Real Estate Potential. Realized.

MORGUARD REAL ESTATE INVESTMENT TRUST

JUNE 30, 2025

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

TABLE OF CONTENTS

BALANCE SHEETS

In thousands of Canadian dollars

As at	Note	June 30, 2025	December 31, 2024
ASSETS			
Non-current assets			
Real estate properties	3	**$2,140,144**	$2,150,073
Right-of-use asset		**244**	280
Equity-accounted investment	4	**4,345**	4,210
		2,144,733	2,154,563
Current assets			
Amounts receivable	5	**9,732**	8,050
Prepaid expenses and other		**18,216**	3,438
Cash		**6,513**	7,897
		34,461	19,385
Total assets		**$2,179,194**	$2,173,948
LIABILITIES AND UNITHOLDERS' EQUITY			
Non-current liabilities			
Mortgages payable	7	**$710,261**	$746,230
Convertible debentures	8	**155,302**	154,106
Lease liabilities	9	**16,341**	16,426
Derivative liability	7	**2,556**	2,389
Accounts payable and accrued liabilities		**5,802**	5,799
		890,262	924,950
Current liabilities			
Mortgages payable	7	**231,454**	213,055
Lease liabilities	9	**166**	161
Accounts payable and accrued liabilities		**53,116**	48,476
Morguard loan payable	14(b)	**35,000**	35,000
Bank indebtedness	10	**101,483**	68,079
		421,219	364,771
Total liabilities		**1,311,481**	1,289,721
Unitholders' equity		**867,713**	884,227
		$2,179,194	$2,173,948
Commitments and contingencies	17		

See accompanying notes to the condensed consolidated financial statements.

On behalf of the Trustees:

(Signed) "K. Rai Sahi"

K. Rai Sahi,
Chairman of the Board of Trustees

(Signed) "Bart S. Munn"

Bart S. Munn,
Lead Trustee

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

In thousands of Canadian dollars, except per unit amounts

		Three months ended		Six months ended	
		June 30,	June 30,	**June 30,**	June 30,
	Note	**2025**	2024	**2025**	2024
Revenue from real estate properties	11	**$58,301**	$64,046	**$118,648**	$128,444
Property operating costs					
Property operating expenses	12(a)	**(18,264)**	(17,939)	**(37,919)**	(36,348)
Property taxes		**(12,391)**	(12,080)	**(25,317)**	(24,946)
Property management fees		**(1,985)**	(2,195)	**(4,051)**	(4,413)
Net operating income		**25,661**	31,832	**51,361**	62,737
Interest expense	13	**(15,983)**	(17,243)	**(31,997)**	(34,119)
General and administrative	12(b)	**(961)**	(922)	**(1,921)**	(1,946)
Amortization expense		**(18)**	—	**(36)**	—
Other income		**29**	—	**59**	—
Fair value losses on real estate properties	3	**(10,683)**	(16,242)	**(31,569)**	(66,465)
Net income from equity-accounted investment	4	**257**	349	**740**	792
Net loss		**($1,698)**	($2,226)	**($13,363)**	($39,001)
OTHER COMPREHENSIVE INCOME					
Item that may be reclassified to profit or loss in subsequent periods:					
Unrealized fair value gain/(loss) on cash flow hedge		**665**	—	**(167)**	—
Comprehensive loss		**($1,033)**	($2,226)	**($13,530)**	($39,001)
NET LOSS PER UNIT	15(d)				
Basic		**($0.03)**	($0.03)	**($0.21)**	($0.61)
Diluted		**($0.03)**	($0.03)	**($0.21)**	($0.61)

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF UNITHOLDERS' EQUITY

In thousands of Canadian dollars, except number of units

	Note	Number of Units	Issue of Units	Retained Earnings	Equity Component of Convertible Debentures	Contributed Surplus	Accumulated Other Comprehensive Income	Total Unitholders' Equity
Unitholders' equity, January 1, 2024		64,267,901	$636,096	$311,752	$6,879	$6,458	$—	$961,185
Net loss		—	—	(39,001)	—	—	—	(39,001)
Distributions to unitholders	15(a)	—	—	(7,659)	—	—	—	(7,659)
Issue of units – DRIP [1]	15(c)	10,807	58	(58)	—	—	—	—
Unitholders' equity, June 30, 2024		64,278,708	636,154	265,034	6,879	6,458	—	914,525
Net loss		—	—	(19,822)	—	—	—	(19,822)
Distributions to unitholders	15(a)	—	—	(8,087)	—	—	—	(8,087)
Distribution in units	15(e)	616,180	3,408	(3,408)	—	—	—	—
Consolidation of units	15(e)	(616,180)	—	—	—	—	—	—
Issue of units – DRIP [1]	15(c)	13,365	73	(73)	—	—	—	—
Other comprehensive income		—	—	—	—	—	(2,389)	(2,389)
Unitholders' equity, December 31, 2024		64,292,073	639,635	233,644	6,879	6,458	(2,389)	884,227
Net loss		**—**	**—**	**(13,363)**	**—**	**—**	**—**	**(13,363)**
Distributions to unitholders	15(a)	**—**	**—**	**(2,984)**	**—**	**—**	**—**	**(2,984)**
Issue of units – DRIP [1]	15(c)	**845,878**	**4,768**	**(4,768)**	**—**	**—**	**—**	**—**
Other comprehensive income		**—**	**—**	**—**	**—**	**—**	**(167)**	**(167)**
Unitholders' equity, June 30, 2025		**65,137,951**	**$644,403**	**$212,529**	**$6,879**	**$6,458**	**($2,556)**	**$867,713**

