

Interim Management Report of Fund Performance

Timbercreek Global Real Estate Income Fund

As at June 30, 2015

This semi-annual management report of fund performance contains financial highlights but does not contain the interim or annual financial statements of Timbercreek Global Real Estate Income Fund (the "Fund"). You can obtain a copy of the interim financial report at your request, at no cost, by any of the following:

PHONE

Calling the Fund at (416) 800-1552

(collect if long distance), Carrie Morris,
Managing Director, Capital Markets &
Corporate Communications

INTERNET

Visiting SEDAR at www.sedar.com; or
www.timbercreek.com

MAIL

Writing to the Fund at:

Timbercreek Global Real Estate Income Fund
Attention: Corporate Communications
1000 Yonge Street, Suite 500
Toronto, Ontario
M4W 2K2

Unitholders may also contact us using one of these methods to request a copy of the Fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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FORWARD-LOOKING STATEMENTS

Caution regarding forward-looking statements

The terms the "Fund", "we", "us" and "our" in the following interim Management Report of Fund Performance ("MRFP") refer to the Fund and its financial position and results of operations for the six months ended June 30, 2015 (the "Period"). Financial data provided has been prepared in accordance with International Financial Reporting Standards ("IFRS") as required by Canadian securities legislation and the Canadian Accounting Standards Board. This MRFP should be read in conjunction with the Fund's condensed interim financial statements for the six months ended June 30, 2015 and 2014, both of which have been prepared in accordance with IFRS. Copies of these documents have been filed electronically with securities regulators in Canada through the System for Electronic Document Analysis and Retrieval ("SEDAR") and may be accessed through the SEDAR website at www.sedar.com. Historical results and percentage relationships contained in the Fund's financial statements and MRFP related thereto, including trends which might appear, should not be taken as indicative of future operations.

Forward-looking statement advisory

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. These statements are typically identified by expressions like "believe", "expects", "anticipates", "would", "will", "intends", "projected", "in our opinion" and similar expressions. By their nature, forward-looking statements require us to make assumptions which include, among other things, that (i) the Fund will have sufficient capital under management to effect its investment strategies and pay its targeted distributions, (ii) the Fund's investment strategies will produce the results intended by Timbercreek Asset Management Ltd. (the "Manager"), (iii) markets will react and perform in a manner consistent with the investment strategies, and (iv) the Fund is able to acquire publicly traded real estate securities that will generate returns that meet and/or exceed the Fund's targeted investment returns.

Forward-looking statements are subject to inherent risks and uncertainties. There is significant risk that forecasts and other forward-looking statements will prove to not be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to, general global market conditions, general risks relating to real estate and the risks detailed from time to time in the Fund's prospectus.

We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties, potential events and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Fund and the Manager do not undertake, and specifically disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

This Interim Management Report of Fund Performance ("MRFP") presents management's view of the significant factors and developments during the past six months that have affected the performance and outlook of the Fund and should be read in conjunction with the condensed interim financial statements of the Fund for the six months ended June 30, 2015 and 2014, together with the notes related thereto. This MRFP is not intended to provide legal, accounting, tax or investment advice.

Investment Objectives and Strategies

Timbercreek Global Real Estate Income Fund (formerly Timbercreek Global Real Estate Income and Growth Fund) (the "Fund") is an investment trust which was created under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated on June 19, 2015 (the "Trust Agreement"). Timbercreek Asset Management Ltd. is the trustee and portfolio advisor of the Fund (the "Trustee").

The fundamental investment objectives of the Fund are to:

- Provide unitholders with quarterly cash distributions; and
- Preserve capital while providing the opportunity for long-term capital appreciation for unitholders.

The Fund intends on meeting its investment objectives by investing in the common equity, preferred equity and debt securities issued by real estate investment trusts (REITs) and other real estate investment issuers. The Fund will provide unit holders with exposure to the global real estate market by owning a diversified portfolio of dividend paying real estate securities in developed markets from around the world.

