Marwest Apartment Real Estate Investment Trust

Management's Discussion and Analysis

For the three months ended March 31, 2026

(Expressed in Canadian Dollars)

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 ("financial statements") and notes thereto for the three months ended March 31, 2026 and 2025 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 years ended December 31, 2025 and 2024, 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 May 21, 2026. Disclosure in this document is current to that date unless otherwise stated. Additional information relating to the Trust also 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 holders of units 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.

The ability of the Marwest Group to develop and construct multi-family properties gives the Trust potential opportunity to purchase newly developed real estate in locations of interest to the Trust.

OVERVIEW

The REIT is an unincorporated real estate investment trust governed by the amended and restated declaration of trust dated April 30, 2021 (the "Declaration of Trust") and by the laws of the Province of Manitoba. The REIT was formed on July 2, 2020 under the name "Marwest Apartment Real Estate Investment Trust" and converted to an open ended trust effective April 30, 2021. 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.

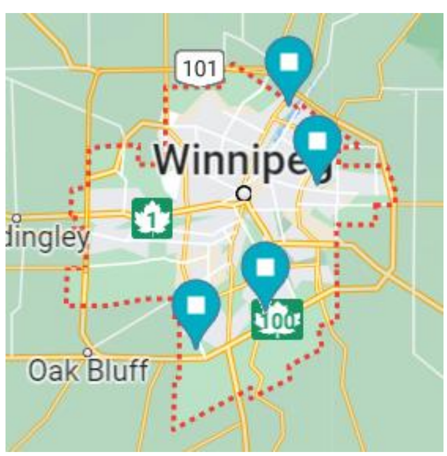
The Partnership is a limited partnership formed under the laws of the Province of Manitoba and governed by the limited partnership agreement dated April 19, 2021. The authorized equity and voting securities of the Partnership are comprised of Class A limited partnership units of the Partnership, all of which are owned by the REIT, and Class B limited partnership units 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.

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 construction rentals are generally exempt from rent control for 20 years. In 2026, the Government of Manitoba approved a rental increase of a maximum of one-point-eight (1.8) percent. 56.40 percent of the rental units that the Trust has acquired since inception are exempt from the rent control 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 Q4 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 continue to be exempt from rent control. At March 31, 2026, exempt rentals were units renting higher than $1,670 per month. The Kenwood Property would have 101 of 103 units exempt if it were subject to rent control, under the current legislation, as of March 31, 2026. Proposed legislation, discussed in the section “Changes in legislation”, would result in no exempt units in the Kenwood Property.



Location of Investment Properties owned by the Trust at March 31, 2026

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

At March 31, 2026, 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 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 continue to seek third party acquisitions from other developers or owners of multi-family properties in target markets across Western Canada.

(Expressed in Canadian Dollars)

Distribution

Distributions are declared 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.

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 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; and
- 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 March 31, 2026, 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 operating results and financial 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.

The following other non-IFRS measures (including non-IFRS ratios) 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

NOI, FFO and AFFO 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.

Management's Discussion and Analysis
For the three months ended March 31, 2026
(Expressed in Canadian Dollars)

MARWEST APARTMENT REIT

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 Q1 MD&A:

