Brookfield Soundvest Split Trust
BSD.UN / BSD.PR.A

2017 Semi-Annual Report

Brookfield Soundvest Funds

IN PROFILE

Brookfield Soundvest Split Trust (the "Trust") is managed by Soundvest Capital Management Ltd., an affiliate of Brookfield Asset Management Inc., a global alternative asset manager focused on property, renewable energy, infrastructure, and private equity, with over US$250 billion of assets under management.

The Trust's investment advisor and manager is also Soundvest Capital Management Ltd., an established investment advisor with expertise investing in a variety of asset classes for high net worth and institutional clients since 1970.

BSD.UN / BSD.PR.A (TSX LISTED) UNIT INFORMATION

Units Outstanding (June 30, 2017): 1,828,729 capital units and 1,828,729 preferred securities

Targeted 2017 Distributions:

- Capital Units:	Capital unit distributions were suspended from October 2008 through to January 2011, in accordance with the terms of the Trust's Declaration of Trust. On February 17, 2011 a quarterly distribution of $0.01 per capital unit was declared, reflecting an annualized rate of $0.04 per unit, subject to quarterly review. On August 22, 2011 the capital unit distributions suspension was reinstated.
- Preferred Securities:	$0.15 per security, payable quarterly ($0.60 per security annually)
Record Date:	Capital units: Last business day of February, May, August and November
	Preferred securities: Last business day of February, May, August and November
Payment Date:	Capital units: On or about the 15th day of March, June, September and December
	Preferred securities: On or about the 15th day of March, June, September and December

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REPORT TO UNITHOLDERS

Dear Fellow Unitholders,

In this letter we will provide an overview of the returns for the worldwide markets and how this compares to the performance of the Canadian equity market. In addition, we will comment on the current status of the "high yield equity sector" and our expectations for this sector in the future. Also, we will explain the investment performance for the six-month period ended June 30, 2017 and share our outlook for the second half of 2017.

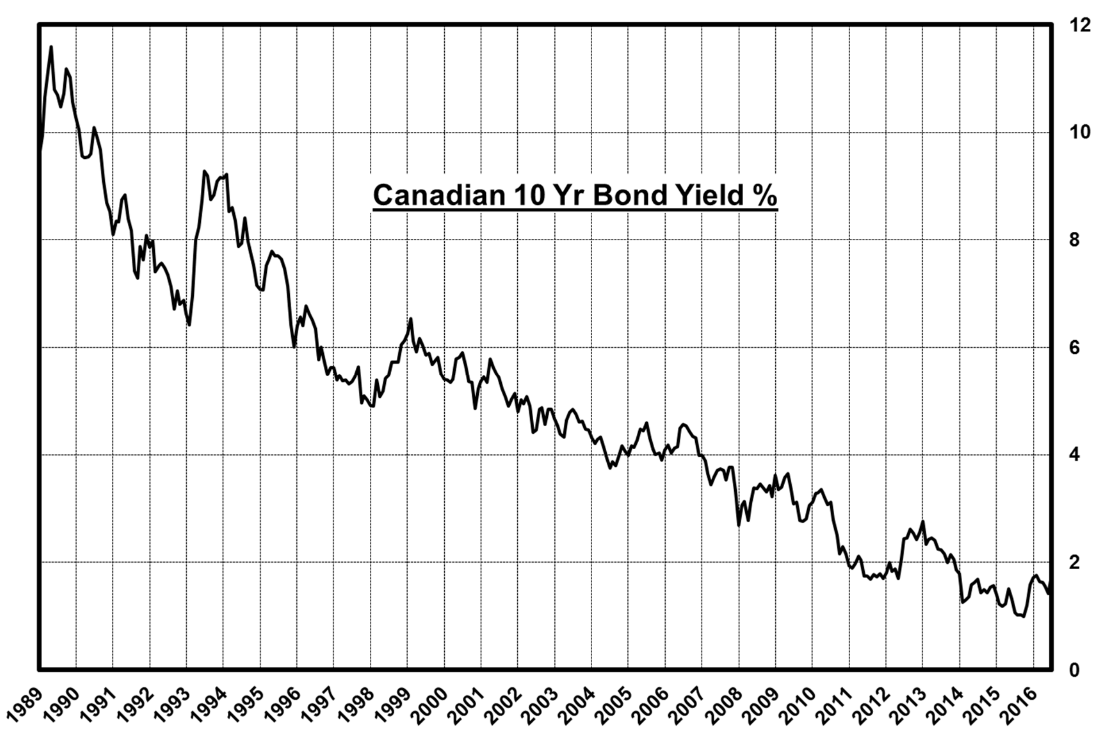
MARKET OVERVIEW

During the six-months ending June 30, 2017 the Canadian market provided a 0.7% rate of return. The Canadian market underperformed both the U.S. and World market. The U.S. and World market provided rates of return of 9.4% and 11.6%, respectively.

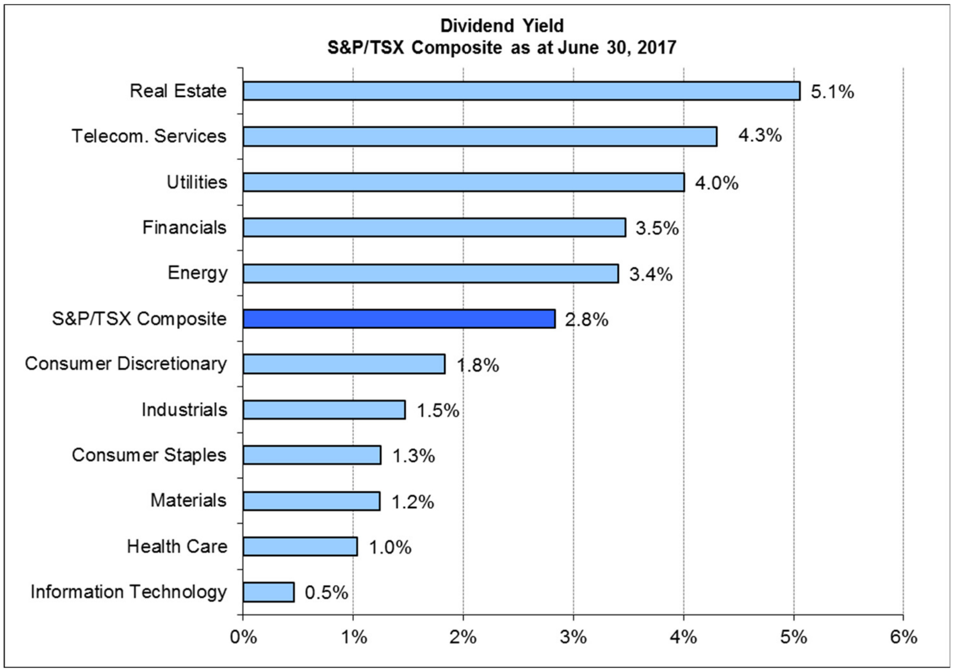
Index	1H 2017 ROR
S&P/TSX Composite	0.7%
S&P 500	9.4%
Dow Jones Industrial Average	8.1%
MSCI EAFE (Europe, Australasia, Far East)	16.0%
MSCI World	11.6%

Canadian High Yield Market

The S&P/TSX Composite provides investors with an opportunity to generate income and enhance their total rate of return. The Canadian market, as measured by the S&P/TSX Composite, provided a dividend yield on market of 2.83% as at June 30, 2017. This compared favorably when comparing against available Government of Canada bond yields. The 10-year Government of Canada bond yield for the period ending June 30, 2017 was 1.76%, up 4 basis points over the six-month period. Interest rates, both domestically and internationally, remained low through the first half of 2017 despite ongoing adjustments to monetary policy in both Canada and the U.S.

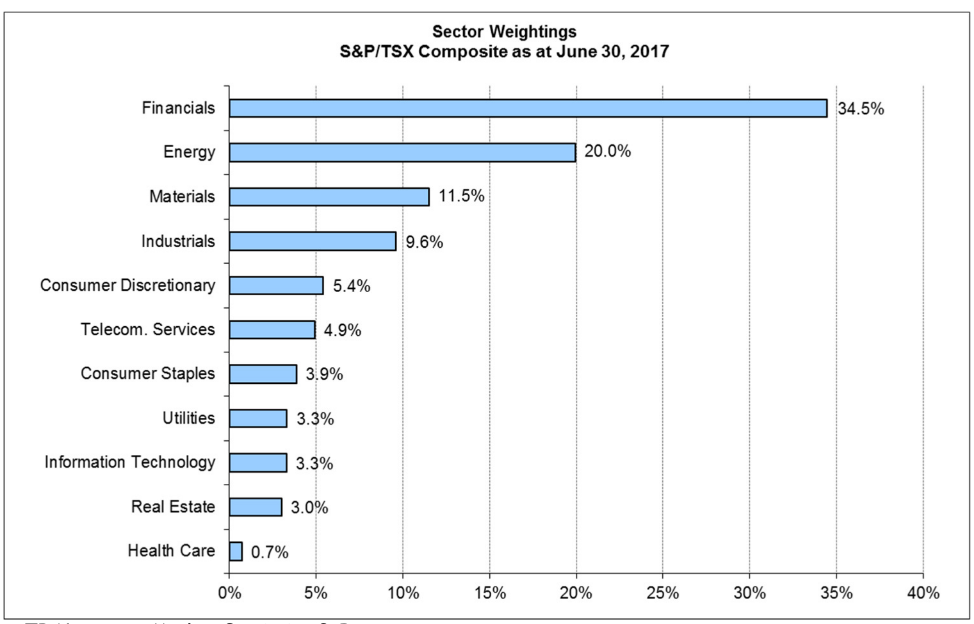


Canada's dividend yield universe is broad and diversified with five of the eleven sectors within the index providing overall yields in excess of 2.0%. The newly formed Real Estate sector, Telecom Services sector and Utilities sectors provided the highest dividend yields with yields of 5.1%, 4.3% and 4.0%, respectively. The Financials sector which is dominated by the big banks also provided a healthy yield, ending the second quarter with a 3.5% yield while the Energy sector continues to provide an attractive 3.4% yield.



