

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

2018 Semi-Annual Report

Soundvest Funds

IN PROFILE

Soundvest Split Trust (the “Trust”) is managed by Soundvest Capital Management Ltd., an established investment advisor with expertise in 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, 2018): 1,657,337 capital units and 1,657,337 preferred securities

Targeted 2018 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 23, 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. We will also explain the investment performance for the twelve-month period ended June 30, 2018 and share our outlook for 2018.

MARKET OVERVIEW

During the six months ending June 30, 2018, the Canadian market provided a 1.9% rate of return. The Canadian market underperformed both the U.S. and World markets. The U.S. and World markets provided rates of return of 2.6% and 0.8%, respectively.

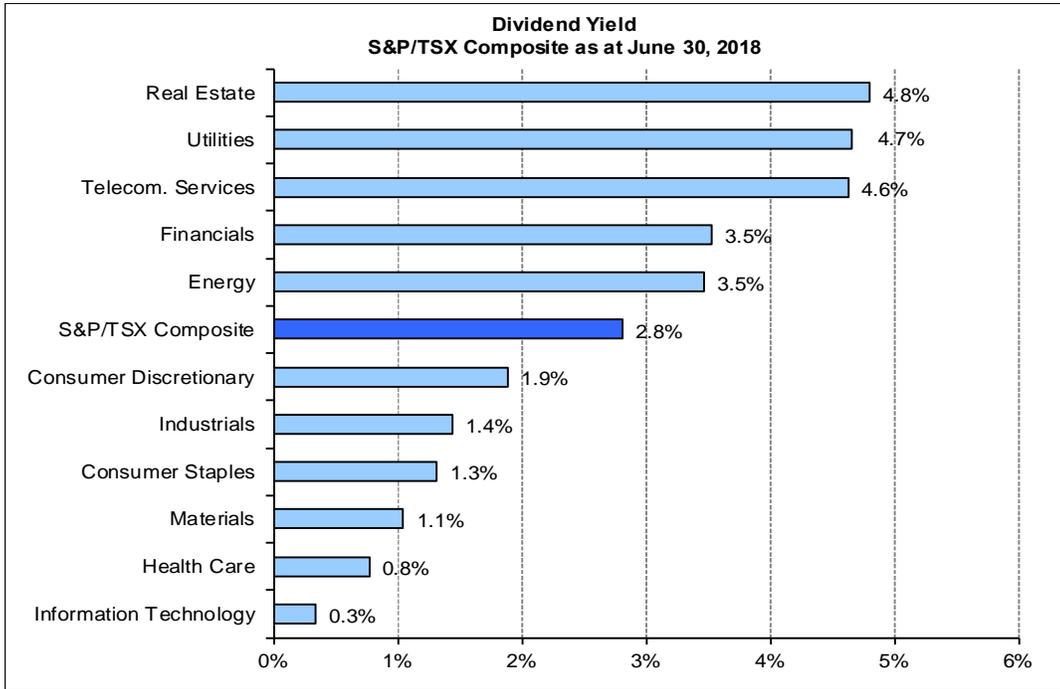
Index	2018 ROR
S&P/TSX Composite	1.9%
S&P 500	2.6%
Dow Jones Industrial Average	1.0%
MSCI EAFE (Europe, Australasia, Far East)	-2.4%
MSCI World	0.8%

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 2.8% as at June 30, 2018. This compared favorably against available Government of Canada bond yields. The 10-year Government of Canada bond yield for the period ended June 30, 2018 was 2.17%, up 12 basis points over the six-month period. Interest rates, both domestically and internationally continued to gradually increase over the first half of 2018.

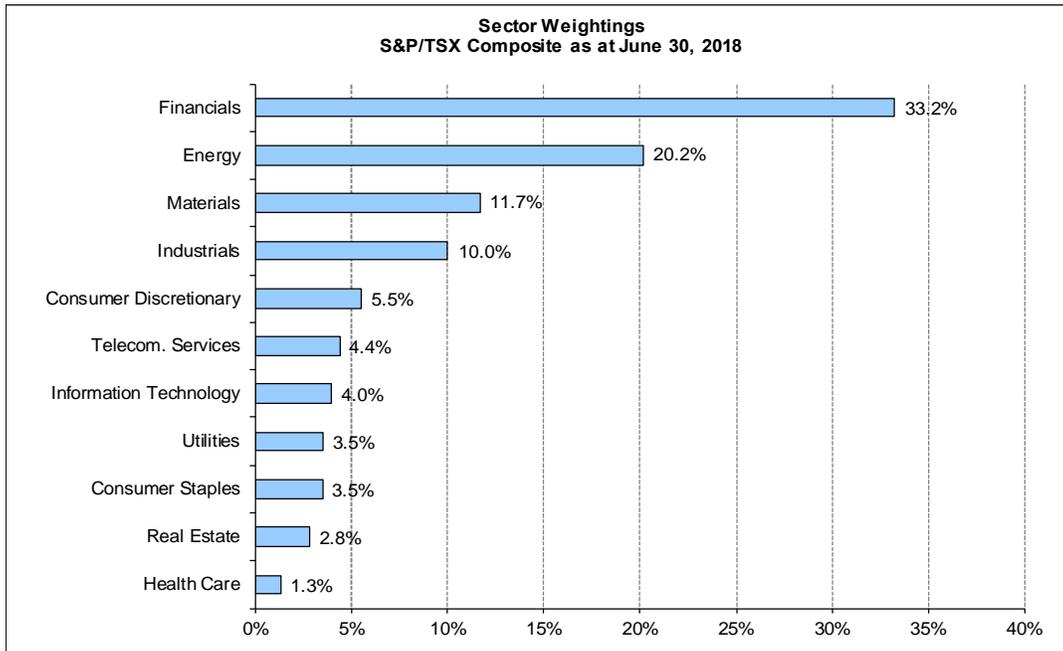


Canada’s dividend yield universe is broad and diversified, with five of the eleven sectors within the index providing overall yields in excess of 2.0%. The Real Estate sector, Utilities sector and Telecom Services sector provided the highest dividend yields: 4.8%, 4.7% and 4.6%, respectively. The Financials sector, which is dominated by the big banks, also provides a healthy yield, ending the second quarter with a 3.5% yield while the Energy sector continues to provide an attractive 3.5% yield.



