

2026 Third Quarter Report

MORGUARD NORTH AMERICAN RESIDENTIAL REIT

Management's Discussion and Analysis
& Consolidated Financial Statements





MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

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PART I

Morguard North American Residential Real Estate Investment Trust ("Morguard Residential REIT" or the "REIT") is pleased to provide this review of operations and update on our financial performance for the three and nine months ended September 30, 2026. Unless otherwise noted, dollar amounts are stated in thousands of Canadian dollars, except per suite and REIT trust unit ("Unit") amounts.

The following Management's Discussion and Analysis ("MD&A") sets out the REIT's strategies and provides an analysis of the financial performance for the three and nine months ended September 30, 2026, and significant risks facing the business. Historical results, including trends that might appear, should not be taken as indicative of future operations or results.

This MD&A should be read in conjunction with the REIT's unaudited condensed consolidated financial statements and accompanying notes for the three and nine months ended September 30, 2026 and 2025. This MD&A is based on financial information prepared in accordance with IFRS Accounting Standards ("IFRS") IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and is dated October 27, 2026. Disclosure contained in this document is current to that date unless otherwise noted.

Additional information relating to Morguard Residential REIT, including the REIT's Annual Information Form, can be found at www.sedarplus.ca and www.morguard.com.

FORWARD-LOOKING STATEMENTS DISCLAIMER

Statements contained herein that are not based on historical or current fact, including without limitation, statements containing the words "anticipates", "believes", "may", "continue", "estimate", "expects" and "will" and words of similar expression, constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, both nationally and in the regions in which the REIT operates; changes in business strategy or development/acquisition plans; environmental exposures; financing risk; existing governmental regulations and changes in, or failure to comply with, governmental regulations; liability and other claims asserted against the REIT; risks and uncertainties relating to pandemics or epidemics and other factors referred to in the REIT's filings with Canadian securities regulators. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Morguard Residential REIT does not assume the obligation to update or revise any forward-looking statements.

SPECIFIED FINANCIAL MEASURES

Morguard Residential REIT reports its financial results in accordance with IFRS. However, this MD&A also uses specified financial measures that are not defined by IFRS, which follow the disclosure requirements established by National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*. Specified financial measures are categorized as non-GAAP financial measures, non-GAAP ratios and other financial measures, which are capital management measures, supplementary financial measures and total of segments measures.

NON-GAAP FINANCIAL MEASURES

Non-GAAP financial measures do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. These measures should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. The REIT's management uses these measures to aid in assessing the REIT's underlying core performance and provides these additional measures so that investors may do the same. Management believes that the non-GAAP financial measures described below, which supplement the IFRS measures, provide readers with a more comprehensive understanding of management's perspective on the REIT's operating results and performance.

The following discussion describes the non-GAAP financial measures the REIT uses in evaluating its operating results:

Proportionate Share Basis

The REIT's balance sheet and statements of income prepared in accordance with IFRS have been adjusted (as described below) to derive the REIT's proportionately owned financial results ("Proportionate Basis"). The Proportionate Basis adjustment excludes the impact of realty taxes accounted for under IFRIC 21 (described below) and records realty taxes for all properties on a *pro rata* basis over the entire fiscal year. Management believes that the Proportionate Basis non-GAAP financial measures, which supplement the IFRS measures, provide readers with a more comprehensive understanding of management's perspective on the REIT's operating results and performance.

Non-controlling Interest Share ("NCI Share")

NCI Share adjusts for three Canadian properties and two U.S. properties whereby the REIT controls but does not own a 100% interest in the subsidiary and, as a result, the REIT fully consolidates their financial results within its consolidated financial statements. The adjustment removes the non-controlling interest portion that is consolidated under IFRS. The presentation of *pro rata* assets, liabilities, revenue and expenses represents a non-GAAP financial measure and may not accurately depict the legal and economic implications of the REIT's interest in the joint ventures.

Equity-accounted Investments ("Equity Interest")

Equity Interest adjusts interests in joint arrangements that are accounted for using the equity method of accounting. The financial results of one U.S. property under IFRS is presented on a single line within the consolidated balance sheet and statements of income (loss) and have been adjusted on a proportionately owned basis to each respective financial statement line presented within the balance sheet and statements of income (loss). The presentation of *pro rata* assets, liabilities, revenue and expenses represents a non-GAAP financial measure and may not accurately depict the legal and economic implications of the REIT's interest in the joint venture.

IFRIC 21

Net operating income ("NOI") includes the impact of realty taxes accounted for under the International Financial Reporting Interpretations Committee ("IFRIC") Interpretation 21, Levies ("IFRIC 21"). IFRIC 21 states that an entity recognizes a levy liability in accordance with the relevant legislation. The obligating event for realty taxes for the U.S. municipalities in which the REIT operates is ownership of the property on January 1 of each year for which the tax is imposed and, as a result, the REIT records the entire annual realty tax expense for its U.S. properties on January 1, except for U.S. properties acquired during the year in which the realty taxes are not recorded in the year of acquisition.

A reconciliation of the REIT's proportionately owned financial results from the IFRS financial statement presentation is presented in Part IX, "Reconciliation of Non-GAAP Financial Measures."

Proportionate Share NOI ("Proportionate NOI")

NOI and Proportionate NOI are important measures in evaluating the operating performance of the REIT's real estate properties and are a key input in determining the fair value of the REIT's properties. Proportionate NOI represents NOI (an IFRS measure) adjusted for the following: i) to exclude the non-controlling interest share of NOI for those properties that are consolidated under IFRS; and iii) to include equity-accounted investments NOI at the REIT's ownership interest; and iii) to exclude the impact of realty taxes accounted for under IFRIC 21 as noted above. Proportionate NOI records realty taxes for all properties on a *pro rata* basis over the entire fiscal year.

In addition, included in Proportionate Share NOI is the composition of revenue from real estate properties (an IFRS measure) in three categories: i) gross rental revenue (before vacancy and ancillary revenue); ii) vacancy; and iii) ancillary revenue. The presentation of revenue from real estate properties in these three categories (on a Proportionate Share Basis) represents a non-GAAP financial measure and is presented in this MD&A because management considers this non-GAAP financial measure to be an important measure of the REIT's

operating performance that provides a more comprehensive understanding of revenue from real estate properties.

A reconciliation of Proportionate NOI from the IFRS financial statement presentation of NOI (revenue from real estate properties (and the composition of revenue), property operating costs, realty taxes and utilities) is presented in Part IX, "Reconciliation of Non-GAAP Financial Measures."

Same Property Proportionate NOI

Same Property Proportionate NOI is presented in this MD&A because management considers this non-GAAP financial measure to be an important measure of the REIT's operating performance for properties owned by the REIT continuously for the current and comparable reporting period and does not take into account the impact of the operating performance of property acquisitions and dispositions as well as development properties until reaching stabilized occupancy. In addition, Same Property Proportionate NOI is presented in local currency and by country, isolating any impact of foreign exchange fluctuations. A reconciliation of the components of Same Property Proportionate NOI is presented in Part III, "Review of Operational Results."

A reconciliation of Same Property Proportionate NOI from the IFRS financial statement presentation of NOI (revenue from real estate properties (and the composition of revenue), property operating costs, realty taxes and utilities) is presented in Part IX, "Reconciliation of Non-GAAP Financial Measures."

Funds from Operations ("FFO")

FFO (and FFO per Unit) is a non-GAAP financial measure widely used as a real estate industry standard that supplements net income (loss) and evaluates operating performance but is not indicative of funds available to meet the REIT's cash requirements. FFO can assist with comparisons of the operating performance of the REIT's real estate between periods and relative to other real estate entities. FFO is computed by the REIT in accordance with the current definition of the Real Property Association of Canada ("REALPAC") and is defined as net income (loss) attributable to Unitholders adjusted for fair value adjustments, distributions on the Class B LP Units, realty taxes accounted for under IFRIC 21, deferred income taxes (on the REIT's U.S. properties), gains/losses on the sale of real estate properties (including income taxes on the sale of real estate properties) and other non-cash items. The REIT considers FFO to be a useful measure for reviewing its comparative operating and financial performance. FFO per Unit is calculated as FFO divided by the weighted average number of Units outstanding (including Class B LP Units) during the period.

A reconciliation of net income (loss) attributable to Unitholders (an IFRS measure) to FFO is presented in Part III, "Funds From Operations."

Indebtedness

Indebtedness (as defined in the Declaration of Trust) is a measure of the amount of debt financing utilized by the REIT. Indebtedness is presented in this MD&A because management considers this non-GAAP financial measure to be an important measure of the REIT's financial position.

A reconciliation of indebtedness from the IFRS financial statement presentation is presented in Part IX, "Reconciliation of Non-GAAP Financial Measures."

Gross Book Value

Gross book value (as defined in the Declaration of Trust) is a measure of the value of the REIT's assets. Gross book value is presented in this MD&A because management considers this non-GAAP financial measure to be an important measure of the REIT's asset base and financial position.

A reconciliation of gross book value from the IFRS financial statement presentation is presented in Part IX, "Reconciliation of Non-GAAP Financial Measures."

Total Distributions (Including Class B LP Units)

Total distributions (including Class B LP Units) is a non-GAAP financial measure calculated by combining distributions to Unitholders and distributions on the Class B LP Units that originate from different IFRS financial statement line items. Under IFRS, the Class B LP Units are classified as financial liabilities, and the

corresponding distributions paid to the unitholders are classified as interest expense. Total distributions (including Class B LP Units) is presented in this MD&A because management believes Class B LP Unit distribution payments do not represent financing charges because these amounts are payable only if the REIT declares distributions and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees, as outlined in the Declaration of Trust (defined below).

A reconciliation of the IFRS financial statement presentation of Unitholders' distributions plus distributions on the Class B LP Units is presented in Part III, "Distributions."

NON-GAAP RATIOS

Non-GAAP ratios do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. These measures should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. The REIT's management uses these measures to aid in assessing the REIT's underlying core performance and provides these additional measures so that investors may do the same. Management believes that the non-GAAP ratios described below provide readers with a more comprehensive understanding of management's perspective on the REIT's operating results and performance.

The following discussion describes the non-GAAP ratios the REIT uses in evaluating its operating results:

Proportionate NOI Margin

Proportionate NOI margin is calculated as Proportionate NOI divided by revenue (on a Proportionate Basis) and is an important measure in evaluating the operating performance (including the level of operating expenses) of the REIT's real estate properties. Proportionate NOI margin is presented in this MD&A because management considers this non-GAAP ratio to be an important measure of the REIT's operating performance and financial position.

FFO Payout Ratio

FFO payout ratio compares distributions (including Class B LP Units) to FFO. Distributions (including Class B LP Units) is calculated based on the monthly distribution per Unit multiplied by the weighted average number of Units outstanding (including Class B LP Units) during the period and is an important metric in assessing the sustainability of retained cash flow to fund capital expenditures and distributions. FFO payout ratio is presented in this MD&A because management considers this non-GAAP ratio to be an important measure of the REIT's operating performance and financial position.

Indebtedness to Gross Book Value Ratio

Indebtedness to gross book value ratio is a compliance measure in the Declaration of Trust and establishes the limit for financial leverage of the REIT. Indebtedness to gross book value ratio is presented in this MD&A because management considers this non-GAAP ratio to be an important measure of the REIT's financial position.

Interest Coverage Ratio

Interest coverage ratio measures the amount of cash flow available to meet annual interest payments on the REIT's indebtedness. Generally, the higher the interest coverage ratio, the lower the credit risk. Interest coverage ratio is presented in this MD&A because management considers this non-GAAP ratio to be an important measure of the REIT's operating performance and financial position.

Indebtedness Coverage Ratio

Indebtedness coverage ratio measures the amount of cash flow available to meet annual principal and interest payments on the REIT's indebtedness. Generally, the higher the indebtedness coverage ratio, the higher the capacity for additional debt. Indebtedness coverage ratio is presented in this MD&A because management considers this non-GAAP ratio to be an important measure of the REIT's operating performance and financial position.

SUPPLEMENTARY FINANCIAL MEASURES

Supplementary financial measures represent a component of a financial statement line item (including ratios that are not non-GAAP ratios) that are presented in a more granular way outside the financial statements, calculated in accordance with the accounting policies used to prepare the line item presented in the financial statements.

The following discussion describes the supplementary financial measures the REIT uses in evaluating its operating results:

Same Property NOI

Same Property NOI is presented in this MD&A because management considers this supplementary financial measure to be an important measure of the REIT's operating performance, representing NOI for properties owned by the REIT continuously for the current and comparable reporting period and does not take into account the impact of the operating performance of property acquisitions and dispositions as well as development properties until reaching stabilized occupancy. In addition, Same Property NOI is presented in local currency and by country, isolating any impact of foreign exchange fluctuations. A summary of the components of Same Property NOI is presented in Part III, "Review of Operational Results."

Included in Same Property NOI is the composition of revenue from real estate properties (an IFRS measure) in three categories: i) gross rental revenue (before vacancy and ancillary revenue); ii) vacancy; and iii) ancillary revenue. The presentation of revenue from real estate properties in these three categories represents a supplementary financial measure and is presented in this MD&A because management considers this measure to be an important measure of the REIT's operating performance that provides a more comprehensive understanding of revenue from real estate properties.

NOI Margin

NOI margin is calculated as NOI divided by revenue and is an important measure in evaluating the operating performance (including the level of operating expenses) of the REIT's real estate properties. NOI margin is presented in this MD&A because management considers this supplementary financial measure to be an important measure of the REIT's operating performance and financial position.

Real Estate Properties by Region

The composition of the REIT's real estate properties by region is presented in this MD&A because management considers this supplementary financial measure to be an important measure of the REIT's asset base and financial position. A summary of the components of real estate properties by region is presented in Part IV, "Balance Sheet Analysis."

Capital Expenditures by Country

The composition of the REIT's capital expenditures by country is presented in this MD&A because management considers this supplementary financial measure to be an important measure of the REIT's capital expenditures by its Canadian and U.S. portfolios. The REIT is committed to improving its operating performance by incurring appropriate capital expenditures in order to replace and maintain the productive capacity of its property portfolio so as to sustain its rental income generating potential over the portfolio's useful life. A summary of the components of capital expenditures by country is presented under the section Part IV, "Balance Sheet Analysis."

Loan-to-Value ("LTV")

LTV is calculated by multiplying a rate of leverage by the real estate properties' fair value and is presented in this MD&A by year and plotted against the balance at maturity of the REIT's mortgages payable. Included in the analysis is an equity-accounted investment at the REIT's interest. The presentation of LTV against its corresponding mortgage maturity balance represents a supplementary financial measure and is presented in this MD&A because management considers this measure to be an important measure of the REIT's financial position. A table illustrating LTV by year, plotted against the REIT's mortgage maturity profile, is presented in Part V, "Capital Structure and Debt Profile."

CAPITAL MANAGEMENT MEASURES

The REIT's capital management is designed to maintain a level of capital that allows it to implement its business strategy while complying with investment and debt restrictions pursuant to the Declaration of Trust, as well as existing debt covenants, while continuing to build long-term Unitholder value and maintaining sufficient capital contingencies.

The following discussion describes the REIT's capital management measures:

Total Capitalization

Total capitalization as disclosed in the notes to the REIT's unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2026, and 2025 is calculated as the sum of the principal amount of the REIT's total debt (including mortgages payable, convertible debentures, lease liabilities and amounts drawn under its revolving credit facility with Morguard Corporation), Unitholders' equity and Class B LP Units liability, and is presented in this MD&A because management considers this capital management measure to be an important measure of the REIT's financial position.

Liquidity

Liquidity is calculated as the sum of cash, amounts available under its revolving credit facility with Morguard and any committed net additional mortgage financing proceeds, and is presented in this MD&A because management considers this capital management measure to be an important measure of the REIT's financial position as well as determining the annual level of distributions to Unitholders.

PART II

BUSINESS OVERVIEW AND STRATEGY

The REIT is an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust dated March 1, 2012, and as most recently amended and restated on February 16, 2021 (the "Declaration of Trust"), under and governed by the laws of the Province of Ontario. The Units of the REIT trade on the Toronto Stock Exchange ("TSX") under the symbol "MRG.UN."

The REIT has been formed to own multi-suite residential rental properties across Canada and the United States. The objectives of the REIT are to: i) generate stable and growing cash distributions on a tax-efficient basis; ii) enhance the value of the REIT's assets and maximize the long-term value of the Units through active asset and property management; and iii) expand the asset base of the REIT primarily through acquisitions and improvement of its properties through targeted and strategically deployed capital expenditures.

The REIT's internal growth strategy will focus on maximizing cash flow from its portfolio. The REIT intends to increase cash flows by maximizing occupancy and average monthly rent ("AMR"), taking into account local conditions in each of its regional markets, managing its operating expenses as a percentage of revenues and strengthening its asset base through its building infrastructure improvement and capital expenditure programs.

The REIT's external growth strategy is focused on opportunities to acquire additional multi-suite residential properties located in urban centres and major suburban regions in Canada and the United States that satisfy the REIT's investment criteria, as well as generating greater cash flows from acquired properties. The REIT will seek to leverage its relationship with Morguard Corporation ("Morguard") to access acquisition opportunities that satisfy the REIT's investment criteria. Additionally, subject to limited exceptions, the REIT has the right of first opportunity to acquire the existing interests in Morguard's multi-suite residential properties prior to any disposition by Morguard to a third party.

TRANSACTION UPDATE

On February 25, 2026, Morguard Corporation and the REIT announced its joint investment in a Canadian multi-suite residential real estate portfolio currently owned by TD Asset Management Inc. ("TDAM"). Management completed its due diligence review and the related purchaser conditions have been waived, including the determination of the allocation of individual property ownership interests to the REIT. The REIT's allocation of the transaction represents an approximate 22 percent undivided interest in a portfolio of 60 properties at a gross purchase price of approximately \$478.1 million, before closing costs, and is expected to close in one tranche, subject to receiving CMHC and lender approval.

The following table details the regional distribution and ownership interest of the properties:

City/Region	Number of Properties	Ownership Interest	Total Suites	Ownership Suites
Calgary	3	20%	568	113
Edmonton	4	20%	838	168
Alberta	7	20%	1,406	281
Windsor	9	20%	478	96
London	9	20%	792	158
Kitchener	5	20%	764	153
Waterloo	4	20%	781	156
Hamilton	5	20%	689	138
Mississauga	1	20%	108	21
Toronto	7	20%	929	186
Ottawa	2	20%	229	46
Ontario	42	20%	4,770	954
Montréal	6	20%	996	199
Québec	6	20%	996	199
Halifax	5	50%	402	201
Nova Scotia	5	50%	402	201
Total	60	22%	7,574	1,635

The transaction will be financed through a combination of cash on hand, assumed mortgages, approximately \$111 million in vendor financing, and the remainder through short-term borrowings. The assumed mortgages are CMHC-insured and have an approximate loan-to-value of 40%. As at September 30, 2026, the REIT paid a \$10 million non-refundable deposit in connection with the transaction and is included in prepaid expenses.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

As at (In thousands of dollars, except as noted otherwise)	September 30, 2026	December 31, 2025	September 30, 2025
Operational Information			
Number of properties	43	43	43
Total suites	13,089	13,089	13,089
Occupancy percentage - Canada	93.8%	93.3%	94.3%
Occupancy percentage - U.S.	91.4%	91.3%	92.5%
AMR - Canada (in actual dollars)	\$1,878	\$1,851	\$1,837
AMR - U.S. (in actual U.S. dollars)	US\$1,953	US\$1,930	US\$1,939
Summary of Financial Information			
Gross book value ⁽¹⁾	\$4,756,095	\$4,535,903	\$4,595,681
Indebtedness ⁽¹⁾	\$1,908,392	\$1,793,894	\$1,817,530
Indebtedness to gross book value ratio ⁽¹⁾	40.1%	39.5%	39.5%
Weighted average mortgage interest rate	4.28%	4.07%	4.08%
Weighted average term to maturity on mortgages payable (years)	5.3	4.8	5.1
Exchange rates - United States dollar to Canadian dollar	\$1.42	\$1.37	\$1.39
Exchange rates - Canadian dollar to United States dollar	\$0.70	\$0.73	\$0.72

(1) Represents a non-GAAP financial measure/ratio that does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. This measure should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS. Additional information on this non-GAAP financial measure/ratio can be found in Part I, "Specified Financial Measures."

(In thousands of dollars, except per Unit amounts)	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Summary of Financial Information				
Interest coverage ratio ⁽¹⁾	1.94	2.11	2.04	2.23
Indebtedness coverage ratio ⁽¹⁾	1.46	1.53	1.50	1.58
Revenue from real estate properties	\$88,887	\$87,664	\$262,567	\$266,475
NOI	\$53,731	\$54,132	\$128,794	\$131,852
Proportionate NOI ⁽¹⁾	\$44,775	\$45,548	\$135,836	\$140,958
NOI margin - IFRS	60.4%	61.7%	49.1%	49.5%
NOI margin - Proportionate ⁽¹⁾	50.6%	52.2%	52.0%	53.2%
Net income	\$31,084	\$12,469	\$95,407	\$80,850
FFO - basic ⁽¹⁾	\$19,653	\$22,281	\$63,108	\$70,247
FFO - diluted ⁽¹⁾	\$20,493	\$23,121	\$65,628	\$72,767
FFO per Unit - basic ⁽¹⁾	\$0.38	\$0.43	\$1.21	\$1.33
FFO per Unit - diluted ⁽¹⁾	\$0.38	\$0.42	\$1.20	\$1.32
Distributions per Unit	\$0.19749	\$0.18999	\$0.59247	\$0.56997
FFO payout ratio ⁽¹⁾	52.4%	44.6%	49.0%	42.8%
Weighted average number of Units outstanding (in thousands):				
Basic ⁽²⁾	52,170	52,280	52,166	52,702
Diluted ^{(2) (3)}	54,489	54,599	54,485	55,021
Average exchange rates - United States dollar to Canadian dollar	\$1.40	\$1.38	\$1.39	\$1.40
Average exchange rates - Canadian dollar to United States dollar	\$0.71	\$0.73	\$0.72	\$0.71

(1) Represents a non-GAAP financial measure/ratio that does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. This measure should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS. Additional information on this non-GAAP financial measure/ratio can be found in Part I, "Specified Financial Measures."

