PRO REAL ESTATE INVESTMENT TRUST

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

November 11, 2025

PROREIT
Strong Foundations,
Industrial Edge

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(Unaudited)

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PRO REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
UNAUDITED - CAD $ thousands

	Note	September 30 2025	December 31 2024
Assets			
Non-current assets			
Investment properties	6,7	**$ 1,048,410**	$ 975,319
Property and equipment		**1,828**	2,138
Intangible assets		**2,876**	3,060
		1,053,114	980,517
Current assets			
Receivables and other	9	**12,786**	8,176
Cash		**17,823**	9,069
		30,609	17,245
TOTAL ASSETS		**$ 1,083,723**	$ 997,762
Liabilities and unitholders' equity			
Non-current liabilities			
Debt	10	**311,686**	362,723
Long-term incentive plan	12	**8,106**	6,798
		319,792	369,521
Current liabilities			
Debt	10	**219,457**	135,848
Class B LP Units	11	**22,462**	6,288
Accounts payable and other liabilities	13	**19,780**	19,184
Distributions payable		**2,516**	2,274
		264,215	163,594
Total liabilities		**584,007**	533,115
Unitholders' Equity		**499,716**	464,647
TOTAL LIABILITIES AND UNITHOLDERS' EQUITY		**$ 1,083,723**	$ 997,762

Approved by the Board

"signed"	"signed"
Gordon G. Lawlor, CPA	Deborah Shaffner, FCPA, MBA
Trustee	Trustee

See accompanying notes to the condensed consolidated interim financial statements

PRO REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET INCOME AND COMPREHENSIVE INCOME
UNAUDITED - CAD $ thousands

	Note	**3 Months Ended September 30 2025**	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Property revenue	15,16	**$ 27,102**	$ 24,033	**$ 77,871**	$ 74,330
Property operating expenses	16,17	**10,044**	9,771	**30,499**	30,460
Net operating income		**17,058**	14,262	**47,372**	43,870
General and administrative expenses	17	**1,296**	1,284	**3,960**	3,942
Long-term incentive plan expense	12	**1,181**	1,620	**2,093**	2,838
Depreciation of property and equipment		**147**	192	**454**	508
Amortization of intangible assets		**61**	61	**184**	184
Interest and financing costs	17	**6,693**	5,706	**18,290**	17,347
Distributions - Class B LP Units	11	**435**	135	**805**	434
Fair value adjustment - Class B LP Units	11	**504**	1,257	**(411)**	1,361
Fair value adjustment - investment properties	7	**(6,733)**	(12)	**(11,957)**	17,854
Fair value adjustment - derivative financial instruments		**309**	685	**1,255**	(330)
Other income	18	**(980)**	(1,183)	**(3,056)**	(3,284)
Other expenses	18	**480**	700	**1,607**	1,725
Debt settlement costs		**756**	488	**962**	794
Net income and comprehensive income		**$ 12,909**	$ 3,329	**$ 33,186**	$ 497

See accompanying notes to the condensed consolidated interim financial statements

PRO REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' EQUITY
UNAUDITED - CAD $ thousands except per unit and per unit amounts

	Note	Number of Units	Units issued	Cumulative distributions	Retained earnings	Total
Balance, January 1, 2025		**59,437,135**	**$ 365,109**	**$ (181,452)**	**$ 280,990**	**$ 464,647**
Net income and comprehensive income					**33,186**	**33,186**
Transactions with Unitholders:						
Distributions declared - $0.3375 per Unit				**(20,626)**		**(20,626)**
Issuance of Units, net of issue costs	14	**3,776,613**	**22,509**			**22,509**
Balance, September 30, 2025		**63,213,748**	**$ 387,618**	**$ (202,078)**	**$ 314,176**	**$ 499,716**

	Note	Number of Units	Units issued	Cumulative distributions	Retained earnings	Total
Balance, January 1, 2024		59,249,207	$ 364,157	$ (154,737)	$ 278,614	$ 488,034
Net income and comprehensive income					497	497
Transactions with Unitholders:						
Distributions declared - $0.3375 per Unit				(20,028)		(20,028)
Issuance of Units, net of issue costs		31,471	162			162
Exchange of Class B LP Units for REIT Units	11	156,457	790			790
Balance, September 30, 2024		59,437,135	$ 365,109	$ (174,765)	$ 279,111	$ 469,455

See accompanying notes to the condensed consolidated interim financial statements

PRO REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
UNAUDITED - CAD $ thousands

	Note	**3 Months Ended September 30 2025**	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Cash provided by (used in):					
Operating activities					
Net income and comprehensive income		**$ 12,909**	$ 3,329	**$ 33,186**	$ 497
Items not affecting cash:					
Depreciation of property and equipment		**147**	192	**454**	508
Amortization of financing costs	17	**496**	355	**1,219**	1,086
Amortization of intangible assets		**61**	61	**184**	184
Long-term incentive plan expense	12	**1,181**	1,620	**2,093**	2,838
Straight-line rent adjustment	7	**(434)**	(84)	**(772)**	(338)
Fair value adjustment - Class B LP Units	11	**504**	1,257	**(411)**	1,361
Fair value adjustment - investment properties	7	**(6,733)**	(12)	**(11,957)**	17,854
Fair value adjustment - derivative financial instruments	10	**309**	685	**1,255**	(330)
Accretion expense - Convertible Debentures	17	**95**	94	**284**	281
Changes in non-cash working capital	19	**(2,086)**	2,419	**(4,748)**	(4,493)
Net cash flows provided by operating activities		**6,449**	9,916	**20,787**	19,448
Financing activities					
Issuance costs	14	**(15)**	–	**(906)**	–
Repayment of mortgages and term loan		**(55,950)**	(21,756)	**(73,145)**	(64,954)
Increase in mortgages and term loan		**32,125**	21,223	**58,925**	31,071
Increase in credit facilities		**8,500**	16,000	**91,500**	25,500
Repayment of credit facilities		**(16,500)**	(2,000)	**(46,500)**	(6,500)
Financing costs		**(358)**	(183)	**(966)**	(347)
Distributions paid on Units		**(7,112)**	(6,686)	**(20,626)**	(20,028)
Restricted and Deferred Units settled in cash	12	**–**	–	**(785)**	(465)
Net cash flows provided by (used in) financing activities		**(39,310)**	6,598	**7,497**	(35,723)
Investing activities					
Acquisition of investment properties	6	**–**	(32,901)	**(57,557)**	(32,901)
Additions to investment properties	7	**(6,183)**	(3,299)	**(16,717)**	(8,417)
Net proceeds on disposal of investment properties	7	**46,298**	22,552	**58,369**	59,737
Leasing commissions	7	**67**	(529)	**(3,481)**	(3,441)
Additions to property and equipment		**(24)**	(541)	**(144)**	(1,292)
Net cash flows provided by (used in) investing activities		**40,158**	(14,718)	**(19,530)**	13,686
Change in cash during the period		**7,297**	1,796	**8,754**	(2,589)
Cash, beginning of period		**10,526**	8,871	**9,069**	13,256
Cash, end of period		**$ 17,823**	$ 10,667	**$ 17,823**	$ 10,667
Supplemental cash flow information	19				

See accompanying notes to the condensed consolidated interim financial statements

1. Nature of operations

PRO Real Estate Investment Trust (the "REIT") is an unincorporated open ended real estate investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated February 7, 2013 and amended and restated on December 21, 2018 (as amended from time to time, the "Declaration of Trust").

The REIT's trust units ("Units") are listed on the Toronto Stock Exchange (the "TSX") under the symbol PRV.UN. The REIT's convertible unsecured subordinated debentures ("Convertible Debentures") are listed on the TSX under the symbol PRV.DB. The principal, registered and head office of the REIT is located at 2000 Mansfield Street, Suite 1000, Montréal, Quebec, H3A 2Z7.

2. Basis of presentation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim financial reporting using accounting policies consistent with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board (''IASB''). These condensed consolidated interim financial statements should be read in conjunction with the REIT's annual audited consolidated financial statements and notes thereto prepared for the year ended December 31, 2024.

The condensed consolidated interim financial statements have been prepared on a historical cost basis with the exception of investment properties, derivative financial instruments, Class B LP Units (as defined herein) and units under the long-term incentive plan, which are measured at fair value.

The REIT's reporting and functional currency is Canadian dollars.

These condensed consolidated interim financial statements include the financial statements of the REIT and its subsidiaries, including joint operations and partnerships over which the REIT has control.

(i) Subsidiaries and partnerships over which the REIT has control:

Control is present when the REIT has all the following:

(a) power over the investee;
(b) exposure, or rights, to variable returns from its involvement with the investee; and
(c) the ability to use its power over the investee to affect the amount of its returns (the power, directly or indirectly, to control the financial and operational policies of the controlled entity).

(ii) Joint operations:

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have the rights to the assets and the obligations for the liabilities relating to the arrangement. The REIT recognizes its rights to and obligations for the assets, liabilities, revenue and expenses of these joint operations in the respective lines in the condensed consolidated interim financial statements.

On consolidation, all inter-entity transactions and balances have been eliminated.

These condensed consolidated interim financial statements were authorized for issuance by the Board of Trustees of the REIT on November 11, 2025.

3. Material accounting policy information

The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Property acquisitions and business combinations
Where property is acquired, management considers the substance of the assets and activities acquired in determining whether the acquisition represents the acquisition of a business. The basis of the judgment is set out in Note 4.

Where such acquisitions are not judged to be an acquisition of a business, they are treated as asset acquisitions. The cost to acquire the property is allocated between the identifiable assets and liabilities acquired based on their relative fair values at the acquisition date, and no goodwill arises.