1. Distribution Reinvestment Plan ("DRIP").

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF CASH FLOWS

In thousands of Canadian dollars

		Three months ended		Six months ended	
		June 30,	June 30,	**June 30,**	June 30,
	Note	**2025**	2024	**2025**	2024
OPERATING ACTIVITIES					
Net loss		**($1,698)**	($2,226)	**($13,363)**	($39,001)
Add items not affecting cash	16(a)	**10,837**	17,105	**32,522**	68,222
Distributions from equity-accounted investment, net	4	**435**	217	**605**	420
Additions to tenant incentives and leasing commissions		**(968)**	(768)	**(5,184)**	(2,862)
Net change in non-cash operating assets and liabilities	16(b)	**(8,708)**	(7,366)	**(12,657)**	(13,591)
Cash (used in)/provided by operating activities		**(102)**	6,962	**1,923**	13,188
FINANCING ACTIVITIES					
Proceeds from new mortgages		**17,500**	83,500	**60,588**	83,500
Financing costs on new mortgages		**(109)**	(533)	**(301)**	(1,977)
Repayment of mortgages					
Repayments on maturity		**(16,956)**	(77,098)	**(65,400)**	(79,491)
Repayment due to early extinguishments		**—**	(17,030)	**—**	(17,030)
Principal instalment repayments		**(6,688)**	(7,608)	**(13,287)**	(14,969)
Payment of lease liabilities, net		**(40)**	(22)	**(80)**	(43)
Proceeds from bank indebtedness	10	**15,467**	10,638	**33,404**	25,905
Repayment of bank indebtedness	10	**—**	(20,000)	**—**	(90,000)
Proceeds from Morguard loan payable	14(b)	**—**	—	**—**	70,000
Distributions to unitholders		**(889)**	(3,822)	**(2,144)**	(6,369)
Cash provided by/(used in) financing activities		**8,285**	(31,975)	**12,780**	(30,474)
INVESTING ACTIVITIES					
Capital expenditures on real estate properties		**(6,308)**	(7,893)	**(11,676)**	(12,321)
Expenditures on properties under development		**(2,797)**	(3,207)	**(4,411)**	(7,523)
Proceeds from sale of real estate properties, net	3	**—**	37,050	**—**	37,050
Cash (used in)/provided by investing activities		**(9,105)**	25,950	**(16,087)**	17,206
Net change in cash		**(922)**	937	**(1,384)**	(80)
Cash, beginning of period		**7,435**	6,261	**7,897**	7,278
Cash, end of period		**$6,513**	$7,198	**$6,513**	$7,198

See accompanying notes to the condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months and six months ended June 30, 2025, and 2024

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

NOTE 1

NATURE AND FORMATION OF THE TRUST

Morguard Real Estate Investment Trust (the "Trust") is a "closed-end" real estate investment trust governed pursuant to an amended and restated declaration of trust dated May 5, 2021 (the "Declaration of Trust"), under, and governed by, the laws of the Province of Ontario. The Trust commenced active operations on October 14, 1997. The Trust units trade on the Toronto Stock Exchange ("TSX") under the symbol "MRT.UN". The Trust owns a diverse portfolio of retail, office and industrial properties located in six Canadian provinces. The Trust's head office is located at 55 City Centre Drive, Suite 1000, Mississauga, Ontario, L5B 1M3.

The Trust has a property management agreement with Morguard Investments Limited ("MIL"), a subsidiary of Morguard Corporation ("Morguard"). Morguard is the parent company of the Trust, owning 68.3% of the outstanding units as at June 30, 2025 (December 31, 2024 – 66.0%). Morguard is a real estate company that owns a diversified portfolio of multi-suite residential, retail, hotel, office and industrial properties. Morguard also provides advisory and management services to institutional and other investors.

NOTE 2

STATEMENT OF COMPLIANCE AND MATERIAL ACCOUNTING POLICIES

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

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.

The condensed consolidated financial statements were approved and authorized for issue by the Trustees on July 30, 2025.

Significant assumptions are used in the assessment of fair value, including estimates of future operating cash flows, the time period over which they will occur, appropriate discount and capitalization rates and stabilized net operating income (which is primarily influenced by revenue growth, vacancy rates, inflation rates and operating costs). These assumptions could change periodically and ultimately impact the underlying valuation of the Trust's real estate properties and equity-accounted investment.

NOTE 3
REAL ESTATE PROPERTIES

Real estate properties consist of the following:

As at	June 30, 2025	December 31, 2024
Income producing properties	**$2,048,567**	$2,062,060
Properties under development	**24,262**	19,908
Held for development	**67,315**	68,105
	$2,140,144	$2,150,073

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

	Income Producing Properties	Properties Under Development	Held for Development	Total Real Estate Properties
Balance as at December 31, 2023	$2,169,663	$16,460	$68,519	$2,254,642
Additions:				
Capital expenditures/capitalized costs	23,243	10,127	—	33,370
Tenant improvements, tenant incentives and commissions	14,479	—	—	14,479
Transfers	6,679	(6,679)	—	—
Disposition	(37,050)	—	—	(37,050)
Fair value losses	(114,034)	—	(414)	(114,448)
Other changes	(920)	—	—	(920)
Balance as at December 31, 2024	**2,062,060**	**19,908**	**68,105**	**2,150,073**
Additions:				
Capital expenditures/capitalized costs	5,985	4,411	—	10,396
Tenant improvements, tenant incentives and commissions	10,875	—	—	10,875
Transfers	57	(57)	—	—
Fair value losses	(30,779)	—	(790)	(31,569)
Other changes	369	—	—	369
Balance as at June 30, 2025	**$2,048,567**	**$24,262**	**$67,315**	**$2,140,144**

APPRAISAL CAPITALIZATION AND DISCOUNT RATES

Morguard's subsidiary has a valuation team that 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-designated 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. The team reports to a senior executive, and the internal valuation team's valuation processes and results are reviewed by senior management at least once every quarter, in line with the Trust's quarterly reporting dates.

Generally, the Trust's real estate properties are appraised using a number of approaches, depending on the asset, that would typically include a discounted cash flow analysis, a direct capitalization approach and a direct comparison approach.

The primary method of valuation used by the Trust is discounted cash flow analysis. This approach involves determining the fair value of each income producing property based on, among other things, rental income from current leases and assumptions about rental income from future leases reflecting market conditions at the applicable balance sheet dates, less future cash outflows pertaining to the respective leases. Fair values are primarily determined by discounting the expected future cash flows, generally over a term of 10 years and include a terminal value based on the application of a capitalization rate to estimated year 11 net operating income. Discount and capitalization rates are estimated using market surveys, available appraisals and market comparables.

The direct comparison approach compares a subject property's characteristics with those of comparable properties that have recently been sold. The Trust has a retail property in British Columbia where the highest and best use is a redevelopment to mixed residential and commercial use. Since the value of the property is in the underlying land with minimal holding income, it has been valued using the direct comparison approach.

Under the direct capitalization approach, capitalization rates are applied to the estimated stabilized net operating income of the properties. Estimated stabilized net operating income is based on projected rental revenue and property operating costs adjusted for such items as vacancy loss. The direct capitalization approach is typically used to corroborate the discounted cash flow analysis.

