

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

FIERA FP REAL ESTATE FINANCING FUND, L.P.

Applicant

– and –

**CHANCERY (OSHAWA) THE BARTLETT LIMITED PARTNERSHIP
and CHANCERY (OSHAWA) THE BARTLETT GP INC.**

Respondents

*IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION
101 OF THE COURTS OF JUSTICE ACT R.S.O. 1990, c. C.43, AS AMENDED*

AFFIDAVIT OF JESSICA ZHANG

I, JINGJIE (JESSICA) ZHANG, of the City of Oakville, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:

1. I am a director of Chancery (Oshawa) The Bartlett GP Inc. (the “General Partner”), the general partner of Chancery (Oshawa) The Bartlett Limited Partnership (together, “Chancery”). As such, I have personal knowledge of the matters herein.
2. I make this affidavit in opposition to the motion brought by KSV Restructuring Inc. in its capacity as Court-appointed Receiver (the “Receiver”), returnable April 15, 2026, for a Distribution and Discharge Order that would, among other things, authorize and direct the Receiver to distribute the available proceeds of the receivership to Fiera FP Real Estate

Financing Fund, L.P. (“Fiera”) up to the full amount of Fiera’s indebtedness, and thereafter discharge the Receiver (the “Motion”).

3. Chancery respectfully requests that, prior to approving any distribution to Fiera, the Court reviews the fairness and reasonableness of the interest that has accrued on Fiera’s indebtedness over the course of the receivership proceedings, and determine whether any adjustment is appropriate in order to ensure fairness to unsecured stakeholders, including 33 unsecured investors who stand to lose 100% of their investments.
4. Chancery respectfully requests that the Court consider reducing the interest rate Fiera charged on its loan to Chancery to 5% or a figure that the Court deems reasonable commencing April 2023, which was the date that the loan matured, and a date around which the Bartlett would have been a stabilized asset. Based on a 5% interest rate, the total amount owing to Fiera under the Fiera Loan (defined below) would be \$54.6 million as opposed to \$62.7 million as outlined in the Fourth Report of the Receiver dated March 3, 2026 and the Supplement to the Fourth Report of the Receiver dated April, 2026 (together, the “Fourth Report”).
5. Chancery further requests that the Court find that Fiera is not owed more than the suggested \$54.6 or such amount that the Court may find reasonable in the circumstances, up to the total amount that may be disbursed under these proceedings.

The Fiera Loan

6. On February 11, 2022 Chancery executed an Amended and Restated Commitment Letter with Fiera which amended and restated the terms of a Commitment Letter dated November 25, 2020, and amendments dated December 8, 2020, December 9, 2020 and January 10, 2022, attached hereto as Exhibit “A” (the “Fiera Loan”).

7. The Fiera Loan was a “1st Position Stabilizing Loan” in the principal amount of \$53,250,000. The Fiera Loan was used for the stabilization of a 129 unit apartment building with approximately 11,000 square feet of retail space at 550 Bond Street West, Oshawa, Ontario (the “Bartlett”).
8. The Fiera Loan was to bear interest at the prime rate of the National Bank of Canada in effect from time to time, plus the “Spread Over Prime”, adjusted on a daily basis. The Spread Over Prime would be 4.95% initially and reduce to 3.95% in 0.25% increments, determined by an Occupancy Threshold and Gross Revenue of Leased and Occupied Suited Threshold. Attached hereto as Exhibit “B” is a spreadsheet created by Chancery indicating the amounts that were paid to Fiera during the receivership, indicating how high the interest rate was every month. The average interest rate charged by Fiera from April 10, 2023 to March 10, 2026 was 10.03%.
9. The Fiera Loan was extended by way of a Loan Extension Offer dated December 29, 2022, attached hereto as Exhibit “C”, to March 31, 2023, at which point the loan matured. The Fiera Loan was not extended for an additional term by Chancery.

Receivership

10. On July 20, 2023, KSV Restructuring Inc. (“KSV”) was appointed Receiver over the Bartlett pursuant to an Order of the Honourable Justice Kimmel, empowering and authorizing the Receiver to, among other things, manage, operate and carry on the business of Chancery, including entering into any agreements and incurring any obligations in the ordinary course of business.
11. Chancery is of the position that given the fact that the Fiera Loan matured on March 31, 2023, and the Bartlett had already achieved stabilization by July/August 2023 when the Receiver was

put in control of the Bartlett, the Fiera Loan should have been renegotiated on a term loan basis, with a much lower interest rate to accurately reflect the risk that a lender was taking on by financing a project at this point in its development. Stabilization is normally achieved at 93% occupancy for retirement homes, and 95% occupancy in apartment buildings. A rent roll indicating that stabilization had been achieved by the Bartlett in July/August 2023 is attached hereto as Exhibit “D”, indicating an occupancy rate of 97%.