Source: TD Newcrest Market Statistics & Returns

The Canadian equity market as represented by the S&P/TSX Composite is dominated by three main sectors, Financials (34.5% weighting), Energy (20.0%) and Materials (11.5%). The three sectors combined weighting was 66.0% at quarter end.



Source: TD Newcrest Market Statistics & Returns

TRUST PERFORMANCE

The Trust's investment strategy is to invest its net assets in a diversified portfolio of securities consisting primarily of common and preferred shares of Canadian issuers, income securities, including bonds and debentures, income trusts, real estate investment trusts ("REITs"), Canadian mortgage-backed securities, and cash and cash equivalents. The Trust may also invest up to 20% of the value of the Portfolio in any other security at the discretion of the Investment Advisor. The Trust seeks investments capable of generating high quality cash flows that have the potential to appreciate in value.

For the six-month period ending June 30, 2017, the Trust's published net asset value per unit ("NAV") of the capital units, which is used for purchases and redemptions, decreased to $2.14 from $2.39. The combined NAV of the Trust was $12.14 at June 30, 2017, a decrease of $0.25 from December 31, 2016. The published NAV of the combined units decreased 1.99% for the six-month period ending June 30, 2017. If interest on the preferred securities are included, the return based on NAV of the combined units for the six-month period ending June 30, 2017 is 0.43%. During the same timeframe the S&P/TSX Composite returned 0.74%.

The Trust's split share structure results in structural leverage for the capital units. The amount of structural leverage of the capital units is based on the ratio of the Trust's total portfolio over the net asset value of the capital units. For the six-month period ending June 30, 2017, the structural leverage resulted in a negative 10.32% return.

For the six-month period ending June 30, 2017, the Trust generated net realized gains of approximately $300 thousand. The sales were executed to attain desired weightings within the Trust. The Trust realized gains on sales of Allied Properties REIT ($247 thousand), DH Corp ($132 thousand), H&R REIT ($29 thousand) and Tricon Capital Group Inc. ($26 thousand). There were net losses realized from sale of Brightpath Early Leaning Inc. ($148 thousand) and Aveda Transportation ($148 thousand) during the six-month period ending June 30, 2017.

Distributions

In accordance with the Declaration of Trust, the Trust is not permitted to make or cause to be made any cash distributions on the capital units if, immediately after giving effect to the proposed distribution, the Combined Value determined as of the date such distribution is declared would be less than 1.4 times the Repayment Price determined as of the same date. In order to satisfy the coverage ratio as set out in the Declaration of Trust, the net asset value per capital unit is required to be approximately $4.00 or greater. The Trust will continue to monitor its net asset value to determine if and when it will be able to make future distributions on its capital units.

Distributions of $0.15 per quarter continue to be paid on the preferred securities.

Redemptions

To provide liquidity, capital units of the Trust are listed on the TSX under the symbol BSD.UN. Under terms of the Trust's Declaration of Trust, additional liquidity is provided by way of an annual redemption program, under which the Trust's preferred securities and capital units, under certain conditions, are redeemable on the last business day of November of each year at 100% of the net asset value per unit.

In 2016, unitholders tendered 139,491 combined securities (being one capital unit and a $10.00 principal amount of preferred securities) and 155,236 capital units were tendered alone. In accordance with the Declaration of Trust, 155,236 preferred securities were purchased in the market at a total price of $1,574,295 to match the capital units tendered alone and total redemption proceeds of $1,989,918 were paid to settle the capital units and combined securities surrendered through the redemption process.

OUTLOOK

The U.S. economy continues to perform well and we expect stable housing, solid employment and a resilient consumer to remain supportive of economic growth. We believe the U.S. Federal Reserve will continue to take a cautious, gradual approach to increasing interest rates and reducing the size of its balance sheet in order to move monetary policy toward more normal levels.

The Canadian economy is expected to remain strong even as Western Canada continues adjusting to lower oil prices and other key geographies adapt to housing policy changes. While we expect volatility to remain in the financial markets, solid employment and stable consumer spending should help facilitate economic growth on a go forward basis.

We do not know what returns the stock market will provide in any given year. What we do know is the following: buying shares at reasonable prices of companies with well-constructed balance sheets, honest and able management who continue to grow their company's earnings, dividends and intrinsic value over time, should reward the shareholders of such companies as the years roll forward.

Thank you for your continued support.

Kevin Charlebois
On behalf of the Manager and the Investment Advisor

Caution Regarding Forward-Looking Statements

The Report to Unitholders and Management Report of Fund Performance contain forward-looking information within the meaning of Canadian provincial securities laws. The words "may", "will", "continue", "resume" and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters, identify the above mentioned and other forward-looking statements. These forward-looking statements include, among others, statements with respect to the future performance of the high yield Canadian equity market and particular market sectors, the ability and likelihood of certain companies to increase or decrease their distributable cash, acquisition trends in the equity market, the Trust's annual distribution targets and portfolio weightings, future positioning of the Trust, equity market yields and distribution levels in the future, and other statements with respect to our beliefs, outlooks, plans, expectations and intentions. Although the Manager believes that these forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on them, or any other forward-looking statements or information in these reports. The future performance and prospects of the Trust are subject to a number of known and unknown risks and uncertainties. Factors that could cause actual results of the Trust to differ materially from those contemplated or implied by the statements in these reports include general economic conditions in Canada and elsewhere, changes in legislation including tax laws and regulations and other risks and factors described in the documents filed by the Manager with the securities regulators in Canada including under "Risk Factors" and other risks and factors described in the Trust's prospectus and the Trust's most recently filed Management Report of Fund Performance, Annual Information Form and other continuous disclosure documents available at www.sedar.com or www.brookfieldsoundvest.com. Except as required by law, the Manager undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

MANAGEMENT REPORT OF FUND PERFORMANCE

This interim Management Report of Fund Performance ("MRFP") is intended to provide readers with the financial highlights and an assessment of the performance of Brookfield Soundvest Split Trust (formerly Brascan SoundVest Rising Distribution Split Trust) (the "Trust") for the six-months ended June 30, 2017. The interim financial statements are unaudited and have been prepared by and are the responsibility of the manager of the Trust. The Trust's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the Chartered Professional Accountants Canada. All figures in the MRFP are in Canadian dollars as at June 30, 2017, unless otherwise indicated.

This interim MRFP contains financial highlights and the interim financial statements are included at the end of this section. The annual financial statements of the Trust are not included with this report. You can obtain a copy of the annual financial statements at your request, and at no cost, by calling 888-777-4019; by writing to us at 100 Sparks Street, Suite 900, Ottawa, Ontario, K1P 5B7; or by visiting our website at www.brookfieldsoundvest.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Trust's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

INVESTMENT OBJECTIVES AND STRATEGY

The Trust's investment objectives are to provide holders of preferred securities with fixed quarterly interest payments in the amount of $0.15 per preferred security ($0.60 per annum to yield 6% per annum on the original subscription price of $10.00) and the repayment of the original subscription price at maturity. For unitholders, the Trust's objectives are to provide holders with regular cash distributions and to maximize the long-term total return of the Trust's portfolio.

The Trust's investment strategy is to invest its net assets in a diversified portfolio of securities consisting primarily of common and preferred shares of Canadian issuers, income securities, including bonds and debentures, income trusts, real estate investment trusts ("REITs"), Canadian mortgage-backed securities, and cash and cash equivalents. The Trust may also invest up to 20% of the value of the Investment Portfolio in any other security at the discretion of the Investment Advisor. The Trust seeks investments capable of generating high quality cash flows that have the potential to appreciate in value.

RISKS

The risks of investing in the Trust remain as discussed in the Trust's Annual Information Form and Prospectus. As stated under "Risk Factors – No Assurances of Achieving Objectives" in the Trust's Annual Information Form filed annually, the Trust intends to make monthly cash distributions to unitholders. However, such distributions may not be made if, after giving effect to the proposed distributions, the Combined Value would be less than 1.4 times the Repayment Price (as such terms are defined in the Trust's Annual Information Form; the "Coverage Ratio").

To provide liquidity, capital units of the Trust are listed on the TSX under the symbol BSD.UN. Under terms of the Trust's Declaration of Trust, additional liquidity is provided by way of an annual redemption program, under which the Trust's preferred securities and capital units, under certain conditions, are redeemable on the last business day of November of each year at 100% of the net asset value per unit.

In 2016, unitholders tendered 139,491 combined securities (being one capital unit and a $10.00 principal amount of preferred securities) and 155,236 capital units were tendered alone. In accordance with the Declaration of Trust, 155,236 preferred securities were purchased in the market at a total price of $1,574,295 to match the capital units tendered alone and total redemption proceeds of $1,989,918 were paid to settle the capital units and combined securities surrendered through the redemption process.

There can be no assurance that the Trust will be able to repay the original subscription price. Please refer to the risks discussed under the section "Risk Factors – No Assurances at Achieving Objectives" in the Trust's Annual Information Form and Prospectus.

RESULTS OF OPERATIONS

The Trust's net assets decreased by $450 thousand or 10.3%, from $4.4 million as at December 31, 2016 to $3.9 million as at June 30, 2017. This decrease is attributable to investment performance (net of expenses) where a loss of $450 thousand was reported. The Trust's investment performance and unitholder activity for 2017 are discussed in more detail below.

Investment Performance

For the six-month period ending June 30, 2017, the Trust's published net asset value per unit ("NAV") of the capital units, which is used for purchases and redemptions, decreased to $2.14 from $2.39. The combined NAV of the Trust was $12.14 at June 30, 2017, a decrease of $0.25 from December 31, 2016. The published NAV of the combined units decreased 1.99% for the six-month period ending June 30, 2017. If interest on the preferred securities are included, the return based on NAV of the combined units for the six-month period ending June 30, 2017 is 0.43%. During the same timeframe the S&P/TSX Composite returned 0.74%.

The Trust's split share structure results in structural leverage for the capital units. The amount of structural leverage of the capital units is based on the ratio of the Trust's total portfolio over the net asset value of the capital units. For the six-month period ending June 30, 2017, the structural leverage resulted in a negative 10.32% return.