The stabilized capitalization rates in the following table exclude the property valued using the comparable sales method, as well as one property with expected variable income which did not have its discounted cash flow analysis corroborated using the direct capitalization approach.

Using the direct capitalization income approach to corroborate the discounted cash flow method, the properties were valued using capitalization rates in the range of 5.0% to 9.5% applied to a stabilized net operating income (December 31, 2024 – 5.0% to 9.5%), resulting in an overall weighted average capitalization rate of 7.42% (December 31, 2024 – 7.31%).

The stabilized capitalization rates by business segments are set out in the following table:

	June 30, 2025					December 31, 2024				
	Stabilized Occupancy		**Capitalization Rates**			Stabilized Occupancy		Capitalization Rates		
	Max.	**Min.**	**Max.**	**Min.**	**Weighted Average**	Max.	Min.	Max.	Min.	Weighted Average
Retail	**97.0%**	**90.0%**	**8.8%**	**5.0%**	**7.5%**	97.0%	90.0%	8.3%	5.0%	7.4%
Office	**100.0%**	**85.0%**	**9.5%**	**5.3%**	**7.5%**	100.0%	85.0%	9.5%	5.3%	7.4%
Industrial	**100.0%**	**95.0%**	**5.5%**	**5.3%**	**5.5%**	100.0%	95.0%	5.5%	5.3%	5.4%

The table below provides further details of the discount rates and terminal cap rates used in the discounted cash flow method by business segments:

	June 30, 2025			December 31, 2024		
	Maximum	**Minimum**	**Weighted Average**	Maximum	Minimum	Weighted Average
RETAIL						
Discount rate	**9.3%**	**5.8%**	**7.7%**	9.3%	5.8%	7.7%
Terminal cap rate	**8.3%**	**5.3%**	**6.9%**	8.3%	5.3%	6.9%
OFFICE						
Discount rate	**10.0%**	**6.3%**	**7.5%**	10.0%	6.3%	7.4%
Terminal cap rate	**9.5%**	**5.3%**	**6.6%**	9.5%	5.3%	6.6%
INDUSTRIAL						
Discount rate	**6.5%**	**6.0%**	**6.2%**	6.5%	6.0%	6.2%
Terminal cap rate	**5.8%**	**5.5%**	**5.5%**	5.8%	5.5%	5.5%

Fair values are most sensitive to changes in discount rates, capitalization rates and stabilized or forecast net operating income. Generally, an increase in net operating income will result in an increase in the fair value of the income producing 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 net operating income, with a lower capitalization rate resulting in a greater impact to 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, the value of the income producing properties as at June 30, 2025, would decrease by $63,722 or increase by $68,199, respectively.

The sensitivity of the fair values of the Trust's income producing properties is set out in the table below:

For the six months ended June 30, 2025		
Change in capitalization rate	**0.25%**	**(0.25%)**
Retail	**($34,785)**	**$37,187**
Office	**(25,762)**	**27,532**
Industrial	**(3,175)**	**3,480**
	($63,722)	**$68,199**

NOTE 4

EQUITY-ACCOUNTED INVESTMENT

On December 22, 2011, the Trust and a major Canadian pension fund each acquired a 50% interest in a limited partnership that owns and operates a 304,000 square foot Class A office complex located in downtown Edmonton, Alberta. The Trust has joint control over the limited partnership and accounts for its investment using the equity method.

As at	June 30, 2025	December 31, 2024
Balance, beginning of period	**$4,210**	$7,755
Equity income/(loss)	**740**	(1,652)
Distributions to partners, net	**(605)**	(1,893)
Balance, end of period	**$4,345**	$4,210

The following details the Trust's share of the limited partnership's aggregated assets, liabilities and results of operations accounted for under the equity method:

As at	June 30, 2025	December 31, 2024
Real estate property	**$30,100**	$30,050
Current assets	**593**	938
Total assets	**30,693**	30,988
Non-current liabilities	**(3)**	(3)
Current liabilities	**(26,345)**	(26,775)
Net equity	**$4,345**	$4,210

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Revenue from real estate property	**$1,292**	$1,328	**$2,658**	$2,708
Property operating expenses	**(469)**	(511)	**(1,047)**	(1,103)
Net operating income	**823**	817	**1,611**	1,605
Interest and other expenses	**(260)**	(354)	**(602)**	(707)
Fair value losses on real estate property	**(306)**	(114)	**(269)**	(106)
Net income	**$257**	$349	**$740**	$792

The real estate property included above in the Trust's equity-accounted investment is appraised using a number of approaches that typically include a discounted cash flow analysis, a direct capitalization approach and a direct comparison approach. As at June 30, 2025, the property was valued using a discount rate of 8.8% (December 31, 2024 – 8.8%), a terminal cap rate of 8.0% (December 31, 2024 – 8.0%) and a stabilized cap rate of 7.8% (December 31, 2024 – 7.8%). The stabilized annual net operating income as at June 30, 2025, was $2,613 (December 31, 2024 – $3,051).

NOTE 5

AMOUNTS RECEIVABLE

Amounts receivable consist of the following:

As at	June 30, 2025	December 31, 2024
Tenant receivables	**$5,765**	$2,892
Unbilled other tenant receivables	**2,436**	3,264
Receivables from related parties	**249**	173
Other	**3,263**	3,030
Allowance for expected credit loss	**(1,981)**	(1,309)
	$9,732	$8,050

NOTE 6

CO-OWNERSHIP INTERESTS

The Trust is a co-owner in several properties, listed below, which are subject to joint control based on the Trust's decision-making authority with regard to the relevant activities of the properties. These co-ownerships have been classified as joint operations and, accordingly, the Trust recognizes its rights to and obligations for the assets, liabilities, revenue and expenses of these co-ownerships in the respective lines in the condensed consolidated financial statements.