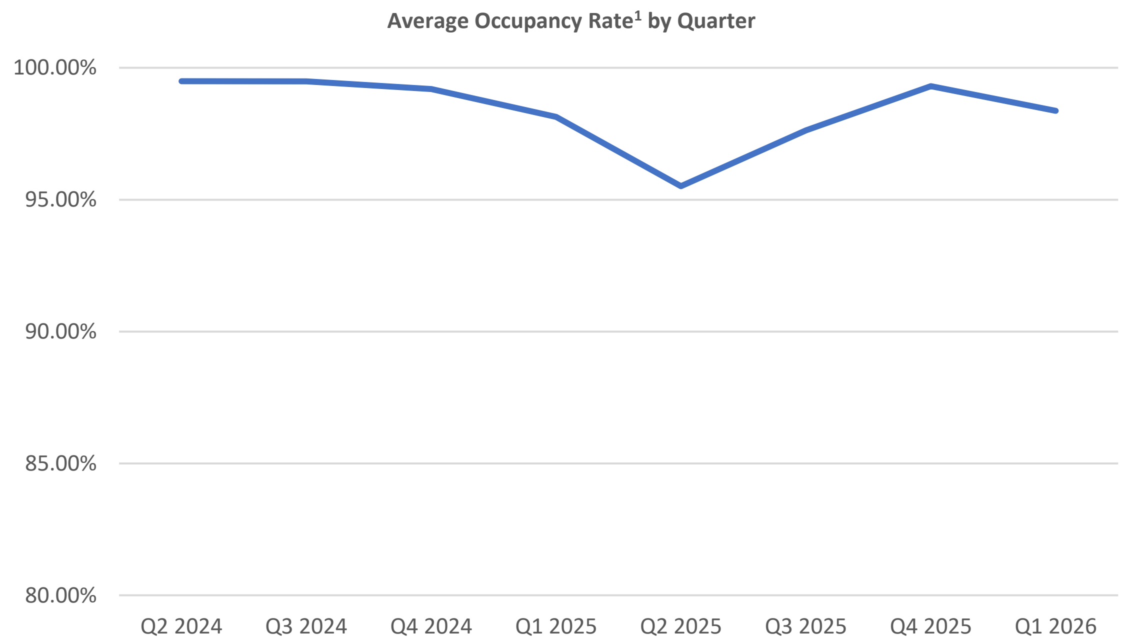
	Q1 2026	Q1 2025
Average Occupancy Rate[1]	98.37%	98.14%
NAV per Unit[1] at March 31	$2.47	$2.39
AFFO per Unit[1]	$0.0256	$0.0224
AFFO Payout Ratio[1]	16.67%	$17.39%
Increase in cash in the period	$79,261	$104,185
Liquidity Ratio[1]	160.28%	$156.74%
Same Property NOI[1]	$1,643,723	$1,623,418

The REIT maintained a strong occupancy rate, with modest increases in rental rates in Q1 2026 over 2025, resulting in an increase in Same Property NOI[1] when compared to Q1 2025. NAV per Unit[1] has increased by $0.08 per unit to $2.47 since March 31, 2025.

SUMMARY OF Q1 2026 RESULTS AND OPERATIONS

Occupancy Rates

The REIT has reported an average 98.37% occupancy for the three months ended March 31, 2026 (98.14% for the three months ended March 31, 2025). Management expects occupancy rates to remain strong for the next 12 months.



The average occupancy rate[1] for the trailing eight quarters was strong due to immigration levels in 2024, 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. During 2025 there was a slight decline in occupancy in the first half of the year due to many leases that expired and were not renewed during this period.

Mortgage Interest Rates and Future Renewals

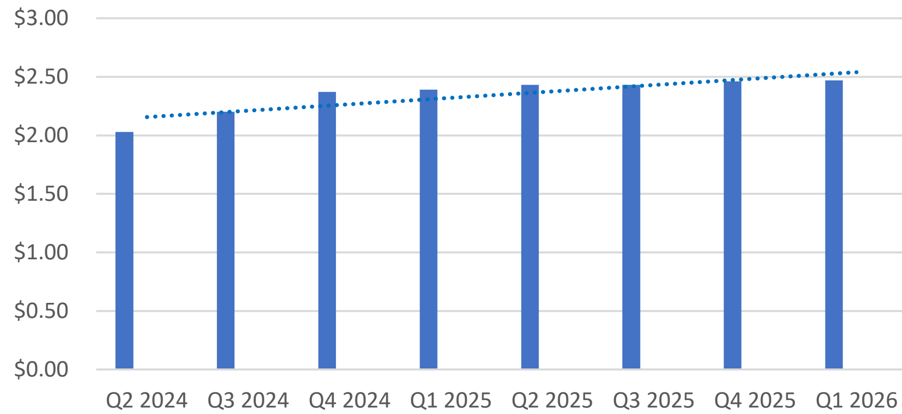
At March 31, 2026, six of the seven mortgages held within the portfolio were financed with CMHC insurance. The next mortgage refinancing occurs in Q3 2027.

[1] See Non-IFRS Measures

NAV per Unit[1]

The REIT reported a NAV per Unit[1] of $2.47 at March 31, 2026 (December 31, 2025 – $2.46). The overall modest increase in NAV[1] was mostly attributable to positive net operating income less finance costs and general and administrative expenses exceeding distributions.