For the six-month period ending June 30, 2017, the Trust generated net realized gains of approximately $300 thousand. The sales were executed to attain desired weightings within the Trust. The Trust realized gains on sales of Allied Properties REIT ($247 thousand), DH Corp ($132 thousand), H&R REIT ($29 thousand) and Tricon Capital Group Inc. ($26 thousand). There were net losses realized from sale of Brightpath Early Leaning Inc. ($148 thousand) and Aveda Transportation ($148 thousand) during the six-month period ending June 30, 2017.

The Trust's overweight position in the Consumer Discretionary, Utilities and Real Estate sectors contributed positively to performance as all three sectors outperformed the S&P/TSX Composite Index ("Index"). The Trust's security selection in the Energy sector detracted from performance while it benefitted from security selection in the Consumer Discretionary, Financials and Real Estate sectors.

Fees and Expenses

Fees and expenses for the six-months ended June 30, 2017 totaled $770 thousand compared $849 thousand for the same period in 2016 representing an annualized management expense ratio ("MER") of 39.1% as compared to 90.8% for the six-months ended June 30, 2016. The MER is based on the total expenses of the Trust, including interest on preferred securities, for the stated year (excluding brokerage commissions) and is expressed as an annualized percentage of the daily average net asset value of the capital units for the period. The MER before interest expense for the six-months ended June 30, 2017 and 2016 was 11.3% and 24.3%, respectively. The MER before interest expense for the six-months ended June 30, 2017 and 2016 on the combined units was 2.0% and 2.0%, respectively.

Unitholder Activity

To provide liquidity, capital units and preferred securities of the Trust are listed on the TSX under the symbols BSD.UN and BSD.PR.A, respectively. Under terms of the Trust's Declaration of Trust, additional liquidity is provided by way of an annual redemption program, under which the Trust's units and preferred securities, under certain conditions, are redeemable on the last business day of November of each year at 100% of the net asset value per unit.

On September 8, 2016, Soundvest Capital Management Ltd., as Manager of the Trust, announced that the Toronto Stock Exchange ("TSX") had accepted its Notice of Intention to make a normal course issuer bid ("NCIB"). The Trust has the right under the NCIB to purchase for cancellation up to 167,192 of its capital units and preferred securities (collectively, the "shares") issued and outstanding as at September 7, 2016. The Manager is of the opinion that units of the Trust may have become available during the proposed purchase period at prices that would make such purchases in the best interests of the Trust and its securityholders. All capital units and preferred securities purchased by the Trust under this bid will be promptly cancelled. Under the NCIB, the Trust may not purchase in any 30-day period more than 42,549 shares, representing 2% of the issued and outstanding shares as at the date of acceptance of the notice of the NCIB by the TSX. As at August 28, 2017, 4,000 capital units and 4,000 preferred securities were repurchased and cancelled under the NCIB for a total of $47,720.

Distributions of $0.15 per quarter continue to be paid on the preferred securities.

Redemptions

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Borrowing Facilities

The Trust utilizes borrowings to purchase additional portfolio investments and for general Trust purposes. As at June 30, 2017 and December 31, 2016, there were no balances outstanding on this facility. There were no amounts borrowed under these arrangements during the six-months ending June 30, 2017 and 2016. A reduction or termination in the margin loan facility may limit the Trust's ability to employ leverage to magnify returns. In the current environment, the Trust will seek to cautiously use leverage as deemed appropriate.

RELATED-PARTY TRANSACTIONS

Soundvest Capital Management Ltd. (the "Manager" and "Investment Advisor"), an affiliate of Brookfield Asset Management Inc., has been the Investment Advisor to the Trust since its inception and is also the Manager of the Trust since April 20, 2010, responsible for managing all of the Trust's activities.

The Manager of the Trust is responsible for managing all of the Trust's activities and management fees are paid to the Manager based on terms set out in the management agreement at a rate of 1.10% per annum of the total assets of the Trust less the amount outstanding under the loan facility. In addition, the Trust also pays the Manager a service fee equal to 0.40% per annum of the net asset value. The service fee is, in turn, paid to investment dealers based on the proportionate number of units held by clients of such dealers. During the six-months ended June 30, 2017, management fees including HST accrued or paid to the Manager totaled $138 thousand (2016 -$144 thousand). Service fees accrued or paid during the six-months ended June 30, 2017 totaled $7.8 thousand (2016 - $3.7 thousand).

RECENT DEVELOPMENTS

Accounting Policy Changes

(i) Financial Instruments

IFRS 9, *Financial Instruments* ("IFRS 9") was issued by IASB in July 2014 replacing the existing guidance in IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

The Fund is reviewing the impact of IFRS 9 on its financial statements.

(ii) Revenue from Contracts with Customers

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") specifies how and when revenue should be recognized as well as requiring more informative and relevant disclosures. This standard supersedes IAS 18 *Revenue*, IAS 11 *Construction Contracts* and a number of revenue-related interpretations. Application of the Standard is mandatory and it applies to nearly all contracts with customers; the main exceptions are leases, financial instruments and insurance contracts. The IASB has tentatively deferred mandatory adoption of IFRS 15 until periods beginning on or after January 1, 2018 with early application permitted.

The Fund is reviewing the impact of IFRS 15 on its financial statements.

OUTLOOK

The U.S. economy continues to perform well and we expect stable housing, solid employment and a resilient consumer to remain supportive of economic growth. We believe the U.S. Federal Reserve will continue to take a cautious, gradual approach to increasing interest rates and reducing the size of its balance sheet in order to move monetary policy toward more normal levels.

The Canadian economy is expected to remain strong even as Western Canada continues adjusting to lower oil prices and other key geographies adapt to housing policy changes. While we expect volatility to remain in the financial markets, solid employment and stable consumer spending should help facilitate economic growth on a go forward basis.

We do not know what returns the stock market will provide in any given year. What we do know is the following: buying shares at reasonable prices of companies with well-constructed balance sheets, honest and able management who continue to grow their company’s earnings, dividends and intrinsic value over time, should reward the shareholders of such companies as the years roll forward.

FINANCIAL HIGHLIGHTS

The following tables provide selected key financial information about the Trust and are intended to assist readers in understanding the Trust's financial performance over the last five years.

The Trust's Net Assets Per Capital Unit[1]

	2017[2]	2016[3]	2015[3]	2014[3]	2013[3]
Net assets – beginning of period	**$ 2.39**	$ 0.60	$ 2.27	$ 2.82	$ 2.07
Increase (Decrease) from operations					
Total revenue	**0.24**	0.45	0.47	0.51	0.52
Total expenses (including interest)	**(0.42)**	(0.83)	(0.86)	(0.82)	(0.82)
Transaction costs	**(0.00)**	(0.00)	(0.01)	(0.01)	(0.01)
Net realized gains (losses) on sale of investments	**0.16**	1.22	3.61	(0.67)	(1.17)
Net change in unrealized (losses) gains[6]	**(0.23)**	0.92	(4.34)	0.45	2.22
Total (decrease) increase from operations[6]	**(0.25)**	1.76	(1.13)	(0.54)	0.74
Distributions					
From dividend income	**–**	–	–	–	–
From investment income	**–**	–	–	–	–
Return of capital	**–**	–	–	–	–
Total distributions[4]	**–**	–	–	–	–
Net assets - end of period[5]	**$ 2.14**	$ 2.39	$ 0.60	$ 2.27	$ 2.82

The Trust's Net Assets Per Preferred Security[1]

	2017[2]	2016[3]	2015[3]	2014[3]	2013[3]
Net assets – beginning of period	**$ 10.00**	$ 10.00	$ 10.00	$ 10.00	$ 10.00
Increase (decrease) from operations					
Total revenue	**–**	–	–	–	–
Total expenses	**–**	–	–	–	–
Transaction costs	**–**	–	–	–	–
Net realized losses on sale of investments	**–**	–	–	–	–
Net change in unrealized gains (losses)[6]	**–**	–	–	–	–
Return of capital	**–**	–	–	–	–
Gain on retirement of preferred securities	**–**	–	–	–	–
(Increase) decrease in value of preferred securities	**–**	–	–	–	–
Total increase (decrease) from operations[6]	–	–	–	–	–
Total distributions[4]	**(0.30)**	(0.60)	(0.60)	(0.60)	(0.60)
Net assets - end of period[5]	**$ 10.00**	$ 10.00	$ 10.00	$ 10.00	$ 10.00

1 *This information is derived from the Trust's audited financial statements. The net assets per unit presented in the financial statements are the same as the net asset value calculated for fund pricing purposes. Net assets per unit for prior periods have been adjusted to reflect the reporting requirements of IFRS.*
2 *As at and for the six months ended June 30 (unaudited).*
3 *As at and for the twelve months ended December 31 (audited).*
4 *Distributions were paid in cash.*
5 *Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the period. Accordingly, totals may not sum in the above table due to the different basis for computing the per unit amounts.*
6 *Net change in unrealized gains (losses) and total (decrease) increase from operations for prior periods have been adjusted to reflect the reporting requirements of IFRS.*

The following table illustrates components of the Trust's overall return:

	2017[1]	2016[2]	2015[2]	2014[2]	2013[2]
Net investment loss	**$ (335,066)**	$ (805,673)	$ (1,024,657)	$ (1,275,574)	$ (1,227,463)
Transaction costs	**(1,337)**	(5,257)	(27,862)	(22,348)	(31,164)
Net realized gains (losses) on sale of investments	**300,251**	2,564,676	9,697,610	(2,683,997)	(4,700,773)
Net change in unrealized (losses)gains[2]	**(413,810)**	1,935,590	(11,666,948)	1,796,748	8,957,420
Gain (loss) on retirement of preferred securities	–	23,849	–	–	–
Income (loss) from operations[2]	**(449,962)**	3,713,185	(3,021,857)	(2,185,171)	2,998,020
Income (loss) gain from operations per unit[3]	**(0.25)**	(1.13)	(1.13)	(0.54)	0.74
Net assets per unit[4]	**$ 2.14**	$ 0.60	$ 0.60	$ 2.82	$ 2.82