(2) For purposes of calculating FFO per Unit, Class B LP Units are included as Units outstanding on both a basic and diluted basis.

(3) Includes the dilutive impact of convertible debentures.

REAL ESTATE PROPERTIES

As at September 30, 2026, the REIT's multi-suite residential property portfolio consists of 16 Canadian properties and 27 U.S. properties, having a total of 13,089 residential suites and 230,000 square feet of commercial area. The properties are primarily located in urban centres and major suburban regions in Alberta, Ontario, Colorado, Texas, Louisiana, Illinois, Georgia, Florida, North Carolina, Virginia and Maryland.

Approximately 79% of the suites in Canada are located in Toronto and Mississauga, which form part of the Greater Toronto Area ("GTA"). The GTA is Canada's most significant economic cluster and contains the largest concentration of people. The regional distribution of the remaining suites serves to add stability to the REIT's cash flows because it reduces the REIT's vulnerability to economic fluctuations affecting any particular region.

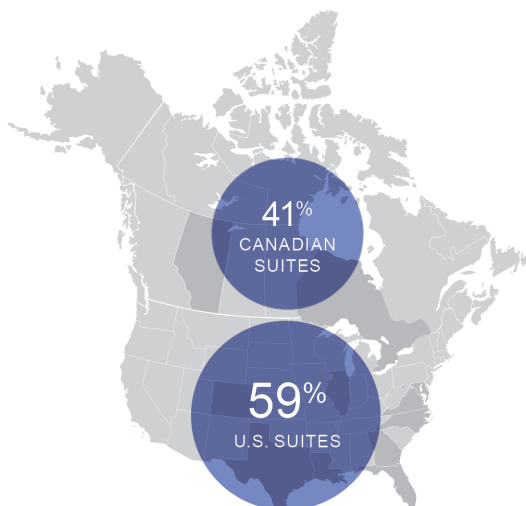
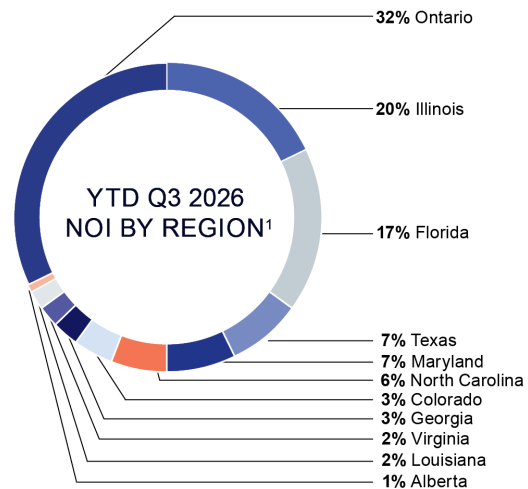
The following table details the regional distribution of the REIT's portfolio as at September 30, 2026:

Region (In thousands of dollars, except as otherwise noted)	Number of Properties	Total Suites ⁽¹⁾	% of the Portfolio (based on suites)	Fair Value of Real Estate Properties ⁽¹⁾
Canadian Properties				
Alberta	1	277	2.1%	\$59,200
Ontario				
Mississauga	7	2,219	17.0%	931,000
Toronto	6	1,997	15.3%	590,890
Other ⁽²⁾	2	842	6.4%	276,700
	16	5,335	40.8%	\$1,857,790
U.S. Properties				
Colorado	2	454	3.5%	\$169,503
Texas	3	1,021	7.8%	276,385
Louisiana	2	249	1.9%	65,183
Illinois	4	1,795	13.7%	993,110
Georgia	2	522	4.0%	137,481
Florida	9	2,253	17.2%	715,870
North Carolina	2	864	6.6%	252,191
Virginia	1	104	0.8%	74,007
Maryland ⁽³⁾	2	492	3.7%	285,373
	27	7,754	59.2%	\$2,969,103
Impact of realty taxes accounted for under IFRIC 21				9,162
Total	43	13,089	100.0%	\$4,836,055

(1) Total suites and fair value of real estate properties include non-controlling interest; the REIT, on a proportionate basis, has ownership of 12,315 suites. Fair value of real estate properties represents the sum of income producing properties (\$4,465,247) and an equity-accounted investment properties (\$370,808), inclusive of non-controlling interest share.

(2) Other Ontario includes one property in each of Kitchener and Ottawa.

(3) Includes a retail property comprising 181,500 square feet of commercial area.



¹ Includes equity-accounted investments at ownership share and excludes the impact of realty taxes under IFRIC 21.

AVERAGE MONTHLY RENT AND OCCUPANCY BY REGION

The following table details AMR (in actual dollars), stated in local currency, and occupancy of the REIT's portfolio for the following periods and is calculated on a proportionate ownership basis:

Region	AMR/Suite at September 30, 2026	AMR/Suite at September 30, 2025	Change	Occupancy at September 30, 2026	Occupancy at September 30, 2025
Canadian Properties (in Canadian dollars)					
Alberta	\$1,539	\$1,551	(0.8%)	95.7%	89.5%
Ontario					
Mississauga	2,109	2,072	1.8%	95.5%	91.9%
Toronto	1,686	1,641	2.7%	91.7%	96.6%
Other ⁽¹⁾	1,835	1,774	3.4%	93.8%	96.9%
Total Ontario	1,897	1,853	2.4%	93.7%	94.6%
Total Canada (in Canadian dollars)	\$1,878	\$1,837	2.2%	93.8%	94.3%
U.S. Properties (in U.S. dollars)					
Colorado	\$1,818	\$1,850	(1.7%)	85.8%	88.4%
Texas	1,627	1,633	(0.4%)	91.0%	93.1%
Louisiana	1,630	1,642	(0.7%)	88.1%	89.3%
Illinois	2,953	2,844	3.8%	94.9%	94.8%
Georgia	1,588	1,568	1.3%	92.1%	93.3%
Florida⁽²⁾	1,761	1,784	(1.3%)	92.6%	91.3%
North Carolina	1,469	1,492	(1.5%)	88.4%	92.0%
Virginia	2,716	2,646	2.6%	84.5%	94.2%
Maryland	2,370	2,283	3.8%	90.8%	95.7%
Total U.S. (in U.S. dollars)⁽²⁾	\$1,953	\$1,939	0.7%	91.4%	92.5%
Total (in local currencies)	\$1,921	\$1,895	1.4%	92.4%	93.3%

(1) Other Ontario includes one property in each of Kitchener and Ottawa.

(2) Excludes 56 suites under renovation at Village Crossing Apartment Homes (West Palm Beach). As at September 30, 2026, when including the offline suites, Florida and total U.S. occupancy were 90.1% and 90.6%, respectively.

CANADIAN PROPERTIES

As at September 30, 2026, Canadian AMR per suite was \$1,878, an increase of 2.2% compared to September 30, 2025, and decreased sequentially by 0.4%, compared to \$1,885 at June 30, 2026.

Effective January 1, 2026, the Ontario guideline rental rate increase is 2.1% (2025 - 2.5%). The REIT also experienced rental rate growth from above-guideline increases ("AGI") at several properties upon the completion of capital projects as well as rental rate increases on suite turnover. Additionally, within the Ontario portfolio, the REIT has submitted AGI applications related to eligible capital repairs, allowing for rent increases upon approval from the Landlord and Tenant Board. During the nine months ended September 30, 2026, a combination of the 2.1% guideline increase, AGI and an uplift on rent on turnover contributed to AMR growth.

The REIT has been impacted by softening market conditions, but continues to see an uplift in rent on turnover. During the nine months ended September 30, 2026, the REIT's Canadian portfolio turned over 647 suites, or 12.1% of total suites, and achieved AMR growth of 7.2% on suite turnover. Overall, Canadian turnover was higher compared to 8.7% achieved during the nine months ended September 30, 2025.

As at September 30, 2026, AMR at the REIT's single property in Edmonton, Alberta, decreased by 0.8% compared to September 30, 2025. The decrease was due to lower market rent on renewals as well as on turnover. Alberta does not have any restrictions on annual rent increases, which provides flexibility to adjust rent according to demand.

Occupancy within the REIT's Ontario region decreased to 93.7% at September 30, 2026, compared to 94.6% at September 30, 2025, and sequentially, increased from 91.3% at June 30, 2026. The decline primarily reflects intensified competition from newly constructed rental buildings and condominium rentals, which elevated vacancy levels across major urban markets. Leasing activity was also impacted by a shift to a measured approach in immigration policy, following four years of historically high post-pandemic immigration levels, with the impact most pronounced in Mississauga and Toronto. In response, rental rates on select suites were reduced to align with competitive market conditions and support leasing activity until occupancy levels stabilize.

Mississauga properties saw an improvement in occupancy from 91.9% at December 31, 2025, compared to 95.5% at September 30, 2026, reflecting the combined impact of several factors. Leasing activity strengthened as newly delivered rental supply was absorbed and competitive pressure eased as vacancy at other properties improved. Demand also benefited as condominium rental inventory was absorbed and renters returned to purpose-built rental properties, while targeted rent reductions on select units supported leasing velocity. Collectively, these factors contributed to the improvement in occupancy.

Occupancy levels across the Toronto portfolio declined year-over-year, primarily due to a modest increase in resident move-outs. The elevated turnover, while impacting short-term vacancy, provides an opportunity to achieve higher market rents as occupancy improves, particularly for suites that were previously leased at rates below current market levels.

Occupancy at the REIT's single property located in Edmonton, Alberta, was 95.7% at September 30, 2026, compared to 89.5% at September 30, 2025, and increased sequentially from 92.4% at June 30, 2026. The year-over-year increase was primarily attributable to the absorption of new rental supply and the return of MacEwan University students to campus, which is within walking distance of Square 104.

As at September 30, 2026, Canadian occupancy declined to 93.8%, compared to 94.3% at September 30, 2025, and sequentially, increased slightly from 91.4% at June 30, 2026. Occupancy is expected to continue improving as new supply is absorbed and incentive-driven competition moderates. The REIT also continues to benefit from embedded revenue growth opportunities at properties with below-market rents, which should support stronger leasing performance as suites turn over.

U.S. PROPERTIES

As at September 30, 2026, U.S. AMR per suite was US\$1,953, an increase of 0.7% compared to September 30, 2025. AMR growth was led by Illinois, Maryland and Virginia as these regions continue to show signs of solid market fundamentals. AMR in Illinois and Maryland both rose by 3.8%, primarily due to continued strong rental demand while maintaining stable occupancy levels. AMR in Virginia increased by 2.6% compared to September 30, 2025, but occupancy continues to be impacted by tenant relocations out of the immediate market due to commuting, job relocation/loss, affordability and financial reasons, with fewer residents leaving as a result of home buying due to rising interest rates as compared to a year ago. This trend aligns with what is being reported across the region where the absorption of elevated deliveries from the last 2 years has led to aggressive leasing competition and stabilizing rent growth. Prioritizing occupancy and concessions over rent growth has led to short-term leasing specials requiring new residents to sign a 12-month lease with a specific move-in date.

As at September 30, 2026, AMR at the REIT's properties located in Chicago increased by 3.8% compared to September 30, 2025, and sequentially, AMR increased by 3.3% compared to June 30, 2026, due to strong rental demand and stabilized occupancies, allowing management to increase rents. With limited new inventory coming online in Downtown Chicago over the next two years (approximately 2,100 units), management's focus will continue to find the optimal balance of occupancy and market rent growth. Despite the minimal deliveries over the past 12 months (754 units) and the continued hybrid work-from-home adoption, the Chicago market continues in a positive direction with healthy demand and low supply on a relative basis. Management expects modest AMR growth for the REIT's Chicago assets as we head into the slower fall and winter leasing seasons. In addition, 50 suites were completed at a renovation program at Coast at Lakeshore East (51% owned), of which 84% are leased at the end of the third quarter and achieved AMR uplift of 25.8%.

As at September 30, 2026, AMR at the REIT's properties located in Florida decreased by 1.3% compared to September 30, 2025, and sequentially, AMR decreased by 0.9% compared to June 30, 2026. The year-over-year modest decrease demonstrates the stability of the REIT's Florida assets as rental demand remains stable while it continues to absorb new deliveries. Further, Village Crossing Apartment Homes, a 189-suite property located in West Palm Beach, continues its major renovation with 56 suites offline. Currently, 54 suites are complete, and achieved AMR uplift of 22.2%. These suites are undergoing a wholesome renovation, equipped with new windows and doors, appliances, mechanical systems, fixtures, cabinetry, countertops, and flooring. This renovation will reposition the community and strengthen long term value and performance within the affluent West Palm Beach submarket.

Sequentially, U.S. AMR at September 30, 2026 increased by 1.0% to US\$1,953, compared to US\$1,933 at June 30, 2026, as Illinois, Virginia, Maryland and North Carolina drove the increase despite some recent challenges with occupancy across the portfolio. These AMR increases were partially offset by the slight AMR decreases in Florida, Louisiana and Georgia. As we move into the slower fall and winter leasing seasons, management expects occupancies to continue to grow moderately, which should be followed by modest AMR growth. As supply declines and absorption improves through the remainder of 2026, the REIT will continue its focus on steady AMR growth while working to maintain optimal occupancy levels.

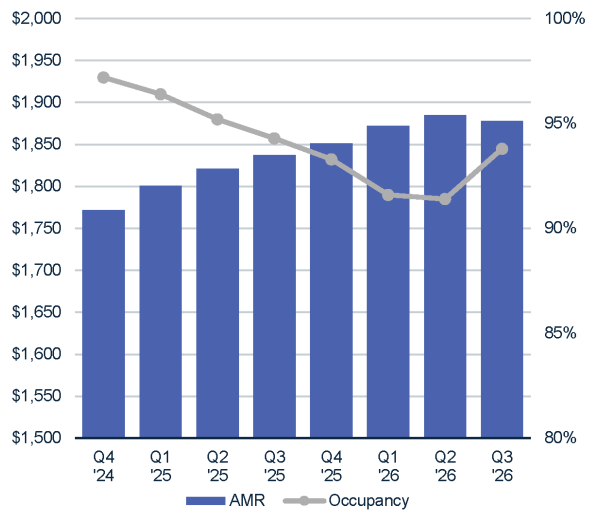
As at September 30, 2026, U.S. occupancy decreased to 91.4%, compared to 92.5% at September 30, 2025. The majority of the REIT's properties experienced decreases in occupancy, the largest of which were located in Virginia (970 bps), Maryland (490 bps) and North Carolina (360 bps), in total these 3 regions comprise 4 residential properties or approximately 11% of total suites. Despite their occupancy decreases, Virginia and Maryland did achieve modest AMR growth, which alongside Illinois and Georgia, were the primary contributors to the year over year increase in AMR. Management notes that a combination of relocations due to commuting/job, relocation/job loss, affordability and other financial reasons, as well as slightly increased home buying due to modestly lower home prices in the Sunbelt Region continue to be the top reasons that contributed to the decline in occupancy across the portfolio. Additional reasons include a deepening contraction in federal employment and contractor layoffs in the Washington D.C. region which include the Virginia and Maryland properties, as well as new competition from recent deliveries, primarily in the Virginia submarket. North Carolina's decline in occupancy stems from affordability as management is challenged with delinquencies and evictions. In Colorado, our property in Fort Collins experienced one of the REIT's largest year over year declines in occupancy, primarily due to relocations, while our other property in Aurora, Colorado had a 17.9% increase in occupancy since the first quarter of 2026, due to staffing changes, rent reductions and concessions. Short-term move-in specials continue to be offered across the portfolio in order to stabilize occupancies that dipped due to softer leasing environments, and softening demand. Looking ahead, management expects occupancies to stabilize as we enter the slower fall and winter leasing seasons with a combination of lease expiration management, modest suite turnover, moderate AMR growth and adjusting concession levels as needed throughout the portfolio.

Sequentially, as at September 30, 2026, U.S. occupancy of 91.4% decreased compared to 92.8% as at June 30, 2026. Occupancy declined in all of the REIT's regions except for Florida, Maryland, Louisiana and Georgia, primarily due to move-in specials with concessions and moderate AMR growth, specifically 1.6% on new leases and 1.8% on renewals across the portfolio.

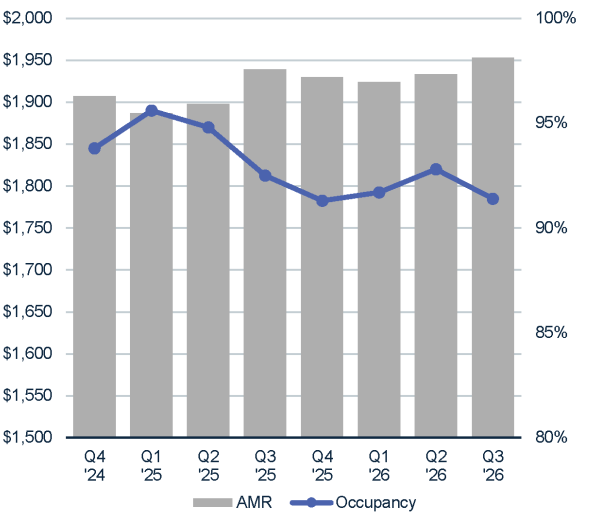
For the nine months ended September 30, 2026, the REIT's rental incentives amounted to \$2,767 (2025 - \$1,185). Incentives were used on an as-needed basis in certain submarkets to compete with new inventory and mitigate affordability pressures. The REIT's stable occupancies in most markets should continue to reduce the need for these incentives allowing for steady AMR growth.

The following table details AMR (in actual dollars), stated in local currency, and occupancy of the REIT's Same Property portfolio at each quarter end since December 31, 2024:

CANADA



U.S.



PART III

REVIEW OF OPERATIONAL RESULTS

The REIT's operational results are summarized below:

(In thousands of dollars)	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Revenue from real estate properties	\$88,887	\$87,664	\$262,567	\$266,475
Property operating expenses				
Property operating costs	(26,321)	(24,849)	(75,830)	(73,669)
Realty taxes	(3,106)	(3,066)	(41,023)	(43,592)
Utilities	(5,729)	(5,617)	(16,920)	(17,362)
Net operating income	53,731	54,132	128,794	131,852
Other expense (income)				
Interest expense	24,778	22,964	71,126	68,531
Trust expenses	5,223	5,689	16,299	17,543
Equity income from investments	(1,721)	(1,040)	(5,623)	(5,974)
Foreign exchange loss	—	3	2	7
Other income	(1,124)	(1,605)	(3,608)	(5,054)
Income before fair value changes and income taxes	26,575	28,121	50,598	56,799
Fair value gain (loss) on real estate properties, net	(30,150)	(18,187)	10,373	50,946
Fair value gain (loss) on Class B LP Units	37,202	1,895	46,158	(17,223)
Income before income taxes	33,627	11,829	107,129	90,522
Provision for (recovery of) income taxes				
Current	43	(533)	130	40
Deferred	2,500	(107)	11,592	9,632
	2,543	(640)	11,722	9,672
Net income for the period	\$31,084	\$12,469	\$95,407	\$80,850
Net income attributable to:				
Unitholders	\$24,448	\$7,849	\$84,978	\$75,089
Non-controlling interest	6,636	4,620	10,429	5,761
	\$31,084	\$12,469	\$95,407	\$80,850

REVENUE FROM REAL ESTATE PROPERTIES

Higher rental revenue for the three months ended September 30, 2026, is mainly due to rental rate increases, an increase in ancillary revenue and foreign exchange fluctuations, partly offset by an increase in vacancy. Lower rental revenue for the nine months ended September 30, 2026, is mainly due to an increase in vacancy and foreign exchange fluctuations, partly offset by rental rate increases.

NET OPERATING INCOME

The following tables provide the NOI and Proportionate NOI for the REIT's consolidated Canadian and U.S. operations and present the following non-GAAP financial measures/ratios: Proportionate NOI and Proportionate NOI margin. These non-GAAP measures do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. These measures should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. Additional information on these non-GAAP financial measures/ratios can be found in Part I, "Specified Financial Measures."

Consolidated and Proportionate results for the three and nine months ended September 30, 2026 represent 12,399 and 12,315 residential suites, respectively.

Net Operating Income - Three Months Ended September 30, 2026

The following table provides the consolidated NOI for the REIT's Canadian and U.S. properties:

For the three months ended September 30 (In thousands of dollars)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
Revenue from properties				
Gross rental revenue (before vacancy and ancillary revenue)	\$87,367	\$86,872	\$85,123	\$84,772
Vacancy	(8,698)	(8,395)	(7,254)	(7,111)
Ancillary	10,218	9,973	9,795	9,599
Total revenue from properties	88,887	88,450	87,664	87,260
Property operating expenses				
Operating costs	26,321	26,005	24,849	24,723
Realty taxes	3,106	11,994	3,066	11,464
Utilities	5,729	5,676	5,617	5,525
Total property operating expenses	35,156	43,675	33,532	41,712
NOI	\$53,731	\$44,775	\$54,132	\$45,548
NOI margin	60.4%	50.6%	61.7%	52.2%

For the three months ended September 30, 2026, NOI from the REIT's properties decreased by \$401 (or 0.7%) to \$53,731, compared to \$54,132 in 2025. The decrease in NOI is due to a decrease in Canada of \$406 (or 2.5%), a decrease in the U.S. of US\$418 (or 1.5%), and the change in foreign exchange rate which increased NOI by \$423.

For the three months ended September 30, 2026, Proportionate NOI from the REIT's properties decreased by \$773 (or 1.7%) to \$44,775, compared to \$45,548 in 2025. The decrease in Proportionate NOI is due to a decrease in Canada of \$404 (or 2.5%), a decrease in the U.S. of US\$587 (or 2.8%), and the change in foreign exchange rate which increased Proportionate NOI by \$218.