NAV per Unit[1] by Quarter



Asset Management Fees and Trustee Compensation

For the three months ended March 31, 2026, the REIT incurred asset management fees of $92,254, inclusive of GST (March 31, 2025 - $92,593). There was no incentive fee charged for the three months ended March 31, 2026 and March 31, 2025.

OUTLOOK

The CMHC Housing Market Outlook 2026 anticipates Winnipeg's rental market to continue to soften, with increasing vacancies and slowed rent growth. This is due to reduced immigration levels through 2027 which will impact rental demand in Winnipeg as it is strongly influenced by immigration, particularly non-permanent residents. It is anticipated that the number of rental units will grow due to support from government policies and programs including the Provincial Rental Housing Construction incentives.

The 2026 CBRE Canada Real Estate Market Outlook expects vacancy rates to increase due to reductions in temporary resident permits contracting the population in 2026 and 2027 and new supply will be entering the market putting pressure on occupancy and rental rates. The report also anticipates decreases in rental rates, with below-market rental units turning over at current market rental rates. In Winnipeg vacancy is expected to increase to 3.9 percent in 2026 from 2.8 percent in 2025. The average 2-bedroom rent in Winnipeg is expected to increase by 4.42 percent to $1,609 per month, however Management does not anticipate the REIT implementing increases of this measure as the majority of the portfolio is already at market rental rates.

The 2026 CBRE Canada Real Estate Market Outlook also reports that the Bank of Canada is expected to hold the policy rate at 2.25% throughout the year and the Canada 10-year bond yield is also projected to end 2026 roughly flat year-over-year if global bond markets remain stable. As the next mortgage in the portfolio matures in 2027, interest rates are not a critical concern for Management at this time although 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.

Management is focused on growing the portfolio and Unitholder value by increasing rental rates where the market allows, completing future acquisition opportunities that will increase the overall size and improve the performance of the Trust, as well as maintaining a manageable debt structure. The debt of the Trust, as of the date hereof, is all at fixed terms with an average remaining mortgage term of over four years and a weighted average interest rate of 3.10 percent.

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.

[1] See Non-IFRS Measures

(Expressed in Canadian Dollars)

The Manitoba Government is proposing amendments to the Residential Tenancies Act, which will increase units under rent control to units renting less than $2,000 per month (current legislation is units renting at less than $1,670 per month). If these amendments are approved, this will negatively impact the REIT's ability to increase rents above the allowable legislated rental increase guideline for the Kenwood property.

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 income[1] ("Stabilized NOI") 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. Capitalization rates reflect the characteristics, location and market of each property. Fair value is determined based on an external appraisal obtained on one property annually and internal valuation models incorporating market data. At March 31, 2026, internal valuations were prepared on all properties. The weighted-average capitalization rate used at March 31, 2026 was 5.00 percent (December 31, 2025 – 5.00 percent).

The Trust's investment properties are recorded at a fair value of $142,220,000 at March 31, 2026 (December 31, 2025 - $142,530,000), the Trust recorded a fair value loss of $330,233 for the three months ended March 31, 2026 (fair value loss of $38,785 for the three months and year ended March 31, 2025). The fair value loss was attributable to increases in mill rates impacting property tax expense, which resulted in a decrease in the estimated 12-month stabilized net operating income[1].

Performance Measures

The following outlines the portfolio metrics:

Operations	Three months ended March 31 2026	2025
Number of properties	4	4
Total multi-family units	516	516
Total rentable square feet	463,812	463,812
Average monthly rent per suite	$ 1,760	$ 1,727
Average occupancy rate[1]	98.37%	98.14%
Rent collection	99.46%	99.99%

Average monthly rent per suite increased by 1.91 percent year-over-year, due to favourable market conditions allowing rental increases in the portfolio.