1 *As at and for the six months ended June 30 (unaudited).*
2 *As at and for the twelve months ended December 31 (audited).*
3 *Net change in unrealized gains (losses), income (loss) from operations and income (loss) from operations per unit for prior periods has been adjusted to reflect the reporting requirements of IFRS.*
4 *Net assets per unit for prior periods have been adjusted to reflect the reporting requirements of IFRS.*

Ratios and Supplemental Data – Capital Units

	2017[1]	2016[2]	2015[2]	2014[2]	2013[2]
Total net asset value[4]	$ 3,915,483	$ 4,365,445	$ 1,275,607	$ 9,166,296	$ 11,351,467
Number of units outstanding	1,828,729	1,828,729	2,127,456	4,030,225	4,030,225
Management expense ratio before interest expense	11.32%	15.69%	13.11%	7.05%	10.10%
Management expense ratio[3,6]	39.08%	55.68%	41.03%	25.29%	37.91%
Management expense ratio[3,6] before waivers or absorptions	39.08%	55.68%	41.03%	25.29%	37.94%
Trading expense ratio[4]	0.7%	0.17%	0.50%	0.17%	0.36%
Portfolio turnover rate[5]	2.51%	3.57%	0.44%	2.08%	19.07%
Monthly distribution per unit	$ –	$ –	$ –	$ –	$ –
Annualized trailing yield[7]	–	–	–	–	–
Closing market price	$ 1.07	$ 1.63	$ 0.65	$ 1.96	$ 1.53

1 *As at and for the six months ended June 30 (unaudited).*
2 *As at and for the twelve months ended December 31 (audited).*
3 *Management expense ratio of a particular series is based on total expenses (excluding commissions and other portfolio transaction costs) attributable to that series for the stated period and is expressed as an annualized percentage of daily average net assets of that series during the period.* ***Total expenses include interest on the Trust's preferred shares****. The preferred shares form part of the Trust's dual security capital structure. As long as the net asset per unit of the Trust is above $10 per unit, then the expenses of the Trust are borne by the capital units. If the net assets per unit of the Trust falls to or below $10 per unit, then the expenses of the Trust are borne by the preferred shares until such time as the net assets per unit of the Trust returns to $10 per unit or more.*
4 *The trading expense ratio represents commission costs expressed as an annualized percentage of daily average net asset value during the period.*
5 *The Trust's portfolio turnover rate indicates how actively the Trust's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Trust buying and selling all of the securities in its portfolio once in the course of the year. The higher a Trust's portfolio turnover rates in a year, the greater the trading costs payable by the Trust in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Trust.*
6 *Based on annualized cumulative distributions per unit and the closing market price.*
7 *The MER before interest expense for the six months ended June 30, 2017 and 2016 on the combined units was 2.0% and 2.0%, respectively.*

Ratios and Supplemental Data – Preferred Securities

	2017[1]	2016[2]	2015[2]	2014[2]	2013[2]
Total net asset value	$ 18,287,290	$ 18,287,290	$ 21,274,560	$ 40,302,250	$ 40,302,250
Number of units outstanding	1,828,729	1,828,729	2,127,456	4,030,225	4,030,225
Management expense ratio before interest expense	–	–	–	–	–
Management expense ratio[3]	–	–	–	–	–
Management expense ratio[3] before waivers or absorptions	–	–	–	–	–
Trading expense ratio[4]	–	–	–	–	–
Portfolio turnover rate[5]	–	–	–	–	–
Quarterly distribution per unit	$ 0.15	$ 0.15	$ 0.15	$ 0.15	$ 0.15
Annualized trailing yield[6]	5.83%	6.05%	6.42%	6.10%	6.17%
Closing market price	$ 10.30	$ 9.91	$ 9.35	$ 9.83	$ 9.72

1 *As at and for the six months ended June 30 (unaudited).*
2 *As at and for the twelve months ended December 31 (audited).*
3 *Management expense ratio of a particular series is based on total expenses (excluding commissions and other portfolio transaction costs) attributable to that series for the stated period and is expressed as an annualized percentage of daily average net assets of that series during the period. Total expenses include interest on the Trust's preferred shares. The preferred shares form part of the Trust's dual security capital structure. As long as the net asset per unit of the Trust is above $10 per unit, then the expenses of the Trust are borne by the capital units. If the net assets per unit of the Trust falls to or below $10 per unit, then the expenses of the Trust are borne by the preferred shares until such time as the net assets per unit of the Trust returns to $10 per unit or more.*
4 *The trading expense ratio represents commission costs expressed as an annualized percentage of daily average net asset value during the period.*
5 *The Trust's portfolio turnover rate indicates how actively the Trust's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Trust buying and selling all of the securities in its portfolio once in the course of the year. The higher a Trust's portfolio turnover rates in a year, the greater the trading costs payable by the Trust in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Trust.*
6 *Based on annualized cumulative distributions per unit and the closing market price.*

Management and Service Fees

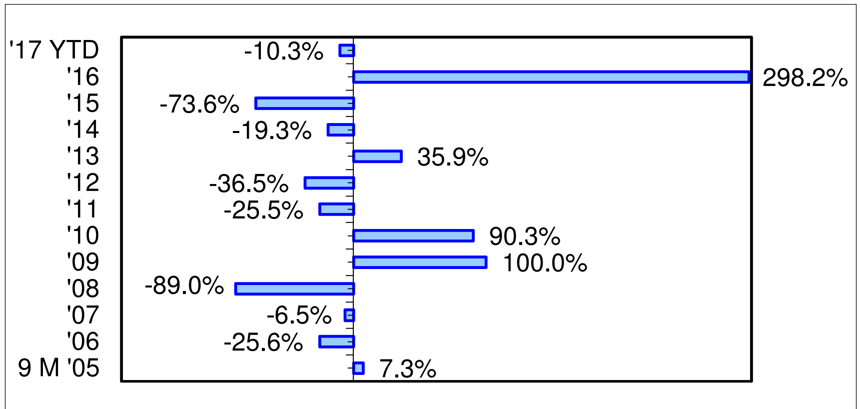
Pursuant to a management agreement, the Manager provides management and administrative services to the Trust, for which it is paid a management fee equal to 1.10% per annum of the total assets of the Trust less the amount outstanding under the loan facility, calculated and paid monthly, plus applicable taxes. The Trust also pays to the Manager a service fee equal to 0.40% per annum of the net asset value, calculated and paid quarterly. The service fee is, in turn, paid by the Manager to investment dealers based on the proportionate number of units held by clients of such dealers at the end of each calendar quarter.

PAST PERFORMANCE

The following chart and table show the past performance of the Trust and does not necessarily indicate how the Trust will perform in the future. The information shown is based on the net asset value per unit and assumes that distributions made by the Trust in the periods shown were reinvested (at the net asset value per unit) in additional units of the Trust.

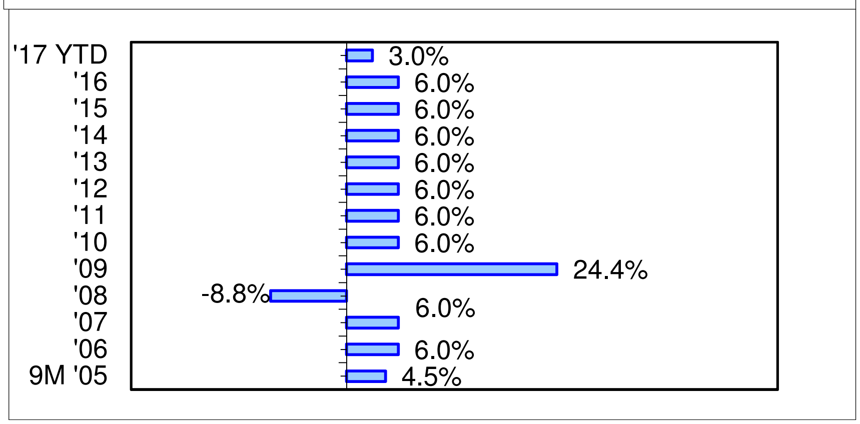
Year-by-Year Returns - Capital Units

The bar chart shows the Trust's total returns (based on net assets per capital unit) and includes distributions made in each period since inception to June 30, 2017. The chart shows, in percentage terms, how an investment held on the first day of each fiscal period would have increased or decreased by the last day of the fiscal period.



Year-by-Year Returns - Preferred Securities

The bar chart shows the Trust's total returns (based on net assets per preferred security) and includes distributions made in each period since inception to June 30, 2017. The chart shows, in percentage terms, how an investment held on the first day of each fiscal period would have increased or decreased by the last day of the fiscal period.



Annual Compound Returns

The following table shows the Trust's compound return, based on published net asset values, for the periods noted and the annual compound returns, based on net asset values, since inception and for the three-year and five-year periods ended June 30, 2017 compared with the Index.

Capital Units

	2017[1]	2016[2]	3-Year[3]	5-Year[4]	Since Inception[5]
Trust – Net asset value	**(10.3%)**	298.2%	(19.6%)	(1.3%)	(14.1%)
Trust – Total Return, including distributions	**(10.3%)**	298.2%	(19.6%)	(1.3%)	(6.1%)
S&P/TSX Composite Return Index	**0.7%**	21.1%	3.1%	8.7%	6.7%

Preferred Securities

	2017[1]	2016[2]	3-Year[3]	5-Year[4]	Since Inception[5]
Trust - Net asset value	**N/A**	N/A	N/A	N/A	N/A
Trust - Total Return, including distributions	**3.0%**	6.0%	5.7%	5.4%	4.5%
S&P/TSX Composite Return Index	**0.7%**	21.1%	3.1%	8.7%	6.7%

1 *For the six months ended June 30 (unaudited).*
2 *For the twelve months ended December 31 (audited).*
3 *For the period from July 1, 2014 to June 30, 2017.*
4 *For the period from July 1, 2012 to June 30, 2017.*
5 *For the period from inception (March 16, 2005) to June 30, 2017, net of issuance costs.*

SUMMARY OF INVESTMENT PORTFOLIO

The summary of investment portfolio may change due to ongoing portfolio transactions of investments in the Trust. A quarterly update is available on our website at www.brookfieldsoundvest.com.