The following table provides the consolidated NOI for the REIT's Canadian and U.S. properties in local currency:

For the three months ended September 30 (In thousands of dollars)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
NOI - Canada (local currency)	\$16,061	\$15,976	\$16,467	\$16,380
NOI - U.S. (local currency)	26,920	20,585	27,338	21,172
Exchange amount to Canadian dollars	10,750	8,214	10,327	7,996
Total NOI	\$53,731	\$44,775	\$54,132	\$45,548

The following table provides the NOI and Proportionate NOI for the REIT's Canadian properties:

For the three months ended September 30 (In thousands of dollars)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
Revenue from properties				
Gross rental revenue (before vacancy and ancillary revenue)	\$29,833	\$29,670	\$29,103	\$28,945
Vacancy	(2,849)	(2,831)	(2,298)	(2,280)
Ancillary ⁽¹⁾	1,118	1,117	1,440	1,432
Revenue from properties	28,102	27,956	28,245	28,097
Property operating expenses				
Operating costs	6,361	6,331	6,008	5,978
Realty taxes	3,107	3,087	3,074	3,054
Utilities	2,573	2,562	2,696	2,685
Total property operating expenses	12,041	11,980	11,778	11,717
NOI	\$16,061	\$15,976	\$16,467	\$16,380
NOI margin	57.2%	57.1%	58.3%	58.3%

(1) Ancillary revenue mainly comprises parking, laundry and cable income; amortized rent concessions and storage fees. Ancillary revenue also includes commercial revenue, net of vacancy.

For the three months ended September 30, 2026, NOI from the Canadian properties decreased by \$406 (or 2.5%) to \$16,061, compared to \$16,467 in 2025. The decrease in NOI is primarily due to a decrease in revenue of \$143 (or 0.5%) from higher vacancy and a decrease in ancillary revenue (mainly due to higher amortized rent concessions), net of higher gross rental revenue (2.5%) resulting from an increase in AMR, and an increase in operating expenses of \$263 (or 2.2%). Higher vacancy is due to increased competition from new rental buildings and lower immigration levels. The increase in operating expenses was due to higher operating costs of \$353 (5.9%) and an increase in realty taxes of \$33 (1.1%), partially offset by lower utilities of \$123 (4.6%). The increase in operating costs was mainly due to an increase in payroll costs (hiring of temporary staff and increased benefits), an increase in general and administrative expenses (higher bad debt expense) and an increase in marketing cost, partially offset by lower repairs and maintenance. The increase in realty taxes was mainly due to a higher mill rate as most property assessments continue to be based on 2016 assessed values. The decrease in utilities was mainly due to: i) higher rebates under Ontario Electricity Rebate program and a decrease in consumption partially offset by an increase in hydro rate, ii) a decrease in gas rate and consumption, and iii) a decrease in water expense due to a decrease in consumption partially offset by an increase in rate.

For the three months ended September 30, 2026, Proportionate NOI from the Canadian properties decreased by \$404 (or 2.5%) to \$15,976, compared to \$16,380 in 2025. The decrease in Proportionate NOI is due to a decrease in revenue of \$141 (or 0.5%) from higher vacancy and a decrease in ancillary revenue, net of higher gross rental revenue (2.5%) resulting from an increase in AMR, for the same reasons described above, and an increase in operating expenses of \$263 (or 2.2%). The increase in operating expenses was due to higher operating costs of \$353 and an increase in realty taxes of \$33, partially offset by lower utilities of \$123, for the same reasons described above.

The REIT's Canadian NOI margin and Proportionate NOI margin were 57.2% and 57.1%, respectively, for the three months ended September 30, 2026, compared to 58.3% and 58.3%, respectively, for the three months ended September 30, 2025. Overall, as noted above, the impact of higher vacancy, net of increase in AMR, and the increase in operating expenses, contributed to the decrease in NOI margin.

The following table provides the NOI and Proportionate NOI for the U.S. properties:

For the three months ended September 30 (In thousands of U.S. dollars, unless otherwise stated)	2026		2025	
	NOI	Proportionate NOI	NOI	Proportionate NOI
Revenue from properties				
Gross rental revenue (before vacancy and ancillary revenue)	\$41,114	\$40,875	\$40,666	\$40,525
Vacancy	(4,180)	(3,977)	(3,596)	(3,505)
Ancillary ⁽¹⁾	6,501	6,328	6,062	5,927
Total revenue from properties	43,435	43,226	43,132	42,947
Property operating expenses				
Operating costs	14,260	14,055	13,680	13,610
Realty taxes	—	6,362	(7)	6,102
Utilities	2,255	2,224	2,121	2,063
Total property operating expenses	16,515	22,641	15,794	21,775
NOI (in US dollars)	26,920	20,585	27,338	21,172
Exchange amount to Canadian dollars	10,750	8,214	10,327	7,996
NOI (in Canadian dollars)	\$37,670	\$28,799	\$37,665	\$29,168
NOI margin (in US dollars)	62.0%	47.6%	63.4%	49.3%

(1) Ancillary revenue mainly comprises parking, laundry and cable income; amortized rent concessions; storage fees; utility chargebacks and other fee income associated with moving in or out (such as application fees and cleaning fees), late rental payment fees from residents under the terms of the lease arrangements. Ancillary revenue also includes commercial revenue, net of vacancy.

For the three months ended September 30, 2026, NOI from the U.S. properties increased by \$5 to \$37,670, compared to \$37,665 in 2025. The increase is comprised of a decrease in NOI of US\$418 (or 1.5%) and the change in foreign exchange rate which increased NOI by \$423. The decrease in NOI is primarily due to higher operating expenses of US\$721 (or 4.6%), partially offset by an increase in revenue of US\$303 (or 0.7%) from higher gross rental revenue (1.1%) resulting from an increase in AMR, and an increase in ancillary revenue (from higher cable income, chargeback and fee income, and higher commercial revenue from an increase in rent and occupancy, net of higher amortized rent concessions), partially offset by an increase in vacancy. The increase in vacancy includes a net impact of US\$29 from suites that are offline due to renovations, predominantly at Coast at Lakeshore East and Village Crossing Apartment Homes. The increase in operating expenses was primarily due to higher operating costs of US\$580 (4.2%), an increase in realty taxes of US\$7 and an increase in utilities of US\$134 (6.3%). The higher operating costs is primarily due to an increase in repairs and maintenance (in-suite and cable/waste contracts), payroll costs (inflationary increases and hiring for new and vacant positions), marketing expenses and higher commercial bad debt expense, partially offset by a decrease in general and administrative expenses (lower bad debt expense) and insurance expense (lower premiums). The increase in utilities is mainly due to increase in electricity usage and water rates.

For the three months ended September 30, 2026, Proportionate NOI from the U.S. properties decreased by \$369 (or 1.3%) to \$28,799, compared to \$29,168 in 2025. The decrease in Proportionate NOI is due to lower Proportionate NOI of US\$587 (or 2.8%) and the change in foreign exchange rate which increased Proportionate NOI by \$218. The decrease in Proportionate NOI was due to an increase in operating expenses of US\$866 (or 4.0%), partially offset by an increase in revenue of US\$279 (or 0.6%) from higher gross rental revenue (0.9%) and an increase in ancillary revenue, partially offset by an increase in vacancy for the same reasons described above. The increase in operating expenses was due to higher operating costs of US\$445, an increase in realty taxes of US\$260 and an increase in utilities of US\$161, for the same reasons described above.

The REIT's U.S. NOI margin and Proportionate NOI margin were 62.0% and 47.6%, respectively, for the three months ended September 30, 2026, compared to 63.4% and 49.3%, respectively, for the three months ended September 30, 2025. The NOI margin and Proportionate NOI margin were both impacted by the decrease in revenue from higher vacancy, net of an increase in AMR and ancillary income, and higher operating expenses. In addition, the NOI margin was impacted by accounting for realty taxes under IFRIC 21.

Net Operating Income - Nine Months Ended September 30, 2026

The following table provides the consolidated NOI for the REIT's Canadian and U.S. properties:

For the nine months ended September 30 (In thousands of dollars)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
Revenue from properties				
Gross rental revenue (before vacancy and ancillary revenue)	\$259,184	\$257,866	\$255,525	\$254,375
Vacancy	(27,122)	(26,179)	(18,137)	(17,743)
Ancillary	30,505	29,772	29,087	28,470
Total revenue from properties	262,567	261,459	266,475	265,102
Property operating expenses				
Operating costs	75,830	74,982	73,669	72,906
Realty taxes	41,023	33,826	43,592	34,058
Utilities	16,920	16,815	17,362	17,180
Total property operating expenses	133,773	125,623	134,623	124,144
NOI	\$128,794	\$135,836	\$131,852	\$140,958
NOI margin	49.1%	52.0%	49.5%	53.2%

For the nine months ended September 30, 2026, NOI from the REIT's properties decreased by \$3,058 (or 2.3%) to \$128,794, compared to \$131,852 in 2025. The decrease in NOI is due to a decrease in Canada of \$1,811 (or 3.6%), a decrease in the U.S. of US\$1,159 (or 2.0%), and the change in foreign exchange rate which decreased NOI by \$88.

For the nine months ended September 30, 2026, Proportionate NOI from the REIT's properties decreased by \$5,122 (or 3.6%) to \$135,836, compared to \$140,958 in 2025. The decrease in Proportionate NOI is due to a decrease in Canada of \$1,795 (or 3.6%), a decrease in the U.S. of US\$1,724 (or 2.6%) and the change in foreign exchange rate which decreased Proportionate NOI by \$1,603.

The following table provides the consolidated NOI for the REIT's Canadian and U.S. properties in local currency:

For the nine months ended September 30 (In thousands of dollars)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
Same Property NOI - Canada (local currency)	\$47,973	\$47,722	\$49,784	\$49,517
Same Property NOI - U.S. (local currency)	58,140	63,643	59,299	65,367
Exchange amount to Canadian dollars	22,681	24,471	22,769	26,074
Total NOI	\$128,794	\$135,836	\$131,852	\$140,958

The following table provides the NOI and Proportionate NOI for the REIT's Canadian properties:

For the nine months ended September 30 (In thousands of dollars)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
Revenue from properties				
Gross rental revenue (before vacancy and ancillary revenue)	\$89,378	\$88,889	\$86,483	\$86,012
Vacancy	(9,495)	(9,423)	(5,603)	(5,563)
Ancillary ⁽¹⁾	3,710	3,696	4,507	4,486
Revenue from properties	83,593	83,162	85,387	84,935
Property operating expenses				
Operating costs	17,838	17,754	17,541	17,452
Realty taxes	9,408	9,347	9,078	9,020
Utilities	8,374	8,339	8,984	8,946
Total property operating expenses	35,620	35,440	35,603	35,418
NOI	\$47,973	\$47,722	\$49,784	\$49,517
NOI margin	57.4%	57.4%	58.3%	58.3%

(1) Ancillary revenue mainly comprises parking, laundry and cable income, amortized rent concessions and storage fees. Ancillary revenue also includes commercial revenue, net of vacancy.

For the nine months ended September 30, 2026, NOI from the Canadian properties decreased by \$1,811 (or 3.6%) to \$47,973, compared to \$49,784 in 2025. The decrease in NOI is primarily due to a decrease in revenue of \$1,794 (or 2.1%) from higher vacancy and a decrease in ancillary revenue (mainly due to higher amortized rent concessions), net of higher gross rental revenue (3.3%) resulting from an increase in AMR, and an increase in operating expenses of \$17. Higher vacancy is due to increased competition from new rental buildings and lower immigration levels. The increase in operating expenses is primarily due to higher operating costs of \$297 (1.7%) and an increase in realty taxes of \$330 (3.6%), partially offset by lower utilities of \$610 (6.8%). The increase in operating costs is mainly due to an increase in payroll costs (hiring for temporary staff and increased benefits), marketing expense and general and administrative expenses (higher bad debt expense), partially offset by a decrease in repairs and maintenance. The increase in realty taxes is mainly due to a higher mill rate as most property assessments continue to be based on 2016 assessed values. The decrease in utilities is predominantly due to: i) a decrease in gas expense due to a lower rate from the removal of the federal carbon charge subsequent to the first quarter of 2025 and a decrease in consumption as energy efficiencies gained from boiler replacements and building automation systems offset a colder winter relative to prior year, partly offset by ii) an increase in hydro expense due to an increase in rate offset by lower consumption and higher provincial rebate, and iii) an increase in water expense due to an increase in rate net of decrease in consumption.

For the nine months ended September 30, 2026, Proportionate NOI from the Canadian properties decreased by \$1,795 (or 3.6%) to \$47,722, compared to \$49,517 in 2025. The decrease in Proportionate NOI is due to a decrease in revenue of \$1,773 (or 2.1%) from higher vacancy and a decrease in ancillary revenue, net of higher gross rental revenue (3.3%) resulting from an increase in AMR, for the same reasons described above, and an increase in operating expenses of \$22 (or 0.1%). The increase in operating expenses was due to higher operating costs of \$302 and an increase in realty taxes of \$327, partially offset by lower utilities of \$607, for the same reasons described above.

The REIT's Canadian NOI margin and Proportionate NOI margin were 57.4% and 57.4%, respectively, for the nine months ended September 30, 2026, compared to 58.3% and 58.3%, respectively, for the nine months ended September 30, 2025. Overall, as noted above, the impact of higher vacancy and a decrease in ancillary revenue, net of the increase in AMR, contributed to the decrease in NOI margin.

The following table provides the NOI and Proportionate NOI for the U.S. properties:

For the nine months ended September 30 (In thousands of U.S. dollars, unless otherwise noted)	2026		2025	
	Proportionate		Proportionate	
	NOI	NOI	NOI	NOI
Revenue from properties				
Gross rental revenue (before vacancy and ancillary revenue)	\$122,611	\$122,013	\$120,851	\$120,365
Vacancy	(12,729)	(12,101)	(8,977)	(8,722)
Ancillary ⁽¹⁾	19,346	18,826	17,577	17,151
Total revenue from properties	129,228	128,738	129,451	128,794
Property operating expenses				
Operating costs	41,867	41,314	40,127	39,647
Realty taxes	23,052	17,663	24,038	17,897
Utilities	6,169	6,118	5,987	5,883
Total property operating expenses	71,088	65,095	70,152	63,427
NOI (in U.S. dollars)	58,140	63,643	59,299	65,367
Exchange amount to Canadian dollars	22,681	24,471	22,769	26,074
NOI (in Canadian dollars)	\$80,821	\$88,114	\$82,068	\$91,441
NOI margin (in U.S. dollars)	45.0%	49.4%	45.8%	50.8%

(1) Ancillary revenue mainly comprises parking, laundry and cable income; amortized rent concessions; storage fees; utility chargebacks; and other fee income associated with moving in or out (such as application fees and cleaning fees), and late rental payment fees from residents under the terms of the lease arrangements. Ancillary revenue also includes commercial revenue, net of vacancy.

For the nine months ended September 30, 2026, NOI from the U.S. properties decreased by \$1,247 (or 1.5%) to \$80,821, compared to \$82,068 in 2025. The decrease is comprised of a decrease in NOI of US\$1,159 (or 2.0%) and the change in foreign exchange rate which decreased NOI by \$88. The decrease in NOI is primarily due to a decrease in revenue of US\$223 (or 0.2%) from higher vacancy, net of higher gross rental revenue (1.5%) resulting from an increase in AMR, and an increase in ancillary revenue (from higher cable income, chargeback and fee income, and higher commercial revenue from an increase in rent and occupancy, net of higher amortized rent concessions), and an increase in operating expenses of US\$936 (or 1.3%). The increase in vacancy includes a net impact of US\$333 from suites that are offline due to renovations, predominantly at Coast at Lakeshore East and Village Crossing Apartment Homes. The increase in operating expenses is due to higher operating costs of US\$1,740 (4.3%) and an increase in utilities of US\$182 (3.0%), partially offset by a decrease in realty taxes of US\$986 (4.1%). The increase in operating costs is primarily due to an increase in repairs and maintenance (in-suite and cable/waste contracts), payroll costs (inflationary increases and hiring for new and vacant positions), marketing expenses and higher commercial bad debt expense, partially offset by a decrease in general and administrative expenses (lower bad debt expense) and insurance expense (lower premiums). The increase in utilities is mainly due to an increase in electricity usage and water rates, partially offset by a decrease in gas from lower rates and occupancy. The decrease in realty taxes is mainly due to lower property taxes (primarily at the REIT's Chicago properties), tax rebates received on successful appeals at several properties mainly located in North Carolina and Texas amounting to US\$197 and a lower IFRIC 21 adjustment.

For the nine months ended September 30, 2026, Proportionate NOI from the U.S. properties decreased by \$3,327 (or 3.6%) to \$88,114, compared to \$91,441 in 2025. The decrease in Proportionate NOI is due to lower Proportionate NOI of US\$1,724 (or 2.6%) and the change in foreign exchange rate which decreased Proportionate NOI by \$1,603. The decrease in Proportionate NOI is due to a decrease in revenue of US\$56 from an increase in vacancy, net of higher gross rental revenue (1.4%) resulting from an increase in AMR, and an increase in ancillary revenue for the same reasons described above, and an increase in operating expenses of US\$1,668 (or 2.6%). The increase in operating expenses is due to a higher operating costs of US\$1,667 and an increase in utilities of US\$235, partially offset by a decrease in realty taxes of US\$234, for the same reasons described above.

The REIT's U.S. NOI margin and Proportionate NOI margin were 45.0% and 49.4%, respectively, for the nine months ended September 30, 2026, compared to 45.8% and 50.8%, respectively, for the nine months ended September 30, 2025. The NOI margin and Proportionate NOI margin were both impacted by the decrease in revenue from higher vacancy, net of an increase in AMR and ancillary income, and higher operating expenses. In addition, the NOI margin was impacted by accounting for realty taxes under IFRIC 21.

INTEREST EXPENSE

Interest expense consists of the following:

(In thousands of dollars)	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Interest on mortgages	\$18,996	\$17,576	\$54,031	\$51,452
Interest on convertible debentures	840	840	2,520	2,520
Interest on lease liabilities	273	265	806	804
Amortization of mark-to-market adjustment on mortgages	144	153	477	515
Amortization of deferred financing costs	963	912	2,755	2,617
Amortization of deferred financing costs on convertible debentures	125	116	371	346
Accretion on convertible debentures	221	221	663	663
Fair value gain on conversion option on convertible debentures	(185)	(391)	(700)	(202)
Interest expense before distributions on Class B LP Units	21,377	19,692	60,923	58,715
Distributions on Class B LP Units	3,401	3,272	10,203	9,816
	\$24,778	\$22,964	\$71,126	\$68,531

Interest expense increased by \$1,814 during the three months ended September 30, 2026, to \$24,778, compared to \$22,964 in 2025. The increase is predominantly due to an increase in interest on mortgages of \$1,420, an increase in distribution on Class B LP Units of \$129 and a lower non-cash fair value gain on the convertible debentures' conversion option of \$206. The increase in interest on mortgages is largely attributable to the REIT's refinancings at higher interest rates and additional net mortgage proceeds. The change in foreign exchange rate increased interest expense on U.S. mortgages by \$241.

Interest expense increased by \$2,595 during the nine months ended September 30, 2026 to \$71,126, compared to \$68,531 in 2025. The increase is predominantly due to an increase in interest on mortgages of \$2,579 and an increase in distribution on Class B LP Units of \$387, partly offset by a higher non-cash fair value gain on conversion option on convertible debentures of \$498. The increase in interest on mortgages is largely attributable to the REIT's refinancings at higher interest rates and additional net mortgage proceeds. The change in foreign exchange rate increased interest expense on U.S. mortgages by \$153.

Under IFRS, the Class B LP Units are classified as financial liabilities, and the corresponding distributions paid to the Unitholders are classified as interest expense. The REIT believes these distribution payments do not represent financing charges because these amounts are payable only if the REIT declares distributions and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees, as outlined in the Declaration of Trust. The total distributions paid and accrued to Class B LP Unitholders for the three and nine months ended September 30, 2026 amounted to \$3,401 (2025 - \$3,272) and \$10,203 (2025 - \$9,816), respectively.

TRUST EXPENSES

Trust expenses consist of the following:

(In thousands of dollars)	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Asset management fees and distributions	\$4,625	\$5,022	\$14,497	\$15,616
Professional fees	283	360	847	1,003
Public company expenses	209	203	635	616
Other	106	104	320	308
	\$5,223	\$5,689	\$16,299	\$17,543

Trust expenses decreased by \$466 during the three months ended September 30, 2026, to \$5,223, compared to \$5,689 in 2025, and decreased by \$1,244 during the nine months ended September 30, 2026, to \$16,299, compared to \$17,543 in 2025. The decrease during the three and nine months ended September 30, 2026 is mainly due to lower asset management fees and distributions, resulting from a decrease in incentive distributions from lower FFO per Unit (see Part VI, "Related Party Transactions").

EQUITY INCOME FROM INVESTMENTS

The REIT has a 50% interest in one property comprising 690 suites located in Chicago, Illinois, in which the REIT has joint control of the investment.

Equity income from investment for the three months ended September 30, 2026, was \$1,721 and included a non-cash fair value loss on real estate properties of \$664 and an IFRIC 21 adjustment of \$1,073. For the three months ended September 30, 2025, equity income from investment was \$1,040 and included a non-cash fair value loss on real estate properties of \$1,095 and an IFRIC 21 adjustment of \$800. Excluding the impact of IFRIC 21, NOI decreased by \$29.

Equity income from investment for the nine months ended September 30, 2026, was \$5,623 and included a non-cash fair value gain on real estate properties of \$2,006 and an IFRIC 21 expense adjustment of \$482. For the nine months ended September 30, 2025, equity income from investment was \$5,974 and included a non-cash fair value gain on real estate properties of \$2,812 and an IFRIC 21 expense adjustment of \$896. Excluding the impact of IFRIC 21, NOI decreased by \$51.

FOREIGN EXCHANGE LOSS

IFRS requires monetary assets and liabilities denominated in foreign currencies to be translated into Canadian dollars at the exchange rate in effect at the reporting date, and any gain or loss recognized in the consolidated statements of income (loss). For the three and nine months ended September 30, 2026, the REIT's foreign exchange loss amounted to \$nil (2025 - \$3) and \$2 (2025 - \$7), respectively, which is mainly the result of the fluctuation of the Canadian dollar against the United States dollar as at September 30, 2026, compared to December 31, 2025.

