PRO REAL ESTATE INVESTMENT TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the four month period ended March 31, 2013

Date: May 30, 2013

This management discussion and analysis ("MD&A") of the financial condition and results of operations of PRO Real Estate Investment Trust (the "REIT") is for the four month period ended March 31, 2013, and is provided as of May 30th, 2013. The REIT's unaudited condensed interim financial statements are prepared in accordance with IAS 34, Interim financial reporting using accounting policies consistent with the International Financial Reporting Standards (''IFRS'') issued by the International Accounting Standards Board (''IASB'') and International Financing Reporting Interpretations Committee (''IFRIC''). All amounts presented are stated in Canadian dollars, unless otherwise indicated.

Cautionary Statements

Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving the REIT**.** Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward looking-information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. For more exhaustive information on these risks and uncertainties you should refer to the management information circular of the REIT dated February 15, 2013, which is available at www.sedar.com. Forward-looking information contained in this MD&A is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. The REIT intends the forward-looking information to speak only as of the first time made and does not undertake to update or revise it whether as a result of new information, future events or otherwise, except as required by law.

REIT Overview

PRO Real Estate Investment Trust (the "REIT") is an unincorporated open ended real estate investment trust established pursuant to a declaration of trust dated February 7, 2013 as amended on March 11, 2013 (the "Declaration of Trust") and was established under the laws of the Province of Ontario.

A predecessor trust established under the laws of the Province of Quebec on November 14, 2012 incorporated Pro Reit General Partner Inc. ("PRGP") on November 14, 2012, and together with PRGP formed Pro Reit Limited Partnership ("PRLP") on November 14, 2012 and then transferred its ownership in PRGP and PRLP to the REIT. The REIT invests primarily in commercial properties.

Taggart Capital Corporation (the "Company") was formed as a capital pool company on March 26, 2010 and completed its initial public offering ("IPO") on October 26, 2011. The common shares were listed on the TSX Venture Exchange (the "Exchange") on October 31, 2011. It completed its Qualifying Transaction on January 29, 2013 which involved three components:

(i) the purchase of a 10,574 square foot two-storey commercial retail property located at 135 Main Street in Moncton, New Brunswick (the "Acquisition"),

(ii) the introduction of a new management team through the resignation of the current directors and officers of the Company and the replacement thereof by a new management team and board, and

(iii) the completion of two separate private placements for aggregate gross proceeds of approximately $6,583,000 (the "Private Placements"). The Private Placements were comprised of two separate transactions completed through (i) the issuance of 21,108,566 common shares at a price per share of $0.30, and (ii) the issuance of 1,587,302 common shares at a price per share of $0.1575.

Prior to a Plan of Arrangement approved by the Company's shareholders on March 8, 2013 and the Exchange on March 11, 2013, there were 28,569,368 common shares of the Company issued and outstanding. On April 25, 2013 the Company changed its name to Pro Reit Management Inc. ("PRMI"). Pursuant to the Plan of Arrangement, the Company's shareholders either transferred their common shares to PRLP in consideration for trust units of the REIT ("Units"), and/or in the case of electing shareholders, for Class B limited partnership units ("Class B LP Units") of PRLP and related voting and exchange rights. In addition, outstanding share options to purchase common shares in the Company were exchanged for Unit options having identical terms, subject to the adjustment of the number of units based on the exchange ratio of one Unit for every ten common shares held. The REIT is now the continuing public entity with its Units listed on the Exchange, under the symbol PRV.UN. The principal, registered and head office of the REIT is located at 2000 Peel Street, Suite 758, Montréal, Québec, H3A 2W5.

Pursuant to the Plan of Arrangement on March 8, 2013, 23,532,066 common shares of the Company were exchanged for Units on a basis of one Unit for every ten common shares of the Company (2,353,207 Units at a value of $5,842,386). The remaining 5,037,302 common shares were exchanged for Class B LP Units in PRLP on the basis of one Class B LP Unit for every ten common shares of the Company (503,730 Class B LP Units at a value of $524,322).

Total share issuance costs incurred during the four month period ended March 31, 2013 amounted to $869,163.

In March 2013, 24,235 units were issued for a total cash consideration of $48,470 upon exercise of options granted to an agent in 2011 in relation to a private placement.

During the four month period ended March 31, 2013, the REIT acquired two investment properties (the ''Properties''):

Moncton, New Brunswick:
The acquisition in the amount of $6,144,400 was funded by an assumption of long-term debt in the amount of $2,859,906 and by cash consideration of $3,284,494 raised through the Private Placements.

Amherst, Nova Scotia:
The acquisition in the amount of $3,634,350 was funded by a new financing obtained in the amount of $2,275,000 and by cash consideration of $1,359,350 raised through the Private Placements.

