (i) the Series V mortgage bonds maturing on June 4, 2016, (ii) the Series VI mortgage bonds maturing on February 24, 2016, (iii) the Series VII mortgage bonds maturing on August 15, 2014 and (iv) the Series VIII mortgage bonds maturing on August 31, 2014;

"**Mortgage Bond Indentures**" means (i) the trust indenture dated May 20, 2009 between Plazacorp and Grant Thornton Limited (trustee) for the Series V mortgage bonds, (ii) the trust indenture dated as of January 4, 2011 between Plazacorp and Grant Thornton Limited (trustee) for the Series VI mortgage bonds, (iii) the trust indenture dated as of July 10, 2013 between Plazacorp and Plaza (Lansdowne) Inc. (trustee) for the Series VII mortgage bonds and (iv) the trust indenture dated as of August 21, 2013 between Plazacorp and Plaza (Nasis) Inc. (trustee) for the Series VIII mortgage bonds;

"**NBBCA**" means the *Business Corporations Act* (New Brunswick), SNB 1981, c. B-9.1, as amended, including the regulations promulgated thereunder;

"**NI 54-101**" means National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

"**Nominating Unitholder**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Advance Notice Provision*";

"**Non-Convertible Debentures**" means the non-convertible debentures of Plazacorp maturing on February 26, 2018, April 15, 2018 and May 2, 2018;

"**Non-Convertible Debenture Indenture**" means the amended and restated debenture indenture dated as of February 25, 2013 for the Non-Convertible Debentures;

"**Non-Objecting Beneficial Owners**" or "**NOBOs**" has the meaning ascribed thereto under "*Proxy and Voting Information – Advice to Beneficial Shareholders*";

"**Non-Resident**" means a person who is a "non-resident" within the meaning of the Tax Act and a partnership other than a Canadian partnership for the purposes of the Tax Act;

"**Notice Date**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Advance Notice Provision*";

"**Notice of Meeting**" means the notice of the Meeting dated November 1, 2013 accompanying this Information Circular;

"**Objecting Beneficial Owners**" or "**OBOs**" has the meaning ascribed thereto under "*Proxy and Voting Information – Advice to Beneficial Shareholders*";

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

"**Plan of Arrangement**" means the Plan of Arrangement attached as Schedule "A" to the Arrangement Agreement, as the same may be amended and/or restated in accordance with its terms and the terms of the Arrangement Agreement;

"**Plans**" means, collectively, trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans, each as defined in the Tax Act, and "**Plan**" means any of them;

"**Plazacorp**" or the "**Corporation**" means Plazacorp Retail Properties Ltd., and includes any successor thereto;

"**Preferred Units**" means preferred units of the REIT;

"**Properties**" means any real estate properties owned or operated, directly or indirectly, by Plazacorp from time to time;

"**Record Date**" means November 4, 2013, being the date set by the directors of Plazacorp for determining the Shareholders entitled to receive notice of, and to attend and to vote at, the Meeting;

"**Redemption Date**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Redemption Right*";

"**Redemption Notes**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Redemption Right*";

"**Redemption Price**" has the meaning ascribed thereto under "*The REIT – Declaration of Trust and Description of Units – Redemption Right*";

"**Regulation S**" means Regulation S adopted by the United States Securities and Exchange Commission pursuant to the 1933 Act;

"**Regulations**" means the regulations under the Tax Act;

"**REIT**" means Plaza Retail REIT, a trust formed under the laws of the Province of Ontario pursuant to the Declaration of Trust and includes, where the context requires, the REIT's Subsidiaries;

"**REIT #2**" has the meaning ascribed thereto under "*The Arrangement – General Description of the Arrangement – Arrangement Transactions*";

"**REIT #3**" has the meaning ascribed thereto under "*The Arrangement – General Description of the Arrangement – Arrangement Transactions*";

"**REIT #4**" has the meaning ascribed thereto under "*The Arrangement – General Description of the Arrangement – Arrangement Transactions*";

"**REIT Exception**" has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Consequences – Tax Considerations Applicable to the Conversion – REIT Exception*";

"**Related Party**" means, with respect to any person, a person who is a "related party" as that term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, as amended from time to time;

"**Retraction Note**" has the meaning ascribed thereto under "*The Corporation – Common Shares*";

"**Retraction Price**" means for each Common Share the lesser of:

(a) 90% of the Market Price calculated as at the date of the surrender of Common Shares for retraction; and

(b) 90% of the most recent Closing Market Price on the date of the surrender of Common Shares for retraction;

"**RRIF**" means registered retirement income funds;

"**RRSP**" means registered retirement savings plan;

"**RSU**" means restricted share units of Plazacorp;

"**RSU Plan**" means the restricted share unit plan of Plazacorp;

"**Series A Debentures**" means the Series A convertible debentures maturing on December 31, 2014, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series B Debentures**" means the Series B convertible debentures maturing on December 31, 2016, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series C Debentures**" means the Series C convertible debentures maturing on December 31, 2017, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series D Debentures**" means the Series D convertible debentures maturing on December 31, 2018;

"**Shareholder(s)**" means the holder(s) of Common Shares;

"**SIFT**" means a "SIFT trust" or a "SIFT partnership" as defined in the Tax Act;

"**SIFT Rules**" has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Consequences – Tax Considerations Following the Conversion – Qualifications of the REIT as a "Real Estate Investment Trust"*";

"**special resolution**" means: (i) in the case of Plazacorp, a resolution of Shareholders passed by an affirmative vote of not less than two-thirds of the votes cast by Shareholders at the Meeting with respect to a particular matter; and (ii) in the case of the REIT, a resolution passed as a special resolution at a meeting of Unitholders duly convened for that purpose and held in accordance with the Declaration of Trust at which two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 10% of the number of votes attached to Units then outstanding and passed by not less than two-thirds of the votes attaching to the Units represented at the meeting, or passed in such other manner as provided in the Declaration of Trust;

"**Special Voting Unit**" means a special voting unit of the REIT;

"**Subsidiary**" includes, with respect to any person, company, partnership, limited partnership, trust or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company, partnership, limited partnership, trust or other entity;

"**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1. (5th Supp), as amended, including the regulations promulgated thereunder;

"**Tax Counsel**" means Davies Ward Phillips & Vineberg LLP;

"**Tax Proposals**" has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Consequences – Certain Canadian Federal Income Tax Considerations*";

"**Taxation Year**" means the taxation year of the REIT for the purposes of the Tax Act;

"**TFSA**" means tax-free savings account;

"**Trust A**" has the meaning ascribed thereto under "*The Arrangement – General Description of the Arrangement – Arrangement Transactions*";

"**Trustee**" means a trustee of the REIT and "**Trustees**" means all of the trustees of the REIT;

"**TSX**" or "**Exchange**" means the Toronto Stock Exchange;

"**Unitholder(s)**" means the holder(s) of Units, and any reference to a Unitholder in the context of such Unitholder's right to vote at a meeting of Unitholders also includes a holder of Special Voting Units;

"**Unit**" means an ordinary participating voting unit of the REIT;

"**U.S. Securityholders**" means holders of Units in the United States;

"**Voting Unit**" means a Unit and/or a Special Voting Unit, as the context requires; and

"**Voting Unitholders**" means, collectively, holders of Voting Units.

SUMMARY INFORMATION

This summary highlights information that is more fully discussed elsewhere in this Information Circular. This summary is not intended to be complete and is qualified in its entirety by reference to the more detailed information contained in this Information Circular. Shareholders are urged to read the more detailed information about Plazacorp, the Arrangement and the REIT contained elsewhere in this Information Circular and the documents incorporated by reference into this Information Circular. Certain capitalized terms used in this Summary are defined under "Glossary".

MEETING OF SECURITYHOLDERS

The Meeting will be held on December 11, 2013 at 10:00 a.m. AST in the Governor's Ballroom "B" of the Delta Fredericton Hotel, 225 Woodstock Road, Fredericton, New Brunswick, E3B 2H8. At the Meeting, Shareholders will be asked to consider, and if thought advisable, pass the Arrangement Resolution in the form attached hereto as Appendix A, with or without variation.

THE ARRANGEMENT

The purpose of the Arrangement is to convert Plazacorp from a corporate structure to a real estate investment trust structure. The Arrangement will result in Shareholders transferring their Common Shares to Plazacorp in consideration for Units. All Shareholders will be treated equally under the Arrangement and there are no unique benefits under the terms of the Arrangement to any Shareholder.

Background to and Reasons for the Arrangement

In reaching its determination and making its recommendation set out below, the Board considered a number of factors, including the mechanics, structure and timing of implementation of the Arrangement, the availability of rights for Shareholders to dissent from the Arrangement and the requirement that the Arrangement be approved by two-thirds of the Common Shares voted in person or by proxy at the Meeting.

Plazacorp has decided to pursue the Arrangement as the resulting structure will:

1. enhance Shareholder value;
2. allow for Plazacorp to be more comparable to its peers;
3. represent the preferred vehicle in Canada for owning real estate;
4. create a favourable platform for growth and development of the Properties and business of the Corporation;
5. provide Plazacorp with greater flexibility when raising capital;
6. provide a vehicle to deliver cash flow from the business of the Corporation to securityholders in a tax efficient manner; and
7. simplify Plazacorp's current corporate structure.

Recommendation of the Board

The Directors, based on their own investigations, have unanimously determined that, in their opinion, the Arrangement is fair and reasonable and in the best interests of the Corporation. Accordingly, the Board has approved the Arrangement and unanimously recommends that Shareholders vote in favour of the Arrangement Resolution at the Meeting.

Effect of the Arrangement on Shareholders

Under the Arrangement, the Common Shares held by Shareholders will be transferred to Plazacorp in consideration for Units on the basis of one Unit for each Common Share so transferred.

Effect of the Arrangement on the Outstanding Debentures and Mortgage Bonds

Convertible Debentures

In connection with the Arrangement, and pursuant to the successor provisions contained in the Convertible Debenture Indenture, the REIT will assume all of the covenants and obligations of Plazacorp under the Convertible Debenture Indenture in respect of the outstanding Convertible Debentures. Provided the Arrangement is completed, holders of Convertible Debentures will thereafter be entitled to receive Units, rather than Common Shares, on conversion of the Convertible Debentures. All other terms and conditions of the Convertible Debenture Indenture will continue to apply. Plazacorp has applied to the TSX for the listing of the Units to be reserved for issuance on conversion of the Convertible Debentures.

Listed Debentures

In connection with the Arrangement, and pursuant to the successor provisions contained in the Listed Debenture Indenture, the REIT will assume all of the covenants and obligations of Plazacorp under the Listed Debenture Indenture in respect of the outstanding Listed Debentures. Provided the Arrangement is completed, holders of Listed Debentures will thereafter be entitled to receive Units, rather than Common Shares, on conversion of the Listed Debentures. All other terms and conditions of the Listed Debenture Indenture will continue to apply.

The Series A Debentures, Series B Debentures, Series C Debentures and Series D Debentures are currently listed and posted for trading on the TSX under the symbols "PLZ.DB.A", PLZ.DB.B", "PLZ.DB.C" and "PLZ.DB.D", respectively. Plazacorp has applied to the TSX for the continued listing of the Listed Debentures after the closing of the Arrangement as well as the Units to be reserved for issuance on conversion of the Listed Debentures.

Non-Convertible Debentures

In connection with the Arrangement, and pursuant to the successor provisions contained in the Non-Convertible Debenture Indenture, the REIT will assume all of the covenants and obligations of Plazacorp under the Non-Convertible Debenture Indenture in respect of the outstanding Non-Convertible Debentures.

Mortgage Bonds

In connection with the Arrangement, and pursuant to the successor provisions contained in the Mortgage Bond Indentures, the REIT will assume all of the covenants and obligations of Plazacorp under the Mortgage Bond Indentures in respect of the outstanding Mortgage Bonds.

Effect of the Arrangement on the RSU Plan

In connection with the Arrangement, the right to be issued Common Shares held pursuant to the RSU Plan will be exchanged for the right to be issued Units, on the basis of one Unit for each Common Share having equivalent terms with the same in-the-money amount, if any, and the RSU Plan will be amended such that participants will be entitled to receive Units in lieu of Common Shares in accordance with the vesting schedule that existed prior to completion of the Arrangement.

In connection with the Arrangement, the RSU Plan will be amended in order to ensure that the Arrangement does not result in a "change of control" for the purposes of such plan and to enable the plans to transition to the REIT upon completion of the Conversion. Such amendments will not result in an acceleration of the vesting provisions under the RSU Plan.

The Arrangement Agreement

The Arrangement is being effected pursuant to the Arrangement Agreement. The Arrangement Agreement contains covenants, representations and warranties from each of the parties thereto and various conditions precedent, both mutual and with respect to each such party. The full text of the Arrangement Agreement is attached as Appendix F to this Information Circular.

Approvals Required for the Arrangement

Shareholder Approval

The Meeting will be held on December 11, 2013 at 10:00 a.m. AST in the Governor's Ballroom "B" of the Delta Fredericton Hotel, 225 Woodstock Road, Fredericton, New Brunswick, E3B 2H8. At the Meeting, Shareholders will be asked to consider, and if thought advisable, pass the Arrangement Resolution in the form attached hereto as Appendix A, with or without variation. Pursuant to the Interim Order, the Arrangement Resolution must be approved by special resolution. Each Shareholder shall have the right to one vote for each Common Share held by such Shareholder.

Court Approval

The NBBCA provides that where it is not practicable for a corporation to effect a fundamental change in the nature of an arrangement under any other provisions of the NBBCA, the corporation may apply to the Court for an order approving an arrangement proposed by the corporation. As it was not considered practicable to effect the Arrangement other than pursuant to an order of the Court, Plazacorp has applied for and obtained the Interim Order which provides for the calling and holding of the Meeting and other procedural matters. The Interim Order is attached as Appendix B to this Information Circular. Subject to the terms of and satisfaction or waiver of the conditions precedent set forth in the Arrangement Agreement, and if the Arrangement Resolution is approved by Shareholders at the Meeting in the manner required by the Interim Order, the Corporation will make application to the Court for the Final Order.

The Court has broad discretion under the NBBCA when making orders with respect to an arrangement and the Court will consider, among other things, the fairness of the Arrangement to the Shareholders (and any other party as the Court determines appropriate). The Court may approve the Arrangement, either as proposed or as amended, in any manner the Court may direct. However, it is a condition of the Arrangement that the Final Order be satisfactory in form and substance to each of the parties to the Arrangement Agreement, acting reasonably.

Exchange Approval

The Common Shares are listed on the Exchange under the symbol "PLZ". The Series A Debentures, Series B Debentures, Series C Debentures and Series D Debentures are currently listed and posted for trading on the TSX under the symbols "PLZ.DB.A", PLZ.DB.B", "PLZ.DB.C" and "PLZ.DB.D", respectively. The Arrangement is conditional upon receiving the approval of the TSX for the listing of the Units issuable in connection with the Arrangement, the continued listing of the Listed Debentures and the listing of the Units issuable on conversion of the Listed Debentures and the Convertible Debentures.

Interests of Certain Persons in the Arrangement

As at the date hereof, the Directors and officers of the Corporation beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 27,031,539 Common Shares, representing approximately 30.81% of the issued and outstanding Common Shares. Each of the Directors and officers has indicated to management of Plazacorp that he or she currently intends to vote all of the Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by him or her in favour of the Arrangement Resolution to be considered at the Meeting.

Dissent Rights

Registered Shareholders are entitled to exercise dissent rights by providing written notice to Plazacorp in the manner described under the heading "*The Arrangement – Dissent Rights*". If a Shareholder dissents, and the Arrangement is completed, the Dissenting Shareholder is entitled to be paid the "fair value" of its Common Shares. Shareholders should carefully read the section in this Information Circular entitled "*The Arrangement – Dissent Rights*" if they wish to exercise Dissent Rights.

THE CORPORATION

The Corporation was incorporated under the NBBCA on February 2, 1999. On December 11, 2002, on receipt of shareholder and regulatory approval, Plazacorp filed articles of amendment with the director under the NBBCA adding certain redemption rights to the Common Shares qualifying it to become a "Mutual Fund Corporation" as defined in the Tax Act.

Plazacorp's head office and principal place of business is located at 527 Queen Street, Suite 200, Fredericton, New Brunswick E3B 1B8. The Common Shares are listed and posted for trading on the TSX under the trading symbol "PLZ".

Plazacorp is in the business of retail property ownership and development. The Corporation develops, redevelops and acquires unenclosed and enclosed retail real estate throughout Canada. It diversifies its asset base both geographically and with a strong mix of national retail tenants.

For a description of the Corporation's business, including a detailed description of the Properties, and the industry in which it operates see the Interim MD&A and "*Business of Plazacorp*" in the AIF, incorporated by reference into this Information Circular.

See "*The Corporation*".

THE REIT

The REIT is an open-ended real estate investment trust formed under the laws of the Province of Ontario pursuant to the Declaration of Trust. The head office of the REIT is located at 527 Queen Street, Suite 200, Fredericton, New Brunswick E3B 1B8.

The REIT was formed to complete the Arrangement with Plazacorp. Following completion of the Arrangement, the REIT, together with its affiliates, will be focused on developing, redeveloping and acquiring unenclosed and enclosed retail real estate, including the assets previously held by Plazacorp.

The Board of Trustees is comprised of the current Directors of the Corporation: Edouard Babineau, Earl Brewer, Richard Hamm, Stephen Johnson, Denis Losier, Barbara Trenholm and Michael Zakuta.

See "*The REIT*".

SELECTED PRO FORMA FINANCIAL INFORMATION

The following summary of pro forma financial information of the REIT should be read in conjunction with, and is qualified in its entirety by, the pro forma financial statements of the REIT attached as Appendix E hereto.

(in thousands of Canadian dollars)	**Year ended December 31, 2012[(1)]**
	(unaudited)
Revenues	$85,808
Operating expenses	(27,813)
Net property operating income	57,995
Share of profit of associates	9,623
Administrative expenses	(9,680)
Investment income	269
Other income	1,744
Other expenses	(31)
Income before finance costs, fair value adjustments, gain (loss) on disposals and income taxes	59,920
Finance costs	(34,608)
Finance costs – net loss from fair value adjustments to convertible debentures	(673)
Finance costs – net revaluation of interest rate swaps	48
Net gain from fair value adjustments to investment properties	37,091
Loss on disposal of surplus land	(43)
Profit before income tax	61,735
Income tax expense	
- Current	(106)
- Deferred	(598)
	(704)
Profit and total comprehensive income for the year	$61,031
Profit and total comprehensive income for the year attributable to:	
- Unitholders	57,556
- Non-controlling interests	3,475
	$61,031

Notes:

(1) Assumes completion of the Arrangement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSEQUENCES

The Conversion will occur on a tax-deferred basis for Plazacorp and its underlying entities. Shareholders resident in Canada generally will not recognize any income, gain, or loss as a result of the Conversion for Canadian federal income tax purposes. For more information, see "*Certain Canadian Federal Income Tax Consequences*".

RISK FACTORS

There are a number of risk factors associated with the Arrangement, including the conditions precedents and third party approvals that must be satisfied for the Arrangement to be completed. In addition, there are a number of risk factors associated with the REIT, including those relating to cash distributions, the status of the REIT, restrictions on redemptions, potential volatility of Unit prices, the nature of investment, the availability of cash flow and dilution. See "*Risk Factors*".

PROXY AND VOTING INFORMATION

Beneficial Shareholders should read the information under the heading "*Proxy and Voting Information – Advice to Beneficial Shareholders*" for an explanation of their rights.

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by management of the Corporation for use at the Meeting to be held in the Governor's Ballroom "B" of the Delta Fredericton Hotel, 225 Woodstock Road, Fredericton, New Brunswick, E3B 2H8 on Thursday, December 11, 2013 at 10:00 a.m. AST and any adjournment thereof. **The information contained herein is as of November 1, 2013 unless otherwise stated.**

The solicitation of proxies will be primarily by mail but proxies may also be solicited personally or by telephone by employees of the Corporation without special compensation or by such agents as the Corporation may appoint. The cost of solicitation will be borne by the Corporation. The Corporation may also pay brokers or nominees holding Common Shares in their names or in the names of their principals for their reasonable expenses in sending solicitation materials to their principals.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof to the attention of CST Trust Company, Proxy Dept., P.O. Box 721, Agincourt, Ontario, M1S 0A1 (i) in the envelope provided, (ii) by email at proxy@canstockta.com or (iii) or by facsimile to 416-368-2502 (Toll Free:1-866-781-3111 Canada & US) at any time up to and including Tuesday, December 9, 2013 until 5:00 p.m. AST.

Record Date

The Corporation will prepare a list of Shareholders of record as at the close of business on the Record Date. Shareholders named on that list will be entitled to vote the Common Shares then registered in their names, except to the extent that (a) the holder has transferred the ownership of any of his/her Common Shares after that date, and (b) the transferee of those Common Shares produces a properly endorsed share certificate, or otherwise establishes that he/she owns the Common Shares, and demands not later than the close of business, 10 days before the Meeting, that his/her name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his/her Common Shares at the Meeting. Shareholders are entitled to one vote at the Meeting for each Common Share held as provided herein.

Appointment of Proxies

A Shareholder has the right to appoint a person (who need not be a Shareholder), other than persons designated in the form of proxy accompanying this Information Circular, as nominee to attend at and act for and on behalf of such Shareholder at the Meeting, as the case may be, and may exercise such right by inserting the name of such person in the blank space provided on the form of proxy applicable to the Meeting. **If a Shareholder appoints a person designated in the form of proxy as nominee and does not direct the said nominee to vote in favour of or against, or to vote or withhold from voting on, as the case may be, any matter or matters with respect to which an opportunity was given to specify how the Common Shares registered in the name of such Shareholder may be voted, the proxy shall be voted in favour of such matter or matters.**

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to CST Trust Company no later than 5:00 p.m. AST on Tuesday, December 9, 2013 in accordance with the delivery instructions contained above under "*Proxy and Voting Information – Solicitation of Proxies*".

Revocation of Proxies

Proxies given by Shareholders for use at the Meeting may be revoked at any time prior to their use. Subject to compliance with the requirements described in the following paragraph, the giving of a proxy will not affect the right of a Shareholder to attend and vote in person at the Meeting.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or his/her attorney duly authorized in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, and deposited with CST Trust Company, in a manner provided above under "*Proxy and Voting Information – Solicitation of Proxies*", at any time up to and including 5:00 pm on the last business day preceding the day of the Meeting, or any adjournment thereof, as applicable, or, with the Chairman at the Meeting on the day of such meeting or any adjournment thereof, and upon any such deposit, the proxy is revoked.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold their Common Shares in their own names, rather they are held through a broker, dealer, bank, trust company or other nominee (such Shareholders referred to as "**Beneficial Shareholders**"). If the Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those shares will not be registered in the Shareholder's own name on the records of the Corporation maintained by CST Trust Company such Common Shares will more likely be registered in the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of shares are registered in the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting**.

Applicable Canadian regulatory policy requires brokers or other nominees to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings by forwarding a voting instruction form (Form 54-101F7 *Request for Voting Instructions made by Intermediary* under National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"). Brokers and other nominees have their own mailing and delivery procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. In Canada, many brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). In most cases, Broadridge mails a scannable voting instruction form and asks Beneficial Shareholders to return the form to Broadridge. Alternatively, Beneficial Shareholders can either call Broadridge's toll free telephone number to provide voting instructions, or access Broadridge's dedicated voting web site at www.proxyvote.com to deliver their voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions to the Corporation respecting the voting of Common Shares to be represented at the Meeting.

A Beneficial Shareholder will not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his/her/its broker; however, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who want to attend the Meeting in person and vote as proxy holder can enter their own names or the names of their appointees in the place provided for that purpose in the voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.** Subject to the basic requirements described below, intermediaries do have flexibility as to the specific method used to appoint Beneficial Shareholders as proxy holders, and Beneficial Shareholders should carefully follow all instructions they receive.

An intermediary who is the registered holder of, or holds a proxy in respect of, securities owned by a Beneficial Shareholder must arrange, without expense to the Beneficial Shareholder, to appoint the Beneficial Shareholder or a nominee of the Beneficial Shareholder as a proxy holder in respect of those securities if the Beneficial Shareholder has instructed the intermediary to do so using either of the following methods: (a) the Beneficial Shareholder filled in and submitted the Form 54-101F7 previously sent to the Beneficial Shareholder by the intermediary; or (b) the Beneficial Shareholder submitted any other document in writing that requests that the Beneficial Shareholder or a nominee of the Beneficial Shareholder be appointed as a proxy holder. If an intermediary appoints a Beneficial Shareholder or a nominee of the Beneficial Shareholder as a proxy holder as aforesaid, the Beneficial Shareholder or nominee of the Beneficial Shareholder, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of the intermediary in respect of all matters that may come before the Meeting and any adjournment or

continuance thereof, unless corporate law does not permit the giving of that authority. An intermediary who appoints a Beneficial Shareholder as proxy holder as aforesaid must deposit the proxy within the timeframe specified above, if the intermediary obtains the instructions at least one business day before the termination of that time.

Beneficial Shareholders fall into two categories – those who object to their identity being made known to the issuers of securities which they own ("**Objecting Beneficial Owners**" or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**" or "**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries. Pursuant to NI 54-101, issuers may obtain and use the NOBO list in connection with any matters relating to the affairs of the issuer, including the distribution of proxy-related materials directly to NOBOs. The Corporation is not sending Meeting materials directly to NOBOs; the Corporation uses and pays intermediaries and agents to send the Meeting materials. The Corporation also intends to pay for intermediaries to deliver the Meeting materials to OBOs.

Beneficial Shareholders should contact their broker or other intermediary if they have any questions regarding the voting of Common Shares held through that broker or other intermediary.

Voting of Proxies

The persons named in the form of proxy accompanying this Information Circular have indicated their willingness to represent as proxy the Shareholder who appointed them. Each Shareholder may instruct his/her/its proxy how to vote his/her/its Common Shares by completing the blanks on the proxy form.

Common Shares represented by properly executed proxy forms in favour of the person designated on the form will be voted for, against or withheld from voting (as the case may be), in accordance with the instructions given on the proxy forms. In the absence of such instructions, the Common Shares will be voted "FOR" the Arrangement Resolution.

The proxy form accompanying this Information Circular confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the accompanying Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As at November 1, 2013, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

Voting Common Shares and Principal Holders thereof

The Corporation has authorized share capital consisting of an unlimited number of Common Shares without nominal or par value, of which 87,726,450 Common Shares are issued and outstanding as at November 1, 2013. In addition, the Corporation is authorized to issue an unlimited number of preferred shares, none of which have been issued as at the date hereof.

The following table lists those persons and companies of record who own or are known to the Corporation to own beneficially, directly or indirectly, more than 10% of the issued and outstanding Common Shares of the Corporation as at November 1, 2013:

Name	Number of Common Shares owned	Percentage of Total Common Shares Outstanding
Michael Zakuta [(1)]	11,124,458	12.68%

Notes:

(1) Michael Zakuta, President and Chief Executive Officer of the Corporation, owns or controls beneficially 11,124,458 Common Shares (12.68%) either directly or indirectly through his controlling interest in other Shareholders of the Corporation, including Les Immeubles Plaza Z-Corp. Inc. Les Immeubles Plaza Z-Corp. Inc. holds 7,229,329 Common Shares or 8.24%. Michael Zakuta also owns or controls an investment in various series of Plazacorp convertible debentures which may be convertible to 110,526 Common Shares at any time (such shares are not included in the total Common Shares above).

THE ARRANGEMENT

General

The purpose of the Arrangement is to convert Plazacorp from a corporate structure to a real estate investment trust structure (the "**Conversion**"). The Arrangement will result in Shareholders transferring their Common Shares to Plazacorp in consideration for Units. All Shareholders will be treated equally under the Arrangement and there are no unique benefits under the terms of the Arrangement to any Shareholder.

In connection with the Arrangement, and pursuant to the successor provisions contained in the respective indentures, the REIT will assume all of the covenants and obligations of the Corporation in respect of the Convertible Debentures and the Listed Debentures. Provided the Arrangement is completed, holders of Convertible Debentures and the Listed Debentures will thereafter be entitled to receive Units, rather than Common Shares, on conversion after the Effective Time, on the same conversion basis as was applicable to the Common Shares previously issuable upon conversion of the Convertible Debentures and the Listed Debentures, subject to adjustment in certain events.

Background to and Reasons for the Arrangement

The Directors and management of Plazacorp have substantial experience with public companies and in the real estate sector and have recently considered and declared their intention to complete a reorganization of the Corporation into a real estate investment trust. After a review of, among other factors, the suitability of the Corporation's anticipated business for a real estate investment trust, the Corporation's business prospects and the current environment and trading levels for other real estate investment trusts, the Board concluded that value for Shareholders could be enhanced by converting the Corporation to a real estate investment trust.

In reaching its determination and making its recommendation set out below, the Board considered a number of factors, including the mechanics, structure and timing of implementation of the Arrangement, the availability of rights for Shareholders to dissent from the Arrangement and the requirement that the Arrangement be approved by two-thirds of the Common Shares voted in person or by proxy at the Meeting.

Plazacorp has decided to pursue the Arrangement as the resulting structure will:

1. enhance Shareholder value;

2. allow for Plazacorp to be more comparable to its peers;

3. represent the preferred vehicle in Canada for owning real estate;

4. create a favourable platform for growth and development of the Properties and business of the Corporation;

5. provide Plazacorp with greater flexibility when raising capital;

6. provide a vehicle to deliver cash flow from the business of the Corporation to securityholders in a tax efficient manner; and

7. simplify Plazacorp's current corporate structure.

The Board also considered the costs and expenses of the Conversion, including professional expenses, tax obligations triggered by the Conversion and other costs. The Board concluded that the benefits to securityholders of the Conversion (as more fully described above, including an anticipated enhanced valuation, increased free cash flow and improved potential returns to Unitholders) warrant the incurrence of such costs.

The foregoing discussion of the information and factors considered and given weight by the Board is not intended to be exhaustive. In reaching the determination to approve and recommend the Arrangement, the Board did not assign

any relative or specific weights to the foregoing factors, and individual directors may have given different weights to different factors.

Recommendation of the Board

The Directors, based on their own investigations, have unanimously determined that, in their opinion, the Arrangement is fair and reasonable and in the best interests of the Corporation. Accordingly, the Board has approved the Arrangement and unanimously recommends that Shareholders vote in favour of the Arrangement Resolution at the Meeting.

Each member of the Board who is also a Shareholder intends to vote all Common Shares, directly or indirectly, held or controlled by him or her in favour of the Arrangement Resolution. As at November 1, 2013, the Directors beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 26,951,209 Common Shares, representing approximately 30.72% of the issued and outstanding Common Shares. See "*The Arrangement–Interests of Certain Persons in the Arrangement*".