[1] See Non-IFRS Measures

(Expressed in Canadian Dollars)

Financial Measures	Three months ended March 31 2026	2025
Revenue	$ 2,694,078	$ 2,635,142
NOI [1]	1,643,723	1,623,418
NOI Margin [1]	61.01%	61.61%
FFO [1]		
Net income (loss) and comprehensive income (loss)	41,416	(752,265)
Distributions on Exchangeable Units	43,555	40,730
Fair value loss on properties	330,233	38,785
Fair value loss on unit-based compensation	6,100	18,454
Fair value loss on Exchangeable Units	98,936	1,148,795
FFO [1]	520,240	494,499
Weighted average number of Units	19,498,838	19,498,838
FFO/unit [1]	$ 0.0267	$ 0.0254
AFFO [1]		
FFO [1]	$ 520,240	$ 494,499
Capital expenditures[2]	(20,233)	(38,785)
Leasing costs	-	
AFFO [1]	500,007	455,714
Weighted average number of Units	19,498,838	19,498,838
AFFO/unit [1]	$ 0.0256	$ 0.0234
AFFO payout ratio [1]	16.67%	16.69%

For the three months ended March 31, 2026 and 2025 the Trust reported $0.0267 and $0.0254 of FFO/unit[1] respectively. The increase in FFO/unit[1] is due to investment properties generating higher NOI[1] year over year.

At March 31, 2026, NAV[1] was $48,657,676. The increase in NAV[1] was primarily due to net operating income less finance costs and general and administrative expenses exceeding distributions.

NAV [1]	At March 31, 2026	At December 31, 2025
Unitholders' equity	$41,039,607	$41,039,253
Exchangeable Units	7,618,069	7,519,133
NAV [1]	48,657,676	48,558,386
Trust Units	9,605,242	9,605,242
Exchangeable Units	9,893,596	9,893,596
Deferred Units	238,086	214,040
Total Units oustanding	19,736,924	19,712,878
NAV per unit [1]	$2.47	$2.46

[1] See Non-IFRS Measures

(Expressed in Canadian Dollars)

Leverage	At March 31, 2026	At December 31, 2025
Debt-to-Gross Book Value ratio [1]:		
Total interest-bearing debt	$ 100,015,308	$ 100,358,349
Total assets on balance sheet	150,363,625	150,588,106
Debt-to-Gross Book Value ratio [1]	66.52%	66.64%
Debt Service Coverage ratio [1]:		
Net Operating Income[1] for the period ended	$ 1,643,723	$ 6,394,714
Mortgage payments for the period ended	1,244,130	4,976,521
Debt Service Coverage ratio [1]	1.32	1.28
Weighted average term to maturity on fixed rate debt	48.61 months	51.60 months
Weighted average interest rate on fixed debt	3.10%	3.09%

Exchangeable Units are not indebtedness for the purposes of Debt-to-Gross Book Value ratio[1] and therefore are not included in the determination of Debt-to-Gross Book Value ratio[1].

Total assets at March 31, 2026 are $150,363,625, the decrease from December 31, 2025 is due to a reduction in investment properties, due to the increases in property taxes on stabilized NOI[1]. Total interest-bearing debt includes mortgages payable of $100,015,308. During the three months ended March 31, 2026, mortgages had an overall decrease of $343,041 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 months ended March 31, 2026 and 2025:

Summary of Statement of Net Income	Three months ended March 31 2026	2025
Revenue from investment properties	$ 2,694,078	$ 2,635,142
Property operating expenses	(693,151)	(694,292)
Realty taxes	(357,204)	(317,432)
Net Operating Income [1]	$ 1,643,723	$ 1,623,418
NOI Margin [1]	61.01%	61.61%
General and administrative	(224,114)	(224,660)
Interest income	26,066	33,920
Finance costs	(968,990)	(978,909)
Fair value loss on:	-	-
Investment properties	(330,233)	(38,785)
Unit-based compensation	(6,100)	(18,454)
Exchangeable Units	(98,936)	(1,148,795)
Net income (loss) and comprehensive income (loss)	$ 41,416	$ (752,265)

Net operating income[1]

For the three months ended March 31, 2026 the Trust earned NOI[1] of $1,643,723 (three months ended March 31, 2025 – NOI[1] of $1,623,418). Net operating income for the three months March 31, 2026 increased over the prior period, mainly due increased rental rates offsetting increased realty taxes.

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

[1] See Non-IFRS Measures

(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, incentive fees, Trustee compensation, other public company costs.

Finance costs
Distributions increased over the prior year due to monthly distribution increases of $0.01425 per Exchangeable Unit in 2026 vs. $0.01300 per Exchangeable Unit for the first three months of 2025.

