PRO REAL ESTATE INVESTMENT TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2026

August 12, 2026

PROREIT

PROREIT

ABOUT PROREIT

PROREIT is a Canadian industrial real estate investment trust, owning and managing a portfolio of high-quality light industrial properties located in primary and secondary markets benefiting from robust economies. Founded in 2013, we are present in nine Canadian provinces, with a high concentration in Eastern and Central Canada.

122	7.2M	95.0%
Number of Properties [(1)]	Gross Leasable Area ("GLA") (Square Feet) [(1)]	Occupancy Rate [(2)]

HIGH QUALITY PORTFOLIO WITH A STRONG INDUSTRIAL FOCUS

93%
GLA - Industrial [(1)]

5%
GLA - Retail [(1)]

2%
GLA - Office [(1)]

Q2 2026 HIGHLIGHTS (FOR THE SIX MONTH PERIOD)

$1.3B	$53.8M	$20.6M	$32.5M
Total Assets [(1)]	Property Revenue	Net Cash Flows Provided by Operating Activities	Net Operating Income
7.3%	**4.8%**	**97.8%**	**4.1%**
Net Operating Income Increase [(3)]	Same Property Net Operating Income Increase [(3)(4)]	AFFO Payout Ratio – Basic [(4)]	Weighted Average Interest Rate on Mortgage Debt

SIGNIFICANT VALUE EMBEDDED IN OUR PORTFOLIO

82.6%	80.4%
of 2026 GLA has been renewed at 36.8% Positive Average Spreads [(5)]	of 2026 Industrial GLA has been renewed at 40.6% Positive Average Spreads [(5)]

2026 MILESTONES

- Completed the acquisition of 22 industrial properties [(5)]
- Increased industrial exposure to 93.3% of GLA
- Established a strategic presence in Quebec City
- Expanded our Winnipeg industrial platform

(1) As at June 30, 2026. Of the 122 properties, 83 are 100% owned and 39 are 50% owned. For properties that are 50% owned, GLA numbers reported herein represent 50% of the total GLA of such properties.
(2) Includes committed space of approximately 195,400 square feet, as at June 30, 2026.
(3) Comparison period is the six month period ended June 30, 2025.
(4) Represents a non-IFRS measure. See "Non-IFRS Measures".
(5) As at the date of this report.

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120 Troop Avenue, Dartmouth, Nova Scotia

Dear fellow unitholders:

We are pleased with our second-quarter growth, financial position and the positive momentum throughout the business as we continue to expand our industrial platform across Canada.

Advancing our strategy

In the second quarter, we delivered year-over-year growth in Revenue, Net Operating Income (“NOI”) and Funds from Operations* (FFO). Same Property NOI* increased 3.3% compared to the three month period ended June 30, 2025, despite the impact of two previously disclosed vacancies in Saint-Hyacinthe, Québec, and Woodstock, Ontario. Excluding these vacancies, portfolio occupancy, including committed space, would have been approximately 97.4% as at June 30, 2026.

We also made significant progress advancing our growth strategy. During the quarter, we completed the previously announced acquisitions of two institutional-quality industrial portfolios comprising 17 properties in Québec City and Winnipeg, totalling 768,500 square feet of GLA, for $136.8 million (excluding closing costs), as well as a newly built, 100%-owned 60,057-square-foot industrial property in Moncton, New Brunswick, for $12.3 million (excluding closing costs).

Subsequent to quarter-end, we further expanded our Winnipeg platform with the completion of our previously announced acquisition of four industrial properties totalling approximately 164,900 square feet of GLA for $21.7 million. We also continued to optimize our portfolio with the sale of a retail property in Bathurst, New Brunswick, for $1.4 million. Year-to-date, we have acquired 22 high-quality industrial properties for a total of $170.8 million (excluding closing costs).

During the quarter, we also enhanced our capital position with $107.3 million in equity financings, including an $83.3 million bought deal offering of trust units and a $24.0 million concurrent private placement of trust units, with participation from our strategic partners Collingwood Investments and Parkit Enterprise. These financings provide additional liquidity and demonstrate strong support for our strategy.

We also maintained our focus on balance sheet strength, successfully refinancing, or securing commitments to refinance, all mortgages maturing in 2026. Total debt to total assets improved to 47.4% at June 30, 2026, from 50.6% a year ago, while Adjusted Debt to Gross Book Value* improved to 47.4% from 50.7%.

Building for long-term growth

We continue to build on our progress as a pure-play industrial real estate investment trust, scaling our platform in high-performing secondary markets across Canada.

Demand remains strong for well-located small- and mid-bay industrial properties across our portfolio in Canada. Our significant presence in Nova Scotia positions us well to benefit from increased federal defence spending and related economic activity in the province over the coming decade. In Halifax, Amazon’s recently announced major operations hub is now under construction in Burnside Industrial Park, where we are one of the largest landlords, further reinforcing the strategic value of this key industrial node.

With a growing industrial platform, strong leasing fundamentals and increased financial flexibility, we remain focused on disciplined growth and creating long-term value for our unitholders.

* Represents a non-IFRS measure. See “Non-IFRS Measures”.

On behalf of the Board of Trustees and our management team, I would like to thank our employees for their continued dedication and our partners and unitholders for their ongoing trust and support.

Sincerely,

(signed) Gordon G. Lawlor, CPA
President and Chief Executive Officer

PART I

FINANCIAL AND OPERATIONAL HIGHLIGHTS

	June 30 2026	June 30 2025
Operational data		
Number of properties	**122**	118
Gross leasable area (square feet) ("GLA")	**7,198,599**	6,708,113
Occupancy rate (1)	**95.0 %**	97.8 %
Weighted average lease term to maturity (years)	**4.3**	4.5

(CAD $ thousands except unit, per unit amounts and unless otherwise stated)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Financial data				
Property revenue	**$ 26,953**	$ 25,032	**$ 53,849**	$ 50,769
Net operating income ("NOI")	**$ 16,450**	$ 15,444	**$ 32,531**	$ 30,314
Same Property NOI (2)	**$ 14,254**	$ 13,801	**$ 28,347**	$ 27,043
Net income and comprehensive income	**$ 2,023**	$ 5,244	**$ 24,552**	$ 20,277
Net income and comprehensive income per Unit - Basic (3)	**$ 0.0284**	$ 0.0860	**$ 0.3540**	$ 0.3334
Net income and comprehensive income per Unit - Diluted (3)	**$ 0.0282**	$ 0.0852	**$ 0.3510**	$ 0.3308
Total Unitholders' equity	**$ 608,762**	$ 493,934	**$ 608,762**	$ 493,934
NAV per Unit (2)	**$ 7.58**	$ 7.69	**$ 7.58**	$ 7.69
Total assets	**$ 1,286,525**	$ 1,110,963	**$ 1,286,525**	$ 1,110,963
Total debt	**$ 609,198**	$ 562,426	**$ 609,198**	$ 562,426
Total debt to total assets	**47.4 %**	50.6 %	**47.4 %**	50.6 %
Adjusted Debt to Gross Book Value (2)	**47.4 %**	50.7 %	**47.4 %**	50.7 %
Interest Coverage Ratio (2)	**2.6x**	2.6x	**2.7x**	2.6x
Debt Service Coverage Ratio (2)	**1.7x**	1.6x	**1.7x**	1.6x
Adjusted Debt to Annualized Adjusted EBITDA Ratio (2)	**10.0x**	9.8x	**10.2x**	10.0x
Weighted average interest rate on mortgage debt	**4.1 %**	3.9 %	**4.1 %**	3.9 %
Net cash flows provided from operating activities	**$ 10,646**	$ 6,898	**$ 20,621**	$ 14,338
Funds from Operations (FFO) (2)	**$ 8,463**	$ 7,974	**$ 17,199**	$ 15,874
Basic FFO per unit (2)(3)	**$ 0.1188**	$ 0.1307	**$ 0.2480**	$ 0.2610
Diluted FFO per unit (2)(3)	**$ 0.1178**	$ 0.1296	**$ 0.2459**	$ 0.2590
Adjusted Funds from Operations (AFFO) (2)	**$ 8,102**	$ 7,640	**$ 15,953**	$ 14,910
Basic AFFO per unit (2)(3)	**$ 0.1137**	$ 0.1253	**$ 0.2300**	$ 0.2452
Diluted AFFO per unit (2)(3)	**$ 0.1128**	$ 0.1242	**$ 0.2281**	$ 0.2433
AFFO Payout Ratio – Basic (2)	**98.9 %**	89.8 %	**97.8 %**	91.8 %
AFFO Payout Ratio – Diluted (2)	**99.7 %**	90.6 %	**98.6 %**	92.5 %

(1) Occupancy rate includes lease contracts for future occupancy of currently vacant space. Management believes the inclusion of this committed space provides a more balanced reporting. The committed space at June 30, 2026 was approximately 195,400 square feet of GLA (41,200 square feet of GLA at June 30, 2025).
(2) Represents a non-IFRS measure. See "Non-IFRS Measures".
(3) Total basic units consist of Units (as defined herein) and Class B LP Units (as defined herein). Total diluted units also includes deferred trust units and restricted trust units issued under the REIT's long-term incentive plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management discussion and analysis ("MD&A") sets out PRO Real Estate Investment Trust's (the "REIT" or "PROREIT") operating strategies, risk profile considerations, business outlook and analysis of its financial performance and condition for the three and six month periods ended June 30, 2026. This MD&A is based on financial statements prepared in accordance with IAS 34 Interim financial reporting using accounting policies consistent with IFRS® Accounting Standards ("IFRS") issued by the International Accounting Standards Board (''IASB'').

This MD&A should be read in conjunction with the REIT's condensed consolidated interim financial statements and accompanying notes for the three and six month periods ended June 30, 2026 and 2025 (the "Q2 2026 Financial Statements"), the REIT's audited consolidated financial statements and accompanying notes for the years ended December 31, 2025 and 2024 (the "2025 Annual Financial Statements") and management's discussion and analysis thereon (the "2025 Annual MD&A"), and the REIT's annual information form for the year ended December 31, 2025 (the "2025 Annual Information Form" and together with the 2025 Annual Financial Statements and 2025 Annual MD&A, the "2025 Annual Reports"). These documents and additional information regarding the business of the REIT are available under the REIT's profile on the System for Electronic Data Analysis and Retrieval + ("SEDAR+") at www.sedarplus.ca.

The REIT's reporting currency is the Canadian dollar ("CAD"). All amounts except unit, per unit, square footage and per square feet amounts and as otherwise stated, are in thousands of CAD and have been rounded to the nearest CAD thousand. Unless otherwise stated, in preparing this MD&A, the REIT has considered information available to it up to August 12, 2026, the date the REIT's board of trustees (the "Board") approved this MD&A and the Q2 2026 Financial Statements.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities legislation, including statements relating to certain expectations, projections, growth plans and other information related to REIT's business strategy and future plans. Forward-looking statements can, but may not always, be identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "would", "should", "believe", "objective", "ongoing", "imply", "assumes", "goal", "likely" and similar references to future periods or the negatives of these words and expressions and by the fact that these statements do not relate strictly to historical or current matters. These forward-looking statements are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions, including market and economic conditions, business prospects or opportunities, future plans and strategies, projections and anticipated events and trends that affect the REIT and its industry. Although the REIT and management believe that the expectations reflected in such forward-looking statements are reasonable and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward-looking statements are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies that could cause actual events to differ materially from those expressed or implied in such statements.

Some of the specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to the following:

- the intention of the REIT to distribute a portion of its available cash to securityholders and the amount of such distributions;
- the ability of the REIT to execute its growth strategies and increase its assets;
- the expected tax treatment of the REIT's distributions to unitholders;
- the REIT's capital expenditure requirements for its properties;
- the ability of the REIT to qualify for the exclusion from the definition of "SIFT trust" in the Income Tax Act (Canada) (the "Tax Act");
- the expected occupancy and the performance of the REIT's properties; and
- the debt maturity profile of the REIT.

Actual results and developments are likely to differ, and may differ materially, from those anticipated by the REIT and expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions and risks which may prove to be incorrect. Important assumptions relating to the forward-looking statements contained in this MD&A include, but are not limited, to the various assumptions set forth in this MD&A as well as the following: (i) the REIT will receive financing on favourable terms; (ii) the future level of indebtedness of the REIT and its future growth potential will remain consistent with the REIT's current expectations; (iii) there will be no changes to tax laws adversely affecting the REIT's financing capacity or operations; (iv) the workforce of the REIT will remain stable and consistent with the REIT's current expectations; (v) the impact of the current economic climate and the current global financial conditions on the REIT's operations, including its financing capacity, and asset value, will remain consistent with the REIT's current expectations; (vi) there will be no material changes to government and environmental regulations adversely affecting the REIT's operations; (vii) the performance of the REIT's investments in Canada will proceed on a basis consistent with the REIT's current expectations; (viii) conditions in the real estate market, including competition for acquisitions, will be consistent with the REIT's expectations; and (ix) capital markets will provide the REIT with readily available access to equity and/or debt.

Many factors could cause the REIT's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, risks and uncertainties relating to: real property ownership; diversification risk; dependence on key personnel; adverse global market, economic and political conditions; appraisals and reporting investment property at fair value; joint venture/partnership arrangements; access to capital; interest rate exposure; fixed costs; financing risks and leverage; liquidity of real property investments; public health crises; acquisition, development and dispositions; potential conflicts of interest; significant ownership; competition; geographic concentration; general uninsured losses; environmental matters; climate change risk; litigation risk; potential undisclosed liabilities; internal controls, data governance and decision support; security of information technology; indexation for inflation and duration of lease contracts; limit on activities; insurance renewals; foreclosure; occupancy by tenants; lease renewals and rental increase; taxation matters; limits on interest deductibility; change of tax laws; volatile market price for units; cash distributions are not guaranteed; restrictions on redemptions; subordination of the units; tax related risk factors; nature of investment; unitholder liability; and dilution. These factors are not intended to represent a complete list of the factors that could affect the REIT; however, these factors, as well as those risk factors presented under the heading "Risk Factors" in the 2025 Annual Information Form, elsewhere in this MD&A and the 2025 Annual Reports and in other filings that the REIT has made and may make in the future with applicable securities authorities, should be considered carefully.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this MD&A. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management currently believes to be reasonable assumptions, the REIT cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements.