Adjusting the Fiera Interest Rate

12. Based on Chancery’s calculations, if using April 2023 as the starting date, being the maturity date of the loan, and a 5% interest rate, then the interest owed to Fiera would be closer to \$7.9 million rather than \$15.8 million. If the Court were to take the \$53.3 million principal amount that is owed to the Applicant, added the \$7.9 million in interest, and subtracted the \$6.6 million in interest that the Fourth Report notes has already been paid to the Applicant, the amount owing to the Applicant would be around \$54.6 million rather than \$62.7 million.
13. The Fourth Report notes that the Receiver is holding just over \$57 million in its account in connection with this matter. Subtracting estimated holdbacks in the amount of \$517,000, it is possible that if the Court found that Fiera was owed the lower amount of \$54.6 million, then approximately \$1.8 million would be left for distribution to unsecured interest holders.
14. For the purposes of supporting its position that the interest owed to Fiera should be lowered to 5%, Chancery has procured several term loan commitment letters or examples indicating that such an interest rate would be fair to apply to the accounting of Fiera’s interest in this matter:
 - a. Attached hereto as Exhibit “E” is a Letter of Interest provided to Chancery Seniors Housing Investments Inc. and Suske Capital Inc. in connection with financing for the

Bartlett dated December 30, 2024, indicating an interest rate equal to the sum of 50 basis points plus hedge costs over the bid yield of the 10-year Canada Mortgage Bond. As of December 30, 2024 this rate was 4.11%, meaning an interest rate of around 4.61%.

- b. Attached hereto as Exhibit “F” is the Chartwell MD&A for the Year End December 31, 2025. At the bottom of page 3 it outlines its average interest rates: 3.92% in 2025; 4.3% in 2024; and 3.84% in 2023.
- c. Attached hereto as Exhibit “G” is Minto Apartment REIT’s MD&A for the years ended December 31, 2025 and 2024. It outlines its weighted average interest rate on variable-rate debt on page 15, being 4.36% in 2025 and 5.42% in 2024.
- d. Chancery is in possession of a commitment letter for an unrelated project dated April 3, 2024 indicating a maximum interest rate of 4.25% for a 10 year loan. This commitment letter is however subject to confidentiality and may not be disclosed without the lender’s prior written consent which Chancery has not been able to obtain on this short basis.
- e. Chancery is in possession of a commitment letter for a second unrelated project dated April 3, 2024 indicating a maximum interest rate of 4.25% for a 10 year loan. This commitment letter is however subject to confidentiality and may not be disclosed without the lender’s prior written consent which Chancery has not been able to obtain on this short basis.

- f. Chancery is aware of a commitment letter for a third unrelated project that received a 4.6% interest rate for a 10 year term that commenced October 2023 for a loan in the amount of \$63,000,000.

Unsecured investors

15. Chancery has had \$5,019,000 invested in the Bartlett by investors. \$3,500,000 has been invested by way of preferred partnership units – these are unsecured and are not guaranteed by Chancery or any other parties. The other \$1,519,000 was invested by way of promissory notes that are backed by guarantees provided by third parties and not Chancery. There are currently a total of 33 investors that have an interest in the Bartlett. The preferred unitholders and their investments are outlined in Exhibit “H”.
16. When it became clear that the selling price of the Bartlett under this receivership proceeding would not be sufficiently high enough to pay Fiera and unsecured investors in full, Chancery served and filed a letter to the Court dated March 30, 2026, which was attached as Exhibit “A” to the Affidavit of Jessica Zhang dated April 10, 2026, attached hereto as Exhibit “I”. This letter requested that the Court consider finding that the \$62.7 million that the Fourth Report notes as being owed to Fiera exceeds what may be reasonable in this case. 17 investors signed this letter along with myself and Stephen Suske.
17. It has since come to Chancery’s attention that there may be other unsecured creditors that may have an interest in the Bartlett, and may benefit from lowering the interest rate owed to Fiera after the Bartlett reached stabilization and the Fiera Loan matured.