General Description of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Arrangement Agreement and the Plan of Arrangement attached as Appendix F to this Information Circular.

Plazacorp and the REIT have entered into the Arrangement Agreement, which provides for the implementation of the Plan of Arrangement pursuant to section 128 of the NBBCA. Generally speaking, pursuant to the Arrangement, Shareholders of Plazacorp will become holders of Units and will no longer own Common Shares. The Arrangement will become effective on the date of filing of the Final Order and the Articles of Arrangement and related documents in the form prescribed by the NBBCA with the Director.

Arrangement Transactions

At the Effective Time, each of the events described below will, except as otherwise expressly provided, be deemed to occur in the order set forth below without further act or formality:

Dissenting Shareholders

(a) the Common Shares held by Dissenting Shareholders shall be deemed to have been transferred to Plazacorp (free and clear of any claims) and cancelled and such Dissenting Shareholders shall cease to have any rights as Shareholders other than the right to be paid the fair value of their Common Shares in accordance with Article 4 of the Arrangement Agreement and the Interim Order;

Transfer of Assets of Direct Subtrusts

(b) the declaration of trusts of four trusts, all of the units of which are owned, directly or indirectly, by the Corporation, namely, Plazacorp Real Estate Investment Trust, Plaza LPC Commercial Trust, Plaza MDO Commercial Trust, and Commercial St. Plaza Trust (collectively referred to as the "**Direct Subtrusts**") shall be amended to match the declaration of trust of a newly-formed Ontario trust ("**Trust A**") in all material respects, and to allow for the transfer of the Direct Subtrusts' property to Trust A for no consideration other than the assumption of the Direct Subtrusts' liabilities;

(c) all the property of the Direct Subtrusts shall be simultaneously transferred to and acquired by Trust A for no consideration other than the assumption of the Direct Subtrusts' liabilities, after which transfers the Direct Subtrusts shall cease to exist;

Transfer of Assets of Trust A

(d) the declaration of trust of KEYreit (a trust, all of the units of which are owned directly by the Corporation) shall be amended to match the declaration of trust of Trust A in all material respects;

(e) all the property of Trust A shall be transferred to KEYreit for no consideration other than the assumption of Trust A's debts for which the property so transferred can reasonably be considered to be security, after which transfer Trust A shall cease to exist;

Distribution of Units and the Transfer of Assets of Plazacorp

(f) the REIT will complete a unit split of its outstanding Units into such number of Units equal to the number of Common Shares outstanding at such time, less one;

(g) Plazacorp will make a distribution to its shareholders as a return of stated capital, consisting of one Unit for each Common Share held by Shareholders plus a nominal amount of cash, withholding such amounts as are required by law;

(h) all of the properties of Plazacorp shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of Plazacorp, including, in particular, those liabilities referred to in (kk), (ll), (mm) and (nn) below, and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties transferred less the aggregate amount of such liabilities;

(i) Shareholders will dispose of their Common Shares to Plazacorp in exchange for such number of Units with a fair market value equal to that of the Common Shares so exchanged;

(j) the REIT will subscribe for one Common Share for a nominal amount;

(k) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

Formation of REIT #2, Distribution of Units and the Transfer of Assets of KEYreit and REIT #2

(l) a trust shall be formed by the REIT under the laws of Ontario ("**REIT #2**"), and the REIT shall contribute a nominal amount of cash to REIT #2 in exchange for such number of units of REIT #2 equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

(m) all the property of KEYreit shall be transferred to REIT #2 for no consideration other than the assumption of its debts for which the property so transferred can reasonably be considered to be security, after which transfer KEYreit shall cease to exist;

(n) the REIT shall make a pro rata distribution to its unitholders as a return of capital, consisting of a sufficient number of units of REIT #2 such that REIT #2 will satisfy the conditions of 132(6)(c) of the Tax Act to be a mutual fund trust;

(o) all of the properties of REIT #2 (less $1.00 of property) shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of REIT #2 and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties of REIT #2 less the aggregate amount of such liabilities;

(p) REIT #2 unitholders will dispose of their units of REIT #2 to REIT #2 in exchange for such number of Units with a market value equal to that of the units of REIT #2 so exchanged (with the exception

of the REIT which will retain one unit of REIT #2), with REIT #2 directing the REIT to deliver those Units directly to unitholders of REIT #2;

(q) The Units of itself that the REIT shall receive in (p) above will be cancelled for no consideration.

(r) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

Formation of REIT #3, Distribution of Units and the Transfer of Assets of Plazacorp Operating Trust and REIT #3

(s) a trust shall be formed by the REIT under the laws of Ontario ("**REIT #3**"), and the REIT shall contribute a nominal amount of cash to REIT #3 in exchange for such number of units of REIT #3 equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

(t) the declaration of trust of Plazacorp Operating Trust (a trust, all of the units of which are owned by the REIT) shall be amended to match the declaration of trust of REIT #3 in all material respects;

(u) all the property of Plazacorp Operating Trust shall be transferred to REIT #3 for no consideration other than the assumption of its debts for which the property so transferred can reasonably be considered to be security, after which transfer Plazacorp Operating Trust shall cease to exist;

(v) the REIT shall make a pro rata distribution to its unitholders as a return of capital, consisting of a sufficient number of units of REIT #3 such that REIT #3 will satisfy the conditions of 132(6)(c) of the Tax Act to be a mutual fund trust;

(w) all of the properties of REIT #3 (less $1.00 of property) shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of REIT #3 and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties of REIT #3 less the aggregate amount of such liabilities;

(x) REIT #3 unitholders will dispose of their units of REIT #3 to REIT #3 in exchange for such number of Units with a market value equal to that of the units of REIT #3 so exchanged (with the exception of the REIT which will retain one unit of REIT #3), with REIT #3 directing the REIT to deliver those Units directly to unitholders of REIT #3;

(y) the Units of itself that the REIT shall receive in (x) above will be cancelled for no consideration;

(z) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

Formation of REIT #4, Distribution of Units and the Transfer of Assets of SR Operating Trust and REIT #4

(aa) a trust shall be formed by the REIT under the laws of Ontario ("**REIT #4**"), and the REIT shall contribute a nominal amount of cash to REIT #4 in exchange for such number of units of REIT #4 equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

(bb) the declaration of trust of SR Operating Trust (a trust, all of the units of which are owned by the REIT) shall be amended to match the declaration of trust of REIT #4 in all material respects;

(cc) all the property of SR Operating Trust shall be transferred to REIT #4 for no consideration other than the assumption of its debts for which the property so transferred can reasonably be considered to be security, after which transfer SR Operating Trust shall cease to exist;

(dd) the REIT shall make a pro rata distribution to its unitholders as a return of capital, consisting of a sufficient number of units of REIT #4 such that REIT #4 will satisfy the conditions of 132(6)(c) of the Tax Act to be a mutual fund trust;

(ee) all of the properties of REIT #4 (less $1.00 of property) shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of REIT #4 and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties of REIT #4 less the aggregate amount of such liabilities;

(ff) REIT #4 unitholders will dispose of their units of REIT #4 to REIT #4 for such number of Units with a market value equal to that of the units of REIT #4 so exchanged (with the exception of the REIT which will retain one unit of REIT #4), with REIT #4 directing the REIT to deliver those Units directly to unitholders of REIT #4;

(gg) The Units of itself that the REIT shall receive in (ff) above will be cancelled for no consideration.

(hh) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

RSUs

(ii) the REIT will enter into an amended and restated RSU Plan;

(jj) current RSUs will be exchanged solely for new RSUs having equivalent terms and the same in-the-money amounts, if any;

Debentures and Mortgage Bonds

(kk) the REIT will enter into an assumption agreement with the Convertible Debenture Trustee, in accordance with the applicable requirements of the Convertible Debenture Indenture and otherwise comply with any additional requirements of the Convertible Debenture Indenture, pursuant to which the REIT will assume all of the covenants and obligations of Plazacorp under the Convertible Debentures concurrent with (h) above;

(ll) the REIT will enter into a supplemental indenture with the Listed Debenture Trustee, in accordance with the applicable requirements of the Listed Debenture Indenture and otherwise comply with any additional requirements of the Listed Debenture Indenture, pursuant to which the REIT will assume all of the covenants and obligations of Plazacorp under the Listed Debentures concurrent with (h) above;

(mm) the REIT will assume all of the covenants and obligations of Plazacorp under the Non-Convertible Debenture Indenture in respect of the outstanding Non-Convertible Debentures concurrent with (h) above;

(nn) the REIT will assume all of the covenants and obligations of Plazacorp under the Mortgage Bond Indentures in respect of the outstanding Mortgage Bonds concurrent with (h) above.

Once the necessary filings and elections in respect of the Arrangement have been made, REIT #2, REIT #3, and REIT #4 will be dissolved.

If the Meeting is held as scheduled and is not adjourned and the other necessary conditions are satisfied or waived, Plazacorp will apply for the Final Order approving the Arrangement on December 12, 2013. If the Final Order is obtained on December 12, 2013 in form and substance satisfactory to the Corporation and the REIT, and all other conditions precedent to the Arrangement contained in the Arrangement Agreement are satisfied or waived, the Corporation expects the Effective Time to be the beginning of the day on January 1, 2014.

The Arrangement will become effective upon the filing with the Director of the Articles of Arrangement and a copy of the Final Order, together with such other materials as may be required by the Director.

Fractional Units

No fractional Units of the REIT will be issued and no cash will be paid in lieu thereof. If as a result of the Arrangement, a Shareholder becomes entitled to a fractional Unit of the REIT, such fraction will be rounded down to the nearest whole number.

Effect of the Arrangement on Shareholders

Under the Arrangement, the Common Shares held by Shareholders will be transferred to Plazacorp in consideration for Units on the basis of one Unit for each Common Share so transferred.

Effect of the Arrangement on the Outstanding Debentures and Mortgage Bonds

Convertible Debentures

As at November 1, 2013, there were $15,362,000 in aggregate principal amount of Convertible Debentures outstanding. The Convertible Debentures are convertible into Common Shares at the option of the holder at any time prior to the close of business on the earlier of maturity of the Convertible Debentures and the Business Day immediately preceding the date specified by Plazacorp for redemption of the Convertible Debentures, at the conversion price of $3.80, subject to adjustment or the occurrence of certain events. In connection with the Arrangement, and pursuant to the successor provisions contained in the Convertible Debenture Indenture, the REIT will assume all of the covenants and obligations of Plazacorp under the Convertible Debenture Indenture in respect of the outstanding Convertible Debentures. Provided the Arrangement is completed, holders of Convertible Debentures will thereafter be entitled to receive Units, rather than Common Shares, on conversion after the Effective Time, on the same conversion basis as was applicable to the Common Shares previously issuable upon conversion of the Convertible Debentures, subject to adjustment in certain events. All other terms and conditions of the Convertible Debenture Indenture will continue to apply. Plazacorp has applied to the TSX for the listing of the Units to be reserved for issuance on conversion of the Convertible Debentures.

Listed Debentures

The Series A Debentures, Series B Debentures, Series C Debentures and Series D Debentures (collectively, the "**Listed Debentures**") were issued pursuant to the Listed Debenture Indenture.

In connection with the Arrangement, and pursuant to the successor provisions contained in the Listed Debenture Indenture, the REIT will assume all of the covenants and obligations of Plazacorp under the Listed Debenture Indenture in respect of the outstanding Listed Debentures. Provided the Arrangement is completed, holders of Listed Debentures will thereafter be entitled to receive Units, rather than Common Shares, on conversion of the Listed Debentures. All other terms and conditions of the Listed Debenture Indenture will continue to apply.

The Series A Debentures, Series B Debentures, Series C Debentures and Series D Debentures are currently listed and posted for trading on the TSX under the symbols "PLZ.DB.A", PLZ.DB.B", "PLZ.DB.C" and "PLZ.DB.D", respectively. Plazacorp has applied to the TSX for the continued listing of the Listed Debentures after the closing of the Arrangement as well as the Units to be reserved for issuance on conversion of the Listed Debentures.

Series A Debentures

As at November 1, 2013, there was $15,991,000 in aggregate principal amount of Series A Debentures outstanding. Each $1,000 principal amount of the Series A Debentures is convertible into $117.25 in cash and 188 Common Shares at the option of the holder at any time prior to the close of business on the earlier of maturity of the Series A Debentures and the Business Day immediately preceding the date specified by Plazacorp for redemption of the Series A Debentures.

Series B Debentures

As at November 1, 2013, there was $9,155,000 in aggregate principal amount of Series B Debentures outstanding. Each $1,000 principal amount of the Series B Debentures is convertible into $99.76 in cash and 169 Common Shares at the option of the holder at any time prior to the close of business on the earlier of maturity of the Series B Debentures and the Business Day immediately preceding the date specified by Plazacorp for redemption of the Series B Debentures.

Series C Debentures

As at November 1, 2013, there was $16,921,000 in aggregate principal amount of Series C Debentures outstanding. Each $1,000 principal amount of the Series C Debentures is convertible into $112.76 in cash and 190 Common Shares at the option of the holder at any time prior to the close of business on the earlier of maturity of the Series C Debentures and the Business Day immediately preceding the date specified by Plazacorp for redemption of the Series C Debentures.

Series D Debentures

As at November 1, 2013, there was $30,000,000 in aggregate principal amount of Series D Debentures outstanding. The Series D Debentures are convertible into Common Shares at the option of the holder at any time prior to the close of business on the earlier of maturity of the Series D Debentures and the Business Day immediately preceding the date specified by Plazacorp for redemption of the Series D Debentures, at the conversion price of $5.75, subject to adjustment or the occurrence of certain events.

Non-Convertible Debentures

As at November 1, 2013, there were $4,000,000 in aggregate principal amount of Non-Convertible Debentures outstanding. In connection with the Arrangement, and pursuant to the successor provisions contained in the Non-Convertible Debenture Indenture, the REIT will assume all of the covenants and obligations of Plazacorp under the Non-Convertible Debenture Indenture in respect of the outstanding Non-Convertible Debentures.

Mortgage Bonds

As at November 1, 2013, there was $11,085,000 in aggregate principal amount of Mortgage Bonds outstanding. In connection with the Arrangement, and pursuant to the successor provisions contained in the Mortgage Bond Indentures, the REIT will assume all of the covenants and obligations of Plazacorp under the Mortgage Bond Indentures in respect of the outstanding Mortgage Bonds.

Effect of the Arrangement on the RSU Plan

Directors, officers and employees of Plazacorp are eligible to participate in the RSU Plan. In connection with the Arrangement, the right to be issued Common Shares pursuant to the RSU Plan will be exchanged for the right to be issued Units, on the basis of one Unit for each Common Share having equivalent terms and the same in-the-money amount, if any, and the RSU Plan will be amended such that participants will be entitled to receive Units in lieu of Common Shares in accordance with the vesting schedule that existed prior to completion of the Arrangement.

In connection with the Arrangement, the RSU Plan will be amended in order to ensure that the Arrangement does not result in a “change of control” for the purposes of such plan and to enable the plans to transition to the REIT upon

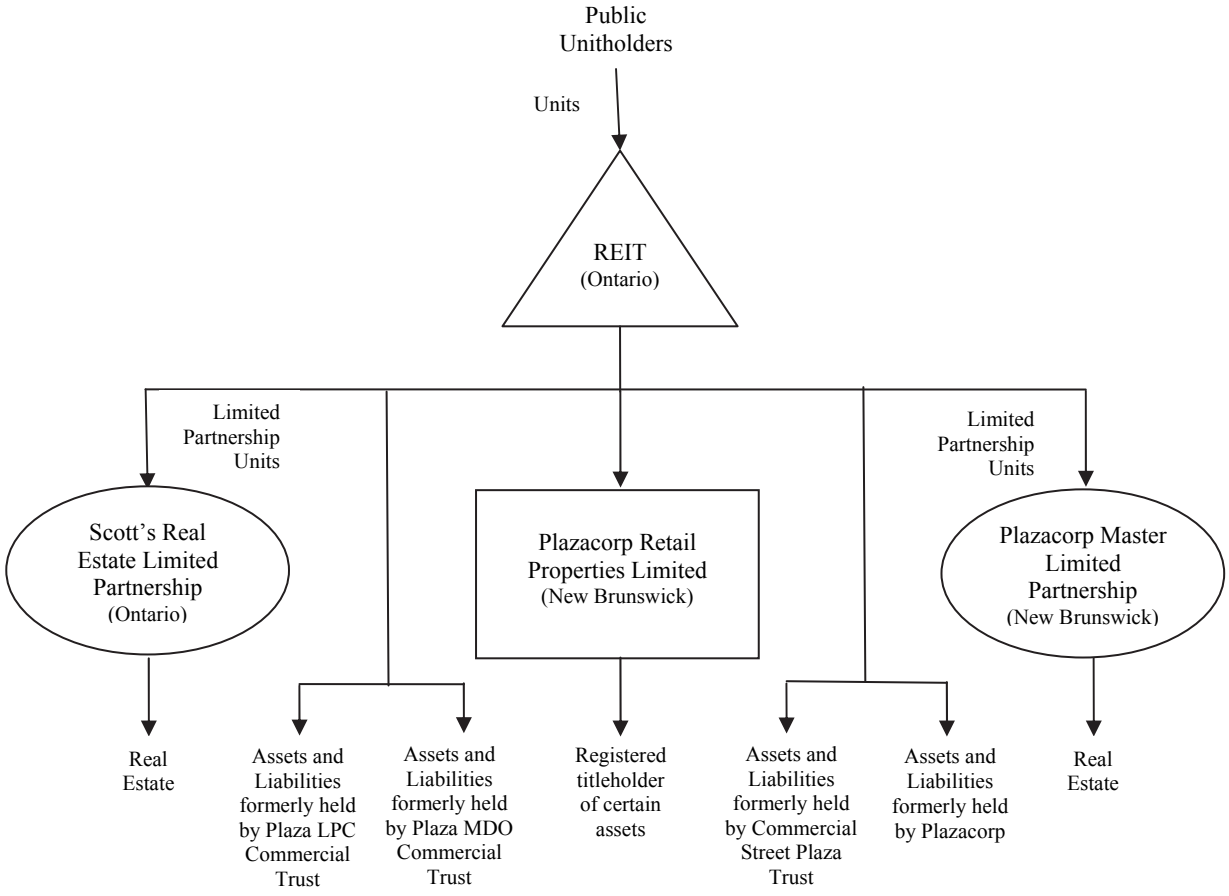
completion of the Conversion. Such amendments will not result in an acceleration of the vesting provisions under the RSU Plan.

The form of the amended RSU Plan has been approved by the Board, and upon completion of the Arrangement, the approved form will be confirmed, ratified and approved by the Board of Trustees.

Structure Following Completion of the Arrangement

Immediately following the implementation of the Arrangement and related transactions described in this Information Circular, each of the Properties will be held directly or indirectly by the REIT. Pursuant to the Declaration of Trust, the Trustees, without any action or consent by the Unitholders, will have the right to implement an internal reorganization of the assets of the REIT and/or any of the REIT's subsidiaries (including, without limitation, forming additional trusts or limited partnerships to be subsidiaries of the REIT).

The following diagram illustrates the structure of the REIT upon completion of the Arrangement:



The Arrangement Agreement

The following description of certain material provisions of the Arrangement Agreement is a summary only, is not comprehensive and is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is attached as Appendix F to this Information Circular.

The Arrangement is being effected pursuant to the Arrangement Agreement. The Arrangement Agreement contains covenants, representations and warranties of and from each of the parties thereto and various conditions precedent, both mutual and with respect to each such party.

The Arrangement Agreement is attached as Appendix F to this Information Circular and reference is made to the full text thereof.

Mutual Conditions Precedent

The Arrangement Agreement provides that the obligations of the parties to complete the Arrangement are subject to the fulfillment, at or before the Effective Time, of each of the following conditions precedent, each of which may only be waived by the mutual consent of the parties:

(a) the Arrangement Resolution shall have been approved by not less than two-thirds of the votes cast by the Shareholders voting together as a single class, in person or by proxy, at the Meeting;

(b) the Final Order approving the Arrangement shall have been obtained from the Court in form and substance satisfactory to the parties to the Arrangement Agreement;

(c) the Articles of Arrangement, together with a copy of the Plan of Arrangement and the Final Order and such other materials as may be required by the Director, in form and substance satisfactory to the parties to the Arrangement Agreement, acting reasonably, shall have been filed with the Director in accordance with subsection 128 of the NBBCA;

(d) there shall not be in force any order or decree of a court of competent jurisdiction or of any federal, provincial, municipal or other governmental department, commission, board, agency or regulatory body restraining, interfering with or enjoining the consummation of the transactions contemplated by this Agreement;

(e) no action shall have been instituted and be continuing at the Effective Time for an injunction to restrain, a declaratory judgment in respect of, or damages on account of, or relating to, the Arrangement, there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and no cease trading or similar order with respect to any securities of any of the parties to the Arrangement Agreement shall have been issued and remain outstanding;

(f) none of the consents, orders, rulings, decisions, approvals, opinions or assurances required for the implementation of the Arrangement shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by any of the parties to the Arrangement Agreement;

(g) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement, including any material change to the income tax laws of Canada, or any province or territory thereof, or which would have a material adverse effect upon Shareholders or the REIT and its affiliates if the Arrangement is completed;

(h) Shareholders who immediately prior to the Effective Time are not resident in Canada for the purposes of the Tax Act (based on reasonable evidence available to the board of directors of Plazacorp) and who are to receive Units under the Arrangement shall not, in the aggregate, immediately following Closing, own in excess of 49% of all then outstanding Units;

(i) there shall not, as of the Effective Time, be Shareholders that hold, in aggregate, in excess of 5% of all Common Shares, that have validly exercised their rights of dissent under the Interim Order;

(j) the approval of the TSX of the listing of the Units to be issued pursuant to the Arrangement, the Listed Debentures and the Units issuable on conversion of the Listed Debentures and the Convertible Debentures shall have been obtained, subject only to the filing of required documents which cannot be filed prior to the Effective Time; and

(k) the Arrangement Agreement shall not have been terminated pursuant to its terms.

Additional Conditions Precedent to the Obligations of each Party to the Arrangement Agreement

The Arrangement Agreement provides that the obligation of each party thereto to complete the transactions contemplated by the Arrangement Agreement is further subject to the condition, which may be waived by each such party without prejudice to its right to rely on any other condition in its favour, that the covenants of the other parties to be performed at or before the Effective Time pursuant to the terms of the Arrangement Agreement shall have been duly performed by them and that the representations and warranties of the other parties shall be true and correct in all material respects as at the Effective Time.

Representations and Warranties

The Arrangement Agreement contains customary representations and warranties on the part of Plazacorp relating to, among others matters, organization, corporate authority, corporate status, compliance with laws and conflict with or breach of agreements or constating documents. The Arrangement Agreement also contains representations and warranties of the REIT relating to organization, authority, status, compliance with laws and conflict with or breach of agreements or constating documents.

Covenants

The Arrangement Agreement also contains customary negative and positive covenants on the part of the parties thereto.

In the Arrangement Agreement, Plazacorp has agreed, among other things, to perform all of its obligations under the Arrangement Agreement, and further covenants that it will:

(a) take all actions necessary to give effect to the transactions contemplated by the Arrangement Agreement and the Arrangement;

(b) apply to the Court for the Interim Order;

(c) convene the Meeting as ordered by the Interim Order and conduct the Meeting in accordance with the Interim Order and the by-laws of Plazacorp as otherwise required by law;

(d) use reasonable efforts to cause certain of the conditions precedent set forth in the Arrangement Agreement which are within its control to be satisfied at or before the Effective Time;

(e) subject to the approval of the Arrangement Resolution by the Shareholders, submit the Arrangement to the Court and apply for the Final Order; and

(f) upon issuance of the Final Order and subject to the conditions precedent in the Arrangement Agreement, proceed to file certain Arrangement filings in accordance with the NBBCA.

In the Arrangement Agreement, the REIT has agreed to, among other things, perform all of its obligations under the Arrangement Agreement and all such other acts and things as may be necessary to consummate and make effective the transactions contemplated by the Arrangement Agreement, including such specific actions relating to issuing the Units.

Procedure for the Arrangement Becoming Effective

The Arrangement is proposed to be carried out pursuant to Section 128 of the NBBCA. The following procedural steps must be taken for the Arrangement to become effective:

(a) the Arrangement must be approved by the Shareholders at the Meeting as described herein;

(b) the Arrangement must be approved by the Court pursuant to the Final Order;

(c) all conditions precedent to the Arrangement, including those set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate parties;

(d) the Articles of Arrangement and related documents in the form prescribed by the NBBCA, together with a copy of the Final Order and Plan of Arrangement must be filed with the Director; and

(e) the Certificate must be issued by the Director.

Approvals Required for the Arrangement

Shareholder Approval

The Meeting will be held on December 11, 2013 at 10:00 a.m. AST in the Governor's Ballroom "B" of the Delta Fredericton Hotel, 225 Woodstock Road, Fredericton, New Brunswick, E3B 2H8. At the Meeting, Shareholders will be asked to consider, and if thought advisable, pass the Arrangement Resolution in the form attached hereto as Appendix A, with or without variation. Pursuant to the Interim Order, the Arrangement Resolution must be approved by special resolution. Each Shareholder shall have the right to one vote for each Common Share held by such Shareholder.

Each member of the Board who is also a Shareholder intends to vote all Common Shares, directly or indirectly, held or controlled by him or her in favour of the Arrangement Resolution. As at November 1, 2013, the Directors beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 26,951,209 Common Shares, representing approximately 30.72% of the issued and outstanding Common Shares. See "*The Arrangement–Interests of Certain Persons in the Arrangement*".

Court Approval

The NBBCA provides that where it is not practicable for a corporation to effect a fundamental change in the nature of an arrangement under any other provisions of the NBBCA, the corporation may apply to the Court for an order approving an arrangement proposed by the corporation. As it was not considered practicable to effect the Arrangement other than pursuant to an order of the Court, Plazacorp has applied for and obtained the Interim Order which provides for the calling and holding of the Meeting and other procedural matters. The Interim Order is attached as Appendix B to this Information Circular. Subject to the terms of and satisfaction or waiver of the conditions precedent set forth in the Arrangement Agreement, and if the Arrangement Resolution is approved by Shareholders at the Meeting in the manner required by the Interim Order, the Corporation will make application to the Court for the Final Order.

As set forth in the Interim Order, the hearing in respect of the Final Order is scheduled to take place at 1:30 p.m. AST on December 12, 2013, or as soon thereafter as counsel may be heard, at The Court of Queen's Bench of New Brunswick, Saint John Law Courts, P.O. Box 5001, 10 Peel Plaza, Saint John, New Brunswick E2L 3G6. Shareholders desiring to appear and make submissions at the hearing of the application for the Final Order are required to appear at the said hearing in person or by a lawyer appearing on their behalf and may present evidence by way of affidavit, provided a copy of such affidavit is served upon the Applicant or its counsel, Stephen J. Hutchison, Stewart McKelvey, 44 Chipman Hill, 10th Floor, P.O. Box 7289 Station "A", Saint John, New Brunswick E2L 4S6, at least four days prior to the date set for the hearing of the application for the final Order, and proof of such service is filed with the Clerk of The Court of Queen's Bench, judicial district of Saint John, 10 Peel Plaza, Saint John, New Brunswick prior to the hearing.

Prior to the hearing on the Final Order, the Court will be informed that the Final Order will constitute the basis for an exemption from registration under the 1933 Act for the Units to be issued to Shareholders in the Arrangement pursuant to Section 3(a)(10) of the 1933 Act. The Court will be provided with what the Corporation believes will be sufficient information to determine the value of both the Common Shares being exchanged and the Units being issued. Such information will include, among other things, this Information Circular.

The Court has broad discretion under the NBBCA when making orders with respect to an arrangement and the Court will consider, among other things, the fairness of the Arrangement to the Shareholders (and any other party as the Court determines appropriate). The Court may approve the Arrangement, either as proposed or as amended, in any manner the Court may direct. However, it is a condition of the Arrangement that the Final Order be satisfactory in form and substance to each of the parties to the Arrangement Agreement, acting reasonably.

Exchange Approval

The Common Shares are listed on the Exchange under the symbol "PLZ". The Series A Debentures, Series B Debentures, Series C Debentures and Series D Debentures are currently listed and posted for trading on the TSX under the symbols "PLZ.DB.A", PLZ.DB.B", "PLZ.DB.C" and "PLZ.DB.D", respectively. The Arrangement is conditional upon receiving the approval of the TSX for the listing of the Units issuable in connection with the Arrangement, the continued listing of the Listed Debentures and the listing of the Units issuable on conversion of the Listed Debentures and the Convertible Debentures.

Procedure for Exchange of Common Shares

Shareholders must complete and return the Letter of Transmittal, together with the certificate(s) representing their Common Shares, to the Depositary at one of the offices specified in the Letter of Transmittal, to transfer their Common Shares to Plazacorp for Units under the Arrangement.

Any use of the mail to transmit a certificate for Common Shares and a related Letter of Transmittal is at the risk of the Shareholder. If these documents are mailed, it is recommended that registered mail, with return receipt requested, properly insured, be used.

Whether or not Shareholders forward the certificates representing their Common Shares, upon completion of the Arrangement at the Effective Time, Shareholders will cease to be shareholders of the Corporation as of the Effective Time and will only be entitled to receive the consideration to which they are entitled under the Plan of Arrangement, or in the case of Shareholders who properly exercise dissent rights, the right to receive fair value for their Common Shares in accordance with the dissent procedures. See "*The Arrangement – Dissent Rights*".

Certificates representing the appropriate number of Units, issuable to a former holder of Common Shares who has complied with the procedures set out above will, as soon as practicable after the Effective Time, (i) be forwarded to the holder at the address specified in the Letter of Transmittal by first class mail, postage prepaid, or (ii) be made available at the principal offices of the Depositary in Toronto for pick up by the holder as requested by the holder in the Letter of Transmittal.

Where a certificate for Common Shares has been destroyed, lost or mislaid, the registered holder of that certificate should immediately contact the Depositary regarding the issuance of a replacement certificate upon the holder satisfying such requirements as may be imposed by the Corporation in connection with issuance of the replacement certificate.

It is recommended that Shareholders (other than Shareholders intending to exercise Dissent Rights) complete, sign and return the Letter of Transmittal with accompanying Common Share certificates to the Depositary as soon as possible and preferably prior to 5:00 p.m. AST on the second last Business Day immediately preceding the date of the Meeting.

Any certificate formerly representing Common Shares that is not deposited with all other documents as required by the Plan of Arrangement on or before the sixth anniversary of the Effective Date will cease to represent a right or

claim of any kind or nature, including the right of the holder of such Common Shares to receive Units contemplated by Section 3.1 of the Plan of Arrangement.