			Trust's Ownership Share	
Jointly Controlled Operations	Location	Property Type	2025	2024
505 Third Street	Calgary, AB	Office	**50%**	50%
Rice Howard Place	Edmonton, AB	Office	**20%**	20%
Prairie Mall	Grande Prairie, AB	Retail	**50%**	50%
Heritage Place	Ottawa, ON	Office	**50%**	50%
Standard Life Centre	Ottawa, ON	Office	**50%**	50%
77 Bloor	Toronto, ON	Office	**50%**	50%
Woodbridge Square	Woodbridge, ON	Retail	**50%**	50%
Place Innovation	Saint-Laurent, QC	Office	**50%**	50%

The following amounts, included in these condensed consolidated financial statements, represent the Trust's proportionate share of the assets and liabilities of its co-ownerships as at June 30, 2025, and December 31, 2024, and the results of operations for the three and six months ended June 30, 2025, and 2024:

As at	June 30, 2025	December 31, 2024
Assets	**$356,763**	$366,479
Liabilities	**$208,302**	$210,862

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Revenue	**$10,907**	$11,671	**$22,196**	$23,457
Expenses	**(8,392)**	(8,270)	**(17,090)**	(16,663)
Income before fair value adjustments	**2,515**	3,401	**5,106**	6,794
Fair value losses on real estate properties	**(3,846)**	(6,320)	**(14,216)**	(10,119)
Net loss	**($1,331)**	($2,919)	**($9,110)**	($3,325)

NOTE 7
MORTGAGES PAYABLE

Mortgages payable consist of the following:

As at	June 30, 2025	December 31, 2024
Mortgages payable before deferred financing costs	**$944,923**	$963,022
Deferred financing costs	**(3,208)**	(3,737)
Mortgages payable	**$941,715**	$959,285

Mortgages payable – non-current	**$710,261**	$746,230
Mortgages payable – current	**231,454**	213,055
Mortgages payable	**$941,715**	$959,285
Range of interest rates	**2.7% to 7.8%**	2.7% to 7.8%
Weighted average fixed interest rate	**4.6%**	4.7%
Weighted average interest rate on all mortgages	**4.7%**	4.8%
Weighted average term to maturity (years)	**2.8**	3.0

The mortgages payable above include floating-rate mortgages. As at June 30, 2025, these mortgages total $87,885 (December 31, 2024 – $87,885), excluding hedged debt.

The aggregate principal repayments and balances maturing on the mortgages payable as at June 30, 2025, together with the weighted average contractual rate on debt maturing in the year indicated, are as follows:

	Principal Instalment Repayments	Balances Maturing	Total	Weighted Average Contractual Rate on Balance Maturing
2025 (remainder of year)	$15,220	$124,584	$139,804	4.0%
2026	30,343	178,467	208,810	4.5%
2027	14,661	194,170	208,831	5.7%
2028	12,040	71,359	83,399	5.2%
2029	9,465	101,682	111,147	5.6%
Thereafter	19,261	173,671	192,932	3.6%
	$100,990	**$843,933**	**$944,923**	**4.7%**

Substantially all of the Trust's real estate properties and related rental revenue have been pledged as collateral for the mortgages payable.

The Trust has various financial covenants in relation to various outstanding debt instruments and facilities, including debt to asset and debt service coverage ratios. As at June 30, 2025, and December 31, 2024, the Trust was in compliance with those covenants.

On June 25, 2024, the Trust completed a $75,000 variable-rate first mortgage loan agreement secured by a property in Prince George, British Columbia. On July 2, 2024, the Trust completed an interest rate swap with a notional amount of $75,000 whereby the Trust pays a fixed rate of interest of 5.82% and receives interest at a variable rate equal to the Canadian Overnight Repo Rate Average plus 2.15% on the notional amount. The Trust designated this interest rate swap as a cash flow hedge and applied hedge accounting. The objective of the interest rate swap is to eliminate the variability of cash flows on the variable-rate mortgage stemming from fluctuations in market interest rates.

As at June 30, 2025, the derivative liability was $2,556 (December 31, 2024 – $2,389). The maturity date of the interest rate swap coincides with the mortgage payable maturity on June 3, 2029.

NOTE 8

CONVERTIBLE DEBENTURES

Debentures

On December 7, 2021, the Trust issued $159,000 principal amount of 5.25% convertible unsecured subordinated debentures ("Convertible Debentures") maturing on December 31, 2026 (the "Maturity Date"). As at June 30, 2025, Morguard held a total of $60,000 principal amount of the Convertible Debentures (December 31, 2024 – $60,000).

Interest is payable semi-annually, not in advance, on June 30 and December 31 of each year.

The Convertible Debentures, with the exception of the value assigned to the holders' conversion option, have been recorded as debt on the balance sheets. The following table summarizes the allocation of the principal amount and related issue costs of the Convertible Debentures at the date of original issue. The portion of issue costs attributable to the liability of $4,026 was capitalized and will be amortized over the term to maturity, while the remaining amount of $187 was charged to equity.

	Liability	Equity	Principal Amount Issued
Transaction date – December 7, 2021	$151,934	$7,066	$159,000
Issue costs	(4,026)	(187)	(4,213)
	$147,908	**$6,879**	**$154,787**

Each Convertible Debenture is convertible into freely tradable units of the Trust at the option of the holder, exercisable at any time prior to the close of business on the last business day preceding the Maturity Date at a conversion price of $7.80 per unit, being a rate of approximately 128.2 units per thousand principal amount of Convertible Debentures, subject to adjustment.

The Convertible Debentures payable consist of the following:

As at	June 30, 2025	December 31, 2024
Convertible debentures – liability	**$151,934**	$151,934
Convertible debentures – accretion	**4,711**	3,949
Convertible debentures before issue costs	**156,645**	155,883
Issue costs	**(1,343)**	(1,777)
Convertible debentures	**$155,302**	$154,106

Remaining interest and principal payments on the Convertible Debentures are as follows:

	Interest	Principal	Total
2025	$4,174	$—	$4,174
2026	8,348	159,000	167,348
	$12,522	**$159,000**	**$171,522**

Redemption Rights

Each Convertible Debenture is redeemable at any time from January 1, 2025, to the close of business on December 31, 2025, in whole or in part, on at least 30 days' prior notice at a redemption price equal to par plus accrued and unpaid interest at the Trust's sole option, provided that the weighted average trading price of the units on the TSX for the 20 consecutive trading days ending five trading days prior to the date on which the notice of redemption is given is not less than 125% of the conversion price.

From January 1, 2026, to the close of business on December 31, 2026, the Convertible Debentures are redeemable, in whole or in part, at par plus accrued and unpaid interest at the Trust's sole option.