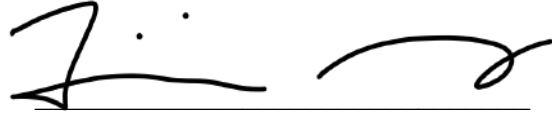
18. I make this affidavit in good faith and for no improper purpose.

SWORN before me by videoconference
by Jessica Zhang at the City of Toronto, in the
Province of Ontario on the 14th day of April 2026,
in accordance with Or. Reg. 431/20, Administering
Oath or Declaration Remotely.

Pamela Heard

Commissioner for Taking Affidavits

LSO #73998V

A handwritten signature in black ink, appearing to read 'J. Zhang', written over a horizontal line.

JESSICA ZHANG

THIS IS EXHIBIT "A" REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

COMMITMENT LETTER CONSTRUCTION FINANCING

February 11th, 2022

File No. 00001192 -C/ Loan No. 100908

Chancery (Oshawa) The Bartlett Limited Partnership
C/O Stephen A. Suske, Jessica Zhang and Josh Skaist
2275 Upper Middle Road East, Suite 400
Oakville, ON
L6H 0C3

ATTENTION OF: Mr. Stephen A. Suske, Ms. Jessica Zhang and Mr. Josh Skaist:

FIERA FP REAL ESTATE FINANCING FUND, L.P. is pleased to confirm financing for your project described below, on an amended and restated basis, the whole subject on the terms and conditions contained herein, including those contained in Schedule A and B. Please note that the information transmitted in this document is confidential and may not be disclosed to anyone without the consent of **FIERA FP REAL ESTATE FINANCING FUND, L.P.**

This Amended and Restated Commitment Letter amends and restates without novation the terms of the Commitment Letter dated November 25, 2020 and amendments dated December 8, 2020, December 9, 2020 and January 10, 2022. All references to the Commitment Letter or similar references to the Original Commitment Letter in any of the other loan documents, including but not limited to Security related documentation, shall, from and after the date hereof, be deemed to refer to this Amended and Restated Commitment Letter, as it may be amended, supplemented, restated, replaced or otherwise modified from time to time, without any requirement to amend such loan documents. All indebtedness, liabilities and obligations of the Borrower and each Guarantor under the Original Commitment Letter shall continue as obligations under this Amended and Restated Commitment Letter, and this Amended and Restated Commitment Letter shall not evidence or result in a novation of such indebtedness, liabilities or obligations. Without limiting the foregoing, all amounts outstanding under the Loans under the Original Commitment Letter as of the date of this Amended and Restated Commitment Letter shall be deemed to be outstanding as Loans under, and subject to the terms of, this Amended and Restated Commitment Letter.

BORROWER: Chancery (Oshawa) The Bartlett Limited Partnership
(hereinafter referred to as the "Borrower")

GUARANTOR(S): Guarantees in the full amount of the loan from: Suske Capital Inc., Chancery Seniors Housing Investments Inc., Chancery (Oshawa) The Bartlett GP Inc., Hillspport Developments Inc. (collectively, the "Corporate Guarantor"), Mr. Stephen A. Suske and a Limited Guarantee from Ms. Jessica Zhang for \$2,000,000 (hereinafter referred to, together with the Corporate Guarantor, as the "Guarantor")

LENDER: **FIERA FP REAL ESTATE FINANCING FUND, L.P.**
200 Bay Street, Suite 3800, South Tower
Toronto, Ontario, Canada M5J 2J1
(hereinafter referred to as the "Lender")

AMOUNT OF LOAN: 1st Position Stabilizing Loan of \$53,250,000 (hereinafter referred to as the "Loan").
The Loan is inclusive of a \$3,185,000 interest reserve. Loan for the stabilization of a 129-

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unit apartment building with approx 11,000 square feet of retail, on a 2.38 acres site at 550 Bond Street West, Oshawa, ON. (hereinafter referred to as the "Project")

1. INTEREST RATE

The Loan shall bear interest at the prime rate of the National Bank of Canada in effect from time to time, plus the Spread Over Prime (as defined below) adjusted on a daily basis. As an example, the prime rate of the National Bank of Canada on this day is 2.45%. Any change in the prime rate shall necessarily entail a change in the interest rate. The Borrower shall pay on a monthly basis the interest calculated daily and not in advance, based on a 365-day year, on the outstanding amount of the Loan, and shall pay the unpaid interest that is owing until the outstanding amount of the Loan is repaid in full. In the case of a leap year, daily interest will still be calculated on a 365-day basis.