Summary of Finance costs	Three months ended March 31 2026		Three months ended March 31 2025	
Interest on mortgages payable	$	772,847	$	785,771
Mortgage and financing charges		-		315
Amortization of financing charges		19,282		18,787
Amortization of CMHC fees		25,468		25,468
Amortization of mark-to-market adjustments		107,838		107,838
Distribution on Exchangeable Units		43,555		40,730
Total	$	968,990	$	978,909

Fair value loss 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 year ended December 31, 2025, the market price of the Trust Units increased from a market price of $0.76 per Trust Unit on December 31, 2025 to $0.77 per Trust Unit at March 31, 2026. The increase in market price for the period resulted in a fair value loss on the Exchangeable Units of $98,936.

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 5 day Volume-Weighted Average Price ("VWAP") of the Trust Unit price with changes in value recorded in net income. Until March 31, 2022 one Special Voting Unit in the Trust was issued to the holder of Deferred Units for each Deferred Unit held.

During the three months ended March 31, 2026, the Trust experienced a fair value loss of $6,100 from changes in the Trust Unit price for the Deferred Units outstanding at December 31, 2025 and the Deferred Units issued in the period. For the three months ended March 31, 2026, the Unit price increased from $0.76 at December 31, 2025 to $0.77 at March 31, 2025. Monthly distributions on Deferred Units are issued using the 5 day Volume-Weighted Average Price ("VWAP") of the Trust Units, the value of which was $0.77 per Trust Unit for Deferred Units issued on March 31, 2026. Prior to June 16, 2025, Deferred Units were issued at the last publicly issued price during a capital raise, which was $1.10.

Assessment of Financial Position

Investment Properties
The following table summarizes the changes in investment properties for the three months ended March 31, 2026 and 2025:

Summary of Changes in Investment Properties	Three months ended March 31 2026		Three months ended March 31 2025	
Opening balance	$	142,530,000	$	142,000,000
Additions:				
Capital expenditures [2]		20,233		38,785
Fair value gain		(330,233)		(38,785)
Closing balance	$	142,220,000	$	142,000,000

[1] See Non-IFRS Measures
[2] Capital expenditures include upgrades to suites upon turnover

(Expressed in Canadian Dollars)

Valuation
Under the direct capitalization approach the estimated 12 month stabilized net operating income[1] is utilized on the individual properties and capitalized at a rate that reflects the characteristics, location and market of the investment properties, 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 March 31, 2026 and December 31, 2025.

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 was 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 March 31, 2026 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 issued on or before March 31, 2024

During the three months ended March 31, 2026, distributions to holders of Exchangeable Units of $43,555 were declared based on approved monthly distributions of $0.001425 per Exchangeable Unit.

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 3.10 percent and mature between July 2027 and March 2034, resulting in a weighted average maturity of 48.61 months.

Trust Units
The Declaration of Trust authorizes the issue of an unlimited number of Trust Units. As at March 31, 2026, 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 of Trustees and are subject to change depending on the general economic outlook and financial performance of the Trust. During the three months ended March 31, 2026, aggregate cash distributions to Unitholders of $41,062 were declared based on approved monthly distributions of $0.001425 per Trust Unit.

Liquidity, Capital Resources and Contractual Commitments

The Trust's capital structure at March 31, 2026 and December 31, 2025 is set out in the table below:

	March 31, 2026	December 31, 2025
Exchangeable Units	$ 7,618,069	$ 7,519,133
Unit based compensation liability	183,327	158,711
Mortgages	100,015,308	100,358,349
Unitholders' equity	41,039,607	41,039,253
Total	$ 148,856,311	$ 149,075,446

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.

[1] See Non-IFRS Measures

(Expressed in Canadian Dollars)

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.

The REIT's liquidity ratio is calculated as follows:

As at		March 31, 2026		December 31, 2025
Current Assets	$	4,756,393	$	4,645,406
Current Liabilities		2,967,526		2,994,939
Liquidity Ratio[1]		160.28%		155.11%

As of March 31, 2026, current assets of $4,756,393 exceeded current liabilities of $2,967,526 (December 31, 2025 – current assets of $4,645,406 exceeded current liabilities of $2,994,939), resulting in a net working capital of $1,788,867 and a liquidity ratio[1] of 160.28% (December 31, 2025 – net working capital of $1,650,467 and 155.11%). The modest increase in the liquidity ratio from December 31, 2025 to March 31, 2026 is due to the increase in cash on hand from three months of 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 ratio[1], current liabilities exclude Exchangeable Units.