Payment Upon Redemption or Maturity

As part of the above redemption options, or at maturity, the Trust may satisfy its obligation to repay the principal amounts of the Convertible Debentures, in whole or in part, by delivering units of the Trust. In the event that the Trust elects to satisfy its obligation to repay principal with units of the Trust, the number of units issued is obtained by dividing the principal amount of the Convertible Debentures by 95% of the weighted average trading price of the units on the TSX for the 20 consecutive trading days ending five trading days prior to the date fixed for redemption or the Maturity Date, as applicable.

Interest Payment Election

The Trust may elect, subject to applicable regulatory approval, to issue and deliver units of the Trust to the Debenture Trustee in order to raise funds to pay interest on the Convertible Debentures, in which event the holders of the Convertible Debentures will be entitled to receive a cash payment equal to the interest payable from the proceeds of the sale of such units.

NOTE 9
LEASE LIABILITIES

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

As at	June 30, 2025	December 31, 2024
Balance, beginning of period	**$16,587**	$16,383
Additions	**—**	358
Lease payments	**(597)**	(1,197)
Interest	**517**	1,043
Balance, end of period	**$16,507**	$16,587
Current	**$166**	$161
Non-current	**16,341**	16,426
	$16,507	$16,587
Weighted average borrowing rate	**6.2%**	6.2%

NOTE 10
BANK INDEBTEDNESS

The Trust has operating lines of credit totalling $103,330 (December 31, 2024 – $101,350), which renew annually and are secured by fixed charges on specific properties owned by the Trust. One of these lines is subject to cash flow tests based on the operating results of the secured properties along with prevailing bond yields. As at June 30, 2025, there is a maximum of $102,730 available (December 31, 2024 – $101,350).

As at June 30, 2025, the Trust had borrowed $101,483 (December 31, 2024 – $68,079) on its credit facilities and issued letters of credit in the amount of $516 (December 31, 2024 – $577) related to these facilities. The net availability remaining on the Trust's credit facilities is $731 (December 31, 2024 – $32,694).

The bank credit agreements include certain restrictive covenants and undertakings by the Trust. As at June 30, 2025, and December 31, 2024, the Trust was in compliance with all covenants and undertakings. As the bank indebtedness is current and at prevailing market rates, the carrying value of the debt as at June 30, 2025, approximates fair value.

NOTE 11
REVENUE FROM REAL ESTATE PROPERTIES

Revenue from real estate properties consists of the following:

For the three months ended June 30, 2025	**Retail**	**Office**	**Industrial**	**Total**
Rental revenue	**$22,370**	**$10,960**	**$890**	**$34,220**
CAM recoveries	**5,479**	**6,302**	**285**	**12,066**
Property tax and insurance recoveries	**5,637**	**3,354**	**148**	**9,139**
Other revenue and lease cancellation fees	**662**	**163**	**4**	**829**
Parking revenue	**—**	**1,427**	**—**	**1,427**
Amortized rents	**(122)**	**742**	**—**	**620**
	$34,026	**$22,948**	**$1,327**	**$58,301**

For the three months ended June 30, 2024	Retail	Office	Industrial	Total
Rental revenue	$23,039	$15,640	$722	$39,401
CAM recoveries	5,055	7,043	234	12,332
Property tax and insurance recoveries	5,932	3,668	145	9,745
Other revenue and lease cancellation fees	650	655	—	1,305
Parking revenue	—	1,463	—	1,463
Amortized rents	239	(451)	12	(200)
	$34,915	$28,018	$1,113	$64,046

For the six months ended June 30, 2025	**Retail**	**Office**	**Industrial**	**Total**
Rental revenue	**$44,514**	**$23,519**	**$1,752**	**$69,785**
CAM recoveries	**11,001**	**13,294**	**607**	**24,902**
Property tax and insurance recoveries	**11,635**	**7,036**	**307**	**18,978**
Other revenue and lease cancellation fees	**1,401**	**427**	**9**	**1,837**
Parking revenue	**—**	**2,777**	**—**	**2,777**
Amortized rents	**(28)**	**370**	**27**	**369**
	$68,523	**$47,423**	**$2,702**	**$118,648**

For the six months ended June 30, 2024	Retail	Office	Industrial	Total
Rental revenue	$45,999	$31,256	$1,312	$78,567
CAM recoveries	10,524	14,288	491	25,303
Property tax and insurance recoveries	11,591	7,864	286	19,741
Other revenue and lease cancellation fees	1,330	1,273	—	2,603
Parking revenue	—	2,794	—	2,794
Amortized rents	365	(948)	19	(564)
	$69,809	$56,527	$2,108	$128,444

Common area maintenance ("CAM") recoveries and other revenue and lease cancellation fees noted in the above table are considered to be a component of revenue from contracts with customers.

NOTE 12

EXPENSES

(a) Property Operating Expenses

Property operating expenses consist of the following:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Repairs and maintenance	**$7,899**	$7,518	**$16,062**	$15,847
Utilities	**3,780**	3,889	**8,473**	8,367
Other operating expenses	**6,585**	6,532	**13,384**	12,134
	$18,264	$17,939	**$37,919**	$36,348

(b) General and Administrative

General and administrative expenses consist of the following:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Trustees' fees and expenses	**$60**	$61	**$119**	$128
Professional and compliance fees	**354**	316	**698**	663
Payroll and other administrative expenses	**547**	545	**1,104**	1,155
	$961	$922	**$1,921**	$1,946

NOTE 13

INTEREST EXPENSE

The components of interest expense are as follows:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Mortgages payable	**$11,074**	$12,334	**$22,338**	$24,427
Amortization of deferred financing costs – mortgages	**412**	449	**830**	865
Convertible debentures	**2,081**	2,081	**4,139**	4,139
Accretion on convertible debentures, net	**383**	358	**762**	713
Amortization of deferred financing costs – convertible debentures	**218**	205	**434**	407
Lease liabilities	**258**	254	**517**	509
Bank indebtedness	**1,189**	403	**2,258**	1,275
Morguard loan payable and other	**488**	1,299	**951**	2,044
Capitalized interest	**(120)**	(140)	**(232)**	(260)
	$15,983	$17,243	**$31,997**	$34,119

NOTE 14
RELATED PARTY TRANSACTIONS

Related party transactions are summarized as follows:

(a) Agreement with Morguard Investments Limited

Under the property management agreement, the Trust pays MIL fees for property management services, capital expenditure administration, information system support activities and risk management administration. Property management fees average approximately 3.3% of gross revenue from the income producing properties owned by the Trust. The management agreement is renewed annually to ensure fees paid reflect fair value for the services provided. Under the leasing services arrangement, the Trust may, at its option, use MIL for leasing services. Leasing fees range from 2% to 6% of the total minimum rent of new leases. Fees for the renewal of a lease are half of the fees for a new lease. Leasing services include lease documentation.