These forward-looking statements are made as of the date of this MD&A and the REIT does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law. The REIT cannot assure investors that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

NON-IFRS MEASURES

The Q2 2026 Financial Statements are prepared in accordance with IAS 34 Interim financial reporting using accounting policies consistent with IFRS, issued by the IASB. In addition to reported IFRS measures, industry practice is to evaluate real estate entities giving consideration, in part, to certain non-IFRS financial measures, non-IFRS ratios and other specified financial measures (collectively, “non-IFRS measures”) described below. Management believes these non-IFRS measures are helpful to investors because they are widely recognized measures of a REIT’s performance and provide a relevant basis for comparison among real estate entities. In addition to the IFRS results, the REIT also uses these non-IFRS measures internally to measure the operating performance of its investment property portfolio. These non-IFRS measures should not be construed as alternatives to net income, net cash flows provided by operating activities, total assets, total equity, or comparable metrics determined in accordance with IFRS as indicators of the REIT’s performance, liquidity, cash flows and profitability and may not be comparable to similar measures presented by other real estate investment trusts or enterprises. These non-IFRS measures are defined below and are cross referenced, as applicable, to a reconciliation contained within this MD&A to the most directly comparable measure that is disclosed in the primary financial statements of the REIT. Non-IFRS measures are not standardized financial measures under IFRS, and might not be comparable to similar financial measures disclosed by other issuers. The REIT believes these non-IFRS measures provide useful information to both management and investors in measuring the financial performance and financial condition of the REIT for the reasons outlined above and below.

Non-IFRS Financial Measures

Adjusted Debt ("Adjusted Debt")

Adjusted Debt is a non-IFRS financial measure defined by the REIT as current and non-current debt excluding (i) unamortized financing costs, (ii) accretion expense of the Convertible Debentures, and (iii) fair value adjustment of the derivative financial instruments. Management believes that Adjusted Debt is a useful measure to investors and management in determining the level of indebtedness of the REIT and its ability to meet its obligations. Adjusted Debt is also used by management to measure Adjusted Debt to Annualized Adjusted EBITDA Ratio and Adjusted Debt to Gross Book Value. Adjusted Debt is reconciled to debt, its most directly comparable measure that is disclosed in the primary financial statements of the REIT, in the table under “Part IV – Capitalization and Debt Profile – Adjusted Debt", and the table under “Part V – Summary of Quarterly Results”.

Adjusted Earnings before Interest, Tax, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is a non-IFRS financial measure used by the REIT to monitor the REIT's ability to satisfy and service its debt and to monitor requirements imposed by the REIT's lenders. Specifically, Adjusted EBITDA is used by management to monitor the REIT's Interest Coverage Ratio, Debt Service Coverage Ratio, and Adjusted Debt to Annualized Adjusted EBITDA Ratio which the REIT uses to measure its debt profile and assess its ability to satisfy its obligations, including servicing its debt. The measure is also intended to be used by investors to help determine the REIT’s ability to service its debt, finance capital expenditures and provide for distributions to its unitholders. Adjusted EBITDA is defined as the REIT’s net income and comprehensive income before interest and financing costs, depreciation of property and equipment, amortization of intangible assets, fair value adjustments, distributions on Class B LP Units, straight-line rent, long-term incentive plan expense, CEO succession plan costs, transaction costs and debt settlements costs. A reconciliation to net income and comprehensive income, its most directly comparable measure that is disclosed in the primary financial statements of the REIT, is included in the table under “Part IV – Capitalization and Debt Profile – Adjusted EBITDA”.

Adjusted Funds from Operations ("AFFO")

AFFO is a non-IFRS financial measure. The REIT does not calculate AFFO in accordance with the White Paper on FFO and AFFO for IFRS (the “FFO and AFFO White Paper”) issued in February 2019 by the Real Property Association of Canada. The REIT defines AFFO as FFO less amortization of straight-line rents, maintenance capital expenditures and normalized stabilized leasing costs, as determined by the REIT, plus long-term incentive plan expenses, amortization of financing costs, accretion expense – Convertible Debentures, debt settlement costs and one-time costs. Normalized stabilized leasing costs represent leasing costs paid and amortized over the new lease term. Management believes AFFO is useful to both management and investors as it is an important measure of the REIT’s economic performance and is indicative of the REIT’s ability to service its debt, fund capital expenditures and pay distributions. This non-IFRS measure is commonly used for assessing real estate performance; however, it does not represent cash generated from operating activities, as defined by IFRS, and is not necessarily indicative of cash available to fund the REIT’s needs. AFFO is reconciled to net income and comprehensive income, its most directly comparable measure that is disclosed in the primary financial statements of the REIT, in the table under “Part IV – Distributions and Adjusted Funds from Operations”, and the table under “Part V – Summary of Quarterly Results”, and to net cash flow provided by operating activities in the table under “Part IV – Distributions and Adjusted Funds from Operations – Distributions”.

Annualized Adjusted Earnings before Interest, Tax, Depreciation and Amortization ("Annualized Adjusted EBITDA")

Annualized Adjusted EBITDA is a non-IFRS financial measure defined as Adjusted EBITDA for the current year-to-date period annualized. Management believes Annualized Adjusted EBITDA is a useful metric for management and investors to monitor the REIT's ability to satisfy and service its debt and to monitor requirements imposed by the REIT's lenders. A reconciliation of Adjusted EBITDA to net income and comprehensive income, its most directly comparable measure that is disclosed in the primary financial statements of the REIT, is included in the table under "Part IV – Capitalization and Debt Profile – Adjusted EBITDA".

Available Liquidity ("Available Liquidity")

Available Liquidity is a non-IFRS financial measure defined by the REIT as the sum of cash and undrawn revolving credit facility at the reporting period. Management believes that available liquidity is a useful measure to investors and management in determining the REIT's resources available at period-end to meet the REIT's ongoing obligations and future commitments. Refer to the table under "Part IV – Liquidity and Capital Resources – Available Liquidity" for the calculation of the Available Liquidity.

Funds from Operations ("FFO")

FFO is a non-IFRS financial measure of operating performance widely used by the Canadian real estate industry. However, it does not represent net income and comprehensive income nor cash generated from operating activities, as defined by IFRS, and is not necessarily indicative of cash available to fund the REIT's needs. The REIT calculates FFO in accordance with the FFO and AFFO White Paper. FFO is defined as net income and comprehensive income adjusted for fair value changes of (i) long-term incentive plan, (ii) investment properties, (iii) Class B LP Units, and (iv) derivative financial instruments, plus distributions on Class B LP Units and amortization of intangible assets. FFO, however, still includes noncash revenues related to accounting for straight-line rent and makes no deduction for the recurring capital expenditures necessary to sustain the existing earnings stream. Management believes that FFO is useful to both management and investors as it provides an operating performance measure that, when compared period-over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and property taxes, acquisition activities and interest costs, and provides a perspective of the financial performance that is not immediately apparent from net income and comprehensive income determined in accordance with IFRS. FFO has been reconciled to net income and comprehensive income, its most directly comparable measure that is disclosed in the primary financial statements of the REIT, in the table under "Part IV – Distributions and Adjusted Funds from Operations", and the table under "Part V – Summary of Quarterly Results".

Gross Book Value ("Gross Book Value")

Gross Book Value is a non-IFRS financial measure defined in the REIT's Declaration of Trust (as defined herein). The REIT calculates Gross Book Value by adding back to its total assets the amount of accumulated depreciation on property and equipment and intangible assets. Management believes Gross Book Value is a useful measure for management and investors to assess the growth in the REIT's total portfolio and it is also used by management to monitor the REIT's Adjusted Debt to Gross Book Value. The most directly comparable IFRS measure to Gross Book Value is total assets. Refer to the table under "Part IV – Capitalization and Debt Profile – Debt Ratios" and the table under "Part V – Summary of Quarterly Results" for the calculation of Gross Book Value.

Net Asset Value ("NAV")

NAV is a non-IFRS financial measure defined by the REIT as the sum of unitholders' equity and Class B LP Units. Management believes it is important to include the Class B LP Units for the purpose of determining the REIT's capital management. Management does not consider the Class B LP Units to be debt or borrowings of the REIT, but rather a component of the REIT's equity. However, total unitholders' equity (including Class B LP Units) is not defined by IFRS, does not have a standard meaning and may not be comparable with similar measures presented by other issuers. NAV has been reconciled to unitholders' equity, its most directly comparable measure that is disclosed in the primary financial statements of the REIT, in the table under "Part IV – Capitalization and Debt Profile – NAV per Unit", and the table under "Part V – Summary of Quarterly Results".

Same Property NOI ("Same Property NOI")

Same Property NOI is a non-IFRS financial measure used by the REIT to assess the period over period performance of those properties owned by the REIT in both periods. In calculating Same Property NOI, net operating income ("NOI") for the period is adjusted to remove the impact of straight-line rent revenue and tenant incentives amortized to revenue in order to highlight the 'cash impact' of contractual rent increases embedded in the underlying lease agreements. Management believes Same Property NOI is a meaningful measure for management and investors to gauge the change in asset productivity and asset value, as well as measure the additional return earned by incremental capital investments in existing assets. The most directly comparable measure that is disclosed in the primary financial statements of the REIT is net operating income ("NOI"). See "Part III – Results of Operations – Overall Analysis – Same Property NOI Analysis".

Non-IFRS Ratios

Adjusted Debt to Annualized Adjusted EBITDA Ratio ("Adjusted Debt to Annualized Adjusted EBITDA Ratio")

Adjusted Debt to Annualized Adjusted EBITDA Ratio is a non-IFRS ratio calculated by the REIT as Adjusted Debt (a non-IFRS financial measure) divided by Annualized Adjusted EBITDA (a non-IFRS financial measure). Management considers this non-IFRS ratio is a useful measure for investors and management to monitor the REIT's ability to service its outstanding debt. Refer to the table under "Part IV – Capitalization and Debt Profile – Annualized Adjusted EBITDA Ratio" for the calculation of the Adjusted Debt to Annualized Adjusted EBITDA Ratio.

Adjusted Debt to Gross Book Value ("Adjusted Debt to Gross Book Value")

Adjusted Debt to Gross Book Value is a non-IFRS ratio intended to be used by investors to assess the leverage of the REIT. Management uses this ratio to evaluate the leverage of the REIT and the strength of its equity position. Adjusted Debt to Gross Book Value is defined as Adjusted Debt (a non-IFRS financial measure) divided by Gross Book Value (a non-IFRS financial measure). See the table under "Part IV – Capitalization and Debt Profile – Debt Ratios".

AFFO Payout Ratio – Basic ("AFFO Payout Ratio – Basic") and AFFO Payout Ratio - Diluted ("AFFO Payout Ratio – Diluted")

The AFFO Payout Ratio – Basic and AFFO Payout Ratio - Diluted are non-IFRS ratios which are measures of the sustainability of the REIT's distribution payout. Management believes these non-IFRS ratios are useful measures to investors since these measures provide transparency on performance and the overall management of the existing portfolio assets. Management also considers these non-IFRS ratios to be an important measure of the REIT's distribution capacity. These non-IFRS ratios should not be considered as an alternative to other ratios determined in accordance with IFRS. AFFO Payout Ratio – Basic is calculated by dividing the distributions declared per Unit and Class B LP Unit by Basic AFFO per Unit (a non-IFRS ratio), and AFFO Payout Ratio – Diluted is calculated by dividing the distributions declared per Unit and Class B LP Unit by Diluted AFFO per Unit (a non-IFRS ratio). See the table under "Part IV – Distributions and Adjusted Funds from Operations".

Basic AFFO per Unit ("Basic AFFO per Unit") and Diluted AFFO per Unit ("Diluted AFFO per Unit")

Basic AFFO per Unit and Diluted AFFO per Unit are non-IFRS ratios and reflect AFFO on a weighted average per unit basis. Management believes these non-IFRS ratios are useful measures to management and investors since the measures indicate the impact of AFFO in relation to an individual per unit investment in the REIT. Management believes that AFFO per unit ratios are useful measures of operating performance similar to AFFO. These non-IFRS ratios are not standardized financial measures under IFRS and should not be considered as an alternative to other ratios determined in accordance with IFRS. Basic AFFO per Unit is calculated by using AFFO (a non-IFRS financial measure) divided by the total of the weighted average number of basic Units added to the weighted average number of basic Class B LP Units. Diluted AFFO per Unit is calculated by using AFFO (a non-IFRS financial measure) divided by the weighted average number of diluted units. Diluted units include Units, Class B LP Units, and deferred trust units and restricted trust units issued under the REIT's long-term incentive plan. See the table under "Part IV – Distributions and Adjusted Funds from Operations".

Basic FFO per Unit ("Basic FFO per Unit") and Diluted FFO per Unit ("Diluted FFO per Unit")

Basic FFO per Unit and Diluted FFO per Unit are non-IFRS ratios and reflect FFO on a weighted average per unit basis. Management believes these non-IFRS ratios are useful measures to management and investors since the measures indicate the impact of FFO in relation to an individual per unit investment in the REIT. Management believes that FFO per unit ratios are useful measures of operating performance similar to FFO. These non-IFRS ratios are not standardized financial measures under IFRS and should not be considered as an alternative to other ratios determined in accordance with IFRS. Basic FFO per Unit is calculated by using FFO (a non-IFRS financial measure) divided by the total of the weighted average number of basic Units added to the weighted average number of basic Class B LP Units. Diluted FFO per Unit is calculated by using FFO (a non-IFRS financial measure) divided by the weighted average number of diluted units. Diluted units include Units, Class B LP Units, and deferred trust units and restricted trust units issued under the REIT's long-term incentive plan. See the table under "Part IV – Distributions and Adjusted Funds from Operations".

Debt Service Coverage Ratio ("Debt Service Coverage Ratio")

The Debt Service Coverage Ratio is a non-IFRS ratio calculated by the REIT as Adjusted EBITDA (a non-IFRS financial measure) divided by the debt service requirements for the period, whereby the debt service requirements reflect principal repayments and interest expensed during the period. Payments related to prepayment penalties or payments upon discharge of a mortgage are excluded from the calculation. This non-IFRS ratio is a useful measure for investors and management to monitor the REIT's ability to meet annual interest and principal payments. Refer to the table under "Part IV – Capitalization and Debt Profile – Debt Service Coverage Ratio" for the calculation of the Debt Service Coverage Ratio.

Interest Coverage Ratio ("Interest Coverage Ratio")

The Interest Coverage Ratio is a non-IFRS ratio calculated by the REIT as Adjusted EBITDA (a non-IFRS financial measure) divided by the REIT's interest obligations for the period. This non-IFRS ratio is a useful measure of the REIT's ability to service the interest requirements of its outstanding debt. Management also use this non-IFRS ratio to measure and limit the REIT's leverage. Refer to the table under "Part IV – Capitalization and Debt Profile – Interest Coverage Ratio" for the calculation of the Interest Coverage Ratio.

NAV per Unit

NAV per Unit is a non-IFRS ratio that is a useful measure to management and investors as it reflects management's view of the intrinsic value of the REIT and enables investors to determine if the REIT's Units price is trading at a discount or premium relative to the NAV per Unit at each reporting period. The REIT calculates NAV per Unit as NAV (a non-IFRS financial measure) divided by the total number of Units and Class B LP Units outstanding. Refer to the table under "Part IV – Capitalization and Debt Profile – NAV per Unit", and the table under "Part V – Summary of Quarterly Results" for the calculation of NAV per Unit.