Where acquisitions are judged to be businesses, they are accounted for using the acquisition method. The acquisition is recognized at the aggregate of the consideration transferred, measured on the acquisition date at fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the REIT measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed in the condensed consolidated interim statements of net income and comprehensive income.

When the REIT acquires a business, it makes an assessment of the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, the acquisition date fair value of the REIT's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through the condensed consolidated interim statements of net income and comprehensive income. Any contingent consideration to

be transferred by the REIT will be recognized as a liability at fair value at the acquisition date. Subsequent changes to the fair value of any contingent consideration are recognized in the condensed consolidated interim statements of net income and comprehensive income.

Investment properties
Property is determined to be an investment property when it is principally held to earn rental income or capital appreciation or both. It includes land, buildings, leasehold improvements and direct leasing costs incurred in negotiating and arranging tenant leases. The REIT applies IAS 40 – Investment Property, and has chosen the fair value method of presenting its investment properties in the condensed consolidated interim financial statements.

Investment property is measured initially at cost including transaction costs. Transaction costs include expenses such as transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. Subsequent to initial recognition, investment property is carried at fair value. Gains or losses arising from changes in fair value are included in the condensed consolidated interim statements of net income and comprehensive income during the period in which they arise.

The REIT measures fair value in accordance with IFRS 13, Fair Value Measurement. Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value of investment properties shall reflect market conditions at the end of the reporting period. Fair value is time-specific as of a given date. As market conditions could change, the amounts presented as fair value could be incorrect or inadequate at another date. The fair value of investment properties is based on valuation methods performed by management and third-party appraisers who are members of the Appraisal Institute of Canada.

Payments to tenants under lease obligations are included in the carrying cost of the investment properties. Payments that are determined to primarily benefit the tenant are treated as tenant incentives and are amortized as a reduction of rental revenue on a straight line basis over the term of the lease.

Property and equipment
Property and equipment is carried at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the assets.

The REIT allocates the amount initially recognized in respect of an item of property and equipment to its significant parts and depreciates each part separately.

Depreciation of property and equipment is provided over the remaining useful lives of the assets using the declining balance method for furniture and fixtures and computer equipment and on the straight-line method for leasehold improvements as follows:

- Furniture and fixtures – 20%
- Computer equipment – 30%
- Leasehold improvements – over the term of the lease
- Vehicle – 3 to 5 years

Depreciation is determined with reference to the asset's cost, estimated useful life and residual value. Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate and depreciated over their expected useful life. The asset's residual values, depreciation method and useful lives are reviewed annually and adjusted if appropriate. Assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use (being the present value of the expected future cash flows of the relevant asset). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

Cash
Cash includes balances with banks and funds held in trust.

Deferred acquisition costs
Deferred acquisition costs include transaction costs directly attributable to asset acquisition of investment properties, where it is probable that the acquisition will be completed.

Financial instruments
Under and subject to the terms and conditions of the Declaration of Trust, the REIT recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at FVTPL are expensed in the condensed consolidated interim statements of net income and comprehensive income when incurred.

Financial assets are classified and measured based on the business model in which they are managed and the characteristics of their contractual cash flows. IFRS 9 (Financial Instruments) contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income and FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. The REIT derecognizes a financial asset when its contractual rights to the cash flows from financial asset expire.

The REIT recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, financial liabilities are measured at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at FVTPL for which transaction costs are immediately recorded in the condensed consolidated interim statements of net income and comprehensive income.

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest rate method, except for financial liabilities at FVTPL. Such liabilities are subsequently measured at fair value. Interest, gains or losses relating to a financial liability are recognized in the condensed consolidated interim statements of net income and comprehensive income. The REIT derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

The 'expected credit loss' ("ECL") model is used to determine impairment of financial assets measured at amortized cost, contract assets and debt investments at fair value through other comprehensive income. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

Financial assets measured at amortized cost are assessed at each reporting date to determine the credit risk of the financial asset to apply the relevant impairment requirements. There are generally 3 stages of credit risk:

1. Financial assets that are expected to perform in line with their contractual terms and which have no signs of increased credit risk;
2. Financial assets that have significantly increased in credit risk since initial recognition but are not credit-impaired; and
3. Credit-impaired financial instruments.

The REIT assesses whether a financial asset has experienced a significant increase in credit risk or is credit-impaired at the reporting date. Regular indicators that a financial instrument has significantly increased in credit risk or is credit-impaired include significant financial difficulties as evidenced through default or delinquency by a debtor, restructuring of an amount due to the REIT on terms that the REIT would not consider otherwise, or indications that a debtor or issuer will enter bankruptcy. For financial assets assessed as having significantly increased in credit risk since initial recognition or credit-impaired at the reporting date, the REIT continues to recognize a loss allowance equal to lifetime expected credit losses.

An impairment loss in respect of a financial asset measured at amortized cost is measured through a loss allowance at an amount equal to:

(i) 12 month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
(ii) Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Losses are recognized in the condensed consolidated interim statements of net income and comprehensive income and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through comprehensive income.

Fair Value Hierarchy
The REIT classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to the valuation technique used to measure fair value as per IFRS 7 – Financial Instruments: Disclosures. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 ("L1") – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
Level 2 ("L2") – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
Level 3 ("L3") – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Unitholders' equity
The REIT's Units are redeemable at the option of the holder and, therefore, are considered puttable instruments. Puttable instruments are required to be accounted for as financial liabilities in accordance with IAS 32: Financial Instruments: presentation. In accordance with IAS 32, puttable instruments are to be presented as equity when certain conditions, called the "Puttable Instrument Exemption", are met.

To be presented as equity, the Units must meet all of the following conditions required by the Puttable Instrument Exemption: (i) it must entitle the holder to a pro-rata share of the REIT's net assets in the event of the REIT's dissolution; (ii) it must be in the class of instruments that is subordinate to all other instruments; (iii) all instruments in the class in (ii) must have identical features; (iv) other than the redemption feature, the Units may contain no other contractual obligations that meet the definition of a liability; and (v) the expected cash flows for the Units must be based substantially on the profit or loss of the REIT or change in fair value of the Units.

The Units meet the Puttable Instrument Exemption and are classified and accounted for as equity in the condensed consolidated interim statements of financial position. Distributions on Units, if any, are deducted from unitholders' equity.

Convertible Debentures
The Convertible Debentures issued by the REIT are convertible into a fixed number of units at the option of the holder and are redeemable by the REIT under certain conditions. The convertible debentures are separated into their debt component and embedded derivative features which are accounted for separately using the residual value approach. Subsequent to initial recognition, the debt component is measured at amortized cost using the effective interest method. The embedded derivative features include a holder conversion option at any time and an issuer redemption option under certain conditions. The multiple embedded derivative features are treated as a single compound embedded derivative liability and initially recognized at fair value. Subsequent to initial recognition, changes in fair value are recognized in the condensed consolidated interim statements of net income and comprehensive income. Upon issuance, any directly attributable costs are allocated to the debt component and embedded derivative liability in proportion to their initial carrying amounts.

For the debt component, the financing costs are reflected in the determination of the effective interest rate. For the embedded derivative liability, the financing costs are immediately expensed. Upon conversion, the carrying amount of the debt component and the related fair value of the derivative liability as of the date of conversion are transferred to equity. Upon redemption, the redemption proceeds are compared to the carrying amount of the debt component and the related fair value of the embedded derivative extinguished as of the date of redemption, and any gain or loss on redemption is recognized in the statements of net income and comprehensive income.

Payment of distributions
The determination to declare and make payable distributions from the REIT is at the sole discretion of the Board of Trustees of the REIT, and until declared payable by the Board of Trustees of the REIT, the REIT has no contractual requirement to pay cash distributions to unitholders of the REIT or holders of Class B LP Units.

Derivative Financial Instruments
The REIT uses derivative financial instruments such as interest rate swaps to manage risks from fluctuations in interest rates. Derivative instruments are initially measured at fair value on the date a derivative contract is entered into and subsequently re-measured at fair value at the end of the reporting period. Changes in the fair value of a derivative are recognized as FVTPL unless the derivative is a hedging instrument.

The REIT has entered into an interest rate swap contract to limit its exposure to fluctuations in the interest rates on a variable rate loan. These derivative financial instruments are not designated as hedging instruments for accounting purposes. Gains or losses arising from the change in fair values of the interest rate swap contract are recognized in the statements of net income and comprehensive income.

Class B LP Units
The Class B limited partnership units ("Class B LP Units") of PRO REIT Limited Partnership ("PRLP"), one of the REIT's limited partnerships under control, are classified as "financial liabilities", as they are exchangeable into Units of the REIT on a one-for-one basis at any time at the option of the holder. Class B LP Units are measured at fair value and presented as part of current liabilities in the condensed consolidated interim statements of financial position, with changes in fair value recorded in the condensed consolidated interim statements of net income and comprehensive income. The fair value of the Class B LP Units is determined with reference to the market price of the Units on the date of measurement. Distributions on Class B LP Units are recognized in the condensed consolidated interim statements of net income and comprehensive income when declared.

Long-term incentive plan
The REIT has adopted a long-term incentive plan which provides for the grant of deferred units ("DU" or "Deferred Units") and restricted units ("RU" or "Restricted Units") of the REIT to directors, employees, trustees and consultants of the REIT and its subsidiaries. The RUs and DUs are considered to be financial liabilities in the condensed consolidated interim statement of financial position because there is a contractual obligation for the REIT to deliver Units upon settlement of the RUs and DUs. As a result of this obligation, the RUs and DUs are exchangeable into a liability as the Units are a liability by definition in accordance with IAS 32 and the Puttable Instrument Exemption does not apply to IFRS 2 – Share-Based Payment ("IFRS 2"). In accordance with IAS 32, the long-term incentive plan is presented as a liability and is measured at fair value in the condensed consolidated interim statements of financial position in accordance with IFRS 9 Financial Instruments. Fair market value is determined with reference to observable market price of the REIT's Units.