The Trust has employed the services of MIL for both the acquisition and disposition of properties on a case-by-case basis. Fees are generally based on the sale price of the properties and are capitalized in the case of an asset acquisition. MIL is a tenant at three of the Trust's properties. The Trust has employed the services of MIL for the appraisal of its real estate properties as required for IFRS reporting purposes. Fees are generally based on the size and complexity of each property and are expensed as part of the Trust's professional and compliance fees.

During the period, the Trust incurred/(earned) the following:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Property management fees [1]	**$2,006**	$2,216	**$4,092**	$4,458
Appraisal/valuation fees	**85**	87	**170**	175
Information services	**55**	55	**110**	110
Leasing fees	**768**	530	**1,723**	1,391
Project administration fees	**268**	239	**300**	443
Project management fees	**30**	40	**52**	78
Risk management fees	**102**	88	**197**	176
Internal audit fees	**25**	25	**50**	50
Off-site administrative charges	**512**	499	**1,021**	996
Rental revenue	**(54)**	(52)	**(109)**	(104)
	$3,797	$3,727	**$7,606**	$7,773

1. Includes property management fees on equity-accounted investment.

The following amounts relating to MIL are included in the balance sheets:

As at	**June 30, 2025**	December 31, 2024
Amounts payable to MIL, net	**$1,261**	$1,327

(b) Revolving Loan with Morguard

The Trust has a revolving loan agreement with Morguard that provides for borrowings or advances of up to $100,000 (December 31, 2024 – $75,000), which is interest-bearing at the entities' borrowing costs and due on demand, subject to available funds.

Morguard Loan Payable

During the six months ended June 30, 2025, there were no advances or repayments. As at June 30, 2025 and December 31, 2024, $35,000 remains payable to Morguard. For the three months ended June 30, 2025, the Trust incurred interest expense in the amount of $468 (2024 – $1,224) at an average interest rate of 5.37% (2024 – 7.03%). For the six months ended June 30, 2025, the Trust incurred interest expense in the amount of $911 (2024 – $1,911) at an average interest rate of 5.25% (2024 – 7.06%). As at June 30, 2025, the Trust has interest payable on the revolving loan with Morguard of $162 (December 31, 2024 – $164) included in its balance sheets.

Morguard Loan Receivable
During the six months ended June 30, 2025, there were no advances or repayments. As at June 30, 2025, and December 31, 2024, there was no loan receivable from Morguard. For the three months and six months ended June 30, 2025, and 2024, the Trust did not earn interest income on loans receivable from Morguard. The interest income earned from Morguard is included with other income on the statements of loss and comprehensive loss.

(c) Other Items with Morguard (Excluding MIL)
The Trust subleases office space from Morguard. For the three months ended June 30, 2025, the Trust incurred rent expense in the amount of $55 (2024 – $60). For the six months ended June 30, 2025, the Trust incurred rent expense in the amount of $111 (2024 – $118).

Other than the revolving loan, the following additional amounts relating to Morguard are included in the balance sheets:

As at	**June 30, 2025**	December 31, 2024
Amounts receivable	**$—**	$—
Accounts payable and accrued liabilities	**$—**	$—

Morguard is a tenant in one of the Trust's properties. For the three months ended June 30, 2025, the Trust earned rental revenue in the amount of $30 (2024 – $28). For the six months ended June 30, 2025, the Trust earned rental revenue in the amount of $60 (2024 – $57).

Morguard provided a guarantee in association with the renewal of one of the Trust's mortgages in December 2023. For the three months ended June 30, 2025, the Trust incurred interest expense in the amount of $112 (2024 – $123). For the six months ended June 30, 2025, the Trust incurred interest expense in the amount of $224 (2024 – $246).

NOTE 15
UNITHOLDERS' EQUITY
(a) Units Outstanding
The Trust is authorized to issue an unlimited number of units. These units have no par value. The following table summarizes the changes in units from January 1, 2024 to June 30, 2025:

	Six months ended June 30, 2025	Year ended December 31, 2024
Balance, beginning of period	**64,292,073**	64,267,901
Distribution Reinvestment Plan – Morguard	**761,805**	—
Distribution Reinvestment Plan – other unitholders	**84,073**	24,172
Special distribution in units	**—**	616,180
Consolidation of units	**—**	(616,180)
Balance, end of period	**65,137,951**	64,292,073

Total distributions recorded during the six months ended June 30, 2025, amounted to $7,752 or $0.12 per unit (2024 – $7,717 or $0.12 per unit). On June 16, 2025, the Trust declared a distribution in the amount of $0.02 per unit for the month of June 2025, payable on July 15, 2025.

(b) Normal Course Issuer Bid

On February 6, 2025, the Trust announced that the TSX had accepted notice filed by the Trust of its intention to make a normal course issuer bid. The notice provided that during the 12-month period commencing February 9, 2025, and ending February 8, 2026, the Trust may purchase for cancellation on the TSX up to 3,214,634 units in total, being approximately 5% of the outstanding units. Additionally, the Trust may purchase for cancellation up to $9,800 principal amount of the Convertible Debentures due on the Maturity Date, being 10% of the public float of outstanding Convertible Debentures. The price that the Trust would pay for any such units or debentures would be the market price at the time of acquisition.

During the six months ended June 30, 2025, and 2024, the Trust did not purchase any units or debentures for cancellation.

(c) Distribution Reinvestment Plan

Under the Trust's DRIP, unitholders can elect to reinvest cash distributions into additional units at a weighted average trading price of the units on the TSX for the 20 trading days immediately preceding the applicable date of distribution. During the six months ended June 30, 2025, the Trust issued 845,878 units under the DRIP (2024 – 10,807 units).