PART II

REIT OVERVIEW

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 Debentures (as defined herein) 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.

The REIT owns a portfolio of Canadian commercial investment properties, comprised of industrial, retail, and office properties. At June 30, 2026, the REIT owned 122 properties (of which 83 are 100% owned and 39 are 50% owned) across Canada, comprising approximately 7.2 million square feet of GLA. For properties not 100% owned by the REIT, the GLA of the REIT is the REIT’s interest in the total GLA of the property.

OBJECTIVES AND STRATEGIES

Objectives

The objectives of the REIT are to: (i) provide unitholders with stable and growing cash distributions from investments in real estate properties in Canada, on a tax efficient basis; (ii) expand the asset base of the REIT and enhance the sustainable value of the REIT’s assets to maximize long-term Unit value; and (iii) increase the REIT’s NOI and AFFO per Unit, through internal growth strategies and accretive acquisitions.

Strategy

In order to meet its objectives, the REIT has implemented the following key strategic elements:

FOCUS ON HIGH QUALITY, LOW RISK INDUSTRIAL ASSETS

- **High-quality commercial real estate.** The REIT is focused on the industrial sector in selected geographies across Canada. The majority of the properties in the portfolio are high-quality properties in the industrial sector, located in prime locations within their respective markets, along major traffic arteries benefitting from high visibility and convenient access. Management believes the quality and prime locations of the portfolio will enable the REIT to attract new tenants and retain existing tenants.

- **Geographical focus on stable Eastern Canadian markets, with careful growth in Western Canadian markets.** The REIT targets property acquisitions in primary and strong secondary markets across Canada, with a particular focus on Quebec, Atlantic Canada, Ontario, and Manitoba, and other parts of Western Canada. Management believes that its strategy focusing on stable markets in Eastern Canada, Manitoba and selective expansion in specific markets in Western Canada will enable the REIT to assemble a portfolio underpinned by strong and consistently stable economic fundamentals, with exposure to organic growth opportunities.

- **High-quality tenants with diversified lease terms.** The REIT benefits from a diversified tenant base reflecting an attractive mix of government, national, regional and local tenants, as well as a mix of tenants by industry. The REIT’s portfolio lease maturities are well staggered into the future. Management believes it has fostered strong relationships with its tenants, which it expects to be an important factor in the REIT’s ability to attract tenants to new properties or replace leases as vacancies arise in the REIT’s properties.

LEVERAGE DEEP EXPERIENCE OF MANAGEMENT AND BOARD TO ENHANCE VALUE

- The REIT benefits from an experienced management team and Board with a proven track record of value creation. In aggregate, the REIT’s executive officers and trustees have over 100 years of operating, acquisition and financing experience in the Canadian real estate industry, including in the industrial sector. They have extensive relationships with a broad network of real estate industry owners and service professionals across Canada, and seek to leverage these relationships to source accretive high-quality acquisitions. Given the management team’s experience in the Quebec, Atlantic Canada, Ontario, Manitoba and Western Canadian markets, it possesses a unique and valuable set of skills and relationships that can be leveraged to the benefit of the REIT.

Expand the Asset Base

- **Internal Growth Strategies**
  The REIT’s internal growth strategy includes the following:

  - Nurturing existing tenant relationships, ensuring tenant retention and accommodating tenant growth.
  - Increasing rental income and minimizing operating expenses through operating improvements and preventative maintenance programs.
  - Pursuing expansion and redevelopment opportunities within the REIT’s portfolio.

- **External Growth Strategies**
  The REIT’s external growth strategy includes the following:

  - Acquiring stable investment properties that are accretive to the REIT.
  - Pursuing expansion in the industrial sector in attractive mid-sized Canadian cities.
  - Pursuing selective development and expansion opportunities within the REIT’s portfolio.

SUMMARY OF SIGNIFICANT EVENTS

On February 17, 2026, the REIT completed the sale of a 50% interest co-owned non-core industrial property located at 170 Joseph Zatzman Drive in Dartmouth, Nova Scotia totalling approximately 64,898 square feet for gross proceeds of $11,410 (excluding closing costs). The REIT's 50% share of the gross proceeds was $5,705 (excluding closing costs). The REIT's 50% share of the net proceeds from the sale were used to partially finance the April 23, 2026 acquisition noted below.

On April 23, 2026, the REIT completed the acquisition of a 100% interest in a newly built industrial building located at 1245 Aviation Avenue in Moncton, New Brunswick for a total purchase price of $12,300 (excluding closing costs) representing a going in capitalization rate of approximately 7.0%. The single-tenant ten-year leased industrial building (built in 2024) comprises approximately 60,057 square feet of GLA and features a warehouse height of 32 feet with a modern loading configuration. The purchase price was financed with a draw on the revolving credit facility and cash on hand from the sale completed on February 17, 2026.

On May 7, 2026, the REIT repaid a mortgage of approximately $1,227 maturing in January 2028.

On May 25, 2026, the REIT received a $29,000 seven year mortgage bearing interest at 4.83% per annum. The net proceeds were used to repay approximately $15,000 of the REIT's revolving credit facility, repay 2 mortgages of approximately $12,842 maturing in May 2026, and the balance was used for general business and working capital purposes.

On June 4, 2026, the REIT refinanced $62,744 of mortgages and a term loan that came due at various dates in June 2026 with two non-revolving credit facilities in the aggregate amount of $77,000. The first facility in the amount of $43,500 bears interest at CORRA loan rate plus 165.0 basis points and matures June 2029 (with two successive one-year renewal options). The REIT fixed the interest rate at 4.67% per annum by entering into a five year fixed interest rate swap agreement with a major Canadian financial institution. The second facility in the amount of $33,500 bears interest at CORRA loan rate plus 165.0 basis points and matures June 2029 (with two successive one-year renewal options). The REIT fixed the interest rate at 4.59% per annum by entering into a three year fixed interest rate swap agreement with a major Canadian financial institution.

On June 10, 2026, the REIT announced the closing of a public offering of Units on a bought deal basis at a price of $6.50 per Unit (the "Offering Price") resulting in 12,822,500 Units being issued for total gross proceeds of $83,346, including 1,672,500 Units issued pursuant to the full exercise of the over-allotment option (the "Offering"). The Offering was completed pursuant to a prospectus supplement dated June 5, 2026 (the "Prospectus Supplement") to the REIT's short form base shelf prospectus dated December 23, 2025. Concurrently with the closing of the Offering, the REIT completed a non-brokered private placement pursuant to which it issued an aggregate of 3,693,670 Units at the Offering Price for total gross proceeds of $24,009 (the "Private Placement"), of which 2,924,439 Units were issued to Collingwood Investments Incorporated, a member of the Bragg Group of Companies, and 769,231 Units were issued to Parkit Enterprise Inc. Collingwood Investments Incorporated and Parkit Enterprise Inc. received a capital commitment fee equal to 2% of the gross proceeds of their portion of the Private Placement upon closing. Total underwriting fees and other directly related expenses of approximately $5,080 attributable to the Offering and Private Placement were recorded as a reduction of unitholders' equity. As disclosed in the Prospectus Supplement under "Use of Proceeds", and as further described below, the REIT used approximately $47,500 of the net proceeds to complete 17 property acquisitions, $26,500 to repay the amounts outstanding under the REIT's revolving credit facility, and approximately $4,300 for real estate transaction costs incurred in connection with the REIT's acquisition of the 17 properties. The balance has been or will be used to fund future acquisitions and for general business and working capital purposes.

On June 16, 2026, the REIT repaid a mortgage of approximately $6,185 that matured in June 2026.

On June 17, 2026, the REIT repaid 2 mortgages of approximately $4,050 maturing in November 2026.

On June 26, 2026, the REIT completed the acquisition of a 100% interest in a portfolio of four industrial properties in Winnipeg, Manitoba for an aggregate purchase price of approximately $24,000 (excluding closing costs). The portfolio comprises approximately 159,200 square feet of GLA with a going in capitalization rate of approximately 6.7%. The purchase price was satisfied with cash from a new $15,600 eight-year mortgage bearing interest at 4.95% per annum and cash on hand of approximately $8,400 received from the Offering and Private Placement.

On June 30, 2026, the REIT completed the acquisition of a 100% interest in a portfolio of thirteen industrial properties in Quebec City, Quebec for an aggregate purchase price of approximately $112,800 (excluding closing costs). The portfolio comprises approximately 609,300 square feet of GLA with a going in capitalization rate of approximately 6.8%. The purchase price was satisfied with cash from a new four year $71,000 non-revolving secured term loan, cash from a new $2,750 demand loan and cash on hand of approximately $39,050 received from the Offering and Private Placement. The non-revolving term loan bears interest at CORRA loan rate plus 175.0 basis points and matures June 2030. The REIT fixed the interest rate at 4.69% per annum by entering into a four year fixed interest rate swap agreement with a major Canadian financial institution. The $2,750 demand loan bears interest at the bank's prime rate plus 50 basis points.

Acquisitions for the six month period ended June 30, 2026:

Investment Property	Location	Property Type	Acquisition Date	Interest Acquired
1245 Aviation Avenue	Moncton, New Brunswick	Industrial	April 23, 2026	100%
1595 Buffalo Place	Winnipeg, Manitoba	Industrial	June 26, 2026	100%
1681-1703 Dublin Avenue	Winnipeg, Manitoba	Industrial	June 26, 2026	100%
1717 Dublin Avenue and 985 Powell Avenue	Winnipeg, Manitoba	Industrial	June 26, 2026	100%
961-977 Powell Avenue	Winnipeg, Manitoba	Industrial	June 26, 2026	100%
1010 Godin Avenue	Quebec City, Quebec	Industrial	June 30, 2026	100%
1041 Pierre-Bertrand Boulevard	Quebec City, Quebec	Industrial	June 30, 2026	100%
2500 Jean-Perrin Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
2600 Jean-Perrin Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
2700 Jean-Perrin Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
310 Métivier Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
5000 Rideau Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
5125 Rideau Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
5205 Rideau Street	Quebec City, Quebec	Industrial	June 30, 2026	100%
579 Godin Avenue	Quebec City, Quebec	Industrial	June 30, 2026	100%
765 Godin Avenue	Quebec City, Quebec	Industrial	June 30, 2026	100%
955 Pierre-Bertrand Boulevard	Quebec City, Quebec	Industrial	June 30, 2026	100%
989 Pierre-Bertrand Boulevard	Quebec City, Quebec	Industrial	June 30, 2026	100%

SUBSEQUENT EVENTS

On July 15, 2026, the REIT completed its previously announced acquisition of a 100% interest in four industrial properties totaling 164,900 square feet of GLA located in Winnipeg, Manitoba, for an aggregate purchase price of $21,700 (excluding closing costs). The going in capitalization rate was approximately 6.8%. The purchase price was satisfied with cash from a new eight-year mortgage of approximately $14,100 bearing interest at 4.95%, and approximately $7,600 of cash on hand from the net proceeds of the Offering and Private Placement.

On July 21, 2026, the REIT received a commitment for a one-year renewal on a first and second mortgage in the approximate amount of $38,750 due on maturity in September 2026 secured by a property in Ottawa, Ontario. The mortgage will be at fixed term market rates.

On July 22, 2026, the REIT announced a cash distribution of $0.0375 per Unit for the month of July 2026. The distribution is payable on August 17, 2026 to unitholders of record as at July 31, 2026.

On July 30, 2026, the REIT completed the refinancing of five mortgages in the approximate amount of $32,911 maturing in July 2026. The new $40,350 seven-year mortgages bear annual interest at 4.98%.

On August 6, 2026, the REIT completed the disposition of one retail property located in Bathurst, New Brunswick, totalling approximately 14,750 square feet of GLA for gross proceeds of $1,350 (excluding closing costs). The REIT intends to use the net proceeds for general business and working capital purposes.

OUTLOOK

We continued to see reasonably strong economic activity in Canada for the three and six month periods ended June 30, 2026. The REIT has benefited from this economic activity, including the demand for commercial space in the industrial sector, which has translated into strong occupancy and continued rental rate growth. We believe the Canadian capital markets are currently accessible to support meaningful capital deployment opportunities, including acquisitions aligned with our growth strategy.

Economic uncertainty will continue for Canada and for the rest of the world for the remainder of 2026, however, the REIT believes it is well positioned with its small and mid-bay industrial real estate focus, prudent capital management, and its potential upside on revenues in the portfolio with current below market rents and organic rent growth.

The REIT also benefits from a low-risk tenant base that is expected to withstand the impact of economic uncertainties and that has successfully demonstrated its resilience to the pressures posed by the pandemic since 2020.

PART III

RESULTS OF OPERATIONS

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Property revenue	**$ 26,953**	$ 25,032	**$ 53,849**	$ 50,769
Property operating expenses	**10,503**	9,588	**21,318**	20,455
Net operating income	**16,450**	15,444	**32,531**	30,314
General and administrative expenses	**1,336**	1,371	**2,734**	2,664
Long-term incentive plan expense	**1,722**	867	**1,548**	912
Depreciation of property and equipment	**148**	150	**303**	307
Amortization of intangible assets	**62**	62	**123**	123
Interest and financing costs	**6,137**	5,847	**12,028**	11,597
Distributions - Class B LP Units	**435**	235	**871**	370
Fair value adjustment - Class B LP Units	**3,020**	(651)	**1,936**	(915)
Fair value adjustment - investment properties	**1,364**	1,598	**(10,737)**	(5,224)
Fair value adjustment - derivative financial instruments	**436**	1,085	**(329)**	946
Other income	**(1,156)**	(1,159)	**(2,175)**	(2,076)
Other expenses	**736**	658	**1,407**	1,127
Debt settlement costs	**187**	137	**270**	206
Net income and comprehensive income	**$ 2,023**	$ 5,244	**$ 24,552**	$ 20,277

Comparison of the Results from Operations

The REIT's results of operations for the three and six month periods ended June 30, 2026 are not directly comparable to the three and six month periods ended June 30, 2025 due to the change in composition of the portfolio as well as the number of properties owned. The REIT owned 122 investment properties (including a 50% ownership interest in 39 investment properties) at June 30, 2026, compared to 118 investment properties (including a 50% ownership interest in 41 investment properties) at June 30, 2025. The increase in the number of properties is driven by the acquisition of a 100% interest in 19 investment properties, largely offset by the sale of a 100% interest in 13 investment properties and the sale of a 50% interest in 2 investment properties during the twelve month period ended June 30, 2026. Notwithstanding the foregoing, year over year figures for the three and six month periods ended June 30, 2026 and 2025 are presented in this MD&A.