The compensation expense relating to the long-term incentive plan is recognized over the vesting period based on the fair value of the Units at the end of each reporting period and includes additional compensation expense relating to additional DUs and RUs issued as a result of distributions on the underlying Units. Once vested, the liability is remeasured at the end of each reporting period and at the date of settlement, with any fair value adjustment recognized in the condensed consolidated interim statements of net income and comprehensive income for the period. Distributions declared on vested DUs and RUs are also recorded in the condensed consolidated interim statements of net income and comprehensive income.

Cancellation of Units under normal course issuer bid
In the event the REIT repurchases its own Units under a normal course issuer bid ("NCIB"), those Units are deducted from unitholders' equity and the associated Units are cancelled. No gain or loss is recognized and the consideration paid, including any directly attributable incremental costs, is recognized in unitholders' equity.

Provisions
A provision is a liability of uncertain timing or amount. Provisions are recognized when the REIT has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects

current market assessments of the time value of money and risks specific to the obligation. Provisions are re-measured at each financial reporting date using the current discount rate. The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date.

Revenue recognition
The total amount of contractual rent to be received from operating leases is recognized on a straight-line basis over the term of the lease; straight-line rent receivable, which is included in the carrying amount of the investment property, is recorded for the difference between the rental revenue recorded and the contractual amount received. Contingent rental income or percentage rents are recognized when the required level of sales has been achieved. Lease cancellation fees are recognized as revenue when the tenant foregoes the rights and obligations from the use of the space. Lease incentives are recognized on a straight-line basis over the term of the lease, even if the payments are not made on such a basis.

Recoveries from tenants for taxes, insurance and other operating expenses are recognized as service charge income in the period in which the applicable costs are incurred. Services charges and other such receipts are included gross of the related costs in property income, as management considers that the REIT acts as principal in this respect. Recoveries for repair and maintenance costs capitalized with investment property are recognized on a straight-line basis over the expected life of the items. Parking and other incidental revenues are recognized when the services are provided.

Segmented disclosure
Segmented disclosure is determined based on internal reports that are regularly reviewed by the Chief Executive Officer and the Chief Financial Officer for the purpose of allocating resources to the segment and assessing its performance. The REIT's segments are managed by use of properties.

Joint arrangements
Under IFRS 11, “Joint Arrangements”, a joint arrangement is an arrangement in which two or more parties have joint control. Joint control is the contractually agreed sharing of control whereby decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint arrangements are classified as either joint operations or joint ventures depending on the REIT’s rights and obligations in the arrangement based on factors such as the structure, legal form and contractual terms of the arrangement.

As at September 30, 2025, the REIT had interests in joint arrangements that were classified as joint operations.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. The condensed consolidated interim financial statements include the REIT's proportionate share of the joint operations' assets, liabilities, revenue and expenses on a line by line basis, from the date that the joint control commences until the date that joint control ceases.

Income and capital taxes
The REIT currently qualifies as a “mutual fund trust” for income tax purposes. The REIT expects to distribute or designate all of its taxable income to unitholders and is entitled to deduct such distributions for income tax purposes. Accordingly, except for the REIT’s subsidiaries, no provision for income taxes payable is required.

The legislation relating to the federal income taxation of a specified investment flow through (“SIFT”) trust or partnership was enacted on June 22, 2007. Under the SIFT rules, certain distributions from a SIFT will not be deductible in computing the SIFT’s taxable income, and the SIFT will be subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to Canadian corporations. However, distributions paid by a SIFT as returns of capital should generally not be subject to the tax. Under the SIFT rules, the new taxation regime will not apply to a real estate investment trust that meets prescribed conditions relating to the nature of its assets and revenue (the “REIT Conditions”). The REIT has reviewed the SIFT rules and has assessed their interpretation and application to the REIT’s assets and income. While there are uncertainties in the interpretation and application of the SIFT rules, the REIT believes that it meets the REIT Conditions.

However, certain of the REIT’s subsidiaries are incorporated companies. For these companies, the REIT follows the tax liability method for determining income taxes. Under this method, deferred income taxes assets and liabilities are determined according to differences between the carrying amounts and tax bases of specific assets and liabilities. Deferred tax assets and liabilities are measured based on enacted or substantively enacted tax rates and laws at the date of the condensed consolidated interim financial statements for the years in which these temporary differences are expected to reverse. Adjustments to these balances are recognized in the condensed consolidated interim statements of net income and comprehensive income as they occur. It was determined that no current or deferred income tax provisions were required for the periods presented in these condensed consolidated interim financial statements.

4. Critical accounting judgments, estimates and assumptions

The preparation of the REIT’s condensed consolidated interim financial statements requires management to make critical judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities, at the date of the condensed consolidated interim financial statements. The critical estimates and judgments utilized in preparing the REIT’s condensed consolidated interim financial statements affect the assessment of net recoverable amounts, net realizable values and fair values, depreciation and amortization rates and useful lives, determination of the degree of control that exists in determining the corresponding accounting basis and the selection of accounting policies. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

Judgments
In the process of applying the REIT's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements:

(i) Business combinations and asset acquisitions – The REIT, in general, acquires investment properties as asset acquisitions but at the time of the acquisition also considers whether the acquisition represents the acquisition of a business. The REIT accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the investment property. Consideration is made of the extent to which significant processes are acquired and, in particular, the extent of ancillary services provided by the subsidiary (e.g., maintenance, cleaning, security, bookkeeping, etc.). The significance of any process is judged with reference to the guidance in IAS 40 about ancillary services.

(ii) Leases – The REIT uses judgment in determining whether certain leases, in particular those tenant leases with long contractual terms where the lessee is the sole tenant, are operating or finance leases. The REIT has determined that all of its leases are operating leases.

(iii) Income taxes – Under current tax legislation, a real estate investment trust is not liable to pay Canadian income taxes provided that its taxable income is fully distributed to unitholders during the year. The REIT is a real estate investment trust if it meets the REIT Conditions. The REIT has reviewed the REIT Conditions and has assessed their interpretation and application to the REITs assets and revenue, and it has determined that it qualifies as a real estate investment trust.

The REIT expects to qualify as a real estate investment trust under the Income Tax Act (Canada); however, should it no longer qualify it would not be able to flow through its taxable income to unitholders and the REIT would, therefore, be subject to tax.

(iv) Joint arrangements – The REIT makes judgments in determining whether a joint arrangement structured through a separate vehicle is a joint operation by assessing the legal form of the separate vehicle, including the determination on whether the REIT's interest represents an interest in the assets and liabilities (joint operation) or in its net assets (a joint venture).

Estimates and assumptions
In the process of applying the REIT's accounting policies, management has made the following estimates and assumptions which have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements:

(i) Valuation of investment properties – Investment properties are presented at fair value at the reporting date. Currently, any change in fair value is determined by management and by independent real estate valuation experts using recognized valuation techniques. The techniques used by management and by independent real estate valuation experts comprise of the discounted cash flow and direct capitalization methods of valuation and includes estimating, among other things, capitalization rates and future net operating income and discount rates and future cash flows applicable to investment properties, respectively.

(ii) Fair value of financial instruments – Where the fair value of financial assets and financial liabilities recorded in the condensed consolidated interim statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. Inputs to these models are taken from observable markets where possible, but where this is not feasible a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value in the condensed consolidated interim financial statements.

(iii) Contractual rents and other tenant receivables presented net of an allowance for doubtful accounts – Estimates and assumptions used in determining the allowance for doubtful accounts, include the historical credit loss experience adjusted for current conditions and forward-looking information including future expectations of likely default events based on actual or expected insolvency filings, likely deferrals of payments due and potential abatements to be granted by the REIT through tenant negotiations or under government programs, and macroeconomic conditions.

(iv) Derivative financial instruments – Derivative financial instruments, including embedded derivatives and interest rate swap, are recognized on the condensed consolidated interim statements of financial position at fair value. Subsequent to initial recognition, the derivatives are measured at fair value. The fair values of the derivative instruments are based on forward rates considering the market price, rate of interest and volatility. Changes in estimated fair value at each reporting date are included in the condensed consolidated interim statements of net income and comprehensive income. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related and if the entire contract is not measured at fair value with changes in fair value recognized in the condensed consolidated interim statements of net income and comprehensive income.

5. Future applicable accounting standards

In April 2024, the IASB issued IFRS 18, "Presentation and Disclosure in Financial Statements," which sets out the overall requirements for presentation and disclosures in the condensed consolidated interim financial statements. The new standard will replace IAS 1. Although much of the substance of IAS 1 will carry over into the new standard, the new standard will require presentation of separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The new standard will also require management-defined performance measures to be explained and included in a separate note within the condensed consolidated interim financial statements. The new

standard is effective for annual reporting periods beginning on or after January 1, 2027, including condensed consolidated interim financial statements, and requires retrospective application. The REIT is currently assessing the impact of the new standard.

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, "Financial Instrument Disclosures". The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. The amendments also require additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income. These amendments are effective for annual reporting periods beginning on or after January 1, 2026. The REIT is currently assessing the impact of the new standards.

6. Investment property acquisitions

On June 26, 2025, the REIT acquired a portfolio of six industrial properties in Winnipeg, Manitoba from Parkit Enterprise Inc. ("Parkit") (TSX.V:PKT) for an aggregate purchase price of approximately $96,500 (the "Transaction").