OTHER INCOME

Other expense (income) mainly represents interest income earned or expense incurred on the Morguard Facility for advances made to/from Morguard and other expense (income). For the three and nine months ended September 30, 2026, other income amounted to \$1,124 (2025 - \$1,605) and \$3,608 (2025 - \$5,054), respectively. The decrease in other income for the three and nine months ended September 30, 2026, was predominantly due to lower interest income earned on the Morguard Facility, partially offset by an increase in interest income earned on excess cash held.

FAIR VALUE GAIN (LOSS) ON REAL ESTATE PROPERTIES, NET

The REIT elected to adopt the fair value model to account for its real estate properties, and changes in fair value each period have been recognized as fair value gain or loss in the consolidated statements of income

(loss). Fair value adjustments are determined based on the movement of various valuation parameters on a quarterly basis, including stabilized NOI and capitalization rates.

For the three months ended September 30, 2026, the REIT recognized a fair value loss of \$30,150 (2025 - \$18,187). The fair value loss comprises a \$17,969 fair value loss at the Canadian properties and a fair value loss of \$12,181 at the U.S. properties. The fair value loss in Canada was predominantly due to a decrease in stabilized NOI across the properties in the REIT's Canadian portfolio. The U.S. fair value loss was predominantly due to an \$8,608 adjustment on realty taxes accounted for under IFRIC 21 and a decrease in stabilized NOI.

For the nine months ended September 30, 2026, the REIT recognized a net fair value gain of \$10,373 (2025 - \$50,946). The net fair value gain comprises a \$18,076 fair value gain at the Canadian properties and a \$7,703 fair value loss at the U.S. properties. The fair value gain in Canada was predominantly due to an increase in stabilized NOI across the properties in the REIT's Canadian portfolio. The U.S. fair value loss was due to a decrease in stabilized NOI, partially offset by a \$7,562 adjustment on realty taxes accounted for under IFRIC 21.

FAIR VALUE GAIN (LOSS) ON CLASS B LP UNITS

The Class B LP Units are classified as financial liabilities in accordance with IFRS and, as a result, are recorded at their fair value at each reporting date. As at September 30, 2026, the REIT valued the Class B LP Units based on the closing price of the TSX-listed Units, which resulted in a fair value liability of \$253,007 (December 31, 2025 - \$299,165) and a corresponding fair value gain for the three months ended September 30, 2026 of \$37,202 (2025 - \$1,895) and a fair value gain for the nine months ended September 30, 2026 of \$46,158 (2025 - loss of \$17,223). The fair value gain/loss was due to a decrease/increase in the trading price of the REIT's Units (see Part V, "Capital Structure and Debt Profile").

INCOME TAXES

The REIT is a "mutual fund trust" pursuant to the Income Tax Act (Canada) (the "Act"). Under current tax legislation, a mutual fund trust that is not a Specified Investment Flow-Through ("SIFT") trust pursuant to the Act is entitled to deduct distributions of taxable income such that it is not liable to pay income taxes provided that its taxable income is fully distributed to Unitholders. The REIT intends to continue to qualify as a mutual fund trust that is not a SIFT trust and to make distributions not less than the amount necessary to ensure that the REIT will not be liable to pay income taxes.

Certain of the REIT's operations or a portion thereof are conducted through its taxable U.S. subsidiaries, which are subject to U.S. federal and state corporate income taxes.

For the three and nine months ended September 30, 2026, the REIT recorded current income tax expense of \$43 (2025 - recovery of \$533) and \$130 (2025 - \$40), respectively. The increase in current tax expense for the three and nine months ended September 30, 2026 is primarily due to the result of a cost segregation study completed in 2025. In addition, during the third quarter of 2025, the One Big Beautiful Bill (OB3) was substantially enacted which increased the amount of deductible business interest expenses.

For the three and nine months ended September 30, 2026, the REIT recorded deferred income tax expense associated with the U.S. subsidiaries of \$2,500 (2025 - recovery of \$107) and \$11,592 (2025 - \$9,632), respectively. The increase in deferred tax expense is primarily due to a lower fair value loss recorded under IFRS on U.S. properties.

The REIT's income tax provision consists of the following:

(In thousands of dollars)	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Current	\$43	(\$533)	\$130	\$40
Deferred	2,500	(107)	11,592	9,632
Provision for income taxes	\$2,543	(\$640)	\$11,722	\$9,672

As at September 30, 2026, the REIT's U.S. subsidiaries have total net operating losses of approximately US\$57,913 (December 31, 2025 - US\$55,663) of which deferred income tax assets were recognized as it is probable that taxable income will be available against such losses and can be carried forward indefinitely. Included in the net operating losses is the REIT's portion of net operating losses of a subsidiary where the REIT owns a 51% effective interest in a limited partnership of US\$10,788 (December 31, 2025 - US\$10,171).

As at September 30, 2026, the REIT's U.S. subsidiaries have a total of US\$67,667 (December 31, 2025 - US\$65,131) of unutilized interest expense deductions on which deferred income tax assets were recognized and can be carried forward indefinitely.

FUNDS FROM OPERATIONS

FFO (and FFO per Unit) is a non-GAAP financial measure that does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. This measure should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS. FFO is computed by the REIT in accordance with the current definition of the Real Property Association of Canada ("REALPAC") and is widely used as a real estate industry standard that supplements net income and evaluates operating performance but is not indicative of funds available to meet the REIT's cash requirements. Additional information on this non-GAAP financial measure can be found in Part I, "Specified Financial Measures."

The following table provides a reconciliation of FFO to its closely related financial statement measurement for the following periods:

	Three months ended September 30		Nine months ended September 30	
(In thousands of dollars, except per Unit amounts)	2026	2025	2026	2025
Net income for the period attributable to Unitholders	\$24,448	\$7,849	\$84,978	\$75,089
Add/(deduct):				
Realty taxes accounted for under IFRIC 21 ⁽¹⁾	(8,908)	(8,424)	7,397	9,438
Fair value gain on conversion option on convertible debentures	(185)	(391)	(700)	(202)
Distributions on Class B LP Units recorded as interest expense ⁽²⁾	3,401	3,272	10,203	9,816
Foreign exchange loss	—	3	2	7
Fair value loss (gain) on real estate properties, net ⁽³⁾	30,814	19,282	(12,379)	(53,758)
Non-controlling interests' share of fair value gain on real estate properties	4,785	2,692	8,173	3,002
Fair value loss (gain) on Class B LP Units	(37,202)	(1,895)	(46,158)	17,223
Deferred income tax expense (recovery)	2,500	(107)	11,592	9,632
FFO - basic	\$19,653	\$22,281	\$63,108	\$70,247
Interest expense on convertible debentures	840	840	2,520	2,520
FFO - diluted	\$20,493	\$23,121	\$65,628	\$72,767
FFO per Unit - basic	\$0.38	\$0.43	\$1.21	\$1.33
FFO per Unit - diluted	\$0.38	\$0.42	\$1.20	\$1.32
Weighted average number of Units outstanding (in thousands):				
Basic ⁽⁴⁾	52,170	52,280	52,166	52,702
Diluted ^{(4) (5)}	54,489	54,599	54,485	55,021

(1) Realty taxes accounted for under IFRIC 21 (including equity-accounted investments) and excluding non-controlling interests' share.

(2) Under IFRS, the Class B LP Units are considered financial liabilities and, as a result of this classification, their corresponding distribution amounts are considered interest expense. The REIT believes these distribution payments do not truly represent financing charges because these amounts are payable only if the REIT declares distributions and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees as outlined in the Declaration of Trust. Therefore, these distributions are excluded from the calculation of FFO.

(3) Includes fair value adjustment on real estate properties for equity-accounted investments.

(4) For purposes of calculating FFO per Unit, Class B LP Units are included as Units outstanding on both a basic and diluted basis.

(5) Includes the dilutive impact of convertible debentures.

Basic FFO for the three months ended September 30, 2026 decreased by \$2,628 (or 11.8%) to \$19,653 (\$0.38 per Unit), compared to \$22,281 (\$0.43 per Unit) in 2025. The decrease (calculated on a Proportionate Basis) is mainly due to lower Proportionate NOI of \$773, an increase in interest expense of \$1,331 (excluding distributions on Class B LP Units and fair value adjustments on the conversion option on convertible debentures), a decrease in other income of \$477 and an increase in current income tax of \$520, partially offset by a decrease in trust expense of \$473.

Basic FFO per Unit for the three months ended September 30, 2026 decreased by \$0.05 to \$0.38 per Unit, compared to \$0.43 per Unit in 2025 due to the following factor:

- i) on a Proportionate Basis, in local currency, a decrease in NOI, lower interest income, an increase in interest expense and an increase in current tax expense, partly offset by a decrease in trust expense, had a net \$0.05 per Unit negative impact.

Basic FFO for the nine months ended September 30, 2026 decreased by \$7,139 (or 10.2%) to \$63,108 (\$1.21 per Unit), compared to \$70,247 (\$1.33 per Unit) in 2025. The decrease (calculated on a Proportionate Basis) is mainly due to lower Proportionate NOI of \$5,122, an increase in interest expense of \$1,688 (excluding distributions on Class B LP Units and fair value adjustments on the conversion option on convertible debentures), a decrease in other income of \$1,484 and an increase in current income tax of \$90, partially offset by a decrease in trust expense of \$1,245.

Basic FFO per Unit for the nine months ended September 30, 2026 decreased by \$0.12 to \$1.21 per Unit, compared to \$1.33 per Unit in 2025 due to the following factors:

- i) on a Proportionate Basis, in local currency, a decrease in NOI, lower interest income and an increase in interest expense, partly offset by a decrease in trust expense, had a net \$0.10 per Unit negative impact. The net \$0.10 negative impact includes offsetting adjustments relating to a \$0.01 per Unit favorable impact from a higher realty tax refund received, offset by a \$0.01 per Unit negative impact relating to suites that are offline due to renovations. In addition, a change in foreign exchange rate had a \$0.03 per Unit negative impact, primarily from a decrease in FFO generated from U.S. properties; and
- ii) the impact from Units repurchased under the REIT's NCIB had a \$0.01 per Unit positive impact.

DISTRIBUTIONS

Total distributions (including Class B LP Units) is a non-GAAP financial measure that does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. This measure should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. Additional information on this non-GAAP financial measure can be found under the section Part I, "Specified Financial Measures."

The Trustees have discretion with respect to the timing and amounts of distributions. For the three and nine months ended September 30, 2026, total distributions amounted to \$10,305 (2025 - \$9,934) and \$30,909 (2025 - \$30,089), respectively.

Three months ended September 30 (In thousands of dollars)	2026			2025		
	Class B LP		Total	Class B LP		Total
	Units	Units		Units	Units	
Distributions paid and declared	\$6,699	\$3,401	\$10,100	\$6,466	\$3,272	\$9,738
Distributions – DRIP	205	—	205	196	—	196
Total	\$6,904	\$3,401	\$10,305	\$6,662	\$3,272	\$9,934

Nine months ended September 30 (In thousands of dollars)	2026			2025		
	Class B LP		Total	Class B LP		Total
	Units	Units		Units	Units	
Distributions paid and declared	\$20,093	\$10,203	\$30,296	\$19,695	\$9,816	\$29,511
Distributions – DRIP	613	—	613	578	—	578
Total	\$20,706	\$10,203	\$30,909	\$20,273	\$9,816	\$30,089

The following table summarizes distributions paid to holders of Units in relation to net income and cash provided by operating activities:

	Three months ended September 30, 2026	Nine months ended September 30, 2026	Year ended December 31, 2025	Year ended December 31, 2024
(In thousands of dollars)				
Net income	\$31,084	\$95,407	\$111,535	\$99,396
Cash provided by (used in) operating activities	(1,530)	46,903	87,761	86,143
Distributions - Units ⁽¹⁾	\$6,904	\$20,706	\$27,094	\$27,671
Excess of net income over distributions	\$24,180	\$74,701	\$84,441	\$71,725
Excess of cash provided by (used in) operating activities over distributions	(\$8,434)	\$26,197	\$60,667	\$58,472

(1) Excludes distributions on Class B LP Units since these were recorded as interest expense and, therefore, were deducted in calculating net income and cash provided by operating activities.

Net income for the three and nine months ended September 30, 2026, includes a net income of \$14,881 and \$43,000, respectively, of non-cash components relating to a fair value gain (loss) on real estate properties, fair value gain (loss) on Class B LP Units, equity income from investments, an IFRIC 21 adjustment to realty taxes and deferred taxes. Net income exceeded distributions when removing the impact of these non-cash items.

In determining the annual level of distributions to Unitholders, the REIT looks at forward-looking cash flow information, including forecasts and budgets, and the future prospects of the REIT. Furthermore, the REIT does not consider periodic cash flow fluctuations resulting from items such as the timing of property operating costs, property tax instalments or semi-annual debenture interest payments in determining the level of distributions to Unitholders in any particular quarter. Additionally, in establishing the level of distributions to the Unitholders, the REIT considers the impact of, among other items, the future growth in the income producing properties, the impact of future acquisitions and capital expenditures related to the income producing properties.

PART IV

BALANCE SHEET ANALYSIS

REAL ESTATE PROPERTIES

The REIT accounts for its real estate properties using the fair value model. The following table provides the regional allocation of real estate properties for the following periods:

As at (In thousands of Canadian dollars, unless otherwise stated)	September 30, 2026	December 31, 2025
Canadian Properties		
Alberta	\$59,200	\$59,000
Ontario	1,798,590	1,762,080
Total Canadian Properties	1,857,790	1,821,080
U.S. Properties (in US dollars)		
Colorado	119,100	121,700
Texas	194,200	201,900
Louisiana	45,800	47,200
Illinois	438,000	415,700
Georgia	96,600	98,000
Florida	503,000	501,300
North Carolina	177,200	178,200
Virginia	52,000	51,100
Maryland	200,515	202,415
	1,826,415	1,817,515
Impact of realty taxes accounted for under IFRIC 21	5,693	—
Total U.S. Properties (in US dollars)	1,832,108	1,817,515
Exchange amount to Canadian dollars	775,349	673,570
Total U.S. Properties (in Canadian dollars)	2,607,457	2,491,085
Total real estate properties	\$4,465,247	\$4,312,165

The value of real estate properties increased by \$153,082 as at September 30, 2026, to \$4,465,247, compared to \$4,312,165 at December 31, 2025. The increase is mainly the result of the following:

- Capitalization of property enhancements of \$45,077;
- A net fair value gain on real estate properties of \$10,373; and
- An increase of \$96,412 due to the change in U.S. dollar foreign exchange rate.

APPRAISAL CAPITALIZATION RATES

Morguard's appraisal division consists of Appraisal Institute of Canada ("AIC") designated Accredited Appraiser Canadian Institute ("AACI") members who are qualified to offer valuation and consulting services and expertise for all types of real property, all of whom are knowledgeable and have recent experience in the fair value techniques for investment properties. AACI members must adhere to AIC's Canadian Uniform Standards of Professional Appraisal Practice and undertake ongoing professional development. Morguard's appraisal division is responsible for determining the fair value of investment properties every quarter. Morguard's valuation processes and results are reviewed by the REIT's senior management at least once every quarter, in line with the REIT's quarterly reporting dates.

Key assumptions used in determining the valuation of income producing properties include estimates of capitalization rates and stabilized net operating income (primarily influenced by revenue growth, vacancy rates, inflation rates and operating costs), which pertain to forward-looking assumptions and market evidence, and accordingly could materially and adversely impact the underlying valuation of the REIT's income producing properties.

As at September 30, 2026, and December 31, 2025, the REIT had all its portfolio appraised by Morguard's appraisal division. In addition, the REIT's U.S. portfolio is appraised by independent U.S. real estate appraisal firms on a three-year cycle.

The REIT utilizes the direct capitalization income method to appraise its portfolio. This method requires that rental income from current leases and key assumptions about rental income, vacancies and inflation rates, among other factors, are used to determine a one-year stabilized net operating income forecast for each individual property within the REIT's portfolio and also considers any capital expenditures anticipated within the year. A capitalization rate was also determined for each property based on market information related to the external sale of similar properties within a similar location. These factors were used to determine the fair value of income producing properties at each reporting period.

As at September 30, 2026, using the direct capitalization income approach, the properties were valued using capitalization rates in the range of 3.8% to 6.3% (December 31, 2025 - 3.8% to 6.3%), resulting in an overall weighted average capitalization rate of 4.5% (December 31, 2025 - 4.5%).

The average capitalization rates by location are set out in the following table:

	September 30, 2026 Capitalization Rates			December 31, 2025 Capitalization Rates		
	Max.	Min.	Weighted Average	Max.	Min.	Weighted Average
Canada						
Alberta	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Ontario	4.8%	3.8%	3.9%	4.8%	3.8%	3.9%
United States						
Colorado	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Texas	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Louisiana	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Illinois ⁽¹⁾	5.3%	5.0%	5.1%	5.3%	5.0%	5.1%
Georgia	5.5%	5.3%	5.4%	5.5%	5.3%	5.4%
Florida	6.3%	4.8%	5.3%	6.3%	4.8%	5.3%
North Carolina	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Virginia	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Maryland	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%

(1) Includes equity-accounted investment.

Fair values are most sensitive to changes in capitalization rates and stabilized net operating income. Generally, an increase in stabilized net operating income will result in an increase in the fair value of the real estate properties, and an increase in capitalization rates will result in a decrease in the fair value of the properties. The capitalization rate magnifies the effect of a change in stabilized net operating income, with a lower capitalization rate resulting in a greater impact on the fair value of the property than a higher capitalization rate. If the weighted average stabilized capitalization rate were to increase or decrease by 25 basis points (assuming no change in stabilized net operating income), the value of the real estate properties as at September 30, 2026, would decrease by \$228,778 or increase by \$255,816, respectively.

PROPERTY CAPITAL INVESTMENTS

The REIT has a continual capital improvement program with respect to its investment properties. The program is designed to maintain and improve the operating performance of the properties and has enhanced the value of the properties by allowing the REIT to charge higher rents or by enabling it to lower operating expenses. The capital investments have also increased resident retention by ensuring that the properties retain their attractiveness to both existing and prospective tenants.

The REIT is committed to improving its operating performance by incurring appropriate capital expenditures in order to replace and maintain the productive capacity of its property portfolio so as to sustain its rental income-generating potential over the portfolio's useful life. In accordance with IFRS, the REIT capitalizes all capital improvement expenditures on its properties which enhance the service potential of the property and extend the useful life of the asset.

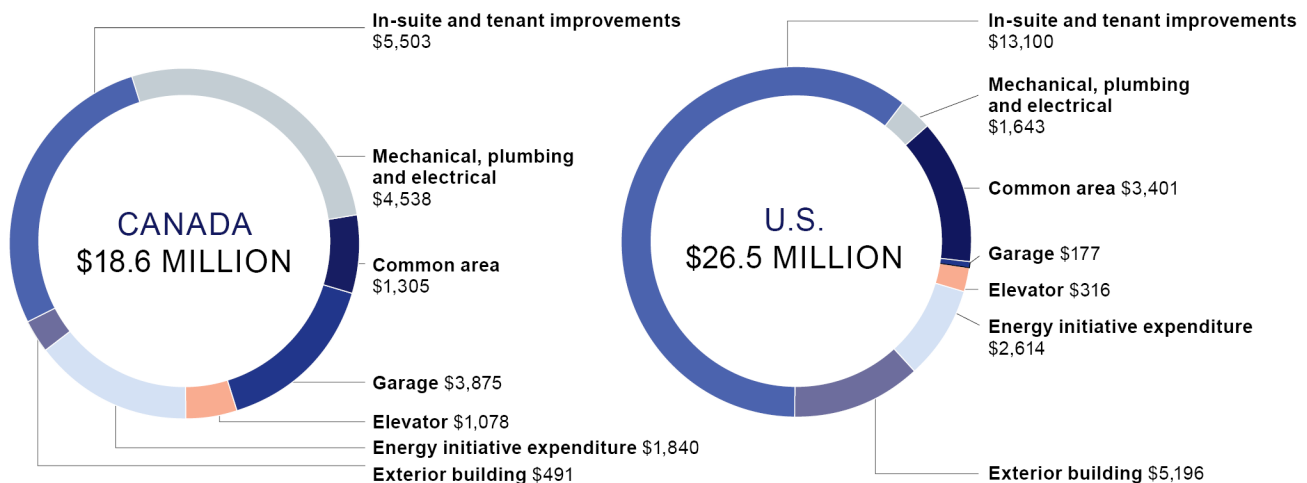
The following table provides additional details on total capital expenditures over the following periods:

(In thousands of dollars)	Nine months ended September 30		Year ended December 31	
	2026	2025	2025	2024
Common area	\$4,706	\$4,295	\$7,070	\$9,519
Mechanical, plumbing and electrical	6,181	3,336	4,987	3,600
Exterior building	5,687	9,828	14,936	7,631
Garage	4,052	4,750	9,287	10,127
Elevator	1,394	1,147	1,157	2,930
Energy initiative expenditure	4,454	1,903	3,542	5,820
In-suite and tenant improvements	18,603	15,075	23,132	19,775
Total capital expenditures	\$45,077	\$40,334	\$64,111	\$59,402

Capital Expenditures by Country

The following details total capital expenditures by country:

For the nine months ended September 30, 2026
(In thousands of dollars)



EQUITY-ACCOUNTED INVESTMENTS

The following are the REIT's equity-accounted investments as at September 30, 2026, and December 31, 2025:

Property	Principal Place of Business	Investment Type	REIT's Ownership		Carrying Value	
			September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
Marquee at Block 37	Chicago, IL	Joint Venture	50%	50%	\$79,783	\$72,640

Marquee at Block 37 is a 38-storey apartment building located in the heart of downtown Chicago which features 690 suites and extensive best-in-class amenities.

