



Marwest Apartment Real Estate Investment Trust

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025

(Expressed in Canadian Dollars)

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The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Marwest Apartment Real Estate Investment Trust (the "Trust" or the "REIT") should be read in conjunction with the Trust's unaudited condensed consolidated interim financial statements ("interim financial statements") and notes thereto for the three and nine months ended September 30, 2025 and 2024 prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB") and the REIT's audited consolidated financial statements and the notes thereto for the year ended December 31, 2024 and 2023, which are available on the Trust's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca. The financial information contained in this MD&A derived from the financial statements has been prepared in accordance with IFRS Accounting Standards ("IFRS").

The Trust's board of trustees (the "Board") approved the content of this MD&A on November 13, 2025. Disclosure in this document is current to that date unless otherwise stated. Additional information relating to the Trust can be found on SEDAR+ and also on the Trust's website at www.marwestreit.com.

Forward-Looking Disclaimer

Certain statements contained in this MD&A constitute forward-looking statements within the meaning of applicable Canadian securities laws which reflect the Trust's current expectations and projections about future results. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Trust to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Risk Factors

Risks include the risks identified in this MD&A as well as those identified in the REIT's latest annual information form available on the REIT's profile on SEDAR+. The forward-looking statements made in this MD&A relate only to events or information as of the date on which the statements are made in this MD&A. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by the forward-looking statements contained in this MD&A. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect. Except as specifically required by applicable Canadian securities law, the Trust undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. These forward-looking statements should not be relied upon as representing the Trust's views as of any date subsequent to the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Trust. This MD&A may contain certain statements of current estimates, expectations, forecasts and projections.

ABOUT MARWEST APARTMENT REAL ESTATE INVESTMENT TRUST

The Trust's objectives are to grow the holder ("Unitholder") of trust units ("Trust Units") value through capital investment strategies, active asset and property management, to provide Unitholders with stable and predictable cash distributions that grow over the long term and to grow the Trust's asset base across strategic markets through intensification and acquisition programs.

Since inception the Trust has completed the acquisition of 516 new generation apartment units in Winnipeg, Manitoba. The Marwest Group of Companies (the "Marwest Group"), which are companies under common control with Marwest Asset Management Inc. (the "Manager"), the asset manager of the REIT, have operated within Western Canada for over 50 years. Management believes Winnipeg is a relatively stable multi-family rental market with relatively low vacancy rates and is friendly to immigration.

The development and construction of multi-family properties by the Marwest Group gives the Trust a potential opportunity to purchase newly developed real estate in locations of interest to the Trust.

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OVERVIEW

The REIT is an unincorporated real estate investment trust governed by the amended and restated declaration of trust of the REIT dated April 30, 2021 (the "Declaration of Trust") and by the laws of the Province of Manitoba. On April 30, 2021, the REIT completed its qualifying transaction and as such commenced commercial operations.

The authorized equity and voting securities of the REIT are comprised of Trust Units and special voting units ("Special Voting Units"). The Trust Units are listed and posted for trading on the TSX Venture Exchange under the symbol "MAR.UN".

The Trust's portfolio consists of four multi-family residential rental properties located in Winnipeg, Manitoba, comprising an aggregate of 516 rental units consisting of (i) the 74 unit multi-family rental apartment property located at 160 Eaglewood Drive in Winnipeg, Manitoba (the "Brio Phase I Property") and the 74 unit multi-family rental apartment property located at 140 Eaglewood Drive in Winnipeg, Manitoba (the "Brio Phase II Property") (collectively, the "Brio Property"); (ii) the 103 unit multi-family rental apartment property known as "Kenwood Court" located at 333-337 Warde Avenue in Winnipeg, Manitoba (the "Kenwood Property"); (iii) the forty (40) unit multi-family rental apartment property located at 85 Fiorentino Street in Winnipeg, Manitoba (the "Element Phase I Property") and the seventy-two (72) unit multi-family rental apartment property located at 30 El Tassi Drive in Winnipeg, Manitoba (the "Element Phase II Property") (collectively, the "Element Property"); and (iv) the 153 unit multi-family rental apartment located at 2766 Main Street in Winnipeg, Manitoba (the "Prairie View Pointe Property").

MAR REIT LP (the "Partnership") beneficially owns the Prairie View Pointe Property directly and indirectly beneficially owns the Brio Property, the Kenwood Property and the Element Property through Marwest Apartments VII L.P. ("Brio LP"), Marwest Apartments I L.P. ("Kenwood LP") and Marwest (Element) Apartments L.P. ("Element LP"), respectively, each of which is a limited partnership formed under the laws of the Province of Manitoba. The Partnership also owns 100% of the shares of Marwest Apartments VII G.P. Ltd., Marwest Apartments I G.P. Ltd. and Marwest (Element) Apartments G.P. Inc., which are the general partners of Brio LP, Kenwood LP and Element LP, respectively. Legal title to each of the REIT's properties is held through separate bare trustee corporations owned by the Partnership (in the case of the Prairie View Pointe Property) and, in respect of the Brio Property, the Kenwood Property and the Element Property, owned by Brio LP, Kenwood LP and Element LP, respectively.

The Partnership is a limited partnership formed under the laws of the Province of Manitoba and governed by the limited partnership agreement dated April 19, 2021. The authorized equity and voting securities of the Partnership are comprised of Class A limited partnership units of the Partnership, all of which are owned by the REIT, and Class B limited partnership unit of the Partnership, exchangeable on a one-for-one basis (subject to customary anti-dilution adjustments) for a Trust Unit of the REIT at the election of the holder ("Exchangeable Units"), which are held by certain former owners of securities or other property acquired by the Partnership.

The Trust's management team, the officers of the Manager, and the trustees of the Trust ("Trustees") have over 100 years of combined experience in multi-family residential real estate and collectively bring a strong combination of development, construction, management and financing experience, along with significant governance expertise. The REIT has an external asset and property management agreement through the Marwest Group. The REIT will continue to benefit from the expertise and strong infrastructure that is currently in place through the Marwest Group.

The Trust owns and operates a portfolio of income-producing multi-family rental properties located in Western Canada. The REIT is focused on becoming a leading Western Canadian multi-family REIT specializing in high quality, income-producing properties.

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Current Portfolio

The Trust's current portfolio consists of newer generation investment properties that were constructed in 2006 (103 units) and 2017-2021 (413 units). Newer generation portfolios typically require lower maintenance expenses and capital expenditures compared to older generation portfolios and, in Manitoba, new generation rentals are generally exempt from rent control. In 2025, the Government of Manitoba approved a rental increase of a maximum of one-point-seven (1.7) percent (2026 is one-point-eight (1.8) percent). 56.40 percent of the rental units that the Trust has acquired since inception are exempt from the rental freeze due to the age of the buildings, and unrestricted financing agreements, and as such, the Trust will continue to adjust rental rates as the market allows. Based on current rent control legislation, the Kenwood property will no longer be exempt from rent control beginning in 2026 as the property will exceed the 20-year exemption period. However, if rental rates for the property are higher than the exempted amount, the units may be exempt from rent control. At September 30, 2025, exempt rentals were units renting higher than \$1,640 per month (2026 exempt rental rate is \$1,670). The Kenwood Property would have 100 of 103 units exempt if it were subject to rent control as of September 30, 2025.