Overall Performance

The REIT incurred a net comprehensive loss of $1,670,098 for the four month period ended March 31, 2013 (net comprehensive loss of $16,853 for the three month period ended February 29, 2012), mainly due to the fair value adjustment on Class B LP Units in the amount of $1,692,091.

Results of Operations

Revenues and property operating expenses

The revenue from investment properties amounted to $79,697 and property operating expenses were $13,244 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012).

General and administrative expenses

The professional fees, office and general expenses, filing fees, insurance, management fees, telecommunication and travel expenses amounted to $49,970 for the four month period ended March 31, 2013 ($16,853 for the three month period ended February 29, 2012).

Finance costs

Interest on long-term debt amounted to $19,257 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012).

Long-term incentive plan expense

Long-term incentive plan expense reflects the portion recognized over the vesting period based on the fair market value of the units. It amounted to $10,074 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012).

Fair value adjustment on investment properties

The REIT applies IAS 40 – Investment Property, and has chosen the fair value method of presenting its investment properties in the financial statements.

Fair value adjustment (increase in fair value) on the investment properties amounted to $36,250 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012).

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investment properties is based on valuation prepared by an independent appraiser.

Fair value adjustment on Class B LP Units

Fair value adjustment on Class B LP Units (increase in fair value) amounted to $1,692,091 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012).

The fair value of the Class B LP Units ($2,216,413) is determined with reference to the market price of Units on the date of measurement.

Selected Interim Financial Information

Below is a summary of selected financial information for the three month periods ended:

Statement of Comprehensive Loss:	**May 31, 2012**	**August 31, 2012**	**November 30, 2012**	**March 31, 2013 (four months)**
Total revenues	$Nil	$Nil	$Nil	$79,697
Net comprehensive loss for the period	$13,113	$8,378	$96,029	$1,670,098
Statement of Financial Position:				
Working Capital	$587,631	$579,253	$483,224	$858,376
Total Assets	$590,632	$582,253	$508,492	$11,920,578
Long-term liabilities	$Nil	$Nil	$Nil	$7,219,154

Statement of Comprehensive Loss:	**May 31, 2011**	**August 31, 2011**	**November 30, 2011**	**February 29, 2012**
Total revenues	$Nil	$Nil	$Nil	$Nil
Net comprehensive loss for the period	$6,475	$16,851	$134,276	$16,853
Statement of Financial Position:				
Working Capital	$268,247	$302,637	$617,597	$483,224
Total Assets	$319,372	$320,144	$637,115	$508,492
Long-term liabilities	$Nil	$Nil	$Nil	$Nil

Liquidity and Capital Resources

Liquidity

As at March 31, 2013 the REIT had $1,399,840 (November 30, 2012 - $508,492) in cash as a result of net proceeds derived from the issuance of shares, which management considers to be sufficient to meet the REIT's ongoing obligations.

Cash flows

Cash flows from operating activities amounted to $400,895 for the four month period ended March 31, 2013 (cash flows used in operating activities amounted to $14,501 for the three month period ended February 29, 2012) and related primarily to increase in accounts payable and other liabilities of $513,292 offset by an increase in tenant and other receivables of $88,156.

Cash flows from financing activities amounted to $8,006,821 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012) and relate primarily to net proceeds from the issuance of shares ($5,761,877) and to a net increase in long-term debt ($2,244,944).

Cash flows used in investing activities amounted to $7,516,368 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012) and reflect mainly the acquisition of the investment properties ($6,992,702) and deposits made on future investment property acquisitions ($499,475).

Contractual Obligations

The REIT's long-term debt principal repayments as at March 31, 2013 are as follows:

Contractual Obligations	Payments Due by Period				
	Total	1 year	2 – 3 years	4 – 5 years	After 5 years
Long-term debt	$ 5,123,350	$ 112,183	$ 261,442	$ 283,599	$ 4,466,126

Class B LP Units

Pursuant to a Plan of Arrangement which was completed on March 8, 2013, 5,037,302 common shares of the Company, were exchanged for Class B LP Units in PRLP on the basis of one Class B LP Unit for every ten common shares of the Company, resulting in 503,730 Class B LP Units being issued at a value of $524,322, which represented the carrying value of these units at the date of the Plan of Arrangement.

Fair value adjustment on Class B LP Units (increase in fair value) amounted to $1,692,091 for the four month period ended March 31, 2013 ($Nil for the three month period ended February 29, 2012).

The fair value of the Class B LP Units ($2,216,413) is determined with reference to the market price of Units on the date of measurement.

Subsequent Events

New financing

On April 29, 2013, the REIT obtained a new term loan in the amount of $7.2 million to finance future acquisitions. The loan is for a term of three years and is interest only, bearing interest at the greater of 8.5% or the financial institution prime rate plus 5% per annum. The loan is secured by a first rank immovable hypothec on the investment property located in Daveluyville, Québec (see below), and by a second ranking mortgage and other charges on certain other REIT assets.