The $96,500 purchase price (excluding closing costs) was satisfied with cash from a new $63,000 3-year secured non-revolving credit facility at a fixed swap rate of approximately 4.54% and the issuance at a price of $6.20 per unit of $40,000 of Units and Class B LP Units, in aggregate, to Parkit. Approximately $3,200 of the non-revolving credit facility was used to repay a portion of indebtedness outstanding under the REIT's existing revolving credit facility and $5,500 for general business purposes. The Units and Class B LP Units issued in connection with the Transaction are subject to a contractual lock-up period of 18 months following the closing of the Transaction during which Parkit may not transfer, sell or otherwise dispose of these Units and Class B LP Units, subject to certain limited exceptions.

During the nine month period ended September 30, 2025 the REIT acquired the following investment properties from the Transaction:

Investment Property	Location	Property Type	Acquisition Date	Interest Acquired
1725 Inkster Boulevard	Winnipeg, Manitoba	Industrial	June 26, 2025	100%
1345 Redwood Avenue	Winnipeg, Manitoba	Industrial	June 26, 2025	100%
2030 Notre Dame Avenue	Winnipeg, Manitoba	Industrial	June 26, 2025	100%
961-975 Sherwin Road	Winnipeg, Manitoba	Industrial	June 26, 2025	100%
310 De Baets Street	Winnipeg, Manitoba	Industrial	June 26, 2025	100%
90-120 Paramount Road	Winnipeg, Manitoba	Industrial	June 26, 2025	100%

The property acquisitions were determined to be asset acquisitions.

During the year ended December 31, 2024 the REIT acquired the following investment property:

Investment Property	Location	Property Type	Acquisition Date	Interest Acquired
2945 Andre Avenue	Dorval, Quebec	Industrial	September 17, 2024	100%

The property acquisition was determined to be an asset acquisition.

The fair value of the investment properties acquired and related consideration paid, at the date of acquisition, can be broken down as follows:

	September 30 2025	December 31 2024
Assets		
Investment properties	**$ 98,533**	$ 32,901
Other assets	**28**	79
	$ 98,561	32,980
Liabilities		
Accounts payable and other liabilities	**1,004**	145
	1,004	145
Net assets acquired	**$ 97,557**	$ 32,835
Consideration paid by the REIT:		
Cash	**$ 3,533**	$ 11,612
Proceeds from new non-revolving credit facility	**54,024**	21,223
Units issued (note 14)	**23,415**	–
Class B LP Units issued (note 11)	**16,585**	–
	$ 97,557	$ 32,835

7. Investment properties

	September 30 2025	December 31 2024
Balance, beginning of period	**$ 975,319**	$ 1,010,414
Acquisitions	**98,533**	32,901
Disposals	**(58,369)**	(64,200)
Additions	**16,717**	15,879
Leasing commissions	**3,481**	4,367
Straight-line rent adjustment	**772**	477
Fair value adjustment	**11,957**	(24,519)
Balance, end of period	**$ 1,048,410**	$ 975,319

The fair value is determined on the basis of valuations made by management and by independent external appraisers having appropriate professional qualifications, using recognized valuation techniques, comprising of the discounted cash flow and direct capitalization methods. These methods require certain key assumptions, including rental income, market rents, operating expenses, vacancies, inflation rates, capitalization rates, terminal capitalization rates and discount rates. These rates are determined for each property based on available market information related to the sale of similar buildings within the same geographical locations.

During the nine month period ended September 30, 2025, the REIT made the following dispositions:

- On February 7, 2025 the REIT sold a 50% interest in one industrial property for gross proceeds of $5,375 (the REIT's 50% share), before closing costs.
- On March 6, 2025 the REIT sold a 100% interest in one retail property for gross proceeds of $5,900, before closing costs.
- On March 12, 2025 the REIT sold a 100% interest in one retail property for gross proceeds of $1,085, before closing costs.
- On September 15, 2025 the REIT sold a 100% interest in nine retail properties for gross proceeds of $39,750, before closing costs.
- On September 26, 2025 the REIT sold a 100% interest in two retail properties for gross proceeds of $9,750, before closing costs.
- On September 29, 2025 the REIT sold a 50% interest in one retail property for gross proceeds of $1,750 (the REIT's 50% share), before closing costs.

Investment properties are independently appraised at the time of acquisition. In addition, the REIT engages independent external appraisers to appraise its investment properties such that the majority of the portfolio is independently appraised at least once over a two year period. During the nine month period ended September 30, 2025, properties externally appraised represented a total fair value of $516,640 (for the year ended December 31, 2024 – $694,604). The fair value of the remaining portfolio of investment properties was reviewed internally by the REIT by individuals who are knowledgeable and have industry experience in real estate valuations with support from external appraisers, using similar assumptions and valuation principles as used by external appraisers.

Significant assumptions made to determine the fair value of the investment properties are set out as follows:

At September 30, 2025	Industrial	Retail	Office
Capitalization rate	5.8% - 9.0%	6.0% - 10.0%	7.3% - 8.3%
Terminal capitalization rate	6.0% - 7.8%	6.3% - 10.0%	7.3% - 8.3%
Discount rate	6.5% - 9.0%	7.0% - 10.0%	8.0% - 9.0%

At December 31, 2024	Industrial	Retail	Office
Capitalization rate	6.0% - 7.8%	6.0% - 10.0%	7.3% - 8.3%
Terminal capitalization rate	6.3% - 7.8%	6.3% - 10.0%	7.3% - 8.3%
Discount rate	7.0% - 9.3%	7.0% - 10.0%	7.8% - 9.3%

Weighted Average Capitalization Rate [1]	September 30 2025	December 31 2024
Industrial	**6.7 %**	6.6 %
Retail	**7.1 %**	7.2 %
Office	**7.9 %**	7.4 %
Total portfolio	**6.7 %**	6.7 %

(1) Weighted average capitalization rate is based on the fair values of the investment properties.

The fair values of the REIT's investment properties are sensitive to changes in the key valuation assumptions. Changes in the capitalization rates, terminal capitalization rates and discount rates would result in a change to the fair value of the REIT's investment properties as set out in the following table:

	Impact of 25-basis points			
	September 30, 2025		December 31, 2024	
	Increase	Decrease	Increase	Decrease
Capitalization rate	$ (37,024)	$ 39,838	$ (33,420)	$ 35,879
Terminal capitalization rate	$ (22,194)	$ 24,031	$ (20,594)	$ 22,281
Discount rate	$ (23,123)	$ 23,754	$ (19,513)	$ 19,994

8. Investment in joint operations

The REIT is a co-owner in several investment properties that are subject to joint control based on the REIT's decision-making authority with regard to the relevant activities of the investment properties. The REIT recognizes its rights to and obligations for the assets, liabilities, revenue and expenses of these joint operations in the respective lines in the condensed consolidated interim financial statements. The following table outlines the REIT's ownership interest:

			Ownership Interest	
Investment Property	Location	Property Type	September 30 2025	December 31 2024
202 & 204 Brownlow Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
201 Brownlow Avenue and 50 Eileen Stubbs Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
7 Mellor Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
71 Thornhill Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
131, 133 & 135 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
121 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
75 Akerley Boulevard	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
100 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
100 Wright Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
51 Raddall Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
170 Joseph Zatzman Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
105 Akerley Boulevard	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
50 Troop Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %

32 Troop Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
81 Wright Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
109 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
95 Akerley Boulevard	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
30 Simmonds Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
50 Garland Avenue	Dartmouth, Nova Scotia	Office	**50 %**	50 %
10 Thornhill Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
16 Garland Avenue	Dartmouth, Nova Scotia	Retail	**– %**	50 %
71 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
81 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
101 Ilsley Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
26-28 Topple Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
45 Wright Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
171 John Savage Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
10 Morris Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
10 Vidito Drive	Dartmouth, Nova Scotia	Industrial	**– %**	50 %
101 Thornhill Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
11 Morris Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
120 Troop Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
222 Edinburgh Drive	Moncton, New Brunswick	Industrial	**50 %**	50 %
29-59 Mosher Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
30-58 Mosher Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
320-340 Wright Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
40 Thornhill Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
50 Akerley Boulevard	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
50 Thornhill Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
55 Akerley Boulevard	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
58 Wright Avenue	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %
60 Thornhill Drive	Dartmouth, Nova Scotia	Industrial	**50 %**	50 %

The following amounts are included in these condensed consolidated interim financial statements and represent the REIT's proportionate share of the assets and liabilities of its co-owned properties, as well as the results of operations:

	September 30 2025	December 31 2024
Current assets	**$ 5,992**	$ 4,408
Investment properties	**264,450**	249,250
Total assets	**$ 270,442**	$ 253,658
Current liabilities	**4,198**	4,679
Debt	**132,955**	130,305
Total liabilities	**$ 137,153**	$ 134,984

	3 Months Ended September 30 2025	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Property revenue	**$ 7,001**	$ 6,306	**$ 21,419**	$ 19,544
Property operating expenses (excluding the undernoted property management fees)	**2,544**	2,357	**8,236**	7,653
Property management fees	**204**	206	**623**	593
Net operating income	**4,253**	3,743	**12,560**	11,298
Interest and financing costs	**1,304**	1,288	**3,857**	3,862
Fair value adjustment - investment properties	**(20,668)**	(5,539)	**(18,767)**	(4,009)
Net income and comprehensive income	**$ 23,617**	$ 7,994	**$ 27,470**	$ 11,445