Overall Analysis

Property Revenue

Property revenue includes rents from tenants under lease agreement, straight-line rent, percentage rents, property taxes and operating cost recoveries and other incidental income.

For the three and six month periods ended June 30, 2026, property revenue increased by $1,921 and $3,080 respectively, compared to the same periods in 2025. The increase for the three and six month periods ended June 30, 2026 is principally due to contractual increases in rent, higher rental rates on lease renewals, higher rental rates on new leases, and owning 4 additional properties.

Property Operating Expenses

Property operating expenses are expenses directly related to real estate operations and are generally charged back to tenants as provided for in the contractual terms of the leases. Operating expenses include property taxes and public utilities, costs related to indoor and outdoor maintenance, heating, ventilation and air conditioning, elevators, insurance, janitorial services and management and operating fees. The amount of operating expenses that the REIT can recover from its tenants depends on the occupancy rate of the properties and the nature of the existing leases containing clauses regarding the recovery of expenses. The majority of the REIT's leases are net rental leases under which tenants are required to pay their share of the properties' operating expenses.

For the three and six month periods ended June 30, 2026, property operating expenses increased marginally by $915 and $863 respectively, compared to the same periods in 2025, primarily due to owning 4 additional properties.

Net Operating Income

Net operating income ("NOI") represents property revenue less property operating expenses.

For the three and six month periods ended June 30, 2026, NOI increased by $1,006 or 6.5% and $2,217 or 7.3%, respectively, compared to the same periods in 2025. The increase for the three and six month periods ended June 30, 2026 is primarily due to contractual increases in rent, higher rental rates on lease renewals and higher rental rates on new leases and owning 4 additional properties.

Net income and comprehensive income

For the three and six month periods ended June 30, 2026, net income and comprehensive income decreased by $3,221 or 61.4% and increased by $4,275 or 21.1%, respectively, compared to the same period in 2025 primarily due to the impact of the change in the non-cash fair market value adjustment on investment properties and the change in the non-cash long-term incentive plan expense.

Same Property NOI Analysis

Same Property NOI analysis includes properties that were owned for a full quarterly reporting in both current and comparative periods. Same Property NOI excludes non-cash adjustments such as straight-line rent and tenant incentives amortized to revenue flowing through the three and six month periods ended June 30, 2026 and 2025. The following table reconciles net operating income as reported in the Q2 2026 Financial Statements to Same Property NOI.

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Property revenue	**$ 26,953**	$ 25,032	**$ 53,849**	$ 50,769
Property operating expenses	**10,503**	9,588	**21,318**	20,455
Net operating income ("NOI") as reported in the financial statements	**16,450**	15,444	**32,531**	30,314
Straight-line rent adjustment	**(283)**	(179)	**(520)**	(338)
NOI after straight-line rent adjustment	**16,167**	15,265	**32,011**	29,976
NOI sourced from:				
Acquisitions	**(1,911)**	(97)	**(3,603)**	(98)
Dispositions	**(2)**	(1,367)	**(61)**	(2,835)
Same Property NOI [(1)]	**$ 14,254**	$ 13,801	**$ 28,347**	$ 27,043
Number of same properties	**97**	97	**97**	97

(1) Represents a non-IFRS measure. See “Non-IFRS Measures”.

The overall increase in Same Property NOI for the three and six month periods ended June 30, 2026 of $453 or 3.3% and $1,304 or 4.8% respectively, compared to the same period in 2025, is primarily driven by contractual increases in rent, higher rental rates on lease renewals and higher rental rates on new leases despite a decrease in overall average occupancy for the three and six month periods ended June 30, 2026.

The following is the Same Property NOI by asset class for the three and six month periods ended June 30, 2026 and 2025:

	3 Months Ended			**6 Months Ended**		
(CAD $ thousands)	Number of same properties	**June 30 2026**	June 30 2025	Number of same properties	**June 30 2026**	June 30 2025
Industrial	83	**$ 12,901**	$ 12,541	83	**$ 25,706**	$ 24,530
Retail	11	**899**	822	11	**1,784**	1,640
Office	3	**454**	438	3	**857**	873
Same Property NOI [(1)]	97	**$ 14,254**	$ 13,801	97	**$ 28,347**	$ 27,043

(1) Represents a non-IFRS measure. See “Non-IFRS Measures”.

The increase in industrial Same Property NOI for the three and six month periods ended June 30, 2026 was an increase of $360 or 2.9% and $1,176 or 4.8%, respectively, compared to the same periods in 2025. The increase for the three and six month periods ended June 30, 2026 is primarily driven by contractual increases in rent, higher rental rates on lease renewals and higher rental rates on new leases despite a decrease in average occupancy compared to the same periods in 2025. The decrease in average occupancy for the three and six month periods ended June 30, 2026 compared to the same periods in 2025, were largely impacted by a 100% vacancy in a 176,070 square foot building in Saint-Hyacinthe (100% leased for the three and six month periods ended June 30, 2025) and an 80,915 square foot space that went vacant April 1, 2026 in Woodstock, Ontario. On May 6, 2026, the REIT entered into a binding lease for approximately 74,250 square feet of its 176,070 square foot building located in Saint-Hyacinthe, Quebec to a new tenant with a 15-year term at market rent, with rent commencing July 1, 2026.

The increase in retail Same Property NOI for the three and six month periods ended June 30, 2026 was an increase of $77 or 9.4% and $144 or 8.8%, respectively, driven by an increase in average occupancy compared to the same periods in 2025.

The change in office Same Property NOI for the three and six month periods ended June 30, 2026 compared to the same periods in 2025 was a increase of $16 or 3.7% and a decrease of $16 or 1.8% respectively, and is relatively consistent compared to the same periods in 2025.

The following is the same property average occupancy by asset class excluding any committed space for the three and six month periods ended June 30, 2026 and 2025:

	Same Properties 3 Months Ended June 30		**Same Properties 6 Months Ended June 30**	
	2026	2025	**2026**	2025
Industrial	**92.0 %**	96.8 %	**92.9 %**	96.4 %
Retail	**99.0 %**	98.0 %	**99.0 %**	96.7 %
Office	**88.8 %**	88.9 %	**88.0 %**	90.6 %
Total	**92.4 %**	96.7 %	**93.2 %**	96.3 %

General and Administrative Expenses

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

General and administrative expenses for the three and six month periods ended June 30, 2026 were $1,336 and $2,734, a decrease of $35 and an increase of $70, respectively, over the same periods in 2025. The changes for the three and six month periods ended June 30, 2026 are due to timing of consulting expenses and higher professional fee expenses, respectively.

Long-Term Incentive Plan

Long-term incentive plan expense of $1,722 and $1,548 during the three and six month periods ended June 30, 2026 relates to deferred and restricted units which vest over a period of one to three years, and is a non-cash item.

Interest and Financing Costs

	3 Months Ended June 30 2026	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Amortization of financing costs	**$ 399**	$ 364	**$ 775**	$ 723
Accretion expense - Convertible Debentures	**96**	95	**192**	189
Other interest and financing costs	**5,642**	5,388	**11,061**	10,685
	$ 6,137	$ 5,847	**$ 12,028**	$ 11,597

Other interest and financing costs were $5,642 and $11,061 for the three and six month periods ended June 30, 2026. The increase of $254 and $376 for the three and six month periods ended June 30, 2026 over the same periods in 2025 relates to the increase in debt in connection with the acquisition of 19 properties, offset by the repayment of debt from the sale of 15 properties (see "Comparison of the Results from Operations" section of this MD&A).

Distributions – Class B LP Units

The REIT currently pays monthly distributions of $0.0375 per Class B limited partnership unit (“Class B LP Units”) of PRO REIT Limited Partnership (“PRLP”) or $0.4500 per Class B LP Unit on an annualized basis. Distributions on the Class B LP Units were $435 and $871 for the three and six month periods ended June 30, 2026.

Fair Value Adjustment – Class B LP Units

A fair value expense of $3,020 and expense of $1,936 on the Class B LP Units was recorded for the three and six month periods ended June 30, 2026 respectively, resulting from a change in the quoted market price of the REIT's publicly traded Units. This is a non-cash item.

Fair Value Adjustment – Investment Properties

The REIT has selected the fair value method to account for real estate classified as investment property and records investment properties at their purchase price including transaction costs (less any purchase price adjustments) in the quarter of acquisition. Any changes in the fair value of investment properties are recognized as fair value gains and losses in the statement of income and comprehensive income in the quarter in which they occur. During the three and six month periods ended June 30, 2026, 25 properties and 41 properties were respectively revalued by independent external appraisers.

The fair value loss of $1,364 and fair value gain of $10,737 on investment properties for the three and six month periods ended June 30, 2026 are due to changes in projected future cash flows, changes in capitalization rates and market rent assumptions on certain of the REIT's properties, offset by certain non-recoverable expenditures and leasing costs incurred. The REIT's growth in income achieved through lease deals and increasing market rents, predominantly in the industrial sector, is offset by a slight expansion in capitalization rates due to market conditions.

The REIT calculates fair value using both the discounted cash flow method and direct capitalization method, which are generally accepted appraisal methodologies. Fair value is based on, among other things, assumptions of future cash flows in respect of current and future leases, capitalization rates, terminal capitalization rates, discount rates, market rents, tenant inducements and leasing cost assumptions and expected lease rollovers. Fair values are supported by a combination of internal financial information, market data and external independent valuations.

(CAD $ thousands)	Industrial	Retail	Office	Total
At June 30, 2026				
Fair value of investment properties	**$ 1,151,800**	**$ 47,500**	**$ 19,680**	**$ 1,218,980**
Fair value of investment properties per square feet	**$ 171.46**	**$ 126.41**	**$ 187.00**	**$ 169.34**
At June 30, 2025				
Fair value of investment properties	$ 952,590	$ 99,850	$ 28,985	$ 1,081,425
Fair value of investment properties per square feet	$ 161.21	$ 151.97	$ 185.46	$ 161.21

The significant valuation metric used in the direct capitalization method are stabilized capitalization rates. The following table summarizes the stabilized capitalization rates used in the valuation process for the REIT's investment properties by asset class as at June 30, 2026 and 2025:

	As at June 30, 2026		As at June 30, 2025	
	Range %	**Weighted Average % (1)**	Range %	Weighted Average % (1)
Industrial	**5.8% - 9.0%**	**6.7 %**	5.8% - 7.8%	6.7 %
Retail	**6.0% - 9.0%**	**7.1 %**	6.0% - 10.0%	7.1 %
Office	**7.3% - 8.0%**	**7.8 %**	7.3% - 8.3%	7.6 %
Total portfolio	**5.8% - 9.0%**	**6.7 %**	5.8% - 10.0%	6.7 %

(1) Weighted average percentage based on fair value of investment properties.

The following table summarizes stabilized capitalization rates used in the valuation process for the REIT's investment properties by region as at June 30, 2026 and 2025:

	As at June 30, 2026		**As at June 30, 2025**	
	Range %	**Weighted Average % (1)**	Range %	Weighted Average % (1)
Atlantic Canada	**6.5% - 9.0%**	**7.2 %**	6.3% - 10.0%	7.2 %
Ontario	**6.0% - 8.0%**	**6.4 %**	6.0% - 7.3%	6.4 %
Quebec	**5.8% - 7.0%**	**6.4 %**	5.8% - 7.0%	6.2 %
Manitoba	**6.0% - 7.3%**	**6.5 %**	6.3% - 7.0%	6.5 %
Western Canada	**6.5% - 8.0%**	**6.7 %**	6.0% - 10.0%	6.5 %
Total portfolio	**5.8% - 9.0%**	**6.7 %**	5.8% - 10.0%	6.7 %

(1) Weighted average percentage based on fair value of investment properties.

Other Income and Other Expenses

The REIT acquired the assets of Compass Commercial Realty Limited ("Compass") on June 27, 2018, a property management firm headquartered in Halifax, Nova Scotia. The REIT records revenues generated ("other income") as well as relevant expenses incurred ("other expenses") by Compass not related to the properties owned by the REIT in the condensed consolidated interim statements of net income and comprehensive income. At June 30, 2026, Compass manages all 122 of the REIT's properties, representing 7.2 million square feet plus 3.9 million square feet of third party properties, for an aggregate of approximately 11.1 million square feet of GLA.

Investment in Joint Operations

On August 4, 2022, the REIT acquired a 50% interest in 21 investment properties owned by a third party and sold a 50% interest in 21 investment properties it owned 100% prior to this transaction. The REIT subsequently sold two of these investment properties on February 7, 2025 and September 29, 2025, and a third investment property on February 17, 2026 (see "Summary of Significant Events" section of this MD&A). As a result of these transactions, the REIT is a co-owner in 39 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 Q2 2026 Financial Statements.

Compass acts as the sole property manager for the entire 50% owned 39-property portfolio and collects 100% of the property management fees.

The following amounts are included in the Q2 2026 Financial Statements and represent the REIT's proportionate share of the results of operations of its co-owned properties:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Property revenue	**$ 7,660**	$ 7,209	**$ 15,097**	$ 14,418
Property operating expenses (excluding the undernoted property management fees)	**2,961**	2,691	**6,013**	5,692
Property management fees	**224**	206	**444**	419
Net operating income	**4,475**	4,312	**8,640**	8,307
Interest and financing costs	**1,193**	1,279	**2,527**	2,553
Fair value adjustment - investment properties	**1,271**	1,299	**1,640**	1,901
Net income and comprehensive income	**$ 2,011**	$ 1,734	**$ 4,473**	$ 3,853

SEGMENTED ANALYSIS

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 for each segment are the same as disclosed in the REIT's condensed consolidated interim financial statements. Operating performance is evaluated by the REIT's management primarily based on net operating income ("NOI"). 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**
(CAD $ thousands)	**$**	**%**	**$**	**%**	**$**	**%**	**$**
Three months ended June 30, 2026							
Property revenue	**24,559**	***91.1***	**1,488**	***5.5***	**906**	***3.4***	**26,953**
Net operating income ("NOI")	**15,090**	***91.7***	**900**	***5.5***	**460**	***2.8***	**16,450**
Three months ended June 30, 2025							
Property revenue	20,688	*82.6*	3,154	*12.6*	1,190	*4.8*	25,032
Net operating income ("NOI")	12,937	*83.8*	1,894	*12.3*	613	*3.9*	15,444

	Industrial		Retail		Office		Total
(CAD $ thousands)	$	%	$	%	$	%	$
Six months ended June 30, 2026							
Property revenue	**49,133**	***91.2***	**2,992**	***5.6***	**1,724**	***3.2***	**53,849**
Net operating income ("NOI")	**29,955**	***92.1***	**1,775**	***5.5***	**801**	***2.4***	**32,531**
Investment properties	**1,151,800**	***94.5***	**47,500**	***3.9***	**19,680**	***1.6***	**1,218,980**
Mortgages payable	**341,172**	***95.2***	**4,755**	***1.3***	**12,578**	***3.5***	**358,505**
Six months ended June 30, 2025							
Property revenue	41,570	*81.9*	6,684	*13.2*	2,515	*4.9*	50,769
Net operating income ("NOI")	25,131	*82.9*	3,914	*12.9*	1,269	*4.2*	30,314
Investment properties	952,590	*88.1*	99,850	*9.2*	28,985	*2.7*	1,081,425
Mortgages payable	374,961	*87.8*	35,838	*8.4*	16,025	*3.8*	426,824

The main drivers for the change in revenues and net operating income ("NOI") is contractual increases in rent, higher rental rates on lease renewals, higher rental rates on new leases, and owning 4 additional properties. The main drivers for the change in fair values of investment properties is due to the change in composition of the portfolio as well as changes in projected future cash flows, and changes in capitalization rates and market rent assumptions on certain of the REIT's properties for the three and six month periods ended June 30, 2026.