Acquisitions

Subsequent to March 31, 2013, the REIT acquired two additional retail and office properties in Québec for an aggregate consideration of $8.45 million, excluding closing and transaction costs.

L'Ancienne-Lorette – Québec

The purchase price for the property is $7.0 million, excluding closing and transaction costs. The purchase price was satisfied through the assumption of a hypothecary loan in the amount of approximately $3.8 million, bearing interest at the rate of 5.03% per annum maturing in March 2015, and a drawdown of the new term loan of approximately $3.2 million.

Daveluyville – Québec

The purchase price for the property is $1.45 million, excluding closing and transaction costs. The purchase price was satisfied through use of the new term loan.

Financial Instruments and Other Instruments

The REIT's financial instruments consist of cash, tenant and other receivables, accounts payable and other liabilities, long-term debt, long-term incentive plan and Class B LP Units. It is management's opinion that the REIT is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Disclosure of Outstanding Unit Data

As at March 31, 2013, there are 2,377,442 issued and outstanding Units in the capital of the REIT.

Significant Accounting Policies

The REIT's unaudited condensed interim financial statements for the four month period ended March 31, 2013 have been prepared following the significant accounting policies disclosed in Note 3 to these statements.

Future Changes in Accounting Policies

International Financial Reporting Standards ("IFRS")

A number of new IFRS standards, amendments to standards and interpretations are not yet effective for the four month period ended March 31, 2013, and have not been applied in preparing these financial statements. None of these is expected to have an effect on the REITs' financial statements.

- IFRS 9: Financial Instruments: Classification and Measurement
- IFRS 10: Consolidated Financial Statements
- IFRS 12: Disclosure of Interest in Other Entities
- IFRS 13: Fair Value Measurement
- IAS 28: Investments in Associates and Joint Ventures
- IAS 32: Financial Instruments Offsetting Financial Assets and Financial Liabilities

Off Balance Sheet Arrangements

The REIT had no off balance sheet arrangements.

Disclosure Controls and Procedures

Management of the REIT, consisting of the President and Chief Executive Officer and the Chief Financial Officer, have evaluated the effectiveness of the REIT's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, they have concluded that, as of the end of the period covered by this Management's Discussion and Analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the REIT's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Internal Control Risks

The Chief Executive Officer and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the REIT's financial statements for external purposes in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The design of the REIT's internal control over financial reporting was assessed as of the date of this MDA.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the REIT and increase the level of supervision in key areas. It is important to note that this issue would also require the REIT to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the REIT's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The REIT has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the Board of Trustees.

Debt Structure and Capital Management

The REIT will seek to maintain a combination of short, medium and long-term debt maturities that are appropriate for the overall debt level of its portfolio, taking into account availability of financing and market conditions, and the financial characteristics of each investment property. The REIT may not incur or assume any indebtedness if, after giving effect to the incurrence or assumption of such indebtedness, the total indebtedness of the REIT would be more than 70% of its gross book value. The REIT also limits the incurrence or assumption of indebtedness secured by one or more mortgages on individual properties or pools of properties to no more than 75% of their market value.

The REIT defines its capital as the aggregate of unitholder's equity, Class B LP Units, long-term incentive plan, and long-term debt. The REIT is free to determine the appropriate level of capital in context with its cash flow requirements, overall business risks and potential business opportunities. As a result of this, the REIT will make adjustments to its capital based on its investment strategies and changes to economic conditions.

Risk Factors

Future financial performance of the REIT will be influenced by successful evaluation and acquisition of real estate properties. The REIT will also be subject to certain risks and uncertainties relating to the business of acquiring and owning real property, including: risks relating to real property ownership in general; diversification risk; dependence on REIT's manager; fixed costs; financing risks and leverage; liquidity of real property investments; current global capital market conditions; acquisition and development; reliance on key personnel; competition; geographic concentration; general uninsured losses; access to capital; interest rate exposure; environmental matters; litigation risks; potential undisclosed liabilities; internal controls; indexation for inflation and duration of lease contracts; insurance renewals; joint venture/partnership arrangements; and foreclosure.

These risks and uncertainties are not the only ones that will face the REIT. Additional risks and uncertainties not presently known to the REIT, or that the REIT currently deems immaterial, may also impair the operations of the REIT. If any such risks actually occur, the financial condition, liquidity and results of operations of the REIT could be materially adversely affected and the ability of the REIT to implement its growth plans could be adversely affected. In that event, the value of the securities of the REIT could decline and investors may lose part or all of their investment.

Prospective investors should carefully consider the factors set out under "Risk Factors" in the management information circular of the REIT dated February 15, 2013, which is available on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the REIT is available on SEDAR at www.sedar.com.