Portfolio Composition

As at June 30, 2017, the Trust was invested in the following sectors with the percentages shown below:

	2017[1] **Percentage of Net Assets**	**2017[1]** **Percentage of Total Investment Portfolio**	Permitted Percentage of Total Investment Portfolio
Canadian Bonds and Debentures	**0.0%**	**0.0%**	0%-100%
Canadian Preferred Shares	**25.6%**	**4.6%**	0%-100%
Canadian Income Trusts (REITs)	**89.9%**	**16.3%**	0%-100%
Canadian Common Stocks	**407.0%**	**73.9%**	0%-100%
United States Common Stocks	**0.0%**	**0.0%**	0%-100%
Limited Partnerships	**28.5%**	**5.2%**	0%-20%
Total Investment Portfolio	**551.0%**	**100.0%**	100%
Cash and Equivalents	**14.0%**		
Liabilities in excess of other assets	**(465.0%)**		
Net Assets	**100.0%**		

1 *Based on the market value as at June 30, 2017.*

Top 25 Positions

The top 25 positions held by the Trust as at June 30, 2017 were as follows:

Number of Units		Fair Value	Percentage of Net Assets
124,600	Tricon Capital Group Inc.	$ 1,447,852	37.0%
44,000	Parkland Fuel Corporation	1,307,240	33.4%
24,000	WSP Global Inc.	1,291,440	33.0%
97,000	Artis REIT	1,270,700	32.5%
52,700	H&R REIT	1,160,454	29.6%
28,000	Keyera Corporation	1,142,960	29.2%
1,420,860	Brightpath Early Learning Inc.	1,122,479	28.7%
27,000	Brookfield Renewable Energy Partners L.P.	1,116,450	28.5%
28,000	Allied Properties REIT	1,089,760	27.8%
40,000	First National Financial Corporation	1,086,000	27.7%
31,000	Exchange Income Corporation	1,024,860	26.2%
72,000	First National Financial 2.79% Preferred	1,002,600	25.6%
19,115	Emera Inc.	921,534	23.5%
34,000	Inter Pipeline Limited	863,600	22.0%
62,169	Algonquin Power & Utilities Corp.	848,607	21.7%
15,000	Cineplex Inc.	792,900	20.2%
82.600	Whitecap Resources Inc.	764,876	19.5%
15,800	Vermilion Energy Inc.	650,012	16.6%
37,100	Arc Resources Limited	629,216	16.1%
8,000	Enbridge Inc.	413,280	10.5%
13,000	Tourmaline Oil Corporation	362,440	9.3%
17,900	Paramount Resources Limited	341,711	8.7%
34,000	Crescent Point Energy Corporation	337,280	8.6%
2,100	Canadian Imperial Bank of Commerce	221,319	5.7%
5,000	Prairiesky Royalty Limited	147,650	3.8%

Gabrielle Lenz
Chief Financial Officer of the Manager

August 28, 2017

STATEMENTS OF FINANCIAL POSITION

(Unaudited)

As at	June 30, 2017	December 31, 2016
Assets		
Financial assets at fair value through profit or loss, (cost: June 30, 2017-$15,073,046; December 31, 2016-$15,524,500)	**$ 21,572,875**	$ 22,438,140
Cash and cash equivalents *(Note 8)*	**543,873**	187,420
Distributions and interest receivable	**87,465**	82,608
Prepaid and other	**141,595**	117,685
Total assets	**22,345,808**	22,825,853
Liabilities		
Accounts payable and accrued liabilities *(Note 9)*	**143,035**	173,118
Preferred securities *(Note 11)*	**18,287,290**	18,287,290
Total liabilities (excluding net assets attributable to holders of redeemable units)	**18,430,325**	18,460,408
Net assets attributable to holders of redeemable units	**$ 3,915,483**	$ 4,365,445
Units outstanding *(Note 12)*	**1,828,729**	1,828,729
Net assets attributable to holders of redeemable units per unit	**$ 2.14**	$ 2.39
Redemption value per preferred security	**$ 10.00**	$ 10.00
Combined net assets attributable to holders of capital redeemable units and preferred securities per unit	**$ 12.14**	$ 12.39

The accompanying notes are an integral part of the financial statements

Approved by the Manager, by:

Kevin W. Charlebois
Director

Brian Hurley
Director

STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

For the six-months ended June 30		2017		2016
Income				
Distributions	**$**	**433,176**	$	496,362
Net realized gains on sale of investments *(Notes 7 and 15)*		**300,251**		450,760
Net change in unrealized (losses) gains on investments *(Note 7)*		**(413,810)**		2,748,000
Total income		**319,617**		3,695,122
Expenses				
Preferred securities interest expense		**545,773**		620,751
Management fees *(Note 14)*		**138,435**		143,811
General and administrative		**18,541**		21,383
Accounting and administrative		**16,950**		18,645
Audit fees		**15,707**		15,538
Trustee fees		**12,403**		11,827
Independent review committee fees		**8,615**		8,521
Service fees *(Note 14)*		**7,831**		3,678
Custodial fees		**3,734**		3,637
Transaction costs *(Note 15)*		**1,337**		734
Legal and exchange fees		**168**		195
Other interest expense		**85**		57
Total expenses		**769,579**		848,777
(Decrease) increase in net assets attributable to holders of redeemable units	**$**	**(449,962)**	$	2,846,345
(Decrease) increase in net assets attributable to holders of redeemable units per unit[1] *(Note 16)*	**$**	**(0.25)**	$	1.34

[1] *Based on the weighted average number of units outstanding for the period (Note 12).*

The accompanying notes are an integral part of the financial statements

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

(Unaudited)

For the six-months ended June 30		2017		2016
Net assets attributable to holders of redeemable units - beginning of period	**$**	**4,365,445**	$	1,275,607
(Decrease) increase in net assets attributable to holders of redeemable units		**(449,962)**		2,846,345
Net assets attributable to holders of redeemable units - end of period	**$**	**3,915,483**	$	4,121,952

The accompanying notes are an integral part of the financial statements

STATEMENTS OF CASH FLOWS

(Unaudited)

For the six-months ended June 30		2017		2016
Operating activities				
(Decrease) increase in net assets attributable to holders of redeemable units	**$**	**(449,962)**	$	2,846,345
Adjustments for:				
Net realized gains on sale of investments		**(300,251)**		(450,760)
Net change in unrealized losses (gains) on investments		**413,810**		(2,748,000)
Transaction costs *(Note 15)*		**1,337**		734
Purchase of investment securities *(Note 15)*		**(515,269)**		(244,259)
Proceeds from sale of investments *(Note 15)*		**1,265,637**		743,548
Change in non-cash operating working capital *(Note 17)*		**(58,849)**		(53,655)
Net cash provided by operating activities		**356,453**		93,953
Net increase in cash and cash equivalents during the period		**356,453**		93,953
Cash and cash equivalents, beginning of period		**187,420**		196,030
Cash and cash equivalents, end of period	**$**	**543,873**	$	289,983

The accompanying notes are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017 and 2016 (Unaudited)

1. REPORTING ENTITY

Brookfield Soundvest Split Trust (formerly Brascan SoundVest Rising Distribution Split Trust) (the "Trust") is a closed-ended trust established under the laws of the Province of Ontario and is governed by the Declaration of Trust dated March 16, 2005, as amended from time to time. The address of the Trust's registered office is 100 Sparks Street, 9th Floor, Ottawa, Ontario, K1P 5B7.

The Trust invests in a diversified portfolio consisting primarily of common and preferred shares of Canadian issuers, income securities, including bonds, and debentures, income trusts, real estate investment trusts ("REITs"), Canadian mortgage-backed securities, and cash and cash equivalents. The Trust may also invest up to 20% of the value of the portfolio in any other security that is not otherwise prohibited.

The manager and the investment advisor of the Trust is Soundvest Capital Management Ltd. (the "Manager" and the "Investment Advisor"). Computershare Trust Company of Canada is the trustee of the capital units ("units") and BNY Trust Company of Canada is the trustee of the preferred securities. The Trust is authorized to issue an unlimited number of units and preferred securities. The Trust is listed on the Toronto Stock Exchange and effectively commenced operations on March 16, 2005.

The Trust's investment objectives are to provide holders of preferred securities with fixed quarterly interest payments in the amount of $0.15 per preferred security ($0.60 per annum to yield 6% per annum on the original subscription price of $10.00), and repayment of the original subscription price at maturity. For unitholders, the Trust's objectives are to provide holders of units with regular cash distributions and to maximize long-term total return of the Trust's portfolio.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

The internal financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a basis consistent with the accounting policies disclosed in the audited financial statements for the fiscal year ended December 31, 2016.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The Trust's presentation currency is the Canadian dollar, which is also the functional currency of the Trust.

These financial statements were authorized for issuance by the Board of Directors of the Trust on August 28, 2017.

3. SIGNIFICANT ACCOUNT POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Financial Instruments

The Trust recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities include investments in securities, distributions and interest receivable, accounts payable and accrued liabilities and preferred securities.

(i) Classification

The Trust classifies its investments as financial assets at fair value through profit or loss. This category has two sub-categories: financial assets held for trading and financial assets designated at fair value through profit or loss at inception.

- Financial assets held for trading

  A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

- Financial assets designated at fair value through profit or loss at inception

  A financial asset classified as designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on the fair value basis in accordance with the Trust's documented investment strategy.

(ii) Recognition

The Trust recognizes financial instruments at fair value upon initial recognition. Financial instruments measured at cost are recognized at fair value upon initial recognition plus transaction costs. Subsequent to initial recognition, changes in fair value of investments are measured at fair value through profit or loss ("FVTPL").

