

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) is intended to provide an assessment of the Company's performance for the nine months ended September 30, 2017 and the comparable period in the prior year, as well as provide information on our financial position and other relevant matters. The information in the MD&A should be read in conjunction with the Company's interim report to shareholders and unaudited consolidated financial statements for the period ended September 30, 2017.

DESCRIPTION OF THE BUSINESS

The Company invests directly and indirectly in real assets, including forest properties, and securities of companies holding property, energy and infrastructure assets.

The Company's common shares are listed on the TSX Venture Exchange under the symbol HMT.

The Company's principal areas of investment and the proportion of the Company's invested capital are:

(thousands)	Invested Capital		Revenues	
Commercial Properties	\$ 51,708	43%	\$ 2,210	56%
Forest Properties	31,236	26%	809	20%
Residential Properties	5,371	4%	—	—
Corporate Investments	31,912	26%	790	20%
Other Assets	451	0%	160	10%
	\$ 120,678	100%	\$ 3,969	100%

The Company's directly-owned commercial real estate property assets, which are located in the financial, discovery and entertainment districts of Toronto, ON, represent approximately 43% of its invested capital.

Property	Year Acquired	Ownership Interest	Invested Capital
			(thousands)
51 Yonge Street	2006	100%	\$ 5,485
220 King Street West	2014	100%	19,900
224 King Street West <i>Ground and second floors</i>	2016	75%	6,020
22 College Street	2017	100%	20,303
			\$ 51,708

The Company's forest investments at September 30, 2017 included a 30% common share interest in Haliburton Forest & Wild Life Reserve Limited, as well as an interest in 13,000 acres of adjacent forest properties, representing approximately 26% of the Company's total invested capital. The objective is to increase the Company's ownership of Haliburton Forest over time in support of its plans to expand its freehold hardwood forest and related recreational land holdings.

The Company also holds, through Continental Properties Inc., investment interests in other corporations providing asset management services, principally in the real estate, energy and infrastructure sectors. These investments are accounted for using the equity method whereby the investments are initially recognized at cost and adjusted for the Company's contractual share of income and distributions, which takes into account non-controlling shareholder interests in determining the expected realizable value of these investments on ultimate disposition.

CONSOLIDATED OPERATING RESULTS

The Company reported net income and comprehensive income of \$1,590,000 for period ended September 30, 2017 compared with \$1,559,000 for the same period in the preceding year. Net income attributable to common shareholders increased to \$1,266,000 compared to \$1,036,000 in 2016.

Revenue and expenses for the period ended September 30, 2017 increased compared with the previous year due to the additional capital invested in commercial properties, as well as debt incurred to acquire these assets.

The Company's financial results have been prepared in accordance with International Financial Reporting Standards. All inter-company transactions and balances have been eliminated on consolidation.

LIQUIDITY AND CAPITAL RESOURCES

The Company has a \$15 million revolving credit facility and a \$10 million loan both from a related party.

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SUMMARY FINANCIAL INFORMATION

(in thousands)	Nine months ended		Year ended	Year ended	Year ended
	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Total assets	\$ 120,678	\$ 91,140	\$ 93,925	\$ 76,755	\$ 72,533
Total revenue	3,969	3,266	4,698	4,538	2,361
Net income to common	1,266	1,036	2,012	1,970	1,482

The following table summarizes selected consolidated financial information of the Company for the ten recently completed quarters:

(in thousands)	2017			2016				2015		
	Sept	June	March	Dec	Sept	June	March	Dec	Sept	June
Revenue	\$ 1,497	\$ 1,324	\$ 1,148	\$ 1,432	\$ 1,232	\$ 1,009	\$ 1,025	\$ 1,664	\$ 952	\$ 989
Net income	\$ 580	\$ 523	\$ 488	\$ 878	\$ 597	\$ 440	\$ 522	\$ 1,167	\$ 517	\$ 324

RISKS AND ACCOUNTING ESTIMATES

A description of the principal risks to which the Company is exposed is described in the notes to the financial statements accompanying this MD&A.

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the carried amounts of certain assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses during the reporting period. This subject is more fully dealt with in the notes to the consolidated financial statements accompanying this MD&A.

The carrying values of the cash, receivables, and payables approximate their fair values due to the short-term nature of these financial instruments.

EQUITY SECURITIES ISSUED AND OUTSTANDING

The Company's equity capital is comprised of 83,940,000 million Class A Common Voting Shares.

In December 2016 the Company issued Subordinated Convertible Capital Notes, which have been classified and presented as equity. The Capital Notes are redeemable by the Company by issuing the holders 20 million Class B non-voting common shares.

CONTROLS AND PROCEDURES

The Company's management has evaluated the effectiveness of the Company's controls and procedures and has concluded that such controls and procedures are effective for the period ended September 30, 2017. No changes were made in internal controls over financial reporting during the period ended September 30, 2017 that have materially affected, or are reasonably likely to affect, the internal control over financial reporting.

RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations and are recorded at the exchange amounts agreed to between the parties.

REVIEW OF THE ANNUAL FINANCIAL STATEMENTS

The accompanying unaudited consolidated financial statements of the Company for the period ended September 30, 2017, have been prepared by and are the responsibility of the Company's management.

Additional information has been filed on SEDAR at www.sedar.com or may be obtained upon request from the Secretary of the Company at Suite 400 -- 51 Yonge Street, Toronto, Ontario, M5E 1J1

November 29, 2017