(d) Net Loss Per Unit

The following table sets forth the computation of basic and diluted net loss per unit:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Net loss – basic	**($1,698)**	($2,226)	**($13,363)**	($39,001)
Net loss – diluted	**($1,698)**	($2,226)	**($13,363)**	($39,001)
Weighted average number of units outstanding – basic	**64,877**	64,276	**64,641**	64,273
Weighted average number of units outstanding – diluted	**64,877**	64,276	**64,641**	64,273
Net loss per unit – basic	**($0.03)**	($0.03)	**($0.21)**	($0.61)
Net loss per unit – diluted	**($0.03)**	($0.03)	**($0.21)**	($0.61)

To calculate net loss – diluted, interest, accretion and the amortization of financing costs on Convertible Debentures outstanding that were expensed during the period are added back to net income/(loss) – basic. The weighted average number of units outstanding – diluted is calculated as if all Convertible Debentures outstanding as at June 30, 2025, and 2024, had been converted into units of the Trust at the beginning of the year. The calculation of net loss per unit – diluted excludes the impact of the Convertible Debentures for the six months ended June 30, 2025, and 2024, as their inclusion would be anti-dilutive.

(e) Special Distribution and Consolidation

The Trust expects to distribute to its unitholders in each year an amount not less than the Trust's taxable income for the year, as calculated in accordance with the *Income Tax Act* (Canada) (the "Act"). As a result of the increase in 2024 taxable income generated primarily from the sale of Heritage Towne Centre, the Trustees declared a special distribution of $0.06 per unit. The distribution was payable in units ($0.053 per unit) and cash ($0.007 per unit) to all unitholders of record as at December 31, 2024. On the 64,292,073 units outstanding as at December 31, 2024, the Trust distributed 616,180 units valued at $3,408, and accrued $450 at December 31, 2024, payable in cash on January 15, 2025.

Immediately following the issuance of the special distribution units, the units were consolidated such that each unitholder held the same number of units after the consolidation as each unitholder held prior to the issuance of the special distribution units.

NOTE 16
STATEMENTS OF CASH FLOWS
(a) Items Not Affecting Cash

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Fair value losses on real estate properties	**$10,683**	$16,242	**$31,569**	$66,465
Net income from equity-accounted investment	**(257)**	(349)	**(740)**	(792)
Amortized stepped rent	**(302)**	174	**93**	414
Amortized free rent	**(574)**	(44)	**(870)**	4
Amortization of deferred financing costs – mortgages	**412**	449	**830**	865
Amortization of tenant incentives	**256**	70	**408**	146
Amortization of right-of-use asset	**18**	—	**36**	—
Amortization of deferred financing costs – convertible debentures	**218**	205	**434**	407
Accretion on convertible debentures	**383**	358	**762**	713
	$10,837	$17,105	**$32,522**	$68,222

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

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Amounts receivable	**($1,031)**	($951)	**($1,682)**	($23)
Prepaid expenses and other	**(6,664)**	(5,660)	**(14,778)**	(13,614)
Accounts payable and accrued liabilities	**(1,013)**	(755)	**3,803**	46
	($8,708)	($7,366)	**($12,657)**	($13,591)

(c) Supplemental Cash Flow Information

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
Interest paid	**$17,337**	$18,958	**$30,368**	$32,403
Issue of units – DRIP	**$2,999**	$34	**$4,768**	$58

NOTE 17
COMMITMENTS AND CONTINGENCIES
(a) Commitments
The Trust has entered into various agreements relating to capital expenditures for its properties. These expenditures include development of new space, redevelopment or retrofit of existing space, and other capital expenditures. Should all conditions be met, as at June 30, 2025, committed capital expenditures in the next 12 months are estimated at $7,364.

The Trust has various other contractual obligations in the normal course of operations. These contracts can generally be cancelled with 30 days' notice.

(b) Contingencies
The Trust is liable contingently with respect to litigation, claims and environmental matters that arise from time to time, including those that could result in mandatory damages or other relief, which could result in significant expenditures. While the outcome of these matters cannot be predicted with certainty, in the opinion of management, any liability that

may arise from such contingencies would not have a material adverse effect on the financial position or results of operations of the Trust. Any expected settlement of claims in excess of amounts recorded will be charged to operations as and when such determination is made.

NOTE 18

MANAGEMENT OF CAPITAL

The Trust defines capital that it manages as the aggregate of its unitholders' equity and interest-bearing debt less interest-bearing receivables. The Trust's objective when managing capital is to ensure that the Trust will continue as a going concern so that it can sustain daily operations and provide adequate returns to its unitholders.

The Trust is subject to risks associated with debt financing, including the possibility that existing mortgages may not be refinanced or may not be refinanced on as favourable terms or with interest rates as favourable as those of the existing debt. The Trust mitigates these risks by its continued efforts to stagger the maturity profile of its long-term debt, enhance the value of its real estate properties and maintain high occupancy levels. The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

The total managed capital for the Trust is summarized below:

As at	Note	June 30, 2025	December 31, 2024
Mortgages payable	7	**$941,715**	$959,285
Convertible debentures	8	**155,302**	154,106
Bank indebtedness	10	**101,483**	68,079
Morguard loan payable	14(b)	**35,000**	35,000
Lease liabilities	9	**16,507**	16,587
Unitholders' equity		**867,713**	884,227
		$2,117,720	$2,117,284

The Declaration of Trust permits the Trust to incur indebtedness, provided that after giving effect to incurring or assuming any indebtedness (as defined in the Declaration of Trust), the amount of all indebtedness of the Trust is not more than 65% of the gross book value of the Trust's total assets as defined in the Declaration of Trust. The Declaration of Trust also permits the Trust to incur floating-rate debt, provided that the total amount of all floating-rate debt of the Trust is not more than 15% of the gross book value of the Trust's total assets.

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

As at	Borrowing Limits	June 30, 2025	December 31, 2024
Fixed-rate debt to gross book value of total assets	N/A	**47.0%**	47.9%
Floating-rate debt to gross book value of total assets	15.0%	**10.3%**	8.8%
	65.0%	**57.3%**	56.7%

As at June 30, 2025, the Trust met all externally imposed ratios and minimum equity requirements.

Mortgages Payable

The Trust has mortgages payable that include financial covenants such as coverage and leverage ratios, on a property and consolidated basis, as defined in the respective agreements. These ratios are evaluated by the Trust on an ongoing basis to ensure compliance. The Trust was in compliance with each of the financial covenants as at June 30, 2025, and December 31, 2024.

Convertible Debentures

The Trust's unsecured subordinated convertible debentures have no restrictive covenants.