All other financial assets and liabilities are measured at amortized cost. Under this method, these financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the financial instrument's effective interest rate. Amortized cost approximates fair value for these financial assets and liabilities (other than preferred shares) due to their short-term nature. Other financial assets and liabilities include distributions and interest receivable, accounts payable and accrued liabilities and preferred shares. The preferred securities are designated as other liabilities and are carried at amortized cost. These securities are publicly traded on the TSX exchange and their estimated fair value of $18,835,909 at June 30, 2017 (December 31, 2016 - $18,122,704) is based on the closing market price at the end of the year.

IFRS, IAS 32 *Financial Instruments: Presentation* ("IAS 32"), requires that units of a fund which include a contractual obligation for the issuer to repurchase or redeem units for cash or another financial asset and an obligation to distribute net taxable income and net realized capital gains to ensure that the Trust is not liable for income taxes be classified as financial liabilities. The Trust's units do not meet the criteria in IAS 32 for classification as equity and, therefore, have been reclassified as financial liabilities under IFRS.

(iii) Fair value measurement

The Trust's investments are presented at fair value. Investments held that are traded in an active market through recognized public stock exchanges are valued at quoted market prices at the close of trading on the reporting date. The Trust uses the closing market price for investments where the closing price falls within that day's bid-ask spread. In circumstances where the closing market price does not fall within the bid-ask spread, the Manager determines the point within the bid-ask spread that is the most representative of fair value based on the specific facts and circumstances.

Investments held that are not traded in an active market are valued based on the results of valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other investments that are substantially the same, discounted cash flow analysis, and those which make the maximum use of observable inputs. See Note 6 for more information about the Trust's fair value measurements.

(iv) Impairment of financial assets

At each reporting date the Trust assesses whether there is evidence that financial assets at amortized cost are impaired. If such evidence exists, the Trust recognizes an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related to an event occurring after the impairment was recognized.

b) Cash and Cash Equivalents

Cash and cash equivalents include deposits with banks and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Trust in the management of short-term commitments.

c) Income Recognition

Investment transactions are recorded on the trade date. Realized gains or losses from investment transactions are recognized using the average cost of the investments. Interest income is recognized on an accrual basis using the effective interest rate. Dividends are recorded on the ex-dividend date. Distributions from income funds, including trusts and limited partnerships, are recognized on the ex-distribution date. Net realized gains or losses on the sale of investments include any net realized gains or losses from foreign currency changes.

d) Income Taxes

The Trust is taxed as a unit trust under the Income Tax Act (Canada). Provided that the Trust makes distributions in each year of its net taxable income and taxable net capital gains, the Trust will not generally be liable for income tax. It is the intention of the Trust to distribute all of its net taxable income and net realized capital gains on an annual basis. Accordingly, no income tax provision has been recorded.

e) Foreign Currency Translation

The fair value of investments and other assets and liabilities that are denominated in foreign currencies are translated into Canadian dollars at the closing rate of exchange on each valuation date. Purchases and sales of investments and income derived from investments are translated at the rate of exchange prevailing on the respective dates of such transactions.

f) Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit in the statement of comprehensive income is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the period. See Note 16 for the calculation.

g) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of investments, which include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs are immediately recognized in profit or loss as an expense.

h) Future Changes in Accounting Policies

(i) Financial Instruments

IFRS 9, *Financial Instruments* ("IFRS 9") was issued by IASB in July 2014 replacing the existing guidance in IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

The Fund is reviewing the impact of IFRS 9 on its financial statements.

(ii) Revenue from Contracts with Customers

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") specifies how and when revenue should be recognized as well as requiring more informative and relevant disclosures. This standard supersedes IAS 18, *Revenue*, IAS 11 *Construction Contracts* and a number of revenue-related interpretations. Application of the Standard is mandatory and it applies to nearly all contracts with customers; the main exceptions are leases, financial instruments and insurance contracts. The IASB has tentatively deferred mandatory adoption of IFRS 15 until periods beginning on or after January 1, 2018 with early application permitted.

The Fund is reviewing the impact of IFRS 15 on its financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires the Manager to make estimates, judgments, and assumptions that affect the application of accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

In making estimates and assumptions, the Manager relies on external information and observable conditions where possible, supplemented by internal analysis as required. These estimates and assumptions have been applied in a manner consistent with prior periods and there are no known trends, commitments, events or uncertainties that the Manager believes will materially affect the methodology or assumptions utilized in making these estimates and assumptions in these financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions used in determining the recorded amounts for assets and liabilities in the financial statements include the following:

(i) Fair value measurement of investments not quoted in an active market

The Trust may hold financial instruments that are not quoted in active markets, including investments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources. Broker quotes as obtained from the pricing sources may be indicative and not executable. Where no market data is available, the Trust may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by the Manager.

Models use observable data, to the extent practicable. However, areas such as credit risk, volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Trust considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. See Note 6 for more information on the fair value measurement of the Trust's financial statements.

(ii) Classification and application of the fair value option

In classifying and measuring financial instruments held by the Trust, the Manager is required to make significant judgments about the cash flow characteristics of the instruments and the applicability of the fair value option for financial assets under IFRS 9. The most significant judgment made is the determination of the classification of the Trust's units as financial liabilities.

5. FINANCIAL INSTRUMENTS RISK

The Trust aims to maximize monthly distributions primarily through investments in a portfolio of securities consisting primarily of common and preferred shares of Canadian issuers, income securities, including bonds and debentures, income trusts, REITs, Canadian mortgage-backed securities and cash and cash equivalents. The Manager uses a disciplined and fundamental approach in its investment selection and management approach, which consists of an intensive and ongoing research process of investment opportunities across a broad range of investment vehicles in various industries and geographic regions. The Manager purchases and holds securities for the Trust for the medium to long term. The Manager also determines when to rotate the Trust's portfolio into other sectors and investment vehicles to enhance the Trust's portfolio performance and/or to limit risk. The Trust's investment portfolio and leverage are monitored on a daily basis by the Manager.

The Trust has a risk management framework to monitor, evaluate and manage the principal risks assumed with its financial instruments. The potential risks that may arise from transacting financial instruments include market risk (which includes currency risk, interest rate risk, and price risk), credit risk, and liquidity risk.

Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of the financial instruments due to changes in market price. The investments of the Trust are subject to normal market fluctuations and the risks inherent in investing in equity markets. The Trust intends to continue to invest taking a long-term perspective while focusing on quality businesses that have the potential to deliver strong returns for unitholders.

The use of any type of credit facilities will expose unitholders to leverage such that any increase or decrease in the net asset value of the investment portfolio will result in a greater proportionate increase or decrease in the net assets attributable to holders of redeemable units of the Trust.

The Manager's best estimate of the effect on net assets attributable to holders of redeemable units due to a reasonably possible change in the S&P/TSX Composite Index, with other variables held constant, is as follows:

	Change in Net Assets of Trust	
Change in Prices on the Index	**June 30, 2017**	December 31, 2016
10%	**67.3%**	68.4%
(10%)	**(67.1%)**	(67.8%)

In practice, the actual results may differ from the above sensitivity analysis and the difference could be material.

(i) Currency risk

Currency risk is the risk that the value of an investment will change due to fluctuations in foreign exchange rates. The investments of the Trust are held in the functional currency of the Trust, which is the Canadian dollar; therefore, the Trust is not exposed to significant foreign currency risks.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Trust's assets at June 30, 2017 and December 31, 2016 are mostly non-interest bearing.

(iii) Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Manager aims to moderate this risk through a careful selection and diversification of investments within the limits of the Trust's investment objectives and strategy. A majority of the net assets attributable to holders of redeemable units is expected to be invested in equity securities. The Trust's policy also limits individual equity securities to no more than 10% of net assets attributable to holders of redeemable units. As at June 30, 2017, the Trust's equity investments are publicly traded and are included in the S&P/TSX Composite Index. The Trust's policy requires that the overall market position is monitored on a daily basis by the Manager.

Credit Risk

Credit risk represents the potential loss that the Trust would incur if the counterparties failed to perform in accordance with the terms of their obligations to the Trust. The Trust maintains all of its cash and cash equivalents at its custodian or with a Canadian chartered bank. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Trust limits its exposure to credit loss by dealing with counterparties of high credit quality. To maximize the credit quality of its investments, the Trust's Manager performs ongoing credit evaluations based upon factors surrounding the credit risk of counterparties, historical trends and other information.

Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting obligations associated with the its financial liabilities. As at June 30, 2017, the Trust invests all of its assets in investments that are traded in an active market and can be readily disposed of since it invests only a limited proportion of its assets in investments not actively traded on a stock exchange. There can be no assurance that an active trading market for the investments will exist at all times or that the prices at which the securities trade accurately reflect their values. Thin trading in a security could make it difficult to liquidate holdings quickly. The Trust aims to retain sufficient cash and cash equivalent positions to maintain liquidity; therefore, the liquidity risk for the Trust is considered minimal.

The Trust may also be exposed to annual cash redemptions of Trust units; however, the Trust has up to approximately 42 days to raise the necessary cash to fund the required redemption payment amount. The Trust maintains liquid investments that are traded in an active market and can be readily disposed of, subject to the limitations noted above, to maintain adequate liquidity.

The tables below analyze the Trust's financial liabilities as at June 30, 2017 and December 31, 2016 into relevant groupings based on contractual maturity dates. The amounts in the table are contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant.

As at June 30, 2017	**On Demand**	**1-3 Months**	**Greater than 3 Months**	**No Stated Maturity**	**Total**
Accounts payable and accrued liabilities	$ -	$ 143,035	$ -	$ -	$ 143,035
Preferred securities	-	-	18,287,290	-	18,287,290
Total liabilities	**$ -**	**$ 143,035**	**$ 18,287,290**	**$ -**	**$ 18,430,325**

As at December 31, 2016	On Demand	1-3 Months	Greater than 3 Months	No Stated Maturity	Total
Accounts payable and accrued liabilities	$ -	$ 173,118	$ -	$ -	$ 173,118
Preferred securities	-	-	18,287,290	-	18,287,290
Total liabilities	$ -	$ 173,118	$ 18,287,290	$ -	$ 18,460,408

Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Trust's concentration risk:

	June 30, 2017 %	December 31, 2016 %
Financials	**32.7**	31.5
Utilities	**24.1**	21.7
Energy	**15.5**	20.5
Consumer Discretionary	**14.6**	14.3
Industrial	**10.7**	11.1
Cash and cash equivalents	**2.4**	0.9
	100.0	100.0

Capital Risk Management

The Trust's capital structure is composed of capital units issued and preferred securities. The Trust's objective is to utilize prudent levels of leverage to lower the Trust's cost of capital to increase the total return to unitholders. In managing its capital structure, the Manager may adjust the amount of distributions paid to unitholders or reevaluate the Trust's leverage ratios. The Manager also manages the composition of its investment portfolio to ensure that the Trust is within its investment objectives.