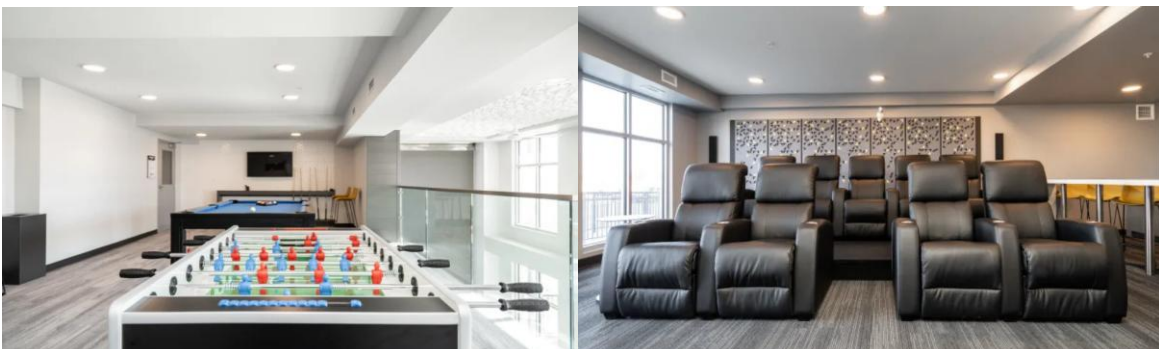
*Location of Investment
Properties owned by the Trust
at September 30, 2025*

The Trust's investment properties include thoughtfully designed resident centred amenities, including clubhouses and on-site fitness facilities.

Brio Brownstones Clubhouse featured below



Prairie View Pointe Property games and movie room featured below



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At September 30, 2025, the Trust's portfolio included 260 townhome rental units. These townhomes are characterized by private exterior suite entrances, eliminating all common hallways; Townhome residences have more of a "homeownership" feel. Modern finishings appeal to renters, with prime locations along transit routes, near shopping and schools. The rental suites owned by the Trust are pet-friendly, appealing to a broad section of renters within in the market.



Future Acquisitions

The relationship with the Marwest Group affords the Trust the potential opportunity to purchase properties developed by the Marwest Group. The independent Trustees are responsible for the negotiation of the purchase price and other terms and conditions relating to the acquisition of any properties from the Marwest Group and/or any related parties or third parties with an interest in the asset.

The Trust will also seek third-party acquisitions from other developers or owners of multi-family properties in target markets across Western Canada.

Distribution

Distributions are paid monthly to Unitholders of record at the close of business on the last day of a month, with payment made on or about the 15th day of the following month. Distributions must be approved by the Board of Trustees and are subject to change depending on the general economic outlook and financial performance of the Trust. The REIT has increased distributions on three occasions since its inception, the 2023 and 2024 increases being approximately two (2) percent and the 2025 increase of 9.62 percent.

Date distributions paid	Monthly per Unit Distribution	Annualized per Unit Distribution	Increase over prior Distribution
January 15, 2022 – August 15, 2023	\$0.00125	\$0.015	
September 15, 2023 – June 15, 2024	\$0.001275	\$0.0153	2.00%
July 15, 2024 – June 15, 2025	\$0.0013	\$0.0156	1.96%
July 15, 2025 - Current	\$0.001425	\$0.0171	9.62%

Business Strategy and Objectives

The objectives of the Trust are:

- (a) to grow Unitholder value through capital investment strategies and active asset and property management;
- (b) to provide Unitholders with stable and predictable cash distributions that grow over the long term; and
- (c) to grow the Trust's asset base across strategic markets through intensification and acquisition programs.

Management believes it can accomplish these objectives given future potential access to the capital markets and the relationship that the Trust has with the Marwest Group.

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Declaration of Trust

The investment policies of the Trust are outlined in the Declaration of Trust, a copy of which is available on SEDAR+. Some of the principal investment guidelines and operating policies set out in the Declaration of Trust are set out below:

- The Trust will focus on acquiring, holding, developing, maintaining, improving, leasing and managing income-producing rental assets within Canada and other jurisdictions as the Trustees may determine from time to time;
- The Trust may make its investments and conduct its activities directly or indirectly, through an investment by way of joint ventures, co-ownerships, partnerships (general or limited) and limited liability companies;
- The Trust may invest in mortgages and mortgage bonds and similar instruments where: (i) the real property which is security for such mortgages and similar instruments is income producing real property which otherwise meets the other investment guidelines of the Trust; or (ii) the aggregate book value of the investments of the Trust in mortgages, after giving effect to the proposed investment, will not exceed 15% of the greater of: (a) the value of the assets of the Trust and its consolidated subsidiaries, as shown on its then most recent consolidated balance sheet prepared in accordance with IFRS; and (b) the historical cost of the investment properties, plus (i) the carrying value of cash and cash equivalents; (ii) the carrying value of mortgages receivable; and (iii) the historical cost of other assets and investments used in operations ("**Gross Book Value**");
- Once the Gross Book Value reaches \$300,000,000, the Trust shall not incur or assume any indebtedness if, after giving effect to the incurring or assumption of the indebtedness, the total indebtedness of the Trust would be more than 75% of Gross Book Value or, if determined by the independent Trustees, in their sole and absolute discretion, more than 75% of the appraised value of the assets and properties of the Trust and its subsidiaries instead of Gross Book Value;
- The Trust will follow prudent business practices when looking to acquire an investment property by way of obtaining appraisals, environmental reports, and sufficient insurance coverage.

At September 30, 2025, the Trust was in compliance with its investment guidelines and operating policies.

The foregoing is a general summary only and is qualified entirely by the terms of the Declaration of Trust.

Non-IFRS Measures

The Trust's financial statements are prepared in accordance with IFRS. The Trust's MD&A also contains certain non-IFRS measures (including non-IFRS ratios) commonly used by entities in the real estate industry as useful metrics for measuring performance. The non-IFRS measures used by the Trust as described below are not standardized measures under IFRS. Such non-IFRS measures disclosed by the Trust may not be comparable to similar financial measures disclosed by others. Readers are cautioned to not place undue reliance on such non-IFRS measures. Reconciliations of these non-IFRS measures to the most directly comparable financial measures calculated and presented in accordance with IFRS are included within the Financial Operations and Results section.

Net Operating Income ("NOI")

The Trust calculates net operating income as revenue less property operating expenses such as utilities, repairs and maintenance and realty taxes. Charges for interest or other expenses not specific to the day-to-day operations of the Trust's properties are not included. The Trust regards NOI as an important measure of the income generated by income-producing properties and is used by management in evaluating the performance of the Trust's properties. NOI is also a key input in determining the value of the Trust's properties.