As at June 30, 2026, the Industrial segment consists of 108 properties (June 30, 2025 – 90 properties), having a total GLA of approximately 6,718,000 square feet (June 30, 2025 – ~5,895,000 square feet).

As at June 30, 2026, the Retail segment consists of 11 properties (June 30, 2025 – 24 properties), having a total GLA of approximately 376,000 square feet (June 30, 2025 – ~657,000 square feet).

As at June 30, 2026, the Office segment consists of 3 properties (June 30, 2025 – 4 properties), having a total GLA of approximately 105,000 square feet (June 30, 2025 – ~156,000 square feet).

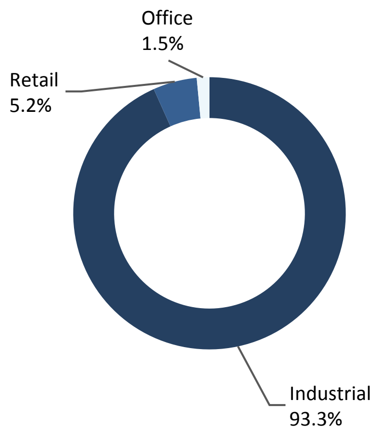
PORTFOLIO PROFILE

At June 30, 2026, the REIT's portfolio consisted of 122 properties, located in prime locations within their respective markets, representing a total GLA of 7,198,599 square feet. The increase of 490,486 square feet compared to June 30, 2025 is mainly due to the increase in the number of industrial properties.

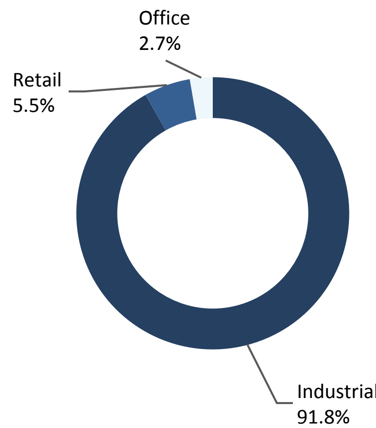
	6 Month Period Ended/ At June 30, 2026				6 Month Period Ended/ At June 30, 2025			
(CAD $ thousands unless otherwise stated)	**# of Properties**	**Occupancy[1]**	**GLA (sq. ft.)**	**NOI**	# of Properties	Occupancy[1]	GLA (sq. ft.)	NOI
Industrial	**108**	**94.9 %**	**6,717,596**	**$ 29,955**	90	97.8 %	5,894,777	$ 25,131
Retail	**11**	**99.2 %**	**375,764**	**1,775**	24	98.5 %	657,052	3,914
Office	**3**	**88.6 %**	**105,239**	**801**	4	92.3 %	156,284	1,269
Total	**122**	**95.0 %**	**7,198,599**	**$ 32,531**	118	97.8 %	6,708,113	$ 30,314

[1] Occupancy rate includes lease contracts for future occupancy of currently vacant space. Management believes the inclusion of this committed space provides a more balanced reporting. The committed space at June 30, 2026 was approximately 195,400 square feet of GLA (41,200 square feet of GLA at June 30, 2025).

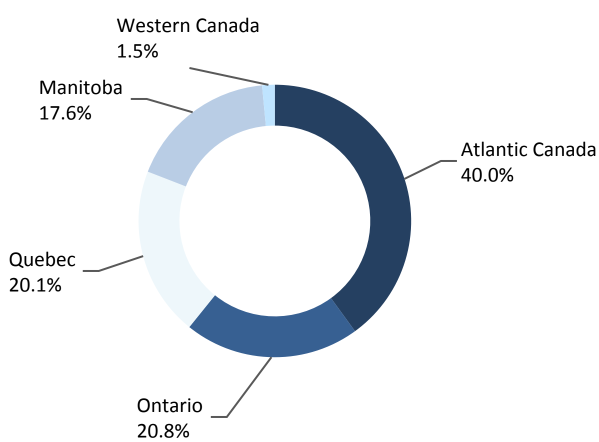
GLA by Asset Class [1]



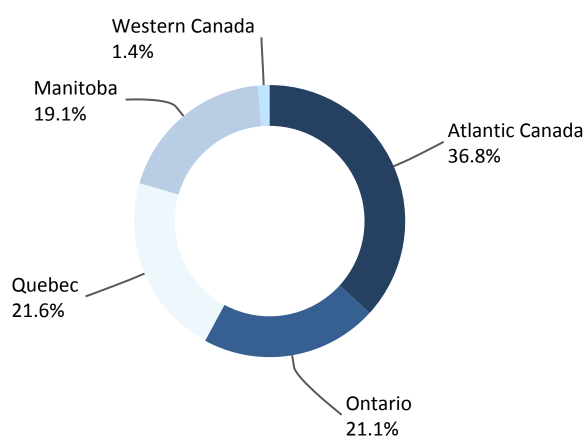
Base Rent by Asset Class [1]



Base Rent by Region [1]



Industrial Base Rent by Region [1]



[1] Based on annualized in-place and committed base rent at June 30, 2026.

Top Ten Tenants

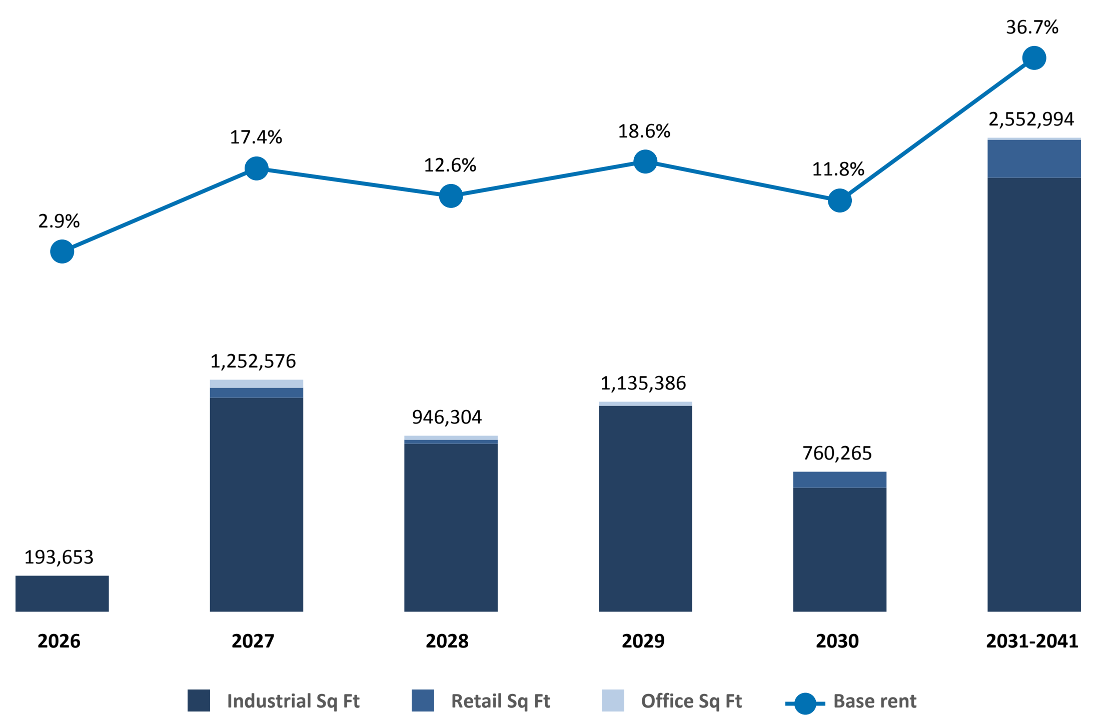
As at June 30, 2026, the ten largest tenants in the REIT's portfolio accounted for approximately 23.7% on annualized in-place and committed base rent and had a remaining average lease term of approximately 5.2 years.

Tenant	% in-Place Base Rent[(1)]	GLA (Sq. Ft.)	Remaining Average Lease Term (years)	Credit Rating[(2)]
Government of Canada	**3.2 %**	**126,364**	**3.5**	Aaa/AAA/AAA
Sysco Canada Inc.	**3.1 %**	**326,061**	**5.1**	Baa2/BBB/na
KD Services	**3.0 %**	**134,340**	**3.1**	na
Sobeys	**2.7 %**	**178,315**	**7.0**	n/a/BBB-/BBB
Thales Canada Inc.	**2.4 %**	**128,051**	**13.6**	A2/A-/na
Lineage Logistics	**2.1 %**	**224,334**	**3.1**	Baa2/BBB+/na
Sherway Warehousing Inc.	**2.1 %**	**156,318**	**3.2**	na
Ribbon Communications Canada	**2.0 %**	**92,277**	**3.5**	na
ArcelorMittal Tailored Blanks	**1.6 %**	**193,133**	**2.6**	Baa2/BBB/na
Diversitech Equipment & Sales	**1.5 %**	**66,975**	**7.2**	na
Total	**23.7 %**	**1,626,168**	**5.2**	

(1) Based on annualized in-place and committed base rent at June 30, 2026.
(2) Source: Moody's, S&P, and DBRS. Credit rating assigned to tenant or its parent.

The REIT's total portfolio includes 62.1% of base rent from national and government tenants and 30.2% of base rent from credit quality tenants, based on annualized in-place and committed base rent at June 30, 2026.

The REIT's diverse tenant base has a staggered lease maturity profile with no more than 1,252,576 square feet or 17.4% of GLA maturing in any given period before 2031.



Weighted average lease term to maturity (years)	June 30 2026	June 30 2025
Industrial	**4.0**	4.2
Retail	**5.9**	4.9
Office	**2.5**	3.4
Total Portfolio	**4.3**	4.5

Rental Rates

Weighted average in-place base rental revenue is contractual base rent and excludes recoverable expense revenue. It represents the annualized in-place and committed base rent at June 30, 2026 weighted by the gross leasable area. The following table outlines the weighted average in-place base rental revenue, including committed space, per square foot and by asset class for the REIT's investment property portfolio at June 30, 2026 and June 30, 2025:

	June 30, 2026		June 30, 2025	
	Leased GLA (Sq. Ft.)	**Weighted Average In-Place Base Rent (per Sq. Ft.)**	Leased GLA (Sq. Ft.)	Weighted Average In-Place Base Rent (per Sq. Ft.)
Industrial	**6,374,928**	**$ 10.58**	5,766,849	$ 9.67
Retail	**372,593**	**10.78**	647,080	12.62
Office	**93,240**	**17.39**	144,281	15.08
Leased total	**6,840,761**	**$ 10.68**	6,558,210	$ 10.08
Vacant total	**357,838**		149,903	
Portfolio Total	**7,198,599**		6,708,113	

The weighted average in-place base rent of $10.68 per square foot at June 30, 2026 increased from $10.08 per square foot at June 30, 2025 mainly driven by the increase in leasing rates in the industrial asset class.

LEASING ACTIVITY

At June 30, 2026, the REIT's occupancy was 95.0% (including committed space of approximately 195,400 square feet) with a weighted average remaining lease term of 4.3 years. The following table summarizes rental rate spreads achieved on the renewal and replacements signed during the three and six month periods ended June 30, 2026:

	3 Months Ended June 30, 2026		**6 Months Ended June 30, 2026**	
	Leased GLA (Sq. Ft.)	**Rental Rate Spread % (1)**	**Leased GLA (Sq. Ft.)**	**Rental Rate Spread % (1)**
Industrial	**230,579**	**27.2 %**	**375,001**	**31.6 %**
Retail	**–**	**— %**	**12,740**	**46.0 %**
Office	**–**	**– %**	**5,503**	**(14.9)%**
Total	**230,579**	**27.2 %**	**393,244**	**30.6 %**

(1) Rental rate spread % is calculated as the difference in renewal rent over existing rent.

2026 Leasing Activities

As of the date of this report, approximately 82.6% of GLA maturing in 2026 has been renewed at 36.8% positive average spreads.

In November of 2024, the REIT renewed a retail lease with a single credit quality tenant expiring in December 2026, for a 10-year term starting from the date of the expiry. The renewed base rent will remain the same as the expiring rent with a one-time rent step to commence in year 6 of the renewal term and represents approximately 42,000 square feet of GLA.

In December of 2024 the REIT renewed an industrial lease with a single tenant expiring in 2026, for a 3-year term starting from the date of the expiry. The renewed base rent is in excess of 40% over the expiring rent with annual rent steps and represents approximately 155,000 square feet of GLA. The renewed base rent is expected to commence September 1, 2026.

In February 2025, the REIT renewed four industrial leases with a credit quality tenant expiring in 2026, each for a 5-year term starting from the date of the expiry. The renewed base rent is in excess of 45% over the expiring rent with annual rent steps and represents approximately 325,000 square feet of GLA. The renewed base rent for three out of the four properties, representing approximately 263,000 square feet of GLA, is expected to commence mid September 2026. This tenant is a top ten tenant at June 30, 2026.

On May 6, 2026, the REIT entered into a binding lease for approximately 74,250 square feet of its 176,070-square-foot industrial building located at 6375 Picard Street, in Saint-Hyacinthe, Quebec to a new tenant with a 15-year term at market rent, with rent commencement expected mid-2026. The new base rent on the 74,250 square feet (42.0% of the total property GLA) represents an increase of over 122% compared to the rent paid by the previous tenant for the same GLA during their 5-year lease term.

PART IV

LIQUIDITY AND CAPITAL RESOURCES

Cash flows from operating activities, available funding under the REIT's credit facilities and cash on hand represent the primary sources of liquidity to fund distributions, debt service, capital expenditures, tenant inducements and leasing costs. The REIT's cash flow from operations is dependent upon the rental occupancy levels, the rental rates on its leases, the collectability of rent from its tenants, recoveries of operating costs and operating costs. Material changes in these factors may adversely affect the REIT's net cash flows from operating activities and liquidity (see "Risks and Uncertainties" section).