6. FAIR VALUE MEASUREMENT

The Trust classifies and discloses fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The three-level hierarchy is as follows:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Manager has the ability to access at the measurement date
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3	Inputs for the asset or liability that are not based on observable market data. Additional quantitative disclosures are required for Level 3 securities

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following fair value hierarchy tables present information about the Trust's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2017 and December 31, 2016.

As at June 30, 2017	**Level 1**	**Level 2**	**Level 3**	**Total Financial Assets at Fair Value**
Financial assets designated as fair value through profit or loss:				
Real Estate Investment Trusts	**3,520,914**	**-**	**-**	**3,520,914**
Limited partnerships	**1,116,450**	**-**	**-**	**1,116,450**
Preferred shares	**1,002,600**	**-**	**-**	**1,002,600**
Canadian common stocks	**15,932,911**	**-**	**-**	**15,932,911**
Total financial assets measured at fair value	**$ 21,572,875**	**$ -**	**$ -**	**$ 21,572,875**

As at December 31, 2016	Level 1	Level 2	Level 3	Total Financial Assets at Fair Value
Financial assets designated as fair value through profit or loss:				
Real Estate Investment Trusts	3,921,550	-	-	3,921,550
Limited partnerships	1,075,950	-	-	1,075,950
Preferred shares	934,200	-	-	934,200
Canadian common stocks	16,506,440	-	-	16,506,440
Total financial assets measured at fair value	$ 22,438,140	$ -	$ -	$ 22,438,140

The carrying values of cash and cash equivalents, distributions and interest receivable and accounts payable and accrued liabilities approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

(i) Equities

The Trust's equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. As at June 30, 2017, all of the Trust's equities trade frequently and, therefore, observable prices are available.

7. FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Trust's financial instruments by category as at June 30, 2017

Assets	Financial assets at fair value through profit or loss: Held for trading	Designated as fair value through profit or loss	Total	Financial assets at amortized cost	Total
Financial assets at fair value through profit or loss	$ -	$ 21,572,875	$21,572,875	$ -	$21,572,875
Cash	-	-	-	543,873	543,873
Distributions and interest receivable	-	-	-	87,465	87,465
Total	$ -	$ 21,572,875	$21,572,875	$ 631,338	$22,204,213

Liabilities	Financial liabilities at fair value through profit or loss: Held for trading	Designated as fair value through profit or loss	Total	Financial liabilities at amortized cost	Total
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ 143,035	$ 143,035
Preferred securities	-	-	-	18,287,290	18,287,290
Total	$ -	$ -	$ -	$18,430,325	$ 18,430,325

The following tables present the carrying amounts of the Trust's financial instruments by category as at December 31, 2016:

Assets	Financial assets at fair value through profit or loss: Held for trading	Designated as fair value through profit or loss	Total	Financial assets at amortized cost	Total
Financial assets at fair value through profit or loss	$ -	$ 22,438,140	$ 22,438,140	$ -	$22,438,140
Cash	-	-	-	187,420	187,420
Distributions and interest receivable	-	-	-	82,608	82,608
Total	$ -	$ 22,438,140	$ 22,438,140	$ 270,028	$22,708,168

	Financial liabilities at fair value through profit or loss				
Liabilities	**Held for trading**	**Designated as fair value through profit or loss**	**Total**	**Financial liabilities at amortized cost**	**Total**
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ 173,118	$ 173,118
Preferred securities	-	-	-	18,287,290	18,287,290
Total	$ -	$ -	$ -	$ 18,460,408	$ 18,460,408

The following table presents the net gains (losses) on financial instruments at fair value through profit or loss by category for the six-months ended June 30, 2017 and 2016:

	2017	**2016**
Net realized gains on financial assets at fair value through profit or loss:		
Designated as fair value through profit or loss	**$ 300,251**	$ 450,760
Net unrealized (losses) gains on financial assets at fair value through profit or loss:		
Designated as fair value through profit or loss	**$ (413,810)**	$ 2,748,000
Total net realized/unrealized (losses) gains on financial assets at fair value through profit or loss	**$ (113,559)**	$ 3,198,760

8. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are the following:

	June 30, 2017	December 31, 2016
Cash	**$ 39,760**	$ 39,760
Cash equivalents	**147,660**	147,660
	$ 543,873	$ 187,420

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are the following:

		June 30, 2017		December 31, 2016
Interest payable to preferred securityholders	$	**90,092**	$	92,935
Other accounts payable and accrued liabilities		**25,020**		49,731
Management fees payable *(Note 14)*		**22,709**		26,050
Service fees payable *(Note 14)*		**5,214**		4,402
	$	**143,035**	$	173,118

10. LOAN FACILITY

The Trust utilizes borrowings to purchase additional portfolio investments and for general Trust purposes. As at June 30, 2017 and December 31, 2016, there were no balances outstanding on this facility. There were no amounts borrowed under these arrangements during the six-months ending June 30, 2017 and 2016. A reduction or termination in the margin loan facility may limit the Trust's ability to employ leverage to magnify returns. In the current environment, the Trust will seek to cautiously use leverage as deemed appropriate.

11. PREFERRED SECURITIES

Holders of the preferred securities are entitled to receive fixed quarterly interest payments of $0.15 per preferred security, or 6% per annum, beginning on June 15, 2005, on the original subscription price of $10.00. The interest payments are paid in arrears on March 15, June 15, September 15 and December 15 of each year. Preferred securities may be surrendered for redemption together with an equal number of capital units beginning in November 2005 and annually each November thereafter. During 2005, 527,659 preferred securities were redeemed for $5.3 million, 250,626 preferred securities were redeemed for $2.5 million in 2006 and 909,172 preferred securities were redeemed for $9.1 million in 2007.

On March 16, 2015, the Trust announced that the annual redemption right available to preferred securities (together with an equal number of capital units) in November of each year will no longer be suspended in circumstances where the asset coverage on the preferred securities is less than 1.4 times. Recent changes in applicable securities laws have resulted in the Trust terminating the suspension of the annual redemption right in these circumstances. Under the annual redemption program, preferred securities and capital units are redeemable on the last business day of November of each year at 100% of the net asset value per unit. In 2016, unitholders tendered 139,491 combined securities (2015 - 75,104 combined securities) (being one capital unit and a $10.00 principal amount of preferred securities) and 155,236 capital units (2015 – 37,158 capital units) were tendered alone. In accordance with the Declaration of Trust, 155,236 preferred securities (2015 - 37,158 preferred securities) were purchased in the market at a total price of $1,574,295 (2015 - $368,115) to match the capital units tendered alone and total redemption proceeds of $1,989,918 (2015 - $885,158) were paid to settle the capital units and combined securities surrendered through the redemption process.

On September 8, 2016, Soundvest Capital Management Ltd., as Manager of the Trust, announced that the Toronto Stock Exchange ("TSX") had accepted its Notice of Intention to make a normal course issuer bid ("NCIB"). The Trust has the right under the NCIB to purchase for cancellation up to 167,192 of its capital units and preferred securities (collectively, the "shares") issued and outstanding as at September 7, 2016. The Manager is of the opinion that units of the Trust may have become available during the proposed purchase period at prices that would make such purchases in the best interests of the Trust and its securityholders. All capital units and preferred securities purchased by the Trust under this bid will be promptly cancelled. Under the NCIB, the Trust may not purchase in any thirty-day period more than 42,549 shares, representing 2% of the issued and outstanding shares as at the date of acceptance of the notice of the NCIB by the TSX. As at August 28, 2017, 4,000 capital units and 4,000 preferred securities were repurchased and cancelled under the NCIB for a total of $46,895.

A continuity of the preferred securities of the Trust is as follows:

Issued	Number of Units	Amount
Preferred securities – December 31, 2015	2,127,456	$ 21,274,560
Redeemed for cash:		
Normal course issuer bids	(4,000)	(107,000)
Share redemption program	(294,727)	(1,122,620)
Preferred securities – December 31, 2016	1,828,729	18,287,290
Normal course issuer bid	-	-
Share redemption program	-	-
Preferred securities – June 30, 2017	**1,828,729**	**$ 18,287,290**

The weighted average number of preferred securities outstanding for the six-months ended June 30, 2017 was 1,828,729 (December 31, 2016 – 2,113,107).

12. REDEEMABLE UNITS

The Trust is authorized to issue an unlimited number of transferable, redeemable units of beneficial interest, each of which represents an equal, undivided interest in the net assets of the Trust. Each unit entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Trust. Units may be surrendered for redemption at any time during November of any year, but at least fifteen business days prior to the last business day in November (the “Redemption Date”). Redemption of surrendered units will be affected at the net asset value on the Redemption Date each year and will be settled on or before the 15th business day following such effective date.

On March 16, 2015, the Trust announced that the annual redemption right available to preferred securities (together with an equal number of capital units) in November of each year will no longer be suspended in circumstances where the asset coverage on the preferred securities is less than 1.4 times. Recent changes in applicable securities laws have resulted in the Trust terminating the suspension of the annual redemption right in these circumstances. Under the annual redemption program, preferred securities and capital units are redeemable on the last business day of November of each year at 100% of the net asset value per unit. In 2016, unitholders tendered 139,491 combined securities (2015 - 75,104 combined securities) (being one capital unit and a $10.00 principal amount of preferred securities) and 155,236 capital units (2015 – 37,158 capital units) were tendered alone. In accordance with the Declaration of Trust, 155,236 preferred securities (2015 - 37,158 preferred securities) were purchased in the market at a total price of $1,574,371 (2015 - $368,115) to match the capital units tendered alone and total redemption proceeds of $885,158 (2015 - $885,158) were paid to settle the capital units and combined securities surrendered through the redemption process.