9. Receivables and other

	September 30 2025	December 31 2024
Accounts receivable	**$ 5,052**	$ 3,570
Prepaid taxes	**5,920**	3,308
Prepaid other	**1,754**	1,044
Deposits	**58**	54
Other receivables	**2**	200
	$ 12,786	$ 8,176

10. Debt

	Note	**September 30 2025**	December 31 2024
Mortgages and term loan (net of financing costs of $1,404)	10 (a)	**$ 412,813**	$ 426,842
Convertible Debentures (net of issuance costs of $1,847)	10 (b)	**32,983**	31,826
Revolving credit facility (net of financing costs of $287)	10 (c)	**21,713**	39,903
Non-revolving credit facility (net of financing costs of $241)	10 (d)	**63,634**	–
Total		**531,143**	498,571
Debt (current)		**(219,457)**	(135,848)
Non-current debt		**$ 311,686**	$ 362,723

(a) Mortgages and term loan

	September 30 2025	December 31 2024
Mortgages (net of financing costs of $1,370)	**$ 403,208**	$ 417,137
Term loan (net of financing costs of $34)	**9,605**	9,705
Total	**412,813**	426,842
Mortgages and term loan (current)	**(164,761)**	(64,119)
Non-current mortgages and term loan	**$ 248,052**	$ 362,723

As at September 30, 2025, all mortgages payable were at fixed rates with a weighted average contractual rate of approximately 3.89% (December 31, 2024 – 3.90%). The mortgages payable are secured by first charges on certain investment properties with a fair value of approximately $670,950 at September 30, 2025 (December 31, 2024 - $854,279).

On June 29, 2023, the REIT received a $10,000 three year term loan at a rate of 6.79%. Proceeds of the term loan were used to partially repay the revolving credit facility. The term loan is secured by second charges on certain investment properties with a fair value of approximately $114,290 at September 30, 2025 (December 31, 2024 - $114,290).

On March 28, 2025, the REIT received $12,000 in incremental financing with respect to an Ontario industrial property from its current lender at an annual rate of 4.98% and maturing in September 2026, consistent with the original mortgage maturity.

During the nine month period ended September 30, 2025, the REIT repaid approximately $38,143 in mortgages prior to their maturity dates resulting in yield maintenance costs of $962.

Interest expense was $4,291 and $12,617 for the three and nine month periods ended September 30, 2025 ($4,171 and $12,953 for the three and nine month periods ended September 30, 2024). The REIT is required under the terms of specific debt agreements to maintain debt to service coverage ratios. The REIT was in compliance at September 30, 2025.

Mortgages and term loan are repayable no later than 2033 as follows:

	Principal instalments	Principal maturities	Total Principal Payable	% of Total Principal	Weighted Average Interest Rate on Maturity
2025 - remainder of year	**$ 3,082**	**$ 6,173**	**$ 9,255**	**2.2 %**	**4.6 %**
2026	**10,308**	**150,949**	**161,257**	**38.9 %**	**3.8 %**
2027	**6,753**	**48,687**	**55,440**	**13.4 %**	**4.8 %**
2028	**6,015**	**59,781**	**65,796**	**15.9 %**	**3.5 %**
2029	**4,101**	**36,626**	**40,727**	**9.8 %**	**4.1 %**
Thereafter	**3,672**	**78,070**	**81,742**	**19.8 %**	**4.0 %**
	$ 33,931	**$ 380,286**	**$ 414,217**	**100.0 %**	
Financing costs			**(1,404)**		
Total balance outstanding as at September 30, 2025			**$ 412,813**		

(b) Convertible Debentures

	Maturity	Contractual Interest	Principal Amount	September 30 2025 Carrying Value	December 31 2024 Carrying Value
Convertible Debentures	June 30, 2028	8.00 %	$ 35,000	**$ 33,938**	$ 33,653
Issuance costs				**(1,847)**	(2,340)
Convertible Debentures less issuance costs				**$ 32,091**	$ 31,313
Derivative financial instrument				**892**	513
Total				**$ 32,983**	$ 31,826

On May 26, 2023, the REIT issued $35,000 aggregate principal amount of convertible unsecured subordinated debentures bearing 8.00% interest per annum payable semi-annually and maturing on June 30, 2028 (the "Maturity Date"), in the amount of $35,000. The interest is payable in arrears on June 30 and December 31 each year, commencing December 31, 2023. The Convertible Debentures are convertible at the holder's option at any time prior to the close of business on the earlier of the business day immediately preceding the Maturity Date and the business day immediately preceding the date fixed for redemption of the Convertible Debentures, as applicable, at a conversion price of $7.00 per Unit before the Maturity Date.

These Convertible Debentures are not redeemable before June 30, 2026 by the REIT. On and from June 30, 2026 and prior to June 30, 2027, the Convertible Debentures may be redeemed by the REIT, in whole at any time, or in part from time to time, at a redemption price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Units on the TSX during a period of 20 consecutive trading days ending on the fifth trading day prior to the date on which an advanced notice of redemption (the "Current Market Price") given is at least 125% of the conversion price. On and from June 30, 2027 and prior to the Maturity Date, the Convertible Debentures may be redeemed by the REIT, in whole at any time, or in part from time to time, at a redemption price equal to their principal amount plus accrued and unpaid interest.

Subject to regulatory approvals and other conditions, the REIT may, at its option, elect to satisfy its obligation to pay the principal amount of Convertible Debentures on redemption or at the Maturity Date, in whole or in part, by delivering the number of freely tradable Units obtained by dividing the principal amount of the Convertible Debentures being repaid by 95% of the Current Market Price on the date of redemption or on the Maturity Date.

Upon issuance, the directly attributed costs were allocated to the component and derivative financial instrument in proportion to the initial carrying costs.

	September 30 2025	December 31 2024
Balance, beginning of period	**$ 31,826**	$ 31,637
Accretion expense - Convertible Debentures	**284**	375
Issuance costs	**(7)**	(7)
Amortization of issuance costs	**501**	660
Fair value adjustment of derivative financial instrument	**379**	(839)
Balance, end of period	**$ 32,983**	$ 31,826

(c) Revolving credit facility

The REIT has a revolving credit facility of $60,000 which bears interest at prime plus 100.0 basis points or CORRA loan rate plus 200.0 basis points. The credit facility is secured by a pool of first and second charges on certain investment properties with a fair value of approximately $121,070 at September 30, 2025 (December 31, 2024 - $114,370).

	September 30, 2025	December 31 2024
Revolving credit facility	**$ 22,000**	$ 40,000
Financing costs	**(287)**	(97)
Total	**$ 21,713**	$ 39,903

The REIT is required under the credit facility agreement to maintain certain financial ratios at the end of each reporting period and a minimum unitholders' equity at all times. At September 30, 2025, the REIT was compliant with all financial covenants under the revolving credit facility.

(d) Non-revolving credit facility

The REIT entered into a secured non-revolving three year credit facility (with two successive one-year renewal options) of $63,000 which bears interest at CORRA loan rate plus 175.0 basis points and matures June 2028. The REIT fixed the interest rate at 4.54% per annum by entering into a five year fixed interest rate swap agreement with a major Canadian financial institution. The swap agreement requires settlement of net interest receivable or payable every 30 days and has been accounted for as a derivative at FVTPL. The non-revolving credit facility is secured by a pool of first charges on certain investment properties with a fair value of approximately $100,950 at September 30, 2025 (December 31, 2024 - $Nil).

	September 30 2025 Carrying Value	December 31 2024 Carrying Value
Non-revolving credit facility	**$ 63,000**	$ –
Financing costs	**(241)**	–
Non-revolving credit facility less financing costs	**$ 62,759**	$ –
Derivative financial instrument - interest rate swap	**875**	–
Total	**$ 63,634**	$ –

The REIT is required under the non-revolving credit facility agreement to maintain certain financial ratios at the end of each reporting period and a minimum unitholders' equity at all times. At September 30, 2025, the REIT was compliant with all financial covenants under the revolving credit facility.

11. Class B LP Units

	September 30, 2025		December 31, 2024	
	Class B LP Units	**Amount**	Class B LP Units	Amount
Outstanding, beginning of period	**1,197,774**	**$ 6,288**	1,354,231	$ 6,459
Issuance of Class B LP Units (note 6)	**2,675,000**	**16,585**	–	–
Exchange of Class B LP Units for Units	**–**	**–**	(156,457)	(790)
Fair value adjustment	**–**	**(411)**	–	619
Outstanding, end of period	**3,872,774**	**$ 22,462**	1,197,774	$ 6,288

The Class B LP Units are exchangeable into Units on a one-for-one basis at any time at the option of the holder. During the nine month period ended September 30, 2025, nil Class B LP Units in issue were exchanged into Units (156,457 Class B LP Units in issue were exchanged into Units for the year ended December 31, 2024).

The Class B LP Units are entitled to distributions equal to distributions declared on Units, on a one-to-one basis. Distributions on Class B LP Units are recognized in the statements of net income and comprehensive income when declared. Distributions of $0.1125 and $0.3375 per Class B LP Unit were declared during the three and nine month periods ended September 30, 2025 respectively ($0.1125 and $0.3375 for the three and nine month periods ended September 30, 2024).

