

HARVEST Banks & Buildings Income Fund

TSX symbol: HBB.UN
HBB.WT

March 31, 2011

Investment Objectives

The investment objectives are to provide Unitholders with monthly distributions and maximize total return by investing in an actively managed portfolio comprised primarily of Banking Issuers, Other Financial Issuers and Real Estate Issuers.

Fund Facts

Sub Advisor	Avenue Investment Management
Assets	\$30.0 million
Market Price	\$12.60
NAV (undiluted)	\$14.33
NAV (diluted)	\$13.00
Current Yield	6.67 %
Distribution	.07 cents per unit monthly

Top 25 Holdings

Crombie Real Estate Investment Trust	4.89%
Artis Real Estate Investment Trust	4.70%
First Capital Realty Inc.	4.02%
Whiterock Real Estate Investment	3.77%
Killam Properties Inc.	3.68%
Timbercreek Mortgage Investment	3.54%
Extendicare Real Estate Investment	3.21%
Cominar Real Estate	3.19%
Dundee Corp Series 1	3.02%
BTB Real Estate Investment	2.97%
Dundee Wealth Management	2.92%
E L Financial Pref 1 st Series 1	2.90%
Pure Industrial Real Estate	2.81%
E L Financial Pref 1 st Series 2	2.78%
CIBC	2.58%
Leisureworld Senior Care Corporation	2.52%
Manulife Financial Corporation	2.46%
Bank of America Corporation	2.44%
Northern Property Real Estate	2.37%
American Capital Agency	2.31%
Boralex Inc.	2.30%
Bank of Montreal	2.30%
Annaly Capital Management	2.25%
Inter Pipeline Fund LP	2.21%
H & R Block Inc.	2.11%
Total	74.25%

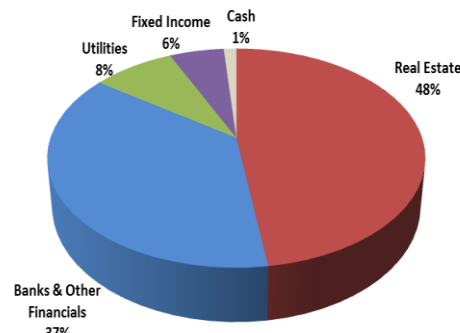
Performance (as % of NAV undiluted¹)

	1 Year	Since Inception
HBB.UN	21.09%¹	41.06%¹
Benchmark²	15.59%	28.46%

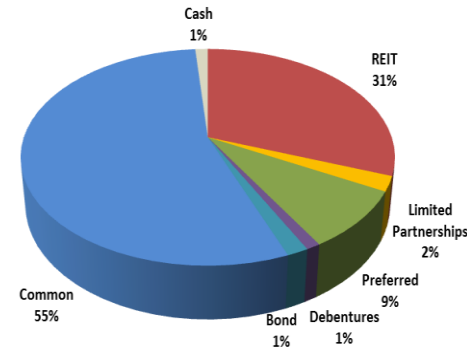
¹ Undiluted NAV

² 50% weighting TSX Financials Index and 50% weighting TSX Real Estate Index

Sector Allocation



Investment Allocation



Portfolio Geographic Allocation

Canadian	88%	US	12%
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Distributions (per trust unit)

Since Inception, October 23, 2009	\$1.31
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Warrant Exercise

Date	April 15, 2011
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Mutual Fund Conversion

Date	October 18, 2011
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Despite the ongoing global geopolitical volatility that we saw in most of Q1, the equity markets performed well. The quarter ended on a strong note, defying predictions that the global economy and corporate profits would slow as investors continued to place capital into dividend paying Canadian Financial and Real Estate companies.

We continue to believe that the Canadian Financial and Real Estate sectors have balance sheets that are notably healthier than many other sectors and it is our view that dividend increases in the banking sector will be reinstated since the Basel III requirements have been announced.

Over the balance of the year we see short term interest rates increasing modestly; however, our continued belief is that rates in the mid-to- long end of the interest rate curve will stay relatively low and help underpin the continued demand for financials and real estate.

With a strong Canadian dollar coupled with inexpensive U.S. valuations for financials, the fund has started to increase its exposure to US financials. As of the end of Q1, the total exposure of the fund to US holdings stood at 12%.

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Commissions, trailing commissions, management fees and expenses all may be associated with investments funds. Please read the prospectus before investing. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The risks associated with investing in Investment Trusts are outlined in each Fund's prospectus, specifically in the section entitled "Risk Factors". These risks are based upon the Fund's investment objectives and strategies and describe the material risks of investing in that Trust under normal market conditions when considering the Trust's portfolio as a whole, not each individual investment within the portfolio. You should discuss the risks of investing in the Fund with your financial advisor before making an investment in the Fund. The indicated rates of return as of March 31, 2011 are the historical annual compounded total returns including changes in trust unit value, reinvestment of all distributions and do not take into account sales, redemption distribution or optional charges or income taxes payable by any investor that would have reduced returns.