Source: TD Securities Market Statistics & Returns

The Canadian equity market as represented by the S&P/TSX Composite is dominated by three main sectors, Financials (33.2% weighting), Energy (20.2%) and Materials (11.7%). The three sectors’ combined weighting was 65.1% at quarter end.



Source: TD Securities 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 ended June 30, 2018, the Trust's published net asset value ("NAV") per capital unit, which is used for purchases and redemptions, decreased to \$1.60 from \$1.98. The combined NAV of the Trust was \$11.60 at June 30, 2018, a decrease of \$0.38 from December 31, 2017. The published NAV of the combined units decreased 3.17% for the six-month period ended June 30, 2018. If interest on the preferred securities is included, the return based on the NAV of the combined units for the six-month period ended June 30, 2018 was negative 0.86%. During the same timeframe, the S&P/TSX Composite increased 1.95%.

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 ended June 30, 2018, the structural leverage resulted in a negative 19.19% return.

For the six-month period ended June 30, 2018, the Trust generated net realized losses of approximately \$289 thousand. The sales were executed to eliminate two holdings and to attain desired weightings within the Trust. The Trust realized losses on sales of Aveda Transportation (\$266 thousand), Prairie Sky Royalty (\$23 thousand), and First National Financial Preferred Shares (\$10 thousand).

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. As per the terms of the Trust's Declaration of Trust, additional liquidity is provided by way of an annual redemption program, whereby 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.

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 2017, unitholders tendered 81,978 combined securities (2016 - 139,491 combined securities) (being one capital unit and a \$10.00 principal amount of preferred securities) and 88,614 capital units (2016 - 155,236 capital units) were tendered alone. In accordance with the Declaration of Trust, 88,614 preferred securities (2016 - 155,236 preferred securities) were purchased in the market at a total price of \$914,253 (2016 - \$1,574,295) to match the capital units tendered alone, and total redemption proceeds of \$1,154,257 (2016 - \$1,989,918) were paid to settle the capital units and combined securities surrendered through the redemption process.

OUTLOOK

The U.S. economy is performing well, supported by strong employment, a robust housing market and reduced corporate and individual taxes. U.S. consumers should continue to drive economic strength as they realize the benefits from rising home prices and equity market valuations, lower income taxes and relatively cheap borrowing rates. The strong tailwinds are somewhat offset by trade tensions and overall geopolitical uncertainty. Equity markets in the U.S. are near all-time highs, supported by record earnings from U.S. corporations. One headwind on a go-forward basis, while well telegraphed and explained, is the expectation that the FOMC will continue its balance sheet and federal funds rate normalization process, which may potentially slow economic growth if borrowing rates continue to trend upwards.

While not as strong as the U.S., the Canadian economy continues to push forward, supported by improving employment and a relatively stable housing market. Western Canada is doing better as energy prices have increased. While we do not have a “bearish” outlook, it should be noted that ongoing NAFTA and other trade negotiations and the expectation that the Bank of Canada will continue to adjust its overnight rate upwards could potentially lead to lower growth as the economy adapts to these changes.

We do not know what returns the stock market will provide in any given year. What we do know is the following: buying reasonably priced shares 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 that are predictions of or indicate future events, trends or prospects and that 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 on 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.soundvestcapital.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 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.soundvestcapital.com or SEDAR at www.sedar.com.

Security holders 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. In compliance with the terms of the Trust’s Declaration of Trust, additional liquidity is provided by way of an annual redemption program, whereby 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.

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 2017, unitholders tendered 81,978 combined securities (2016 - 139,491 combined securities) (being one capital unit and a \$10.00 principal amount of preferred securities), and 88,614 capital units (2016 - 155,236 capital units) were tendered alone. In accordance with the Declaration of Trust, 88,614 preferred securities (2016 - 155,236 preferred securities) were purchased in the market at a total price of \$914,253 (2016 - \$1,574,295) to match the capital units tendered alone, and total redemption proceeds of \$1,154,257 (2016 - \$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 \$0.6 million or 19.1%, from \$3.3 million as at December 31, 2017 to \$2.7 million as at June 30, 2018. This decrease is attributable to investment performance (net of expenses) where a loss of \$628.8 thousand was reported. The Trust's investment performance and unitholder activity for 2018 are discussed in more detail below.

Investment Performance

For the six-month period ended June 30, 2018, the Trust's published net asset value ("NAV") per capital unit, which is used for purchases and redemptions, decreased to \$1.60 from \$1.98. The combined NAV of the Trust was \$11.60 at June 30, 2018, a decrease of \$0.38 from December 31, 2017. The published NAV of the combined units decreased 3.17% for the six-month period ended June 30, 2018. If interest on the preferred securities is included, the return based on the NAV of the combined units for the six-month period ended June 30, 2018 was negative 0.86%. During the same timeframe, the S&P/TSX Composite increased 1.95%.

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For the six-month period ended June 30, 2018, the Trust generated net realized losses of approximately \$289 thousand. The sales were executed to eliminate two holdings and to attain desired weightings within the Trust. The Trust realized losses on sales of Aveda Transportation (\$266 thousand), Prairie Sky Royalty (\$23 thousand), and First National Financial Preferred Shares (\$10 thousand).