Risk

The risks associated with investing in the Fund are disclosed in the Simplified Prospectus dated June 19, 2015. Any changes to the Fund for the period have not affected the overall risk of the Fund.

Results of Operations

The performance of all classes is shown in the Past Performance section of this report. Where class returns differ, it is primarily because of different levels of fees and expenses charged to each class, or because securities of a class were not issued and outstanding for the entire reporting period. At year-end, each unitholder is entitled to a distribution equal to the net income and net realized capital gains of the Fund payable to holders of units of that class, multiplied by the proportion of units in that class. Unless a unitholder requests cash payment in advance, in writing, distributions are reinvested in additional units of the same class of units of the Fund.

Over the six months ending June 30, 2015, the Fund outperformed its customized benchmark, an index weighted 70% to the FTSE EPRA NAREIT Developed World Index and 30% to the Wells Fargo Hybrid & Preferred Securities REIT Index. The outperformance was driven by the common equities where a handful of the Fund's positions performed strongly.

The Fund continues to make investments across the capital stack including common equity and preferred shares. During the Period, the Fund slightly increased its allocation as a percentage of gross assets to the United States and Belgium while decreasing its exposure to Canada, Singapore, New Zealand and Australia. The Manager allocates the Fund's capital to the best risk-adjusted opportunities in its investable universe and the changes in country allocations are a reflection of this strategy.

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During the Period, the Fund's investment in common equities slightly decreased to 80.8 % of net assets from 82.9% at December 31, 2014, a decrease of 2.1%. Approximately 14.7% of Fund's investments are in preferred shares, a 0.10% increase from 14.6% at December 31, 2014.

For the Period, the Fund had investment income of \$99 (June 30, 2014 – \$26), which consisted mainly of dividends of \$41 (June 30, 2014 – \$13) and \$49 (June 30, 2014 – \$12) from net changes in fair value of investments. Overall, investment income was higher in the Period for 2015 than 2014 primarily as a result of the issuance of units and the change in the fair value of investments. Total operating expenses for the Period were \$140 (June 30, 2014 – \$39), of which \$130 (June 30, 2014 – \$34) were waived or absorbed by an affiliate of the Trustee. The absorption is at the discretion of, and terminable by, the affiliate of the Trustee, and includes costs relating to initial public offering and restructuring.

The Fund's net assets increased by 24.9% to \$1,534 at June 30, 2015, from \$1,228 at December 31, 2014. The increase is directly attributed to net proceeds of \$264 from the issuance of units, offset by redemptions of \$42. The net assets were also increased by \$85 from income generated in the Period.

Related Party Transactions

The related party transactions stated below are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Management Fees

The Fund incurs a management fee for each class as follows:

- Class A units – Up to 2.00% per annum of the Class A net asset value of the Fund;
- Class F units – Up to 1.00% per annum of the Class F net asset value of the Fund;
- Class S units – 0.80% per annum of the Class S net asset value of the Fund; and
- Class T units – No management fee payable.

There were no changes made to the management fees in the amended and restated Declaration of Trust dated June 19, 2015.

Prior to the amended and restated Trust Agreement dated October 24, 2014, the Fund incurred a management fee equal to 0.80% per annum of the Class Net Asset Value of the Class A units. Class A units were re-designated to Class S units on October 24, 2014.

The management fee is calculated and accrued daily, aggregated and paid monthly in arrears, plus applicable taxes. Total management fees for the six months period ended June 30, 2015 was \$2,582. The management fee for the six months ended June 30, 2014 was \$1,669 and was waived by the Trustee.

Timbercreek Asset Management Inc.

On December 31, 2014, 68,716 Class S units at a net asset value per unit of \$10.88, held by Timbercreek Asset Management Inc. ("TAMI") were reclassified to 74,737 Class T units at a price of \$10.00 per unit, for a total net asset value of \$747,377.