Interests of Certain Persons in the Arrangement

As at the date hereof, the Directors and officers of the Corporation beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 27,031,539 Common Shares, representing approximately 30.81% of the issued and outstanding Common Shares. Each of the Directors and officers has indicated to management of Plazacorp that he or she currently intends to vote all of the Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by him or her in favour of the Arrangement Resolution to be considered at the Meeting

Expenses of the Arrangement

The estimated out-of-pocket costs to be incurred by the Corporation and the REIT and its affiliates relating to the Arrangement, including financial advisory, accounting and legal fees and the preparation and printing of this Information Circular, are expected to aggregate to between approximately $800,000 and $1,000,000.

Securities Law Matters

Canada

The Units to be issued under the Arrangement will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian securities laws and, following completion of the Arrangement, the Units will generally be "freely tradeable" (other than as a result of any "control block" restrictions which may arise by virtue of the ownership thereof) under applicable Canadian securities laws of the provinces and territories of Canada.

United States

Status under U.S. securities laws

The Corporation is, and following the issuance of the Units if the Arrangement is approved, the REIT will be, a "foreign private issuer" as defined in Rule 3b-4 under the 1934 Act. It is the Corporation's intention that the Units will be listed for trading on the TSX following completion of the Arrangement. The REIT does not currently intend to seek a listing for the Units on a stock exchange in the United States.

Issuance and resale of Units and the REIT Options under U.S. securities laws

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to holders of Units in the United States ("U.S. Securityholders"). All U.S. Securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of Units issued to them under the Arrangement complies with applicable securities legislation.

The following discussion does not address the Canadian securities laws that will apply to the issue of the Units or the resale of Units by U.S. Securityholders within Canada. U.S. Securityholders reselling their Units in Canada must comply with Canadian securities laws, as outlined above under "*The Arrangement – Securities Law Matters – Canada*".

Exemption from the registration requirements of the 1933 Act

The Units to be issued pursuant to the Arrangement will not be registered under the 1933 Act or the securities laws of any state of the United States and will be issued in reliance upon the exemption from registration set forth in Section 3(a)(10) of the 1933 Act and exemptions provided under the securities laws of each state of the United States in which U.S. Securityholders reside. Section 3(a)(10) of the 1933 Act exempts from registration the distribution of a security that is issued in exchange for one or more *bona fide* outstanding securities where the terms and conditions of

such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by any court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the 1933 Act with respect to the Units issued in connection with the Arrangement.

The exemption from the registration requirements of the 1933 Act provided by section 3(a)(10) thereof is not available to exempt the issuance of Units issuable on conversion of the Convertible Debentures and the Listed Debentures.

Resales of Units by non-affiliates after the completion of the Arrangement

Persons who are not affiliates of the REIT after the Arrangement and have not been affiliates within 90 days of the consummation of the Arrangement may resell the Units that they receive in connection with the Arrangement in the United States without restriction under the 1933 Act. As defined in Rule 144 under the 1933 Act, an affiliate of an issuer is a person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the issuer and may include certain officers and directors of such issuer as well as principal shareholders of such issuer. Additionally, non-affiliates may resell freely outside of the United States (although they must comply with local securities law requirements, if any), including selling freely on the TSX.

Resales of Units by affiliates after the completion of the Arrangement

Units received by a holder who will be an affiliate of the REIT after the Arrangement or was an affiliate within 90 days of the consummation of the Arrangement will be subject to certain restrictions on resale imposed by the 1933 Act. Persons who are affiliates of the REIT after the Arrangement may not sell the Units that they receive in connection with the Arrangement in the absence of registration under the 1933 Act, unless an exemption from registration is available, such as the exemptions contained in Rule 144 or Rule 904 of Regulation S under the 1933 Act.

Affiliates – Rule 144. In general, under Rule 144, persons who are affiliates of the REIT after the Arrangement and have not been affiliates of the REIT within 90 days of the consummation of the Arrangement will be entitled to sell in the United States, during any three-month period, the Units that they receive in connection with the Arrangement, provided that the number of such securities sold does not exceed the greater of 1% of the then outstanding securities of such class and, if such securities are listed on a United States securities exchange and/or reported through the automated questions system of a U.S. registered securities association, the average weekly trading volume of such securities during the four calendar week period preceding the date of sale, subject to specified restrictions on manner of sale, requirements, aggregation rules and the availability of current public information about the REIT. Persons who are affiliates of the REIT after the Arrangement will continue to be subject to the resale restrictions described in this paragraph for so long as they continue to be affiliates of the REIT.

Affiliates – Regulation S. Provided that the REIT remains a "foreign private issuer" as defined in Rule 405 of the 1933 Act, a person who is an affiliate of REIT after the Effective Time, or who was an affiliate within 90 days prior to the Effective Time, may, under the 1933 Act, resell the Units issued to them pursuant to the Arrangement in an "offshore transaction" in accordance with Regulation S, provided that: (a) he or she is an affiliate of the REIT at the time of the resale transaction solely by virtue of having a position as an officer or director of the REIT; (b) no "directed selling efforts" as defined in Regulation S are made in the United States by the seller, an affiliate of the seller or any person acting on their behalf; and (c) the conditions imposed by Regulation S under the 1933 Act for "offshore transactions" are satisfied. An "offshore transaction" includes a transaction executed using the facilities of the TSX, provided the seller nor any person acting on the seller's behalf knows the transaction has been prearranged with a buyer in the United States. In addition, in the case of an offer or sale of Units by an officer or director of the REIT who is an affiliate of the REIT solely by virtue of holding such position, no selling concession, fee or other remuneration may be paid in connection with the offer or sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered".

Dissent Rights

Section 131 of the NBBCA provides shareholders with the right to dissent from certain resolutions of a corporation which effect extraordinary corporate transactions or fundamental corporate changes. The Interim Order expressly provides registered shareholders with the right to dissent from the Arrangement Resolution pursuant to section 131 of the NBBCA except as that section is modified by the Interim Order, and the Plan of Arrangement. Any shareholder who dissents from the Arrangement in compliance with the Interim Order and section 131 of the NBBCA except as that section is modified by the Interim Order, and the Plan of Arrangement will be entitled, in the event the Arrangement becomes effective, to be paid by Plazacorp the fair value of the Common Shares held by such dissenting shareholder determined as of the close of business on the day before the Arrangement Resolution is approved by the Shareholders. A Shareholder who intends to exercise his Dissent Rights should carefully consider and comply with the provisions of section 131 of the NBBCA, as modified by the Interim Order. Failure to comply with the provisions of that section, as modified by the Interim Order, and to adhere to the procedures established therein may result in the loss of all rights thereunder.

The Court hearing the application for the Final Order has the discretion to alter the rights of dissent described herein based on the evidence presented at such hearing.

Under the Interim Order, a registered Shareholder is entitled, in addition to any other rights he may have, to dissent and to be paid by Plazacorp the fair value of the Common Shares held by him in respect of which he dissents, determined as of the close of business on the day before the Arrangement Resolution is approved by the Shareholders. A Shareholder may dissent only with respect to all of the Common Shares held by him or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. **Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that only the registered owner of such securities is entitled to dissent. Accordingly, a beneficial owner of Common Shares desiring to exercise his right of dissent must make arrangements for the Common Shares beneficially owned by him to be registered in his name prior to the time the written objection to the Arrangement Resolution is required to be received by Plazacorp or, alternatively, make arrangements for the registered holder of his Common Shares to dissent on his behalf.**

A registered Shareholder who wishes to dissent in respect of his Common Shares must provide written notice of dissent by ordinary or registered mail, or by delivery by hand, to Plazacorp, Attention: Corporate Secretary, at the head office of Plazacorp, 527 Queen Street, Suite 200, Fredericton, NB, E3B 1B8 on or before 5.00pm (Atlantic time) on Tuesday, December 9, 2013. IT IS IMPORTANT THAT SHAREHOLDERS STRICTLY COMPLY WITH THIS REQUIREMENT, WHICH IS DIFFERENT FROM THE STATUTORY DISSENT PROVISIONS OF SECTION 131 OF THE NBBCA AND WHICH WOULD PERMIT A DISSENT NOTICE TO BE DELIVERED TO THE REGISTERED OFFICE OF PLAZACORP AT OR PRIOR TO THE MEETING.

The providing of a dissent notice does not deprive a registered Shareholder of the right to vote at the Meeting; however, no Shareholder who has voted in favour of the Arrangement shall be entitled to dissent with respect to the Arrangement. A vote against the Arrangement or an abstention DOES NOT constitute a dissent notice. Similarly, the revocation of a proxy conferring authority on the proxy holder to vote against the Arrangement does not constitute a dissent notice; however, any proxy granted by a Shareholder who intends to dissent, other than a proxy that instructs the proxy holder to vote against the Arrangement, should be validly revoked in order to prevent the proxy holder from voting such Common Shares in favor of the Arrangement and thereby cause the Shareholder to forfeit his or her right to dissent.

Plazacorp is required, within 10 days after the shareholders adopt the Arrangement Resolution, to notify each Dissenting Shareholder that the Arrangement has been adopted. Such notice is not required to be sent to any shareholder who voted for the Arrangement or who has withdrawn his or her dissent notice.

A Dissenting Shareholder who has not withdrawn his or her dissent notice must then, within 20 days after receipt of notice that the Arrangement Resolution has been adopted or, if the Dissenting Shareholder does not receive such notice, within 20 days after he or she learns that the Arrangement Resolution has been adopted, send to Plazacorp a written notice containing his or her name and address, the number of Common Shares in respect of which he or she

dissents, and a demand for payment of the fair value of such Common Shares. Within 30 days after sending a demand for payment, the Dissenting Shareholder must send to Plazacorp the certificates representing the Common Shares in respect of which he or she dissents. A Dissenting Shareholder who fails to send certificates representing the Common Shares in respect of which he or she dissents forfeits his or her right to dissent.

Plazacorp is required, not later than 14 days after the later of the Effective Date of the Arrangement and the date on which Plazacorp received the demand for payment from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a demand for payment, an offer to pay for his or her Common Shares in an amount considered by the Plazacorp Board of Directors to be the fair value thereof, accompanied by a statement showing the manner in which the fair value was determined. Every offer to pay must be on the same terms. Plazacorp must pay for the Common Shares of a Dissenting Shareholder within 10 days after an offer to pay has been accepted by a Dissenting Shareholder, but any such offer lapses if Plazacorp does not receive an acceptance thereof within 30 days after the offer to pay has been made.

If Plazacorp fails to make an offer to pay for a Dissenting Shareholder's Common Shares, or if a Dissenting Shareholder fails to accept an offer which has been made, Plazacorp may, within 50 days after the Effective Date of the Arrangement or within such further period as the Court may allow, apply to the Court to fix a fair value for the Common Shares of Dissenting Shareholders. If Plazacorp fails to apply to the Court, a Dissenting Shareholder may apply to the Court for the same purpose within a further period of 20 days or within such further period as the Court may allow.

A Dissenting Shareholder may make an agreement with Plazacorp for the purchase of his Common Shares by Plazacorp, in the amount of Plazacorp's offer or otherwise, at any time before the Court pronounces an order fixing the fair value of the Common Shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application and appraisal. On the application, the Court will make an order under subsection 131(20) of the NBBCA fixing the fair value of the Common Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against Plazacorp and in favour of each of those Dissenting Shareholders, and fixing the time within which Plazacorp must pay that amount to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Shareholder under the NBBCA until the date of payment.

As part of the Arrangement, the Common Shares held by Dissenting Shareholders will be cancelled prior to the Arrangement and each such Dissenting Shareholder will cease to have any rights as a Shareholder other than the right to be paid the fair value of his Common Shares in the amount agreed to between Plazacorp and the Shareholder or in the amount of the judgment, as the case may be. Until this occurs, the Shareholder may withdraw his dissent, or Plazacorp may rescind the Arrangement Resolution, and in either event the dissent and appraisal proceedings in respect of that Shareholder will be discontinued.

Plazacorp shall not make a payment to a Dissenting Shareholder under Section 131 of the NBBCA if there are reasonable grounds for believing that Plazacorp is or would after the payment be unable to pay its liabilities as they become due, or the realizable value of the assets of Plazacorp would by reason of the payment be less than the aggregate of its liabilities. In such event, Plazacorp shall, within 10 days after the pronouncement of the order under subsection 131(20) of the NBBCA, or the making of an agreement between a Dissenting Shareholder and Plazacorp as to the payment to be made for such Dissenting Shareholder's Common Shares, notify each Dissenting Shareholder that it is lawfully unable to pay Dissenting Shareholders for their Common Shares. In such event, each Dissenting Shareholder may, by written notice delivered to Plazacorp within 30 days after receipt of such notice, withdraw his written objection, in which case such Shareholder shall, in accordance with the Interim Order, be deemed to have participated in the Arrangement as a Shareholder. If the Dissenting Shareholder does not withdraw his written objection he retains his status as a claimant against Plazacorp to be paid as soon as Plazacorp is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to creditors but prior to holders of then-outstanding Common Shares.

All Common Shares held by Dissenting Shareholders will, if such Dissenting Shareholders are ultimately entitled to be paid the fair value thereof, be deemed to be transferred to Plazacorp in exchange for payment of such fair value. If

such Shareholders ultimately are not entitled to exercise their Dissent Rights, such Common Shares will be changed into Units and such Shareholders will be issued Units on the same basis as all other Shareholders pursuant to the Arrangement.

The Arrangement Agreement provides that, unless otherwise waived, it is a condition to the obligation of Plazacorp and the REIT to complete the Arrangement, that there shall not, as of the Effective Time, be Shareholders of more than 5% of all Common Shares that have validly exercised their Dissent Rights.

The foregoing is only a summary of the dissenting shareholder provisions of the NBBCA, the Interim Order and the Plan of Arrangement, which are technical and complex. The Interim Order is attached to this Information Circular as Appendix B. A complete copy of section 131 of the NBBCA is attached to this Information Circular as Appendix C. The Plan of Arrangement is attached as Schedule "A" to the Arrangement Agreement, which is attached to this Information Circular as Appendix F. It is recommended that any Shareholder wishing to avail himself or herself of Dissent Rights under those provisions seek legal advice, as failure to comply strictly with the provisions of the NBBCA, the Interim Order and the Plan of Arrangement may prejudice, or result in a loss of, the right of dissent.

THE CORPORATION

General

The Corporation was incorporated under the NBBCA on February 2, 1999. On December 11, 2002, on receipt of shareholder and regulatory approval, Plazacorp filed articles of amendment with the director under the NBBCA adding certain redemption rights to the Common Shares qualifying it to become a "Mutual Fund Corporation" as defined in the Tax Act.

Plazacorp's head office and principal place of business is located at 527 Queen Street, Suite 200, Fredericton, New Brunswick E3B 1B8. The Common Shares are listed and posted for trading on the TSX under the trading symbol "PLZ".

Business of Plazacorp

Plazacorp is in the business of retail property ownership and development. The Corporation develops, redevelops and acquires unenclosed and enclosed retail real estate throughout Canada. It diversifies its asset base both geographically and with a strong mix of national retail tenants.

For a description of the Corporation's business, including a detailed description of the Properties, and the industry in which it operates see the Interim MD&A and "*Business of Plazacorp*" in the AIF, incorporated by reference into this Information Circular.

Common Shares

Plazacorp is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at November 1, 2013, 87,726,450 are issued and outstanding as fully paid and non-assessable.

The holders of Common Shares are entitled to dividends if, as and when declared by the Directors (see "*The Corporation – Dividends*"). They are entitled to one vote per Common Share at meetings of Shareholders and upon liquidation, to receive such assets of Plazacorp as are distributable to Shareholders.

Subject to the provisions of subsection 33(2) of the NBBCA, each Shareholder may, at his option and in the manner hereinafter provided, require that Plazacorp redeem at any time all or, from time to time, any part of the said Common Shares held by such holder and that Plazacorp pay, for each share to be redeemed, the Retraction Price thereof together with all declared and unpaid dividends thereon.

In the case of redemption of Common Shares, the holder thereof must surrender the certificate or certificates representing such Common Shares at the registered office of Plazacorp or the transfer agent, accompanied by a notice

in writing signed by such holder requiring Plazacorp to redeem all or a specified number of the Common Shares represented thereby. As soon as practicable following the receipt of the said notice, but not more than 10 days thereafter, Plazacorp must pay or cause to be paid to the order of the registered holder of the Common Shares to be redeemed, the Retraction Price thereof. If a part only of the shares represented by any certificate are being redeemed at any time in a fiscal year of Plazacorp, a new certificate for the balance will be issued on or before the end of the fiscal year, at the expense of Plazacorp.

The Retraction Price may be fully paid and satisfied, at the option of Plazacorp, by cash payment or by the issuance by Plazacorp of a promissory note (the "**Retraction Note**") which shall bear interest at a rate equal to the prescribed rate of interest calculated pursuant to paragraph 4301(c) of the regulations promulgated under the Tax Act in effect at the time of its issue and will mature and be fully repaid at the end of two years after issuance. The terms and conditions of the Retraction Notes will also provide that in all circumstances the Retraction Notes may be prepaid without penalty.

Market for Securities

The Common Shares of Plazacorp are listed and posted for trading on the TSX and trade under the stock symbol "PLZ".

The following chart describes the monthly trading range and volume of Plazacorp's Common Shares on a monthly basis during the 12 months ended October 31, 2013:

Month	High	Low	Monthly Volume
November 2012	5.25	4.85	193,812
December 2012	5.05	4.82	123,625
January 2013	5.22	4.95	248,608
February 2013	5.09	4.92	153,593
March 2013	5.05	4.40	1,370,949
April 2013	5.00	4.55	2,259,193
May 2013	4.90	4.35	1,676,305
June 2013	4.50	4.22	4,161,566
July 2013	4.50	4.01	509,019
August 2013	4.37	3.98	903,114
September 2013	4.59	4.00	1,143,671
October 2013	4.55	4.11	1,670,989

Prior Sales

The following table sets forth the details regarding all issuances of Common Shares, including issuances of all securities convertible into Common Shares during the 12 months preceding the date hereof:

Date of Issue	Issuance Type	Number of Securities Issued	Price per Security ($)
October 12, 2012	Common Shares (conversions of debentures)	80,881	3.40
October 2, 2012	Common Shares (conversion of debentures)	20,588	3.40
October 4, 2012	Common Shares (conversion of debentures)	5,263	3.80
October 12, 2012	Common Shares (conversions of debentures)	80,881	3.40
November 13, 2012	Common Shares (conversions of debentures)	131,575	3.80
November 15, 2012	Common Shares (dividend reinvestment plan)	33,157	4.89
December 10, 2012	Common Shares (conversion of debentures)	65,789	3.80
December 13, 2012	Common Shares (conversion of debentures)	6,578	3.80
February 12, 2013	Common Shares (conversions of debentures)	16,578	3.80
February 15, 2013	Common Shares (dividend reinvestment plan)	32,635	4.92
February 19, 2013	Common Shares (redemption of RSU dividends under RSU Plan)	1,038	4.98
February 22, 2013	Common Shares (conversion of debentures)	26,315	3.80
February 25, 2013	Common Shares (conversion of debentures)	1,315	3.80
February 28, 2013	Common Shares (conversion of debentures)	17,105	3.80
March 8, 2013	Common Shares (conversion of debentures)	26,315	3.80
April 11, 2013	Common Shares (conversion of debentures)	243,419	3.80
May 15, 2013	Common Shares (dividend reinvestment plan)	36,210	4.61
May 17, 2013	Common Shares (issued to JBM Properties Inc. (former external asset and property manager of KEYreit) in connection with termination of management agreements)	824,742	4.85
May 21, 2013	Common Shares (take-up of units under offer to purchase KEYreit)	11,415,391	4.90
May 21, 2013	Common Shares (redemption of RSU dividends under RSU Plan)	1,057	4.84
June 4, 2013	Common Shares (conversion of debentures)	13,157	3.80
June 26, 2013	Common Shares (issued on completion of subsequent acquisition transaction for remaining units of KEYreit)	1,478,362	4.90
August 15, 2013	Common Shares (dividend reinvestment plan)	204,241	3.997
August 22, 013	Common Shares (redemption of RSU dividends under RSU Plan)	1,858	4.10
August 26, 2013	Common Shares (conversion of debentures)	6,578	3.80
October 24, 2013	Common Shares (bought deal offering)	9,400,000	$4.25
October 24, 2013	Series D Debentures (bought deal offering)	$30,000,000 aggregate principal amount of 5.75% Series D Debentures	N/A

Dividends

Plazacorp has a proven history of dividend growth, having increased its dividend 12 times over the past 10 years. Plazacorp commenced paying a dividend on November 15, 2002.

Plazacorp's current dividend policy is to pay $0.225 per share payable in quarterly payments of $0.05625 per share. On September 16, 2013, Plazacorp announced an increase to its annual dividend from $0.225 per Common Share to $0.24 per Common Share, effective January 2014. Dividends are paid to shareholders of record on the record date as determined by the Directors at their discretion based on anticipated future cash flows and the need to retain sufficient cash flow to support the Corporation's business. The Corporation is not aware of any contractual restriction that could prevent it from paying dividends.

The following table sets out the dividends paid by Plazacorp during the last 10 years:

Calendar Year	Payment Per Share
2013	$0.225
2012	$0.215
2011[(1)]	$0.2063
2010	$0.1925
2009	$0.185
2008	$0.175
2007	$0.15
2006	$0.125
2005	$0.105
2004	$0.0875
2003	$0.08

Notes:

(1) Dividend was $0.050625 per share (annualized - $0.2025) for each of the February and May quarterly dividends and $0.0525 per share (annualized - $0.21) for each of the August and November quarterly dividend.

Dividend Reinvestment Plan

The Corporation has a Dividend Reinvestment Plan to enable Canadian resident shareholders to acquire additional Common Shares of the Corporation through the reinvestment of dividends on their Common Shares. Common Shares issued in connection with the Dividend Reinvestment Plan are issued directly from the treasury of the Corporation at a price based on the weighted average closing price of the Common Shares for the 20 trading days immediately preceding the relevant dividend date. Participants also receive "bonus shares" in an amount equal to 3% of the dividend amount reinvested.

Upon Closing, the Dividend Reinvestment Plan will be amended and restated to become the Distribution Reinvestment Plan (the "**DRIP**"). In connection with the Conversion, the REIT will assume all of Plazacorp's obligations under the Dividend Reinvestment Plan. See "*The REIT – Distribution Reinvestment Plan*".

Legal Proceedings and Regulatory Actions

Plazacorp is exposed to various litigation and claims that arise from time to time in the normal course of business. These actions generally fall within Plazacorp's property insurance coverage. Plazacorp is not currently the subject of any material legal proceedings.

THE REIT

Notice to Reader: As at the date hereof, the REIT has not carried on any active business other than executing the Arrangement Agreement. Unless otherwise noted, the disclosure in this section has been prepared

assuming that the Arrangement has been completed. The REIT will be the publicly listed trust resulting from the reorganization of Plazacorp's corporate structure into a trust pursuant to the Arrangement.

The REIT is an open-ended real estate investment trust formed under the laws of the Province of Ontario pursuant to the Declaration of Trust. The head office of the REIT is located at 527 Queen Street, Suite 200, Fredericton, New Brunswick E3B 1B8.

The REIT was formed to complete the Arrangement with Plazacorp. Following completion of the Arrangement, the REIT, together with its affiliates, will be focused on developing, redeveloping and acquiring unenclosed and enclosed retail real estate, including the assets previously held by Plazacorp.

REIT Objectives

The objectives of the REIT are to: (i) provide Unitholders with stable and growing cash distributions on a tax efficient basis; and (ii) enhance the value of the REIT's assets and maximize long–term Unit value.

Strategy

The REIT will strive to deliver a reliable and growing yield to Unitholders by developing, redeveloping and acquiring a diversified portfolio of retail properties.

The REIT will strive to:

- maintain access to cost effective sources of debt and equity capital to finance acquisitions and new developments;
- acquire or develop properties at a cost that is consistent with the REIT's targeted returns on investment;
- maintain high occupancy rates on existing properties while sourcing tenants for properties under development and future acquisitions; and
- diligently manage its properties to ensure tenants are able to focus on their business.

The REIT will invest in the following property types:

- new properties developed on behalf of existing clients or in response to demand;
- well located but significantly amortized shopping malls and strip plazas to be redeveloped; and
- existing properties that will provide stable recurring cash flows with opportunity for growth.

Management intends to achieve the REIT's goals by:

- acquiring or developing high quality properties with the potential for increases in future cash flows;
- focusing on property leasing, operations and delivering superior services to tenants;
- managing properties to maintain high occupancies and staggering lease maturities appropriately;
- increasing rental rates when market conditions permit;
- achieving appropriate pre-leasing prior to commencing construction;
- managing debt to obtain both a low cost of debt and a staggered debt maturity profile;
- matching, as closely as practical, the weighted average term to maturity of mortgages to the weighted average lease term;

- retaining sufficient capital to fund capital expenditures required to maintain the properties well;
- raising capital where required in the most cost effective manner; and
- periodically reviewing the portfolio to determine if opportunities exist to re-deploy equity from slow growth properties into higher growth investments.

Management and Trustees of the REIT

The Board of Trustees is comprised of the current Directors of the Corporation: Edouard Babineau, Earl Brewer, Richard Hamm, Stephen Johnson, Denis Losier, Barbara Trenholm and Michael Zakuta. The Trustees of the REIT shall hold office until the first annual meeting of Unitholders or until their respective successors have been duly elected or appointed.

For detailed information on the Trustees of the REIT, see "*Matters to be Acted Upon at the Meeting – Election of Directors*" in the MIC, incorporated by reference herein.

Following completion of the Arrangement, the Board of Trustees will have two committees: (i) an audit committee; and (ii) a corporate governance and compensation committee. Each such committee will be composed of the same individuals serving as members of the Audit Committee and the Corporate Governance and Compensation Committee of Plazacorp.

The mandates and policies of the REIT in respect of corporate governance matters will be substantially similar to those of Plazacorp. For a description of corporate governance matters relating to Plazacorp, see "*Statement of Corporate Governance Practices*" in the MIC which is incorporated by reference in this Information Circular. For a description of the audit committee, see "*Schedule A – 52-110 F1 Audit Committee Information*" in the AIF which is incorporated by reference in this Information Circular.

Except as disclosed in the AIF or the Information Circular, none of the persons anticipated to be Trustees or executive officers of the REIT has any existing or potential material conflict of interest with the REIT of any of its subsidiaries.

Upon completion of the Arrangement, the current officers of Plazacorp will become the officers of the REIT.

The following table sets out, for each of the directors and executive officers of the REIT upon completion of the Arrangement, the person's name, province of residence, positions with the REIT and principal occupation.

Name and Municipality of Residence	Position	Principal Occupation
Edouard Babineau[(2)(3)] Charlottetown, Prince Edward Island, Canada	Director	President and CEO of Babineau Holdings Ltd., President and CEO of Prince Edward Island Capital Inc. and shareholder and director in various other business ventures.
Earl Brewer Fredericton, New Brunswick. Canada	Director/Chairman	Chairman of the REIT.
Richard Hamm[(2)] Toronto, Ontario, Canada	Director	Partner, BristolGate Capital Partners Inc. and Principal of Stepp Three Holdings Ltd.
Stephen Johnson[(4)] Toronto, Ontario, Canada	Director	President and CEO of Canadian Real Estate Investment Trust.

Name and Municipality of Residence	Position	Principal Occupation
Denis Losier[(2)] Moncton, New Brunswick, Canada	Director	President and Chief Executive Officer of Assumption Mutual Life Insurance Company of Moncton. (September 1, 1994 to Present) and Chairman of Assumption Life's subsidiaries and Louisbourg Investments. Also a Board member of Enbridge Gas New Brunswick Limited Partnership, Security and Intelligence Review Committee, Canadian Blood Services and Chair of Invest NB.
Barbara Trenholm[(1) (4)] Fredericton, New Brunswick, Canada	Director	Professor emerita in the Faculty of Business Administration at the University of New Brunswick, Board member of Atomic Energy of Canada.
Michael Zakuta Montréal, Québec, Canada	Director/Officer	President and CEO of the REIT.
Floriana Cipollone Mississauga, Ontario, Canada	Chief Financial Officer	Chief Financial Officer of the REIT.
James Petrie Fredericton, New Brunswick, Canada	Executive Vice President and General Counsel	Executive Vice President and General Counsel of the REIT.
Kevin Salsberg Toronto, Ontario, Canada	Executive Vice President	Executive Vice President of the REIT.
Kimberly Strange Fredericton, New Brunswick, Canada	Secretary and Corporate Counsel	Secretary and Corporate Counsel of the REIT.

Notes:

(1) Chair of the Audit Committee of the REIT.
(2) Member of the Audit Committee of the REIT.
(3) Chair of the Corporate Governance and Compensation Committee of the REIT.
(4) Member of the Corporate Governance and Compensation Committee of the REIT.

Immediately after giving effect to the Arrangement, it is anticipated that the Trustees and officers of the REIT and their associates, as a group, will beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 27,031,539 Units representing approximately 30.81% of the then outstanding Units.

Conflicts of Interest

Except as disclosed in the AIF or this Information Circular, none of the persons anticipated to be Trustees or executive officers of the REIT has any existing or potential material conflict of interest with the REIT of any of its subsidiaries.

Compensation of Trustees and Executive Officers

To date, the REIT has not carried on any business and has not completed a fiscal year of operations. No compensation has been paid by the REIT to its trustees or executive officers and none will be paid until after the Arrangement is completed. The proposed trustees and executive officers of the REIT are currently compensated by Plazacorp. See "*Statement of Executive Compensation*" in the MIC.

Indebtedness of Trustees and Executive Officers

None of the Trustees or executive officers of the REIT, nor any associate of such Trustees or executive officers are, as at the date hereof, indebted to the REIT or any of its subsidiaries. Additionally, the REIT has not provided any guarantee, support agreement, letter of credit or similar arrangement or undertaking in respect of any indebtedness of any such person to any other person or entity.