The Trust's security selection in the Consumer Discretionary sector contributed positively to performance relative to the same S&P/TSX sub index. The Trust's security selection in the Energy sector detracted from performance. The Trust's underweight position in the Financial sector and overweight position in the Utilities sector also detracted from performance relative to the Index.

Fees and Expenses

Fees and expenses for the six-months ended June 30, 2018 totalled \$698 thousand compared to \$770 thousand for the same period in 2017, representing an annualized management expense ratio ("MER") of 59.5% as compared to 39.1% for the six-months ended June 30, 2017. 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, 2018 and 2017 was 17.3% and 11.3%, respectively. The MER before interest expense for the six-months ended June 30, 2018 and 2017 on the combined units was 2.1% 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. As per the terms of the Trust's Declaration of Trust, additional liquidity is provided by way of an annual redemption program, whereby 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 October 20, 2017, 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 had the right under the NCIB to purchase for cancellation up to 137,319 of its capital units and preferred securities (collectively, the "shares") issued and outstanding as at October 9, 2017. The Manager was 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 were promptly cancelled. Under the NCIB, the Trust may not purchase in any 30-day period more than 36,574 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 23, 2018, 800 capital units and 800 preferred securities were repurchased and cancelled under the NCIB for a total of \$9,192.

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. As per the terms of the Trust's Declaration of Trust, additional liquidity is provided by way of an annual redemption program, whereby 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.

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Borrowing Facilities

The Trust can utilize borrowings to purchase additional portfolio investments and for general Trust purposes. As at June 30, 2018 and December 31, 2017, there were no balances outstanding on this facility. There were no amounts borrowed under these arrangements during the six-months ended June 30, 2018 and 2017. 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 does not expect to use additional leverage.

RELATED-PARTY TRANSACTIONS

Effective May 23, 2018, Soundvest Capital Management Ltd. (the "Manager" and "Investment Advisor"), is no longer an affiliate of Brookfield Asset Management Inc., Soundvest Capital Management Ltd. has been the Investment Advisor to the Trust since its inception and 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 the 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, 2018, management fees including HST accrued or paid to the Manager totalled \$118 thousand (2017 \$138 thousand). Service fees accrued or paid during the six-months ended December 31, 2017 totalled \$5 thousand (2017 - \$8 thousand).

RECENT DEVELOPMENTS

Adoption of New Accounting Policy

IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15"), specifies how and when revenue should be recognized and requires disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts. IFRS 15 replaces IAS18 Revenue ("IAS 18") and establishes a five-step model to account for revenue arising from contracts with customers. The Trust adopted the standard on January 1, 2018 on a modified retrospective basis. This method would result in a cumulative catch-up adjustment to retained earnings as of January 1, 2018, as if the standard had always been in effect and whereby comparative periods will not be restated.

In addition, guidance on interest and dividend income have moved from IAS 18 to IFRS 9 *Financial Instruments* without significant changes to the requirements. There was no impact of adopting IFRS 15 for the Trust.

OUTLOOK

The U.S. economy is performing well, supported by strong employment, a robust housing market and reduced corporate and individual taxes. U.S. consumers should continue to drive economic strength as they realize the benefits from rising home prices and equity market valuations, lower income taxes and relatively cheap borrowing rates. The strong tailwinds are somewhat offset by trade tensions and overall geopolitical uncertainty. Equity markets in the U.S. are near all-time highs, supported by record earnings from U.S. corporations. One headwind on a go-forward basis, while well telegraphed and explained, is the expectation that the FOMC will continue its balance sheet and federal funds rate normalization process, which may potentially slow economic growth if borrowing rates continue to trend upwards.

While not as strong as the U.S., the Canadian economy continues to push forward, supported by improving employment and a relatively stable housing market. Western Canada is doing better as energy prices have increased. While we do not have a “bearish” outlook, it should be noted that ongoing NAFTA and other trade negotiations and the expectation that the Bank of Canada will continue to adjust its overnight rate upwards could potentially lead to lower growth as the economy adapts to these changes.

We do not know what returns the stock market will provide in any given year. What we do know is the following: buying reasonably priced shares 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 Unit¹

	2018 ²	2017 ³	2016 ³	2015 ³	2014 ³
Net assets - beginning of period	\$ 1.98	\$ 2.39	\$ 0.60	\$ 2.27	\$ 2.82
Increase (Decrease) from operations					
Total revenue	0.26	0.46	0.45	0.47	0.51
Total expenses (including interest)	(0.42)	(0.84)	(0.83)	(0.86)	(0.82)
Transaction costs	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
Net realized gains (losses) on sale of investments	(0.18)	0.40	1.22	3.61	(0.67)
Net change in unrealized (losses) gains ⁶	(0.04)	(0.41)	0.92	(4.34)	0.45
Total (decrease) increase from operations⁶	(0.38)	(0.39)	1.76	(1.13)	(0.54)
Distributions					
From dividend and distribution income	—	—	—	—	—
From investment income	—	—	—	—	—
Return of capital	—	—	—	—	—
Total distributions⁵	—	—	—	—	—
Net assets - end of period⁴	\$ 1.60	\$ 1.98	\$ 2.39	\$ 0.60	\$ 2.27

The Trust's Net Assets Per Preferred Security¹

	2018 ²	2017 ³	2016 ³	2015 ³	2014 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 operations⁶	—	—	—	—	—
Total distributions⁴	(0.30)	(0.60)	(0.60)	(0.60)	(0.60)
Net assets - end of period⁵	\$ 10.00				

1 This information is derived from the Trust's audited and unaudited 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:

	2018 ¹	2017 ²	2016 ²	2015 ²	2014 ²
Net investment loss	\$ (273,785)	\$ (707,829)	\$ (805,673)	\$ (1,024,657)	\$ (1,275,574)
Transaction costs	(1,247)	(2,679)	(5,257)	(27,862)	(22,348)
Net realized gains (losses) on sale of investments	(293,673)	730,857	2,564,676	9,697,610	(2,683,997)
Net change in unrealized (losses) gains ²	(60,143)	(762,384)	1,935,590	(11,666,948)	1,796,748
Gain on retirement of preferred securities	—	28,113	23,849	—	—
Income (loss) from operations ²	(628,848)	(713,922)	3,713,185	(3,021,857)	(2,185,171)
Income (loss) gain from operations per unit ³	(0.38)	(0.39)	1.76	(1.13)	(0.54)
Net assets per unit ⁴	\$ 1.60	\$ 1.98	\$ 2.39	\$ 0.60	\$ 2.27

¹ As at and for the six-months ended June 30 (unaudited).

² As at and for the six-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

	2018 ¹	2017 ²	2016 ²	2015 ²	2014 ²
Total net asset value	\$ 2,660,571	\$ 3,289,419	\$ 4,365,445	\$ 1,275,607	\$ 9,166,296
Number of units outstanding	1,657,337	1,657,337	1,828,729	2,127,456	4,030,225
Management expense ratio before interest expense	17.27%	12.80%	15.69%	13.11%	7.05%
Management expense ratio ^{3,6}	59.54%	42.82%	55.68%	41.03%	25.29%
Management expense ratio ^{3,6} before waivers or absorptions	59.54%	42.82%	55.68%	41.03%	25.29%
Trading expense ratio ⁴	0.01%	0.07%	0.17%	0.50%	0.17%
Portfolio turnover rate ⁵	2.90%	2.55%	3.57%	0.44%	2.08%
Monthly distribution per unit	\$ —	\$ —	\$ —	\$ —	\$ —
Annualized trailing yield ⁷	—	—	—	—	—
Closing market price	\$ 1.09	\$ 1.40	\$ 1.63	\$ 0.65	\$ 1.96

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 The 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 rate is 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, 2018 and 2017 on the combined units was 2.1% and 2.0%, respectively.

Ratios and Supplemental Data - Preferred Securities

	2018 ¹	2017 ²	2016 ²	2015 ²	2014 ²
Total net asset value	\$ 16,573,370	\$ 16,573,370	\$ 18,287,290	\$ 21,274,560	\$ 40,302,250
Number of units outstanding	1,657,337	1,657,337	1,828,729	2,127,456	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	6.09%	5.96%	6.05%	6.42%	6.10%
Closing market price	\$ 9.85	\$ 10.06	\$ 9.91	\$ 9.35	\$ 9.82

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 The 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 return 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 rate is 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

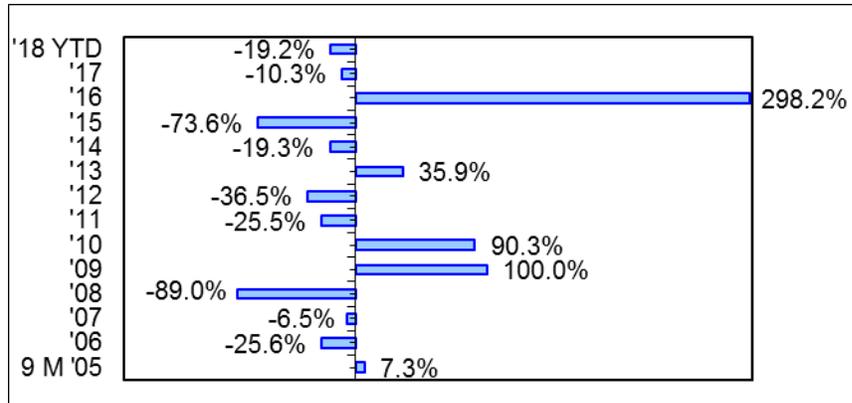
Pursuant to a management agreement, the Manager provides management and administrative services to the Trust, for which it is paid a management fee equal to 1.10% per annum of the total assets of the Trust less the amount outstanding under the loan facility, calculated and paid monthly, plus applicable 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 do 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.

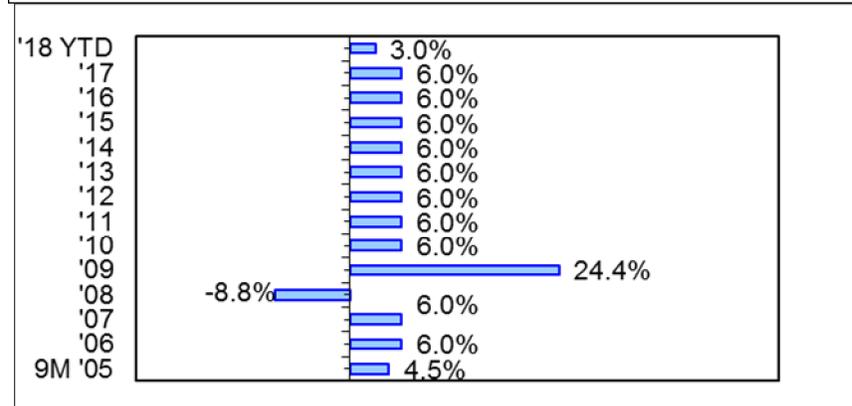
Year-by-Year Returns - Capital Units

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, 2018. 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, 2018. 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, 2018 compared with the Index.

Capital Units

	2018 ¹	2017 ²	3-Year ²	5-Year ³	Since Inception ⁴
Trust - Net asset value	(19.2%)	(17.1%)	(10.1%)	(2.5%)	(15.0%)
Trust - Total return, including distributions	(19.2%)	(17.1%)	(10.1%)	(2.5%)	(6.0%)
S&P/TSX Composite Return Index	1.9%	9.1%	7.0%	9.2%	7.7%

Preferred Securities

	2018 ¹	2017 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%	6.0%	6.0%	6.0%
S&P/TSX Composite Return Index	1.9%	9.1%	7.0%	9.2%	7.7%

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, 2015 to June 30, 2018.