As at June 30, 2015, TAMI holds 74,845 Class T units of the Fund (June 30, 2014 – 68,715 Class A units).

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Recent Developments

Simplified Prospectus

On June 23, 2015, the Fund received final approval by the Ontario Securities Commission for a simplified prospectus of the Fund dated June 19, 2015, qualifying the sale of the Class A Units and Class F Units of the Fund in each of the provinces and territories of Canada, other than Quebec.

Independent Review Committee

The Manager has established the Independent Review Committee (the "IRC") for its managed funds in accordance with the requirements of National Instrument 81-107 – "Independent Review Committee for Investment Funds" ("NI -81-107") in order to review and provide recommendations or approval, as required, regarding certain conflict of interest matters referred to it by the Manager on behalf of its managed funds, including the Fund as of June 23, 2015 the date on which the Fund became a reporting issuer. The IRC is responsible for overseeing the Manager's decisions in situations where the Manager is faced with any present or perceived conflicts of interest, all in accordance with NI 81-107.

The IRC currently consists of three members, all of whom are independent of the Manager. Each member of the IRC an annual retainer fees, plus expenses for each meeting, if applicable. These fees and expenses, plus associated legal and insurance costs, are allocated among all of the funds managed by Manager. During the period, the Fund did not rely on a positive recommendation, or the approval, of the IRC.

PAST PERFORMANCE

In accordance with NI 81-106, no year-by-year returns have been shown as the Fund became reporting issuer in the current period.

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FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods shown.

The Fund's Net Assets per unit ⁽¹⁾⁽⁸⁾	CLASS A	
		Six months ended June 30, 2015
Net assets, beginning of period	\$	10.00
Increase (decrease) from operations:		
Total revenue		(0.03)
Total expenses		(0.01)
Realized gains (losses) for the period		(0.02)
Unrealized gains (losses) for the period		(0.01)
Total increase (decrease) from operations⁽²⁾		(0.05)
Distributions:		
From income (excluding dividends)		-
From dividends		-
From capital gains		-
Return of capital		-
Total distributions for the period⁽³⁾		
Net assets, at end of period	\$	9.86
Ratios and supplemental data		
Total net asset value (000's) ⁽⁴⁾	\$	45
Number of units outstanding ⁽⁴⁾		4,548
Management expense ratio ⁽⁵⁾		3.71%
Management expense ratio before waivers or absorptions ⁽⁸⁾		23.30%
Trading expense ratio ⁽⁶⁾		0.35%
Portfolio turnover rate ⁽⁷⁾		26.94%
Net asset value per unit	\$	9.86
Closing market price		N/A

(1) This information is derived from the Fund's condensed interim financial statements.

(2) Net assets and distributions are based on the actual number of units outstanding for the relevant class at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding for the relevant class over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

(3) Distributions were reinvested for additional shares of the Fund.

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The Fund's Net Assets per unit ⁽¹⁾⁽⁸⁾	CLASS S	
	Six months ended June 30, 2015	
Net assets, beginning of period	\$	9.91
Increase (decrease) from operations:		
Total revenue		0.29
Total expenses		(0.08)
Realized gains (losses) for the period		0.23
Unrealized gains (losses) for the period		0.06
Total increase (decrease) from operations⁽²⁾		0.50
Distributions:		
From income (excluding dividends)		-
From dividends		-
From capital gains		-
Return of capital		-
Total distributions for the period⁽³⁾		-
Net assets, at end of period	\$	10.61
Ratios and supplemental data		
Total net asset value (000's) ⁽⁴⁾	\$	651
Number of units outstanding ⁽⁴⁾		61,399
Management expense ratio ⁽⁵⁾		0.81%
Management expense ratio before waivers or absorptions ⁽⁸⁾		20.14%
Trading expense ratio ⁽⁶⁾		0.35%
Portfolio turnover rate ⁽⁷⁾		26.94%
Net asset value per unit	\$	10.61
Closing market price		N/A

(4) This information is provided at period end of the period shown.