12. Long-term incentive plan

	Number of Restricted Units (RUs)	Number of Deferred Units (DUs)	Total
At January 1, 2024	**194,528**	**948,545**	**1,143,073**
Restricted Units and Deferred Units granted	**126,229**	**121,340**	**247,569**
Reinvested distributions	**17,595**	**84,719**	**102,314**
Restricted Units settled in cash	**(98,247)**	**(86,041)**	**(184,288)**
Restricted Units and Deferred Units - cancelled	**(365)**	**(116)**	**(481)**
At December 31, 2024	**239,740**	**1,068,447**	**1,308,187**
Restricted Units and Deferred Units granted	**137,374**	**160,229**	**297,603**
Reinvested distributions	**12,586**	**71,734**	**84,320**
Restricted Units and Deferred Units settled in cash and Units	**(113,824)**	**(28,508)**	**(142,332)**
At September 30, 2025	**275,876**	**1,271,902**	**1,547,778**
Vested	**3,427**	**1,113,469**	**1,116,896**
Unvested	**272,449**	**158,433**	**430,882**
Total	**275,876**	**1,271,902**	**1,547,778**

	3 Months Ended September 30 2025	9 Months Ended September 30 2025	Year Ended December 31 2024
At fair value, beginning of period	**$ 6,925**	**$ 6,798**	$ 4,942
Amortization, RUs and DUs:			
Amortization, RUs and DUs	**538**	**991**	1,328
Reinvested distributions, RUs and DUs	**171**	**333**	551
Fair value adjustment, RUs and DUs	**472**	**769**	945
Total expense - unvested RUs and DUs	**1,181**	**2,093**	2,824
Restricted and Deferred Units settled in cash	**–**	**(785)**	(806)
Deferred Units settled in Units	**–**	**–**	(162)
At fair value, end of period	**$ 8,106**	**$ 8,106**	$ 6,798

The REIT has adopted a long-term incentive plan which provides for the grant of DUs and RUs to directors, employees, trustees and consultants of the REIT and its subsidiaries. The maximum number of units permitted to be issued under the long-term incentive plan is 5,904,780.

Each RU represents the right to receive one Unit upon vesting of the RU. Vesting of the RUs will occur in full at the end of a three year period as follows: one-third of the RUs granted in any year will vest at the start of the fiscal year immediately following the grant (in this paragraph, the “initial vesting date”), subject to provisions for earlier vesting upon the occurrence of certain events; one-third will vest on the first anniversary of the initial vesting date; the final one-third will vest on the 2nd anniversary of the initial vesting period. Upon vesting of the RUs the holder of the RUs will receive one Unit in respect of each vested RU.

Each DU represents the right to receive one Unit upon the holder of the DU ceasing to be employed by the REIT, provided that the DU is vested (or is deemed to be vested) at such time. Vesting of the DUs for the trustees will occur in full at the start of the fiscal year immediately following the grant. Vesting of the DUs for the directors, employees and consultants of the REIT will occur in full at the end of a three year period as follows: one-third of the DUs granted in any year will vest at the start of the fiscal year immediately following the grant (in this paragraph, the “initial vesting date”), subject to provisions for earlier vesting upon the occurrence of certain events; one-third will vest on the first anniversary of the initial vesting date; the final one-third will vest on the 2nd anniversary of the initial vesting date.

On January 1, 2024, the REIT settled 93,534 RUs in cash at a price of $4.72 per RU for an aggregate settlement value of $465, including other directly related costs of $23. The settlement value was based on the 5-day volume weighted average trading price ("VWAP") of the Units on the TSX prior to settlement.

On March 22, 2024, the REIT settled 31,471 DUs in exchange for 31,471 Units for an aggregate value of $162 (see note 14). The settlement value was based on the 5-day VWAP prior to settlement.

On November 1, 2024, the REIT cancelled 116 DUs and 365 RUs related to the departure of an employee of the REIT. The 116 DUs and 365 RUs that were cancelled were not vested.

On December 19, 2024, the REIT settled 54,570 DUs and 4,713 RUs in cash at price of $5.51 per DU and RU for an aggregate settlement value of $341, including other directly related costs of $14. The settlement value was based on the 5-day VWAP prior to settlement.

On January 1, 2025, the REIT settled 113,824 RUs in cash at a price of $5.21 per RU for an aggregate settlement value of $625, including other directly related costs of $32. The settlement value was based on the 5-day VWAP prior to settlement.

On January 27, 2025, the REIT paid 28,508 DUs in cash that were settled on December 1, 2024. The DUs were settled at a price of $5.62 per DU for an aggregate settlement value of $160. The settlement value was based on the 5-day VWAP prior to settlement.

For the nine month period ended September 30, 2025, 231,963 DUs and 149,960 RUs were granted at an average unit price of $5.40 and $5.35 respectively. For the nine month period ended September 30, 2024, 184,400 DUs and 139,015 RUs were granted at an average unit price of $5.32 and $5.32 respectively.

For the three and nine month periods ended September 30, 2025, 33,206 and 218,744 DUs were granted to Trustees and key management personnel. For the three and nine month periods ended September 30, 2024, 19,944 and 172,530 DUs were granted to Trustees and key management personnel.

For the three and nine month periods ended September 30, 2025, 4,285 and 118,682 RUs were granted to Trustees and key management personnel. For the three and nine month periods ended September 30, 2024, 4,133 and 115,217 RUs were granted to Trustees and key management personnel.

13. Accounts payable and other liabilities

	September 30 2025	December 31 2024
Accounts payable	**$ 4,777**	$ 4,984
Accrued liabilities	**7,809**	7,385
Tenant deposits	**5,637**	4,685
Prepaid rent	**1,557**	2,130
	$ 19,780	$ 19,184

14. Unitholders' equity

	Number of Issued Units	**Amount**
At January 1, 2024	**59,249,207**	**$ 364,157**
Issuance of Units	**31,471**	**162**
Exchange of Class B LP Units for Units (note 11)	**156,457**	**790**
At December 31, 2024	**59,437,135**	**$ 365,109**
Issuance of Units (note 6)	**3,776,613**	**23,415**
Less: issue costs	**–**	**(906)**
At September 30, 2025	**63,213,748**	**$ 387,618**

The REIT is authorized to issue an unlimited number of Units and an unlimited number of special voting units (the "Special Voting Units"). Each Special Voting Unit confers the right to one vote at any meeting of unitholders and to participate pro rata in all distributions by the REIT and, in the event of termination or winding-up of the REIT, in the net assets of the REIT. The Special Voting Units have no par value. The Board of Trustees of the REIT (the "Trustees") has discretion in respect to the timing and amounts of distributions.

Units are redeemable at any time, in whole or in part, on demand by the unitholders. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption shall cease and the holder thereof shall be entitled to receive a price per Unit ("Redemption Price"), as determined by a formula outlined in the Declaration of Trust, which provides that unitholders shall be entitled to receive a price per Unit equal to the lesser of:

- 90% of the "market price" of the Units on the TSX or market on which the Units are listed or quoted on the trading day prior to the date on which the Units were surrendered for redemption; and

- 100% of the "closing market price" on the TSX or market or on which the Units are listed or quoted for trading on the redemption date.

The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.
The total amount payable by the REIT, in respect of any Units surrendered for redemption during any calendar month, shall not exceed $50 unless waived at the discretion of the Trustees and be satisfied by way of a cash payment in Canadian dollars within 30 days after the end of the calendar month in which the Units were tendered for redemption. To the extent the Redemption Price payable in respect of Units surrendered for redemption exceeds $50 in any given month unless waived at the discretion of the Trustees, such excess will be redeemed for cash, and by a distribution in specie of assets held by the REIT on a pro rata basis.

Special Voting Units have no economic entitlement in the REIT, but entitle the holder to one vote per Special Voting Unit at any meeting of the Unitholders of the REIT. Special Voting Units may only be issued in connection with or in relation to Class B LP Units, for the purpose of providing voting rights with respect to the REIT to the holders of Class B LP Units. A Special Voting Unit will be issued in tandem with each Class B LP Unit issued. The Class B LP Units are entitled only to receive distributions equal to those provided to holders of Units. The Class B LP Units are indirectly exchangeable on a one-for-one basis for Units at any time at the option of their holder, unless the exchange would jeopardize the REIT's status as a "mutual fund trust" under the Income Tax Act (Canada). In addition, PRLP will be entitled to require the redemption of the Class B LP Units in certain specified circumstances. The Class B LP Units are presented as a financial liability.

On March 22, 2024, the REIT settled 31,471 DUs in exchange for 31,471 Units for an aggregate value of $162 (see note 12). The settlement value was based on the 5-day VWAP prior to settlement.

On June 26, 2025, the REIT issued 3,776,613 Units from treasury at a price of $6.20 per Unit to Parkit for a total purchase consideration of $23,415 connection with the Transaction (note 6). Directly related expenses of approximately $906 were recorded as a reduction of unitholders' equity. Concurrent with the closing of the Transaction, the REIT and Parkit entered into an investor rights agreement providing for, among other things, certain lock-up and standstill provisions, pre-emptive and registration rights, as well as the right for Parkit to nominate one trustee to the REIT's board.

Distribution reinvestment plan
The REIT has implemented a distribution reinvestment plan ("DRIP") pursuant to which holders of Units or Class B LP Units may elect to have their cash distributions of the REIT or PRLP automatically reinvested in additional Units at a 3% discount to the weighted average closing price of the Units for the last five trading days preceding the applicable distribution payment date on which trades of the Units were recorded. Cash undistributed by the REIT upon the issuance of additional Units under the DRIP will be invested in the REIT to be used for future property acquisitions, capital improvements and working capital. Unitholders resident outside of Canada will not be entitled to participate in the DRIP. Upon ceasing to be a resident of Canada, a unitholder must terminate the unitholder's participation in the DRIP.

In response to the stock market volatility caused by the COVID-19 pandemic, the REIT suspended its DRIP, effective April 22, 2020. The DRIP will remain suspended until further notice and distributions of the REIT will be paid only in cash. Upon reinstatement of the DRIP, plan participants enrolled in the DRIP at the time of its suspension and who remain enrolled at the time of its reinstatement will automatically resume participation in the DRIP.