⁴ For the period from July 1, 2013 to June 30, 2018.

⁵ For the period from inception (March 16, 2005) to June 30, 2018, 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.soundvestcapital.com.

Portfolio Composition (from stmt of investment end of document)

As at June 30, 2018 the Trust was invested in the following sectors with the percentages shown below:

	2018 ¹ Percentage of Net Assets	2018 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	32.7%	4.6%	0%-100%
Canadian Income Trusts (REITs)	123.3%	17.3%	0%-100%
Canadian Common Stocks	515.5%	72.5%	0%-100%
United States Common Stocks	0.0%	0.0%	0%-100%
Limited Partnerships	40.0%	5.6%	0%-20%
Total Investment Portfolio	711.5%	100.0%	100%
Cash and Equivalents	6.1%		
Liabilities in excess of other assets	(705.4%)		
Net Assets	100.0%		

¹ Based on the market value as at June 30, 2018.

**Top 25 Positions**

The top 25 positions held by the Trust as at June 30, 2018 were as follows:

Number of Units		Fair Value	Percentage of Net Assets
22,000	WSP Global Inc.	\$ 1,522,840	57.2%
44,000	Parkland Fuel Corporation	1,421,200	53.4%
115,000	Tricon Capital Group Inc.	1,268,450	47.7%
28,000	Allied Properties REIT	1,171,800	44.0%
27,000	Brookfield Renewable Energy Partners L.P.	1,065,420	40.0%
52,700	H&R REIT	1,060,324	39.9%
80,000	Artis REIT	1,048,800	39.4%
28,000	Keyera Corp.	1,024,240	38.5%
31,000	Exchange Income Corporation	993,240	37.3%
64,000	First National Financial 2.79% Preferred	876,800	33.0%
34,000	Inter Pipeline Limited	837,760	31.5%
19,115	Emera Inc.	818,122	30.7%
62,169	Algonquin Power & Utilities Corp.	789,546	29.7%
15,800	Vermilion Energy Inc.	749,078	28.2%
82,600	Whitecap Resources Inc.	735,966	27.7%
37,100	Arc Resources Limited	503,818	18.9%
10,500	Enbridge Inc.	493,500	18.5%
15,000	Cineplex Inc.	437,700	16.5%
34,000	Crescent Point Energy Corporation	328,440	12.3%
11,200	First National Financial Corporation	319,424	12.0%
13,000	Tourmaline Oil Corporation	305,370	11.5%
5,000	SNC-Lavalin Group Inc.	290,300	10.9%
17,900	Paramount Resources Limited	266,531	10.0%
2,100	Canadian Imperial Bank of Commerce	240,156	9.0%
3,000	Alimentation Couche-Tard Inc.	171,330	6.4%

Chief Financial Officer of the Manager

August 23, 2018

STATEMENTS OF FINANCIAL POSITION

(Unaudited)

As at	June 30, 2018	December 31, 2017
Assets		
Financial assets at fair value through profit or loss, (cost: June 30, 2018-\$12,848,196; December 31, 2017-\$12,918,155)	\$ 18,939,309	\$ 19,069,411
Cash and cash equivalents (Note 8)	161,656	736,935
Dividends, distributions and interest receivable	112,250	97,282
Prepaid and other	141,974	122,405
Total assets	19,355,189	20,026,033
Liabilities		
Accounts payable and accrued liabilities (Note 9)	121,248	163,244
Preferred securities (Note 11)	16,573,370	16,573,370
Total liabilities (excluding net assets attributable to holders of redeemable units)	16,694,618	16,736,614
Net assets attributable to holders of redeemable units	\$ 2,660,571	\$ 3,289,419
Units outstanding (Note 12)	1,657,337	1,657,337
Net assets attributable to holders of redeemable units per unit	\$ 1.60	\$ 1.98
Redemption value per preferred security	\$ 10.00	\$ 10.00
Combined net assets attributable to holders of capital redeemable units and preferred securities per unit	\$ 11.60	\$ 11.98

The accompanying notes are an integral part of the financial statements.

Approved by the Manager by:



Kevin W. Charlebois
Director

STATEMENTS OF COMPREHENSIVE LOSS

(Unaudited)

For the six months ended June 30	2018	2017
Income		
Dividends and distributions	\$ 420,728	\$ 428,214
Net realized (losses) gains on sale of investments <i>(Notes 7 and 15)</i>	(293,673)	300,251
Net change in unrealized (losses) on investments <i>(Note 7)</i>	(60,143)	(413,810)
Interest income	1,954	4,962
Total income	68,866	319,617
Expenses		
Preferred securities interest expense	494,477	545,773
Management fees <i>(Note 14)</i>	117,977	138,435
General and administrative	18,618	18,541
Accounting and administrative	18,624	16,950
Audit fees	15,993	15,707
Trustee fees	12,424	12,403
Independent review committee fees	8,583	8,615
Service fees <i>(Note 14)</i>	4,666	7,831
Custodial fees	3,142	3,734
Transaction costs <i>(Note 15)</i>	1,247	1,337
Legal and exchange fees	1,923	168
Other interest expense	40	85
Total expenses	697,714	769,579
(Decrease) in net assets attributable to holders of redeemable units	\$ (628,848)	\$ (449,962)
(Decrease) in net assets attributable to holders of redeemable units per unit¹ <i>(Note 16)</i>	\$ (0.38)	\$ (0.25)