(5) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of the daily average net asset value during the stated period.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value during the stated period.

(7) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the stated period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

(8) Management expense ratio before waivers or absorptions include costs incurred relating to initial public offering and restructuring.

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The Fund's Net Assets per unit ⁽¹⁾⁽⁸⁾	CLASS T	
	Six months ended June 30, 2015	
Net assets, beginning of period	\$	10.17
Increase (decrease) from operations:		
Total revenue		0.44
Total expenses		(0.12)
Realized gains (losses) for the period		0.35
Unrealized gains (losses) for the period		0.09
Total increase (decrease) from operations⁽²⁾		0.76
Distributions:		
From income (excluding dividends)		-
From dividends		-
From capital gains		-
Return of capital		-
Total distributions for the period⁽³⁾		-
Net assets, at end of period	\$	10.94
Ratios and supplemental data		
Total net asset value (000's) ⁽⁴⁾	\$	837
Number of units outstanding ⁽⁴⁾		76,567
Management expense ratio ⁽⁵⁾		0.13%
Management expense ratio before waivers or absorptions ⁽⁸⁾		19.40%
Trading expense ratio ⁽⁶⁾		0.35%
Portfolio turnover rate ⁽⁷⁾		26.94%
Net asset value per unit	\$	10.94
Closing market price		N/A

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SUMMARY OF INVESTMENT PORTFOLIO

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. Updates are available quarterly on our website at www.timbercreek.com.

Summary of Top 25 Holdings	Asset Class	% of NAV*
Pennsylvania REIT Series A Pfd.	Preferred Shares	4.9%
Sunstone Hotel Investors Inc. Series D Pfd.	Preferred Shares	4.9%
Kite Realty Group Trust Series A Pfd.	Preferred Shares	4.9%
MFA Financial Inc.	Common Equity	4.2%
Dream Global REIT	Common Equity	4.1%
AIMS AMP Capital Industrial REIT	Common Equity	4.0%
Fortune REIT	Common Equity	3.9%
Befimmo SCA Sicafi	Common Equity	3.8%
Dream Office REIT	Common Equity	3.5%
Ininvest REIT	Common Equity	3.4%
Frasers Commercial Trust	Common Equity	3.3%
Spirit Realty Capital Inc.	Common Equity	3.3%
Apollo Commercial Real Estate Finance, Inc.	Common Equity	3.2%
Eurocommercial Properties NV	Common Equity	3.1%
Western Asset Mortgage Capital	Common Equity	2.7%
Cedar Realty Trust Inc.	Common Equity	2.7%
Two Harbors Investment Corp	Common Equity	2.6%
Charter Hall Retail REIT	Common Equity	2.6%
Federation Centres	Common Equity	2.6%
Artis REIT	Common Equity	2.5%
STAG Industrial Inc.	Common Equity	2.4%
Scentre Group	Common Equity	2.4%
Cache Logistics Trust	Common Equity	2.3%
Intervest Offices & Warehouses NV	Common Equity	2.2%
Kiwi Property Group Ltd	Common Equity	2.1%

* This refers to transactional net asset value; therefore weightings presented in the Statement of Investments will differ from the ones disclosed above.

By Asset Type	% of NAV*
Investments	95.4%
Other assets/liabilities, net	4.6%
Total	100.0%

By Country	% of NAV*
United States	38.8%
Canada	17.0%
Singapore	11.4%
Australia	7.7%
Hong Kong	6.2%
Belgium	6.0%
Netherlands	3.1%
New Zealand	2.1%
France	2.1%
Germany	1.1%

By Sector	% of NAV*
Office	19.4%
Shopping Centre	16.7%
Mortgage REITs	14.5%
Diversified	11.0%
Regional Mall	10.5%
Industrial	8.7%
Hotel	8.3%
Triple Net Lease	3.3%
Healthcare	3.2%

By Asset Class	% of NAV*
Common Equity	80.9%
Preferred Shares	14.7%