Investment Guidelines and Operating Policies

Investment Guidelines

The Declaration of Trust provides certain guidelines on investments that may be made directly or indirectly by the REIT. The assets of the REIT after Closing may be invested only in accordance with the following restrictions:

(a) the REIT will invest primarily, directly or indirectly, in interests (including fee ownership and leasehold interests) in real property that is, or will be, primarily commercial in nature and assets ancillary thereto necessary for the operation of such real estate and such other activities as are consistent with the other investment guidelines of the REIT;

(b) notwithstanding anything else contained in the Declaration of Trust, the REIT shall not make or hold any investment, take any action or omit to take any action or permit a Subsidiary to make or hold any investment or take any action or omit to take any action that would result in:

(i) the REIT not qualifying as a "mutual fund trust" (effective the date it was established and thereafter) or a "unit trust" both within the meaning of the Tax Act;

(ii) Units not qualifying as qualified investments for Plans;

(iii) the REIT not qualifying as a "real estate investment trust" within the meaning of the Tax Act if, as a consequence of the REIT not so qualifying, the REIT or any of its Subsidiaries would be liable to pay a tax imposed under either paragraph 122(1)(b) or subsection 197(2) of the Tax Act; or

(iv) the REIT being liable to pay a tax under Part XII.2 of the Tax Act;

(c) the REIT may make its investments and conduct its activities, directly or indirectly, through an investment in one or more persons on such terms as the Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited), and limited liability companies;

(d) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province or territory of Canada, deposits with a savings institution, trust company, credit union or similar financial institution that is organized or chartered under the laws of a state or of the United States, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to these investment guidelines and operating policies of the REIT, the REIT and/or its Subsidiaries may not hold securities of a person other than to the extent such securities would constitute an investment in real property and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to paragraph (b) above, the REIT and/or its Subsidiaries may hold securities of a person: (i) acquired in connection with the carrying on, directly or indirectly, of the REIT's activities or the holding of its assets; or (ii) which focuses its activities primarily on the activities described in paragraph (a) above;

(e) the REIT and/or its Subsidiaries shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(f) the REIT and/or its Subsidiaries may invest in mortgages and mortgage bonds (including participating or convertible mortgages) and similar instruments where:

(i) the real property which is security therefor is real property which otherwise meets the other investment guidelines of the REIT; and

(ii) the aggregate book value of the investments of the REIT and/or its Subsidiaries in mortgages, after giving effect to the proposed investment, will not exceed 15% of Gross Book Value; and

(g) the REIT and/or its Subsidiaries may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any debt incurred or assumed in connection with such investment) up to 15% of Gross Book Value of the REIT in investments which do not comply with one or more of paragraphs (a), (d), and (f).

Any references in the foregoing to investment in real property will be deemed to include an investment in a joint arrangement that invests in real property.

Operating Policies

The Declaration of Trust provides that operations and affairs of the REIT are to be conducted in accordance with the following policies:

(a) the REIT and/or its Subsidiaries shall not purchase or sell currency or interest rate futures contracts otherwise than for hedging purposes where, for this purpose, the term "hedging" has the meaning given by National Instrument 81-102 – *Mutual Funds* adopted by the Canadian Securities Administrators, as replaced or amended from time to time and, in all events, subject to paragraph (b) of "*The REIT – Investment Guidelines and Operating Policies – Investment Guidelines*" described above;

(b) (i) any written instrument creating an obligation which is or includes the granting by the REIT of a mortgage; and (ii) to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of the Unitholders, any written instrument which is, in the judgment of the Trustees, a material obligation, shall contain a provision, or be subject to an acknowledgement to the effect, that the obligation being created is not personally binding upon, and that resort must not be had to, nor will recourse or satisfaction be sought from, by lawsuit or otherwise the private property of any of the Trustees, Unitholders, annuitants or beneficiaries under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT, but that only property of the REIT or a specific portion thereof is bound; the REIT, however, is not required, but must use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the REIT upon the acquisition of real property;

(c) title to each real property shall be held by and registered in the name of the REIT, the Trustees or a person wholly-owned, directly or indirectly, by the REIT or jointly-owned, directly or indirectly, by the REIT, with joint venturers or by any other persons in such manner as the Trustees consider appropriate, taking into account advice of legal counsel; provided that, where land tenure will not provide fee simple title, the REIT, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the REIT or jointly owned, directly or indirectly, by the REIT or such person as the Trustees consider appropriate shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;

(d) the REIT shall not incur or assume any Indebtedness (as defined below) if, after giving effect to the incurrence or assumption of such Indebtedness, the total Indebtedness of the REIT would be more than 60% of Gross Book Value (or 65% of Gross Book Value including convertible Indebtedness);

(e) the REIT shall not directly or indirectly guarantee any Indebtedness or liabilities of any person unless such guarantee: (i) is given in connection with or incidental to an investment that is otherwise permitted by the REIT's investment guidelines and operating policies; and (ii) (A) would not disqualify the REIT as a "mutual fund trust" within the meaning of the Tax Act, and (B) would not result in the REIT losing any status under the Tax Act that is otherwise beneficial to the REIT and its Unitholders;

(f) the REIT shall directly or indirectly obtain and maintain at all times property insurance coverage in respect of potential liabilities of the REIT and the accidental loss of value of the assets of the REIT from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors, including the practice of owners of comparable properties; and

(g) the REIT and/or a Subsidiary of the REIT shall either (i) obtain a Phase I environmental site assessment; or (ii) be entitled to rely on a Phase I environmental site assessment dated no earlier than six months prior to receipt by the REIT and/or its Subsidiary, of each real property to be acquired by it or any of its Subsidiaries and, if the Phase 1 environmental site assessment report recommends that a further environmental site assessment be conducted, the REIT and/or a Subsidiary of the REIT shall have conducted such further environmental site assessments, in each case by an independent and experienced environmental consultant.

Any references in the sections "– *Investment Guidelines*" and "– *Operating Policies*" above to investment in real property will be deemed to include an investment in a joint venture or other arrangement that invests in real property.

"**Indebtedness**" means (without duplication) on a consolidated basis:

(i) any obligation of such Person for borrowed money (including, for greater certainty, the full principal amount of convertible indebtedness, notwithstanding its presentation under IFRS);

(ii) any obligation of such Person for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(iii) any obligation of such Person issued or assumed as the deferred purchase price of property;

(iv) any capital lease obligation of such Person; and

(v) any obligations of the type referred to in clauses (i) through (iv) of another Person, the payment of which such Person has guaranteed or for which such Person is responsible or liable,

provided that (A) an obligation will constitute indebtedness only to the extent that it would appear as a liability on the consolidated statement of financial position of the REIT in accordance with IFRS; (B) obligations referred to in clauses (i) through (iii) exclude accounts payable, distributions payable to Unitholders, accrued liabilities arising in the ordinary course of business which are not overdue or which are being contested in good faith, deferred revenues, intangible liabilities, deferred income taxes, tenant deposits and indebtedness with respect to the unpaid balance of installment receipts where such indebtedness has a term not in excess of 12 months; (C) Units or exchangeable units issued by subsidiaries of the REIT shall not constitute indebtedness notwithstanding the classification of such securities as debt under IFRS; and (D) convertible debentures will constitute indebtedness to the extent of the principal amount thereof outstanding.

Where any maximum or minimum percentage limitation is specified in any of the investment guidelines or operating policies, such investment guidelines or operating policies shall be applied on the basis of the relevant amounts calculated immediately after the making of such investment or the taking of such action. Any subsequent change relative to any percentage limitation which results from a subsequent change in the amount of Gross Book Value will not require the divestiture of any investment.

Amendments to Investment Guidelines and Operating Policies

Pursuant to the Declaration of Trust, the investment guidelines set forth under "*The REIT – Investment Guidelines and Operating Policies – Investment Guidelines*" and the operating policies set forth in sub-paragraphs (a), (b) and (e) under "*The REIT – Investment Guidelines and Operating Policies – Operating Policies*" may be amended only

with the approval of not less than two-thirds of the votes cast at a meeting of Unitholders called for such purposes (or a written resolution signed by Unitholders representing at least two-thirds of the outstanding Units). The remaining operating policies may be amended with the approval of a majority of the votes cast at a meeting of Unitholders called for such purposes (or a written resolution signed by Unitholders representing at least a majority of the outstanding Units).

Regulatory Conflict

Notwithstanding the foregoing paragraph, if at any time a government or regulatory authority having jurisdiction over the REIT or any property of the REIT shall enact any law, regulation or requirement which is in conflict with any investment guideline or operating policy of the REIT then in force, such investment guideline or operating policy in conflict shall, if the Trustees on the advice of legal counsel to the REIT so resolve, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary, any such resolution of the Trustees shall not require the prior approval of Unitholders.

Declaration of Trust and Description of Units

General

The REIT is an unincorporated open-ended real estate investment trust established pursuant to the Declaration of Trust under, and governed by, the laws of the Province of Ontario. Although the REIT is expected to qualify on Closing as a "mutual fund trust" as defined in the Tax Act, the REIT will not be a "mutual fund" as defined by applicable securities legislation.

The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of such Act or any other legislation. The Units are not shares in the REIT and, although the protections, rights and remedies set out in the Declaration of Trust are similar to those provided under the NBBCA, Unitholders do not have statutory rights of shareholders of a corporation including, for example, "dissent rights" in respect of certain corporate transactions and fundamental changes, the right to apply to a court to order the liquidation or dissolution of the REIT, or the right to bring "oppression" or "derivative" actions. Furthermore, the REIT is not a trust company and accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

Authorized Capital and Outstanding Securities

The Declaration of Trust authorizes the issuance of an unlimited number of two classes of units, namely "trust units" and "special voting units". Special Voting Units are only issued in tandem with the issuance of securities exchangeable into Units. As at the date hereof, the REIT has a total of one Unit outstanding and no Special Voting Units outstanding.

In addition, Preferred Units may from time to time be created and issued in one or more classes (each of which may be made up of unlimited series) without requiring Voting Unitholder approval. Before the issuance of Preferred Units of a series, the Trustees will execute an amendment to the Declaration of Trust containing a description of such series, including the designations, rights, privileges, restrictions and conditions determined by the Trustees, and the class of Preferred Units of which such series is a part. As at the date hereof, the REIT has no Preferred Units or Special Voting Units outstanding.

The REIT is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on nor does it intend to carry on the business of a trust company.

Units, Special Voting Units, and Preferred Units

The REIT is authorized to issue an unlimited number of Units and an unlimited number of Special Voting Units. Issued and outstanding Units and Special Voting Units may be subdivided or consolidated from time to time by the Trustees without notice to or the approval of the Unitholders.

Units

No Unit will have any preference or priority over another. Each Unit will represent a Unitholder's proportionate undivided beneficial ownership interest in the REIT and will confer the right to one vote at any meeting of Unitholders and to participate *pro rata* in any distributions by the REIT, whether of net income, net realized capital gains or other amounts and, in the event of termination or winding-up of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities. Units will be fully paid and non-assessable when issued and are transferable. The Units are redeemable at the holder's option, as described below under "*The REIT – Declaration of Trust and Description of Units – Redemption Right*" and the Units have no other conversion, retraction, redemption or pre-emptive rights. Fractional Units may be issued as a result of an act of the Trustees, but fractional Units will not entitle the holders thereof to vote, except to the extent that such fractional Units may represent in the aggregate one or more whole Units.

Special Voting Units

Each Special Voting Unit shall have no economic entitlement nor beneficial interest in the REIT or in the distributions or assets of the REIT, but shall entitle the holder of record thereof to a number of votes at any meeting of the Unitholders equal to the number of Units that may be obtained upon the exchange of the exchangeable security to which such Special Voting Unit is attached. Special Voting Units may only be issued in connection with or in relation to securities exchangeable into Units for the purpose of providing voting rights with respect to the REIT to the holders of such securities. The creation or issuance of Special Voting Units is subject to the prior written consent of the TSX.

Special Voting Units shall not be transferable separately from the exchangeable securities to which they are attached and will automatically be transferred upon the transfer of any such exchangeable securities.

Upon the exchange or surrender of an exchangeable security for a Unit, the Special Voting Unit attached to such exchangeable security will automatically be redeemed and cancelled for no consideration without any further action of the Trustees, and the former holder of such Special Voting Unit will cease to have any rights with respect thereto.

Concurrently with the issuance of Special Voting Units attached to exchangeable securities issued from time to time, the REIT shall enter into such agreements (including an exchange agreement and limited partnership agreement) as may be necessary or desirable to properly provide for the terms of the exchangeable securities, including to provide for the voting of such Special Voting Units.

Preferred Units

Subject to the Board of Trustees executing an amendment to the Declaration of Trust providing for their creation, Preferred Units may from time to time be created and issued in one or more classes (each of which may be comprised of unlimited series), and the Board of Trustees may fix from time to time before such issue the number of Preferred Units which is to comprise each class and series and the designation, rights, privileges, restrictions and conditions attaching to each class and series of Preferred Units including, without limiting the generality of the foregoing, any voting rights, the rate or amount of distributions (which may be cumulative or non-cumulative and variable or fixed) or the method of calculating distributions, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion, if any, any rights on the liquidation, dissolution or winding-up of the REIT, and any sinking fund or other provisions; provided, however that the rights, privileges, restrictions and conditions attaching to each series of Preferred Units shall allow the REIT to continue to qualify as a "mutual fund trust" under the Tax Act and to be entitled to deduct in computing its income any income paid or made payable by it to its unitholders. The creation or issuance of Preferred Units is subject to the prior written consent of the TSX.

The Preferred Units of each class and series shall, with respect to the payment of distributions (other than distributions paid solely through the distribution of additional Units) and the distribution of assets of the REIT or return of capital in the event of liquidation, dissolution or winding-up of the REIT, whether voluntary or involuntary, or any other return of capital or distribution of assets of the REIT among its Unitholders for the purpose of winding-up its affairs, be entitled to preference over the Units ranking by their terms junior to the Preferred Units. The Preferred Units of any series may also be given such other preferences, not inconsistent with the Declaration of Trust,

over the Units ranking by their terms junior to the Preferred Units. If any cumulative distributions or amounts payable on the return of capital in respect of a series of Preferred Units are not paid in full, all classes and series of Preferred Units of equal ranking shall participate rateably in respect of accumulated distributions and return of capital, based on the accumulated distributions and return of capital of a class and series of Preferred Units as a proportion of the accumulated distributions and return of capital of all classes and series of Preferred Units of equal ranking.

The REIT has no present intention of issuing Preferred Units, but wishes to have the flexibility to do so in the future as a means of seeking an alternate source of equity financing. The REIT will not create or issue Preferred Units for anti-takeover purposes.

Trustees

The Declaration of Trust provides that the REIT will have a minimum of three and a maximum of 10 Trustees, the majority of whom must be resident Canadians. The number of Trustees may be increased or decreased within such limits from time to time by the Voting Unitholders by ordinary resolution or by the Trustees, provided that the Trustees may not, between meetings of the Voting Unitholders, appoint an additional Trustee if, after such appointment, the total number of Trustees would be greater than one and one-third times the number of Trustees in office immediately following the previous annual meeting of Voting Unitholders. A vacancy occurring among the Trustees may be filled by resolution of the remaining Trustees or by the Voting Unitholders at a meeting of the Voting Unitholders. If at any time a majority of Trustees are Non-Residents because of the death, resignation, adjudicated incompetence, removal or change in circumstances of any Trustee who was a resident Canadian, the remaining Trustees, whether or not they constitute a quorum, will appoint a sufficient number of resident Canadian Trustees to comply with the requirement that a majority of Trustees will be at all times resident Canadians.

In addition, a majority of the Trustees must at all times be Independent Trustees. If at any time a majority of Trustees are not Independent Trustees because of the death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstance of any Trustee who was an Independent Trustee, this requirement will not be applicable for a period of 60 days after such occurrence, during which time the remaining Trustees shall appoint a sufficient number of Independent Trustees to comply with this requirement.

The Declaration of Trust provides that, subject to its terms and conditions, the Trustees have, without further authorization and free from any control or direction on the part of the Voting Unitholders, full, absolute and exclusive power, control and authority over the assets and affairs of the REIT to the same extent as if the Trustees were the sole and absolute beneficial owners of the assets of the REIT, to do all acts and things as in their sole and absolute judgment and discretion are necessary or incidental to, or desirable for, carrying out any of the purposes or conducting the affairs of the REIT. All meetings of the Trustees (and any committees) shall take place in Canada.

Trustees are appointed at each annual meeting of Voting Unitholders to hold office for a term expiring at the close of the next annual meeting and are eligible for re-election. The Declaration of Trust provides that a Trustee may resign at any time upon written notice to the Lead Trustee or, if there is no Lead Trustee, to the chair or, if there is no chair, to the President of the REIT or, if there is no President, to the Unitholders. A Trustee may be removed at any time with or without cause by an ordinary resolution of the Voting Unitholders at a meeting of Voting Unitholders or by the written consent of Voting Unitholders holding in the aggregate not less than a majority of the outstanding Voting Units or with cause by a resolution passed by at least two-thirds of the other Trustees.

The Declaration of Trust provides that the Trustees will act honestly and in good faith with a view to the best interests of the REIT and its Voting Unitholders and, in connection with that duty, will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Committees

The Declaration of Trust requires that the Trustees appoint a Corporate Governance and Compensation Committee and an Audit Committee. In addition, the Trustees may create such additional committees as they, in their discretion, determine to be necessary or desirable for the purposes of properly governing the affairs of the REIT.

Conflicts of Interest

The Declaration of Trust contains provisions, similar to those contained in the NBBCA, that require each Trustee to disclose to the REIT any interest in a material contract or transaction or proposed material contract or transaction with the REIT (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture agreement) or the fact that such person is a director or officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating to: (i) his or her direct remuneration as a Trustee, officer, employee or agent of the REIT; or (ii) indemnity of himself or herself as a Trustee or the purchase or maintenance of liability insurance.

All decisions of the Board of Trustees will require the approval of a majority of the Trustees, except for the following matters which shall also require the approval of a majority of the Trustees who are disinterested in such matters in accordance with the Declaration of Trust:

(a) an acquisition of a property or an investment in a property, whether by co-investment or otherwise, or the provision of any financing, development or leasing services in respect of a property in which a Related Party of the REIT has any direct or indirect interest, whether as owner, operator, tenant or manager;

(b) a material change to any agreement with a Related Party of the REIT or any approval, consent, waiver or other decision of Trustees thereunder, or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;

(c) the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the REIT, or the making, directly or indirectly, of any co-investment, in each case, with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in other similar capacity;

(d) the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in other similar capacity; or

(e) decisions relating to any claims by or against one or more parties to any agreement with a Related Party of the REIT.

As it is contemplated that the Chair of the Board of Trustees will not be an Independent Trustee, an Independent Trustee will be appointed as Lead Trustee in order to ensure appropriate leadership for the Independent Trustees. The Lead Trustee will (i) ensure that appropriate structures and procedures are in place so that the Board may function independently of management of the REIT; and (ii) lead the process by which the Independent Trustees seek to ensure that the Board represents and protects the interests of all unitholders. The Lead Trustee will also be the chair of the Corporate Governance and Compensation Committee.

Meetings of Unitholders

The Declaration of Trust provides that meetings of Unitholders will be required to be called and held in various circumstances, including (i) for the election or removal of Trustees, (ii) the appointment or removal of the auditors of the REIT, (iii) the approval of amendments to the Declaration of Trust (except as described below under "*The REIT – Declaration of Trust and Description of Units – Amendments to Declaration of Trust*"), (iv) the sale or transfer of the assets of the REIT as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of the REIT approved by the Trustees), (v) the termination of the REIT, and (vi) for the transaction of any other business as the Trustees may determine or as may be properly brought before the meeting. Meetings of

Unitholders will be called and held annually, commencing in 2014, for the election of the Trustees and the appointment of the auditors of the REIT. All meetings of Unitholders must be held in Canada.

A meeting of Unitholders may be convened at any time and for any purpose by the Trustees and must be convened, except in certain circumstances, if requisitioned in writing by the holders of not less than 5% of the Voting Units then outstanding. A requisition must state in reasonable detail the business proposed to be transacted at the meeting. Unitholders have the right to obtain a list of Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the NBBCA.

Unitholders may attend and vote at all meetings of Unitholders either in person or by proxy. Two persons present in person or represented by proxy, and such persons holding or representing by proxy not less in aggregate than 10% of the total number of outstanding Voting Units, will constitute a quorum for the transaction of business at all such meetings. Any meeting at which a quorum is not present within one-half hour after the time fixed for the holding of such meeting, if convened upon the request of the Unitholders, will be terminated, but in any other case, the meeting will stand adjourned to a day not less than 14 days later and to a place and time as chosen by the chair of the meeting, and if at such adjourned meeting a quorum is not present, the Unitholders present either in person or by proxy will be deemed to constitute a quorum.

Holders of Special Voting Units will have an equal right to be notified of, attend and participate in meetings of Unitholders. Pursuant to the Declaration of Trust, a resolution in writing executed by Unitholders holding a proportion of the outstanding Units equal to the proportion required to vote in favour thereof at a meeting of Unitholders to approve that resolution is valid as if it had been passed at a meeting of Unitholders.

Advance Notice Provision

The Declaration of Trust includes certain advance notice provisions (the "**Advance Notice Provision**"), which will: (i) facilitate orderly and efficient annual general or, where the need arises, special, meetings; (ii) ensure that all Unitholders receive adequate notice of the Trustee nominations and sufficient information with respect to all nominees; and (iii) allow Unitholders to register an informed vote.

Except as otherwise provided in the Declaration of Trust, only persons who are nominated by Unitholders in accordance with the Advance Notice Provision shall be eligible for election as Trustees. Nominations of persons for election to the Board of Trustees may be made for any annual meeting of Unitholders, or for any special meeting of Unitholders if one of the purposes for which the special meeting was called was the election of Trustees: (a) by or at the direction of the Board of Trustees, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more Unitholders pursuant to a requisition of the Unitholders made in accordance with the Declaration of Trust; or (c) by any person (a "**Nominating Unitholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the REIT's register as a holder of one or more Units carrying the right to vote at such meeting or who beneficially owns Units that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provision.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Unitholder, the Nominating Unitholder must have given timely notice thereof in proper written form to the Trustees.

To be timely, a Nominating Unitholder's notice to the Trustees must be made: (a) in the case of an annual meeting of Unitholders, not less than 30 nor more than 60 days prior to the date of the annual meeting of Unitholders; provided, however, that in the event that the annual meeting of Unitholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Unitholder may be made not later than the close of business on the 10th day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of Unitholders called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the 15th day following the day that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the special meeting of Unitholders was made. In no event shall any adjournment or

postponement of a meeting of Unitholders or the announcement thereof commence a new time period for the giving of a Nominating Unitholder's notice as described above.

To be in proper written form, a Nominating Unitholder's notice to the Trustees must set forth: (a) as to each person whom the Nominating Unitholder proposes to nominate for election as a Trustee: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of Units or Special Voting Units which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable Securities Laws (as defined in the Declaration of Trust); and (b) as to the Nominating Unitholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Unitholder has a right to vote any Units and any other information relating to such Nominating Unitholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable Securities Laws. The REIT may require any proposed nominee to furnish such other information as may reasonably be required by the REIT to determine the eligibility of such proposed nominee to serve as an independent Trustee or that could be material to a reasonable Unitholder's understanding of the independence, or lack thereof, of such proposed nominee.

The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

Notwithstanding the foregoing, the Board of Trustees may, in its sole discretion, waive any requirement in the Advance Notice Provision.

Redemption Right

Units are redeemable at any time on demand by the holders thereof upon delivery to the REIT of a duly completed and properly executed notice requesting redemption in a form reasonably acceptable to the Trustees, together with written instructions as to the number of Units to be redeemed. A Unitholder not otherwise holding a fully registered Unit certificate who wishes to exercise the redemption right will be required to obtain a redemption notice form from the Unitholder's investment dealer who will be required to deliver the completed redemption notice form to the REIT and to CDS. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof will be entitled to receive a price per Unit (the "**Redemption Price**") equal to the lesser of:

(a) 90% of the "Market Price" of a Unit calculated as of the date on which the Units were surrendered for redemption (the "**Redemption Date**"); and

(b) 100% of the "Closing Market Price" on the Redemption Date.

For purposes of this calculation, the "**Market Price**" of a Unit as at a specified date will be:

(a) an amount equal to the weighted average trading price of a Unit on the principal exchange or market on which the Units are listed or quoted for trading during the period of 10 consecutive trading days ending on such date;

(b) an amount equal to the weighted average of the closing market prices of a Unit on the principal exchange or market on which the Units are listed or quoted for trading during the period of 10 consecutive trading days ending on such date, if the applicable exchange or market does not provide information necessary to compute a weighted average trading price; or

(c) if there was trading on the applicable exchange or market for fewer than five of the 10 trading days, an amount equal to the simple average of the following prices established for each of the 10 consecutive trading days ending on such date: the simple average of the last bid and last asking

price of the Units for each day on which there was no trading; the closing price of the Units for each day that there was trading if the exchange or market provides a closing price; and the simple average of the highest and lowest prices of the Units for each day that there was trading, if the market provides only the highest and lowest prices of Units traded on a particular day.

The "**Closing Market Price**" of a Unit for the purpose of the foregoing calculations, as at any date will be:

(a) an amount equal to the weighted average trading price of a Unit on the principal exchange or market on which the Units are listed or quoted for trading on the specified date and the principal exchange or market provides information necessary to compute a weighted average trading price of the Units on the specified date;

(b) an amount equal to the closing price of a Unit on the principal market or exchange if there was a trade on the specified date and the principal exchange or market provides only a closing price of the Units on the specified date;

(c) an amount equal to the simple average of the highest and lowest prices of the Units on the principal market or exchange, if there was trading on the specified date and the principal exchange or market provides only the highest and lowest trading prices of the Units on the specified date; or

(d) the simple average of the last bid and last asking prices of the Units on the principal market or exchange, if there was no trading on the specified date.

If Units are not listed or quoted for trading in a public market, the Redemption Price will be the fair market value of the Units, which will be determined by the Trustees in their sole discretion.

The aggregate Redemption Price payable by the REIT in respect of any Units surrendered for redemption during any calendar month will be paid by cheque, drawn on a Canadian chartered bank or trust company in Canadian dollars within 30 days after the end of the calendar month in which the Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (i) the total amount payable by the REIT in respect of such Units and all other Units tendered for redemption in the same calendar month must not exceed $50,000 (provided that such limitation may be waived at the discretion of the Trustees); (ii) on the date such Units are tendered for redemption, the outstanding Units must be listed for trading on the TSX or traded or quoted on any other stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; (iii) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, in any market where the Units are quoted for trading) on the Redemption Date or for more than five trading days during the 10-day trading period commencing immediately before the Redemption Date; and (iv) the redemption of the Units must not result in the delisting of the Units the principal stock exchange on which the Units are listed.

Cash payable on redemptions will be paid *pro rata* to all Unitholders tendering Units for redemption in any month. To the extent a Unitholder is not entitled to receive cash upon the redemption of Units as a result of any of the foregoing limitations, then the balance of the Redemption Price for such Units will, subject to any applicable regulatory approvals, be paid and satisfied by way of the issuance to such Unitholder of "**Redemption Notes**". In the event of the issuance of Redemption Notes, each Redemption Note so issued to the redeeming holder of Units shall be in the principal amount of $100 or such other amount as may be determined by the Trustees. No fractional Redemption Notes shall be issued and where the number of Redemption Notes to be received upon redemption by a holder of Units would otherwise include a fraction, that number shall be rounded down to the next lowest whole number. The Trustees may deduct or withhold from all payments or other distributions payable to any Unitholder pursuant to the Declaration of Trust all amounts required by law to be so withheld.

Purchases of Units by the REIT

The REIT may from time to time purchase Units in accordance with applicable securities legislation and the rules prescribed under applicable stock exchange and regulatory policies. Any such purchase will constitute an "issuer bid"

under Canadian provincial securities legislation and must be conducted in accordance with the applicable requirements thereof.

Take-Over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid or issuer bid is made for Units within the meaning of the *Securities Act* (Ontario) and not less than 90% of the Units (other than Units held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Units held by Unitholders who do not accept the offer either, at the election of each Unitholder, on the terms offered by the offeror or at the fair value of such Unitholder's Units determined in accordance with the procedures set out in the Declaration of Trust.

Issuance of Units

The REIT may issue new Units from time to time, in such manner, for such consideration and to such person or persons as the Trustees shall determine. Unitholders will not have any pre-emptive rights whereby additional Units proposed to be issued would be first offered to existing Unitholders. If the Trustees determine that the REIT does not have cash in an amount sufficient to make payment of the full amount of any distribution, the payment may include the issuance of additional Units having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution.

The REIT may also issue new Units (i) as consideration for the acquisition of new properties or assets by it, at a price or for the consideration determined by the Trustees or (ii) pursuant to any incentive or option plan established by the REIT from time to time, including the DRIP (See "*The REIT – Distribution Reinvestment Plan*").

The Declaration of Trust also provides that immediately after any *pro rata* distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated so that each Unitholder will hold, after the consolidation, the same number of Units as the Unitholder held before the non-cash distribution. In this case, each certificate representing a number of Units prior to the non-cash distribution is deemed to represent the same number of Units after the non-cash distribution and the consolidation. Non-Resident holders may be subject to withholding tax and if so then the consolidation will not result in such Non-Resident Unitholders holding the same number of Units. Such Non-Resident Unitholders will be required to surrender the certificates (if any) representing their original Units in exchange for a certificate representing post-consolidation Units.

Non-Certificated Inventory System

Other than pursuant to certain exceptions, registration of interests in and transfers of Units held through CDS, or its nominee, will be made electronically through the NCI system of CDS. On Closing, the REIT, via its transfer agent, will electronically deliver the Units registered to CDS or its nominee. Units held in CDS must be purchased, transferred and surrendered for redemption through a CDS participant, which includes securities brokers and dealers, banks and trust companies. All rights of Unitholders who hold Units in CDS must be exercised through, and all payments or other property to which such Unitholders are entitled will be made or delivered by CDS, or the CDS participant through which the Unitholder holds such Units. A Unitholder participating in the NCI system will not be entitled to a certificate or other instrument from the REIT or the REIT's transfer agent evidencing that person's interest in or ownership of Units, nor, to the extent applicable, will such Unitholder be shown on the records maintained by CDS, except through an agent who is a CDS participant.

The ability of a beneficial Unitholder to pledge such Units or otherwise take action with respect to such Unitholder's interest in such Units (other than through a CDS participant) may be limited due to the lack of a physical certificate.

Limitation on Non-Resident Ownership

In order for the REIT to maintain its status as a "mutual fund trust" under the Tax Act, the REIT must not be established or maintained primarily for the benefit of Non-Residents. Accordingly, at no time may Non-Residents be the beneficial owners of more than 49% of the Units and the Trustees will inform the transfer agent and registrar of this restriction. The Trustees may require declarations as to the jurisdictions in which beneficial owners of Units are

resident. If the Trustees become aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 49% of the Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and will not accept a subscription for Units from or issue Units to a person unless the person provides a declaration that the person is not a Non-Resident. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units are held by Non-Residents, the Trustees may send a notice to Non-Resident holders of Units, chosen in inverse order to the order of acquisition or registration or in such manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may, on behalf of such Unitholders sell such Units and, in the interim, must suspend the voting and distribution rights attached to such Units. Upon such sale the affected holders will cease to be holders of Units and their rights will be limited to receiving the net proceeds of sale, subject to the right to receive payment of any distribution declared by the Trustees which is unpaid and owing to such Unitholders. The Trustees will have no liability for the amount received provided that they act in good faith.