Funds from Operations ("FFO")

The Trust calculates FFO substantially in accordance with the guidelines set out in the white paper titled "White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS" by the Real Property Association of Canada ("REALpac") as revised in January 2022. FFO is defined as IFRS consolidated net income (loss) adjusted for items such as unrealized changes in the fair value of the investment properties, effects of puttable instruments classified as financial liabilities and changes in fair value of financial instruments and derivatives. FFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The Trust regards FFO as a key measure of operating performance.

Adjusted Funds from Operations ("AFFO")

The Trust calculates AFFO substantially in accordance with the guidelines set out in the white paper titled "White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS" by REALpac as revised in January 2022. AFFO is defined as FFO adjusted for items such as maintenance capital expenditures and straight-line rental revenue differences. AFFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The Trust regards AFFO as a key measure of operating performance. The Trust also uses AFFO in assessing its capacity to make distributions.

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The following other non-IFRS measures are defined as follows:

- "FFO per unit" is calculated as FFO divided by the weighted average number of Trust Units and Exchangeable Units of the Partnership outstanding over the period.
- "AFFO per unit" is calculated as AFFO divided by the weighted average number of Trust Units and Exchangeable Units of the Partnership outstanding over the period.
- "AFFO Payout Ratio" is the proportion of the total distributions on Trust Units and Exchangeable Units of the Partnership to AFFO per Unit.
- "Net Asset Value" is calculated as the sum of Unitholders' equity and Exchangeable Units
- "Net Asset Value per Unit" or "NAV per Unit" is calculated as the sum of Unitholders' equity and Exchangeable Units divided by the sum of Trust Units, Exchangeable Units and Deferred Units outstanding at the end of the period.
- "Debt-to-Gross Book Value ratio" is calculated by dividing total interest-bearing debt consisting of mortgages by total assets and is used as the REIT's primary measure of its leverage.
- "Debt Service Coverage ratio" is the ratio of NOI to total debt service consisting of interest expenses recorded as finance costs and principal payments on mortgages.
- "Liquidity ratio" is the ratio of current assets to current liabilities excluding Exchangeable Units of the Partnership.
- "Stabilized net operating income" is the estimated 12-month net operating income that a property could generate at full occupancy, less a vacancy rate and stable operating expenses.
- "Average occupancy rate" is defined as the ratio of occupied suites to the total suites in the portfolio for the period.
- "Same Property NOI" is defined as Net Operating Income from properties owned by the REIT throughout comparative periods, which removes the impact of situations that result in the comparative period to be less meaningful, such as acquisitions, or properties going through a lease-up period

NOI¹, FFO¹ and AFFO¹ are not intended to represent operating profits for the year, or from a property, nor should any of such measures be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Readers are cautioned not to place undue reliance on such non-IFRS financials measures.

FINANCIAL HIGHLIGHTS

The year-to-date highlights of the REIT's operations are summarized below and discussed in further detail in the remainder of the REIT's Q3 MD&A:

	YTD 2025	YTD 2024
Average Occupancy Rate ¹	97.09%	99.32%
NAV per Unit ¹ at September 30	\$2.43	\$2.20
AFFO per Unit ¹	\$0.0609	\$0.0727
AFFO Payout Ratio ¹	20.02%	15.92%
Increase in cash in the period	\$139,940	\$2,228,588
Liquidity Ratio ¹	152.17%	147.35%
Same Property NOI ¹	\$4,775,287	\$5,158,669

In 2025, the Province of Manitoba removed the fifty (50) percent school tax rebate that had been applicable in 2024 (for the nine months ended September 30, 2024 – property taxes were reduced by \$221,695 due to the school tax rebate), which is reflected in the decrease in Same Property NOI¹ and a reduced AFFO per Unit¹, when compared to the previous period. NAV per Unit¹ has increased by \$0.23 per unit or 10.45 percent since September 30, 2024. The school tax rebate was excluded from stabilized NOI¹ in the calculation of the fair value of investment property.

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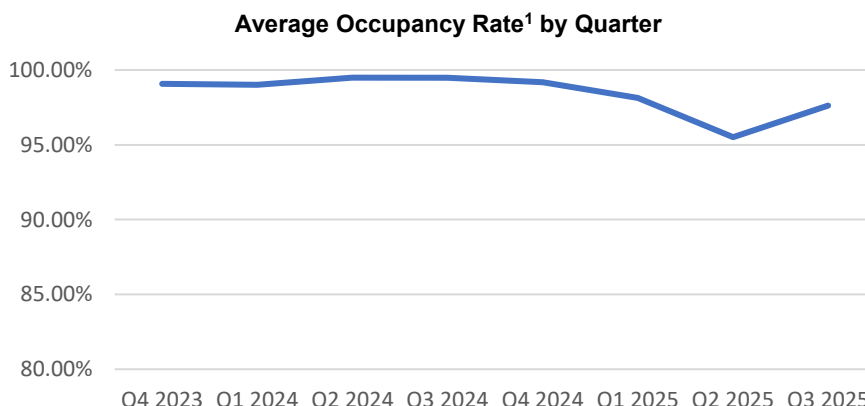
For the three and nine months ended September 30, 2025

(Expressed in Canadian Dollars)

SUMMARY OF 2025 RESULTS AND OPERATIONS

Occupancy Rates

The REIT has reported an average occupancy of 97.63% and 97.09% occupancy for the three and nine months ended September 30, 2025 respectively (99.83% and 99.65% for the three and nine months ended September 30, 2024). The first two quarters of the year saw an increase in non-renewals of leases due to increasing rental rates and a longer time to re-lease a rental unit. By the end of Q3, occupancy rates had improved.



The average occupancy rate¹ for the trailing eight quarters was strong due to immigration, elevated interest rates causing home ownership to be less affordable, the slowing of construction development for multi-family and single-family developments due to increased interest rates, increases in construction costs and tariff uncertainty. Q1 and Q2 2025 had a slight decline in occupancy due to many leases that expired and were not renewed during this period.

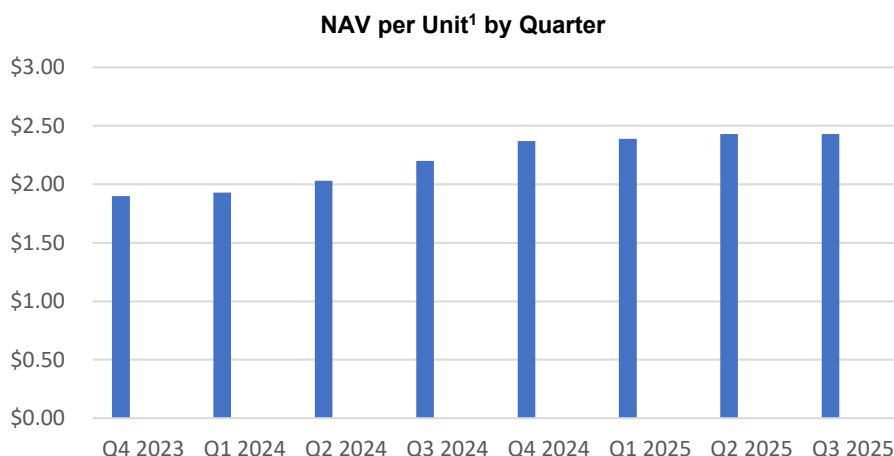
Mortgage Interest Rates and Future Renewals

On February 29, 2024, management completed the refinancing of the Element Phase I Property with a CMHC insured mortgage in the amount of \$8,387,700 with an amortization period of 40 years and a term of ten years at a rate of 4.30%.