Cash Flows and Use of Funds

During the three months ended March 31, 2026 and 2025 the Trust reported the following changes in cash.

		Three months ended March 31		
		2026		2025
Cash provided by operating activities	$	610,717	$	636,234
Cash used in investing activities		(20,233)		(38,785)
Cash used in financing activities		(511,223)		(493,264)
Change in cash during the period	$	79,261	$	104,185

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 March 31		
		2026		2025
Net income (loss) and comprehensive income (loss)	$	41,416	$	(752,265)
Add: distributions on Exchangeable Units		43,555		40,730
		84,971		(711,535)
Less: distributions paid		(84,196)		(76,045)
Excess of net income (loss) and comprehensive income (loss) over total distributions paid		775		(787,580)
Cash provided by operating activities		610,717		636,234
Less: distributions paid		(84,196)		(76,045)
Excess of cash provided by operating activities over total distributions and interest paid		526,521		560,189
Distributions declared	$	84,617	$	76,045

[1] See Non-IFRS Measures

(Expressed in Canadian Dollars)

For the three months ended March 31, 2026, net income and comprehensive income was in excess of total cash distributions paid. The increase over the same period 2025 is due mostly to an increase in NOI[1] over the prior year comparable period. 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.

While cash flows provided by operating activities are generally sufficient to cover cash 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 three months ended March 31, 2026 and 2025, cash provided by operating activities was in excess of total cash 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:

	2026	2025				2024		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Property revenue	$ 2,694,078	$ 2,711,170	$ 2,658,175	$ 2,579,050	$ 2,635,142	$ 2,631,643	$ 2,607,394	$ 2,566,572
NOI[1]	1,643,723	1,619,427	1,600,785	1,551,084	1,623,418	1,716,765	1,748,039	1,754,064
Net Income (Loss)	41,416	629,644	1,001,171	(10,826)	(752,265)	4,814,188	4,217,974	2,505,206
FFO[1]	520,240	511,085	480,934	404,647	494,499	590,149	623,958	641,533
FFO per Unit[1]	$ 0.0267	$ 0.0262	$ 0.0247	$ 0.0208	$ 0.0254	$ 0.0303	$ 0.0320	$ 0.0329
AFFO[1]	500,007	483,340	406,036	326,694	455,714	575,012	507,528	395,949
AFFO per Unit[1]	$ 0.0256	$ 0.0248	$ 0.0208	$ 0.0168	$ 0.0234	$ 0.0295	$ 0.0260	$ 0.0203
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 NOI[1], Net Income, AFFO[1] and FFO[1].

SAME PROPERTY PORTFOLIO PERFORMANCE

Same property results for the three months ended March 31, 2026 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, dispositions. The same property portfolio represents 516 units or 100% of the total portfolio at March 31, 2025.

	Three months ended March 31	
	2026	2025
Revenue from investment properties	$ 2,694,078	$ 2,635,142
Expenses:		
Property operating expenses	693,151	694,292
Realty taxes	357,204	317,432
Total operating expenses	1,050,355	1,011,724
Same Property Net Operating Income[1]	$ 1,643,723	$ 1,623,418

The average monthly rent for the three months ended March 31, 2026 for same property increased to $1,760 per suite from $1,727 for the same period 2025, an increase of 1.91%.

Same property occupancy for the three months ended March 31, 2026 was 98.37%, compared to 98.14% for the three months ended March 31, 2025.

During the three months ended March 31, 2026, operating revenue growth of $58,936 achieved through increasing market rents on turnover and on renewals, exceeded operating expenses growth of $38,631. This resulted in an increase in same property NOI[1] of $20,305 compared to the same period last year.

Same property operating revenue growth of $58,936 achieved through increasing market rents on turnover and on renewals, exceeded operating expenses growth of $38,631. This resulted in an increase in same property NOI[1] of $20,305 compared to the same period last year.

NOI margin for Q1 2026 was 61.01% as compared to 61.61% for Q1 2025, a 60 basis point decrease.

[1] See Non-IFRS Measures

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, 2025 and 2024.

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 March 31, 2026 and December 31, 2025, 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 March 31, 2026 would have a $76,181 (December 31, 2025 - $75,191) 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 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.