Information and Reports

The REIT will make available to Unitholders such financial statements (including quarterly and annual financial statements) and other reports as are from time to time required by applicable law. Prior to each meeting of Unitholders, the Trustees will make available to Unitholders (along with notice of such meeting) information as required by applicable tax and securities laws.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended or altered from time to time. Certain amendments require approval by at least two-thirds of the votes cast at a meeting of Unitholders called for such purpose. Other amendments to the Declaration of Trust require approval by a majority of the votes cast at a meeting of Unitholders called for such purpose.

Except as described below, the following amendments, among others, require the approval of two-thirds of the votes cast by all Unitholders at a meeting:

(a) an exchange, reclassification or cancellation of all or part of the Units;

(b) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Units;

(c) any constraint on the issue, transfer or ownership of the Units or the change or removal of such constraint;

(d) the sale or transfer of the assets of the REIT as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of the REIT approved by the Trustees and not prejudicial to Unitholders);

(e) the termination of the REIT (other than as part of an internal reorganization of the assets of the REIT approved by the Trustees and not prejudicial to Unitholders);

(f) the combination, amalgamation or arrangement of any of the REIT or its subsidiaries with any other entity (other than as part of an internal reorganization of the assets of the REIT approved by the Trustees and not prejudicial to Unitholders); and

(g) except as described herein, the amendment of the investment guidelines and operating policies of the REIT. See "*The REIT – Investment Guidelines and Operating Policies – Amendments to Investment Guidelines and Operating Policies*".

Notwithstanding the foregoing, the Trustees may, without the approval of the Unitholders, make certain amendments to the Declaration of Trust, including amendments:

(a) aimed at ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees or the REIT; (ii) the status of the REIT as a "unit trust", a "mutual fund trust" and a "real estate investment trust" under the Tax Act; or (iii) the distribution of Units;

(b) which, in the opinion of the Trustees, provide additional protection for the Unitholders;

(c) to remove any conflicts or inconsistencies in the Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;

(d) which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies between the disclosure in this Information Circular and the Declaration of Trust;

(e) of a minor or clerical nature or to correct typographical mistakes, ambiguities or manifest omissions or errors, which amendments, in the opinion of the Trustees, are necessary or desirable and not prejudicial to the Unitholders;

(f) which, in the opinion of the Trustees, are necessary or desirable: (i) to ensure continuing compliance with IFRS; or (ii) to ensure the Units qualify as equity for purposes of IFRS;

(g) which, in the opinion of the Trustees, are necessary or desirable to enable the REIT to implement a Unit option or purchase plan, a distribution reinvestment plan or issue Units for which the purchase price is payable in instalments;

(h) to create and issue one or more new classes of Preferred Units that rank in priority to the Units (in respect of payment of distributions and in connection with any termination or winding-up of the REIT);

(i) which, in the opinion of the Trustees, are necessary or desirable for the REIT to qualify for a particular status under, or as a result of changes in, taxation or other laws, or the interpretation of such laws, including to qualify for the definition of "mutual fund trust" and "real estate investment trust" in the Tax Act or to otherwise prevent the REIT or any of its Subsidiaries from becoming subject to tax under the SIFT Rules;

(j) to create one or more additional classes of units solely to provide voting rights to holders of shares, units or other securities that are exchangeable for Units entitling the holder thereof to a number of votes not exceeding the number of Units into which the exchangeable shares, units or other securities are exchangeable or convertible but that do not otherwise entitle the holder thereof to any rights with respect to the REIT's property or income other than a return of capital; and

(k) for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to Unitholders and is necessary or desirable.

Rights of Unitholders

The rights of the Unitholders and the attributes of the Units are established and governed by the Declaration of Trust. Although the Declaration of Trust confers upon a Unitholder many of the same protections, rights and remedies as an investor would have as a shareholder of a corporation governed by the NBBCA or the CBCA, significant differences exist, some of which are described below.

Many of the provisions of the NBBCA and CBCA respecting the governance and management of a corporation are incorporated in the Declaration of Trust. For example, Unitholders are entitled to exercise voting rights in respect of their holdings of Units in a manner comparable to shareholders of a NBBCA or CBCA corporation and to elect Trustees and the auditors of the REIT. The Declaration of Trust also includes provisions modeled after comparable provisions of the NBBCA and CBCA dealing with the calling and holding of meetings of Voting Unitholders and Trustees, the procedures at such meetings and the right of the Voting Unitholders to participate in the decision making process where certain fundamental actions are proposed to be undertaken. The matters in respect of which approval by the Voting Unitholders is required under the Declaration of Trust are generally less extensive than the rights conferred on the shareholders of a NBBCA or CBCA corporation, but effectively extend to certain fundamental actions that may be undertaken by the Subsidiaries of the REIT. These approval rights are supplemented by provisions of applicable securities laws that are generally applicable to issuers (whether corporations, trusts or other entities) that are "reporting issuers" or the equivalent or are listed on the TSX.

Unitholders do not have recourse to a dissent right under which shareholders of a NBBCA or CBCA corporation are entitled to receive the fair value of their shares where certain fundamental changes affecting the corporation are undertaken (such as an amalgamation, a continuance under the laws of another jurisdiction, the sale of all or substantially all of its property, a going private transaction or the addition, change or removal of provisions restricting: (a) the business or businesses that the corporation can carry on; or (b) the issue, transfer or ownership of shares). Unitholders similarly do not have recourse to the statutory oppression remedy that is available to shareholders of a NBBCA or CBCA corporation where the corporation undertakes actions that are oppressive, unfairly prejudicial or which disregard the interests of securityholders and certain other parties. Shareholders of a NBBCA or CBCA corporation may also apply to a court for the appointment of an inspector to investigate the manner in which the business of the corporation and its affiliates is being carried on where there is reason to believe that fraudulent, dishonest or oppressive conduct has occurred. The Declaration of Trust does not include a comparable right. The NBBCA and CBCA also permit shareholders to bring or intervene in derivative actions in the name of a corporation or any of its subsidiaries, with the leave of a court. The Declaration of Trust does not include a comparable right.

Distribution Policy

The following outlines the distribution policy of the REIT as contained in the Declaration of Trust. Determinations as to the amounts actually distributable will be made in the sole discretion of the Trustees.

In 2014, the REIT intends to make aggregate distributions in the amount of $0.24 per Unit which management believes will represent approximately 80 – 90% of AFFO. Management of the REIT believes this payout ratio should allow the REIT to meet its internal funding needs, while being able to support stable growth in cash distributions. However, subject to compliance with the Declaration of Trust, the actual payout ratio will be determined by the Trustees in their discretion. Pursuant to the Declaration of Trust, the Trustees have full discretion respecting the timing and amounts of distributions including the adoption, amendment or revocation of any distribution policy. It is the REIT's current intention to make distributions to Unitholders at least equal to the amount of net income and net realized capital gains of the REIT as is necessary to ensure that the REIT will not be liable for ordinary income taxes on such income.

Unitholders of record as at the close of business on the last business day of the month preceding a Distribution Date will have an entitlement on and after that day to receive distributions in respect of that month on such Distribution Date. Under the Declaration of Trust and pursuant to the distribution policy of the REIT, where the REIT's cash is not sufficient to make payment of the full amount of a distribution, such payment will, to the extent necessary, be distributed in the form of additional Units. See "*The REIT – Declaration of Trust and Description of Units – Issuance of Units*" and "*Certain Canadian Federal Income Tax Consequences*".

The first distribution will be for the period from Closing to January 31, 2014 and will be paid on or about February 15, 2014 and, assuming the Closing is effective at the beginning of the day on January 1, 2014, will be in the amount of $0.04 per Unit which amount includes a one-time distribution of $0.02 per Unit. The REIT intends to make subsequent monthly distributions on the 15th of the month, or the first business day thereafter should the 15th not be a business day, in an amount of $0.02 per Unit commencing March 15, 2014 for the month of February 2014.

Distribution Reinvestment Plan

Upon Closing, Plazacorp's current Dividend Reinvestment Plan will be amended and restated to become the DRIP, with the REIT assuming all of Plazacorp's obligations under the Dividend Reinvestment Plan.

Pursuant to the DRIP, Unitholders may elect to have all cash distributions of the REIT automatically reinvested in additional Units at a price per Unit calculated by reference to the weighted average of the closing price of Units on the TSX for the five trading days immediately preceding the relevant Distribution Date. Unitholders who so elect will receive a further distribution of Units equal in value to 3% of each distribution that was reinvested by the Unitholder.

No brokerage commission will be payable in connection with the purchase of Units under the DRIP and all administrative costs will be borne by the REIT.

Unitholders resident outside of Canada will not be entitled to participate in the DRIP. Upon ceasing to be a resident of Canada, a Unitholder must terminate the Unitholder's participation in the DRIP.

Legal Proceedings

Other than the Arrangement, there are no outstanding legal proceedings material to the REIT to which the REIT or its subsidiaries are a party or in respect of which any of their respective properties are subject, nor are there any such proceedings known to be contemplated.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As at November 1, 2013 hereof, the REIT has not conducted any business or operations, other than to execute the Arrangement Agreement. A balance sheet of the REIT is attached as Schedule "D" hereto.

In the event the Arrangement is completed, Plazacorp will be become a wholly-owned Subsidiary of the REIT and all of its assets and liabilities, either directly or indirectly, will be distributed to and assumed by the REIT. Following completion of the Arrangement, the business of Plazacorp will continue to be carried on through the REIT and the REIT's financial position, risks and outlook will be substantially the same as those outlined in the MD&A incorporated by reference herein. Since the Arrangement does not contemplate a change of control for accounting purposes, the financial statements of the REIT will be the continuation of Plazacorp's financial statements. As a result of the Arrangement, the consolidated pro forma financial statements of the REIT will reflect the assets and liabilities of Plazacorp at the respective carrying amounts except for certain deferred income taxes which will reflect the impact on the change in tax status. Any change in deferred income tax balance will be charged to income tax expense at the Effective Time. Such changes related to deferred income taxes may be material. See "Pro Forma Consolidated Financial Statements of Plaza Retail REIT" attached as Appendix E to this Information Circular.

Readers are encouraged to review the MD&A which has been filed on SEDAR at www.sedar.com and is incorporated by reference in this Information Circular.

PRO FORMA FINANCIAL INFORMATION

The following table sets out certain selected *pro forma* consolidated financial information for the REIT after giving effect to the Arrangement. Such information should be read in conjunction with the unaudited *pro forma* consolidated financial statements of the REIT attached as Appendix E hereto. Adjustments have been made to prepare the unaudited *pro forma* consolidated financial statements of the REIT, which adjustments are based on certain assumptions. Both the adjustments and the assumptions made in respect thereof are described in the notes to the unaudited *pro forma* consolidated financial statements.

The unaudited *pro forma* consolidated financial information of the REIT are presented for illustrative purposes only and are not necessarily indicative of (i) the operating or financial results that would have occurred had the Arrangement actually occurred at the times contemplated by the notes to the unaudited *pro forma* consolidated financial statements, or (ii) results expected in future periods.

(in thousands of Canadian dollars)	**Year ended December 31, 2012[(1)]**
	(unaudited)
Revenues	$85,808
Operating expenses	(27,813)
Net property operating income	57,995
Share of profit of associates	9,623
Administrative expenses	(9,680)
Investment income	269
Other income	1,744
Other expenses	(31)
Income before finance costs, fair value adjustments, gain (loss) on disposals and income taxes	59,920
Finance costs	(34,608)
Finance costs – net loss from fair value adjustments to convertible debentures	(673)
Finance costs – net revaluation of interest rate swaps	48
Net gain from fair value adjustments to investment properties	37,091
Loss on disposal of surplus land	(43)
Profit before income tax	61,735
Income tax expense	
- Current	(106)
- Deferred	(598)
	(704)
Profit and total comprehensive income for the year	$61,031
Profit and total comprehensive income for the year attributable to:	
- Unitholders	57,556
- Non-controlling interests	3,475
	$61,031

Notes:

(1) Assumes completion of the Arrangement.

PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the unaudited *pro forma* consolidated capitalization of the REIT as at June 30, 2013, after giving effect to the completion of the Arrangement.

	Pro Forma **As at June 30, 2013 as adjusted to give effect to the Arrangement and events subsequent to June 30, 2013** (***in thousands***)[1]
Indebtedness[2]	
Debentures	$ 78,192
Mortgage bonds	11,067
Mortgages	414,642
Operating facility	-
Notes payable	1,430
Bridge facility	56,651
Unitholders' Equity	
Units and retained earnings	387,742
Non-controlling Interests[3]	13,731
Total Capitalization	$963,455

Notes:

(1) In addition to the Arrangement, other events subsequent to June 30, 2013 that are reflected in the table include the following: the public offering of common shares and Series D Debentures completed on October 24, 2013, the issuance of long-term debt (including mortgage financings and mortgage bonds), the repurchase of former KEYreit convertible debentures and draws on Plazacorp's development facilities (reflected under "Mortgages" in the table above).

(2) Indebtedness figures are shown at their carrying amounts.

(3) Represents minority interests in certain entities owned by Plazacorp.

PRIOR SALES OF THE REIT

On November 1, 2013, the REIT was formed and one Unit was issued for $10.00.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSEQUENCES

Certain Canadian Federal Income Tax Considerations

In the opinion of Davies Ward Phillips & Vineberg LLP, special tax counsel ("**Tax Counsel**") to the Corporation, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a Shareholder or Unitholder as a result of the Conversion. This summary assumes that, for the purposes of the Tax Act, the Shareholder or Unitholder is resident in Canada and, at all relevant times, holds Common Shares or Units and will hold Units received in exchange therefor as capital property, and deals at arm's length and is not affiliated with the Corporation, the REIT and their respective affiliates. Generally, Common Shares or Units will be considered to be capital property to a Shareholder or Unitholder provided that they do not hold the Common Shares or Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Shareholders or Unitholders whose Common Shares or Units might not otherwise qualify as capital property may be entitled to have them treated as capital property by making an irrevocable election under subsection 39(4) of the Tax Act. Shareholders or

Unitholders who do not hold their Common Shares or Units as capital property should consult their own tax advisors regarding their particular circumstances.

This summary does not apply to a Shareholder or Unitholder: (i) that is a "financial institution" (for purposes of the mark-to-market rules); (ii) that is a "specified financial institution"; (iii) an interest in which is a "tax shelter investment"; (iv) who has elected to report its "Canadian tax results" in a currency other than the Canadian currency (as each term is defined in the Tax Act); or (v) who enters into, with respect to their units, a "derivative forward agreement" as such term is defined in proposed amendments to the Tax Act released on September 13, 2013. Any such Shareholders or Unitholders should consult their own tax advisors. Further, this summary does not address the tax consequences to Shareholders or Unitholders who borrow funds in connection with the acquisition of Common Shares or Units.

This summary is based upon the provisions of the Tax Act and the regulations thereunder (the "**Regulations**") and Tax Counsel's understanding, based on publicly available published materials, of the administrative policies and assessing practices of the CRA, all in effect as of the date of this Information Circular . This summary takes into account all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister prior to the date of this Information Circular (the "**Tax Proposals**"). Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in CRA's administrative policies and assessing practices, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein. This summary assumes that the Tax Proposals will be enacted as currently proposed, but no assurances can be given that this will be the case. There can be no assurances that CRA will not change its administrative policies and assessing practices.

For the purposes of this summary, Tax Counsel has relied upon representations that the Corporation has, at all material times, qualified and is expected to continue to qualify as a "mutual fund corporation" for the purposes of the Tax Act, and Tax Counsel has assumed that the REIT, REIT #2, REIT #3, and REIT #4 shall qualify at all relevant times as a "mutual fund trust" for the purposes of the Tax Act. If the Corporation, the REIT, REIT #2, REIT #3, or REIT #4 were not to so qualify at any particular time, the income tax considerations described below would, in some respects, be materially different. This summary also assumes that the implementation of the Conversion will occur as described in this Circular, and that various assets of the Corporation have relevant attributes as disclosed to Tax Counsel by the Corporation.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, Shareholders are urged to consult their own tax advisors to determine the particular tax effects to them of the Conversion and any other consequences to them of such transactions under Canadian federal, provincial, territorial or local tax laws and under foreign tax laws, having regard to their own particular circumstances.

Persons not resident in Canada should be aware that the Conversion may result in tax consequences for them in the United States, other foreign jurisdictions and/or in Canada. Such consequences are not described herein. Each Shareholder or Unitholder who is not a resident of Canada should consult his or her own tax advisor concerning the tax effects of the Conversion, his or her exchange of Common Shares, and the holding of Units.

Holders of any debentures of the Corporation should be aware that the Conversion may result in tax consequences for them which are not described herein. Each holder of debentures should consult his or her own tax advisor concerning the tax effects of the Conversion.

Tax Considerations Applicable to the Conversion

To complete the Conversion, a number of steps will be taken, including steps that will result in the distribution of trust units of newly-created trusts as well as additional Units to unitholders for a brief period of time. The Corporation has applied for and received an advance income tax ruling (the "**CRA Ruling**") from the CRA in connection with the Conversion.

Transfers of Assets by the Direct Subtrusts to Trust A

Provided that Trust A does not file an election in respect of the transfer to it of the assets of the Direct Trusts, there should be no taxable capital gain or other income realized by the Direct Subtrusts as a result of such transfer.

Transfers of Assets by Trust A to KEYreit, by KEYreit to REIT #2, by Plazacorp Operating Trust to REIT #3, and by SR Operating Trust to REIT#4

Provided that the necessary elections are filed within the prescribed time period, the transfers of assets by Trust A to KEYreit, by KEYreit to REIT #2, by Plazacorp Operating Trust to REIT #3, and by SR Operating Trust to REIT #4, will be characterized as "qualifying dispositions" for purposes of section 107.4 of the Tax Act, so that the proceeds of disposition of such assets will be equal to their respective cost amounts. On this basis, there should be no taxable capital gain or other income to the transferor trusts arising from such transfers.

Transfers of Assets by the Corporation, REIT #2, REIT #3, and REIT #4 to the REIT

Provided that in respect of each of the transfers by the Corporation, REIT #2, REIT #3, and REIT #4 to the REIT, that the respective transferor and transferee file the elections under section 132.2 of the Tax Act in the manner and time prescribed, such transfers will constitute "qualifying exchanges" as defined in section 132.2 of the Tax Act, thereby allowing the proceeds of disposition to each transferor of its assets to be equal to the respective cost amounts of such assets as a result of appropriate designations in such elections, provided that the consideration received by the transferor for the transfer of any asset (including any assumption of liabilities but excluding any Units) does not exceed the asset's cost amount of the transferee. On this basis, there should be no taxable capital gain or other income realized by each transferor as a result of such transfer. However, designations in such joint election between the Corporation and the REIT may be made so as to result in the Corporation realizing taxable capital gain or other income equal to certain losses or available deductions which may be available for deduction by it.

Returns of Capital on Shares and Units

A Shareholder generally will not be required to include in computing income for the year the value of the Units received from the Corporation as a return of stated capital on its Shares. A Shareholder will instead be required to reduce the adjusted cost base of its Shares by the fair market value of the Units received by that Shareholder. Similarly, a Unitholder generally will not be required to include in computing income for the year the value of the REIT #2, REIT #3, and REIT #4 units received from the REIT as a return of capital on its Units. A Unitholder will instead be required to reduce the adjusted cost base of its units by the fair market value of the REIT #2, REIT #3, and REIT #4 units received by that unitholder. To the extent that the adjusted cost base of a Common Share or Unit would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Common Share or Unit will then be nil. The cost to a Unitholder of a REIT #2, REIT #3, or REIT #4 unit distributed to such holder will be equal to the fair market value of such unit at the time of distribution.

Disposition of Common Shares, REIT #2, REIT #3, and the REIT #4 units pursuant to the Conversion

Provided that in respect of each of the transfers by the Corporation, REIT #2, REIT #3, and REIT #4 to the REIT, that the transferor and transferee file the elections under section 132.2 of the Tax Act in the manner and time prescribed, such transfers will constitute "qualifying exchanges" as defined in section 132.2 of the Tax Act.

Accordingly, where a Shareholder, REIT #2, REIT #3, or REIT #4 unitholder disposes of Common Shares or units, as applicable, pursuant to the Conversion in exchange for Units, the proceeds of disposition for the Common Shares or units disposed of, and the cost of the Units received in exchange therefor, will be deemed to be equal to the adjusted cost base of the Common Shares or units immediately prior to their disposition. For the purpose of determining the adjusted cost base of the Units so acquired, the cost of such Units will be determined by averaging their cost with the adjusted cost base of all other Units held as capital property by such investor immediately before the exchange.

The Corporation, REIT #2, REIT #3, or REIT #4 will not realize a gain or loss on the transfer of the Units to the investors on the disposition of Common Shares or units.

Consolidation of Units

The consolidations of the Units occurring as part of the Conversion will not be considered to result in a disposition of Units by the unitholder. In general, the aggregate adjusted cost base of Units owned by a unitholder after the Conversion will be equal to the aggregate adjusted cost base of the Units owned by such unitholder immediately prior to any consolidation.

Eligibility for Investment of REIT #2, REIT #3, or REIT #4 Units

The units of REIT #2, REIT #3, or REIT #4, provided that these trusts are at all relevant times "mutual fund trusts" for the purposes of the Tax Act, will be qualified investments for purposes of the Tax Act for trusts governed by Plans, subject to the same qualifications as contained in "Eligibility for Investment" in respect of Units.

Shareholders' Exercise of Dissent Rights

By virtue of the Arrangement, a Dissenting Shareholder will generally be considered to have disposed of such Shareholder's Shares to the Corporation and will be entitled to receive a cash payment equal to the fair value of such Shares. Provided that the Corporation qualifies as a mutual fund corporation as defined under the ITA at the time that such Shares are considered for purposes of the ITA to have been redeemed, acquired or cancelled, no part of such cash payment will be deemed to be a dividend for purposes of the ITA. On this basis, such Dissenting Shareholder will be considered to have disposed of such Shareholder's Shares for proceeds of disposition equal to such cash payment (excluding any amount which constitutes interest), and the Dissenting Shareholder will realize a capital gain (or capital loss) to the extent that such proceeds of disposition exceed (or are exceeded by) the aggregate of the Dissenting Shareholder's adjusted cost base of the transferred shares and any applicable reasonable costs of disposition. A Dissenting Shareholder will also be required to include any Court awarded interest in computing such shareholder's income.

For purposes of the deemed dividend rule referred to above, the Corporation will cease to qualify as a mutual fund corporation on the Conversion, and its Shares likely will cease to be qualified investments, for Dissenting Shareholders which are trusts referred to below under "Eligibility for Investment," on such Conversion or when they cease to be listed on any designated stock exchange. **Shareholders who wish to dissent should consult with their own tax advisors with respect to the income tax consequences applicable to their particular circumstances.**

Tax Considerations Following the Conversion

Qualification as a Mutual Fund Trust

This summary assumes that the REIT will qualify at all times as a "mutual fund trust" under the provisions of the Tax Act. To qualify as a mutual fund trust, the REIT must be a "unit trust" as defined by the Tax Act, must not be established or maintained primarily for the benefit of non-residents, and must restrict its undertaking to: (i) the investing of its funds in property (other than real property or an interest in real property or an immovable or real right in an immovable), and (ii) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property or of any immovable or real right in immovables) that is capital property of the REIT, or (iii) any combination of the activities described in (i) and (ii), and the REIT must comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of Units.

In the event that the REIT were not to qualify as a mutual fund trust at any particular time, the Canadian federal income tax considerations described herein would, in some respects, be materially different.

Qualification of the REIT as a "Real Estate Investment Trust"

*Specified Investment Flow-through Trust Rules ("**SIFT Rules**")*

The SIFT Rules effectively tax certain income of a publicly-traded trust or partnership that is distributed to its investors on the same basis as would have applied had the income been earned through a taxable corporation and

distributed by way of dividend to its shareholders. These rules apply only to "SIFT trusts", "SIFT partnerships" (each as defined in the Tax Act) and their investors.

Where the SIFT Rules apply, distributions of a SIFT trust's "non-portfolio earnings" are not deductible in computing the SIFT trust's net income. Non-portfolio earnings are generally defined as income attributable to a business carried on by the SIFT trust in Canada or to income (other than certain dividends) from, and capital gains from the disposition of, non-portfolio properties. The SIFT trust is itself liable to pay an income tax on an amount equal to the amount of such non-deductible distributions at a rate that is substantially equivalent to the combined federal and provincial general tax rate applicable to taxable Canadian corporations. Such non-deductible distributions paid to a holder of units of the SIFT trust are generally deemed to be taxable dividends received by the holder of such units from a taxable Canadian corporation. Such deemed dividends will qualify as "eligible dividends" for purposes of the enhanced gross-up and dividend tax credit available under the Tax Act to individuals resident in Canada and for purposes of computing a Canadian resident corporation's "general rate income pool" or "low rate income pool", as the case may be (each as defined in the Tax Act).

A trust resident in Canada will generally be a SIFT trust for purposes of the Tax Act if investments in the trust are listed or traded on a stock exchange or other public market and the trust holds one or more "non-portfolio properties" (as defined in the Tax Act). Non-portfolio properties generally include certain investments in real properties situated in Canada and certain investments in corporations and trusts resident in Canada and in partnerships with specified connections to Canada. However, a trust will not be considered a SIFT trust for a taxation year if it qualifies as a "real estate investment trust" (as defined in the Tax Act) for the year (the "**REIT Exception**"), as discussed below.

Distributions that are paid as returns of capital will generally not attract the tax under the SIFT Rules.

REIT Exception

Trusts that satisfy the REIT Exception are excluded from the definition of SIFT trusts and are therefore not subject to the SIFT Rules. Generally, to qualify for the REIT Exception for a particular taxation year:

(i) at each time in the taxation year, the total fair market value at that time of all non-portfolio properties that are "qualified REIT properties" held by the trust must be at least 90% of the total fair market value at that time of all non-portfolio properties held by the trust;

(ii) not less than 90% of the trust's "gross REIT revenue" for the taxation year must be derived from one or more of the following: "rent from real or immovable properties", interest, dispositions of "real or immovable properties" that are capital properties, dividends, royalties and dispositions of "eligible resale properties";

(iii) not less than 75% of the trust's "gross REIT revenue" for the taxation year must be from one or more of the following: rent from real or immovable properties, interest from mortgages or hypothecs on real or immovable properties, and dispositions of real or immovable properties that are capital properties;

(iv) at no time in the taxation year can the total fair market value of, stated generally, properties comprised of real or immovable properties that are capital properties, eligible resale properties, cash, deposits in a bank or credit union, indebtedness of Canadian corporations represented by bankers' acceptances and debt issued or guaranteed by governments in Canada be less than 75% of the "equity value" of the trust at that time; and

(v) investments in the trust must be, at any time in the taxation year, listed or traded on a stock exchange or other public market.

Under the SIFT Rules, "qualified REIT property" of a trust at any time means, generally, a property held by the trust that is at that time: (i) a real or immovable property that is capital property, an eligible resale property, cash, deposits in a bank or credit union, indebtedness of Canadian corporations represented by bankers' acceptances and debts issued or guaranteed by governments in Canada; (ii) a security of an entity all or substantially all of the gross REIT

revenue of which is from maintaining, improving, leasing or managing real or immovable properties that are capital properties of the trust or of an entity of which the trust holds a share or interest; (iii) a security of an entity if the entity holds no property other than (A) legal title to real or immovable properties of the trust or of another entity all of the securities of which are held by the trust and (B) property described in (iv) below; and (iv) ancillary to the earning by the trust of rents from, and capital gains from the dispositions of, real or immovable property, other than an equity of an entity, a mortgage, hypothecary claim, mezzanine loan or similar obligation.

The "equity value" of a SIFT trust at any time means the fair market value of all of the income or capital interests in the trust at that time.

"Real or immovable property" includes a security of an entity that is a trust that satisfies or would, assuming it were a trust, satisfy the first four criteria required to qualify for the REIT Exception, or an interest in certain real property; but excludes any depreciable property, other than a depreciable property included (otherwise than by an election) in CCA Class 1, 3 or 31 of the Regulations, a property ancillary to the ownership or utilization of such depreciable property, or a lease in, or leasehold interest in respect of, land or such depreciable property.

"Eligible resale property" of an entity is real or immovable property (that is not capital property) of the entity that is contiguous to a particular real or immovable property that is capital property or eligible resale property of the entity or an affiliated entity, the holding of which is ancillary to the holding of the particular property.

"Rent from real or immovable properties" includes rent or similar payments for the use of, or right to use, real or immovable properties, payment for services ancillary to the rental of real or immovable properties and customarily supplied or rendered in connection therewith, and income from a trust that was derived from rent from real or immovable properties; but does not include any other payments for services supplied or rendered, fees for managing or operating such properties, payments for the occupation of, use of, or right to use, a hotel room or similar lodging, or rent based on profits.

There are also deeming provisions for determining a trust's "gross REIT revenue" for purposes of the two revenue tests described in paragraphs (ii) and (iii), above, which generally provide that where a "parent trust" has a 10% or more interest in another entity or is affiliated with the other entity, then revenues received or receivable by the parent trust in respect of a security of that other entity maintain their source characterization in determining the source of revenues of the parent trust (the REIT) (excluding a management subsidiary's revenue from maintaining, leasing, improving or managing real property of the parent or an entity in which the parent holds a share or interest). Accordingly, income from rent from real or immovable properties and capital gains earned by another entity, such as a subsidiary trust, and distributed to a parent trust will generally be treated as rent from real or immovable properties and capital gains, respectively, in the hands of the parent trust for purposes of determining the parent trust's "gross REIT revenue".

Management of the Corporation has advised Tax Counsel that the REIT expects to conduct its affairs to qualify for the REIT Exception for the 2014 taxation year and each subsequent taxation year. However, the determination as to whether the REIT qualifies for the REIT Exception in a particular taxation year depends on the application of the tests described above throughout that year, or to the whole of that year, so that such determination cannot be made with any certainty before the end of that year.

Application of the SIFT Rules may, depending on the nature of distributions from the REIT (including the portion of its distributions that is income and the portion of its distributions that is a return of capital) have a material adverse effect on the after-tax returns of certain investors. In the event that the SIFT Rules apply to the REIT, they may adversely affect the marketability of the Units and the level of cash distributions made by the REIT.

The balance of this summary assumes that the REIT will qualify for the REIT Exception and therefore will not be subject to the SIFT Rules.

Taxation of the REIT

The taxation year of the REIT is the calendar year. In each taxation year, the REIT will generally be subject to tax under Part I of the Tax Act on its income for the year, including net taxable capital gains for that year and its

allocated share of the income from its underlying partnerships for the fiscal period of such underlying partnerships ending in, or coinciding with the year-end of the REIT, less the portion thereof that it deducts in respect of the amounts paid or payable, or deemed to be paid or payable, to the Unitholders in the year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid to the Unitholder in the year by the REIT or if the Unitholder is entitled in that year to enforce payment of the amount.

