

HARVEST Banks & Buildings Income Fund

June 30, 2010

TSX symbol: HBB.UN
HBB.WT

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.

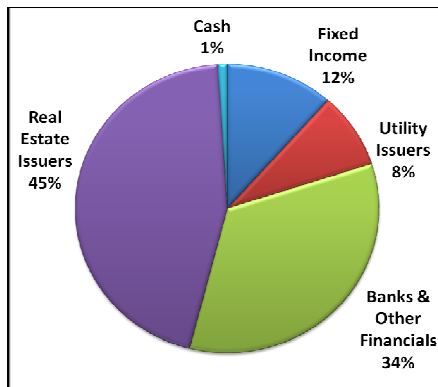
Fund Facts

Sub Advisor	Avenue Investment Management
Assets	\$27 million
Market Price	\$11.00
Net Asset Value	\$12.05
Current Yield	7.64%

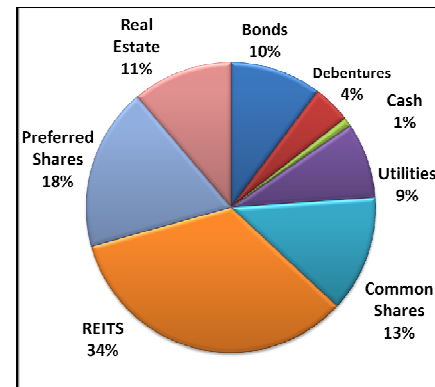
Top 25 Holdings

Great West Lifeco 7.13% 2018	7.33%
First Capital Realty Inc.	6.10%
Artis Real Estate Investment Trust	5.51%
Killam Properties Inc.	5.12%
Crombie Real Estate Investment Trust	4.94%
Dundee Corporation Series 1 Preferred	3.31%
Plazacorp Retail Properties 7.50% 2015	3.22%
Chartwell Seniors Housing Real Estate	3.13%
Dundee Wealth Management	3.10%
Cominar REIT	2.99%
E L Financial Preferred G	2.97%
Whiterock Real Estate Investment	2.94%
Manulife Financial 4.45% 2016	2.93%
E L Financial Preferred F	2.82%
Pure Industrial Real Estate	2.59%
Manulife Financial Corporation	2.54%
Fort Chicago Energy Class A	2.52%
Extencicare Real Estate Investment	2.48%
Bank of Montreal	2.42%
CIBC	2.34%
Borex Power Income Fund	2.34%
Northern Property Real Estate	2.07%
Keyera Facilities Income Fund	1.97%
Annaly Capital Management	1.94%
Innvest REIT	1.90%
Total	81.52%

Sector Allocation Mix



Investment Allocation Mix



Distributions (per trust unit)

Since Inception¹

\$0.56

Mutual Fund Conversion

Date

October 18, 2011

Warrant Exercise Option

Date

April 15, 2011

Commentary:

¹October 23, 2009

During the second quarter of 2010 the markets felt the tremors from the European sovereign debt markets. The fear of default or at minimum, government fiscal restraint has put downward pressures on the world stock markets. The net benefit of this situation has created even lower interest rates in Canada.

The Canadian economy has been the strongest and most resilient of the developed nations. Canada's relatively benign debt profile and newly designated "safe Haven" status has propelled foreigners to purchase large amounts of Canadian securities, reaching levels not seen since the mid 90's. The overall result is an increase in both domestic and international demand for Canadian banks and real estate stocks.

We continue to believe that the financial and real estate sectors have balance sheets that are notably healthy. In our view, the possibility for dividend increases in the banking sector could occur as early as the fall of this year.

The fund will continue to stay invested and look for opportunities in the banking, insurance and real estate sectors.

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Disclaimer – Certain statements included above constitute forward-looking statements ("FLS"), including, but not limited to, those identified by the expressions "believe", "will" and similar expressions. The FLS are not historical facts but reflect the manager's current expectations regarding future results or events including, but not limited to, the development of the Canadian economy. These FLS are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although the manager believes that the assumptions inherent in the FLS are reasonable, FLS are not guarantees of future performance. Readers are cautioned not to place undue reliance on such statements. For a complete disclosure record of the Fund, please visit the Fund's profile at www.sedar.com. The manager undertakes no obligation to update publicly or otherwise revise any FLS or information except as required by law.

HARVEST
PORTFOLIOS GROUP