(Expressed in Canadian Dollars)

An analysis of the contractual cash flows at March 31, 2026 associated with the Trust's material 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	$ 38,179,618	$ 3,269,994	$ 3,269,994	$ 63,977,837	$ 113,673,964
Accounts payable and accrued liabilities	792,957	-	-	-	-	792,957
Security deposits	519,163	106,283	-	-	-	625,446
	$ 6,288,641	$ 38,285,901	$ 3,269,994	$ 3,269,994	$ 63,977,837	$ 115,092,367

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)	238,086
Total securities outstanding	**19,738,924**

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 consolidated financial statements, related party transactions for the three months ended March 31, 2026 and 2025 include:

	Three months ended March 31	
Related Party Transactions	2026	2025
Property management fees	$ 113,292	$ 111,947
Salary reimbursement	84,052	68,854
Base asset management fees	92,254	92,593
Board compensation	40,521	39,925

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. As part of the agreement, the Manager is entitled to an incentive fee of 15 percent increase in the REIT's AFFO per Unit in excess of the AFFO per Unit determined as at December 31 of the prior fiscal year, provided that the maximum Incentive Fee that may be paid in any fiscal year is up to 100 percent of the base Asset Management Fee. No incentive fee amount was accrued as at March 31, 2026 or 2025.

During the three months ended March 31, 2026, reimbursements for day-to-day expenses of $32,503 were paid to the Manager (March 31, 2025 - $37,452).

During the three months ended March 31, 2026, the Board of Trustees were issued an aggregate of 24,046 (March 31, 2025 – 597) Deferred Units respectively at an aggregated value of $18,516 (March 31, 2025 - $657) respectively along with $15,932 (March 31, 2025 - $33,158) respectively in cash as part of the Trustee annual remuneration and board meeting fees of $1,500 per meeting in the three months ended March 31, 2026 (March 31, 2025 - $1,500).

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 three months ended March 31, 2026 and 2025, 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 consolidated financial statements of the Trust.

CHANGE IN ACCOUNTING POLICY:

The REIT has adopted *Classification and Measurement of Financial Instruments* (Amendments to IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: disclosures*) from January 1, 2026. The amendments clarify when a financial asset or a financial liability is recognized and derecognized. They also introduce an exception that permits an entity to derecognize a financial liability before the settlement date when the financial liability is settled with cash, using an electronic payment system that meets the specific criteria. In addition, the amendments clarify the classification of financial assets with features linked to environmental, social, and corporate governance. The amendments also required additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income.

In its consolidated financial statements for periods beginning before January 1, 2026, as per its previous accounting policy, the REIT adjusted cash balances at the reporting period end to reflect incoming and outgoing cash payments 'in transit' and derecognized trade receivables at the date it received a cheque from tenants or tenants initiated payments via electronic transfer, and derecognized trade payables at the date it wrote a cheque to suppliers or sent electronic payment instructions to its bank to transfer funds to suppliers.

As a result of adoption of these amendments, the REIT chose to apply the change in accounting policy prospectively in accordance with the transitional provisions of the amendments, and comparatives have not been restated. The change in accounting policy had no impact on net income (loss) and comprehensive income (loss). The impact on the statement of financial position at January 1, 2026 was an increase in accounts payable and accrued liabilities of $28,898 and an increase in cash of $28,898. The impact on the statement of cash flows was to increase the opening balance of cash at January 1, 2026 by $28,898.

FUTURE CHANGES IN ACCOUNTING STANDARDS

The following accounting standards under IFRS have been issued or revised, however are not yet effective and as such have not been applied by the Trust.

IFRS 18, *Presentation and Disclosure in Financial Statements* will replace IAS 1, *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements:

(i) Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profits will not change;
(ii) Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements; and
(iii) Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The REIT is currently assessing the impact of the new standard, particularly with respect to the structure of the REIT's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs.

SUBSEQUENT EVENTS

The following events occurred subsequent to March 31, 2026

(i) The REIT implemented a Normal Course Issuer Bid for the purchase of up to 700,025 Trust Units over the 12 month period commencing April 1, 2026.
(ii) On each of April 15 and May 15, 2026, 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.
(iii) May 15, 2026, the REIT declared a distribution of $0.001425 per Trust Unit, payable on June 15, 2026 to Unitholders of record as of the close of business on May 31, 2026. Holders of the Exchangeable Units will also be paid a distribution of $0.001425 per Unit.