At September 30, 2025, six of the seven mortgages held within the portfolio were financed with CMHC insurance. The next mortgage refinancing occurs in Q3 2027.

NAV per Unit¹

The REIT reported a NAV per Unit¹ of \$2.43 at September 30, 2025 (December 31, 2024 - \$2.37). The overall modest increase in NAV¹ was mostly attributable to positive net operating income less finance costs and general and administrative expenses exceeding distributions, and the increase in the value of investment properties due to increased stabilized NOI¹.



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Asset Management Fees

For the three and nine months ended September 30, 2025, the REIT incurred asset management fees of \$94,318 and \$279,843, inclusive of GST (September 30, 2024 - \$90,054 and \$265,799).

OUTLOOK

The RBC August 12, 2025 Canada's housing market forecast update notes that the substantial cuts to immigration targets will slow population growth primarily impacting rental demand. New immigrants typically rent for five to 10 years after entering the country and will account for much of this anticipated decline. However, housing listings in Manitoba continue to decline which is favourable for rental market conditions in Winnipeg.

Current mortgage rates are higher than the in-place mortgage rates on the REIT's portfolio. With the next mortgage maturing in Q3 2027, management continues to monitor interest rates and the impact that the uncertainty of U.S. trade policy has on rates.

The REIT is subject to the laws and regulations governing the ownership and leasing of real property, employment standards, environmental and energy efficiency matters, taxes and other matters. It is possible that future changes in applicable Canadian federal, provincial, municipal or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting the REIT (including with retroactive effect). Any changes in the laws to which the REIT will be subject in the jurisdictions in which it operates could materially affect the rights and title to the Properties of the REIT. It is not possible to predict whether there will be any further changes in the regulatory regime(s) to which the REIT is subject or the effect of any such change on the REIT's investments.

The real estate industry is highly capital intensive. The REIT requires access to capital to fund its growth strategy and any capital expenditures from time to time. There can be no assurance that the REIT will have access to sufficient capital or access to capital on terms favourable to the REIT for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. Management is continually reviewing opportunities to complete accretive acquisitions for the REIT, however, there is not an expectation of a capital raise due to the current capital market environment and trading price of the REIT units.

FINANCIAL OPERATIONS AND RESULTS

Valuation

The fair value of residential properties is typically determined using the direct capitalization approach. Stabilized net operating income¹ for each property is capitalized at an appropriate capitalization rate and then a deduction is made for certain capital expenditures that each property may require. Stabilized net operating income¹ for each property is estimated as the 12-month net operating income that a property could generate at full occupancy, less a vacancy rate and stable operating expenses. The Province of Manitoba had a school tax rebate of 50 percent in 2024 which is no longer in effect as of January 1, 2025. The rebate was not included in stabilized operating expenses for valuation purposes. Capitalization rates reflect the characteristics, location and market of each property. Fair value is determined based on external appraisals obtained and internal valuation models incorporating market data. The weighted-average capitalization rate used at September 30, 2025 was 5.00 percent (December 31, 2024 – 5.00 percent).

The Trust's investment properties are recorded at a fair value of \$142,250,000 at September 30, 2025 (December 31, 2024 - \$142,000,000), the Trust recorded a fair value loss of \$374,898 and gain of \$58,364 for the three and nine months ended September 30, 2025 (three and nine months ended September 30, 2024 – gain of \$2,878,570 and \$4,341,616). The fair value loss in the three months ended September 30, 2025 was attributable to increases in property taxes and utilities. The gain for the nine months ended September 30, 2025 was attributable to increases in rental revenue across the portfolio.

Performance Measures

The following outlines the portfolio metrics:

Operations	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Number of properties	4	4	4	4
Total multi-family units	516	516	516	516
Total rentable square feet	463,812	463,812	463,812	463,812
Average monthly rent per suite	\$ 1,752	\$ 1,736	\$ 1,689	\$ 1,665
Average occupancy rate ¹	97.63%	99.48%	97.09%	99.32%
Rent collection	99.49%	99.83%	99.56%	99.65%

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Average monthly rent per suite increased in Q3 2025 over Q3 2024 due to market conditions permitting rental increases throughout the portfolio. Average monthly rent per suite has been restated in the prior year to include parking.

<i>Financial Measures</i>	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Revenue	\$ 2,658,175	\$ 2,607,394	\$ 7,872,367	\$ 7,714,464
NOI ¹	1,600,785	1,748,039	4,775,287	5,158,669
NOI Margin ¹	60.22%	67.04%	60.66%	66.87%
FFO ¹				
Net income and comprehensive income	1,001,171	4,217,974	238,080	7,341,204
Distributions on Exchangeable Units	43,078	41,505	125,843	124,199
Fair value loss (gain) on properties	374,898	(2,878,570)	(58,364)	(4,341,616)
Fair value (gain) loss on unit-based compensation	(9,291)	(11,980)	19,161	(20,632)
Fair value (gain) loss on Exchangeable Units	(928,922)	(744,971)	1,055,360	(1,306,918)
FFO ¹	480,934	623,958	1,380,080	1,796,237
Weighted average number of Units	19,498,838	19,498,838	19,498,838	19,498,838
FFO/unit ¹	\$ 0.0247	\$ 0.0320	\$ 0.0708	\$ 0.0921
AFFO ¹				
FFO ¹	\$ 480,934	\$ 623,958	\$ 1,380,080	\$ 1,796,237
Capital expenditures ²	(74,898)	(111,653)	(191,636)	(365,705)
Leasing costs	-	(4,777)	-	(12,679)
AFFO ¹	406,036	507,528	1,188,444	1,417,853
Weighted average number of Units	19,498,838	19,498,838	19,498,838	19,498,838
AFFO/unit ¹	\$ 0.0208	\$ 0.0260	\$ 0.0609	\$ 0.0727
AFFO payout ratio ¹	20.53%	14.98%	20.02%	15.92%

For the three and nine months ended September 30, 2025, the Trust reported \$0.0247 and \$0.0708 of FFO/unit¹ respectively. The majority of the decrease in FFO/unit¹ is due to increased property tax expense as a result of the removal of the 50 percent provincial school tax rebate effective January 1, 2025.

At September 30, 2025, NAV¹ was \$47,870,869 representing a NAV per Unit¹ of \$2.43 (December 31, 2024 - \$46,689,470 representing a NAV per Unit¹ of \$2.37). The overall increase in NAV¹ was due to increases in the valuation of investment properties and net operating income less finance costs and general and administrative expenses exceeding distributions.