15. Revenue

The REIT has entered into leases with tenants on its investment property portfolio. Commercial property leases typically have initial lease terms ranging between five and twenty years with periodic upward revision of the rental charge according to prevailing market conditions.

Future minimum rentals receivable under operating leases	**September 30 2025**	December 31 2024
Within one year	**$ 58,253**	$ 57,470
Between one and five years	**156,372**	149,982
After five years	**72,574**	67,787
	$ 287,199	$ 275,239

The REIT's property revenue is made up of the following significant categories:

	3 Months Ended September 30 2025	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Base rent	**$ 16,155**	$ 14,384	**$ 45,528**	$ 43,445
Recoverable operating expenses and realty taxes	**10,513**	9,565	**31,571**	30,547
Straight-line rent	**434**	84	**772**	338
	$ 27,102	$ 24,033	**$ 77,871**	$ 74,330

16. Segmented disclosure

The REIT's segments include three classifications of investment properties – Industrial, Retail, and Office. All of the REIT's activities are located in one geographical segment – Canada. The accounting policies followed by each segment are the same as those disclosed in Note 3. Operating performance is evaluated by the REIT's management primarily based on net operating income, which is defined as property revenue less property operating expenses. General and administrative expenses, depreciation and amortization, interest and financing costs are not allocated to operating segments. Segment assets include investment properties; segment liabilities include mortgages attributable to specific segments, but excludes the REIT's term loan, credit facilities and their respective unamortized financing costs. Other assets and liabilities are not attributed to operating segments.

	Industrial	**Retail**	**Office**	**Total**
Three months ended September 30, 2025				
Property revenue	**$ 23,075**	**$ 2,829**	**$ 1,198**	**$ 27,102**
Property operating expenses	**8,296**	**1,139**	**609**	**$ 10,044**
Net operating income	**$ 14,779**	**$ 1,690**	**$ 589**	**$ 17,058**
Nine months ended September 30, 2025				
Property revenue	**$ 64,645**	**$ 9,513**	**$ 3,713**	**$ 77,871**
Property operating expenses	**24,735**	**3,909**	**1,855**	**30,499**
Net operating income	**$ 39,910**	**$ 5,604**	**$ 1,858**	**$ 47,372**
At September 30, 2025				
Investment properties	**$ 974,820**	**$ 47,170**	**$ 26,420**	**$ 1,048,410**
Mortgages payable	**$ 381,927**	**$ 7,542**	**$ 13,739**	**$ 403,208**

	Industrial	Retail	Office	Total
Three months ended September 30, 2024				
Property revenue	$ 18,633	$ 3,492	$ 1,908	$ 24,033
Property operating expenses	7,455	1,271	1,045	9,771
Net operating income	$ 11,178	$ 2,221	$ 863	$ 14,262
Nine months ended September 30, 2024				
Property revenue	$ 56,517	$ 11,067	$ 6,746	$ 74,330
Property operating expenses	22,788	4,170	3,502	30,460
Net operating income	$ 33,729	$ 6,897	$ 3,244	$ 43,870
At December 31, 2024				
Investment properties	$ 840,514	$ 106,170	$ 28,635	$ 975,319
Mortgages payable	$ 359,776	$ 41,052	$ 16,309	$ 417,137

17. Supplemental comprehensive income information

Property operating expenses include property taxes, utility costs, repairs and maintenance expenses and other costs directly associated with the operation and leasing of investment properties to tenants.

General and administrative expenses include salaries and benefits, corporate expenses, office expenses, legal and professional fees, and other overhead expenses which are indirectly associated with the operation and leasing of investment properties.

The following table provides an analysis of total interest and financing costs:

Interest and financing costs	**3 Months Ended September 30 2025**	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Amortization of financing costs	**$ 496**	$ 355	**$ 1,219**	$ 1,086
Accretion expense - Convertible Debentures	**95**	94	**284**	281
Other interest and financing costs	**6,102**	5,257	**16,787**	15,980
	$ 6,693	$ 5,706	**$ 18,290**	$ 17,347

18. Other income and other expenses

Further to the acquisition of the assets of Compass Commercial Realty Limited on June 27, 2018, the REIT records revenues ("other income") as well as relevant expenses ("other expenses") not related to the properties owned by the REIT in the condensed consolidated interim statements of net income and comprehensive income as follows:

	3 Months Ended September 30 2025	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Other income	**$ 980**	$ 1,183	**$ 3,056**	$ 3,284
Other expenses	**$ (480)**	$ (700)	**$ (1,607)**	$ (1,725)

19. Supplemental cash flow information

	3 Months Ended September 30 2025	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Change in non-cash working capital				
Receivable and other	**$ 1,338**	$ 2,809	**$ (4,582)**	$ (3,639)
Accounts payable and other liabilities	**$ (3,424)**	$ (390)	**(166)**	(854)
	$ (2,086)	$ 2,419	**$ (4,748)**	$ (4,493)
Interest paid	**$ 5,591**	$ 4,765	**$ 16,599**	$ 16,025

Change in liabilities arising from financing activities	**3 Months Ended September 30 2025**	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Current and long-term debt [(1)] - beginning of period	**$ 498,072**	$ 476,119	**$ 471,754**	$ 509,862
Gross proceeds from new mortgages payable	**32,125**	21,223	**58,925**	31,071
Mortgage principal repayments	**(3,235)**	(3,044)	**(9,649)**	(9,278)
Mortgages repaid	**(52,715)**	(18,712)	**(63,496)**	(55,676)
Cash settlement of RU and DU	**–**	–	**(785)**	(465)
Financing costs incurred on debt	**(109)**	(177)	**(436)**	(297)
Issuance costs incurred on Convertible Debentures	**–**	–	**(7)**	(7)
Non-cash changes in current and long-term debt				
Accretion expense - Convertible Debentures	**95**	94	**284**	281
Amortization of issuance costs on Convertible Debentures	**165**	163	**501**	496
Fair value adjustment of derivative financial instrument	**(3)**	685	**379**	(330)
Issuance of Class B LP Units	**–**	–	**16,585**	–
Exchange of Class B LP Units for REIT Units	**–**	–	**–**	(790)
Fair value adjustment on Class B LP Units	**504**	1,257	**(411)**	1,361
Amortization, RUs and DUs	**538**	411	**991**	917
Reinvested distributions, RUs and DUs	**171**	151	**333**	307
Fair value adjustment, RUs and DUs	**472**	1,058	**769**	1,614
Settlement of DUs in Units	**–**	–	**–**	(162)
Amortization of financing costs - mortgages and term loan	**284**	146	**627**	470
Current and long-term debt [(1)] – end of period	**$ 476,364**	$ 479,374	**$ 476,364**	$ 479,374

(1) Debt is defined for this purpose as mortgages, term loan, Convertible Debentures, Class B LP Units, and long-term incentive plan.

20. Key management and trustee compensation

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the REIT, directly or indirectly. The REIT's key management personnel include the President and Chief Executive Officer, the Chief Financial Officer and Secretary and Senior Vice President, Property Management. In addition, the Trustees have oversight responsibility for the REIT. Compensation of key management and trustees is set out in the following table:

	3 Months Ended September 30 2025	3 Months Ended September 30 2024	**9 Months Ended September 30 2025**	9 Months Ended September 30 2024
Salaries and benefits	**$ 456**	$ 497	**$ 1,356**	$ 1,427
Long-term incentive plan - RU and DUs settled in cash	**–**	–	**513**	395
Long-term incentive plan – Issuance of DUs and RUs	**220**	130	**1,817**	1,528
Total	**$ 676**	$ 627	**$ 3,686**	$ 3,350

21. Financial instruments

The REIT does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Classification	**Measurement**	**Carrying Value September 30 2025**	**Fair Value September 30 2025**	Carrying Value December 31 2024	Fair Value December 31 2024
Financial Assets					
Cash (a)	Amortized cost	**$ 17,823**	**$ 17,823**	$ 9,069	$ 9,069
Receivables and other excluding prepaid expenses, deposits and other receivables (a)	Amortized cost	**5,052**	**5,052**	3,570	3,570
		$ 22,875	**$ 22,875**	$ 12,639	$ 12,639
Financial Liabilities at Fair Value Through Profit and Loss					
Class B LP Units	Fair value (L2)	**$ 22,462**	**$ 22,462**	$ 6,288	$ 6,288
Long-term incentive plan	Fair value (L2)	**8,106**	**8,106**	6,798	6,798
Derivative financial instrument (b)	Fair value (L3)	**892**	**892**	513	513
Derivative financial instrument (c)	Fair value (L2)	**875**	**875**	–	–
		$ 32,335	**$ 32,335**	$ 13,599	$ 13,599
Financial Liabilities					
Accounts payable and other liabilities (a)	Amortized cost	**$ 19,780**	**$ 19,780**	$ 19,184	$ 19,184
Revolving credit facility (a)	Amortized cost	**21,713**	**21,713**	39,903	39,903
Non-revolving credit facility (d)	Amortized cost	**62,759**	**63,422**	–	–
Distributions payable (a)	Amortized cost	**2,516**	**2,516**	2,274	2,274
Mortgages and term loan (d)	Amortized cost	**412,813**	**414,476**	426,842	417,560
Convertible Debentures (e)	Amortized cost	**32,091**	**37,713**	31,313	35,700
		$551,672	**$559,620**	$519,516	$ 514,621

(a) Short-term financial instruments, comprising cash, accounts receivable, accounts payable and other liabilities, revolving credit facility and distributions payable are carried at amortized cost which, due to their short-term nature, approximates their fair value.