In computing its income for purposes of the Tax Act, the REIT may deduct reasonable administrative costs and other reasonable expenses incurred by it for the purpose of earning income.

Management of the Corporation has advised Tax Counsel that the REIT intends to make distributions in each taxation year to Unitholders in an amount sufficient to ensure that the REIT will generally not be liable for tax under Part I of the Tax Act in any year (after taking into account any applicable tax refunds to the REIT). Income of the REIT payable to Unitholders, whether in cash, additional Units or otherwise, will generally be deductible by the REIT in computing its taxable income.

Losses incurred by the REIT cannot be allocated to Unitholders, but can be deducted by the REIT in future years in computing its taxable income, in accordance with the Tax Act. In the event the REIT would otherwise be liable for tax on its net taxable capital gains realized by the REIT for a taxation year, it may be entitled for each taxation year to reduce (or receive a refund in respect of) its liability, if any, for such tax by an amount determined under the Tax Act based on the redemption of Units during the year.

Taxation of the Unitholders

Disposition of Units

On the disposition or deemed disposition of a Unit, whether on redemption or otherwise, the Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of the Unitholder's adjusted cost base of the Unit and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by the REIT that is otherwise required to be included in the Unitholder's income (such as an amount designated as payable by the REIT to a redeeming Unitholder out of capital gains or income of the REIT).

For the purpose of determining the adjusted cost base to a Unitholder, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all of the Units owned by the Unitholder as capital property immediately before that acquisition. The adjusted cost base of a Unit to a Unitholder will include all amounts paid by the Unitholder for the Unit, with certain adjustments. The cost to a Unitholder of Units received in lieu of a cash distribution of income of the REIT will be equal to the amount of such distribution that is satisfied by the issuance of such Units. The cost of Units acquired on the reinvestment of distributions under the DRIP will be the amount of such investment. There will be no net increase or decrease in the aggregate adjusted cost base of all of a Unitholder's Units as a result of the receipt of the further bonus distribution reinvested in Units under the DRIP; however, the adjusted cost base per Unit will be reduced.

Where the redemption price for Units is paid and satisfied by way of an issuance to the Unitholders of Redemption Notes of the REIT, the proceeds of disposition to the Unitholder of the Units will be equal to the fair market value of the Redemption Notes so distributed. The cost of any Redemption Notes issued by the REIT to a Unitholder upon redemption of Units will generally be equal to the fair market value of such Redemption Notes at the time of issuance.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain (a taxable capital gain) realized by a Unitholder on the disposition or deemed disposition of Units must be included in computing the Unitholder's income and one-half of any capital loss (an allowable capital loss) may be deducted from taxable capital gains realized by the Unitholder in the year of disposition. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act. A Unitholder that is a

"Canadian-controlled private corporation" (as defined in the Tax Act) may be liable for an additional refundable tax of 6⅔% on investment income for the year, which is defined to include taxable capital gains.

Where a Unitholder that is a corporation or a trust (other than a mutual fund trust) disposes of a Unit, the Unitholder's capital loss from the disposition will generally be reduced by the amount of any dividends received by the REIT previously designated by the REIT to the Unitholder, to the extent and under the circumstances prescribed in the Tax Act. Analogous rules apply where a corporation or trust (other than a mutual fund trust) is a member of a partnership that disposes of Units.

Alternative Minimum Tax

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

REIT Distributions

A Unitholder is generally required to include in computing income for a particular taxation year the portion of the net income of the REIT for the taxation year of the REIT ending on or before the particular taxation year end of the Unitholder, including net taxable capital gains (determined for the purposes of the Tax Act), that is paid or payable, or deemed to be paid or payable, to the Unitholder in the particular taxation year, whether or not those amounts are received in cash, additional Units or otherwise. The non-taxable portion of any net capital gains of the REIT that is paid or payable, or deemed to be paid or payable, to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year. Any other amount in excess of the net income and net taxable capital gains of the REIT that is paid or payable, or deemed to be paid or payable, by the REIT to a Unitholder in a taxation year, including the further bonus distribution reinvested in Units under the DRIP, will not generally be included in the Unitholder's income for the year. A Unitholder will be required to reduce the adjusted cost base of its Units by the portion of any amount (other than proceeds of disposition in respect of the redemption of Units and the non-taxable portion of net capital gains) paid or payable to such Unitholder that was not included in computing the Unitholder's income and will realize a capital gain to the extent that the adjusted cost base of the Unitholder's Units would otherwise be a negative amount.

Provided that appropriate designations are made by the REIT, such portions of the net taxable capital gains, taxable dividends received, or deemed to be received, on shares of taxable Canadian corporations as are paid or payable, or deemed to be paid or payable, by the REIT to Unitholders will effectively retain their character and be treated and taxed as such in the hands of Unitholders for purposes of the Tax Act. To the extent that amounts are designated as having been paid to Unitholders out of the net taxable capital gains of the REIT, such designated amounts will be deemed for tax purposes to be received by Unitholders in the year as a taxable capital gain and will be subject to the general rules relating to the taxation of capital gains described below. To the extent that amounts are designated as having been paid to Unitholders out of taxable dividends received, or deemed to be received, on shares of taxable Canadian corporations, they will be subject to the normal gross-up and dividend tax credit provisions in respect of Unitholders who are individuals, to the refundable tax under Part IV of the Tax Act in respect of Unitholders that are private corporations and certain other corporations controlled directly or indirectly by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts), and to the deduction in computing taxable income in respect of Unitholders that are corporations. A Unitholder that is a Canadian-controlled private corporation (as defined in the Tax Act) throughout its taxation year may also be liable to pay an additional refundable tax on certain investment income, including taxable capital gains. Unitholders should consult their own tax advisors for advice with respect to the potential application of these provisions.

Certain taxable dividends received by individuals from a corporation resident in Canada will be eligible for the enhanced dividend tax credit to the extent certain conditions are met and designations are made, such as the dividend being sourced out of income that is subject to tax at the general corporate tax rate. This may apply to distributions made by the REIT to the Unitholders that have as their sources eligible dividends received from a corporation resident in Canada, to the extent the REIT makes the appropriate designation to have such eligible dividends deemed

received by the Unitholder and provided that the corporate dividend payer makes the required designation to treat such taxable dividends as eligible dividends.

Eligibility for Investment

In the opinion of Tax Counsel to the REIT, based on representations of the REIT as to certain factual matters and subject to the qualifications and assumptions given under the heading "*Certain Canadian Federal Income Tax Consequences – Certain Canadian Federal Income Tax Considerations*", provided the REIT is at all times a "mutual fund trust" for the purposes of the Tax Act or the Units are listed on a designated stock exchange (which currently includes the TSX) on the date of Closing, the Units, on the date of Closing, will be qualified investments under the Tax Act for trusts governed by RRSPs, RRIFs, registered education savings plans, registered disability savings plans, TFSAs and deferred profit sharing plans.

Notwithstanding that Units may be qualified investments for a trust governed by a TFSA, RRSP, or RRIF, the holder of a TFSA, or the annuitant of an RRSP or RRIF, as the case may be, will be subject to an additional tax in respect of the Units if such Units are a "prohibited investment" for the TFSA, RRSP, or RRIF. Units will generally be a "prohibited investment" if (i) the holder of a TFSA, or the annuitant of an RRSP or RRIF, as the case may be, does not deal at arm's length with the REIT for purposes of the Tax Act or (ii) the holder of the TFSA or the annuitant of the RRSP or RRIF has a "significant interest" (within the meaning of the Tax Act) in (A) the REIT or in (B) a corporation, partnership or trust with which the REIT does not deal at arm's length for purposes of the Tax Act. Proposed amendments to the Tax Act released on December 21, 2012 (the "**December 2012 Proposals**") propose to delete the condition in (ii)(B) above. In addition, pursuant to the December 2012 Proposals, the Units will generally not be a "prohibited investment" if the Units are "excluded property" as defined in the December 2012 Proposals. Holders of a TFSA and annuitants of an RRIF or RRSP should consult their own tax advisors in regards to the application of these rules in their particular circumstances.

RISK FACTORS

Shareholders should carefully consider the risk factors set out below regarding the risks of converting to a trust and consider all other information contained herein and in Plazacorp's other public filings before determining how to vote on the matters before the Meeting.

Risks Related to the Arrangement

Conditions Precedent

The completion of the Arrangement in the form contemplated by the Arrangement Agreement is subject to a number of conditions precedent, some of which are outside the control of Plazacorp and the REIT, including, without limitation, receipt of shareholder approval at the Meeting, approval of the TSX for the listing of the Units to be issued pursuant to the Arrangement and the granting of the Final Order by the Court. There can be no certainty, nor can Plazacorp provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. Failure to obtain the Final Order on terms acceptable to the Board of Directors would likely result in the decision being made not to proceed with the Arrangement. If the Arrangement is not completed, the market price of the Common Shares may be adversely affected.

Third Party Approvals

Failure to obtain the Final Order on terms acceptable to the Board would likely result in the decision being made not to proceed with the Arrangement. If any of the required regulatory and third party approvals cannot be obtained on terms satisfactory to the Board or at all, the Plan of Arrangement may have to be amended in order to mitigate against the negative consequence of the failure to obtain any such approval, and accordingly, the benefits available to Shareholders resulting from the Arrangement may be reduced. Alternatively, in the event that the Plan of Arrangement cannot be amended so as to mitigate against the negative consequences of the failure to obtain a required regulatory or third party approval, the Arrangement may not proceed at all. If the Arrangement is not completed, the market price of the Common Shares may be adversely affected. See "*The Arrangement – Procedure for the Arrangement Becoming Effective*".

Risks Related to the REIT

Cash Distributions are Not Guaranteed

The REIT's distribution policy will be established in the Declaration of Trust and may only be changed with the approval of a majority of Unitholders. However, the Board of Trustees may reduce or suspend cash distributions indefinitely, which could have a material adverse effect on the market price of the Offered Units.

There can be no assurance regarding the amount of income to be generated by the REIT's properties. The ability of the REIT to make cash distributions, and the actual amount distributed, will be entirely dependent on the operations and assets of the REIT, and will be subject to various factors including financial performance, obligations under applicable credit facilities, fluctuations in working capital, the sustainability of income derived from the tenant profile of the REIT's properties and capital expenditure requirements. Distributions may be increased, reduced or suspended entirely depending on the REIT's operations and the performance of the REIT's assets. The market value of the Offered Securities will deteriorate if the REIT is unable to meet its distribution targets in the future, and that deterioration may be significant. In addition, the composition of cash distributions for tax purposes may change over time and may affect the after-tax return for investors. See "*Certain Canadian Federal Income Tax Consequences*".

Status of the REIT

Management of the Corporation believes that the REIT will qualify as a mutual fund trust for income tax purposes. In order to maintain its mutual fund trust status, the REIT is required to comply with specific restrictions regarding its activities and the investments held by it. If it were to cease to qualify as a mutual fund trust, the consequences could be material and adverse.

Under current legislation, a mutual fund trust cannot be established or maintained primarily for the benefit of non-resident persons. The Declaration of Trust contains certain restrictions relating to the ownership of Units by non-resident persons that are designed to mitigate the possibility that the REIT would be viewed as having been established or maintained primarily for the benefit of non-resident persons. If the REIT were to lose its mutual fund trust status for the purposes of the Tax Act, the consequences could be material and adverse.

Management of the Corporation intends to conduct the affairs of the REIT to qualify for the REIT Exception for the 2014 taxation year and each subsequent taxation year. However, such determination can only be made by the REIT for a year at the end of that taxation year. Should the REIT not meet the conditions of the REIT Exception, the SIFT Rules would be applicable to the REIT.

Management of the Corporation intends to take all the necessary steps to meet these conditions on an ongoing basis in the future. However, there can be no assurances that the REIT will continue to qualify for the REIT Exception such that the REIT and its Unitholders will not be subject to the tax imposed by the SIFT Rules.

Quebec's tax legislation has been substantially harmonized with the SIFT Rules (including the REIT Exception). More specifically, a SIFT with an establishment in Québec at any time in a taxation year is subject to a Québec tax at a rate generally equal to the Québec tax rate relating to corporations and a business allocation formula based on the gross income of a SIFT and the wages and salaries it pays, similar to the one used for the purposes of determining the tax payable by a corporation that has activities in Québec and outside Québec, applies to determine the tax payable to Québec by a SIFT that has, in a taxation year, an establishment both in Québec and outside Québec.

Unless the REIT qualifies for the REIT Exception, the SIFT Rules may have an adverse impact on the REIT and the Unitholders, on the value of the Units and on the ability of the REIT to undertake financings and acquisitions, and if the SIFT Rules were to apply, the distributable cash of the REIT may be materially reduced. The effect of the SIFT Rules on the market for the Units is uncertain.

Restrictions on Redemptions

The entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the following limitations: (i) the total amount payable by the REIT in respect of such Units and all other Units tendered for

redemption in the same calendar month must not exceed $50,000 (provided that such limitation may be waived at the discretion of the Trustees); (ii) at the time such Units are tendered for redemption, the outstanding Units must be listed for trading on a stock exchange or traded or quoted on another market which the Trustees consider, in their sole discretion, provides fair market value prices for the Units; (iii) the trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, on any market on which the Units are quoted for trading) on the Redemption Date for more than five trading days during the 10-day trading period commencing immediately after the Redemption Date; and (iv) the redemption of the Units must not result in the delisting of the Units on the principal stock exchange on which the Units are listed.

Potential Volatility of Unit Prices

One of the factors that may influence the market price of the Units is the annual yield on the Units. An increase in market interest rates may lead purchasers of Units to demand a higher annual yield, which accordingly could adversely affect the market price of the Units. In addition, the market price of the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors beyond the control of the REIT.

Nature of Investment

A holder of a Unit does not hold a share of a body corporate. As holders of Units, the Unitholders will not have statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions. The rights of Unitholders are based primarily on the Declaration of Trust. There is no statute governing the affairs of the REIT equivalent to the NBBCA which sets out the rights and entitlements of shareholders of corporations in various circumstances. As well, the REIT may not be a recognized entity under certain existing insolvency legislation such as the *Bankruptcy and Insolvency Act* (Canada) and the *Companies Creditors' Arrangement Act* (Canada) and thus the treatment of Unitholders upon an insolvency is uncertain.

Availability of Cash Flow

AFFO may exceed actual cash available to the REIT from time to time because of items such as principal repayments, and tenant allowances, leasing costs and capital expenditures in excess of stipulated reserves identified by the REIT in its calculation of AFFO and redemptions of Units, if any. The REIT may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items.

Dilution

The number of Units the REIT is authorized to issue is unlimited. The REIT may, in its sole discretion, issue additional Units from time to time, and the interests of the holders of Units may be diluted thereby.

General Risk Factors

For a description of certain risk factors in respect of the business of Plazacorp and the industry in which it operates which will continue to apply to the REIT after the Effective Time, see "*Risk Factors*" in the AIF, which is incorporated by reference into this Information Circular.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

As part of the internalization of property management (see "*Statement of Executive Compensation – Internalization of Management*" of the MIC), Plaza Group Management Limited (a wholly-owned Subsidiary of the Corporation) entered into an aircraft operating agreement with Plaza Atlantic Limited, a company owned by Earl Brewer and Michael Zakuta, with respect to the use and operation of a turbo-prop airplane, used from time to time by Plaza Group Management Limited and the Corporation to facilitate more timely access to properties across the Corporation's portfolio for construction, development, leasing and operations.

In addition to managing properties owned by the Corporation, Plaza Group Management Limited also manages certain properties owned directly or indirectly by Michael Zakuta and Earl Brewer, namely 527 Queen Street, Fredericton, NB and 271 Queen Street, Fredericton, NB. Plaza Group Management Limited is also a party to an office lease for the Corporation's corporate headquarters in Fredericton, NB. The owner of the office building and counter-party to the lease is a company indirectly owned by Michael Zakuta and Earl Brewer. The lease expires March 31, 2014.

The Corporation has also entered into various land leases on nine parcels of land with TC Land Limited Partnership, an entity indirectly owned and controlled by Earl Brewer and Michael Zaktua.

Upon the Conversion, it is anticipated that the REIT will assume all obligations of the Corporation under the contracts in respect of the arrangements described above.

AUDITOR, TRANSFER AGENT AND REGISTRAR

Auditor

The auditor for the Corporation is KPMG LLP, Suite 700, Frederick Square, TD Tower, 77 Westmorland Street, New Brunswick, E3B 6Z3. After Closing, KPMG will remain as the auditor of the REIT.

Transfer Agent and Registrar

The registrar and transfer agent of Plazacorp is CST Trust Company, 600 The Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1. After Closing, CST Trust Company will remain as the registrar and transfer agent of the REIT.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, such as leases with tenants and other agreements, there are no other contracts entered into by Plazacorp which are material to investors other than:

(a) the Arrangement Agreement; and

(b) the Declaration of Trust.

Copies of these agreements will be available for review at www.sedar.com after Closing and copies of those agreements that have been entered into may be inspected, without charge, at the offices of Plazacorp, 527 Queen Street, Suite 200, Fredericton, NB, E3B 1B8 during ordinary business hours until the date of Closing and for a period of 30 days thereafter.

EXPERTS

Certain legal matters relating to the Arrangement are to be passed upon by Goodmans LLP and Stewart McKelvey, on behalf of the Corporation and the REIT. Davies Ward Philips & Vineberg LLP, has prepared the summary contained in this Information Circular under the heading "*Certain Canadian Federal Income Tax Consequences*". As at November 1, 2013, the partners and associates of Goodmans LLP, Stewart McKelvey and Davies Ward Philips & Vineberg LLP, respectively, beneficially owned, directly or indirectly, less than one percent of the issued and outstanding Common Shares.

KPMG LLP are the auditors of the Corporation and have confirmed that they are independent with respect to the Corporation within the meaning of the Rules of Professional Conduct of The Institute of Chartered Accountants of New Brunswick.

APPROVAL OF DIRECTORS

The contents and sending of this Information Circular, including the Notice of Meeting, have been approved and authorized by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Earl Brewer*"

Earl Brewer
Chairman of the Board
November 1, 2013

(signed) "*Michael Zakuta*"

Michael Zakuta
President and Chief Executive Officer
November 1, 2013

CONSENT OF GOODMANS LLP

To: The Board of Directors of Plazacorp Retail Properties Ltd.,

We hereby consent to the inclusion of our name in the section titled "*Experts*" in the management information circular of Plazacorp Retail Properties Ltd. dated November 1, 2013 relating to the plan of arrangement providing for the reorganization of Plazacorp Retail Properties Ltd. and capitalization of Plaza Retail REIT.

(signed) **GOODMANS LLP**

Toronto, Ontario
November 1, 2013

CONSENT OF STEWART MCKELVEY

To: The Board of Directors of Plazacorp Retail Properties Ltd.,

We hereby consent to the inclusion of our name in the section titled "*Experts*" in the management information circular of Plazacorp Retail Properties Ltd. dated November 1, 2013 relating to the plan of arrangement providing for the reorganization of Plazacorp Retail Properties Ltd. and capitalization of Plaza Retail REIT.

(signed) **STEWART MCKELVEY**

Saint John, New Brunswick
November 1, 2013

CONSENT OF DAVIES WARD PHILLIPS & VINEBERG LLP

To: The Board of Directors of Plazacorp Retail Properties Ltd.,

We hereby consent to the inclusion of our name in the sections titled "*Certain Canadian Federal Income Tax Consequences*" and "*Experts*" in the management information circular of Plazacorp Retail Properties Ltd. dated November 1, 2013 relating to the plan of arrangement providing for the reorganization of Plazacorp Retail Properties Ltd. and capitalization of Plaza Retail REIT.

(signed) **DAVIES WARD PHILLIPS & VINEBERG LLP**

Montréal, Québec
November 1, 2013

APPENDIX A

ARRANGEMENT RESOLUTION

FOR CONSIDERATION AT THE SPECIAL MEETING OF SHAREHOLDERS OF PLAZACORP RETAIL PROPERTIES LTD.

BE IT RESOLVED THAT:

1. the Arrangement under section 128 of the *Business Corporations Act* (New Brunswick) substantially as set forth in the Plan of Arrangement attached as Schedule A to the Arrangement Agreement attached as Appendix F to the information circular accompanying the notice of this meeting is hereby approved and authorized;

2. the Arrangement Agreement dated November 1, 2013 among Plazacorp Retail Properties Ltd. (the "**Corporation**") and Plaza Retail REIT, a copy of which is attached as Appendix F to the Information Circular accompanying the notice of this meeting, with such amendments or variations thereto made in accordance with the terms of the Arrangement Agreement as may be approved by the persons referred to in paragraph 4 hereof, such approval to be evidenced conclusively by their execution and delivery of any such amendments or variations, is hereby confirmed, ratified and approved;

3. notwithstanding that this resolution has been duly passed and/or received the approval of the Court of Queen's Bench of New Brunswick, the Board of Directors of the Corporation may, without further notice to or approval of the holders of Common Shares, amend or terminate the Arrangement Agreement or the Plan of Arrangement or revoke this resolution at any time prior to the filing of Articles of Arrangement giving effect to the Arrangement; and

4. any director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to execute and deliver Articles of Arrangement and to execute, with or without the corporate seal, and, if, appropriate, deliver all other documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.

APPENDIX B

INTERIM ORDER

See attached.

Court File No.: S/M/92/13

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF A PROPOSED ARRANGEMENT CONCERNING PLAZACORP RETAIL PROPERTIES LTD. AND ITS SHAREHOLDERS PURSUANT TO THE *BUSINESS CORPORATIONS ACT*, S.N.B. 1981, c.B-9.1 AS AMENDED

B E T W E E N:

COURT OF QUEEN'S BENCH
CLERK / SAINT JOHN

RECD REÇU NOV 6 2013 FILED DÉPOSÉ

COUR DU BANC DE LA REINE
GREFFIER / SAINT-JEAN

PLAZACORP RETAIL PROPERTIES LTD.

Applicant

- and -

PLAZA RETAIL REIT

Respondent

INTERIM ORDER REGARDING SHAREHOLDERS MEETING AND PROCEDURAL MATTERS

WHEREAS an application brought by Plazacorp Retail Properties Ltd. (the "Applicant") pursuant to the *Business Corporations Act* S.N.B. 1981, c. B-9.1 (the "BCA") is scheduled to be heard on the 12th day of December, 2013, at 1:30 p.m. at 10 Peel Plaza, Saint John, New Brunswick (the "Application").

AND WHEREAS the Applicant's motion seeking, *inter alia*, an Interim Order regarding shareholders meeting and procedural matters, pursuant to s.128(4) of the BCA, was heard on the 6th day of November, 2013, at 10 Peel Plaza, Saint John, New Brunswick.

UPON READING

(a) the affidavit of James Petrie sworn to the 1st day of November, 2013;

(b) the Notice of Application and Application dated the 1st day of November, 2013 (the "Notice of Application");

(c) the Notice of Motion dated the 1st day of November, 2013 (the "Notice of Motion"); and

(d) the consent of the Respondent, Plaza Retail REIT;

AND UPON HEARING Stephen J. Hutchison and C. Paul W. Smith of Stewart McKelvey, counsel for the Applicant;

AND UPON HEARING James Petrie, Executive Vice President and General Counsel of the Applicant;

AND UPON BEING SATISFIED that Charles McAllister, director appointed pursuant to s.184 of the BCA (the "Director"), has been given timely notice of the Applicant's motion for this Interim Order and, that the Director does not object to the issuance of this Interim Order and does not wish to appear or be heard on the Applicant's motion for this Interim Order regarding shareholders meeting and procedural matters;

AND UNDER THE AUTHORITY of sections 86(3), 128(4) and 131 of the BCA and Rules 1.03, 2.01, 2.02, 3.02(1), 37.04 and 37.10 of the New Brunswick Rules of Court.

IT IS HEREBY ORDERED THAT:

SERVICE

1. The Notice of Motion and the supporting affidavits and other documentary evidence as identified in the Notice of Motion were properly served and if necessary, service of the foregoing is hereby abridged and validated, such that the motion was properly returnable on the date of the hearing and further service thereof is hereby dispensed with.

SPECIAL MEETING

2. The Applicant shall call, hold and conduct a special meeting of the registered holders (the "Shareholders") of the common shares of the Applicant (the "Common Shares") on December 11, 2013 (the "Shareholders Meeting") to consider and, if deemed advisable, to pass, with or without variation, the special resolution (the "Arrangement Resolution") substantially in the form set forth as Appendix "A" to the Management Information Circular of the Applicant (the "Circular") which is Exhibit "B" to the Affidavit of James Petrie, sworn to on the 1st day of November, 2013 in support of the Notice of Application and the Notice of Motion. The Arrangement Resolution authorizes an arrangement (the "Arrangement") pursuant to a plan of arrangement (the "Plan of Arrangement") in the form attached as Schedule A to the arrangement agreement which is Appendix F to the Circular.

3. The Shareholders Meeting shall be called, held and conducted in accordance with the notice of special meeting (the "Notice of Meeting") forming part of the Circular, the BCA, the articles and by-laws of the Applicant, the terms of this Interim Order, and any further Order of this Court.

AMENDMENTS

4. The Applicant is authorized to make such amendments, revisions or supplements to the Arrangement as it may determine to be necessary or desirable, without any additional notice of such changes to Shareholders and the Arrangement as so amended, revised or supplemented, shall be the Arrangement to be submitted to the Shareholders Meeting and the subject of the Arrangement Resolution.

ADJOURNMENTS, POSTPONEMENTS

5. The Applicant, if it deems advisable, is authorized to adjourn or postpone the Shareholders Meeting on one or more occasions, without the necessity of first convening the Shareholders Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement.

RECORD DATE

6. In accordance with section 86(3) of the BCA, the record date for determining registered Shareholders entitled to receive the Notice of Meeting, the Notice of Application, the Circular, the form of proxy and the Letter of Transmittal (collectively, the "Meeting Materials") shall be the close of business on November 4, 2013 (the "Record Date").

NOTICE OF MEETING & MEETING MATERIALS

7. The Applicant is authorized to make such amendments, revisions or supplements to the Meeting Materials as it may determine to be necessary or desirable, without any additional notice of such changes to Shareholders, provided that such amendments, revisions or supplements are not inconsistent with this Interim Order.

8. Not more than 50 days and not less than 21 days prior to the date of the Shareholders Meeting, the Meeting Materials shall be disseminated, distributed, sent or given to the Shareholders, the directors of the Applicant and the auditors of the Applicant by one or more of the following methods:

   (a) to the Shareholders:

(i) by prepaid ordinary mail, addressed to each Shareholder at his, her or its address, as shown on the security registers or other records of the Applicant as at the Record Date.

(ii) by delivery, in person or by courier service, to the addresses specified in paragraph 8(a)(i) above;

(iii) by facsimile transmission to any Shareholders who request such facsimile transmission, and if required by the Applicant, is prepared to pay the charges for such facsimile transmission; or

(iv) in the case of non-registered holders of Common Shares, by providing multiple copies of the Meeting Materials to intermediaries and registered nominees to facilitate the broad distribution of the Meeting Materials to non-registered holders of Common Shares;

(b) by courier or delivery in person to the directors and auditors of the Applicant.

9. Compliance with paragraph 8 shall constitute good and sufficient notice of the Shareholders Meeting. The accidental omission to give notice of the Shareholders Meeting, or the non-receipt of such notice, shall not invalidate any resolution passed or proceedings taken at the Shareholders Meeting.

DEEMED RECEIPT OF NOTICE

10. The Meeting Materials shall be deemed, for the purposes of this Interim Order and the Application, to have been received by the intended recipient in accordance with the following:

(a) in the case of mailing, three (3) days after delivery thereof to the post office;

(b) in the case of delivery in person, upon receipt thereof by the intended recipient or, in the case of delivery by courier, one (1) Business Day after receipt by the courier; and

(c) in the case of facsimile transmission, upon the transmission thereof.

QUORUM AND VOTING AT SHAREHOLDER MEETING

11. The only persons entitled to vote in respect of the Arrangement Resolution at the Shareholders Meeting shall be the Shareholders as at the close of business on November 4, 2013, subject to the provisions of the BCA with respect to persons who become registered as a Shareholder after that date.

12. Votes shall be taken at the Shareholders Meeting on the basis of one (1) vote per Common Share and, subject to further Order of this Court, the vote required to pass the Arrangement Resolution shall be the affirmative vote of not less than 66 2/3% of the votes cast thereon (for this purpose any spoiled votes, illegible votes, defective votes and abstentions shall be deemed not to be votes cast) by the Shareholders present in person or represented by proxy and entitled to vote at the Shareholders Meeting;

13. Two or more Shareholders or proxyholders holding or representing not less than 5% of the shares entitled to vote at the Shareholders Meeting, whether present in person or by proxy, shall constitute a quorum for the Shareholders Meeting and any adjournments or postponements thereof.

DISSENT RIGHTS

14. Registered holders of Common Shares shall be accorded rights of dissent and appraisal with respect to the Arrangement Resolution pursuant to section 131 of the BCA (except as that section is modified by the his Interim Order) and the Plan of Arrangement, and to seek fair value for their Common Shares.

15. Registered holders of Common Shares who wish to dissent in respect of the Arrangement Resolution shall provide their written dissent notice by ordinary or registered mail, or by delivery by hand, to Plazacorp Retail Properties Ltd., 527 Queen Street, Suite 200, Fredericton, New Brunswick E3B 1B8, no later than 5:00 pm AST on Tuesday, December 9 2013 (the "Dissenting Shareholders").

16. Except for the notice period set out in paragraph 15 above, the procedure to be followed in connection with any exercise of dissent rights by the Dissenting Shareholders shall be as set forth in section 131 of the BCA.

17. The filing of a dissent notice does not deprive a Dissenting Shareholder of the right to vote at the Shareholder Meeting; however, a Dissenting Shareholder who has submitted

a dissent notice and who votes in favour of the Arrangement Resolution shall no longer be considered to be a Dissenting Shareholder.

18. The Dissenting Shareholders who are ultimately determined to be entitled to be paid fair value for their Common Shares shall be deemed to have transferred their Common Shares to the Applicant immediately prior to the Effective time of the Arrangement, to the extent the fair value therefor is paid by the Applicant, and such Common Shares shall be cancelled as of the effective time of the Arrangement.

19. The Dissenting Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Common Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Shareholders and shall receive units of the Respondent on the basis determined in accordance with the Plan of Arrangement.

20. For the purpose of any proceedings involving any Dissenting Shareholders who seek fair value for their Common Shares:

    (a) the "court" referred to in section 131 of the BCA means this Court;

    (b) the Dissenting Shareholders shall provide written notice demanding payment of the fair value of their Common Shares, which notice is required by section 131(7) of the BCA; and

the Dissenting Shareholders shall send the certificates for their Common Shares to the Applicant, which certificates must be delivered as required by section 131(8) of the BCA.