NAV ¹	At September 30, 2025	At December 31, 2024
Unitholders' equity	\$40,450,671	\$39,901,132
Exchangeable Units	7,420,198	6,788,338
NAV ¹	47,870,869	46,689,470
Trust Units	9,605,242	9,055,242
Exchangeable Units	9,893,596	10,443,596
Deferred Units	188,687	169,608
Total Units outstanding	19,687,525	19,668,446
NAV per unit ¹	\$2.43	\$2.37

¹ See Non-IFRS Measures

² Capital expenditures include upgrades to suites upon turnover

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Leverage	At September 30, 2025	At December 31, 2024
Debt-to-Gross Book Value ratio ¹ :		
Total interest-bearing debt	\$ 100,694,035	\$ 101,678,601
Total assets on balance sheet	150,227,247	150,093,432
Debt-to-Gross Book Value ratio ¹	67.03%	67.74%
Debt Service Coverage ratio ¹ :		
Net Operating Income ¹ for the period ended	\$ 4,775,287	\$ 6,875,434
Mortgage payments for the period ended	3,732,391	4,959,081
Debt Service Coverage ratio ¹	1.28	1.39
Weighted average term to maturity on fixed rate debt	54.59 months	63.56 months
Weighted average interest rate on fixed debt	3.09%	3.09%

Exchangeable Units are not indebtedness for the purposes of Debt-to-Gross Book Value ratio¹ and therefore are not included in the determination of Debt-to-Gross Book Value ratio¹.

Total assets at September 30, 2025 are \$150,227,247, the increase from December 31, 2024 is due to the increase in cash on hand from positive cash flow from operations generated during the period and increases in the fair value of investment properties. Total interest-bearing debt includes mortgages payable of \$100,694,035. During the three and nine months ended September 30, 2025, mortgages had an overall decrease of \$328,330 and \$984,566, respectively, due to principal payments and amortization of mark-to-market adjustments, and financing costs.

Review of Financial Performance

The following tables highlight selected information for the Trust's portfolio for the three and nine months ended September 30, 2025 and 2024:

Summary of Statement of Net Income	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Revenue from investment properties	\$ 2,658,175	\$ 2,607,394	\$ 7,872,367	\$ 7,714,464
Property operating expenses	(702,017)	(624,449)	(2,076,235)	(1,852,294)
Realty taxes	(355,373)	(234,906)	(1,020,845)	(703,501)
Net Operating Income ¹	\$ 1,600,785	\$ 1,748,039	\$ 4,775,287	\$ 5,158,669
NOI Margin ¹	60.22%	67.04%	60.66%	66.87%
General and administrative	(210,883)	(219,875)	(674,125)	(620,806)
Interest income	31,236	47,270	96,332	127,927
Finance costs	(983,282)	(992,981)	(2,943,257)	(2,993,752)
Fair value (loss) gain on:				
Investment properties	(374,898)	2,878,570	58,364	4,341,616
Unit-based compensation	9,291	11,980	(19,161)	20,632
Exchangeable Units	928,922	744,971	(1,055,360)	1,306,918
Net income and comprehensive income	\$ 1,001,171	\$ 4,217,974	\$ 238,080	\$ 7,341,204

Net operating income¹

For the three and nine months ended September 30, 2025 the Trust earned NOI¹ of \$1,600,785 and \$4,775,287, respectively (three and nine months ended September 30, 2024 – NOI¹ of \$1,748,039 and \$5,158,669, respectively). Net operating income for the three and nine months ended September 30, 2025 decreased over the prior period, mainly due the elimination of the provincial school tax rebate and increases in property operating expenses due to parking lot repairs and increased make-ready costs, such as flooring and wages accompanied with higher leasing costs related to the higher turnover experienced the first six months of 2025.

Revenue from investment properties consists of rental revenue from residential lease agreements, parking revenue and other property revenue.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025

(Expressed in Canadian Dollars)

General and administrative expenses

General and administrative expenses relate to the administration of the Trust, including: legal fees, audit fees, asset management fees, Trustee compensation and other public company costs. General and administrative expenses increased over the same period 2024 due to increases in legal fees and asset management fees.

Finance costs

Finance costs decreased due to the refinancing of the Element Phase I mortgage on February 29, 2024, at a lower interest rate. Distributions increased by approximately 10 percent in June 2025, accounting for the increase over the comparative period in distributions on Exchangeable Units.

Summary of Finance costs	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Interest on mortgages payable	\$ 787,862	\$ 799,627	\$ 2,360,449	\$ 2,415,193
Loan and financing charges	-	-	315	3,515
Amortization of financing charges	19,035	18,542	56,731	52,373
Amortization of CMHC fees	25,468	25,468	76,404	74,955
Amortization of mark-to-market adjustments	107,839	107,839	323,515	323,517
Distribution on Exchangeable Units	43,078	41,505	125,843	124,199
Total	\$ 983,282	\$ 992,981	\$ 2,943,257	\$ 2,993,752

Fair value gain on Exchangeable Units

The Exchangeable Units are issued by the Partnership. The Exchangeable Units are economically equivalent to Trust Units, in that a holder is entitled to receive cash distributions from the Partnership equal to the cash distributions paid on Trust Units and are exchangeable into Trust Units at the holder's option on a one-for-one basis (subject to customary anti-dilution adjustments). The Exchangeable Units are classified as financial liabilities of the Trust and measured at fair value with any changes in fair value recorded in net income. The fair value gain or loss on the Exchangeable Units is measured every period by reference to the closing trading price of the Trust Units. An increase in the Trust Unit closing price over the period results in a fair value loss, whereas a decrease in the Trust Unit closing price results in a fair value gain.

During the nine months ended September 30, 2025, 550,000 Exchangeable Units were converted to Trust Units.

The market price of the Trust Units increased to \$0.75 per Trust Unit on September 30, 2025 from \$0.65 at December 31, 2024 resulting in a fair value loss reported of \$1,055,360 on the Exchangeable Units.

Fair value gain on unit-based compensation liability

The Trust has issued Deferred Units to its Trustees. The liability is remeasured at each reporting date based on the closing Trust Unit price with changes in value recorded in net income.

During the nine months ended September 30, 2025, the Trust experienced a fair value loss of \$19,161 from changes in the Trust Unit price for the Deferred Units outstanding at September 30, 2025. Monthly distributions on Deferred Units are issued at the 5 day Volume-Weighted Average Price of the Trust Units, the value of which was \$0.77 per Trust Unit at September 30, 2025.