The following table presents the change in the balance of the equity-accounted investments:

As at (In thousands of dollars)	September 30, 2026	December 31, 2025
Balance, beginning of period	\$72,640	\$70,874
Distributions received	(1,369)	(2,350)
Share of net income	5,623	7,606
Foreign exchange gain (loss)	2,889	(3,490)
Balance, end of period	\$79,783	\$72,640

PART V

LIQUIDITY AND CAPITAL RESOURCES

LIQUIDITY

The REIT has liquidity of \$272,000, comprised of approximately \$172,000 in cash and \$100,000 in available credit under its revolving credit facility with Morguard Corporation. In addition, the REIT has \$245,000 of unencumbered assets which could be utilized for financing.

Net cash flows from operating activities represent the primary source of liquidity to fund distributions and maintenance capital expenditures. The REIT's net cash flows from operating activities depend on the occupancy level of its rental properties, rental rates on its leases, collectability of rent from its tenants, level of operating expenses and other factors. Material changes in these factors may adversely affect the REIT's cash flows from operating activities and liquidity (see Part VII, "Risks and Uncertainties").

The REIT expects to be able to meet all of its obligations, including distributions to Unitholders, maintenance and property capital expenditure commitments as they become due, and to provide for the future growth of the business. The REIT anticipates meeting all future obligations and has no off-balance sheet financing arrangements. Short-term fluctuations in working capital are funded through the Morguard Facility, and the REIT expects to have sufficient liquidity as a result of cash flows from operating activities and financing available through the Morguard Facility. Accordingly, the REIT does not intend to repay maturing debt from cash flow but rather with proceeds from refinancing such debt, subject to certain conditions (see Part V, "Capital Structure and Debt Profile").

CASH FLOWS

The following table details the changes in cash for the following periods:

	Three months ended September 30		Nine months ended September 30	
(In thousands of dollars)	2026	2025	2026	2025
Cash provided by (used in) operating activities	(\$1,530)	\$16,866	\$46,903	\$72,463
Cash used in investing activities	(18,469)	(15,963)	(49,208)	(48,122)
Cash provided by (used in) financing activities	(11,953)	9,439	56,715	3,000
Net increase (decrease) in cash during the period	(31,952)	10,342	54,410	27,341
Net effect of foreign currency translation on cash balance	98	1,155	3,037	(1,098)
Cash, beginning of the period	203,935	66,004	114,634	51,258
Cash, end of period	\$172,081	\$77,501	\$172,081	\$77,501

Three Months Ended September 30, 2026 and 2025

Cash Provided by (Used in) Operating Activities

Cash used in operating activities during the three months ended September 30, 2026, was \$1,530, compared to cash provided by operating activities of \$16,866 in 2025. The change during the period mainly relates to a decrease in NOI (excluding IFRIC 21 adjustment) of \$576, an increase in interest expense of \$1,557, a decrease in other income of \$481, an increase in current income tax of \$576, an increase in additions to tenant incentives of \$700 and a decrease in non-cash operating assets and liabilities of \$15,541, partially offset by a decrease in trust expense of \$466.

Cash Used in Investing Activities

Cash used in investing activities during the three months ended September 30, 2026, totalled \$18,469, compared to \$15,963 during the same period in 2025. Cash used in investing activities during the period consists of capitalization of property enhancements of \$18,469.

Cash Provided by (Used in) Financing Activities

Cash used in financing activities during the three months ended September 30, 2026, was \$11,953, compared to cash provided by financing activities of \$9,439 during the same period in 2025. The cash used in financing activities during the period was largely due to repayment of mortgages on maturity of \$59,741, mortgage principal installment repayments totalling \$6,976, distributions paid to Unitholders of \$6,697, the repurchase of Units for cancellation of \$1,434 and distributions to non-controlling interest of \$1,022, partially offset by the net proceeds from new mortgages of \$64,114.

Nine Months Ended September 30, 2026 and 2025

Cash Provided by Operating Activities

Cash provided by operating activities during the nine months ended September 30, 2026, was \$46,903, compared to \$72,463 in 2025. The change during the period mainly relates to a decrease in NOI (excluding IFRIC 21 adjustment) of \$4,946, an increase in interest expense of \$2,968, a decrease in other income of \$1,446, a net decrease in non-cash operating assets and liabilities of \$17,449 and an increase in additions to tenant incentives of \$1,582, partially offset by a decrease in trust expense of \$1,244 and an increase in distributions from equity-accounted investments of \$403.

Cash Used in Investing Activities

Cash used in investing activities during the nine months ended September 30, 2026, totalled \$49,208, compared to \$48,122 during the same period in 2025. The cash used in investing activities during the period consists of the capitalization of property enhancements of \$49,208.

Cash Provided by Financing Activities

Cash provided by financing activities during the nine months ended September 30, 2026, totalled \$56,715, compared to \$3,000 during the same period in 2025. The cash provided by financing activities during the period was largely due to net proceeds from new mortgages of \$262,483 and net proceeds on the Morguard Facility of \$11,885, partially offset by the repayment of mortgages on maturity of \$171,703, mortgage principal instalment repayments of \$21,957, distributions paid to Unitholders of \$20,091, distributions paid to non-controlling interest of \$1,694 and the repurchase of the Units for cancellation of \$1,434.

CAPITAL STRUCTURE AND DEBT PROFILE

The REIT's capital management is designed to maintain a level of capital that allows it to implement its business strategy while complying with investment and debt restrictions pursuant to the Declaration of Trust, as well as existing debt covenants, while continuing to build long-term Unitholder value and maintaining sufficient capital contingencies. Total capitalization is calculated as the sum of the principal amount of the REIT's total debt (including mortgages payable, convertible debentures, lease liabilities and amounts drawn under its revolving credit facility with Morguard), Unitholders' equity and Class B LP Units liability.

The total managed capital of the REIT is summarized below:

As at (In thousands of dollars)	September 30, 2026	December 31, 2025
Mortgages payable, principal balance	\$1,834,585	\$1,720,955
Convertible debentures, face value	56,000	56,000
Lease liabilities	17,807	16,939
Class B LP Units	253,007	299,165
Unitholders' equity	2,104,682	1,994,579
Total capitalization	\$4,266,081	\$4,087,638

DEBT PROFILE

As at September 30, 2026, the overall leverage, as represented by the ratio of total indebtedness to gross book value was 40.1%. The requirements of the REIT's operating policies as outlined in the Declaration of Trust include the requirement that the REIT will not incur or assume indebtedness if, after giving effect to the incurring

or assumption of the indebtedness, the total indebtedness of the REIT would be more than 70% of the gross book value.

The interest coverage ratio and the indebtedness coverage ratio are calculated based on obligations associated with mortgages payable, lease liabilities, the convertible debentures and the Morguard Facility.

The following tables summarize the key liquidity metrics:

	September 30, 2026	December 31, 2025
As at		
Total indebtedness to gross book value ⁽¹⁾	40.1%	39.5%
Weighted average mortgage interest rate ⁽²⁾	4.28%	4.07%
Weighted average term to maturity on mortgages payable (years)	5.3	4.8

(1) A calculation of indebtedness to gross book value (a non-GAAP ratio) and a reconciliation of the ratio's non-GAAP financial measure components from the IFRS financial statement presentation is presented under the section Part IX, "Reconciliation of Non-GAAP Financial Measures."
(2) Represents the contractual interest rates on mortgages payable.

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Interest coverage ratio ⁽¹⁾	1.94	2.11	2.04	2.23
Indebtedness coverage ratio ⁽¹⁾	1.46	1.53	1.50	1.58

(1) A calculation of interest and indebtedness coverage ratios (non-GAAP ratios) and a reconciliation of the ratio's non-GAAP financial measure components from the IFRS financial statement presentation is presented under the section Part IX, "Reconciliation of Non-GAAP Financial Measures."

MORTGAGES PAYABLE

Mortgages payable consist of the following:

	September 30, 2026	December 31, 2025
As at		
(In thousands of dollars)		
Principal balance of mortgages	\$1,834,585	\$1,720,955
Deferred financing costs	(23,794)	(19,831)
Mark-to-market adjustment	(554)	(1,007)
	\$1,810,237	\$1,700,117
Range of interest rates	2.03–6.33%	2.03–6.07%
Weighted average interest rate	4.28%	4.07%
Weighted average term to maturity (years)	5.3	4.8
Fair value of mortgages	\$1,759,199	\$1,697,588

As at September 30, 2026, the principal balance on the mortgages payable totalled \$1,834,585 (December 31, 2025 - \$1,720,955), the deferred financing costs associated with the mortgages amounted to \$23,794 (December 31, 2025 - \$19,831) and the mark-to-market adjustment amounted to \$554 (December 31, 2025 - \$1,007).

Mortgages payable increased by \$110,120 as at September 30, 2026 to \$1,810,237, compared to \$1,700,117 at December 31, 2025. The increase is mainly due to the following:

- The repayment of mortgages totalling \$76,124 on three multi-suite residential properties located in Ontario and Alberta, which were refinanced for an amount totalling \$162,763;
- The repayment of mortgages totalling \$83,320 (US\$58,583) on three multi-suite residential properties located in Georgia and Florida, which were refinanced for an amount totalling \$106,286 (US\$74,726);

- The repayment of a mortgage in the amount of \$12,259 (US\$8,627) secured by a multi-suite residential property located in Louisiana;
- Financing costs of \$6,566;
- Scheduled principal repayments of \$21,957;
- An increase of \$38,065 due to the change in the U.S. dollar foreign exchange rate; and
- Amortization of deferred financing costs and mark-to-market adjustment on mortgages totalling \$3,232.

During the three months ended June 30, 2026, the REIT completed the Canada Mortgage and Housing Corporation ("CMHC") insured refinancing of three multi-suite residential properties located in Ontario and Alberta, for an aggregate amount of \$162,763 at a weighted average interest rate of 4.26% and for a weighted average term of 11.2 years. The maturing mortgages amounted to \$76,124 and had a weighted average interest rate of 2.88%.

On June 30, 2026, the REIT completed the refinancing of a multi-suite residential property located in Kennesaw, Georgia, in the amount of \$41,439 (US\$29,162) at an interest rate of 5.40% and for a term of 5 years. The maturing mortgage amounted to \$35,838 (US\$25,220) and had an interest rate of 3.67%.

On July 1, 2026, the REIT repaid its mortgage payable secured by a multi-suite residential property located in Louisiana in the amount of \$12,259 (US\$8,627). The maturing mortgage was open and prepayable at no penalty before its scheduled maturity on October 1, 2026, and had an interest rate of 3.53%.

On September 30, 2026, the REIT completed the refinancing of a mortgage secured by two multi-suite residential properties located in Florida, in the amount of \$64,847 (US\$45,564) at an interest rate of 6.33% and for a term of 10 years. The maturing mortgage amounted to \$47,482 (US\$33,363) and had an interest rate of 3.53%.

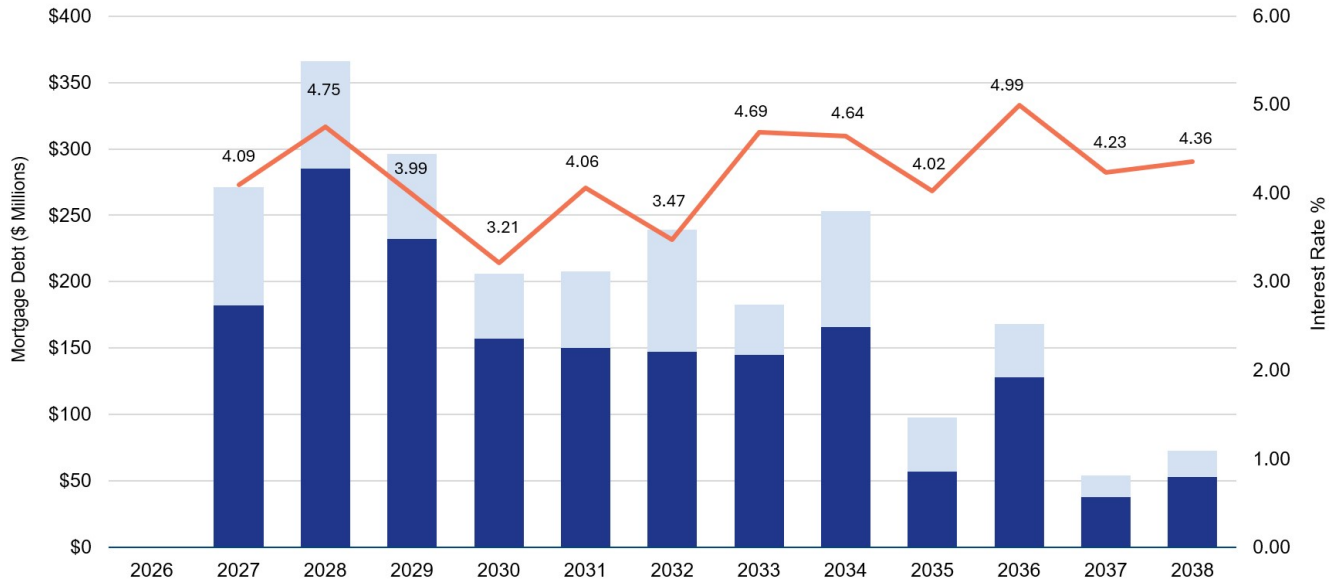
As at September 30, 2026, the REIT's first mortgages are registered against specific real estate assets, and approximately 95% of the REIT's real estate properties, and related rental revenue, have been pledged as collateral for the mortgages payable.

The following table details the REIT's mortgages that are scheduled to mature in the next two years.

Asset Type	2026				2027			
	Number of Properties	Principal Maturing	Weighted Average Interest Rate	Maturing Loan-to-Value Ratio	Number of Properties	Principal Maturing	Weighted Average Interest Rate	Maturing Loan-to-Value Ratio
Canada	—	\$—	—%	—%	—	\$—	—%	—%
U.S.	—	—	—%	—%	4	181,707	4.09%	36.7%
	—	\$—	—%	—%	4	\$181,707	4.09%	36.7%

As at September 30, 2026, the following table illustrates the REIT's mortgage balance at maturity (including equity-accounted investment at the REIT's interest), along with the IFRS fair value (at a loan-to-value ratio of 55%) secured against the mortgages by year of maturity:

As at September 30, 2026



CONVERTIBLE DEBENTURES

Convertible debentures consist of the following:

As at (In thousands of dollars)	September 30, 2026	December 31, 2025
6.00% convertible unsecured subordinated debentures	\$54,676	\$54,013
Fair value of conversion option	11	711
Unamortized financing costs	(817)	(1,188)
	\$53,870	\$53,536

For the three and nine months ended September 30, 2026, interest on the convertible debentures amounting to \$840 (2025 - \$840) and \$2,520 (2025 - \$2,520), respectively, is included in interest expense.

6.00% Convertible Unsecured Subordinated Debentures

On March 9, 2023, the REIT issued \$50,000 principal amount of 6.00% convertible unsecured subordinated debentures (the "2023 Debentures") maturing on March 31, 2028 (the "Maturity Date"). On March 17, 2023, an additional principal amount of \$6,000 was issued pursuant to the exercise of the over-allotment option. Interest is payable semi-annually, not in advance, on March 31 and September 30 of each year. Underwriters' commission, legal and other issue costs attributable to the 2023 Debentures in the amount of \$2,410 have been capitalized and are being amortized over their term to maturity. Morguard and Paros Enterprises Limited, related parties, own \$5,000 and \$2,000 aggregate principal amount of the 2023 Debentures, respectively.

As at September 30, 2026, \$56,000 of the face value of the 2023 Debentures were outstanding.

Each of the 2023 Debentures can be converted into fully paid, non-assessable and freely tradable Units at the option of the holder at any time prior to the close of business on the earlier of the Maturity Date and the business day immediately preceding the date specified by the REIT for redemption of the 2023 Debentures, at a conversion price of \$24.15 per Unit, being a ratio of approximately 41.4079 Units per \$1,000 principal amount of the 2023 Debentures.

MORGUARD FACILITY

The REIT has an unsecured revolving credit facility with Morguard (the "Morguard Facility") that provides for borrowings or advances that can be drawn or advanced either in Canadian dollars or an equivalent amount in United States dollars at the entity's borrowing cost, subject to the availability of sufficient funds. The maximum allowable to be borrowed or advanced under the Morguard Facility is \$100,000.

As at September 30, 2026, the net amount receivable under the Morguard Facility was \$nil (December 31, 2025 - \$12,000).

During the three and nine months ended September 30, 2026, the REIT recorded net interest income of \$nil (2025 - \$1,080) and \$678 (2025 - \$3,741), respectively, on the Morguard Facility.

UNITHOLDERS' EQUITY, SPECIAL VOTING UNITS AND CLASS B LP UNITS

UNITS

The REIT is authorized to issue an unlimited number of Units. Each Unit confers the right to one vote at any meeting of Unitholders and to participate pro rata in the distributions by the REIT and, in the event of termination or winding-up of the REIT, in the net assets of the REIT. The Unitholders have the right to require the REIT to redeem their Units on demand subject to certain conditions. The Units have no par value. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption will cease and the holder thereof will be entitled to receive a price per Unit ("Redemption Price") as determined by a formula outlined in the Declaration of Trust. The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.

The Trustees have discretion with respect to the timing and amounts of distributions.

The following table summarizes the changes in Units for the period from December 31, 2024, to September 30, 2026:

Issued and Fully Paid Units (In thousands, except Unit amounts)	Units	Amount
Balance, December 31, 2024	36,284,181	\$422,745
Units issued under DRIP	44,259	776
Units repurchased through the REIT's NCIB plan	(1,398,709)	(24,335)
Balance, December 31, 2025	34,929,731	399,186
Units issued under DRIP	35,919	613
Units repurchased through the REIT's NCIB plan	(94,200)	(1,434)
Balance, September 30, 2026	34,871,450	\$398,365

NORMAL COURSE ISSUER BIDS

On January 8, 2025, the REIT had the approval of the TSX under its normal course issuer bid ("NCIB") to purchase up to 2,648,573 Units and \$4,900 principal amount of the 2023 Debentures. The program expired on January 11, 2026. On January 7, 2026, the REIT obtained the approval of the TSX under its NCIB, commencing January 12, 2026, to purchase up to 2,502,319 Units, being approximately 10% of the public float of outstanding Units; the program expires on January 11, 2027. The daily repurchase restriction for the Units is 6,255. Additionally, the REIT may purchase up to \$4,900 principal amount of the 2023 Debentures, being 10% of the public float of outstanding 2023 Debentures. The daily repurchase restriction for the 2023 Debentures is \$5. The price that the REIT would pay for any such Units or 2023 Debentures would be the market price at the time of acquisition.

During the nine months ended September 30, 2026, 94,200 Units were repurchased for cash consideration of \$1,434 at a weighted average price of \$15.22 per Unit. During the year ended December 31, 2025, 1,398,709 Units were repurchased for cash consideration of \$24,335 at a weighted average price of \$17.40 per Unit.

DISTRIBUTION REINVESTMENT PLAN

Under the REIT's Distribution Reinvestment Plan ("DRIP"), Unitholders can elect to reinvest cash distributions into additional Units at a weighted average closing price of the Units on the TSX for the five trading days immediately preceding the applicable date of distribution. During the nine months ended September 30, 2026, the REIT issued 35,919 Units under the DRIP (year ended December 31, 2025 - 44,259 Units).

SPECIAL VOTING UNITS AND CLASS B LP UNITS

The REIT is authorized to issue an unlimited number of Special Voting Units. The Declaration of Trust and the exchange agreement provide for the issuance of the Special Voting Units, which have no economic entitlement in the REIT or in the distribution or assets of the REIT but are used to provide voting rights proportionate to the votes of the Units to holders of securities exchangeable into Units, including the Class B LP Units. Each Special Voting Unit is not transferable separately from the Class B LP Unit to which it is attached and will be automatically redeemed and cancelled upon exchange of the attached Class B LP Unit into a Unit.

On April 18, 2012, the REIT issued 17,223,090 Class B LP Units to Morguard for \$172,231. The Class B LP Units are non-transferable, except under certain circumstances, but are exchangeable on a one-for-one basis into Units of the REIT at any time at the option of the holder. Prior to such exchange, distributions are made on the Class B LP Units in an amount equivalent to the distribution that would have been made had the Units of the REIT been issued. Each Class B LP Unit was accompanied by a Special Voting Unit that entitles the holder to receive notice of, attend and vote at all meetings of the Unitholders. There is no value assigned to the Special Voting Units.

As at September 30, 2026, the REIT valued the Class B LP Units based on the closing price of the TSX-listed Units which resulted in a fair value liability of \$253,007 (December 31, 2025 - \$299,165) and a corresponding fair value gain for the three months ended September 30, 2026 of \$37,202 (2025 - \$1,895) and a fair value gain for the nine months ended September 30, 2026 of \$46,158 (2025 - loss of \$17,223). For the three and nine months ended September 30, 2026, distributions on Class B LP Units amounting to \$3,401 (2025 - \$3,272) and \$10,203 (2025 - \$9,816), respectively, are included in interest expense.

As at September 30, 2026, Morguard owned a 48.6% effective interest in the REIT through its ownership of 8,120,666 Units and 17,223,090 Class B LP Units.

As at September 30, 2026, there were 34,871,450 Units and 17,223,090 exchangeable Class B LP Units issued and outstanding.

As at October 27, 2026, there were 34,876,265 Units and 17,223,090 exchangeable Class B LP Units issued and outstanding.

PART VI

RELATED PARTY TRANSACTIONS

Related party transactions that are in the normal course of operations are subject to the same processes and controls as other transactions; that is, they are subject to standard approval procedures and management oversight but are also considered by management for reasonability against fair value. Related party transactions that are found to be material are subject to review and approval by a committee of independent Trustees.