The REIT expects to be able to meet all of its obligations as they become due in the short-term and the long-term. The REIT expects to have sufficient liquidity as a result of cash on hand, cash flow from operating activities, operating facilities, the ability to refinance properties when required as well as the ability to raise equity in the capital markets when available.

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Cash provided from (used in):				
Operating activities	**$ 10,646**	$ 6,898	**$ 20,621**	$ 14,338
Financing activities	**181,521**	58,115	**169,913**	46,807
Investing activities	**(159,199)**	(64,550)	**(155,132)**	(59,688)
Change in cash during the period	**32,968**	463	**35,402**	1,457
Cash, beginning of period	**16,106**	10,063	**13,672**	9,069
Cash, end of period	**$ 49,074**	$ 10,526	**$ 49,074**	$ 10,526

Three Month Period Ended June 30, 2026

Cash flows from operating activities relate primarily to the collection of rent and payment of operating expenses. The cash provided by operating activities of $10,646 for the three month period ended June 30, 2026 was impacted mainly by the timing of cash receipts and settlement of payables.

Cash provided by financing activities during the three month period ended June 30, 2026 of $181,521 is attributed to an increase in mortgages and term loans of $115,600, an increase in credit facilities of $104,250, and proceeds of issuance of Units (net of issue costs) of $102,275, offset by repayment of debt of $89,948, repayment of credit facilities of $41,500, distributions paid of $7,770, and financing costs incurred of $1,386.

Cash used in investing activities of $159,199 during the three month period ended June 30, 2026 consists of acquisition of investment properties of $152,106, capital expenditures and leasing costs of $7,078, net proceeds on disposal of investment properties of $9, and additions to property and equipment of $6.

Six Month Period Ended June 30, 2026

Cash flows from operating activities relate primarily to the collection of rent and payment of operating expenses. The cash provided by operating activities of $20,621 for the six month period ended June 30, 2026 was impacted mainly by the timing of cash receipts and settlement of payables.

Cash provided from financing activities during the six month period ended June 30, 2026 of $169,913 is attributed to an increase in mortgages and term loans of $115,600, an increase in credit facilities of $106,250, and proceeds of issuance of Units (net of issue costs) of $102,238, offset by repayment of debt of $95,411, repayment of credit facilities of $41,500, distributions paid of $14,920, financing cost incurred of $1,392, and the settlement of restricted units and deferred units in cash of $952.

Cash used in investing activities of $155,132 during the six month period ended June 30, 2026 primarily consists of acquisition of investment properties of $152,106 and additions of capital expenditures and leasing costs of $8,509, offset by net proceeds of disposal of investment properties of $5,640 and addition to property and equipment of $157.

Available Liquidity

The following table represents the REIT's Available Liquidity at June 30, 2026 and June 30, 2025:

(CAD $ thousands)	**June 30 2026**	June 30 2025
Cash per condensed consolidated interim financial statements	**$ 49,074**	$ 10,526
Undrawn revolving credit facility	**60,000**	30,000
Available Liquidity [(1)]	**$ 109,074**	$ 40,526

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

CAPITALIZATION AND DEBT PROFILE

(CAD $ thousands)	**June 30 2026**
Mortgages (net of financing costs of $1,368)	**$ 358,505**
Term loan (net of financing costs of $369)	**70,631**
Demand loan (net of financing costs of $0)	**2,750**
Convertible Debentures including derivative financial instrument (net of issuance costs of $1,349)	**35,493**
Revolving credit facility (net of financing costs of $211)	**(211)**
Non-revolving credit facilities including derivative financial instrument (net of financing costs of $751)	**142,030**
Class B LP Units	**27,302**
Unitholders' Equity	**608,762**
Total Capitalization	**$ 1,245,262**

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 $115,330 at June 30, 2026. At June 30, 2026, advances under the revolving credit facility were $Nil.

Mortgages
As at June 30, 2026, the mortgages payable of $358,505 (December 31, 2025 - $399,975) had a weighted average interest rate of approximately 4.05% (December 31, 2025 – 3.82%) and comprised $358,505 (December 31, 2025 - $393,802) at fixed interest rates and $Nil (December 31, 2025 - $6,173) at a variable interest rate at the bank prime rate plus 0.5%. The mortgages payable are secured by first charges on certain investment properties with a fair value of approximately $724,490 at June 30, 2026 (December 31, 2025 - $685,530).

Term loan and demand loan
On June 30, 2026, the REIT received a secured non-revolving four-year term loan of $71,000 which bears interest at CORRA loan rate plus 175.0 basis points and matures June 2030. The REIT fixed the interest rate at 4.69% per annum by entering into a four 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 Fair Value Through Profit or Loss ("FVTPL"). The non-revolving term loan is secured by a pool of first charges on certain investment properties with a fair value of approximately $104,700 at June 30, 2026 (December 31, 2025 - $Nil).

On June 30, 2026, in connection with the non-revolving term loan above, the REIT received a demand loan of $2,750 bearing interest at the bank's prime rate plus 50 basis points. Advances are repayable on demand and are secured by a pool of first charges on certain investment properties with a fair value of approximately $13,200 at June 30, 2026 (December 31, 2025 - $Nil).

Non-revolving credit facilities
On June 26, 2025, the REIT received 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. On December 17, 2025, the REIT increased the secured non-revolving credit facility to $143,478, with a revised fixed interest rate of 4.55% per annum. 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 REIT entered into the swap agreement to limit its exposure to fluctuations in the interest rates on a variable rate loan and the swap agreement is not designated as a hedging instrument for accounting purposes. The non-revolving credit facility is secured by a pool of first charges on certain investment properties with a fair value of approximately $106,480 at June 30, 2026 (December 31, 2025 - $106,500).

On June 4, 2026, the REIT received a secured non-revolving three-year credit facility (with two successive one-year renewal options) of $43,500 which bears interest at CORRA loan rate plus 165.0 basis points and matures June 2029. The REIT fixed the interest rate at 4.67% 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 $71,650 at June 30, 2026 (December 31, 2025 - $Nil).

On June 4, 2026, the REIT received a secured non-revolving three-year credit facility (with two successive one-year renewal options) of $33,500 which bears interest at CORRA loan rate plus 165.0 basis points and matures June 2029. The REIT fixed the interest rate at 4.59% per annum by entering into a three 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 $51,900 at June 30, 2026 (December 31, 2025 - $Nil).

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

(CAD $ thousands)	Principal instalments	Principal maturities	Total Principal Payable	% of Total Principal	Weighted Average Interest Rate on Maturity
2026 - remainder of year	$ 4,866	$ 71,661	$ 76,527	17.8 %	3.7 %
2027	8,928	46,081	55,009	12.8 %	4.8 %
2028	8,186	58,642	66,828	15.5 %	3.5 %
2029	6,382	36,626	43,008	10.0 %	4.1 %
2030	4,374	102,916	107,290	24.9 %	4.7 %
Thereafter	4,501	77,710	82,211	19.0 %	4.0 %
	$ 37,237	$ 393,636	$ 430,873	100.0 %	
Financing costs			(1,737)		
Total balance outstanding as at June 30, 2026			$ 429,136		

On May 26, 2023, the REIT issued $35,000 aggregate principal amount of convertible unsecured subordinated debentures bearing 8.00% interest per annum (the "Convertible Debentures") payable semi-annually and maturing on June 30, 2028 (the "Maturity Date"). 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.

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") is 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.

Contractual Obligations

The following table represents the REIT's contractual obligations at June 30, 2026:

(CAD $ thousands)	2026	2027	2028	2029	2030	Thereafter
Mortgages and term loan principal instalments (1)	$ 4,866	$ 8,928	$ 8,186	$ 6,382	$ 4,374	$ 4,501
Mortgages and term loan principal maturities (1)	71,661	46,081	58,642	36,626	102,916	77,710
Mortgages and term loan interest (1)	7,720	14,053	11,946	9,709	6,351	6,249
Demand loan	2,750	–	–	–	–	–
Convertible Debentures	–	–	35,000	–	–	–
Interest on Convertible Debentures (1)	2,800	2,800	1,400	–	–	–
Revolving credit facility	–	–	–	–	–	–
Non-revolving credit facilities	–	–	66,478	77,000	–	–
Interest on non-revolving credit facilities (1)	3,331	6,594	6,586	6,224	4,453	1,144
Accounts payable and other liabilities	27,504	–	–	–	–	–
Rent	80	100	90	–	–	–
	$120,712	$ 78,556	$188,328	$135,941	$118,094	$ 89,604

(1) 2026 amounts represent the remainder of the year.

The REIT expects to have sufficient liquidity as a result of cash flow from operating activities, operating facilities, the ability to refinance properties when required as well as the ability to raise equity in the capital markets when available to satisfy these obligations.

NAV per Unit

The following is the calculation of NAV per Unit at June 30, 2026 and 2025:

(CAD $ thousands)	**June 30 2026**	June 30 2025
Total unitholders' equity per condensed consolidated interim financial statements	**$ 608,762**	$ 493,934
Adjustment for Class B LP Units	**27,302**	21,958
Net Asset Value (NAV) (1)	**$ 636,064**	$ 515,892
Total outstanding Units and Class B LP Units	**83,947,853**	67,086,522
NAV per Unit (1)	**$7.58**	$7.69

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

Adjusted Debt

The following table reconciles debt (current and non-current) as reported in the condensed consolidated interim financial statements to Adjusted Debt:

(CAD $ thousands)	**June 30 2026**	June 30 2025
Debt (non-current and current portion) as reported in the financial statements	**$ 609,198**	$ 562,426
Reconciling items:		
Unamortized financing costs	**4,048**	3,917
Cumulative accretion expense - Convertible Debentures (1)	**(1,163)**	(781)
Cumulative fair value adjustment - derivative financial instruments (2)	**18**	480
Adjusted Debt (3)	**$ 612,101**	$ 566,042

(1) Represents the cumulative amounts since issuance of the Convertible Debentures on May 26, 2023.
(2) Represents the cumulative amounts since issuance of the Convertible Debentures on May 26, 2023 and the interest rate swap on June 26, 2025.
(3) Represents a non-IFRS measure. See "Non-IFRS Measures".

Debt Ratios

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, the REIT makes 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:

(CAD $ thousands unless otherwise stated)	**June 30 2026**	June 30 2025
Total assets, including investment properties stated at fair value	**$ 1,286,525**	$ 1,110,963
Accumulated depreciation on property and equipment and intangible assets	**4,581**	4,441
Gross Book Value (1)	**1,291,106**	1,115,404
Adjusted Debt (1)	**$ 612,101**	$ 566,042
Adjusted Debt to Gross Book Value (1)	**47.4 %**	50.7 %

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

The REIT was in compliance with the above requirement as well as all required covenants as at June 30, 2026.

Financial Measures

In addition to the REIT's level of indebtedness calculated in accordance with the REIT's Declaration of Trust, management also monitors certain financial measures, which include the (i) Interest Coverage Ratio, (ii) Debt Service Coverage Ratio, and (iii) Adjusted Debt to Annualized Adjusted EBITDA Ratio. All of these measures are non-IFRS measures. See "Non-IFRS Measures".

Adjusted EBITDA

Adjusted EBITDA is used by the REIT to monitor the REIT's ability to satisfy and service its debt and to monitor requirements imposed by the REIT's lenders. Specifically, Adjusted EBITDA is used to monitor the REIT's Interest Coverage Ratio and Debt Service Ratio, which the REIT uses to measure its debt profile and assess its ability to satisfy its obligations, including servicing its debt.

The following is a calculation of Adjusted EBITDA for the three and six month periods ended June 30, 2026 and 2025:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Net income and comprehensive income	**$ 2,023**	$ 5,244	**$ 24,552**	$ 20,277
Interest and financing costs	**6,137**	5,847	**12,028**	11,597
Depreciation of property and equipment	**148**	150	**303**	307
Amortization of intangible assets	**62**	62	**123**	123
Fair value adjustment - Class B LP Units	**3,020**	(651)	**1,936**	(915)
Fair value adjustment - investment properties	**1,364**	1,598	**(10,737)**	(5,224)
Fair value adjustment - derivative financial instruments	**436**	1,085	**(329)**	946
Distributions - Class B LP Units	**435**	235	**871**	370
Straight-line rent	**(283)**	(179)	**(520)**	(338)
Long-term incentive plan expense	**1,722**	867	**1,548**	912
Debt settlement costs	**187**	137	**270**	206
Adjusted EBITDA (1)	**$ 15,251**	$ 14,395	**$ 30,045**	$ 28,261
Annualized Adjusted EBITDA (1)	**$ 61,004**	$ 57,580	**$ 60,090**	$ 56,522

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

Interest Coverage Ratio

The Interest Coverage Ratio is useful in determining the REIT's ability to service the interest requirements of its outstanding debt. The Interest Coverage Ratio is calculated by dividing Adjusted EBITDA by the REIT's interest obligations for the period. Management utilizes this ratio to measure and limit the REIT's leverage.

The following is a calculation of the Interest Coverage Ratio for the three and six month periods ended June 30, 2026 and 2025:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Adjusted EBITDA (1)	**$ 15,251**	$ 14,395	**$ 30,045**	$ 28,261
Interest expense	**$ 5,836**	$ 5,472	**$ 11,327**	$ 10,887
Interest Coverage Ratio (1)	**2.6x**	2.6x	**2.7x**	2.6x

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

Debt Service Coverage Ratio

The Debt Service Coverage Ratio is determined as Adjusted EBITDA divided by the debt service requirements for the period, whereby the debt service requirements reflect principal repayments and interest expensed during the period. Payments related to prepayment penalties or payments upon discharge of a mortgage are excluded from the calculation. The Debt Service Coverage Ratio is a useful measure used by the REIT's management to monitor the REIT's ability to meet annual interest and principal payments.

The following is a calculation of the Debt Service Coverage Ratio for the three and six month periods ended June 30, 2026 and 2025:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Adjusted EBITDA [(1)]	**$ 15,251**	$ 14,395	**$ 30,045**	$ 28,261
Interest expense	**5,836**	5,472	**11,327**	10,887
Principal repayments	**2,963**	3,258	**6,067**	6,414
Debt Service Requirements	**$ 8,799**	$ 8,730	**$ 17,394**	$ 17,301
Debt Service Coverage Ratio [(1)]	**1.7x**	1.6x	**1.7x**	1.6x

(1) Represents a non-IFRS measure. See “Non-IFRS Measures”.

Annualized Adjusted EBITDA Ratio

Adjusted Debt to Annualized Adjusted EBITDA Ratio is a non-IFRS ratio calculated by the REIT as Adjusted Debt divided by Annualized Adjusted EBITDA. The Adjusted Debt to Annualized Adjusted EBITDA Ratio is a useful measure for management and investors as it indicates the number of years required for the REIT’s Annualized Adjusted EBITDA to repay all outstanding debt. Management considers these metrics a useful measure for evaluating the REIT’s ability to service its debt.