Assessment of Financial Position

Investment Properties

The following table summarizes the changes in investment properties for the three and nine months ended September 30, 2025 and 2024:

Summary of Changes in Investment Properties	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Opening balance	\$ 142,550,000	\$ 136,105,000	\$ 142,000,000	\$ 134,380,000
Additions:				
Capital expenditures ²	74,898	111,653	191,636	365,705
Direct leasing costs	-	4,777	-	12,679
Fair value (loss) gain	(374,898)	2,878,570	58,364	4,341,616
Closing balance	\$ 142,250,000	\$ 139,100,000	\$ 142,250,000	\$ 139,100,000

¹ See Non-IFRS Measures

² Capital expenditures include upgrades to suites upon turnover

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025

(Expressed in Canadian Dollars)

Valuation

Under the direct capitalization approach the estimated 12 month stabilized net operating income¹ is utilized on the individual properties, less estimated aggregate future capital expenditures to determine fair value. Capitalization rates fluctuate based on market conditions, such as the demand for rental housing and interest rates. The weighted-average capitalization rate for the properties was 5.00 percent at September 30, 2025 and 5.00 percent at December 31, 2024.

Exchangeable Units

The holders of Exchangeable Units are entitled to receive cash distributions from the Partnership equivalent to the cash distributions that the Trust pays to the holders of Trust Units and are exchangeable into Trust Units at the holder's option on a one-for-one basis (subject to customary anti-dilution adjustments). One Special Voting Unit in the Trust is issued to the holder of Exchangeable Units for each Exchangeable Unit held. The limited IAS 32 exception for presentation as equity does not extend to Exchangeable Units. As a result, the Exchangeable Units are classified as financial liabilities.

As at September 30, 2025 there were 9,893,596 Exchangeable Units and 9,936,391 Special Voting Units outstanding. The outstanding Special Voting Units include:

- Special Voting Units accompanying Deferred Units issued on or before March 31, 2022
- Special Voting Units accompanying Exchangeable Units of the Partnership

During the three and nine months ended September 30, 2025, distributions to holders of Exchangeable Units of \$43,078 and \$125,843, respectively, were declared based on approved monthly distributions of \$0.0013 per Trust Unit to May 31, 2025 and an increase in monthly distributions to \$0.001425 commencing to Unitholders of record on June 30, 2025. (Distributions increased to \$0.0013 per Trust Unit, from \$0.001275 per Trust Unit, effective to Unitholders of record on June 30, 2024)

Mortgages Payable

The Trust's mortgages are at fixed interest rates that are secured by the investment properties. The mortgages bear interest at a weighted average contractual interest rate of 3.09 percent and mature between July 2027 and March 2034, resulting in a weighted average maturity of 54.59 months. On February 29, 2024, management completed the refinancing of the Element Phase I Property with a CMHC insured mortgage of \$8,387,700 with a 40 year amortization period, term of 10 years and a fixed interest rate of 4.30%.

Trust Units

The Declaration of Trust authorizes the issue of an unlimited number of Trust Units. As at September 30, 2025, there were 9,605,242 Trust Units outstanding with a carrying value of \$7,385,433.

Distributions

Distributions are paid monthly to Unitholders of record at the close of business on the last day of a month on or about the 15th day of the following month. Distributions must be approved by the Board and are subject to change depending on the general economic outlook and financial performance of the Trust. During the three and nine months ended September 30, 2025, distributions to Unitholders of \$40,279 and \$112,041, respectively, were declared based on approved monthly distributions of \$0.0013 per Trust Unit to May 31, 2025 and an increase in monthly distributions to \$0.001425 commencing to Unitholders of record on June 30, 2025. On June 30, 2024, distributions increased to \$0.0013 per Trust Unit from \$0.001275 per Trust Unit.

Liquidity, Capital Resources and Contractual Commitments

The Trust's capital structure at September 30, 2025 and December 31, 2024 is set out in the table below:

	September 30, 2025	December 31, 2024
Exchangeable Units	\$ 7,420,198	\$ 6,788,338
Unit based compensation liability	145,345	110,245
Mortgages	100,694,035	101,678,601
Unitholders' equity	40,450,671	39,901,132
Total	\$ 148,710,249	\$ 148,478,316

The objective of the REIT's capital strategy is to arrange capital at the lowest possible cost while balancing mortgage maturities and having sufficient liquidity to fund ongoing operations of the REIT and pay distributions. 100 percent of the REIT's debt is at fixed interest rates.

The REIT uses a significant amount of debt financing in its capital structure. Pursuant to the Declaration of Trust, additional indebtedness may not be incurred if overall indebtedness (excluding convertible debt) would exceed more than 75 percent of the gross book value of the REIT once gross book value reaches \$300,000,000.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025 (Expressed in Canadian Dollars)

The REIT's liquidity ratio¹ is calculated as follows:

As at	September 30, 2025	December 31, 2024
Current Assets	\$ 4,539,080	\$ 4,578,860
Current Liabilities	2,982,890	3,009,775
Liquidity Ratio ¹	152.17%	152.13%

As of September 30, 2025, current assets of \$4,539,080 exceeded current liabilities of \$2,982,890 (at December 31, 2024 – current liabilities of \$4,578,860 exceeded current assets of \$3,009,775) resulting in a net working capital surplus of \$1,556,190 (December 31, 2024 – \$1,569,085) and a liquidity ratio¹ of 152.17% (December 31, 2024 – 152.13%). The increase in the liquidity ratio¹ from December 31, 2024 is due to the increase in cash on hand at September 30th from operating activities.

The REIT's immediate liquidity needs are met through cash flow from operations and refinancing of maturing mortgages. Management believes there is sufficient liquidity to meet the REIT's financial obligations for the foreseeable future, however, future mortgage interest rates may impact the overall cash available to distribute to Unitholders if maturing mortgages are refinanced at higher interest rates. For purposes of calculating the liquidity ratio¹, current liabilities exclude Exchangeable Units.

Cash Flows and Use of Funds

During the three and nine months ended September 30, 2025 and 2024 the Trust reported the following changes in cash.

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Cash provided by operating activities	\$ 595,671	\$ 741,424	\$ 1,806,827	\$ 2,199,945
Cash used in investing activities	(74,898)	(116,430)	(191,636)	(378,384)
Cash (used in) provided by financing activities	(494,698)	(478,007)	(1,475,251)	407,027
Change in cash during the period	\$ 26,075	\$ 146,987	\$ 139,940	\$ 2,228,588

Cash provided by operating activities and cash distributions

The following table outlines the differences between cash from operating activities, net income and cash distributions in accordance with National Policy 41-201, *Income Trusts and Other Indirect Offerings*:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Net income and comprehensive income	\$ 1,001,171	\$ 4,217,974	\$ 238,080	\$ 7,341,204
Add: distributions on Exchangeable Units	43,078	41,505	125,843	124,199
	1,044,249	4,259,479	363,923	7,465,403
Less: distributions paid	(83,354)	(76,045)	(235,445)	(225,209)
Excess of net income and comprehensive income over total distributions paid	960,895	4,183,434	128,478	7,240,194
Cash provided by operating activities	595,671	741,424	1,806,827	2,199,945
Less: distributions paid	(83,354)	(76,045)	(235,445)	(225,209)
Excess of cash provided by operating activities over total distributions and interest paid	512,317	665,379	1,571,382	1,974,736
Distributions declared	\$ 83,356	\$ 76,045	\$ 237,883	\$ 225,698

For the three and nine months ended September 30, 2025 and 2024 there was an excess of net income and comprehensive income over distributions paid. Distributions are better evaluated in the context of operating cash flows rather than net income as net income is impacted by several non-cash items, including fair value gains or losses on investment properties, Exchangeable Units and Unit-based compensation.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025 (Expressed in Canadian Dollars)

While cash flows provided by operating activities are generally sufficient to cover distribution requirements, the timing of expenses and fluctuations in non-cash working capital may result in a temporary shortfall. In these cases, some portion of distributions may come from the REIT's capital or financing sources other than cash flows provided by operating activities. For the quarter ended September 30, 2025 and 2024, cash provided by operating activities was in excess of total distributions and interest paid.