AGREEMENTS WITH MORGUARD AFFILIATES

The REIT, Morguard NAR Canada Limited Partnership (the "Partnership") and its subsidiaries entered into a series of agreements ("Agreements") with certain Morguard affiliates whereby the following services are provided by Morguard's affiliates under the direction of the REIT:

Property Management

Pursuant to the Agreements, Morguard's affiliates administer the day-to-day operations of the Canadian and U.S. income producing properties, for which Morguard's affiliates receive partnership fees and distributions equal to 3.5% of gross property revenue of the income producing properties, payable monthly. Fees and distributions for the three and nine months ended September 30, 2026 amounted to \$3,186 (2025 - \$3,138) and \$9,391 (2025 - \$9,531), respectively, and are included in property operating costs and equity income from investments.

Asset Management

Pursuant to the Agreements, Morguard's affiliates have certain duties and responsibilities for the strategic management and administration of the Partnership and its subsidiaries, for which they receive partnership fees and distributions equal to 0.25% of the Partnership's gross book value defined as acquisition cost of the REIT's assets plus: (i) fair value adjustments; and (ii) accumulated amortization on property, plant and equipment. In addition, an annual fee and distribution is calculated in arrears, determined by multiplying 15% of the Partnership's funds from operations in excess of \$0.66 per Unit. Fees and distributions for the three and nine months ended September 30, 2026 amounted to \$4,739 (2025 - \$5,134) and \$14,833 (2025 - \$15,954), respectively, and are included in trust expenses and equity income from investments.

Acquisition

Pursuant to the Agreements, Morguard's affiliates are entitled to receive partnership fees with respect to properties acquired, directly or indirectly, by the REIT from third parties, and the fees are to be paid upon the closing of the purchase of each such property. The fees range from 0% of the purchase price paid for properties acquired directly or indirectly from Morguard, including entities controlled by Morguard, up to 0.75% of the purchase price paid for properties acquired from third parties. There were no fees relating to acquisition services for the three and nine months ended September 30, 2026, and 2025.

Financing

Pursuant to the Agreements, with respect to arranging for financing services, Morguard's affiliates are entitled to receive partnership fees equal to 0.15% of the principal amount and associated costs (excluding mortgage premiums) of any debt financing or refinancing. Fees relating to financing services for the three and nine months ended September 30, 2026 amounted to \$98 (2025 - \$250) and \$406 (2025 - \$369), respectively, and have been capitalized to deferred financing costs.

Development

Pursuant to the Agreements, Morguard's affiliates are entitled to receive partnership fees equal to 1.00% of development costs, where such costs exceed \$1,000 and are incurred in connection with: (i) the construction, enlargement or reconstruction of any building, erection, plant, equipment or improvement on a property; or (ii) any refurbishing, additions, upgrading or restoration of or renovations to existing buildings, erections, plant, equipment or improvements, including redevelopments, other than repair and maintenance in the ordinary course of business. Fees relating to development services for the three and nine months ended September 30, 2026, amounted to \$25 (2025 - \$nil) and \$69 (2025 - \$nil), respectively, and are included in real estate properties.

Other Services

As at September 30, 2026, and December 31, 2025, the REIT had its portfolio appraised by Morguard's appraisal division. Fees relating to appraisal services for the three and nine months ended September 30, 2026 amounted to \$52 (2025 - \$52) and \$156 (2025 - \$156), respectively, and are included in trust expenses.

All the Agreements have an initial term of 10 years and are renewable for further terms of five years each, subject to certain notice provisions or upon the occurrence of an event of default as stipulated in the provisions of the Agreements.

PART VII

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The REIT's unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2026 and 2025, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the IASB. The condensed consolidated financial statements use the same accounting policies and methods of their application as the most recent annual audited consolidated financial statements and accompanying notes for the year ended December 31, 2025, which include the material accounting policies most affected by estimates and judgments, and should be read in conjunction with the most recent annual audited consolidated financial statements.

The MD&A for the year ended December 31, 2025, contains a discussion of the material accounting policies most affected by estimates and judgments used in the preparation of the consolidated financial statements, being the accounting estimates of fair values of income producing properties and valuation of financial instruments. Management determined that as at September 30, 2026, there is no change to the assessment of the material accounting policies most affected by estimates and judgments as detailed in the MD&A for the year ended December 31, 2025.

FINANCIAL INSTRUMENTS

The following describes the REIT's recognized and unrecognized financial instruments.

The REIT's financial assets and liabilities comprise cash, restricted cash, amounts receivable, the Morguard Facility, accounts payable and accrued liabilities, mortgages payable, Class B LP Units, lease liabilities and convertible debentures.

Financial assets must be classified and measured on the basis of both the business model in which the assets are managed and the contractual cash flow characteristics of the asset. Financial assets subsequent to initial recognition are classified and measured based on three categories: amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). Financial liabilities are classified and measured based on two categories: amortized cost and FVTPL. Fair values of financial assets and liabilities are presented as follows:

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair values of cash, restricted cash, amounts receivable, the Morguard Facility and accounts payable and accrued liabilities approximate their carrying values due to the short-term maturity of those instruments.

Mortgages payable, lease liabilities and convertible debentures are carried at amortized cost using the effective interest rate method of amortization. The estimated fair values of long-term borrowings have been determined based on market information, where available, or by discounting future payments of interest and principal at estimated interest rates expected to be available to the REIT.

The fair values of the mortgages payable have been determined by discounting the cash flows of these financial obligations using September 30, 2026 market rates for debt of similar terms. Based on these assumptions, as at September 30, 2026 the fair value of mortgages payable before deferred financing costs and mark-to-market adjustments is estimated at \$1,759,199 (December 31, 2025 - \$1,697,588), compared to the carrying value of \$1,834,585 (December 31, 2025 - \$1,720,955). The fair values of mortgages payable vary from their carrying values due to fluctuations in market interest rates since their issue.

The fair value of the convertible debentures are based on their market trading price. As at September 30, 2026, the fair value of the convertible debentures before deferred financing costs has been estimated at \$57,120 (December 31, 2025 - \$57,949), compared with the carrying value of \$54,676 (December 31, 2025 - \$54,013).

The fair value of the Class B LP Units is equal to the market trading price of the Units.

The REIT's convertible debentures have no restrictive covenants.

RISKS AND UNCERTAINTIES

There are certain risks inherent in an investment in the Units and activities of the REIT that investors should carefully consider before investing in securities of the REIT. Risks and uncertainties are disclosed in the REIT's MD&A for the year ended December 31, 2025 and in the Risks and Uncertainties section of the latest Annual Information Form, dated February 10, 2026.

CONTROLS AND PROCEDURES CONCERNING FINANCIAL INFORMATION

The financial certification process project team has documented and assessed the design and effectiveness of the internal controls in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. This undertaking has enabled the Chief Executive Officer and Chief Financial Officer to attest that the design and effectiveness of the internal controls with regard to financial information are effective using the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control - Integrated Framework (2013). In order to ensure that the consolidated financial statements and MD&A present fairly, in all material respects, the financial position of the REIT and the results of its operations, management is responsible for establishing and maintaining disclosure controls and procedures, as well as internal control over financial reporting.

The REIT's management has evaluated the effectiveness of the REIT's disclosure controls and procedures and, based on such evaluation, has concluded that their design is adequate and effective as of and for the nine months ended September 30, 2026. The REIT's management has also evaluated the effectiveness of the internal controls over financial reporting and has concluded that their design is effective as of and for the nine months ended September 30, 2026.

An information disclosure policy constitutes the framework for the information disclosure process with regard to the annual and interim filings, as well as to other reports filed or submitted under securities legislation. This policy aims in particular at identifying material information and validating the related reporting. Morguard's Disclosure Committee, established in 2005, is responsible for ensuring compliance with this policy for both Morguard and the REIT. Morguard's senior management acts as the Disclosure Committee, ensuring compliance with this policy and reviewing main documents to be filed with regulatory authorities to ensure that all significant information regarding operations is communicated in a timely manner.

PART VIII

SUMMARY OF QUARTERLY INFORMATION

The following table provides a summary of operating results for the last eight quarters.

(In thousands of dollars, except per Unit amounts)	Revenue	NOI	Proportionate NOI	FFO	Net Income Attributable to Unitholders	Net Income Attributable to Unitholders per Unit	
						Basic	Diluted ⁽¹⁾
September 30, 2026	\$88,887	\$53,731	\$44,775	\$19,653	\$24,448	\$0.47	\$0.47
June 30, 2026	87,214	54,214	45,989	22,017	23,144	0.44	0.44
March 31, 2026	86,466	20,849	45,072	21,438	37,386	0.72	0.70
December 31, 2025	88,173	57,882	47,609	23,838	27,879	0.54	0.54
September 30, 2025	87,664	54,132	45,548	22,281	7,849	0.15	0.15
June 30, 2025	88,537	56,897	48,354	24,765	29,172	0.56	0.55
March 31, 2025	90,274	20,823	47,056	23,201	38,068	0.71	0.70
December 31, 2024	87,888	54,153	45,554	22,788	48,602	0.90	0.89

(1) Includes the dilutive impact of the convertible debentures.

SUMMARY OF QUARTERLY RESULTS

A significant portion of the REIT's real estate properties are located in the United States. As a result, the REIT is exposed to foreign currency exchange rate fluctuations with respect to its quarterly results derived from its properties located in the U.S.

Quarterly results fluctuate due to acquisitions and dispositions, the impact of foreign exchange rate fluctuations and mortgage refinancing. In addition, net income (loss) includes a number of non-cash components, such as, fair value gain (loss) on Class B LP Units, fair value gain (loss) on real estate properties, an IFRIC 21 adjustment to realty taxes, equity income (loss) from investments and deferred taxes.

Revenue and Net Operating Income

The regional distribution of the REIT's suites serves to add stability to the REIT's cash flows because it reduces the REIT's vulnerability to economic fluctuations affecting any particular region. However, tenant retention and leasing vacant suites are critical to maintaining occupancy levels.

In Canada, certain provinces and territories have enacted residential tenancy legislation that, among other things, imposes rent control guidelines that limit the REIT's ability to raise rental rates at its properties. For the calendar year 2026, the Ontario guideline increase amount was established at 2.1% (2.5% for 2025 and 2024). In addition, overbuilding in the multi-suite residential sector, particularly in the United States, may increase the supply of multi-suite residential properties, further increasing the level of competition in certain markets. Such competition may reduce occupancy rates and rental revenues of the REIT and, consequently, revenue and operating results.

As at September 30, 2026, Same Property occupancy in Canada was 93.8%, reflecting stable demand predominantly in Ontario. Approximately 79% of the suites in Canada are located in the GTA. The GTA is Canada's most significant economic cluster and contains the largest concentration of people.

As at September 30, 2026, Same Property occupancy in the U.S. was 91.4% as the REIT aims to balance optimal occupancy levels and market rent growth.

The REIT has seen stable revenue resulting from an increase in Same Property revenue due to AMR growth, partly offset by higher vacancy in certain regions.

Similar to revenue, NOI has been stable over the last eight quarters resulting from stable revenue and the REIT's ability to control expenses as a percentage of revenue. The impact of foreign exchange rates and higher utility costs during the winter months also factored into the variance from quarter to quarter. Furthermore, the first quarter results (three months ended March 31) are impacted by IFRIC 21, whereby the REIT records the entire annual realty tax expense for its U.S. properties on January 1, except for U.S. properties acquired during the year in which the realty taxes are not recorded in the year of acquisition. As a result, the second, third and fourth quarters typically have no realty tax expense, which results in higher NOI and NOI margins.

In addition, the REIT incurred higher interest expense mainly due to the increase in mortgages from refinancing activities and fluctuations in interest income from excess cash and advances to Morguard on the Morguard Facility.

Net Income Attributable to Unitholders

Taking into account the above factors for revenue and NOI variations, the change in net income is predominantly due to a change in non-cash components as described below:

- The REIT valued the Class B LP Units based on the closing price of the TSX-listed Units from period to period, resulting in a fair value gain/loss on Class B LP Units due to volatility in the trading price of the REIT's Units;
- The REIT recognized a fair value loss on real estate properties for the three months ended September 30, 2026 mainly due to a net decrease in stabilized NOI across the REIT's properties including an IFRIC 21 adjustment on the REIT's U.S. properties. In addition, the equity-accounted investment includes non-cash fair value changes on real estate properties; and
- The REIT has recorded deferred tax expense/recovery coinciding with a fair value gain/loss on the REIT's U.S. real estate properties.

SUBSEQUENT EVENT

Subsequent to September 30, 2026, the REIT announced that its Board of Trustees has approved an increase to its annual cash distribution by \$0.02 per Unit (2.53%). The increase is expected to be effective for the November 2026 distribution, payable in December 2026. This will bring the distribution to \$0.81 per Unit on an annualized basis from the current level of \$0.79 per Unit.

PART IX

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

The REIT's proportionate consolidated financial statements are as follows:

BALANCE SHEETS - AS AT SEPTEMBER 30, 2026

	Non-GAAP Adjustments				Proportionate Basis (Non-GAAP)
	IFRS	NCI Share	Equity Interest	IFRIC 21	
ASSETS					
Non-current assets					
Real estate properties	\$4,465,247	(\$231,731)	\$185,404	(\$8,632)	\$4,410,288
Equity-accounted investments	79,783	—	(79,783)	—	—
	4,545,030	(231,731)	105,621	(8,632)	4,410,288
Current assets					
Amounts receivable	11,030	(605)	309	—	10,734
Prepaid expenses	22,520	(459)	351	—	22,412
Restricted cash	5,434	(1,665)	—	—	3,769
Cash	172,081	(3,352)	564	—	169,293
	211,065	(6,081)	1,224	—	206,208
	\$4,756,095	(\$237,812)	\$106,845	(\$8,632)	\$4,616,496
LIABILITIES AND EQUITY					
Non-current liabilities					
Mortgages payable	\$1,643,601	(\$106,848)	\$99,910	\$—	\$1,636,663
Convertible debentures	53,870	—	—	—	53,870
Class B LP Units	253,007	—	—	—	253,007
Deferred income tax liabilities	319,501	—	—	—	319,501
Lease liabilities	17,807	—	—	—	17,807
	2,287,786	(106,848)	99,910	—	2,280,848
Current liabilities					
Mortgages payable	166,636	104	2,667	—	169,407
Accounts payable and accrued liabilities	72,587	(6,664)	4,268	(8,632)	61,559
	239,223	(6,560)	6,935	(8,632)	230,966
Total liabilities	2,527,009	(113,408)	106,845	(8,632)	2,511,814
EQUITY					
Unitholders' equity	2,104,682	—	—	—	2,104,682
Non-controlling interest	124,404	(124,404)	—	—	—
Total equity	2,229,086	(124,404)	—	—	2,104,682
	\$4,756,095	(\$237,812)	\$106,845	(\$8,632)	\$4,616,496

The following table provides a reconciliation of gross book value and indebtedness as defined in the Declaration of Trust from their IFRS financial statement presentation:

	Non-GAAP Adjustments				Proportionate Basis
	IFRS	NCI Share	Equity Interest	IFRIC 21	(Non-GAAP)
Total Assets / Gross book value ⁽¹⁾	\$4,756,095	(\$237,812)	\$106,845	(\$8,632)	\$4,616,496
Mortgage payable	\$1,810,237	(\$106,744)	\$102,577	\$—	\$1,806,070
Add: Deferred financing costs	23,794	(470)	157	—	23,481
Mark-to-market adjustment	554	—	—	—	554
	1,834,585	(107,214)	102,734	—	1,830,105
Convertible debentures, face value	56,000	—	—	—	56,000
Lease liabilities	17,807	—	—	—	17,807
Indebtedness	\$1,908,392	(\$107,214)	\$102,734	\$—	\$1,903,912
Indebtedness / Gross book value	40.1%				41.2%

(1) Gross book value (as defined in the Declaration of Trust) includes the impact of any fair value adjustments.

STATEMENTS OF INCOME - FOR THE THREE MONTHS ENDED SEPTEMBER 30

	2026					2025				
	Non-GAAP Adjustments				Proportionate Basis	Non-GAAP Adjustments				Proportionate Basis
(In thousands of dollars)	IFRS	NCI Share	Equity Interest	IFRIC 21		IFRS	NCI Share	Equity Interest	IFRIC 21	
Revenue from properties										
Gross rental revenue	\$87,367	(\$4,870)	\$4,375	\$—	\$86,872	\$85,123	(\$4,598)	\$4,247	\$—	\$84,772
Vacancy	(8,698)	487	(184)	—	(8,395)	(7,254)	397	(254)	—	(7,111)
Ancillary	10,218	(578)	333	—	9,973	9,795	(465)	269	—	9,599
Total revenue from properties	88,887	(4,961)	4,524	—	88,450	87,664	(4,666)	4,262	—	87,260
Property operating expenses										
Operating costs	26,321	(1,325)	1,009	—	26,005	24,849	(1,159)	1,033	—	24,723
Realty taxes	3,106	(19)	(1)	8,908	11,994	3,066	(24)	(2)	8,424	11,464
Utilities	5,729	(217)	164	—	5,676	5,617	(215)	123	—	5,525
Total property operating expenses	35,156	(1,561)	1,172	8,908	43,675	33,532	(1,398)	1,154	8,424	41,712
NOI⁽¹⁾	53,731	(3,400)	3,352	(8,908)	44,775	54,132	(3,268)	3,108	(8,424)	45,548
Interest expense	(24,778)	1,473	(841)	—	(24,146)	(22,964)	1,335	(851)	—	(22,480)
Trust expenses	(5,223)	97	(126)	—	(5,252)	(5,689)	86	(122)	—	(5,725)
Equity income from investments	1,721	—	(1,721)	—	—	1,040	—	(1,040)	—	—
Foreign exchange loss	—	—	—	—	—	(3)	—	—	—	(3)
Other income	1,124	(21)	—	—	1,103	1,605	(25)	—	—	1,580
Income before fair value changes and income taxes	26,575	(1,851)	664	(8,908)	16,480	28,121	(1,872)	1,095	(8,424)	18,920
Fair value loss on real estate properties, net	(30,150)	(4,785)	(664)	8,908	(26,691)	(18,187)	(2,692)	(1,095)	8,424	(13,550)
Fair value gain on Class B LP Units	37,202	—	—	—	37,202	1,895	—	—	—	1,895
Income before income taxes	33,627	(6,636)	—	—	26,991	11,829	(4,564)	—	—	7,265
Recovery of (provision for) income taxes										
Current	(43)	—	—	—	(43)	533	(56)	—	—	477
Deferred	(2,500)	—	—	—	(2,500)	107	—	—	—	107
	(2,543)	—	—	—	(2,543)	640	(56)	—	—	584
Net income for the period	\$31,084	(\$6,636)	\$—	\$—	\$24,448	\$12,469	(\$4,620)	\$—	\$—	\$7,849
⁽¹⁾ IFRIC 21 included in NOI	(\$8,608)	\$773	(\$1,073)	\$8,908	\$—	(\$8,433)	\$809	(\$800)	\$8,424	\$—

The following table provides a reconciliation of interest and indebtedness coverage ratios from their IFRS financial statement presentation:

	2026					2025				
	Non-GAAP Adjustments				Proportionate Basis	Non-GAAP Adjustments				Proportionate Basis
(In thousands of dollars)	IFRS	NCI Share	Equity Interest	IFRIC 21		IFRS	NCI Share	Equity Interest	IFRIC 21	
NOI	\$53,731	(\$3,400)	\$3,352	(\$8,908)	\$44,775	\$54,132	(\$3,268)	\$3,108	(\$8,424)	\$45,548
IFRIC 21 adjustment	(8,608)	773	(1,073)	8,908	—	(8,433)	809	(800)	8,424	—
Trust expenses	(5,223)	97	(126)	—	(5,252)	(5,689)	86	(122)	—	(5,725)
Other income	1,124	(21)	—	—	1,103	1,605	(25)	—	—	1,580
	\$41,024	(\$2,551)	\$2,153	\$—	\$40,626	\$41,615	(\$2,398)	\$2,186	\$—	\$41,403
Interest expense	\$24,778	(\$1,473)	\$841	\$—	\$24,146	\$22,964	(\$1,335)	\$851	\$—	\$22,480
Amortization of mark-to-market adjustment on mortgages	(144)	—	—	—	(144)	(153)	—	—	—	(153)
Accretion on convertible debentures	(221)	—	—	—	(221)	(221)	—	—	—	(221)
Fair value gain on conversion option on convertible debentures	185	—	—	—	185	391	—	—	—	391
Distributions on Class B LP Units	(3,401)	—	—	—	(3,401)	(3,272)	—	—	—	(3,272)
	\$21,197	(\$1,473)	\$841	\$—	\$20,565	\$19,709	(\$1,335)	\$851	\$—	\$19,225
Interest coverage ratio	1.94				1.98	2.11				2.15
Indebtedness coverage ratio	1.46				1.44	1.53				1.52

