

HARVEST Banks & Buildings Income Fund

September 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.

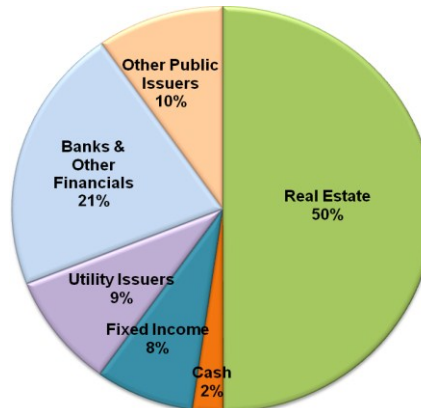
Fund Facts

Sub Advisor	Avenue Investment Management
Assets	\$28.4 million
NAV	\$13.44
NAV (diluted)	\$12.56
Market Price	\$12.40
Current Yield	6.75%
Distribution	.07 cents per unit monthly

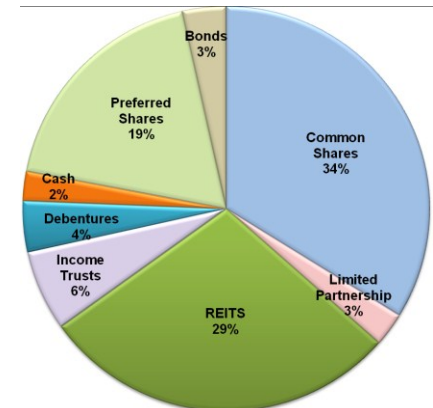
Top 25 Holdings

First Capital Realty Inc.	6.58%
Killam Properties Inc.	5.59%
Crombie Real Estate Investment Trust	5.28%
Artis Real Estate Investment Trust	4.95%
Great West Lifeco 7.13% 2018	3.48%
Whiterock Real Estate Investment	3.46%
Cominar REIT	3.30%
Dundee Corporation Series 1 Preferred	3.25%
E L Financial Preferred G	3.18%
Plazacorp Retail Properties 7.50% 2015	3.05%
Dundee Wealth Management	3.05%
E L Financial Preferred F	3.00%
Extencicare Real Estate Investment	2.81%
Fort Chicago Energy Class A	2.68%
Leisureworld Senior Care	2.62%
Pure Industrial Real Estate	2.61%
Annaly Capital Management	2.60%
CIBC	2.50%
Boralex Power Income Fund	2.48%
American Capital Agency	2.41%
Bank of Montreal	2.36%
Cash	2.34%
Innvest REIT	2.19%
Keyera Facilities Income Fund	2.19%
Northern Property Real Estate	2.16%
Total	80.12%

Sector Allocation Mix



Investment Allocation



Distributions (per trust unit)

Since Inception, October 23, 2009

\$0.77

Mutual Fund Conversion

Date

October 18, 2011

Warrant Exercise Option

Date

April 15, 2011

Commentary:

During the 3rd quarter of 2010 market sentiment benefited due to the improved outlook of two significant concerns. The fears of both a European sovereign debt collapse and an immediate double dip recession in the U.S. settled down. As a result, investor appetite improved and equity markets rallied into the end of the quarter.

Through the 3rd quarter and looking forward, the inflation outlook remains low, which continues to benefit the Real Estate sector and REIT holdings in the fund. The sector is benefiting from low lending rates and high occupancy levels. Cap Rates have generally decreased which positively affects the overall value of REITS and has caused equity valuations to increase.

We continue to believe that the Canadian Financial and Real Estate sectors have balance sheets that are notably healthier than many other sectors. It is our view that dividend increases in the banking sector are possible and could be expected sometime in 1st quarter 2011 due to present high capital ratios.

The fund will continue to stay invested and seek further opportunities in the banking, insurance and real estate sectors in Canada.

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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