QUARTERLY RESULTS AND DISCUSSION OF QUARTERLY OPERATIONS

An eight-quarter trend highlighting key operating results since commencing commercial operations is shown below:

	2025				2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
Property revenue	\$ 2,658,175	\$ 2,579,050	\$ 2,635,142	\$ 2,631,643	\$ 2,607,394	\$ 2,566,572	\$ 2,540,498	\$ 2,521,270	
NOI ¹	1,600,785	1,551,084	1,623,418	1,716,765	1,748,039	1,754,064	1,656,566	1,619,429	
Net Income (Loss)	1,001,171	(10,826)	(752,265)	4,814,188	4,217,974	2,505,206	618,024	979,998	
FFO ¹	480,934	404,647	494,499	590,149	623,958	641,533	530,746	419,514	
FFO per Unit ¹	\$ 0.0247	\$ 0.0208	\$ 0.0254	\$ 0.0303	\$ 0.0320	\$ 0.0329	\$ 0.0272	\$ 0.0215	
AFFO ¹	406,036	326,694	455,714	575,012	507,528	395,949	514,376	406,566	
AFFO per Unit ¹	\$ 0.0208	\$ 0.0168	\$ 0.0234	\$ 0.0295	\$ 0.0260	\$ 0.0203	\$ 0.0264	\$ 0.0209	
Weighted average number of Units outstanding	19,498,838	19,498,838	19,498,838	19,498,838	19,498,838	19,498,838	19,498,838	19,498,838	

Seasonal variations in operating expenses, such as snow clearing expenses and higher utility costs in winter and summer months also contribute to quarterly fluctuations in NOI¹, Net Income, AFFO¹ and FFO¹.

SAME PROPERTY PORTFOLIO PERFORMANCE

Same property results for the three and nine months ended September 30, 2025 are defined as all properties owned and operated by the REIT throughout the comparative periods being reported, and therefore do not take into account the impact on performance of acquisitions or dispositions. The same property portfolio represents 516 units or 100% of the total portfolio at September 30, 2025.

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Revenue from investment properties	\$ 2,658,175	\$ 2,607,394	\$ 7,872,367	\$ 7,714,464
Expenses:				
Property operating expenses	702,017	624,449	2,076,235	1,852,294
Realty taxes	355,373	234,906	1,020,845	703,501
Total operating expenses	1,057,390	859,355	3,097,080	2,555,795
Same Property Net Operating Income ¹	\$ 1,600,785	\$ 1,748,039	\$ 4,775,287	\$ 5,158,669

For the nine months ended September 30, 2025, rental revenues for same property increased by 2.05% compared to the same period 2024. Property operating costs increased by 2.36% as a percentage of operating revenues due to increases in leasing costs and make-ready costs for increased unit turnovers, and increased utility rates resulting in an overall increase in utilities. Property taxes increased by 3.85% as a percentage of operating revenues due to the removal of the provincial school tax rebate effective January 1, 2025. This resulted in an overall increase in operating expenses as a percentage of operating revenues of 621 basis points as compared to the same period 2024.

During the nine months ended September 30, 2025, operating expenses increased by 21.18% while revenue grew by 2.05%, achieved through increasing market rents on turnover and rental increases on renewals. This resulted in a decrease in same property NOI¹ of \$383,382, or 7.43% as compared to the same period 2024. NOI margin for YTD 2025 was 60.66% as compared to 66.87% for same period 2024, a 621 basis point decrease.

The average monthly rent for the nine months ended September 30, 2025 for same property, including parking, increased to \$1,689 per suite from \$1,665 as compared to the same period 2024, an increase of 1.11%. Occupancy for the nine months ended September 30, 2025 for same property was 97.09%, compared to 99.32% for the nine months ended September 30, 2024.

ACCOUNTING ESTIMATES AND POLICIES, CONTROLS AND PROCEDURES AND RISK ANALYSIS

Critical Judgments in Applying Accounting Policies

Significant areas of judgment, estimates and assumptions are set out in Note 3 to the annual audited consolidated financial statements for the years ended December 31, 2024 and 2023.

Management's Discussion and Analysis
For the three and nine months ended September 30, 2025
(Expressed in Canadian Dollars)

Risks and Uncertainties

The REIT faces a variety of diverse risks, many of which are inherent in the business conducted by the REIT. These are described in detail under the heading "Risks and Uncertainties" in the REIT's Management's Discussion and Analysis for the years ended December 31, 2024 and 2023 and in the REIT's Annual Information Form for the year ended December 31, 2024, each filed on SEDAR+ (www.sedarplus.ca). These factors still exist at the end of this quarter and remain relatively unchanged.

Financial Risk Management

In the normal course of business, the Trust is exposed to a number of risks that can affect its operating performance.

These risks and the actions taken to manage them include the following:

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of interest rate risk, currency risk and other price risk.

Interest rate risk is the risk that changes in market interest rates will affect the Trust's financial instruments. As of September 30, 2025 and December 31, 2024, the Trust's mortgages bore interest at fixed rates.

Management monitors anticipated interest rate changes and mitigates the negative impact of interest rate increases by locking in interest rates early where applicable.

The Trust's financial statement presentation currency is in Canadian dollars. Operations are located in Canada and the Trust has limited operational transactions in foreign-denominated currencies. As such, the Trust has no significant exposure to currency risk.

Other price risk is the risk of variability in fair value due to movements in equity prices or other market prices such as commodity prices and credit spreads.

The Trust is exposed to other price risk on its Exchangeable Units. A one percent change in the prevailing market price of the Exchangeable Units as at September 30, 2025 would have a \$74,201 (December 31, 2024 - \$67,883) change in the fair value of the Exchangeable Units.

ii) Credit risk

Credit risk is the risk that tenants may experience financial difficulty and be unable to fulfill their lease commitments. An allowance for impairment is taken for all expected credit losses.

Management mitigates this risk by carrying out appropriate due diligence on the prospective tenant and obtaining security deposits. Management monitors the collection of residential rent receivables on a regular basis with strict procedures that fall within the provincial regulations designed to minimize credit loss in the case of non-payment. The risk of exposure to credit risk is generally limited to the carrying amount of the financial statement.

The Trust's maximum exposure to credit risk is equivalent to the carrying value of each class of financial asset as separately presented in cash and accounts and other receivables.

Management assesses the impairment of tenant receivables on an individual basis and uses the simplified approach to measure expected credit losses; this will be at the lifetime expected credit losses associated with the arrangement.