STATEMENTS OF INCOME - FOR THE NINE MONTHS ENDED SEPTEMBER 30

	2026					2025				
	Non-GAAP Adjustments				Proportionate Basis	Non-GAAP Adjustments				Proportionate Basis
(In thousands of dollars)	IFRS	NCI Share	Equity Interest	IFRIC 21		IFRS	NCI Share	Equity Interest	IFRIC 21	
Revenue from properties										
Gross rental revenue	\$259,184	(\$14,179)	\$12,861	\$—	\$257,866	\$255,525	(\$13,711)	\$12,561	\$—	\$254,375
Vacancy	(27,122)	1,615	(672)	—	(26,179)	(18,137)	948	(554)	—	(17,743)
Ancillary	30,505	(1,667)	934	—	29,772	29,087	(1,416)	799	—	28,470
Total revenue from properties	262,567	(14,231)	13,123	—	261,459	266,475	(14,179)	12,806	—	265,102
Property operating expenses										
Operating costs	75,830	(3,895)	3,047	—	74,982	73,669	(3,699)	2,936	—	72,906
Realty taxes	41,023	(2,925)	3,125	(7,397)	33,826	43,592	(3,430)	3,334	(9,438)	34,058
Utilities	16,920	(574)	469	—	16,815	17,362	(599)	417	—	17,180
Total property operating expenses	133,773	(7,394)	6,641	(7,397)	125,623	134,623	(7,728)	6,687	(9,438)	124,144
NOI⁽¹⁾	128,794	(6,837)	6,482	7,397	135,836	131,852	(6,451)	6,119	9,438	140,958
Interest expense	(71,126)	4,375	(2,516)	—	(69,267)	(68,531)	3,450	(2,609)	—	(67,690)
Trust expenses	(16,299)	269	(349)	—	(16,379)	(17,543)	267	(348)	—	(17,624)
Equity income from investments	5,623	—	(5,623)	—	—	5,974	—	(5,974)	—	—
Foreign exchange loss	(2)	—	—	—	(2)	(7)	—	—	—	(7)
Other income	3,608	(63)	—	—	3,545	5,054	(25)	—	—	5,029
Income before fair value changes and income taxes	50,598	(2,256)	(2,006)	7,397	53,733	56,799	(2,759)	(2,812)	9,438	60,666
Fair value gain on real estate properties, net	10,373	(8,173)	2,006	(7,397)	(3,191)	50,946	(3,002)	2,812	(9,438)	41,318
Fair value gain (loss) on Class B LP Units	46,158	—	—	—	46,158	(17,223)	—	—	—	(17,223)
Income before income taxes	107,129	(10,429)	—	—	96,700	90,522	(5,761)	—	—	84,761
Provision for income taxes										
Current	(130)	—	—	—	(130)	(40)	—	—	—	(40)
Deferred	(11,592)	—	—	—	(11,592)	(9,632)	—	—	—	(9,632)
	(11,722)	—	—	—	(11,722)	(9,672)	—	—	—	(9,672)
Net income for the period	\$95,407	(\$10,429)	\$—	\$—	\$84,978	\$80,850	(\$5,761)	\$—	\$—	\$75,089
⁽¹⁾ IFRIC 21 included in NOI	\$7,562	(\$647)	\$482	(\$7,397)	\$—	\$9,450	(\$908)	\$896	(\$9,438)	\$—

The following table provides a reconciliation of interest and indebtedness coverage ratios from their IFRS financial statement presentation:

	2026					2025				
	Non-GAAP Adjustments				Proportionate Basis	Non-GAAP Adjustments				Proportionate Basis
(In thousands of dollars)	IFRS	NCI Share	Equity Interest	IFRIC 21		IFRS	NCI Share	Equity Interest	IFRIC 21	
NOI	\$128,794	(\$6,837)	\$6,482	\$7,397	\$135,836	\$131,852	(\$6,451)	\$6,119	\$9,438	\$140,958
IFRIC 21 adjustment	7,562	(647)	482	(7,397)	—	9,450	(908)	896	(9,438)	—
Trust expenses	(16,299)	269	(349)	—	(16,379)	(17,543)	267	(348)	—	(17,624)
Other income	3,608	(63)	—	—	3,545	5,054	(25)	—	—	5,029
	\$123,665	(\$7,278)	\$6,615	\$—	\$123,002	\$128,813	(\$7,117)	\$6,667	\$—	\$128,363
Interest expense	\$71,126	(\$4,375)	\$2,516	\$—	\$69,267	\$68,531	(\$3,450)	\$2,609	\$—	\$67,690
Amortization of mark-to-market adjustment on mortgages	(477)	—	—	—	(477)	(515)	—	—	—	(515)
Accretion on convertible debentures	(663)	—	—	—	(663)	(663)	—	—	—	(663)
Fair value gain on conversion option on convertible debentures	700	—	—	—	700	202	—	—	—	202
Distributions on Class B LP Units	(10,203)	—	—	—	(10,203)	(9,816)	—	—	—	(9,816)
	\$60,483	(\$4,375)	\$2,516	\$—	\$58,624	\$57,739	(\$3,450)	\$2,609	\$—	\$56,898
Interest coverage ratio	2.04				2.10	2.23				2.26
Indebtedness coverage ratio	1.50				1.49	1.58				1.58

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BALANCE SHEETS

In thousands of Canadian dollars

As at	Note	September 30, 2026	December 31, 2025
ASSETS			
Non-current assets			
Real estate properties	3	\$4,465,247	\$4,312,165
Equity-accounted investments	4	79,783	72,640
		4,545,030	4,384,805
Current assets			
Morguard Facility	8	—	12,000
Amounts receivable		11,030	10,626
Prepaid expenses		22,520	9,313
Restricted cash		5,434	4,525
Cash		172,081	114,634
		211,065	151,098
		\$4,756,095	\$4,535,903
LIABILITIES AND EQUITY			
Non-current liabilities			
Mortgages payable	5	\$1,643,601	\$1,508,419
Convertible debentures	6	53,870	53,536
Class B LP Units	7	253,007	299,165
Deferred income tax liabilities	16	319,501	296,204
Lease liabilities	9	17,807	16,939
		2,287,786	2,174,263
Current liabilities			
Mortgages payable	5	166,636	191,698
Accounts payable and accrued liabilities	10	72,587	63,967
		239,223	255,665
Total liabilities		2,527,009	2,429,928
EQUITY			
Unitholders' equity		2,104,682	1,994,579
Non-controlling interest		124,404	111,396
Total equity		2,229,086	2,105,975
		\$4,756,095	\$4,535,903

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF INCOME

In thousands of Canadian dollars

		Three months ended September 30		Nine months ended September 30	
	Note	2026	2025	2026	2025
Revenue from real estate properties	12	\$88,887	\$87,664	\$262,567	\$266,475
Property operating expenses					
Property operating costs		(26,321)	(24,849)	(75,830)	(73,669)
Realty taxes		(3,106)	(3,066)	(41,023)	(43,592)
Utilities		(5,729)	(5,617)	(16,920)	(17,362)
Net operating income		53,731	54,132	128,794	131,852
Other expense (income)					
Interest expense	13	24,778	22,964	71,126	68,531
Trust expenses	14	5,223	5,689	16,299	17,543
Equity income from investments	4	(1,721)	(1,040)	(5,623)	(5,974)
Foreign exchange loss		—	3	2	7
Other income		(1,124)	(1,605)	(3,608)	(5,054)
Income before fair value changes and income taxes		26,575	28,121	50,598	56,799
Fair value gain (loss) on real estate properties, net	3	(30,150)	(18,187)	10,373	50,946
Fair value gain (loss) on Class B LP Units	7	37,202	1,895	46,158	(17,223)
Income before income taxes		33,627	11,829	107,129	90,522
Provision for (recovery of) income taxes					
Current		43	(533)	130	40
Deferred		2,500	(107)	11,592	9,632
		2,543	(640)	11,722	9,672
Net income for the period		\$31,084	\$12,469	\$95,407	\$80,850
Net income attributable to:					
Unitholders		\$24,448	\$7,849	\$84,978	\$75,089
Non-controlling interest		6,636	4,620	10,429	5,761
		\$31,084	\$12,469	\$95,407	\$80,850

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

In thousands of Canadian dollars

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Net income for the period	\$31,084	\$12,469	\$95,407	\$80,850
OTHER COMPREHENSIVE INCOME				
Item that may be reclassified subsequently to net income:				
Unrealized foreign currency translation gain (loss)	2,315	26,763	50,925	(43,412)
Total comprehensive income for the period	\$33,399	\$39,232	\$146,332	\$37,438
Total comprehensive income attributable to:				
Unitholders	\$26,495	\$32,474	\$131,630	\$35,088
Non-controlling interest	6,904	6,758	14,702	2,350
	\$33,399	\$39,232	\$146,332	\$37,438

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF CHANGES IN UNITHOLDERS' EQUITY

In thousands of Canadian dollars

	Note	Units	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Total Unitholders' Equity	Non- controlling Interest	Total Equity
Unitholders' equity, December 31, 2024		\$422,745	\$48,762	\$1,312,079	\$217,751	\$2,001,337	\$110,653	\$2,111,990
Changes during the period:								
Net income		—	—	75,089	—	75,089	5,761	80,850
Other comprehensive loss		—	—	—	(40,001)	(40,001)	(3,411)	(43,412)
Repurchase of Units		(22,860)	—	—	—	(22,860)	—	(22,860)
Issue of Units - DRIP		578	—	(578)	—	—	—	—
Distributions		—	—	(19,695)	—	(19,695)	(2,036)	(21,731)
Unitholders' equity, September 30, 2025		\$400,463	\$48,762	\$1,366,895	\$177,750	\$1,993,870	\$110,967	\$2,104,837
Changes during the period:								
Net income		—	—	27,879	—	27,879	2,806	30,685
Other comprehensive loss		—	—	—	(19,072)	(19,072)	(1,702)	(20,774)
Repurchase of Units		(1,475)	—	—	—	(1,475)	—	(1,475)
Issue of Units - DRIP		198	—	(198)	—	—	—	—
Distributions		—	—	(6,623)	—	(6,623)	(675)	(7,298)
Unitholders' equity, December 31, 2025		\$399,186	\$48,762	\$1,387,953	\$158,678	\$1,994,579	\$111,396	\$2,105,975
Changes during the period:								
Net income		—	—	84,978	—	84,978	10,429	95,407
Other comprehensive income		—	—	—	46,652	46,652	4,273	50,925
Repurchase of Units	11(b)	(1,434)	—	—	—	(1,434)	—	(1,434)
Issue of Units - DRIP	11(d)	613	—	(613)	—	—	—	—
Distributions	11(d)	—	—	(20,093)	—	(20,093)	(1,694)	(21,787)
Unitholders' equity, September 30, 2026		\$398,365	\$48,762	\$1,452,225	\$205,330	\$2,104,682	\$124,404	\$2,229,086

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF CASH FLOWS

In thousands of Canadian dollars

		Three months ended September 30		Nine months ended September 30	
	Note	2026	2025	2026	2025
OPERATING ACTIVITIES					
Net income		\$31,084	\$12,469	\$95,407	\$80,850
Add (deduct) items not affecting cash	17(a)	(12,871)	7,897	(37,642)	(16,153)
Additions to tenant incentives		(1,182)	(482)	(2,767)	(1,185)
Distributions from equity-accounted investments	4	691	693	1,369	966
Net change in non-cash operating assets and liabilities	17(b)	(19,252)	(3,711)	(9,464)	7,985
Cash provided by (used in) operating activities		(1,530)	16,866	46,903	72,463
INVESTING ACTIVITIES					
Additions to real estate properties		(18,469)	(15,963)	(49,208)	(48,122)
Cash used in investing activities		(18,469)	(15,963)	(49,208)	(48,122)
FINANCING ACTIVITIES					
Proceeds from new mortgages	5	64,847	166,128	269,049	245,541
Financing cost on new mortgages		(733)	(1,018)	(6,566)	(3,493)
Repayment of mortgages					
Principal instalment repayments		(6,976)	(7,566)	(21,957)	(23,605)
Repayment on maturity	5	(59,741)	(155,838)	(171,703)	(186,670)
Principal payment of lease liabilities	9	(11)	(9)	(33)	(29)
Proceeds from Morguard Facility		—	18,000	49,500	58,500
Repayments/advances on Morguard Facility		—	—	(37,615)	(43,000)
Units repurchased for cancellation	11(b)	(1,434)	(1,909)	(1,434)	(22,860)
Distributions to Unitholders		(6,697)	(6,478)	(20,091)	(19,782)
Distributions to non-controlling interest		(1,022)	(2,036)	(1,694)	(2,036)
Decrease (increase) in restricted cash		(186)	165	(741)	434
Cash provided by (used in) financing activities		(11,953)	9,439	56,715	3,000
Net increase (decrease) in cash during the period		(31,952)	10,342	54,410	27,341
Net effect of foreign currency translation on cash balance		98	1,155	3,037	(1,098)
Cash, beginning of period		203,935	66,004	114,634	51,258
Cash, end of period		\$172,081	\$77,501	\$172,081	\$77,501

See accompanying notes to the condensed consolidated financial statements.

NOTES

For the three and nine months ended September 30, 2026 and 2025

In thousands of Canadian dollars, except Unit and per Unit amounts and where otherwise noted

NOTE 1

NATURE AND FORMATION OF TRUST

Morguard North American Residential Real Estate Investment Trust (the "REIT") is an unincorporated open-ended real estate investment trust established pursuant to a Declaration of Trust dated March 1, 2012, and as most recently amended and restated on February 16, 2021 (the "Declaration of Trust"), under and governed by the laws of the Province of Ontario. The trust units of the REIT ("Units") trade on the Toronto Stock Exchange ("TSX") under the symbol "MRG.UN." The REIT invests in multi-suite residential rental properties in Canada and the United States. The REIT's head office is located at 55 City Centre Drive, Suite 1000, Mississauga, Ontario, L5B 1M3.

The REIT holds its investments in its real estate properties through its ownership in Morguard NAR Canada Limited Partnership (the "Partnership"). As at September 30, 2026, Morguard Corporation ("Morguard"), the parent company of the REIT, holds an indirect 48.6% (December 31, 2025 - 48.6%) interest through its ownership of 8,120,666 Units and 17,223,090 Class B LP Units.

NOTE 2

STATEMENT OF COMPLIANCE AND MATERIAL ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and thus do not contain all the disclosures applicable to the annual audited consolidated financial statements.

The condensed consolidated financial statements were approved and authorized for issue by the Board of Trustees on October 27, 2026.

These condensed consolidated financial statements use the same accounting policies and methods of their application as the most recent annual audited consolidated financial statements and should be read in conjunction with the most recent annual audited consolidated financial statements, which include the material accounting policies most affected by estimates and judgments.

Foreign Exchange

The foreign exchange rates for the current and prior reporting periods are as follows:

	2026	2025
Canadian dollar to United States dollar exchange rates:		
- As at September 30	\$0.7026	\$0.7182
- As at December 31	—	0.7296
- Average for the three months ended September 30	0.7144	0.7260
- Average for the nine months ended September 30	0.7219	0.7149
United States dollar to Canadian dollar exchange rates:		
- As at September 30	1.4232	1.3924
- As at December 31	—	1.3706
- Average for the three months ended September 30	1.3997	1.3775
- Average for the nine months ended September 30	1.3853	1.3987

NOTE 3

REAL ESTATE PROPERTIES

Reconciliations of the carrying amounts for real estate properties at the beginning and end of the current period and prior financial year are set out below:

As at	September 30, 2026	December 31, 2025
Balance, beginning of period	\$4,312,165	\$4,333,075
Additions:		
Capital expenditures	45,077	64,111
Right-of-use assets	245	207
Fair value gain, net	10,373	37,832
Foreign currency translation	96,412	(124,052)
Other	975	992
Balance, end of period	\$4,465,247	\$4,312,165

As at September 30, 2026, and December 31, 2025, the REIT had its portfolio appraised by Morguard's appraisal division. In addition, the REIT's U.S. portfolio is appraised by independent U.S. real estate appraisal firms on a three-year cycle.

The REIT utilizes the direct capitalization income method to appraise its portfolio. This method requires that rental income from current leases and key assumptions about rental income, vacancies and inflation rates, among other factors, are used to determine a one-year stabilized net operating income forecast for each individual property within the REIT's portfolio and also considers any capital expenditures anticipated within the year. A capitalization rate was also determined for each property based on market information related to the external sale of similar properties within a similar location. These factors were used to determine the fair value of income producing properties at each reporting period.

As at September 30, 2026, using the direct capitalization income approach, the properties were valued using capitalization rates in the range of 3.8% to 6.3% (December 31, 2025 - 3.8% to 6.3%), resulting in an overall weighted average capitalization rate of 4.5% (December 31, 2025 - 4.5%).

The average capitalization rates by location are set out in the following table:

	September 30, 2026 Capitalization Rates			December 31, 2025 Capitalization Rates		
	Maximum	Minimum	Weighted Average	Maximum	Minimum	Weighted Average
Canada						
Alberta	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Ontario	4.8%	3.8%	3.9%	4.8%	3.8%	3.9%
United States						
Colorado	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Texas	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Louisiana	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Illinois	5.3%	5.0%	5.0%	5.3%	5.0%	5.0%
Georgia	5.5%	5.3%	5.4%	5.5%	5.3%	5.4%
Florida	6.3%	4.8%	5.3%	6.3%	4.8%	5.3%
North Carolina	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Virginia	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Maryland	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%

Fair values are most sensitive to changes in capitalization rates and stabilized net operating income. Generally, an increase in stabilized net operating income will result in an increase in the fair value of the real estate properties, and an increase in capitalization rates will result in a decrease in the fair value of the properties. The capitalization rate magnifies the effect of a change in stabilized net operating income, with a lower capitalization rate resulting in a greater impact on the fair value of the property than a higher capitalization rate. If the weighted average stabilized capitalization rate were to increase or decrease by 25 basis points (assuming no change to stabilized net operating income), the fair value of the real estate properties as at September 30, 2026 would decrease by \$228,778 or increase by \$255,816, respectively.

NOTE 4

EQUITY-ACCOUNTED INVESTMENTS

The following are the REIT's equity-accounted investments as at September 30, 2026, and December 31, 2025:

Property	Principal Place of Business	Investment Type	REIT's Ownership		Carrying Value	
			September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
Marquee at Block 37	Chicago, IL	Joint Venture	50%	50%	\$79,783	\$72,640

The following table presents the change in the balance of the equity-accounted investments:

As at	September 30, 2026	December 31, 2025
Balance, beginning of period	\$72,640	\$70,874
Distributions received	(1,369)	(2,350)
Share of net income	5,623	7,606
Foreign exchange gain (loss)	2,889	(3,490)
Balance, end of period	\$79,783	\$72,640

The following tables present the financial results of the REIT's equity-accounted investments on a 100% basis:

As at	September 30, 2026	December 31, 2025
Non-current assets	\$370,808	\$352,384
Current assets	2,448	2,296
Total assets	\$373,256	\$354,680
Non-current liabilities	\$199,820	\$196,456
Current liabilities	13,870	12,944
Total liabilities	\$213,690	\$209,400
Net assets	\$159,566	\$145,280
Equity-accounted investments	\$79,783	\$72,640

	Three months ended		Nine months ended	
	September 30, 2026	2025	September 30, 2026	2025
Revenue	\$9,048	\$8,524	\$26,246	\$25,612
Expenses	(4,278)	(4,254)	(19,012)	(19,288)
Fair value gain (loss) on income producing properties	(1,328)	(2,190)	4,012	5,624
Net income for the period	\$3,442	\$2,080	\$11,246	\$11,948
Income in equity-accounted investments	\$1,721	\$1,040	\$5,623	\$5,974

NOTE 5

MORTGAGES PAYABLE

Mortgages payable consist of the following:

As at	September 30, 2026	December 31, 2025
Principal balance of mortgages	\$1,834,585	\$1,720,955
Deferred financing costs	(23,794)	(19,831)
Mark-to-market adjustment	(554)	(1,007)
	\$1,810,237	\$1,700,117
Current	\$166,636	\$191,698
Non-current	1,643,601	1,508,419
	\$1,810,237	\$1,700,117
Range of interest rates	2.03–6.33%	2.03–6.07%
Weighted average interest rate	4.28%	4.07%
Weighted average term to maturity (years)	5.3	4.8
Fair value of mortgages	\$1,759,199	\$1,697,588

As at September 30, 2026, the REIT's first mortgages are registered against specific real estate assets and approximately 95% of the REIT's real estate properties, and related rental revenue, have been pledged as collateral for the mortgages payable.

During the three months ended June 30, 2026, the REIT completed the Canada Mortgage and Housing Corporation ("CMHC") insured refinancing of three multi-suite residential properties located in Ontario and Alberta, for an aggregate amount of \$162,763 at a weighted average interest rate of 4.26% and for a weighted average term of 11.2 years. The maturing mortgages amounted to \$76,124 and had a weighted average interest rate of 2.88%.

On June 30, 2026, the REIT completed the refinancing of a multi-suite residential property located in Kennesaw, Georgia, in the amount of \$41,439 (US\$29,162) at an interest rate of 5.40% and for a term of 5 years. The maturing mortgage amounted to \$35,838 (US\$25,220) and had an interest rate of 3.67%.

On July 1, 2026, the REIT repaid its mortgage payable secured by a multi-suite residential property located in Louisiana in the amount of \$12,259 (US\$8,627). The maturing mortgage was open and prepayable at no penalty before its scheduled maturity on October 1, 2026, and had an interest rate of 3.53%.

On September 30, 2026, the REIT completed the refinancing of a mortgage secured by two multi-suite residential properties located in Florida, in the amount of \$64,847 (US\$45,564) at an interest rate of 6.33% and for a term of 10 years. The maturing mortgage amounted to \$47,482 (US\$33,363) and had an interest rate of 3.53%.

The aggregate principal repayments and balances maturing of the mortgages payable as at September 30, 2026, together with the weighted average contractual interest rate on debt maturing in the next five years and thereafter, are as follows:

	Principal Instalment Repayments	Balances Maturing	Total	Weighted Average Contractual Rate
2026 (remainder of the year)	\$7,095	\$—	\$7,095	—%
2027	28,171	181,707	209,878	4.09%
2028	25,238	285,123	310,361	4.75%
2029	24,486	231,848	256,334	3.99%
2030	20,564	63,127	83,691	3.12%
Thereafter	83,016	884,210	967,226	4.33%
	\$188,570	\$1,646,015	\$1,834,585	4.28%

NOTE 6

CONVERTIBLE DEBENTURES

Convertible debentures consist of the following:

As at	September 30, 2026	December 31, 2025
6.00% convertible unsecured subordinated debentures	\$54,676	\$54,013
Fair value of conversion option	11	711
Unamortized financing costs	(817)	(1,188)
	\$53,870	\$53,536

For the three and nine months ended September 30, 2026, interest on the convertible debentures amounting to \$840 (2025 - \$840) and \$2,520 (2025 - \$2,520), respectively, is included in interest expense (Note 13). As at September 30, 2026, \$nil (December 31, 2025 - \$840) is included in accounts payable and accrued liabilities.