SANCTION HEARING AND SERVICE OF COURT MATERIALS

21. Upon approval by the Applicant Shareholders of the Arrangement in the manner set forth in this Interim Order, the Applicant may apply to this Court for approval of the Arrangement.

22. Service of the Meeting Materials, in accordance with paragraph 8 of this Interim Order, shall constitute good and sufficient service of the Notice of Application and no other form of service need be made and no other material need be served on such persons in respect of these proceedings, except as required under paragraph 8 of this Interim Order.

23. Shareholders desiring to appear and make submissions at the hearing of the Application for a final Order are required to appear at the said hearing in person or by a lawyer appearing on their behalf and may present evidence by way of affidavit, provided a copy of such affidavit is served upon the Applicant or its counsel, Stephen J. Hutchison, Stewart McKelvey, 44 Chipman Hill, 10th Floor, P.O. Box 7289 Station "A", Saint John, New Brunswick E2L 4S6, at least four days prior to the date set for the hearing of the Application for the final Order, and proof of such service is filed with the Clerk of The Court of Queen's Bench, judicial district of Saint John, 10 Peel Plaza, Saint John, New Brunswick prior to the hearing.

24. In the event that the hearing of the Application for final approval of the Arrangement is postponed, with the exception of the Director, only those persons who have appeared at the Application for the final Order will be entitled to notice of the adjourned date.

PRECEDENCE

25. To the extent of any inconsistency or discrepancy with respect to the matters provided for in this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares or the articles or by-laws of the Applicant, this Interim Order shall govern.

EXTRA-TERRITORIAL ASSISTANCE

26. THIS COURT seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or the United Kingdom, to act in aid of and to assist this Court in carrying out the terms of this Interim Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and the Respondent as may be necessary or desirable to give effect to this Interim Order, or to assist the Applicant and Respondent and their respective agents in carrying out the terms of this Interim Order.

VARIANCE

27. The Applicant shall be entitled, at any time, on notice to the Director, to seek leave to vary this Interim Order.

DATED at Saint John, New Brunswick, this 6th day of November, 2013.

J.C.Q.B.N.B.

APPENDIX C

SECTION 131 OF THE *BUSINESS CORPORATIONS ACT* (NEW BRUNSWICK)

131(1) Subject to sections 132 and 166, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 128(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 113 to add, change or remove restrictions on the transfer of shares of a class or series of the shares of the corporation;

(b) amend its articles under section 113 to add, change or remove any restriction upon the business or businesses that the corporation may carry on;

(c) amend its articles under section 113 to provide that meetings of the shareholders may be held outside New Brunswick at one or more specified places;

(d) amalgamate with another corporation, otherwise than under section 123;

(e) be continued under the laws of another jurisdiction under section 127; or

(f) sell, lease or exchange all or substantially all its property under subsection 130(1).

131(2) A holder of shares of any class or series of shares entitled to vote under section 115 may dissent if the corporation resolves to amend its articles in a manner described in that section.

131(3) In addition to any other right he may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which he dissents becomes effective, or an order is made under subsection 128(5), to be paid by the corporation the fair value of the shares held by him in respect of which he dissents, determined as of the close of business on the day before the resolution is adopted or an order is made, but in determining the fair value of the shares any change in value reasonably attributable to the anticipated adoption of the resolution shall be excluded.

131(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by him on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

131(5) A dissenting shareholder shall send to the registered office of the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of his right to dissent.

131(6) The corporation shall, within 10 days after the shareholders adopt the resolution, send to each shareholder who has sent the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn his objection.

131(7) A dissenting shareholder shall, within 20 days after he receives a notice under subsection (6), or, if he does not receive such notice, within 20 days after he learns that the resolution has been adopted, send to the corporation a written notice containing

(a) his name and address;

(b) the number and class of shares in respect of which he dissents; and

(c) a demand for payment of the fair value of such shares.

131(8) Not later than the thirtieth day after the sending of a notice under subsection (7), a dissenting shareholder shall send the certificates representing the shares in respect of which he dissents to the corporation or its transfer agent.

131(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

131(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

131(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of his shares as determined under this section except where

(a) the dissenting shareholder withdraws his notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the dissenting shareholder withdraws his notice, or

(c) the directors revoke a resolution to amend the articles under subsection 113(2), terminate an amalgamation agreement under subsection 122(6), abandon an application for continuance under subsection 127(5), or abandon a sale, lease or exchange under subsection 130(7),in which case his rights as the holder of the shares in respect of which he had dissented are reinstated as of the date he sent the notice referred to in subsection (7), and he is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that have been endorsed in accordance with subsection (10), to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.

131(12) A corporation shall, not later than fourteen days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for his shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

131(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

131(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within 10 days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within 30 days after the offer has been made.

131(15) Where a corporation fails to make an offer under subsection (12) or if a dissenting shareholder fails to accept an offer, the corporation may, within 50 days after the action approved by the resolution is effective or within such further period as the Court may allow, apply to the Court to fix a fair value for the shares of any dissenting shareholder.

131(16) If a corporation fails to apply to the Court under subsection (15), a dissenting shareholder may apply to the Court for the same purpose within a further period of 20 days or within such further period as the Court may allow.

131(17) If a corporation fails to comply with subsection (12), then the costs of a shareholder application under subsection (16) are to be borne by the corporation unless the Court otherwise orders.

131(18) Before making application to the Court under subsection (15) or not later than seven days after receiving notice of an application to the Court under subsection (16), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (7), and

(b) has not accepted an offer made by the corporation under subsection (12), if such offer was made,

of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in paragraphs (a) and (b), within three days after he satisfies such conditions.

131(19) All dissenting shareholders who satisfy the conditions set out in paragraphs (18)(a) and (b) shall be deemed to be joined as parties to an application under subsection (15) or (16) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the Court in the proceedings commenced by the application.

131(20) Upon an application to the Court under subsection (15) or (16), the Court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the Court shall then fix a fair value for the shares of all dissenting shareholders.

131(21) The Court may in its discretion appoint one or more appraisers to assist the Court to fix a fair value for the shares of the dissenting shareholders.

131(22) The final order of the Court in the proceedings commenced by an application under subsection (15) or (16) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in paragraphs (18)(a) and (b).

131(23) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

131(24) Where subsection (26) applies, the corporation shall, within 10 days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

131(25) Where subsection (26) applies, a dissenting shareholder, by written notice delivered to the registered office of the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw his notice of dissent, in which case the corporation shall be deemed to consent to the withdrawal and the shareholder is reinstated to his full rights as a shareholder, or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

131(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

131(27) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1), the Court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (3), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance with such terms and conditions as the Court thinks fit and notice of any such application and a copy of any order made by the Court upon such application shall be served upon the Director.

131(28) The Director may appoint counsel to assist the Court upon the hearing of an application under subsection (27).1991, c.27, s.5.

APPENDIX D

BALANCE SHEET OF PLAZA RETAIL REIT

See attached.

KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Trustees of Plaza Retail REIT

We have audited the accompanying financial statements of Plaza Retail REIT, which comprise the statement of financial position as at November 1, 2013 (date of formation), the statements of changes in equity and cash flows for the one day period ended November 1, 2013 (date of formation), and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Plaza Retail REIT as at November 1, 2013 (date of formation) and its financial performance and its cash flows for the one day period ended November 1, 2013 (date of formation) in accordance with International Financial Reporting Standards.

KPMG LLP

November 1, 2013
Fredericton, Canada

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KPMG Canada provides services to KPMG LLP.

KPMG Confidential

Financial statements of

PLAZA RETAIL REIT

One day period ended November 1, 2013

(date of formation)

Plaza Retail REIT
Statement of Financial Position

(in Canadian dollars)	November 1, 2013
Assets	
Cash	**$ 10**
Unitholders' Equity	
Unitholders' equity	**$ 10**

See accompanying notes to financial statements.

Plaza Retail REIT
Statement of Changes in Equity

(in Canadian dollars)

	November 1, 2013
Unitholders' equity, beginning of period	**$ -**
Issuance of unit on formation	10
Unitholders' equity, end of period	**$ 10**

See accompanying notes to financial statements.

Plaza Retail REIT
Statement of Cash Flows
(in Canadian dollars)

	1 Day Ended November 1, 2013
Cash obtained from:	
Financing activity	
Issuance of unit on formation	**$ 10**
Net increase in cash	10
Cash, beginning of the period	-
Cash, end of the period	**$ 10**

See accompanying notes to financial statements.

1. Organization and Nature of the Business

Plaza Retail REIT (the "REIT") is an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust dated November 1, 2013, where 1 unit of the REIT was issued for $10.00 in cash. The REIT was established under the laws of the Province of Ontario. The principal, registered and head office of the REIT is located at 527 Queen Street, Fredericton, New Brunswick.

The REIT has been formed primarily to develop, redevelop and acquire income-producing commercial real estate. Through completion of the Arrangement (as defined below), shareholders of Plazacorp Retail Properties Ltd. (the "Company") will transfer their shares to the Company in consideration for an equal number of units of the REIT.

2. Statement of Compliance

The financial statements of the REIT have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and using the accounting policies described herein.

These financial statements were approved by the Board of Trustees of the REIT and authorized for issue on November 1, 2013.

3. Summary of Significant Accounting Policies

(a) Cash

Cash consists of cash on hand and short-term deposits with initial maturity dates of less than 90 days.

(b) Unitholders' Equity

Trust units of the REIT are redeemable at the holder's option subject to certain limitations and restrictions. As a result, the units of the REIT are liabilities by definition but qualify for presentation as equity under certain limited exceptions under IFRS (International Accounting Standards 32 – Financial Instruments: Presentation).

4. Subsequent Events

The Company is proposing to convert to the REIT under a Plan of Arrangement (the "Arrangement"). Through a series of steps, the Arrangement will result in shareholders of the Company transferring their shares to the Company in consideration for an equal number of units of the REIT, and the REIT will acquire the assets of the Company and assume the liabilities of the Company. As a result, the REIT will be the continuation of the Company only in the form of a real estate investment trust rather than in the form of a corporation.

APPENDIX E

PRO FORMA FINANCIAL STATEMENTS OF PLAZA RETAIL REIT

See attached.

Plaza Retail REIT
Pro Forma Consolidated Statement of Financial Position
June 30, 2013 (unaudited)
(in thousands of Canadian dollars)

	Plaza Retail REIT	Plazacorp Retail Properties Ltd.	Subtotal	Pro Forma Adjustments	Note 3	Pro Forma
Assets						
Non-Current Assets						
Investment properties	$ -	$ 912,250	$ 912,250	$ -		$ 912,250
Investments		29,312	29,312	-		29,312
Tenant loans		2,469	2,469	-		2,469
Deferred income tax asset		3,289	3,289	(1,911)	(a)	1,378
	-	947,320	947,320	(1,911)		945,409
Current Assets						
Cash	10	3,748	3,758	-		3,758
Receivables		2,477	2,477	-		2,477
Prepaid expenses and deposits		8,346	8,346	-		8,346
Income taxes receivable		417	417	(392)	(a)	25
Notes receivable		792	792	-		792
	10	15,780	15,790	(392)		15,398
	$ 10	$ 963,100	$ 963,110	(2,303)		$ 960,807
Liabilities and Unitholders' Equity						
Non-Current Liabilities						
Debentures payable	$ -	$ 64,178	$ 64,178	$ -		$ 64,178
Mortgage bonds payable		2,067	2,067	-		2,067
Mortgages payable		363,358	363,358	-		363,358
Deferred income tax liability		65,741	65,741	(60,997)	(a)	4,744
	-	495,344	495,344	(60,997)		434,347
Current Liabilities						
Bank indebtedness		13,409	13,409	-		13,409
Current portion of debentures payable		10,454	10,454	-		10,454
Current portion of mortgages payable		37,914	37,914	-		37,914
Bridge facility		85,879	85,879	-		85,879
Accounts payable and accrued liabilities		12,653	12,653	-		12,653
Notes payable		1,430	1,430	-		1,430
	-	161,739	161,739	-		161,739
	-	657,083	657,083	(60,997)		596,086
Unitholders' equity	10	292,286	292,296	58,694	(a)	350,990
Non-controlling interests		13,731	13,731	-		13,731
	10	306,017	306,027	58,694		364,721
	$ 10	$ 963,100	$ 963,110	(2,303)		$ 960,807

Plaza Retail REIT
Pro Forma Consolidated Statement of Comprehensive Income
For the Six Months Ended June 30, 2013 (unaudited)
(in thousands of Canadian dollars)

	Plaza Retail REIT	Plazacorp Retail Properties Ltd.	Subtotal	Pro Forma Adjustments	Note 3	Pro Forma
Revenues	$ -	$ 35,248	$ 35,248	$ 10,847	(b)	$ 46,095
Operating expenses		(14,096)	(14,096)	(2,106)	(b)	(16,202)
Net property operating income	-	21,152	21,152	8,741		29,893
Share of profit of associates	-	1,530	1,530	-		1,530
Administrative expenses	-	(3,637)	(3,637)	(378)	(b)	(4,015)
Transaction-related costs on acquisition of KEYreit	-	(9,061)	(9,061)	-		(9,061)
Investment income	-	62	62	(27)	(b)	35
Other income	-	802	802	-		802
Income before finance costs, fair value adjustments, gain (loss) on disposals and income taxes	-	10,848	10,848	8,336		19,184
Finance costs	-	(10,015)	(10,015)	(6,676)	(b)	(16,691)
Finance costs - net gain from fair value adjustments to convertible debentures	-	1,868	1,868	844	(b)	2,712
Net loss from fair value adjustments to investment properties	-	(4,451)	(4,451)	8,931	(b)	4,480
Profit (loss) before income tax	-	(1,750)	(1,750)	11,435		9,685
Income tax recovery (expense)						
- Current	-	370	370	(392)	(a)	(22)
- Deferred	-	(2,018)	(2,018)	2,242	(a)	224
	-	(1,648)	(1,648)	1,850		202
Profit (loss) and total comprehensive income (loss) for the period	$ -	$ (3,398)	$ (3,398)	$ 13,285		$ 9,887
Profit (loss) and total comprehensive income (loss) for the period attributable to:						
- Unitholders	$ -	$ (3,832)	$ (3,832)	$ 13,285		$ 9,453
- Non-controlling interests	-	434	434	-		434
	$ -	$ (3,398)	$ (3,398)	$ 13,285		$ 9,887

Plaza Retail REIT
Pro Forma Consolidated Statement of Comprehensive Income
For the Year Ended December 31, 2012 (unaudited)
(in thousands of Canadian dollars)

	Plaza Retail REIT	Plazacorp Retail Properties Ltd.	KEYreit	Subtotal	Pro Forma Adjustments	Note 3	Pro Forma
Revenues	$ -	$ 59,412	$ 26,396	$ 85,808	$ -		$ 85,808
Operating expenses	-	(24,114)	(4,546)	(28,660)	847	(c)	(27,813)
Net property operating income	-	35,298	21,850	57,148	847		57,995
Share of profit of associates	-	9,623	-	9,623	-		9,623
Administrative expenses	-	(5,934)	(4,508)	(10,442)	762	(c)	(9,680)
Investment income	-	240	29	269	-		269
Other income	-	1,744	-	1,744	-		1,744
Other expenses	-	(9)	(22)	(31)	-		(31)
Income before finance costs, fair value adjustments, gain (loss) on disposals and income taxes	-	40,962	17,349	58,311	1,609		59,920
Finance costs	-	(16,075)	(14,885)	(30,960)	(3,648)	(d), (e), (f)	(34,608)
Finance costs - net loss from fair value adjustments to convertible debentures	-	(673)	(973)	(1,646)	973	(g)	(673)
Finance costs - net revaluation of interest rate swaps	-	48	-	48	-		48
Net gain from fair value adjustments to investment properties	-	37,091	9,650	46,741	(9,650)	(g)	37,091
Loss on disposal of surplus land	-	(43)	-	(43)	-		(43)
Profit before income tax	-	61,310	11,141	72,451	(10,716)		61,735
Income tax expense							
- Current	-	(1,061)	-	(1,061)	955	(a)	(106)
- Deferred	-	(13,176)	-	(13,176)	12,578	(a)	(598)
	-	(14,237)	-	(14,237)	13,533		(704)
Profit and total comprehensive income for the year	$ -	$ 47,073	$ 11,141	$ 58,214	$ 2,817		$ 61,031
Profit and total comprehensive income for the year attributable to:							
- Unitholders	$ -	$ 43,598	$ 11,141	54,739	$ 2,817		57,556
- Non-controlling interests	-	3,475	-	3,475	-		3,475
	$ -	$ 47,073	$ 11,141	$ 58,214	$ 2,817		$ 61,031

1. Basis of Preparation

Plaza Retail REIT (the "REIT") was created pursuant to a Declaration of Trust dated November 1, 2013, when 1 trust unit was issued for cash consideration of $10. The accompanying unaudited pro forma consolidated financial statements (the "Pro Formas") have been prepared for inclusion in the Information Circular dated November 1, 2013 relating to the conversion of Plazacorp Retail Properties Ltd. ("Plazacorp" or the "Company") into the REIT. The accompanying Pro Formas also give effect (where applicable) to the acquisition of all of the outstanding units of KEYreit by the Company which occurred on May 16, 2013 and June 26, 2013. The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 gives effect to the acquisition of KEYreit as if it had occurred on January 1, 2012, and although the results of KEYreit are already included in the Company's June 30, 2013 unaudited consolidated financial statements, the pro forma consolidated statement of comprehensive income for the six months ended June 30, 2013 gives effect to the acquisition of KEYreit as if it had occurred on January 1, 2013.

Since the conversion to the REIT does not contemplate a change of control for accounting purposes, the financial statements of the REIT will be the continuation of Plazacorp's financial statements. As a result of the conversion, the Pro Formas reflect the assets and liabilities of Plazacorp at the respective carrying amounts except for certain deferred income taxes which have been adjusted to reflect the impact on the change in tax status.

These Pro Formas have been prepared in accordance with the accounting policies of the Company as contained in its June 30, 2013 unaudited consolidated financial statements and in its December 31, 2012 audited consolidated financial statements. These policies are in accordance with International Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

Effective January 1, 2013, the Company implemented IFRS 11, "Joint Arrangements". The new standard required the Company to evaluate its interests in joint arrangements. Based on the evaluation, the Company determined that a number of its joint arrangements are joint ventures under IFRS, and have been accounted for using the equity method in the Company's June 30, 2013 consolidated statement of financial position and the consolidated statement of comprehensive income included in these Pro Formas. Previously, these joint ventures were accounted for using proportionate consolidation and the December 31, 2012 consolidated statement of comprehensive income included in these Pro Formas has not been restated for this change in accounting policy. There is no net impact on comprehensive income as a result of the adoption of IFRS 11 as the increase in equity method earnings from joint venture investments is offset by corresponding reductions in revenues and expenses from entities that had previously been proportionately consolidated.

The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 has been prepared from the audited consolidated financial statements of the Company and KEYreit as at and for the year ended December 31, 2012.

These Pro Formas do not include all of the information and disclosures required by IFRS for annual financial statements and therefore should be read in conjunction with the June 30, 2013 unaudited consolidated financial statements of the Company, the December 31, 2012 audited consolidated financial statements of the Company and the Business Acquisition Report dated July 9, 2013 relating to the acquisition of KEYreit.

The Pro Formas include estimates and assumptions effective November 1, 2013.

The Pro Formas are not necessarily indicative of the results that would have occurred had the acquisition of KEYreit been consummated at the dates indicated, nor are they necessarily indicative of future operating results or the financial position of the REIT.

2. Transactions

(a) Conversion to the REIT

The Company is proposing to convert to the REIT under a Plan of Arrangement (the "Arrangement"). Through a series of steps, the Arrangement will result in shareholders of the Company transferring their shares to the Company in consideration for an equal number of units of the REIT.

(b) Acquisition of KEYreit

The Company entered into a definitive agreement to acquire 100% of the issued and outstanding units of KEYreit. KEYreit unitholders had the option to tender their units for either $8.35 per unit in cash, subject to a maximum aggregate cash amount of approximately $62.1 million, 1.7041 Plazacorp shares, or any combination thereof, subject to proration. The bid expired on May 16, 2013, at which time 13,288,370 units of KEYreit were tendered (or approximately 88.5% of the then issued and outstanding units of KEYreit) and taken up by the Company. The Company then effected a subsequent acquisition transaction in order to acquire all of the remaining units of KEYreit. All of the issued and outstanding units of KEYreit, being 15.0 million units, were purchased by the Company through the payment of $62.1 million in cash and the issuance of 12.9 million shares of the Company.

3. Pro Forma Adjustments

(a) Current and deferred income taxes

Included in the Pro Formas is the reversal of current and deferred income taxes to reflect the tax status of the REIT as a flow-through vehicle. Current and deferred income taxes recorded relate only to corporate subsidiary entities of the REIT.

Included in the pro forma consolidated statement of financial position is the reversal to retained earnings of deferred income tax assets of $1.9 million, income taxes receivable of $0.4 million and deferred income tax liabilities of $61.0 million.

Included in the pro forma consolidated statement of comprehensive income for the six months ended June 30, 2013 is the reversal of current income tax recoveries of $0.4 million and the reversal of deferred income tax expenses of $2.2 million.

Included in the pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 is the reversal of current income tax expenses of $1.0 million and the reversal of deferred income tax expenses of $12.6 million.

(b) Acquisition of KEYreit

Included in the pro forma consolidated statement of comprehensive income for the six months ended June 30, 2013 is the gross up of KEYreit's results for the entire period as if the acquisition occurred on January 1, 2013 instead of on May 16, 2013. The pro forma adjustment to profit before income tax is $11.4 million.

(c) Termination of JBM Properties Inc. asset and property management agreements

As part of the acquisition of KEYreit, the asset and property management agreements between JBM Properties Inc. and KEYreit were terminated. Accordingly, the Pro Formas include an adjustment to eliminate the property management and asset management fees previously recorded by KEYreit.

(d) Finance costs – mortgages payable

Included in the actual net assets acquired of KEYreit is a fair value adjustment premium on mortgages payable of $6.0 million. The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 includes the amortization of this fair value adjustment in the amount of $0.8 million.

The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 includes the elimination of the amortization of previously recorded deferred financing charges of KEYreit in the amount of $1.9 million.

(e) Finance costs - bridge facility

As part of the acquisition of KEYreit, the Company committed to a one-year secured credit facility for up to $122.5 million to fund the acquisition. At June 30, 2013, the Company had drawn $88.2 million of this facility. The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 includes additional interest expense on the facility of $4.7 million.

As well, financing fees in the amount of $2.6 million for the facility were incurred by the Company. In the pro forma consolidated statement of comprehensive income for the year ended December 31, 2012, the full amount of financing fees is expensed to finance costs as the facility is assumed outstanding for one year.

(f) Events of KEYreit subsequent to December 31, 2012

The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 has been adjusted to reflect the following subsequent event of KEYreit:

(i) Equity offering

In January 2013, KEYreit completed a public offering of 3,740,940 units at $6.15 per unit for gross proceeds of $23.0 million (net proceeds of approximately $21.6 million). The net proceeds from the offering plus cash on hand were used to repay a mortgage in the amount of $21.8 million.

The pro forma consolidated statement of comprehensive income for the year ended December 31, 2012 includes the elimination of the interest on the repaid loan in the amount of $1.0 million.

(g) Fair value adjustments

An adjustment has been made to reverse the fair value adjustments on convertible debentures and investment property recorded by KEYreit as the convertible debentures and investment property are assumed to be recorded at fair value on closing of the acquisition.

APPENDIX F

ARRANGEMENT AGREEMENT

See attached.

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is made as of November 1, 2013.

AMONG:

PLAZACORP RETAIL PROPERTIES LTD., a corporation incorporated under the laws of New Brunswick ("**Plazacorp**")

– and –

PLAZA RETAIL REIT, a trust settled pursuant to the laws of Ontario (the "**REIT**")

RECITALS:

A. Plazacorp wishes to propose an Arrangement involving the REIT and the holders of securities of Plazacorp in order to reorganize its affairs and therefore wishes to carry out certain transactions on the basis hereinafter set forth; and

B. Each of the parties to this Agreement has agreed to participate in the Arrangement.

The parties agree as follows:

ARTICLE 1
INTERPRETATION

1.01 Definitions

In this Agreement, the following terms have the following meanings:

"**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this arrangement agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;

"**Arrangement**" means the arrangement pursuant to section 128 of the NBBCA set forth in the Plan of Arrangement as supplemented, modified or amended;

"**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under subsection 128 of the NBBCA to be filed with the Director after the Final Order has been made to give effect to the Arrangement;

"**business day**" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario;

"**Certificate**" means the certificate or certificates or other confirmation of filing to be issued by the Director pursuant to subsection 128 of the NBBCA giving effect to the Arrangement;

"**Common Shares**" means the common shares in the capital of Plazacorp;

"**Convertible Debentures**" means the Series VI convertible debentures of Plazacorp maturing on March 31, 2015;

"**Court**" means the Court of Queen's Bench of New Brunswick;

"**Depositary**" means CST Trust Company in its capacity as depositary for the Common Shares exchanged pursuant to the Arrangement;

"**Effective Date**" means the date the Arrangement becomes effective under the NBBCA;

"**Effective Time**" means the time specified in the Articles of Arrangement for the Arrangement to become effective on the Effective Date;

"**Final Order**" means the final order of the Court approving the Arrangement to be applied for following the Meeting, and to be granted pursuant to the provisions of subsection 128 of the NBBCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"**Information Circular**" means the information circular to be prepared by Plazacorp and forwarded as part of the proxy solicitation materials to Shareholders in respect of the Meeting;

"**Interim Order**" means an interim order of the Court to be obtained under section 128 of the NBBCA containing declarations and directions with respect to the Arrangement and the Meeting and issued pursuant to the petition of Plazacorp;

"**ITA**" means the *Income Tax Act* (Canada), as amended;

"**Listed Debentures**" means the Series A Debentures, the Series B Debentures, the Series C Debentures and the Series D Debentures;

"**Meeting**" means the special meeting of Shareholders to be held on or about December 11, 2013 to consider the Arrangement, and any adjournments thereof;

"**NBBCA**" means the *Business Corporations Act* (New Brunswick), as amended, including the regulations promulgated thereunder;

"**Non-Resident**" means (i) a person who is a "non-resident" within the meaning of the ITA; or (ii) a partnership other than a Canadian partnership for the purposes of the ITA;

"**Person**" means an individual, partnership, association, body corporate, trust, unincorporated organization, government, regulatory authority, or other entity;

"**Plan of Arrangement**" means the plan of arrangement attached hereto as **Schedule "A"**, as the same may be amended and/or restated in accordance with its terms and the terms of this Agreement;

"**Plazacorp Arrangement Resolution**" means the special resolution to approve the Arrangement to be presented to Shareholders at the Meeting;

"**Series A Debentures**" means the Series A convertible debentures maturing on December 31, 2014, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series B Debentures**" means the Series B convertible debentures maturing on December 31, 2016, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series C Debentures**" means the Series C convertible debentures maturing on December 31, 2017, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series D Debentures**" means the Series D convertible debentures maturing on December 31, 2018;

"**Shareholders**" means the holders from time to time of Common Shares;

"**subsidiary**" has the meaning ascribed to it in the NBBCA;

"**TSX**" means the Toronto Stock Exchange; and

"**Unit**" means ordinary participating voting unit(s) of the REIT issued by the REIT.

1.02 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.03 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.04 Article References

Unless reference is specifically made to some other document or instrument, all references herein to articles, sections and schedules are to articles, sections and schedules of this Agreement.

1.05 Incorporation of Schedules

The following schedule is incorporated into and forms an integral part of this Agreement:

Schedule "A" – Plan of Arrangement

1.06 Extended Meanings

Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; words importing any gender shall include all genders; and words importing persons shall include individuals, partnerships, associations, bodies corporate, trusts, unincorporated organizations, governments, regulatory authorities, and other entities.

1.07 Date for any Action

In the event that any date on which any action required to be taken hereunder by any of the parties hereto is not a business day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a business day in such place.

1.08 Entire Agreement

This Agreement, together with the schedules attached hereto, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect to the subject matter hereof.

1.09 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of New Brunswick and the laws of Canada applicable in New Brunswick and shall be treated in all respects as a New Brunswick contract.

ARTICLE 2
COVENANTS

2.01 Covenants of Plazacorp

Plazacorp covenants and agrees that it will:

(a) take all actions necessary to give effect to the transactions contemplated by this Agreement and the Arrangement;

(b) apply to the Court for the Interim Order;

(c) convene the Meeting as ordered by the Interim Order and conduct such Meeting in accordance with the Interim Order and as otherwise required by law;

(d) use all reasonable efforts to cause each of the conditions precedent set forth in Section 4.02 and those conditions precedent set forth in Section 4.01 which are within its control to be satisfied on or before the Effective Date;

(e) subject to the approval of the Plazacorp Arrangement Resolution by the Shareholders, submit the Arrangement to the Court and apply for the Final Order; and

(f) upon issuance of the Final Order and subject to the conditions precedent in Article 4, forthwith proceed to file the Articles of Arrangement, the Final Order and all related documents with the Director pursuant to subsection 128 of the NBBCA.

2.02 Covenants of the REIT

The REIT covenants and agrees that it will:

(a) take all action necessary to give effect to the transactions contemplated by this Agreement and the Arrangement;

(b) use all reasonable efforts to cause each of the conditions precedent set forth in Section 4.03 and those conditions precedent set forth in Section 4.01 which are within its control to be satisfied on or before the Effective Date; and

(c) on the Effective Date, issue the Units in accordance with the Arrangement.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.01 Representations and Warranties of Plazacorp

Plazacorp represents and warrants to and in favour of the REIT as follows, and acknowledges that the REIT is relying upon such representations and warranties:

(a) Plazacorp is a corporation duly incorporated and validly existing under the laws of New Brunswick and has the corporate power and capacity to own or lease its property and assets, to carry on its business as now conducted by it, to enter into this Agreement, and to perform its obligations hereunder;

(b) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:

(i) do not and will not result in the breach of, or violate any term or provision of, the articles or by-laws of Plazacorp;

(ii) except as previously disclosed in writing to the REIT, do not, and will not as of the Effective Date, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which Plazacorp is a party or by which it is bound and which is material to Plazacorp or to which any material property of Plazacorp is subject, or result in the creation of any encumbrance upon any of the assets of Plazacorp under any such agreement, instrument, license, permit or authority, or give to any Person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority; and

(iii) do not, and will not as of the Effective Date, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable and known to Plazacorp, the breach of which would have a material adverse effect on Plazacorp; and

(c) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the board of directors of Plazacorp and this Agreement constitutes a valid and binding obligation of Plazacorp enforceable against it in accordance with its terms.