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	2018	2017
Net assets attributable to holders of redeemable units - beginning of period	\$ 3,289,419	\$ 4,365,445
(Decrease) in net assets attributable to holders of redeemable units	(628,848)	(449,962)
Net assets attributable to holders of redeemable units - end of period	\$ 2,660,571	\$ 3,915,483

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

(Unaudited)

For the six months ended June 30	2018	2017
Operating activities		
(Decrease) in net assets attributable to holders of redeemable units	\$ (628,848)	\$ (449,962)
Adjustments for:		
Net realized (losses) gains on sale of investments	293,673	(300,251)
Net change in unrealized losses (gains) on investments	60,143	413,810
Transaction costs (Note 15)	1,247	1,337
Purchase of investment securities (Note 15)	(522,979)	(515,269)
Proceeds from sale of investments (Note 15)	298,018	1,265,637
Change in non-cash operating working capital (Note 17)	(76,533)	(58,849)
Net cash (used in) provided by operating activities	(575,279)	356,453
Net (decrease) increase in cash and cash equivalents during the year	(575,279)	356,453
Cash and cash equivalents, beginning of period	736,935	187,420
Cash and cash equivalents, end of period	\$ 161,656	\$ 543,873

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2018 and 2017 (Unaudited)

1. REPORTING ENTITY

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. Effective February 21, 2018, the Trust’s name was changed from Brookfield Soundvest Split Trust to Soundvest Split Trust.

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 interim 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, 2017.

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 judgment 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 23, 2018.

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, dividends, 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 is 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, and 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 dividends, 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 \$16,324,769 at June 30, 2018 (December 31, 2017 - \$16,672,810) was 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 that includes 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 that 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 was 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 (loss) 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) Adoption of New Accounting Policy

IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15"), specifies how and when revenue should be recognized and requires disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts. IFRS 15 replaces IAS18 Revenue ("IAS 18") and establishes a five-step model to account for revenue arising from contracts with customers. The Trust adopted the standard on January 1, 2018 on a modified retrospective basis. This method would result in a cumulative catch-up adjustment to retained earnings as of January 1, 2018, as if the standard had always been in effect and whereby comparative periods will not be restated.

In addition, guidance on interest and dividend income have moved from IAS 18 to IFRS 9 *Financial Instruments* without significant changes to the requirements. There was no impact of adopting IFRS 15 for the Trust.

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 INSTRUMENT 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 for monitoring, evaluating and managing 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 facility 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 Prices on the Index	Change in Net Assets of Trust	
	June 30, 2018	December 31, 2017
10%	64.4%	65.9%
(10%)	(66.6%)	(67.0%)

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, 2018 and December 31, 2017 were 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, 2018, the Trust's equity investments were publicly traded and were 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 its financial liabilities. As at June 30, 2018, the Trust invested all of its assets in investments that were traded in an active market and could 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, 2018 and December 31, 2017 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, 2018	On Demand	1-3 Months	Greater than 3 Months	No Stated Maturity	Total
Accounts payable and accrued liabilities	\$ -	\$ 121,248	\$ -	\$ -	\$ 121,248
Preferred securities	-	-	16,573,370	-	16,573,370
Total liabilities	\$ -	\$ 121,248	\$ 16,573,370	\$ -	\$ 16,694,618

As at December 31, 2017	On Demand	1-3 Months	Greater than 3 Months	No Stated Maturity	Total
Accounts payable and accrued liabilities	\$ -	\$ 163,244	\$ -	\$ -	\$ 163,244
Preferred securities	-	-	16,573,370	-	16,573,370
Total liabilities	\$ -	\$ 163,244	\$ 16,573,370	\$ -	\$ 16,736,614

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, 2018 %	December 31, 2017 %
Financials	31.3	31.9
Utilities	26.3	26.4
Energy	16.1	16.8
Industrial	14.7	12.5
Consumer Discretionary	10.6	8.8
Cash and cash equivalents	1.0	3.6
	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 re-evaluate 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, 2018 and December 31, 2017.

As at June 30, 2018 (from Stmt of Invest)	Level 1	Level 2	Level 3	Total Financial Assets at Fair Value
Financial assets designated as at fair value through profit or loss:				
Real Estate Investment Trusts	3,280,924	-	-	3,280,924
Limited partnerships	1,065,420	-	-	1,065,420
Preferred shares	870,400	-	-	870,400
Canadian common stocks	13,722,565	-	-	13,722,565
Total financial assets measured at fair value	\$ 18,939,309	\$ -	\$ -	\$ 18,939,309

As at December 31, 2017	Level 1	Level 2	Level 3	Total Financial Assets at Fair Value
Financial assets designated as at fair value through profit or loss:				
Real Estate Investment Trusts	3,431,912	-	-	3,431,912
Limited partnerships	1,182,870	-	-	1,182,870
Preferred shares	971,500	-	-	971,500
Canadian common stocks	13,483,129	-	-	13,483,129
Total financial assets measured at fair value	\$ 19,069,411	\$ -	\$ -	\$ 19,069,411

The carrying values of cash and cash equivalents, dividends, 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. There were no transfers between levels during the year (2016 - no transfers).