The following is a calculation of Adjusted Debt to Annualized Adjusted EBITDA Ratio for the three and six month periods ended June 30, 2026 and 2025:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Adjusted Debt [(1)]	**$ 612,101**	$ 566,042	**$ 612,101**	$ 566,042
Adjusted EBITDA [(1)]	**$ 15,251**	$ 14,395	**$ 30,045**	$ 28,261
Annualized Adjusted EBITDA [(1)]	**$ 61,004**	$ 57,580	**$ 60,090**	$ 56,522
Adjusted Debt to Annualized Adjusted EBITDA Ratio [(1)]	**10.0x**	9.8x	**10.2x**	10.0x

(1) Represents a non-IFRS measure. See “Non-IFRS Measures”.

Adjusted Debt to Annualized Adjusted EBITDA Ratio for the three and six month periods ended June 30, 2026 was negatively impacted due to the debt entered into with respect to the acquisitions that closed on June 26, 2026 and June 30, 2026 that contributed insignificantly to Adjusted EBITDA during the quarter (see "Summary of Significant Events" section of this MD&A).

DISTRIBUTIONS AND ADJUSTED FUNDS FROM OPERATIONS

(CAD $ thousands except unit, per unit amounts and unless otherwise stated)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Net income and comprehensive income for the period	**$ 2,023**	$ 5,244	**$ 24,552**	$ 20,277
Add:				
Long-term incentive plan	**1,123**	401	**783**	297
Distributions - Class B LP Units	**435**	235	**871**	370
Fair value adjustment - investment properties	**1,364**	1,598	**(10,737)**	(5,224)
Fair value adjustment - Class B LP Units	**3,020**	(651)	**1,936**	(915)
Fair value adjustment - derivative financial instruments	**436**	1,085	**(329)**	946
Amortization of intangible assets	**62**	62	**123**	123
FFO (1)	**$ 8,463**	$ 7,974	**$ 17,199**	$ 15,874
Deduct:				
Straight-line rent adjustment	**$ (283)**	$ (179)	**$ (520)**	$ (338)
Maintenance capital expenditures	**(159)**	(99)	**(337)**	(213)
Stabilized leasing costs	**(1,200)**	(1,118)	**(2,391)**	(2,146)
Add:				
Long-term incentive plan	**599**	466	**765**	615
Amortization of financing costs	**399**	364	**775**	723
Accretion expense - Convertible Debentures	**96**	95	**192**	189
Debt settlement costs	**187**	137	**270**	206
AFFO (1)	**$ 8,102**	$ 7,640	**$ 15,953**	$ 14,910
Basic FFO per unit (1)(2)	**$ 0.1188**	$ 0.1307	**$ 0.2480**	$ 0.2610
Diluted FFO per unit (1)(2)	**$ 0.1178**	$ 0.1296	**$ 0.2459**	$ 0.2590
Basic AFFO per unit (1)(2)	**$ 0.1137**	$ 0.1253	**$ 0.2300**	$ 0.2452
Diluted AFFO per unit (1)(2)	**$ 0.1128**	$ 0.1242	**$ 0.2281**	$ 0.2433
Distributions declared per Unit and Class B LP Unit	**$ 0.1125**	$ 0.1125	**$ 0.2250**	$ 0.2250
AFFO Payout Ratio – Basic (1)	**98.9 %**	89.8 %	**97.8 %**	91.8 %
AFFO Payout Ratio – Diluted (1)	**99.7 %**	90.6 %	**98.6 %**	92.5 %
Basic weighted average number of units (2)(3)	**71,243,107**	60,989,393	**69,347,924**	60,813,130
Diluted weighted average number of units (2)(3)	**71,849,563**	61,522,501	**69,939,283**	61,292,594

(1) Represents a non-IFRS measure. See “Non-IFRS Measures”.
(2) FFO and AFFO per unit is calculated as FFO or AFFO, as the case may be, divided by the total of the weighted average number of basic or diluted units, as applicable, added to the weighted average number of Class B LP Units outstanding during the period.
(3) Total basic units consist of Units and Class B LP Units. Total diluted units also includes deferred trust units and restricted trust units issued under the REIT’s long-term incentive plan.

The increase in FFO for the three and six month periods ended June 30, 2026 compared to the same periods in 2025 was $489 or 6.1% and $1,325 or 8.3%, respectively. The increase for the three and six month periods ended June 30, 2026 is primarily driven by increases in contractual base rent, higher rates on renewals, and higher rental rates on new leases, offset by an increase in interest and financing costs.

AFFO was $8,102 and $15,953 for the three and six month periods ended June 30, 2026 with a corresponding AFFO Payout Ratio – Basic of 98.9% and 97.8% respectively. The increase in the AFFO Payout Ratio – Basic for the three and six month periods ended June 30, 2026 reflects the lag between the full deployment of the net proceeds of the Offering and Private Placement and the timing of the related acquisitions (see "Summary of Significant Events" section in this MD&A), as well as an increase in interest and financing costs. This is offset by increases in contractual base rent, higher rates on renewals, and higher rental rates on new leases compared to the same periods in 2025.

Distributions

The Board has full discretion with respect to the timing and extent of distributions, including the adoption, amendment or revocation of any distribution policy. In determining the amount of monthly cash distributions paid to unitholders, the Board applies discretionary judgment to forward-looking cash flow information, including forecasts and budgets. Management considers AFFO to be a meaningful measure of cash flow performance because it more clearly measures normalized and stabilized cash flow, as opposed to cash flow from operating activities calculated in accordance with IFRS, which reflects seasonal fluctuations in working capital and other items. The excess of AFFO over cash distributions represents a measure of operating cash flow retained in the business.

It is the REIT's intention to make distributions to unitholders at least equal to the amount of net income and net realized capital gains of the REIT as is necessary to ensure that the REIT will not be liable for current income taxes.

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 price of the Units for the last five trading days preceding the applicable distribution payment date. In response to the stock market volatility caused by the COVID-19 pandemic, the REIT has 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, as applicable, 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.

The distributions declared during the three and six month periods ended June 30, 2026 resulted in Nil Units being issued or issuable under the DRIP respectively.

Distributions of $0.1125 and $0.2250 per Unit and Class B LP Unit were declared during the three and six month periods ended June 30, 2026 and 2025. Distributions were paid on or about the 15th day of the month following the declaration.

The following reconciles AFFO to cash flows from operating activities reported in the condensed consolidated interim financial statements:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Cash flow provided from operating activities	**$ 10,646**	$ 6,898	**$ 20,621**	$ 14,338
Add (deduct):				
Changes in non-cash working capital	**(1,659)**	1,737	**(2,778)**	2,662
Distributions – Class B LP Units	**435**	235	**871**	370
Maintenance capital expenditures	**(159)**	(99)	**(337)**	(213)
Stabilized leasing costs	**(1,200)**	(1,118)	**(2,391)**	(2,146)
Depreciation of property and equipment	**(148)**	(150)	**(303)**	(307)
Debt settlement costs	**187**	137	**270**	206
Adjusted Funds From Operations (AFFO) (1)	**$ 8,102**	$ 7,640	**$ 15,953**	$ 14,910

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

The table below compares AFFO to total distributions paid or payable on Units and Class B LP Units:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Adjusted Funds From Operations (AFFO) (1)	**$ 8,102**	$ 7,640	**$ 15,953**	$ 14,910
Total distributions paid or payable – Units and Class B LP Units	**8,205**	7,063	**15,791**	13,884
Excess (Shortfall) of AFFO over distributions paid or payable	**$ (103)**	$ 577	**$ 162**	$ 1,026

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".

For the six month period ended June 30, 2026 and the three and six month periods ended June 30, 2025, the REIT had sufficient AFFO to cover the distributions paid or payable. For the three month period ended June 30, 2026, the REIT did not have sufficient AFFO to cover the distributions paid or payable. The REIT financed the shortfall using cash on hand and/or using the REIT's 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 use of the revolving credit facility may involve risks compared with using cash on hand as a source of funding, such as the risk that interest rates may rise in the future, which may make it more expensive for the REIT to borrow under the revolving credit facility; the risk that the revolving credit facility may not be renewed at maturity or may be renewed on unfavourable terms; and the risk associated with increasing the overall indebtedness of the REIT.

The following table compares cash flows provided from operations to total distributions paid or payable:

(CAD $ thousands)	**3 Months Ended June 30 2026**	3 Months Ended June 30 2025	**6 Months Ended June 30 2026**	6 Months Ended June 30 2025
Cash flow provided from operating activities	**$ 10,646**	$ 6,898	**$ 20,621**	$ 14,338
Net income and comprehensive income	**$ 2,023**	$ 5,244	**$ 24,552**	$ 20,277
Total distributions paid or payable – Units (1)	**$ 7,770**	$ 6,828	**$ 14,920**	$ 13,514
Excess of cash flow from operating activities over distributions paid or payable	**$ 2,876**	$ 70	**$ 5,701**	$ 824
Excess (shortfall) of net income and comprehensive income over distributions paid or payable	**$ (5,747)**	$ (1,584)	**$ 9,632**	$ 6,763

(1) This excludes distributions paid or payable on Class B LP Units given cash flows from operating activities and net income and comprehensive income have been reduced by this amount.

For the three and six month periods ended June 30, 2026, the REIT had sufficient cash flows from operating activities to cover the distributions paid or payable.

For the three month period ended June 30, 2026, distributions paid or payable exceeded net income and comprehensive income by $5,747, as a result of non-cash items such as long-term incentive plan expense, depreciation of property and equipment, amortization of intangible assets, amortization of financing costs, fair value adjustment of investment properties, fair value adjustment of Class B LP Units, and fair value adjustment of derivative financial instruments. These non-cash items are not reflective of the REIT's ability to make distributions and, as such, the REIT does not use net income and comprehensive income as a proxy for determining distributions. The REIT anticipates that at given time, net income and comprehensive income will continue to vary from total distributions paid or payable – Units, as net income and comprehensive income includes fair value adjustments and other non-cash items. The REIT financed the shortfall using cash on hand and/or using the REIT's 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 use of the revolving credit facility may involve risks compared with using cash on hand as a source of funding, such as the risk that interest rates may rise in the future, which may make it more expensive for the REIT to borrow under the revolving credit facility; the risk that the revolving credit facility may not be renewed at maturity or may be renewed on unfavourable terms; and the risk associated with increasing the overall indebtedness of the REIT.

For the six months of 2026, the REIT had sufficient net income and comprehensive income to cover distributions paid or payable.

ISSUED AND OUTSTANDING SECURITIES

The REIT is authorized to issue an unlimited number of Units and an unlimited number of special voting units (the "Special Voting Units").

Units

Each 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 unitholders have the right to require the REIT to redeem their Units on demand in accordance with the Declaration of Trust. The Units have no par value. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption 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. The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.

Total Units outstanding as of August 12, 2026 were 80,075,079.

Class B LP Units and Special Voting Units

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 issued by PRLP and holders of Class B LP Units are entitled 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. The Class B LP Units are presented as a financial liability in the statement of financial position.

Total Class B LP Units outstanding as of August 12, 2026 were 3,872,774.

Deferred Units and Restricted Units

The REIT has a long term incentive plan pursuant to which it may grant deferred units or restricted units to its trustees and senior officers and certain of its employees and consultants. Units are issued to participants in the plan upon vesting of the deferred units or restricted units, unless deferred in accordance with the terms of the plan.

Total deferred units and restricted units outstanding as of August 12, 2026 were 1,467,017 and 266,254.

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.

(CAD $ thousands)	**Measurement**	**Carrying Value June 30 2026**	**Fair Value June 30 2026**
Loans and Receivables			
Cash (a)	Amortized cost	**$ 49,074**	**$ 49,074**
Receivables and other excluding prepaid expenses, deposits and other receivables (a)	Amortized cost	**2,899**	**2,899**
		$ 51,973	**$ 51,973**
Financial Liabilities Through Profit and Loss			
Class B LP Units	Fair value (L2)	**$ 27,302**	**$ 27,302**
Long-term incentive plan	Fair value (L2)	**10,611**	**10,611**
Derivative financial instrument (b)	Fair value (L3)	**2,618**	**2,618**
Derivative financial instrument (c)	Fair value (L2)	**(697)**	**(697)**
		$ 39,834	**$ 39,834**
Other Financial Liabilities			
Accounts payable and other liabilities (a)	Amortized cost	**$ 27,504**	**$ 27,504**
Revolving credit facility (a)	Amortized cost	**(211)**	**(211)**
Non-revolving credit facility (d)	Amortized cost	**142,727**	**143,128**
Distributions payable (a)	Amortized cost	**3,148**	**3,148**
Mortgages and term loan (d)	Amortized cost	**429,136**	**425,383**
Demand loan (a)	Amortized cost	**2,750**	**2,750**
Convertible Debentures (e)	Amortized cost	**32,875**	**36,750**
		$ 637,929	**$ 638,452**

(a) Short-term financial instruments, comprising cash, accounts receivable, accounts payable and other liabilities, revolving credit facility, demand loan 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 facilities, mortgages and term loan are long-term financial instruments. The fair value of the non-revolving credit facilities, mortgages and 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 long-term 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).

Off Balance Sheet Arrangements

The REIT had no off balance sheet arrangements during the three and six month periods ended June 30, 2026.

PART V

CONTROLS AND PROCEDURES

The applicable rules of the Canadian Securities Administrators require the REIT's certifying officers, its Chief Executive Officer ("CEO") and its Chief Financial Officer ("CFO"), to establish and maintain disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in such rules. In compliance with these rules, the REIT has filed applicable certifications signed by the CEO and the CFO that, among other things, report on the design of each of DC&P and ICFR.

Disclosure Controls and Procedures

The CEO and CFO have designed, or caused to be designed under their supervision, DC&P to provide reasonable assurance that (i) material information regarding the REIT is accumulated and communicated to the REIT's management, including the CEO and CFO, in a timely manner so that appropriate decisions can be made regarding public disclosure and information, and (ii) information required to be disclosed in the REIT's annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in applicable securities legislation.

Internal Control Over Financial Reporting

In addition, the CEO and CFO have designed, or caused to be designed under their supervision, ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the REIT's accounting and reporting standards.

Changes in Internal Control over Financial Reporting

There were no changes in the REIT's ICFR in the six months of 2026 that materially affected or are reasonably likely to materially affect the REIT's ICFR.

Inherent Limitations on Effectiveness of DC&P and ICFR

It should be recognized that due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements. Additionally, management is required to use judgment in evaluating controls and procedures.