Bank Indebtedness

The Trust's loan agreements permit the Trust to incur indebtedness. The loan agreements are fixed amounts that renew annually and are secured by fixed charges on specific properties owned by the Trust.

NOTE 19

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Trust's financial assets and liabilities comprise cash, amounts receivable, accounts payable and accrued liabilities, bank indebtedness, Morguard loan payable, mortgages payable and convertible debentures. Fair values of financial assets and liabilities and discussion of risks associated with financial assets and liabilities are presented as follows:

Fair Value of Financial Assets and Liabilities

The fair values of cash, amounts receivable, accounts payable and accrued liabilities, bank indebtedness and Morguard loan payable approximate their carrying values due to the short-term maturities of these instruments.

(a) Mortgages Payable

Mortgages payable are carried at amortized cost using the effective interest rate method of amortization. The estimated fair values of long-term borrowings are 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 Trust as at June 30, 2025.

The fair value of the mortgages payable has been determined by discounting the cash flows of these financial obligations using June 30, 2025, market rates for debts of similar terms (Level 2). Based on these assumptions, the fair value as at June 30, 2025, of the mortgages payable has been estimated at $936,518 (December 31, 2024 – $949,420) compared to the carrying value before deferred financing costs of $944,923 (December 31, 2024 – $963,022). The fair value of the mortgages payable varies from the carrying value due to fluctuations in interest rates since their issue.

(b) Convertible Debentures

The fair value of the Convertible Debentures is based on their market trading price (TSX: MRT.DB.A) (Level 1). The fair value as at June 30, 2025, of the Convertible Debentures has been estimated at $159,308 (December 31, 2024 – $159,000) compared to the carrying value before deferred financing costs of $156,645 (December 31, 2024 – $155,883).

(c) Fair Value Hierarchy of Financial Instruments and Real Estate Properties

The fair value hierarchy of income producing properties, properties under development, held for development and financial instruments measured at fair value in the balance sheets is as follows:

	June 30, 2025			December 31, 2024		
As at	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
ASSETS						
Income producing properties	**$—**	**$—**	**$2,048,567**	$—	$—	$2,062,060
Properties under development	**$—**	**$—**	**$24,262**	$—	$—	$19,908
Held for development	**$—**	**$—**	**$67,315**	$—	$—	$68,105
LIABILITIES						
Derivative liabilities	**$—**	**$2,556**	**$—**	$—	$2,389	$—

Risks Associated with Financial Assets and Liabilities

The Trust is exposed to financial risks arising from its financial assets and liabilities. The financial risks include interest rate risk, credit risk and liquidity risk. The Trust's overall risk management program focuses on establishing policies to identify and analyze the risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities. The Trust aims to develop a disciplined control environment in which all employees understand their roles and obligations.

NOTE 20
SEGMENTED INFORMATION

IFRS 8, "Operating Segments", requires operating segments to be determined based on internal reports that are regularly reviewed by the chief operating decision-maker for the purpose of allocating resources to the segment and assessing its performance. The Trust 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. As at June 30, 2025, and 2024, the Trust has the following three reportable segments: retail, office and industrial.

Business Segments

For the three months ended June 30, 2025	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	**$34,026**	**$22,948**	**$1,327**	**$58,301**
Property operating expenses	**(9,863)**	**(8,236)**	**(165)**	**(18,264)**
Property taxes	**(7,957)**	**(4,265)**	**(169)**	**(12,391)**
Property management fees	**(1,207)**	**(734)**	**(44)**	**(1,985)**
Net operating income	**$14,999**	**$9,713**	**$949**	**$25,661**

For the three months ended June 30, 2024	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	$34,915	$28,018	$1,113	$64,046
Property operating expenses	(9,542)	(8,226)	(171)	(17,939)
Property taxes	(7,736)	(4,180)	(164)	(12,080)
Property management fees	(1,245)	(913)	(37)	(2,195)
Net operating income	$16,392	$14,699	$741	$31,832

For the three months ended June 30, 2025	**Retail**	**Office**	**Industrial**	**Total**
Additions to real estate properties	**$5,159**	**$4,816**	**$98**	**$10,073**
Fair value (losses)/gains on real estate properties	**($5,356)**	**($5,927)**	**$600**	**($10,683)**

For the three months ended June 30, 2024	**Retail**	**Office**	**Industrial**	**Total**
Additions to real estate properties	$5,441	$5,206	$1,221	$11,868
Fair value gains/(losses) on real estate properties	$8,563	($24,771)	($34)	($16,242)

For the six months ended June 30, 2025	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	**$68,523**	**$47,423**	**$2,702**	**$118,648**
Property operating expenses	**(20,316)**	**(17,153)**	**(450)**	**(37,919)**
Property taxes	**(16,185)**	**(8,792)**	**(340)**	**(25,317)**
Property management fees	**(2,416)**	**(1,544)**	**(91)**	**(4,051)**
Net operating income	**$29,606**	**$19,934**	**$1,821**	**$51,361**

For the six months ended June 30, 2024	Retail	Office	Industrial	Total
Revenue from real estate properties	$69,809	$56,527	$2,108	$128,444
Property operating expenses	(19,174)	(16,725)	(449)	(36,348)
Property taxes	(15,763)	(8,855)	(328)	(24,946)
Property management fees	(2,508)	(1,833)	(72)	(4,413)
Net operating income	$32,364	$29,114	$1,259	$62,737

	Retail	**Office**	**Industrial**	**Total**
As at June 30, 2025				
Real estate properties	**$1,248,364**	**$808,780**	**$83,000**	**$2,140,144**
Mortgages payable (based on collateral)	**$519,009**	**$422,706**	**$—**	**$941,715**
For the six months ended June 30, 2025				
Additions to real estate properties	**$6,465**	**$14,608**	**$198**	**$21,271**
Fair value (losses)/gains on real estate properties	**($11,855)**	**($20,288)**	**$574**	**($31,569)**

	Retail	Office	Industrial	Total
As at December 31, 2024				
Real estate properties	$1,253,783	$814,090	$82,200	$2,150,073
Mortgages payable (based on collateral)	$531,316	$427,969	$—	$959,285
For the six months ended June 30, 2024				
Additions to real estate properties	$11,093	$10,189	$1,424	$22,706
Fair value (losses)/gains on real estate properties	($12,905)	($53,566)	$6	($66,465)