(b) Derivative financial instrument fair value is based on forward rates considering the market price, rate of interest and volatility and takes into account the credit risk of the financial instrument (Level 3). Such fair value estimates are not necessarily indicative of the amounts the REIT might pay or receive in actual market transactions.

(c) Derivative financial instrument - Interest rate swap fair value measurement is valued by qualified independent valuation professionals based on the present value of the estimated future cash flows determined using observable yield curves.

(d) Non-revolving credit facility and mortgages and term loan are a long-term financial instrument. The fair value of the non-revolving credit facility and mortgages and the term loan are based upon discounted future cash flows using discount rates, adjusted for the REIT's own credit risk, that

reflect current market conditions for instruments with similar terms and risks. Such fair value estimates are not necessarily indicative of the amounts the REIT might pay or receive in actual market transactions.

(e) Convertible Debentures are a current financial liability. The fair value of Convertible Debentures includes the conversion option and is based on the TSX trading price at the reporting date (Level 1).

The fair value of the Class B LP Units and long-term incentive plan are estimated based on the market trading prices of the Units (Level 2).

22. Risk management

The REIT's principal financial liabilities are loans and borrowings. The main purpose of the loans and borrowings is to finance the acquisition and development of the REIT's property portfolio. The REIT has tenants and other receivables, accounts payable and other liabilities and cash that arise directly from its operations. In the normal course of its business, the REIT is exposed to market risk, credit risk and liquidity risk that can affect its operating performance.

The REIT's senior management oversees the management of these risks and the Board of Trustees reviews and approves policies for managing each of these risks which are summarized below.

Liquidity risk
Liquidity risk is the risk that the REIT will encounter difficulty meeting its obligations associated with the maturity of financial obligations. The REIT's financial condition and results of operations could be adversely affected if it were not able to obtain appropriate levels of financing. Liquidity risk also relates to the potential required early retirement of debt.

Management's strategy to managing liquidity risk is to ensure, to the extent possible, that it will always have sufficient financial assets to meet its financial liabilities as they fall due, by forecasting cash flows from operations and anticipated investing and financing activities. Wherever possible, the REIT enters into long-term leases with creditworthy tenants which assist in maintaining a predictable cash flow. Management's policy is to ensure adequate funding is available from operations, established lending facilities and other sources, as required.

The following table presents the REIT's contractual obligations at September 30, 2025:

	Year					
	2025	**2026**	**2027**	**2028**	**2029**	**Thereafter**
Mortgages and term loan principal instalments [(1)]	**$ 3,082**	**$ 10,308**	**$ 6,753**	**$ 6,015**	**$ 4,101**	**$ 3,672**
Mortgages and term loan principal maturities [(1)]	**6,173**	**150,949**	**48,687**	**59,781**	**36,626**	**78,070**
Mortgages and term loan interest [(1)]	**4,041**	**13,366**	**8,619**	**6,676**	**4,541**	**3,528**
Convertible Debentures	**–**	**–**	**–**	**35,000**	**–**	**–**
Interest on Convertible Debentures [(1)]	**1,400**	**2,800**	**2,800**	**1,400**	**–**	**–**
Revolving credit facility	**22,000**	**–**	**–**	**–**	**–**	**–**
Non-revolving credit facility	**–**	**–**	**–**	**63,000**	**–**	**–**
Interest on non-revolving credit facility [(1)]	**729**	**2,860**	**2,860**	**1,458**		
Accounts payable and other liabilities	**19,780**	**–**	**–**	**–**	**–**	**–**
Rent	**24**	**80**	**96**	**100**	**36**	**–**
	$ 57,229	**$ 180,363**	**$ 69,815**	**$ 173,430**	**$ 45,304**	**$ 85,270**

(1) 2025 amounts represent the remainder of the year.

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The REIT's financial condition and results of operations could be adversely affected if it were not able to obtain appropriate terms for its financing. Management has determined that any reasonably likely fluctuation in interest rates on floating rate debt would be insignificant to income and comprehensive income as the Convertible Debentures and all of the secured debt carry a fixed rate of interest.

The REIT is exposed to interest rate risk as a result of its credit facilities, as the interest rates vary based on the bank's CORRA loan rate. The REIT has managed this risk on the non-revolving credit facility by entering into an interest rate swap agreement for the full value of the facility to effectively convert its floating rate to fixed rate. The REIT has determined that a 1% increase or decrease in interest rates would not have a material impact on these condensed consolidated interim financial statements.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The REIT's principal assets are commercial properties. Credit risk on accounts receivables comprising tenant receivables of $5,052 arises from the possibility that tenants may not fulfill their lease obligations. Management mitigates this credit risk by performing credit checks on prospective tenants, having a large diverse tenant base with varying lease expirations, requiring security deposits on high risk tenants and ensuring that a considerable portion of its property income is earned from national and large anchor tenants. Accounts receivable are comprised primarily of current

balances owing and the REIT has not experienced any significant receivable write offs. The REIT performs monthly reviews of its receivables and has determined there is no significant provision for doubtful accounts at September 30, 2025. Cash carries minimal risk as all funds are maintained with highly reputable financial institutions.

The REIT applied the ECL model which requires an entity to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected ECL if the credit risk on that financial instrument has increased significantly since initial recognition or at an amount equal to 12-month expected credit losses if the credit risk on that financial instrument has not increased significantly since initial recognition. The REIT uses a provision matrix based on historical credit loss experiences to estimate 12-month expected credit losses as the REIT has deemed the risk of credit loss has not increased significantly for accounts receivable.

Concentration risk
Concentration risk relates to the risk associated with having a significant amount of investment property leased to a single tenant. Concentration risk is mitigated by entering into long-term leases; reviewing the financial stability of the tenant and obtaining security or guarantees where appropriate; and seeking geographic and industry diversity of tenants. The REIT also maintains its assets to a quality standard that would support timely leasing of vacant space. At September 30, 2025, the REIT's largest tenant did not exceed 10% of property revenue.

Environmental risk
As an owner of real estate properties, the REIT is subject to various Canadian federal, provincial and municipal laws relating to environmental matters. These laws could result in liability for the costs of removal and remediation of certain hazardous substances or wastes released or deposited on or in investment properties, or disposed of at other locations. Failure to remove or remediate such substances, if any, could adversely affect the ability to sell real estate, or to borrow using real estate as collateral, and could potentially result in claims or other proceedings. The REIT is not aware of any material non-compliance with environmental laws at any properties. The REIT is also not aware of any material pending or threatened investigations or actions by environmental regulatory authorities in connection with, or conditions at, properties. The REIT has policies and procedures to review and monitor environmental exposure, and has made, and will continue to make, the necessary capital expenditures for compliance with environmental laws and regulations. Environmental laws and regulations can change rapidly and the REIT may become subject to more stringent environmental laws and regulations in the future. Compliance with stringent environmental laws and regulations could have an adverse effect on the financial condition or results of operations.

23. Capital management

The REIT is free to determine the appropriate level of capital in context with its cash flow requirements, overall business risks and potential business opportunities. As a result of this, the REIT will make adjustments to its capital based on its investment strategies and changes to economic conditions. The REIT’s objective is to maintain a combination of short, medium and long-term debt maturities that are appropriate for the overall debt level of its portfolio, taking into account availability of financing and market conditions, and the financial characteristics of each property.

The REIT's other objectives when managing capital on a long-term basis include enhancing the value of the assets and maximizing unit value through the ongoing active management of the REIT’s assets, expanding the asset base through acquisitions of additional properties and the re-development of projects which are leased to creditworthy tenants, and generating sufficient returns to provide unitholders with stable and growing cash distributions. The REIT's strategy is driven by policies as set out in the Declaration of Trust, as well as requirements from certain lenders. The requirements of the REIT's operating policies as outlined in the Declaration of Trust include requirements that the REIT will not:

(a) incur or assume indebtedness on properties in excess of 75% of the property's market value; and
(b) incur or assume indebtedness which would cause the total indebtedness of the REIT to exceed 70% of Gross Book Value

Gross Book Value is calculated as follows:

		September 30 2025
Total assets, including investment properties stated at fair value	**$**	**1,083,723**
Accumulated depreciation on property and equipment and intangible assets		**4,649**
Gross Book Value		**1,088,372**
Mortgages and term loan [(1)]		**414,217**
Convertible Debentures, principal amount		**35,000**
Revolving credit facility [(1)]		**22,000**
Non-revolving credit facility [(1)]		**63,000**
Total debt	**$**	**534,217**
Debt, as above, as a percentage of Gross Book Value		**49.1 %**

(1) Excluding unamortized financing costs

The REIT was in compliance with the above requirements as well as all required financial covenants at September 30, 2025.

24. Commitment

The REIT has a lease commitment relating to office space which expires on April 30, 2029. The current commitment in respect of this lease is $80 per annum.

25. Subsequent events

(a) On October 21, 2025, the REIT announced a cash distribution of $0.0375 per Unit for the month of October 2025. The distribution will be payable on November 17, 2025 to unitholders of record as at October 31, 2025.

(b) On October 24, 2025, the REIT completed the sale of a non-core office property located in Saint John, New Brunswick totalling approximately 51,000 square feet for gross proceeds of $7,175 (excluding closing costs). The net proceeds of the sale were used to partially repay indebtedness outstanding under the REIT's revolving credit facility.

(c) On November 5, 2025, the REIT completed the sale of a non-core retail property located in Rocky Mountain House, Alberta totalling approximately 5,000 square feet for gross proceeds of $435 (excluding closing costs). Net proceeds of the sale and cash on hand were used to partially repay approximately $487 in a related mortgage maturing January 31, 2033.