RISKS AND UNCERTAINTIES

Certain factors may have a material adverse effect on the REIT's business, financial condition and results of operations. Current and prospective investors should carefully consider the risks and uncertainties and other information contained in this MD&A, the Q2 2026 Financial Statements and the 2025 Annual Reports, particularly under the heading "Risk Factors" in the 2025 Annual Information Form, and in other filings that the REIT has made and may make in the future with applicable securities authorities, including those available under the REIT's profile on SEDAR+ at www.sedarplus.ca. The risks and uncertainties described herein and therein are not the only ones the REIT may face. Additional risks and uncertainties that the REIT is unaware of, or that the REIT currently believes are not material, may also become important factors that could adversely affect the REIT's business, financial condition and results of operations. If any of such risks actually occur, the REIT's business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, the trading price of the Units (or the value of any other securities of the REIT) could decline, and the REIT's security holders could lose part or all of their investment.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect reported assets, liabilities, revenues and expenses, gains and losses, and disclosures of contingencies. These estimates and assumptions are subject to change based on experience and new information. Critical accounting estimates are those that require management to make assumptions about matters that are highly uncertain at the time the estimate is made. Critical accounting estimates are also those estimates that, where a different estimate could have been used or where changes in the estimate that are reasonably likely to occur, would have a material impact on the REIT's financial condition, changes in financial condition or financial performance. A detailed description of the REIT's critical accounting estimates is provided in note 4 to the 2025 Annual Financial Statements, and in the Critical Accounting Estimates section of the 2025 Annual MD&A.

MATERIAL ACCOUNTING POLICY INFORMATION

Accounting standards effective in the period, future changes in accounting policies and future applicable accounting standards are presented in the REIT's annual consolidated financial statements for the year ended December 31, 2025 and the notes contained therein. Adoption of new standards effective as of January 1, 2026 are presented in the REIT's condensed consolidated interim financial statements for the three and six month periods ended June 30, 2026.

RELATED PARTY TRANSACTIONS

On June 10, 2026, the REIT completed the Private Placement. The Private Placement with Parkit Enterprise Inc. is a related party transaction under IFRS, as Steven Scott is a trustee of the REIT and a director and the Chair of Parkit Enterprise Inc. 769,231 Units were issued to Parkit Enterprise Inc. at the Offering Price under the Private Placement, and Parkit Enterprise Inc. received a capital commitment fee equal to 2% of the gross proceeds under its portion of the Private Placement. See "Summary of Significant Events".

SUMMARY OF QUARTERLY RESULTS

(CAD $ thousands except unit, per unit amounts and unless otherwise stated)	**3 Months Ended Jun 30 2026**	3 Months Ended Mar 31 2026	3 Months Ended Dec 31 2025	3 Months Ended Sep 30 2025	3 Months Ended Jun 30 2025	3 Months Ended Mar 31 2025	3 Months Ended Dec 31 2024	3 Months Ended Sep 30 2024
Property revenue	**$ 26,953**	$ 26,896	$ 26,230	$ 27,102	$ 25,032	$ 25,737	$ 24,883	$ 24,033
Property operating expenses	**10,503**	10,815	10,171	10,044	9,588	10,867	10,230	9,771
Net operating income ("NOI")	**16,450**	16,081	16,059	17,058	15,444	14,870	14,653	14,262
General and administrative expenses	**1,336**	1,398	1,479	1,296	1,371	1,293	1,408	1,284
Long-term incentive plan expense	**1,722**	(174)	1,909	1,181	867	45	(14)	1,620
Depreciation of property and equipment	**148**	155	139	147	150	157	82	192
Amortization of intangible assets	**62**	61	61	61	62	61	61	61
Interest and financing costs	**6,137**	5,891	6,255	6,693	5,847	5,750	5,826	5,706
Distributions – Class B LP Units	**435**	436	436	435	235	135	134	135
Fair value adjustment – Class B LP Units	**3,020**	(1,084)	2,904	504	(651)	(264)	(742)	1,257
Fair value adjustment – investment properties	**1,364**	(12,101)	663	(6,733)	1,598	(6,822)	6,665	(12)
Fair value adjustment - derivative financial instruments	**436**	(765)	483	309	1,085	(139)	(509)	685
Other income	**(1,156)**	(1,019)	(1,115)	(980)	(1,159)	(917)	(1,123)	(1,183)
Other expenses	**736**	671	602	480	658	469	654	700
Debt settlement costs	**187**	83	81	756	137	69	332	488
Net income and comprehensive income	**$ 2,023**	$ 22,529	$ 2,162	$ 12,909	$ 5,244	$ 15,033	$ 1,879	$ 3,329
Adjusted Debt to Gross Book Value [1]	**47.4 %**	47.8 %	48.8 %	49.1 %	50.7 %	49.5 %	50.3 %	50.2 %
Total Unitholders' equity	**$ 608,762**	$ 512,234	$ 496,892	$ 499,716	$ 493,934	$ 472,994	$ 464,647	$ 469,455
NAV per Unit [1]	**$ 7.58**	$ 7.96	$ 7.74	$ 7.78	$ 7.69	$ 7.90	$ 7.77	$ 7.86
Total assets	**$1,286,525**	$1,090,800	$1,076,937	$1,083,723	$1,110,963	$1,005,147	$ 997,762	$1,003,747
Total debt	**$ 609,198**	$ 521,252	$ 525,014	$ 531,143	$ 562,426	$ 495,048	$ 498,571	$ 501,064
Net income and comprehensive income per Unit - Basic [2][3]	**$ 0.0284**	$ 0.3341	$ 0.0322	$ 0.1924	$ 0.0860	$ 0.2479	$ 0.0310	$ 0.0549
Net income and comprehensive income per Unit - Diluted [2][3]	**$ 0.0282**	$ 0.3313	$ 0.0319	$ 0.1904	$ 0.0852	$ 0.2462	$ 0.0307	$ 0.0543
FFO [1]	**$ 8,463**	$ 8,736	$ 7,793	$ 7,957	$ 7,974	$ 7,900	$ 6,819	$ 6,513
AFFO [1]	**$ 8,102**	$ 7,851	$ 7,612	$ 8,281	$ 7,640	$ 7,270	$ 7,098	$ 6,979
Basic FFO per unit [1][4]	**$ 0.1188**	$ 0.1296	$ 0.1161	$ 0.1186	$ 0.1307	$ 0.1303	$ 0.1125	$ 0.1074
Diluted FFO per unit [1][4]	**$ 0.1178**	$ 0.1285	$ 0.1148	$ 0.1174	$ 0.1296	$ 0.1294	$ 0.1113	$ 0.1063
Basic AFFO per unit [1][4]	**$ 0.1137**	$ 0.1164	$ 0.1134	$ 0.1234	$ 0.1253	$ 0.1199	$ 0.1171	$ 0.1151
Diluted AFFO per unit [1][4]	**$ 0.1128**	$ 0.1155	$ 0.1122	$ 0.1221	$ 0.1242	$ 0.1191	$ 0.1159	$ 0.1139
AFFO Payout Ratio – Basic [1][2]	**98.9 %**	96.6 %	99.1 %	91.1 %	89.8 %	93.8 %	96.1 %	97.7 %
AFFO Payout Ratio – Diluted [1][2]	**99.7 %**	97.4 %	100.3 %	92.1 %	90.6 %	94.5 %	97.1 %	98.8 %
Basic weighted average number of units[2]	**71,243,107**	67,431,683	67,142,798	67,086,522	60,989,393	60,634,909	60,634,909	60,634,909
Diluted weighted average number of units[2]	**71,849,563**	67,993,771	67,864,045	67,801,948	61,522,501	61,060,134	61,251,790	61,260,167
Number of commercial properties	**122**	104	105	106	118	112	115	116
GLA (square feet)	**7,198,599**	6,369,886	6,400,587	6,432,560	6,708,113	6,031,303	6,117,737	6,129,954
Occupancy rate [5]	**95.0 %**	96.0 %	95.4 %	95.5 %	97.8 %	97.7 %	97.8 %	97.2 %
Weighted average lease term to maturity	**4.3**	4.3	4.3	4.4	4.5	4.5	3.8	3.7

(1) Represents a non-IFRS measure. See “Non-IFRS Measures”.
(2) Total basic units consist of Units and Class B LP Units. Total diluted units also include deferred trust units and restricted trust units issued under the REIT's long-term incentive plan.
(3) Net income (loss) and comprehensive income (loss) per unit is calculated as net income (loss) and comprehensive income (loss), divided by the total of the weighted average number of basic or diluted Units, as applicable, added to the weighted average number of Class B LP Units outstanding during the period.
(4) FFO and AFFO per unit is calculated as FFO or AFFO, as the case may be, divided by the total of the weighted average number of basic or diluted Units, as applicable, added to the weighted average number of Class B LP Units outstanding during the period.
(5) Occupancy rate includes lease contracts for future occupancy of currently vacant space and, as applicable, excludes properties under redevelopment and held for sale. Management believes the inclusion of this committed space provides a more balanced reporting.

The following table presents the calculation of Gross Book Value and Adjusted Debt to Gross Book Value [(1)]:

(CAD $ thousands except unit, per unit amounts and unless otherwise stated)	**3 Months Ended Jun 30 2026**	3 Months Ended Mar 31 2026	3 Months Ended Dec 31 2025	3 Months Ended Sep 30 2025	3 Months Ended Jun 30 2025	3 Months Ended Mar 31 2025	3 Months Ended Dec 31 2024	3 Months Ended Sep 30 2024
Total assets, including investment properties stated at fair value	**$ 1,286,525**	$ 1,090,800	$ 1,076,937	$ 1,083,723	$ 1,110,963	$ 1,005,147	$ 997,762	$ 1,003,747
Accumulated depreciation on property and equipment and intangible assets	**4,581**	4,396	4,178	4,649	4,441	4,230	4,011	3,867
Gross Book Value [(1)]	**$ 1,291,106**	$ 1,095,196	$ 1,081,115	$ 1,088,372	$ 1,115,404	$ 1,009,377	$ 1,001,773	$ 1,007,614
Debt (non-current and current portion)	**609,198**	521,252	525,014	531,143	562,426	495,048	498,571	501,064
Unamortized financing costs	**4,048**	3,060	3,431	3,779	3,917	3,777	4,030	4,369
Cumulative accretion expense - Convertible Debentures [(2)]	**(1,163)**	(1,067)	(971)	(876)	(781)	(687)	(592)	(498)
Cumulative fair value adjustment - derivative financial instruments [(3)]	**18**	454	(312)	171	480	1,565	1,426	917
Adjusted Debt [(1)]	**$ 612,101**	**$ 523,699**	**$ 527,162**	**$ 534,217**	**$ 566,042**	**$ 499,703**	**$ 503,435**	**$ 505,852**
Adjusted Debt to Gross Book Value [(1)]	**47.4 %**	47.8 %	48.8 %	49.1 %	50.7 %	49.5 %	50.3 %	50.2 %

(1) Represents a non-IFRS measure. See "Non-IFRS Measures”.
(2) Represents the cumulative amounts since issuance of the Convertible Debentures on May 26, 2023.
(3) Represents the cumulative amounts since issuance of the Convertible Debentures on May 26, 2023 and the interest rate swap on June 26, 2025.

The following table presents the calculation of NAV[(1)] and NAV per Unit[(1)]:

(CAD $ thousands except unit, per unit amounts and unless otherwise stated)	**3 Months Ended Jun 30 2026**	3 Months Ended Mar 31 2026	3 Months Ended Dec 31 2025	3 Months Ended Sep 30 2025	3 Months Ended Jun 30 2025	3 Months Ended Mar 31 2025	3 Months Ended Dec 31 2024	3 Months Ended Sep 30 2024
Total unitholders' equity per condensed consolidated interim financial statements	**$ 608,762**	$ 512,234	$ 496,892	$ 499,716	$ 493,934	$ 472,994	$ 464,647	$ 469,455
Adjustment for Class B LP Units	**27,302**	24,282	25,366	22,462	21,958	6,024	6,288	7,030
Net Asset Value (NAV) [(1)]	**$ 636,064**	$ 536,516	$ 522,258	$ 522,178	$ 515,892	$ 479,018	$ 470,935	$ 476,485
Total outstanding Units and Class B LP Units	**83,947,853**	67,431,683	67,431,683	67,086,522	67,086,522	60,634,909	60,634,909	60,634,909
NAV per Unit [(1)]	**$ 7.58**	$ 7.96	$ 7.74	$ 7.78	$ 7.69	$ 7.90	$ 7.77	$ 7.86

(1) Represents a non-IFRS measure. See "Non-IFRS Measures”.

The following table reconciles FFO [(1)] and AFFO [(1)] to net income (loss) and comprehensive income (loss):

(CAD $ thousands except unit, per unit amounts and unless otherwise stated)	**3 Months Ended Jun 30 2026**	3 Months Ended Mar 31 2026	3 Months Ended Dec 31 2025	3 Months Ended Sep 30 2025	3 Months Ended Jun 30 2025	3 Months Ended Mar 31 2025	3 Months Ended Dec 31 2024	3 Months Ended Sep 30 2024
Net income and comprehensive income	**$ 2,023**	$ 22,529	$ 2,162	$ 12,909	$ 5,244	$ 15,033	$ 1,879	$ 3,329
Add:								
Long-term incentive plan	**1,123**	(340)	1,084	472	401	(104)	(669)	1,058
Distributions - Class B LP Units	**435**	436	436	435	235	135	134	135
Fair value adjustment – investment properties	**1,364**	(12,101)	663	(6,733)	1,598	(6,822)	6,665	(12)
Fair value adjustment - Class B LP Units	**3,020**	(1,084)	2,904	504	(651)	(264)	(742)	1,257
Fair value adjustment - derivative financial instruments	**436**	(765)	483	309	1,085	(139)	(509)	685
Amortization of intangible assets	**62**	61	61	61	62	61	61	61
FFO [(1)]	**$ 8,463**	$ 8,736	$ 7,793	$ 7,957	$ 7,974	$ 7,900	$ 6,819	$ 6,513
Deduct:								
Straight-line rent adjustment	**$ (283)**	$ (237)	$ (307)	$ (434)	$ (179)	$ (159)	$ (139)	$ (84)
Maintenance capital expenditures	**(159)**	(178)	(72)	(114)	(99)	(114)	(87)	(80)
Stabilized leasing costs	**(1,200)**	(1,191)	(1,203)	(1,184)	(1,118)	(1,028)	(922)	(869)
Add:								
Long-term incentive plan	**599**	166	825	709	466	149	655	562
Amortization of financing costs	**399**	376	400	496	364	359	346	355
Accretion expense - Convertible Debentures	**96**	96	95	95	95	94	94	94
Debt settlement costs	**187**	83	81	756	137	69	332	488
AFFO [(1)]	**$ 8,102**	$ 7,851	$ 7,612	$ 8,281	$ 7,640	$ 7,270	$ 7,098	$ 6,979

(1) Represents a non-IFRS measure. See "Non-IFRS Measures".