3.02 Representations and Warranties of the REIT

The REIT represents and warrants to and in favour of Plazacorp as follows, and acknowledges that Plazacorp is relying upon such representations and warranties:

(a) the REIT is a trust duly settled and validly existing under the laws of Ontario and has the power and capacity, to enter into this Agreement, and to perform its obligations hereunder;

(b) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:

(i) do not and will not result in the breach of, or violate any term or provision of, the governing documents of the REIT;

(ii) except as previously disclosed in writing to Plazacorp, do not, and will not as of the Effective Date, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which the REIT is a party or by which it is bound and which is material to the REIT or to which any material property of the REIT is subject, or result in the creation of any encumbrance upon any of the assets of the REIT under any such agreement, instrument, license, permit or authority, or give to any Person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority; and

(iii) do not, and will not as of the Effective Date, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable and known to the REIT, the breach of which would have a material adverse effect on the REIT; and

(c) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the trustees of the REIT and this Agreement constitutes a valid and binding obligation of the REIT enforceable in accordance with its terms.

ARTICLE 4
CONDITIONS PRECEDENT

4.01 Mutual Conditions Precedent

The respective obligations of Plazacorp and the REIT to complete the transactions contemplated by this Agreement shall be subject to the fulfilment or satisfaction, on or before the Effective Date, of each of the following conditions, any of which may be waived collectively by them without prejudice to their right to rely on any other condition:

(a) the Plazacorp Arrangement Resolution shall have been approved by the requisite number of votes cast by the Shareholders, in person or by proxy at the Meeting in accordance with the provisions of the Interim Order and any applicable regulatory requirements;

(b) the Final Order shall have been granted in form and substance satisfactory to Plazacorp and the REIT acting reasonably not later than December 31, 2013 or such later date as the parties hereto may agree;

(c) the Articles of Arrangement and all necessary related documents, in form and substance satisfactory to Plazacorp and the REIT, acting reasonably, shall have been accepted for filing by the Director together with a copy of the Final Order in accordance with section 128 of the NBBCA and the Certificate shall have been issued by the Director;

(d) there shall not be in force any order or decree of a court of competent jurisdiction or of any federal, provincial, municipal or other governmental department, commission, board, agency or regulatory body restraining, interfering with or enjoining the consummation of the transactions contemplated by this Agreement;

(e) no action shall have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of, or relating to, the Arrangement, there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement and no cease trading or similar order with respect to any securities of any of the parties to the Agreement shall have been issued and remain outstanding;

(f) none of the consents, orders, rulings, decisions, approvals, opinions or assurances required for the implementation of the Arrangement shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by any of the parties to the Agreement;

(g) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement, including any material change to the income tax laws of Canada, or any province or territory thereof, or which would have a material adverse effect upon the Shareholders or the REIT and its affiliates if the Arrangement is completed;

(h) Shareholders who immediately prior to the Effective Time are “non-residents” for the purposes of the ITA (based on reasonable evidence available to the board of directors of Plazacorp) and who are to receive Units under the Arrangement shall not, in the aggregate, immediately following Closing, own in excess of 49% of all then outstanding Units;

(i) there shall not, as of the Effective Date, be Shareholders that hold, in aggregate, in excess of 5% of all Common Shares, that have validly exercised their rights of dissent under the Interim Order;

(j) the approval of the TSX of the listing of the Units to be issued pursuant to the Arrangement, the Listed Debentures and the Units issuable on conversion of the Listed Debentures and the Convertible Debentures shall be obtained, subject only to the filing of required documents which cannot be filed prior to the Effective Date; and

(k) the Arrangement Agreement shall not have been terminated pursuant to its terms.

4.02 Additional Conditions to Obligations of Plazacorp

In addition to the conditions contained in Section 4.01, the obligation of Plazacorp to complete the transactions contemplated by this Agreement is subject to the fulfillment or satisfaction, on or before the Effective Date, of each of the following conditions, any of which may be waived by Plazacorp without prejudice to their right to rely on any other condition:

(a) each of the covenants, acts and undertakings of the REIT to be performed or complied with on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed or complied with;

(b) the representations and warranties of the REIT contained in Article 3 shall be true in all material respects with the same effect as if made at and as of the Effective Date; and

(c) the board of directors of Plazacorp shall not have determined in its sole and absolute discretion that to proceed with the Arrangement would not be in the best interests of the Shareholders.

4.03 Additional Conditions to Obligations of the REIT

In addition to the conditions contained in Section 4.01, the obligation of the REIT to complete the transactions contemplated by this Agreement is subject to the fulfillment or satisfaction, on or before the Effective Date, of the following conditions, any of which may be waived by the REIT without prejudice to their right to rely on any other condition:

(a) each of the covenants, acts and undertakings of Plazacorp to be performed or complied with on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed or complied with;

(b) except as affected by the transactions contemplated by this Agreement, the representations and warranties of Plazacorp contained in Article 3 shall be true in all material respects on the Effective Date, with the same effect as if made at and as of such date; and

(c) prior to the Effective Date, there shall have been no material adverse change in the affairs, operations, final condition or business of Plazacorp or any of its subsidiaries from that reflected in the Information Circular.

ARTICLE 5
NOTICES

5.01 Notices

All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be served personally, and in the case of:

(a) Plazacorp, addressed to:

Plazacorp Retail Properties Ltd.
527 Queen Street, Suite 200
Fredericton, New Brunswick, E3B 1B8

Attention: Chief Financial Officer

(b) The REIT, addressed to:

Plaza Real Estate Investment Trust
527 Queen Street, Suite 200
Fredericton, New Brunswick, E3B 1B8

Attention: Chief Financial Officer

ARTICLE 6
AMENDMENT

6.01 Amendments

This Agreement may, at any time and from time to time before or after the Meeting, be amended in any respect whatsoever by written agreement of the parties hereto without further notice to or authorization on the part of their respective securityholders; provided that any such amendment, if material to the Arrangement, is brought to the attention of the court before the issuance of the Final Order.

6.02 Termination

This Agreement shall be terminated in each of the following circumstances:

(a) an agreement to terminate it is executed and delivered by all parties; and

(b) on January 1, 2014 if the Certificate is not issued on or before January 1, 2014 unless such dates are otherwise extended by agreement among all of the parties hereto.

6.03 Exclusivity

None of the covenants of Plazacorp contained herein shall prevent the board of directors of Plazacorp from responding as required by law to any unsolicited submission or proposal regarding any acquisition or disposition of assets or any unsolicited proposal to amalgamate, merge or effect an arrangement or any unsolicited acquisition proposal generally or make any disclosure to its shareholders with respect thereto which in the judgement of the board of directors of Plazacorp acting upon the written advice of outside counsel is required under applicable law.

ARTICLE 7
GENERAL

7.01 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

7.02 No Assignment

No party may assign its rights or obligations under this Agreement.

7.03 Equitable Remedies

All covenants herein and opinions to be given hereunder as to enforceability in accordance with the terms of any covenant, agreement or document shall be qualified as to applicable bankruptcy and other laws affecting the enforcement of creditors' rights generally and to the effect that specific performance, being an equitable remedy, may only be ordered at the discretion of the court.

7.04 Survival of Representations and Warranties

The representations and warranties contained herein shall survive the performance by the parties of their respective obligations hereunder.

7.05 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

(a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and

(b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

7.06 Time of Essence

Time shall be of the essence.

7.07 Liabilities of the REIT

Each of the parties hereto acknowledges that the trustees of the REIT (the "**Trustees**") are entering into this agreement solely in their capacity as Trustees of the REIT, and that the obligations or liabilities (including those arising hereunder or arising in connection herewith or from the matters to which this agreement relates, if any, including without limitation, claims based on negligence or otherwise tortious behaviour) of the Trustees, managers, officers or employees of the REIT hereunder will not be binding upon, nor will resort be had to the property of, any of the holders of units of the REIT or any annuitant under a plan of which a holder of units is a trustee or carrier (an "**annuitant**"). The obligations or liabilities, if any, of the Trustees, managers, officers or employees of the REIT hereunder shall be satisfied only out of the property of the REIT and no resort may be had to the property of any Trustee, manager, officer or employee of the REIT. The provisions of this paragraph shall enure to the benefit of the heirs, successors, assigns and personal representatives of the Trustees, managers, officers or employees of the REIT and of the holders of units and annuitants and, to the extent necessary to provide effective enforcement of such provisions, the Trustees are hereby acknowledged to be acting, and shall be entitled to act as, Trustees for the holders of units and annuitants.

[Remainder of page intentionally left blank.]

Executed and delivered.

PLAZACORP RETAIL PROPERTIES LTD.

Per: "*Kimberly A. Strange*"

Name: Kimberly A. Strange
Title: Secretary & Corporate Counsel

PLAZA RETAIL REIT

Per: "*James Petrie*"

Name: James Petrie
Title: Executive Vice-President and General Counsel

SCHEDULE "A"
PLAN OF ARRANGEMENT UNDER SECTION 128
OF THE
***BUSINESS CORPORATIONS ACT* (NEW BRUNSWICK)**

ARTICLE 1
INTERPRETATION

1.1 Definitions.

In this Plan of Arrangement, the following terms have the following meanings:

"**Arrangement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to the arrangement pursuant to Section 128 under the NBBCA set forth in this Plan of Arrangement as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;

"**Arrangement Agreement**" means the arrangement agreement dated November 1, 2013 between Plazacorp and the REIT, pursuant to which such parties have proposed to implement the Arrangement, as the same may be amended and/or restated from time to time;

"**Arrangement Filings**" means a certified copy of the Final Order, together with this Plan of Arrangement, Articles of Arrangement, Notice of Registered Officers and Directors and applicable Federal NUANS search(es) to be filed pursuant to the NBBCA;

"**Arrangement Resolution**" means the special resolution to approve the Arrangement in substantially the form attached as Appendix A to the Information Circular to be voted upon by Shareholders at the Meeting;

"**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under Subsection 128 of the NBBCA to be filed with the Director after the Final Order has been made to give effect to the Arrangement;

"**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario;

"**Certificate**" means the certificate or certificates or other confirmation of filing to be issued by the Director pursuant to section 128 of the NBBCA, giving effect to the Arrangement;

"**Closing**" means the completion of the transactions contemplated by the Arrangement Agreement;

"**Common Shares**" means the common shares in the capital of Plazacorp;

"**Convertible Debentures**" means the Series VI convertible debentures of Plazacorp maturing on March 31, 2015;

"**Convertible Debenture Indenture**" means the trust indenture dated February 19, 2010 between the Convertible Debenture Trustee and Plazacorp and all supplemental indentures, governing the terms of the Convertible Debentures;

"**Convertible Debenture Trustee**" means Grant Thornton Limited, as trustee, or its successor as trustee, under the Convertible Debenture Indenture;

"**Court**" means the Court of Queen's Bench of New Brunswick;

"**Depositary**" means CST Trust Company at its offices referred to in the Letter of Transmittal, in its capacity as depository for the Common Shares exchanged pursuant to the Arrangement;

"**Dissent Right**" means the right of a Shareholder, pursuant to the Interim Order and Section 131 of the NBBCA, to dissent to the Arrangement Resolution and to be paid the fair value of the securities in respect of which the holder dissents, in accordance with Section 131 of the NBBCA, subject to and as modified by the Interim Order and Section 4.1 of this Plan of Arrangement and as described in the Information Circular;

"**Dissenting Shareholder**" means a registered holder of Common Shares who exercises such registered holder's right to dissent in respect of the Arrangement pursuant to the procedures set forth in the Interim Order, Section 131 of the NBBCA and Section 4.1 of this Plan of Arrangement as described in the Information Circular;

"**Director**" means the director under the NBBCA;

"**Effective Date**" means January 1, 2014;

"**Effective Time**" has the meaning ascribed thereto in section 2.2;

"**Final Order**" means the final order of the Court approving the Arrangement, to be applied for following the Meeting and to be granted pursuant to subsection 128 of the NBBCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"**Information Circular**" means the information circular to be prepared by Plazacorp and forwarded as part of the proxy solicitation materials to Shareholders in respect of the Meeting;

"**Interim Order**" means the interim order of the Court to be issued pursuant to the application referred to in subsection 2.01(c) of the Arrangement Agreement, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"**ITA**" means the *Income Tax Act* (Canada), as amended;

"**Letter of Transmittal**" means the Letter of Transmittal enclosed with the Information Circular pursuant to which a Shareholder is required to deliver certificates representing Common Shares, and receive, on completion of the Arrangement, Units for his, her or its Common Shares;

"**Listed Debentures**" means the Series A Debentures, the Series B Debentures, the Series C Debentures and the Series D Debentures;

"**Listed Debenture Indenture**" means the trust indenture dated September 27, 2007 between the Listed Debenture Trustee and KEYreit (formerly Scott's Real Estate Investment Trust) and all supplemental indentures, governing the terms of the Listed Debentures;

"**Listed Debenture Trustee**" means CIBC Mellon Trust Company, as trustee, or its successor as trustee, under the Listed Debenture Indenture;

"**Meeting**" means the special meeting of Shareholders to be held December 11, 2013 to consider the Arrangement, and any adjournments thereof;

"**Mortgage Bonds**" means (i) the Series V mortgage bonds maturing on June 3, 2016, (ii) the Series VI mortgage bonds maturing on February 23, 2016, (iii) the Lansdowne mortgage bonds maturing on August 15, 2014 and (iv) the Nashwaaksis mortgage bonds maturing on August 30, 2015;

"**Mortgage bond indentures**" means (i) the trust indenture dated May 20, 2009 between Plazacorp and Grant Thornton Limited (trustee) for the Series V mortgage bonds, (ii) the trust indenture dated as of January 4, 2011 between Plazacorp and Grant Thornton Limited (trustee) for the Series VI mortgage bonds, (iii) the trust indenture dated as of July 10, 2013 between Plazacorp and Plaza (Lansdowne) Inc. (trustee) for the Lansdowne mortgage bonds and (iv) the trust indenture dated as of August 21, 2013 between Plazacorp and Plaza (Nasis) Inc. (trustee) for the Nashwaaksis mortgage bonds;

"**NBBCA**" means the *Business Corporations Act* (New Brunswick), as amended, including the regulations promulgated thereunder;

"**Non-Convertible Debenture Indenture**" means the amended and restated debenture indenture dated as of February 25, 2013 for the Non-Convertible Debentures;

"**Non-Convertible Debentures**" means the non-convertible debentures of Plazacorp maturing on February 26, 2018, April 15, 2018, and May 2, 2018;

"**Non-Resident**" means (i) a Person who is a "non-resident" within the meaning of the ITA; or (ii) a partnership other than a Canadian partnership for the purposes of the ITA;

"**Person**" means an individual, partnership, association, body corporate, trust, unincorporated organization, government, regulatory authority or other entity;

"**Plan of Arrangement**" means this plan of arrangement, as amended or supplemented from time to time in accordance with the terms hereof;

"**Plazacorp**" means Plazacorp Retail Properties Ltd., a corporation incorporated under the NBBCA;

"**REIT**" means Plaza Retail REIT, a trust established under the laws of the Province of Ontario pursuant to the REIT Declaration of Trust;

"**REIT Declaration of Trust**" means the declaration of trust dated November 1, 2013, governing the REIT, as the same may be amended and/or restated from time to time;

"**Series A Debentures**" means the Series A convertible debentures maturing on December 31, 2014, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series B Debentures**" means the Series B convertible debentures maturing on December 31, 2016, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series C Debentures**" means the Series C convertible debentures maturing on December 31, 2017, assumed by Plazacorp on its acquisition of KEYreit, pursuant to a supplemental indenture;

"**Series D Debentures**" means the Series D convertible debentures maturing on December 31, 2018;

"**Shareholders**" means the holders from time to time of Common Shares;

"**Subsidiary**" has the meaning ascribed to it in the NBBCA;

"**TSX**" means the Toronto Stock Exchange; and

"**Unit**" means an ordinary participating voting unit of the REIT authorized and issued under the REIT Declaration of Trust for the time being outstanding and entitled to the benefits and subject to the limitations set forth therein.

1.2 In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires:

(a) references to "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Plan of Arrangement and not to any particular Section, subsection or Schedule;

(b) references to an "Article", "Section" or "Schedule" are references to an Article, Section or Schedule of or to this Plan of Arrangement;

(c) words importing the singular shall include the plural and vice versa, words importing gender shall include the masculine, feminine and neuter genders;

(d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;

(e) the word "including", when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;

(f) a reference to a statute or code includes every regulation made pursuant thereto, all amendments to the statute or code or to any such regulation in force from time to time, and any statute, code or regulation which supplements or supersedes such statute, code or regulation;

(g) each of the Plazacorp and the REIT acknowledges the obligations of the REIT hereunder and that such obligations will not be personally binding upon any of the trustees of the REIT, any registered or beneficial holder of Units or any beneficiary under a plan of which a holder of such units acts as a trustee or carrier, and that resort will not be had to, nor will recourse be sought from, any of the foregoing or the private property of any of the foregoing in respect of any indebtedness, obligation or liability of the REIT arising hereunder, and recourse for such indebtedness, obligations or liabilities of the REIT as the case may be, will be limited to, and satisfied only out of, the assets of the REIT, as the case may be; and

(h) a reference to "units" includes fractions thereof.

1.3 In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

2.2 This Plan of Arrangement, upon the filing of the Arrangement Filings in accordance with the NBBCA and the Final Order, will, subject to section 4.1, become effective at the beginning of the day on January 1, 2014 (the "**Effective Time**").

2.3 At the Effective Time, the Arrangement will become effective and each of the provisions of Article 3 will become effective in the sequence and at the times set out therein.

ARTICLE 3
ARRANGEMENT

3.1 Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following order, each occurring immediately after the completion of the previous step, without any further act or formality except as otherwise provided herein:

Dissenting Shareholders

(a) the Common Shares held by Dissenting Shareholders shall be deemed to have been transferred to Plazacorp (free and clear of any claims) and cancelled and such Dissenting Shareholders shall cease to have any rights as Shareholders other than the right to be paid the fair value of their Common Shares in accordance with Article 4 hereof and the Interim Order;

Transfer of Assets of Direct Subtrusts

(b) the declaration of trusts of four trusts, all of the units of which are owned, directly or indirectly, by Plazacorp, namely, Plazacorp Real Estate Investment Trust, Plaza LPC Commercial Trust, Plaza MDO Commercial Trust and Commercial St. Plaza Trust (collectively referred to as the "**Direct Subtrusts**") shall be amended to match the declaration of trust of a newly-formed Ontario trust ("**Trust A**") in all material respects, and to allow for the transfer of the Direct Subtrusts' property to Trust A for no consideration other than the assumption of the Direct Subtrusts' liabilities;

(c) all the property of the Direct Subtrusts shall be simultaneously transferred to and acquired by Trust A for no consideration other than the assumption of the Direct Subtrusts' liabilities, after which transfers the Direct Subtrusts shall cease to exist;

Transfer of Assets of Trust A

(d) the declaration of trust of KEYreit (a trust, all of the units of which are owned directly by Plazacorp) shall be amended to match the declaration of trust of Trust A in all material respects;

(e) all the property of Trust A shall be transferred to KEYreit for no consideration other than the assumption of Trust A's debts for which the property so transferred can reasonably be considered to be security, after which transfer Trust A shall cease to exist;

Distribution of Units and the Transfer of Assets of Plazacorp

(f) the REIT will complete a unit split of its outstanding Units into such number of Units equal to the number of Common Shares outstanding at such time, less one;

(g) Plazacorp will make a distribution to its shareholders as a return of stated capital, consisting of one Unit for each Common Share held by Shareholders plus a nominal amount of cash, withholding such amounts as are required by law;

(h) all of the properties of Plazacorp shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of Plazacorp, including, in particular, those liabilities referred to in (kk), (ll), (mm) and (nn) below, and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties transferred less the aggregate amount of such liabilities;

(i) Shareholders will dispose of their Common Shares to Plazacorp in exchange for such number of Units with a fair market value equal to that of the Common Shares so exchanged;

(j) the REIT will subscribe for one Common Share for a nominal amount;

(k) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

Formation of REIT #2, Distribution of Units and the Transfer of Assets of KEYreit and REIT #2

(l) a trust shall be formed by the REIT under the laws of Ontario ("**REIT #2**"), and the REIT shall contribute a nominal amount of cash to REIT #2 in exchange for such number of units of REIT #2 equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

(m) all the property of KEYreit shall be transferred to REIT #2 for no consideration other than the assumption of its debts for which the property so transferred can reasonably be considered to be security, after which transfer KEYreit shall cease to exist;

(n) the REIT shall make a pro rata distribution to its unitholders as a return of capital, consisting of a sufficient number of units of REIT #2 such that REIT #2 will satisfy the conditions of 132(6)(c) of the ITA to be a mutual fund trust;

(o) all of the properties of REIT #2 (less $1.00 of property) shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of REIT #2, and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties of REIT #2 less the aggregate amount of such liabilities;

(p) REIT #2 unitholders will dispose of their units of REIT #2 to REIT #2 in exchange for such number of Units with a market value equal to that of the units of REIT #2 so exchanged (with the exception of the REIT which will retain one unit of REIT #2), with REIT #2 directing the REIT to deliver those Units directly to unitholders of REIT #2;

(q) The Units of itself that the REIT shall receive in (p) above will be cancelled for no consideration;

(r) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above.

Formation of REIT #3, Distribution of Units and the Transfer of Assets of Plazacorp Operating Trust and REIT #3

(s) a trust shall be formed by the REIT under the laws of Ontario ("**REIT #3**"), and the REIT shall contribute a nominal amount of cash to REIT #3 in exchange for such number of units of REIT #3 equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

(t) the declaration of trust of Plazacorp Operating Trust (a trust, all of the units of which are owned by the REIT) shall be amended to match the declaration of trust of REIT #3 in all material respects;

(u) all the property of Plazacorp Operating Trust shall be transferred to REIT #3 for no consideration other than the assumption of its debts for which the property so transferred can reasonably be considered to be security, after which transfer Plazacorp Operating Trust shall cease to exist;

(v) the REIT shall make a pro rata distribution to its unitholders as a return of capital, consisting of a sufficient number of units of REIT #3 such that REIT #3 will satisfy the conditions of 132(6)(c) of the ITA to be a mutual fund trust;

(w) all of the properties of REIT #3 (less $1.00 of property) shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of REIT #3, and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties of REIT #3 less the aggregate amount of such liabilities;

(x) REIT #3 unitholders will dispose of their units of REIT #3 to REIT #3 in exchange for such number of Units with a market value equal to that of the units of REIT #3 so exchanged (with the exception of the REIT which will retain one unit of REIT #3), with REIT #3 directing the REIT to deliver those Units directly to unitholders of REIT #3;

(y) the Units of itself that the REIT shall receive in (x) above will be cancelled for no consideration;

(z) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above.

Formation of REIT #4, Distribution of Units and the Transfer of Assets of SR Operating Trust and REIT #4

(aa) a trust shall be formed by the REIT under the laws of Ontario ("**REIT #4**"), and the REIT shall contribute a nominal amount of cash to REIT #4 in exchange for such number of units of REIT #4 equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above;

(bb) the declaration of trust of SR Operating Trust (a trust, all of the units of which are owned by the REIT) shall be amended to match the declaration of trust of REIT #4 in all material respects;

(cc) all the property of SR Operating Trust shall be transferred to REIT #4 for no consideration other than the assumption of its debts for which the property so transferred can reasonably be considered to be security, after which transfer SR Operating Trust shall cease to exist;

(dd) the REIT shall make a pro rata distribution to its unitholders as a return of capital, consisting of a sufficient number of units of REIT #4 such that REIT #4 will satisfy the conditions of 132(6)(c) of the ITA to be a mutual fund trust;

(ee) all of the properties of REIT #4 (less $1.00 of property) shall be transferred to the REIT in exchange for the REIT's assumption of all liabilities of REIT #4, and Units (in such number as established in an officers' certificate pursuant to this Arrangement) with an aggregate fair market value equal to the fair market value of the properties of REIT #4 less the aggregate amount of such liabilities;

(ff) REIT #4 unitholders will dispose of their units of REIT #4 to REIT #4 for such number of Units with a market value equal to that of the units of REIT #4 so exchanged (with the exception of the REIT which will retain one unit of REIT #4), with REIT #4 directing the REIT to deliver those Units directly to unitholders of REIT #4;

(gg) The Units of itself that the REIT shall receive in (ff) above will be cancelled for no consideration;

(hh) the outstanding Units will be consolidated such that the total number of Units immediately after consolidation will be equal to the total number of Common Shares outstanding immediately prior to the exchange of Common Shares for Units in (i) above.

RSUs

(ii) the REIT will enter into an amended and restated RSU Plan;

(jj) current RSUs will be exchanged solely for new RSUs having equivalent terms and the same in-the-money amounts if any.

Debentures and Mortgage Bonds

(kk) the REIT will enter into an assumption agreement with the Convertible Debenture Trustee, in accordance with the applicable requirements of the Convertible Debenture Indenture and otherwise comply with any additional requirements of the Convertible Debenture Indenture pursuant to which the REIT will assume all of the covenants and obligations of Plazacorp under the Convertible Debentures concurrent with (h) above;

(ll) the REIT will enter into a supplemental indenture with the Listed Debenture Trustee, in accordance with the applicable requirements of the Listed Debenture Indenture and otherwise comply with any additional requirements of the Listed Debenture Indenture pursuant to which the REIT will assume all of the covenants and obligations of Plazacorp under the Listed Debentures concurrent with (h) above;

(mm) the REIT will assume all of the covenants and obligations of Plazacorp under the Non-Convertible Debenture Indenture in respect of the outstanding Non-Convertible Debentures concurrent with (h) above;

(nn) the REIT will assume all of the covenants and obligations of Plazacorp under the Mortgage bond indentures in respect of the outstanding Mortgage Bonds concurrent with (h) above.

Once the necessary filings and elections in respect of the Arrangement have been made, REIT #2, REIT #3, and REIT #4 will be dissolved.

3.2 With respect to each holder of Common Shares (other than Dissenting Shareholders), as the case may be, at the Effective Time, upon the exchange of Common Shares for Units pursuant to Section 3.1 hereof:

(a) each former holder of Common Shares shall cease to be the holder of the Common Shares so exchanged and the name of each such former holder of Common Shares shall be removed from the register of holders of Common Shares;

(b) each such former holder of Common Shares shall become the holder of the Units exchanged for Common Shares by such holder and shall be added to the register of holders of Units in respect thereof; and

(c) the REIT shall become the holder of one Common Share and shall be added to the register of holders of Common Shares as the sole owner of the Common Shares;

ARTICLE 4
DISSENTING SHAREHOLDERS

4.1 Each registered Shareholder shall have the right to dissent with respect to the Arrangement. The right of dissent will be effected in accordance with Section 131 of the NBBCA, as modified by the Interim Order, and provided that a Dissenting Shareholder who, for any reason, is not entitled to be paid the fair value of the holder's Common Shares shall be treated as if the holder had participated in the Arrangement on the same basis as a non-dissenting Shareholder pursuant to Section 3.1. A Dissenting Shareholder shall, on the Effective Date and in accordance with Section 3.1, be deemed to have transferred the holder's Common Shares to Plazacorp for cancellation and cease to have any rights as a Shareholder except that the Dissenting Shareholder shall be entitled to be paid the fair value of the holder's Common Shares. The fair value of the Common Shares shall be determined as of the close of business on the last business day before the day on which the Arrangement Resolution from which the Shareholder dissents was adopted, in accordance with Section 131 of the NBBCA, but in no event shall Plazacorp be required to recognize such Dissenting Shareholders as Shareholders after the Effective Date, and the names of such holders shall be removed from the applicable register of Shareholders. For greater certainty, in addition to any other restrictions in Section 131 of the NBBCA, as modified by the Interim Order, no Person who has voted in favour of the Arrangement shall be entitled to dissent with respect to the Arrangement. It is a condition of this Plan of Arrangement that Dissent Rights shall not have been exercised (and not withdrawn) in connection with the Arrangement in respect of Common Shares representing, in the aggregate, more than 5% of the issued and outstanding Common Shares.

ARTICLE 5
OUTSTANDING CERTIFICATES

5.1 From and after the Effective Date, certificates formerly representing Common Shares under the Arrangement shall represent only the right to receive the consideration to which the holders are entitled under the Arrangement, or as to those held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Arrangement pursuant to Section 4.1, to receive the fair value of the Common Shares represented by such certificates.

5.2 The REIT shall, as soon as practicable following the later of the Effective Date and the date of deposit by a former Shareholder of a duly completed Letter of Transmittal, and the certificates representing such Common Shares, either:

(a) forward or cause to be forwarded by first class mail (postage prepaid) to such former Shareholder at the address specified in the Letter of Transmittal;

(b) if requested by such Shareholder in the Letter of Transmittal, make available or cause to be made available at the Depositary for pickup by such Shareholder; or

(c) provide certificates or other evidence representing the number of Units issued to such holder or to which such holder is entitled to pursuant to the Arrangement.

5.3 If any certificate which immediately prior to the Effective Time represented an interest in outstanding Common Shares that were exchanged pursuant to Section 3.1 has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to have been lost, stolen or destroyed, the Depositary will issue and deliver in exchange for such lost stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any distributions with respect thereto) as determined in accordance with the Arrangement. The person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond to each of the REIT and Plazacorp and their respective transfer agents, which bond is in form and substance satisfactory to each of the REIT and Plazacorp, and their respective transfer agents, or shall otherwise indemnify the REIT and Plazacorp and their respective transfer agents against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

5.4 Subject to any applicable escheat laws, any certificate formerly representing Common Shares that is not deposited with all other documents as required by this Plan of Arrangement on or before the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature, including the right of the holder of such Common Shares to receive Units contemplated by Section 3.1.

5.5 No certificates representing fractional Units shall be issued pursuant to this Plan of Arrangement.

ARTICLE 6
AMENDMENTS

6.1 The parties to the Arrangement Agreement may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be: (i) set out in writing; (ii) filed with the Court and, if made following the Meeting and not pursuant to the provisions of Section 6.3 below, approved by the Court; and (iii) communicated to holders of Common Shares if and as required by the Court.

6.2 Any amendment of, modification to or supplement to this Plan of Arrangement may be proposed by Plazacorp at any time prior to or at the Meeting with or without any other prior notice or communication, and if so proposed and accepted by the Shareholders at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

6.3 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Meeting Date or the Effective Time but shall only be effective if it is consented to by each of Plazacorp and the REIT, provided that it concerns a matter which, in the reasonable opinion of the REIT or Plazacorp is of an administrative nature or required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of Plazacorp, the REIT or any Shareholder or former Shareholder.