On September 8, 2016, Soundvest Capital Management Ltd., as Manager of the Trust, announced that the Toronto Stock Exchange (“TSX”) had accepted its Notice of Intention to make a normal course issuer bid (“NCIB”). The Trust has the right under the NCIB to purchase for cancellation up to 167,192 of its capital units and preferred securities (collectively, the “shares”) issued and outstanding as at September 7, 2016. The Manager is of the opinion that units of the Trust may have become available during the proposed purchase period at prices that would make such purchases in the best interests of the Trust and its securityholders. All capital units and preferred securities purchased by the Trust under this bid will be promptly cancelled. Under the NCIB, the Trust may not purchase in any thirty-day period more than 42,549 shares, representing 2% of the issued and outstanding shares as at the date of acceptance of the notice of the NCIB by the TSX. As at August 28, 2017, 4,000 capital units were repurchased and cancelled under the NCIB for a total of $7,720.

A continuity of the units of the Trust is as follows:

Issued	Number of Units	Amount
Units – December 31, 2015	2,127,456	$ 74,612,538
Redeemed for cash:		
Normal course issuer bids	(4,000)	(7,720)
Share redemption program	(294,727)	(615,627)
Units – December 31, 2016	1,828,729	73,989,191
Redeemed for cash:		
Normal course issuer bid	-	-
Share redemption program	-	-
Units – June 30, 2017	**1,828,729**	**$ 73,989,191**

The weighted average number of units outstanding for the six-months ended June 30, 2017 was 1,828,729 (December 31, 2016 – 2,113,107).

13. DISTRIBUTIONS PAYABLE TO UNITHOLDERS

Distributions on units are declared by the Manager. The distributions declared are payable no later than the 15th day or the first business day after the 15th day of the month following the record date. Interest on preferred securities, as declared by the Manager, are made on a quarterly basis to securityholders of record on the last business day of February, May, August and November and payable on the 15th day of the subsequent month. Distributions payable as at June 30, 2017 and December 31, 2016 totaled $nil.

On October 23, 2008, the Trust announced that it was suspending its distributions on its capital units, in accordance with its Declaration of Trust, as the Trust's net asset value was below the required 1.4 times coverage ratio. The distribution was suspended for the remainder of 2008 and was suspended for each month from January 2009 to January 2011. On February 17, 2011, when it was anticipated that a distribution could be paid without violating the 1.4 times coverage ratio, a quarterly distribution of $0.01 per capital unit was declared, reflecting a current annualized rate of $0.04 per unit. Subsequent to the June 2011 payment, the Trust suspended the distribution. In accordance with the Declaration of Trust, the Trust is not permitted to make or cause to be made any cash distributions on the capital units if, immediately after giving effect to the proposed distribution, the combined value determined as of the date such distribution is declared would be less than 1.4 times the Repayment Price determined as of the same date.

14. RELATED-PARTY TRANSACTIONS

Soundvest Capital Management Ltd., the Manager and Investment Advisor to the Trust, is 50% owned by Brookfield Asset Management Inc. ("Brookfield"). Brookfield and its affiliates are related parties of the Trust by virtue of its 50% ownership of the Manager. Transactions with related parties, including investment transactions, are conducted in the normal course of operations and are recorded at exchange amounts, which are equivalent to normal market terms. As at June 30, 2017 and December 31, 2016, Brookfield Asset Management Inc. owns 455,034 capital units, which represents 24.9% of the outstanding capital units (2016 – 24.9%).

(i) Management and service fees

Pursuant to a management agreement, the Manager provides management and administrative services to the Trust, for which it is paid a management fee equal to 1.10% per annum of the total assets of the Trust less the amount outstanding under the loan facility, calculated and paid monthly, plus applicable taxes. Management fees payable as at June 30, 2017 totaled $22,709 (December 31, 2016 - $26,050).

The Trust also pays to the Manager a service fee equal to 0.40% per annum of the net asset value, calculated and paid quarterly. The service fee is in turn paid by the Manager to investment dealers based on the proportionate number of units held by clients of such dealers at the end of each calendar quarter. Service fees payable as at June 30, 2017 totaled $5,214 (December 31, 2016 - $4,402).

15. INVESTMENT TRANSACTIONS

Investment transactions[1] for the six-months ended June 30, 2017 and 2016 were as follows:

		2017		2016
Proceeds from sale of investments	**$**	**1,265,637**	$	743,548
Less cost of investments sold				
Investments at cost - beginning of year		**15,524,500**		17,345,671
Investments purchased during the year		**515,269**		244,259
Transaction costs		**(1,337)**		(734)
Investments at cost - end of year		**15,073,046**		17,296,408
Cost of investments sold during the year		**965,386**		292,788
Net realized gains on sale of investments	**$**	**300,251**	$	450,760

16. INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the six months ended June 30, 2017 and 2016 is calculated as follows:

		June 30, 2017		June 30, 2016
Increase (decrease) in net assets attributable to holders of redeemable units	**$**	**(449,962)**	$	2,846,345
Weighted average units outstanding during the year		**1,828,729**		2,127,456
Increase (decrease) in net assets attributable to holders of redeemable units per unit	**$**	**(0.25)**	$	1.34

17. SUPPLEMENTARY INFORMATION TO THE STATEMENTS OF CASH FLOWS

Changes in non-cash operating working capital items:

		June 30, 2017		June 30, 2016
Distributions and interest receivable	**$**	**(4,857)**	$	15,518
Prepaid and other		**(23,910)**		(36,083)
Accounts payable and accrued liabilities		**(30,082)**		(33,090)
	$	**(58,849)**	$	(53,655)

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Number of Units[1]		Average Cost	Fair Value	Percentage of Net Assets
	Preferred Shares			
72,000	First National Financial 2.79% Preferred	$ 1,309,883	$ 1,002,600	25.6%
		1,309,883	1,002,600	25.6%
	Canadian Common Stocks			
124,600	Tricon Capital Group Inc.	696,564	1,447,852	37.0%
44,000	Parkland Fuel Corporation	340,578	1,307,240	33.4%
24,000	WSP Global Inc.	639,006	1,291,440	33.0%
28,000	Keyera Corporation	273,218	1,142,960	29.2%
1,420,860	Brightpath Early Learning Inc.	1,631,396	1,122,479	28.7%
40,000	First National Financial Corporation	381,042	1,086,000	27.7%
31,000	Exchange Income Corporation	390,434	1,024,860	26.2%
19,115	Emera Inc.	811,155	921,534	23.5%
34,000	Inter Pipeline Limited	823,820	863,600	22.0%
62,169	Algonquin Power & Utilities Corp.	662,750	848,607	21.7%
15,000	Cineplex Inc.	235,234	792,900	20.2%
82,600	Whitecap Resources Inc.	725,859	764,876	19.5%
15,800	Vermilion Energy Inc.	518,321	650,012	16.6%
37,100	Arc Resources Limited	587,702	629,216	16.1%
8,000	Enbridge Inc.	375,200	413,280	10.5%
13,000	Tourmaline Oil Corporation	273,464	362,440	9.3%
17,900	Paramount Resources Limited	475,245	341,711	8.7%
34,000	Crescent Point Energy Corporation	827,269	337,280	8.6%
2,100	Canadian Imperial Bank of Commerce	221,126	221,319	5.7%
5,000	Prairiesky Royalty Limited	182,500	147,650	3.8%
6,000	Bonterra Energy Corporation	287,994	100,440	2.6%
20,000	Baytex Energy Corporation	778,000	63,000	1.6%
100,000	Aveda Transportation	360,000	38,000	1.0%
640	Seven Generations Energy	16,816	14,215	0.4%
		12,514,693	15,932,911	407.0%
	Real Estate Investment Trusts (REITs)			
97,000	Artis REIT	34,588	1,270,700	32.5%
52,700	H&R REIT	674,456	1,160,454	29.6%
28,000	Allied Properties REIT	179,249	1,089,760	27.8%
		888,293	3,520,914	89.9%
	Limited Partnerships			
27,000	Brookfield Renewable Energy Partners L.P.	399,022	1,116,450	28.5%
		399,022	1,116,450	28.5%
Investment portfolio		15,111,891	21,572,875	551.0%
Transaction costs		(38,845)	-	-
Total investment portfolio		15,073,046	21,572,875	551.0%
Cash and cash equivalents			543,873	14.0%
Liabilities in excess of other assets			(18,201,265)	(465.0%)
Net assets attributable to holders of redeemable units			$ 3,915,483	100.0%

[1] *The summary of investment portfolio may change due to ongoing portfolio transactions in the Trust. A quarterly update is available at www.brookfieldsoundvest.com.*

BOARD AND MANAGEMENT

INDEPENDENT REVIEW COMMITTEE

John P. Barratt *(Chair)*
Corporate Director

Frank N.C. Lochan
Corporate Director

James L. R. Kelly
President
Earth Power Tractors and Equipment Inc.

MANAGER

Soundvest Capital Management Ltd.

Kevin W. Charlebois
Director, President, Secretary & Chief Executive Officer

Gabrielle E. Lenz
Chief Financial Officer

Seth Gelman
Director & Chairman of the Board

Brian Hurley
Director

Audrey J. Charlebois
Director

Investment Advisor (Soundvest Capital Management Ltd.)

Kevin W. Charlebois
Chief Investment Officer

Ryan Cody
Portfolio Manager and Equity Analyst

CORPORATE INFORMATION

Brookfield Funds welcome inquiries from unitholders, analysts, media representatives or other interested parties.

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Trustee, Transfer Agent and Registrar

Capital Unitholder inquiries relating to distributions, address changes and unitholder account information should be directed to:

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International 514.982.7555
f. 1.888.453.0330 (toll-free North America)
International 416.263.9394
e. service@computershare.com
w. www.computershare.com

Preferred securityholder inquiries relating to distributions, address changes and unitholder account information should be directed to:

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