(i) Real Estate Investment Trusts, Limited Partnerships, Preferred Shares and Canadian Common Stocks

The Trust's real estate investment trusts, limited partnerships, preferred shares and Canadian common stocks positions are classified as Level 1 when the security is actively traded and a reliable price is observable. As at June 30, 2018, all of the Trust's real estate investment trusts, limited partnerships, preferred shares and Canadian common stocks traded frequently and, therefore, observable prices were 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, 2018:

Assets	Financial assets at fair value through profit or loss				
	Held for trading	Designated as at fair value through profit or loss	Total	Financial assets at amortized cost	Total
Financial assets at fair value through profit or loss	\$ -	\$ 18,939,309	\$ 18,939,309	\$ -	\$ 18,939,309
Cash	-	-	-	161,656	161,656
Dividends, distributions and interest receivable	-	-	-	112,250	112,250
Total	\$ -	\$ 18,939,309	\$ 18,939,309	\$ 273,906	\$ 19,213,215

Financial liabilities at fair value through profit or loss					
Liabilities	Held for trading	Designated as at fair value through profit or loss	Total	Financial liabilities at amortized cost	Total
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 121,248	\$ 121,248
Preferred securities	-	-	-	16,573,370	16,573,370
Total	\$ -	\$ -	\$ -	\$ 16,694,618	\$ 16,694,618

The following tables present the carrying amounts of the Trust's financial instruments by category as at December 31, 2017:

Financial assets at fair value through profit or loss					
Assets	Held for trading	Designated as at fair value through profit or loss	Total	Financial assets at amortized cost	Total
Financial assets at fair value through profit or loss	\$ -	\$ 19,069,411	\$ 19,069,411	\$ -	\$ 19,069,411
Cash	-	-	-	736,935	736,935
Dividends, distributions and interest receivable	-	-	-	97,282	97,282
Total	\$ -	\$ 19,069,411	\$ 19,069,411	\$ 834,217	\$ 19,903,628

Financial liabilities at fair value through profit or loss					
Liabilities	Held for trading	Designated as at fair value through profit or loss	Total	Financial liabilities at amortized cost	Total
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 163,244	\$ 163,244
Preferred securities	-	-	-	16,573,370	16,573,370
Total	\$ -	\$ -	\$ -	\$ 16,736,614	\$ 16,736,614

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, 2018 and 2017:

	2018	2017
Net realized gains on financial assets at fair value through profit or loss:		
Designated as at fair value through profit or loss	\$ (293,673)	\$ 300,251
Net unrealized (losses) gains on financial assets at fair value through profit or loss:		
Designated as at fair value through profit or loss	\$ (60,143)	\$ (413,810)
Total net realized/unrealized (losses) gains on financial assets at fair value through profit or loss	\$ (353,816)	\$ (113,559)

8. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are the following:

	June 30, 2018	December 31, 2017
Cash	\$ 59,895	\$ 720,872
Cash equivalents	101,761	16,063
	\$ 161,656	\$ 736,935

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are the following:

	June 30, 2018	December 31, 2017
Interest payable to preferred securityholders	\$ 87,180	\$ 84,455
Other accounts payable and accrued liabilities	9,871	54,247
Management fees payable <i>(Note 14)</i>	20,133	21,215
Service fees payable <i>(Note 14)</i>	4,064	3,327
	\$ 121,248	\$ 163,244

10. LOAN FACILITY

The Trust can utilize borrowings to purchase additional portfolio investments and for general Trust purposes. As at June 30, 2018 and December 31, 2017, there were no balances outstanding on this facility. There were no amounts borrowed under these arrangements during the six-months ended June 30, 2018 and 2017. 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 does not expect to use additional leverage.

11. PREFERRED SECURITIES

Holders of the preferred securities have been 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 would 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 2017, unitholders tendered 81,978 combined securities (2016 - 139,491 combined securities) (being one capital unit and a \$10.00 principal amount of preferred securities) and 88,614 capital units (2016 - 155,236 capital units) were tendered alone. In accordance with the Declaration of Trust, 88,614 preferred securities (2016 - 155,236 preferred securities) were purchased in the market at a total price of \$914,253 (2016 - \$1,574,295) to match the capital units tendered alone and total redemption proceeds of \$1,154,257 (2016 - \$1,989,918) were paid to settle the capital units and combined securities surrendered through the redemption process.

On October 20, 2017, 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 137,319 of its capital units and preferred securities (collectively, the “shares”) issued and outstanding as at October 9, 2017. 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 36,574 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 23, 2018, 800 capital units and 800 preferred securities were repurchased and cancelled under the NCIB for a total of \$9,192.

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)	(40,000)
Share redemption program	(294,727)	(2,947,270)
Preferred securities - December 31, 2016	1,828,729	18,287,290
Normal course issuer bid	(800)	(8,000)
Share redemption program	(170,592)	(1,705,920)
Preferred securities - June 30, 2018	1,657,337	\$ 16,573,370

The weighted average number of preferred securities outstanding for the six-months ended June 30, 2018 was 1,657,337 (December 31, 2017 - 1,824,537).

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 2017, unitholders tendered 81,978 combined securities (2016 - 139,491 combined securities) (being one capital unit and a \$10.00 principal amount of preferred securities) and 88,614 capital units (2016 - 155,236 capital units) were tendered alone. In accordance with the Declaration of Trust, 88,614 preferred securities (2016 - 155,236 preferred securities) were purchased in the market at a total price of \$914,253 (2016 - \$1,574,295) to match the capital units tendered alone and total redemption proceeds of \$1,154,257 (2016 - \$1,989,918) were paid to settle the capital units and combined securities surrendered through the redemption process.

On October 20, 2017, 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 137,319 of its capital units and preferred securities (collectively, the “shares”) issued and outstanding as at October 9, 2017. 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 36,574 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 March 20, 2018, 800 capital units and 800 preferred securities were repurchased and cancelled under the NCIB for a total of \$9,192.

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	(800)	(1,080)
Share redemption program	(170,592)	(361,024)
Units - June 30, 2018	1,657,337	\$ 73,627,087

The weighted average number of units outstanding for the twelve-months ended June 30, 2018 was 1,657,337 (December 31, 2017 - 1,824,537).

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, 2018 and December 31, 2017 totalled \$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

Effective May 23, 2018, Soundvest Capital Management Ltd. (the “Manager” and “Investment Advisor”), is no longer an affiliate of Brookfield Asset Management Inc.