Management determines that an amount receivable is credit impaired based upon previous collection history, as well as forward looking information where available regarding economic trends in the tenant's industry and the region the tenant is in. Impairment losses are recognized in the consolidated statement of income(loss) and comprehensive income(loss) within investment properties operating expenses.

(iii) Liquidity risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they become due. The Trust manages this risk by ensuring it has sufficient cash on hand to meet obligations as they come due by forecasting cash flows from operations, cash required for investing activities and cash from financing activities.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025

(Expressed in Canadian Dollars)

An analysis of the contractual cash flows at September 30, 2025 for the following 12 month period associated with the Trust's financial liabilities is set out below:

	Year 1	Year 2	Year 3	Year 4	Year 5 and thereafter	Total
Mortgages payable - principal and interest	\$ 4,976,521	\$ 35,411,366	\$ 6,891,508	\$ 3,269,994	\$ 65,612,836	\$ 116,162,225
Accounts payable and accrued liabilities	826,811	-	-	-	-	826,811
Security deposits	577,228	37,066	-	-	-	614,294
	\$ 6,380,560	\$ 35,448,432	\$ 6,891,508	\$ 3,269,994	\$ 65,612,836	\$ 117,603,330

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Trust's financial instruments consist solely of cash and cash equivalents, trade and other receivables, accounts payable, accrued liabilities and amounts due to related parties. As of September 30, 2025, there were no significant differences between the carrying value of these items and their estimated fair values because of the short-term nature of these instruments.

DISCLOSURE OF OUTSTANDING UNIT DATA

The following table sets forth the Trust's capitalization as of the date hereof.

Type of Security	Number Outstanding
Trust Units	9,605,242
Exchangeable Units	9,893,596
Deferred Units ⁽¹⁾	188,687
Total securities outstanding	19,687,525

Voting Securities

Type of Security	Number Outstanding
Trust Units	9,605,242
Special Voting Units ⁽²⁾	9,936,391
Total Voting Units	19,541,633

Notes:

- (1) The Deferred Units entitle the holder thereof to receive: (i) additional deferred units of the REIT upon payment of cash distributions to Unitholders; and (ii) one (1) Trust Unit, or cash in lieu thereof, upon the redemption thereof in accordance with the terms and conditions of the Trust's equity incentive plan.
- (2) The Special Voting Units have no economic entitlement in the REIT or in the distributions or assets of the REIT but entitle the holder to one (1) vote per Special Voting Unit at any meeting of the Unitholders. Special Voting Units may only be issued in connection with or in relation to securities exchangeable into or redeemable for Trust Units for the purpose of providing voting rights with respect to the REIT to the holders of such securities.

RELATED PARTY TRANSACTIONS

In the normal course of operations, the Trust enters into various transactions with related parties. In addition to the related party transaction disclosed elsewhere in the condensed consolidated financial statements, related party transactions for the three and nine months ended September 30, 2025 and 2024 include:

Related Party Transactions	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Property management fees	\$ 111,964	\$ 109,739	\$ 332,881	\$ 333,367
Salary reimbursement	101,406	64,995	261,876	155,891
Construction costs	1,721	66,119	1,721	281,044
Construction management fees	85	2,068	85	13,351
Base asset management fees	94,318	90,054	279,843	265,799
Board compensation	39,893	40,566	123,032	125,701

Management's Discussion and Analysis

For the three and nine months ended September 30, 2025

(Expressed in Canadian Dollars)

On April 30, 2021, the Trust and the Manager entered into a management agreement with a term of ten years, with subsequent renewal periods for further five-year terms, relating to various asset management and property management services. On April 30, 2021, a sub-agreement between the Manager and Marwest Management Canada Ltd., a company under common control, was entered into for the property management of Marwest Apartments I L.P. and Marwest Apartments VII L.P. On November 15, 2021 and October 31, 2022, a sub-agreement between the Manager and Marwest Management Canada Ltd. was entered into for the property management of Marwest (Element) Apartments L.P. and the Prairie View Pointe Property, respectively. In addition, the Manager has entered into a sub management agreement with Marwest Construction Ltd., a company under common control, to perform the construction management functions of the agreement. The Manager is entitled to earn an incentive fee commencing December 31, 2023 of 15 percent of the excess AFFO per Unit in excess of the prior fiscal year. No incentive fee amount was accrued as at September 30, 2025 and September 30, 2024.

During the three and nine months ended September 30, 2025, the Board of Trustees were issued an aggregate of 24,245 and 49,283 (September 30, 2024 – 592 and 1,747) Deferred Units respectively at an aggregated value of \$18,691 and \$39,719 (September 30, 2025 - \$651 and \$1,921) respectively along with \$21,202 and \$83,313 (2024 - \$39,915 and \$123,780) respectively in cash as part of the Trustee annual remuneration and board meeting fees of \$1,500 per meeting (September 30, 2024 - \$1,500).

Loan financing fees of nil (three and nine months ended September 30, 2024 – nil and \$37,745) were paid to a Company of which a member of the Board of Trustees provides services to for the three and nine months ended September 30, 2025.

INCOME TAXES

The *Income Tax Act* (Canada) (the "Act") contains legislation affecting the tax treatment of specified investment flow-through (SIFT) trusts which include publicly-listed income trusts (the "SIFT Rules"). Under the SIFT Rules, certain distributions from a SIFT are not deductible in computing a SIFT's taxable income, and the SIFT is subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to a Canadian corporation.

However, distributions paid by a SIFT as returns of capital are generally not subject to tax. The SIFT Rules do not apply to a real estate investment trust that meets prescribed conditions relating to the nature of its assets and revenue (the "REIT Conditions"). Instead, a real estate investment trust that meets the REIT Conditions is not liable to pay Canadian Income taxes provided that its taxable income is fully distributed to unitholders during the period.

The REIT has reviewed the SIFT Rules and has assessed their application to the REIT's assets and revenues. While there are uncertainties in the interpretation and application of the SIFT Rules, the REIT has met the REIT Conditions for the nine months ended September 30, 2025 and 2024, and accordingly is not subject to current income taxes. Accordingly, no provision for current income taxes payable is required.

CONTINGENCIES AND COMMITMENTS

The Trust is subject to claims and legal actions that arise in the ordinary course of business. It is the opinion of management that any ultimate liability that may arise from such matters would not have a significant adverse effect on the condensed consolidated interim financial statements of the Trust.

SUBSEQUENT EVENTS

The following events occurred subsequent to September 30, 2025:

- (i) On October 15, 2025 the REIT paid monthly distributions of \$0.001425 per Trust Unit. Holders of the Exchangeable Units were also paid a distribution of \$0.001425 per Unit.
- (ii) On October 15, 2025, the REIT declared a distribution of \$0.001425 per Trust Unit, payable on November 17, 2025 to Unitholders of record as of the close of business on October 31, 2025. Holders of the Exchangeable Units will also be paid a distribution of \$0.001425 per Unit.