6.00% Convertible Unsecured Subordinated Debentures

On March 9, 2023, the REIT issued \$50,000 principal amount of 6.00% convertible unsecured subordinated debentures (the “2023 Debentures”) maturing on March 31, 2028 (the “Maturity Date”). On March 17, 2023, an additional principal amount of \$6,000 was issued pursuant to the exercise of the over-allotment option. Interest is payable semi-annually, not in advance, on March 31 and September 30 of each year. Underwriters’ commission, legal and other issue costs attributable to the 2023 Debentures in the amount of \$2,410 have been capitalized and are being amortized over their term to maturity. Morguard and Paros Enterprises Limited, related parties, own \$5,000 and \$2,000 aggregate principal amount of the 2023 Debentures, respectively.

As at September 30, 2026, \$56,000 of the face value of the 2023 Debentures was outstanding.

Each of the 2023 Debentures can be converted into fully paid, non-assessable and freely tradable Units at the option of the holder at any time prior to the close of business on the earlier of the Maturity Date and the business day immediately preceding the date specified by the REIT for redemption of the 2023 Debentures, at a conversion price of \$24.15 per Unit, being a ratio of approximately 41.4079 Units per \$1,000 principal amount of the 2023 Debentures.

NOTE 7

CLASS B LP UNITS

On April 18, 2012, the REIT issued 17,223,090 Class B LP Units to Morguard for \$172,231. The Class B LP Units are non-transferable, except under certain circumstances, but are exchangeable on a one-for-one basis into Units of the REIT at any time at the option of the holder. Prior to such exchange, distributions are made on the Class B LP Units in an amount equivalent to the distribution that would have been made had the Units of the REIT been issued. Each Class B LP Unit was accompanied by a Special Voting Unit, which entitles the holder to receive notice of, attend and vote at all meetings of the Unitholders. There is no value assigned to the Special Voting Units.

As at September 30, 2026, the REIT valued the Class B LP Units based on the closing price of the TSX-listed Units, which resulted in a fair value liability of \$253,007 (December 31, 2025 - \$299,165) and a corresponding fair value gain for the three months ended September 30, 2026 of \$37,202 (2025 - \$1,895) and a fair value gain for the nine months ended September 30, 2026 of \$46,158 (2025 - loss of \$17,223).

For the three and nine months ended September 30, 2026, distributions on Class B LP Units amounting to \$3,401 (2025 - \$3,272) and \$10,203 (2025 - \$9,816), respectively, are included in interest expense (Note 13).

As at September 30, 2026, and December 31, 2025, there were 17,223,090 Class B LP Units issued and outstanding.

NOTE 8

MORGUARD FACILITY

The REIT has an unsecured revolving credit facility with Morguard (the "Morguard Facility") that provides for borrowings or advances that can be drawn or advanced either in Canadian dollars or an equivalent amount in United States dollars at the entity's borrowing cost, subject to the availability of sufficient funds. The maximum allowable to be borrowed or advanced under the Morguard Facility is \$100,000.

As at September 30, 2026, the net amount receivable under the Morguard Facility was \$nil (December 31, 2025 - \$12,000).

During the three and nine months ended September 30, 2026, the REIT recorded net interest income of \$nil (2025 - \$1,080) and \$678 (2025 - \$3,741), respectively, on the Morguard Facility.

NOTE 9

LEASE LIABILITIES

The following table presents the change in the balance of lease liabilities:

As at	September 30, 2026	December 31, 2025
Balance, beginning of period	\$16,939	\$17,612
Interest on lease liabilities (Note 13)	806	1,076
Payments	(839)	(1,117)
Additions	245	207
Foreign exchange gain (loss)	656	(839)
Balance, end of period	\$17,807	\$16,939

Future minimum lease payments under the lease liabilities are as follows:

As at	September 30, 2026	December 31, 2025
Within 12 months	\$1,168	\$1,106
2 to 5 years	13,721	13,544
Over 5 years	18,132	17,310
Total minimum lease payments	33,021	31,960
Less: future interest costs	(15,214)	(15,021)
Present value of minimum lease payments	\$17,807	\$16,939

NOTE 10

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

As at	September 30, 2026	December 31, 2025
Accounts payable and accrued liabilities	\$54,662	\$54,594
Accrued liabilities (IFRIC 21, Levies)	8,102	—
Tenant deposits	9,823	9,373
	\$72,587	\$63,967

NOTE 11

UNITHOLDERS' EQUITY

(a) Units

The REIT is authorized to issue an unlimited number of Units. Each Unit confers the right to one vote at any meeting of Unitholders and to participate pro rata in the distributions by the REIT and, in the event of termination or winding-up of the REIT, in the net assets of the REIT. The Unitholders have the right to require the REIT to redeem their Units on demand subject to certain conditions. The Units have no par value. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption will cease and the holder thereof will be entitled to receive a price per Unit ("Redemption Price") as determined by a formula outlined in the Declaration of Trust. The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.

The Trustees have discretion with respect to the timing and amounts of distributions.

(b) Normal Course Issuer Bids

On January 8, 2025, the REIT had the approval of the TSX under its normal course issuer bid ("NCIB") to purchase up to 2,648,573 Units and \$4,900 principal amount of the 2023 Debentures. The program expired on January 11, 2026. On January 7, 2026, the REIT obtained the approval of the TSX under its NCIB, commencing January 12, 2026, to purchase up to 2,502,319 Units, being approximately 10% of the public float of outstanding Units; the program expires on January 11, 2027. The daily repurchase restriction for the Units is 6,255. Additionally, the REIT may purchase up to \$4,900 principal amount of the 2023 Debentures, being 10% of the public float of outstanding 2023 Debentures. The daily repurchase restriction for the 2023 Debentures is \$5. The price that the REIT would pay for any such Units or 2023 Debentures would be the market price at the time of acquisition.

During the nine months ended September 30, 2026, 94,200 Units were repurchased for cash consideration of \$1,434 at a weighted average price of \$15.22 per Unit. During the year ended December 31, 2025, 1,398,709 Units were repurchased for cash consideration of \$24,335 at a weighted average price of \$17.40 per Unit.

(c) Special Voting Units

The REIT is authorized to issue an unlimited number of Special Voting Units. The Declaration of Trust and the exchange agreement provide for the issuance of the Special Voting Units, which have no economic entitlement in the REIT or in the distribution or assets of the REIT, but are used to provide voting rights proportionate to the votes of the Units to holders of securities exchangeable into Units, including the Class B LP Units. Each Special Voting Unit is not transferable separately from the Class B LP Unit to which it is attached and will be automatically redeemed and cancelled upon exchange of the attached Class B LP Unit into a Unit.

(d) Units Outstanding

The following table summarizes the changes in Units for the period from December 31, 2024, to September 30, 2026:

Issued and Fully Paid Units	Units	Amount
Balance, December 31, 2024	36,284,181	\$422,745
Units issued under the DRIP	44,259	776
Units repurchased through the REIT's NCIB plan	(1,398,709)	(24,335)
Balance, December 31, 2025	34,929,731	399,186
Units issued under the DRIP	35,919	613
Units repurchased through the REIT's NCIB plan	(94,200)	(1,434)
Balance, September 30, 2026	34,871,450	\$398,365

Total distributions declared during the nine months ended September 30, 2026, amounted to \$20,706, or \$0.59247 per Unit (2025 - \$20,273, or \$0.56997 per Unit), including distributions payable of \$2,302 that were declared on September 15, 2026, and paid on October 15, 2026. On October 15, 2026, the REIT declared a distribution of \$0.06583 per Unit payable on November 16, 2026.

(e) Distribution Reinvestment Plan

Under the REIT's Distribution Reinvestment Plan ("DRIP"), Unitholders can elect to reinvest cash distributions into additional Units at a weighted average closing price of the Units on the TSX for the five trading days immediately preceding the applicable date of distribution. During the nine months ended September 30, 2026, the REIT issued 35,919 Units under the DRIP (year ended December 31, 2025 - 44,259 Units).

NOTE 12

RENTAL INCOME

The components of revenue from real estate properties are as follows:

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Rental income	\$43,490	\$43,287	\$131,409	\$132,483
Property management and ancillary income	32,233	31,105	93,146	93,496
Property tax and insurance	13,164	13,272	38,012	40,496
	\$88,887	\$87,664	\$262,567	\$266,475

NOTE 13

INTEREST EXPENSE

The components of interest expense are as follows:

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Interest on mortgages	\$18,996	\$17,576	\$54,031	\$51,452
Interest on convertible debentures (Note 6)	840	840	2,520	2,520
Interest on lease liabilities (Note 9)	273	265	806	804
Amortization of mark-to-market adjustment on mortgages	144	153	477	515
Amortization of deferred financing costs	963	912	2,755	2,617
Amortization of deferred financing costs on convertible debentures (Note 6)	125	116	371	346
Accretion on convertible debentures (Note 6)	221	221	663	663
Fair value gain on conversion option on convertible debentures (Note 6)	(185)	(391)	(700)	(202)
	21,377	19,692	60,923	58,715
Distributions on Class B LP Units (Note 7)	3,401	3,272	10,203	9,816
	\$24,778	\$22,964	\$71,126	\$68,531

NOTE 14

TRUST EXPENSES

The components of trust expenses are as follows:

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Asset management fees and distributions	\$4,625	\$5,022	\$14,497	\$15,616
Professional fees	283	360	847	1,003
Public company expenses	209	203	635	616
Other	106	104	320	308
	\$5,223	\$5,689	\$16,299	\$17,543

NOTE 15

RELATED PARTY TRANSACTIONS

In addition to the related party transactions disclosed in Notes 6, 7 and 8, related party transactions also include the following:

Agreements with Morguard Affiliates

The REIT, the Partnership and its subsidiaries entered into a series of agreements (the “Agreements”) with certain Morguard affiliates whereby the following services are provided by Morguard’s affiliates under the direction of the REIT:

Property Management

Pursuant to the Agreements, Morguard’s affiliates administer the day-to-day operations of the Canadian and U.S. income producing properties, for which Morguard’s affiliates receive partnership fees and distributions equal to 3.5% of gross property revenue of the income producing properties, payable monthly. Fees and distributions for the three and nine months ended September 30, 2026 amounted to \$3,186 (2025 - \$3,138) and \$9,391 (2025 - \$9,531), respectively, and are included in property operating costs and equity income from investments. As at September 30, 2026, \$925 (December 31, 2025 - \$897) is included in accounts payable and accrued liabilities.

Asset Management

Pursuant to the Agreements, Morguard's affiliates have certain duties and responsibilities for the strategic management and administration of the Partnership and its subsidiaries, for which they receive partnership fees and distributions equal to 0.25% of the Partnership's gross book value defined as acquisition cost of the REIT's assets plus: (i) fair value adjustments; and (ii) accumulated amortization on property, plant and equipment. In addition, an annual fee and distribution are calculated in arrears, determined by multiplying 15% of the Partnership's funds from operations in excess of \$0.66 per Unit. Fees and distributions for the three and nine months ended September 30, 2026 amounted to \$4,739 (2025 - \$5,134) and \$14,833 (2025 - \$15,954), respectively, and are included in trust expenses and equity income from investments. As at September 30, 2026, \$2,787 (December 31, 2025 - \$3,420) is included in accounts payable and accrued liabilities.

Acquisition

Pursuant to the Agreements, Morguard's affiliates are entitled to receive partnership fees with respect to properties acquired, directly or indirectly, by the REIT from third parties, and the fees are to be paid upon the closing of the purchase of each such property. The fees range from 0% of the purchase price paid for properties acquired directly or indirectly from Morguard, including entities controlled by Morguard, up to 0.75% of the purchase price paid for properties acquired from third parties. There were no fees relating to acquisition services for the three and nine months ended September 30, 2026, and 2025.

Financing

Pursuant to the Agreements, with respect to arranging for financing services, Morguard's affiliates are entitled to receive partnership fees equal to 0.15% of the principal amount and associated costs (excluding mortgage premiums) of any debt financing or refinancing. Fees relating to financing services for the three and nine months ended September 30, 2026 amounted to \$98 (2025 - \$250) and \$406 (2025 - \$369), respectively, and have been capitalized to deferred financing costs.

Development

Pursuant to the Agreements, Morguard's affiliates are entitled to receive partnership fees equal to 1.00% of development costs, where such costs exceed \$1,000 and are incurred in connection with: (i) the construction, enlargement or reconstruction of any building, erection, plant, equipment or improvement on a property; or (ii) any refurbishing, additions, upgrading or restoration of or renovations to existing buildings, erections, plant, equipment or improvements, including redevelopments, other than repair and maintenance in the ordinary course of business. Fees relating to development services for the three and nine months ended September 30, 2026, amounted to \$25 (2025 - \$nil) and \$69 (2025 - \$nil), respectively, and are included in real estate properties. As at September 30, 2026, \$25 (December 31, 2025 - \$nil) is included in accounts payable and accrued liabilities.

Other Services

As at September 30, 2026, and December 31, 2025, the REIT had its portfolio appraised by Morguard's appraisal division. Fees relating to appraisal services for the three and nine months ended September 30, 2026 amounted to \$52 (2025 - \$52) and \$156 (2025 - \$156), respectively, and are included in trust expenses.

NOTE 16

INCOME TAXES

(a) Canadian Status

The REIT is a "mutual fund trust" pursuant to the *Income Tax Act* (Canada) (the "Act"). Under current tax legislation, a mutual fund trust that is not a Specified Investment Flow-Through ("SIFT") trust pursuant to the Act is entitled to deduct distributions of taxable income such that it is not liable to pay income taxes, provided that its taxable income is fully distributed to Unitholders. The REIT intends to continue to qualify as a mutual fund trust that is not a SIFT trust and to make distributions not less than the amount necessary to ensure that the REIT will not be liable to pay income taxes.

(b) U.S. Status

Certain of the REIT's operations or a portion thereof are conducted through its taxable U.S. subsidiaries, which are subject to U.S. federal and state corporate income taxes.

As at September 30, 2026, the REIT's U.S. subsidiaries have total net operating losses of approximately US\$57,913 (December 31, 2025 - US\$55,663) of which deferred income tax assets were recognized as it is probable that taxable income will be available against such losses and can be carried forward indefinitely. Included in the net operating losses is the REIT's portion of net operating losses of a subsidiary where the REIT owns a 51% effective interest in a limited partnership of US\$10,788 (December 31, 2025 - US\$10,171).

As at September 30, 2026, the REIT's U.S. subsidiaries have a total of US\$67,667 (December 31, 2025 - US\$65,131) of unutilized interest expense deductions on which deferred income tax assets were recognized and can be carried forward indefinitely.

NOTE 17

CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Items Not Affecting Cash

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Fair value loss (gain) on real estate properties, net	\$21,542	\$9,754	(\$2,811)	(\$41,496)
Fair value loss (gain) on Class B LP Units	(37,202)	(1,895)	(46,158)	17,223
Fair value gain on conversion option on convertible debentures	(185)	(391)	(700)	(202)
Equity income from investments	(1,721)	(1,040)	(5,623)	(5,974)
Amortization of deferred financing - mortgages	963	912	2,755	2,617
Amortization of deferred financing - convertible debentures	125	116	371	346
Amortization of mark-to-market adjustment on mortgages	144	153	477	515
Accretion on convertible debentures	221	221	663	663
Amortization of tenant incentives	742	174	1,792	523
Deferred income taxes	2,500	(107)	11,592	9,632
	(\$12,871)	\$7,897	(\$37,642)	(\$16,153)

(b) Net Change in Non-cash Operating Assets and Liabilities

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Amounts receivable	(\$1,062)	(\$2,755)	(\$72)	\$1,434
Prepaid expenses	(17,927)	(9,284)	(12,922)	(6,372)
Accounts payable and accrued liabilities	(263)	8,328	3,530	12,923
	(\$19,252)	(\$3,711)	(\$9,464)	\$7,985

(c) Supplemental Cash Flow Information

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Interest paid	\$20,287	\$18,917	\$57,144	\$54,430

(d) Reconciliation of Liabilities Arising from Financing Activities

The following provides a reconciliation of liabilities arising from financing activities:

As at September 30, 2026	Mortgages Payable	Convertible Debentures	Lease Liabilities	Total
Balance, beginning of period	\$1,700,117	\$53,536	\$16,939	\$1,770,592
Repayments	(21,957)	—	(33)	(21,990)
New financing, net of financing costs	262,483	—	—	262,483
Lump-sum repayments	(171,703)	—	—	(171,703)
Non-cash changes	3,232	334	245	3,811
Foreign exchange	38,065	—	656	38,721
Balance, end of period	\$1,810,237	\$53,870	\$17,807	\$1,881,914

NOTE 18

MANAGEMENT OF CAPITAL

Refer to the REIT's audited consolidated financial statements as at and for the year ended December 31, 2025 for an explanation of the REIT's capital management policy.

The total managed capital for the REIT as at September 30, 2026, and December 31, 2025, is summarized below:

As at	September 30, 2026	December 31, 2025
Mortgages payable, principal balance	\$1,834,585	\$1,720,955
Convertible debentures, face value	56,000	56,000
Lease liabilities	17,807	16,939
Class B LP Units	253,007	299,165
Unitholders' equity	2,104,682	1,994,579
	\$4,266,081	\$4,087,638

The REIT's debt ratios compared to its borrowing limits established in the Declaration of Trust are outlined in the table below:

As at	Borrowing Limits	September 30, 2026	December 31, 2025
Total debt to gross book value	70%	40.1%	39.5%
Floating-rate debt to gross book value	20%	0.8%	0.8%

NOTE 19

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Refer to the REIT's audited consolidated financial statements as at and for the year ended December 31, 2025 for an explanation of the REIT's risk management policy as it relates to financial instruments.

Fair Value of Financial Assets and Liabilities

The fair values of cash, restricted cash, amounts receivable, the Morguard Facility and accounts payable and accrued liabilities approximate their carrying values due to the short-term maturity of these instruments.

Mortgages payable, lease liabilities and convertible debentures are carried at amortized cost using the effective interest rate method of amortization. The estimated fair values of long-term borrowings have been determined based on market information, where available, or by discounting future payments of interest and principal at estimated interest rates expected to be available to the REIT.

The fair value of the mortgages payable has been determined by discounting the cash flows of these financial obligations using September 30, 2026 market rates for debt of similar terms (Level 2). Based on these assumptions, as at September 30, 2026 the fair value of mortgages payable before deferred financing costs and mark-to-market adjustment is estimated at \$1,759,199 (December 31, 2025 - \$1,697,588), compared to the carrying value of \$1,834,585 (December 31, 2025 - \$1,720,955). The fair value of mortgages payable varies from the carrying value due to fluctuations in market interest rates since their issue.

The fair value of the convertible debentures are based on their market trading price (Level 1). As at September 30, 2026, the fair value of the convertible debentures before deferred financing costs has been estimated at \$57,120 (December 31, 2025 - \$57,949), compared with the carrying value of \$54,676 (December 31, 2025 - \$54,013).

The fair value of the Class B LP Units is equal to the market trading price of the Units.

The REIT's convertible debentures have no restrictive covenants.

The fair value hierarchy of real estate properties and financial instruments measured at fair value on the consolidated balance sheets is as follows:

	September 30, 2026			December 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:						
Real estate properties	\$—	\$—	\$4,465,247	\$—	\$—	\$4,312,165
Financial liabilities:						
Class B LP Units	253,007	—	—	299,165	—	—
Conversion option of convertible debentures	—	11	—	—	711	—

NOTE 20

SEGMENTED INFORMATION

Substantially all of the REIT's assets and liabilities are in, and their revenue is derived from, the Canadian and U.S. multi-suite residential real estate segments. The Canadian properties are located in the provinces of Alberta and Ontario, and the U.S. properties are located in the states of Colorado, Texas, Louisiana, Illinois, Georgia, Florida, North Carolina, Virginia and Maryland. No single tenant accounts for 10% or more of the REIT's total revenue. The REIT is separated into two reportable segments: Canada and the United States. The REIT has applied judgment by aggregating its operating segments according to the nature of the property operations. Such judgment considers the nature of operations, types of customers and an expectation that operating segments within a reportable segment have similar long-term economic characteristics.

Additional information with respect to each reportable segment is outlined below:

	Three months ended September 30, 2026			Three months ended September 30, 2025		
	Canada	U.S.	Total	Canada	U.S.	Total
Revenue from real estate properties	\$28,102	\$60,785	\$88,887	\$28,245	\$59,419	\$87,664
Property operating expenses	(12,041)	(23,115)	(35,156)	(11,778)	(21,754)	(33,532)
Net operating income	\$16,061	\$37,670	\$53,731	\$16,467	\$37,665	\$54,132

	Nine months ended September 30, 2026			Nine months ended September 30, 2025		
	Canada	U.S.	Total	Canada	U.S.	Total
Revenue from real estate properties	\$83,593	\$178,974	\$262,567	\$85,387	\$181,088	\$266,475
Property operating expenses	(35,620)	(98,153)	(133,773)	(35,603)	(99,020)	(134,623)
Net operating income	\$47,973	\$80,821	\$128,794	\$49,784	\$82,068	\$131,852

As at	September 30, 2026			December 31, 2025		
	Canada	U.S.	Total	Canada	U.S.	Total
Real estate properties	\$1,857,790	\$2,607,457	\$4,465,247	\$1,821,080	\$2,491,085	\$4,312,165
Mortgages payable	\$772,159	\$1,038,078	\$1,810,237	\$704,005	\$996,112	\$1,700,117

	Three months ended September 30, 2026			Three months ended September 30, 2025		
	Canada	U.S.	Total	Canada	U.S.	Total
Additions to real estate properties	\$6,184	\$12,366	\$18,550	\$8,613	\$9,164	\$17,777
Fair value gain (loss) on real estate properties	(\$17,969)	(\$12,181)	(\$30,150)	\$5,589	(\$23,776)	(\$18,187)

	Nine months ended September 30, 2026			Nine months ended September 30, 2025		
	Canada	U.S.	Total	Canada	U.S.	Total
Additions to real estate properties	\$18,630	\$26,447	\$45,077	\$18,146	\$22,188	\$40,334
Fair value gain (loss) on real estate properties	\$18,076	(\$7,703)	\$10,373	\$65,675	(\$14,729)	\$50,946

NOTE 21

COMPARATIVE AMOUNTS

Certain prior period comparative amounts have been reclassified to conform to the current year's presentation.