(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, 2018 totalled \$20,133 (December 31, 2017 - \$21,215).

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, 2018 totalled \$4,064 (December 31, 2017 - \$3,327).

15. INVESTMENT TRANSACTIONS

Investment transactions¹ for the six-months ended June 30, 2018 and 2017 were as follows:

	2018	2017
Proceeds from sale of investments	\$ 298,018	\$ 1,265,637
Less cost of investments sold		
Investments at cost - beginning of period	12,918,155	15,524,500
Investments purchased during the period	522,979	515,269
Stock dividend received	-	-
Transaction costs	(1,247)	(1,337)
Investments at cost - end of period	12,848,196	15,073,046
Cost of investments sold during the year	591,691	965,386
Net realized losses on sale of investments	\$ (293,673)	\$ 300,251

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

The (decrease) in net assets attributable to holders of redeemable units per unit for the six-months ended June 30, 2018 and 2017 is calculated as follows:

	June 30, 2018	June 30, 2017
(Decrease) in net assets attributable to holders of redeemable units	\$ (628,848)	\$ (449,962)
Weighted average units outstanding during the year	1,657,337	1,828,729
(Decrease) in net assets attributable to holders of redeemable units per unit	\$ (0.38)	\$ (0.25)

17. SUPPLEMENTARY INFORMATION TO THE STATEMENTS OF CASH FLOWS

Changes in non-cash operating working capital items:

	June 30, 2018	June 30, 2017
Dividends, distributions and interest receivable	\$ (14,968)	\$ (4,857)
Prepaid and other	(19,569)	(23,910)
Accounts payable and accrued liabilities	(41,996)	(30,082)
	\$ (76,533)	\$ (58,849)

SCHEDULE OF INVESTMENT PORTFOLIO

(Unaudited)

As at June 30, 2018

Number of Units ¹		Average Cost	Fair Value	Percentage of Net Assets
Preferred Shares				
64,000	First National Financial 2.79% Preferred	\$ 1,164,341	\$ 876,800	33.0%
		1,164,341	876,800	33.0%
Canadian Common Stocks				
22,000	WSP Global Inc.	585,755	1,522,840	57.2%
44,000	Parkland Fuel Corporation	340,578	1,421,200	53.4%
115,000	Tricon Capital Group Inc.	642,896	1,268,450	47.7%
28,000	Keyera Corporation	273,218	1,024,240	38.5%
31,000	Exchange Income Corporation	390,434	993,240	37.3%
34,000	Inter Pipeline Limited	823,820	837,760	31.5%
19,115	Emera Inc.	811,155	818,122	30.8%
62,169	Algonquin Power & Utilities Corp.	662,750	789,546	29.7%
15,800	Vermilion Energy Inc.	518,321	749,078	28.2%
82,600	Whitecap Resources Inc.	725,859	735,966	27.7%
37,100	Arc Resources Limited	587,702	503,818	19.0%
10,500	Enbridge Inc.	475,625	493,500	18.5%
15,000	Cineplex Inc.	235,234	437,700	16.5%
34,000	Crescent Point Energy Corporation	827,269	328,440	12.3%
11,200	First National Financial Corporation	112,000	319,424	12.0%
13,000	Tourmaline Oil Corporation	273,464	305,370	11.5%
5,000	SNC-Lavalin Group Inc.	274,633	290,300	10.9%
17,900	Paramount Resources Limited	475,245	266,531	10.0%
2,100	Canadian Imperial Bank of Commerce	221,126	240,156	9.0%
3,000	Alimentation Couche-Tard Inc.	176,868	171,330	6.4%
6,000	Bonterra Energy Corporation	287,994	102,480	3.9%
20,000	Baytex Energy Corporation	778,000	87,400	3.3%
640	Seven Generations Energy	16,813	9,274	0.3%
		10,516,759	13,716,165	515.6%
Real Estate Investment Trusts (REITs)				
28,000	Allied Properties REIT	139,850	1,171,800	44.0%
80,000	Artis REIT	-	1,048,800	39.4%
52,700	H&R REIT	658,622	1,060,324	39.9%
		798,472	3,280,924	123.3%
Limited Partnerships				
27,000	Brookfield Renewable Energy Partners L.P.	399,022	1,065,420	40.0%
		399,022	1,065,420	40.0%
Investment portfolio		12,878,594	18,939,309	711.9%
Transaction costs		(30,398)	-	-
Total investment portfolio		12,848,196	18,939,309	711.9%
Cash and cash equivalents			161,656	4.8%
Liabilities in excess of other assets			(16,440,394)	(617.7%)
Net assets attributable to holders of redeemable units		12,848,196	\$ 2,660,571	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.soundvestcapital.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

Audrey J. Charlebois
Director

Investment Advisor (Soundvest Capital Management Ltd.)

Kevin W. Charlebois
Chief Investment Officer

Tyson Charlebois
Portfolio Manager and Equity Analyst

CORPORATE INFORMATION

Soundvest Funds welcomes inquiries from unitholders, analysts, media representatives or other interested parties.

Head Office of The Manager & Investment Advisor

Soundvest Capital Management Ltd,
100 Sparks Street, Suite 900
Ottawa, Ontario K1P 5B7

t. 613-236-7361
e. inquiries@soundvestcapital.com
w. www.soundvestcapital.com

Trustee, Transfer Agent and Registrar

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

Computershare Investor Services
100 University Avenue, 9th Floor
Toronto, Ontario M5J 2Y1
t. 1.800.564.6253 (toll-free North America)
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:

BNY Trust Company of Canada
320 Bay Street, 11th Floor
Toronto, Ontario M5H 4A6
t. 1.416.933.8500
w. www.bnymellon.com