The Lender shall give a written notice on the tenth (10th) day of each month, or on the next working day if the Lender's offices are closed, indicating the amount of interest that will be deducted from the new interest reserve (\$3 185,000) until depleted or, once the interest reserve is depleted, from Borrower's banking operations account. The monthly interest payments shall be deducted every month from the Borrower's bank account, pursuant to article 7 below, five (5) working days following the said written notice.

Spread Over Prime

The Spread Over Prime to be 4.95% initially and reduce to 3.95% in 0.25% increments according to the Spread Over Prime Exhibit at right, as follows:

- Spread Over Prime is equal to the Spread at the Occupancy Threshold of the same row, when Current Occupancy is equal to or greater than the Occupancy Threshold where;
- Current Occupancy is equal to Gross Rental Revenue of Leased and Occupied Suites divided by Total Potential Residential Revenue where;

Occupancy Threshold	Gross Revenue of Leased and Occupied Suites Threshold	Spread
0.00%	\$0	4.95%
50.00%	\$2,097,600	4.70%
60.00%	\$2,517,120	4.45%
70.00%	\$2,936,640	4.20%
80.00%	\$3,356,160	3.95%

- Total Potential Residential Revenue is \$4,195,200 (per Borrower budget) and where;
- Gross Rental Revenue of Leased and Occupied Suites to be determined based on the submission by the Borrower to the Lender of a leasing package (the "Leasing Package") that includes:
 - a) A detailed rentroll that includes unit number, number of bedrooms, tenant name, move-in date of the tenant, and the leased rental rate of all leased suites
 - b) The bona fide signed leases of all tenants, all tenants must be arms length
 - c) Evidence that first and last months rents had been paid by the tenants for all leases, cancelled checks and/or account statement acceptable to Fiera as evidence.

Gross Rental Revenue of Leased and Occupied Suites is equal to the sum of the monthly leased rent, multiplied by 12, for all suites recorded on (a) above which also satisfy (b) and (c), above. Gross Rental Revenue of Leased and Occupied Suites excludes underground parking and any other commercial revenues.

For example, the latest rent roll dated February 9th, 2022 shows 63 leased suites with total monthly rental revenue of \$173,750, multiplied by 12, this gives current Gross Rental Revenue of Leased and Occupied Suites of \$2,085,000 (subject to verification based on receipt of a Leasing Package)

Based on the foregoing, Occupancy would be \$2,085,000 divided by \$4,195,200 or 49.69%, giving a Spread of 4.95% based on the Spread Over Prime Exhibit above. Current Gross Rental Revenue of Leased and Occupied Suites to be determined based on Receipt of Leasing Package.

Upon Receipt of a Leasing Package, Lender will adjust the interest rate within 5 business days of receipt, should the above criteria be met to the satisfaction of Fiera.

2. DATE OF CLOSING

The initial disbursement of the Loan shall be made on or before March 31st, 2022. If not, the Lender's commitment to disburse the loan shall become, at the Lender's discretion, null and void. If the Borrower decides not to proceed with funding, then the Commitment Fees will be owing to Fiera Private Debt Inc. as damages.

3. TERM

The Loan shall be for a Term ending December 10th, 2022.

4. PREPAYMENT

Prepayment permitted after September 10th 2022 with 60 days prior written notice, acceptable to Fiera, with no prepayment penalty.

5. REIMBURSEMENT AND DISCHARGE

The Lender shall sign a release at the time of the sale or refinance of the Project, provided that:

- 5.1 The Borrower is not in default of his undertakings, which are mentioned in the commitment letter or in the Securities as described hereafter;
- 5.2 The Lender obtains at the moment of signing at the Lender's legal council's office, the repayment of a sum equal to the outstanding Loan amount and any applicable fees.

6. COMMITMENT FEES

The Borrower shall pay to Fiera Private Debt Inc a non-refundable Commitment Fee of \$411,500 plus HST for a total of \$464,995.

7. PRE-AUTHORISED DEBIT

The repayment of any sum relating to the Loan may be made, at the Lender's discretion, by direct debit from the Borrower's bank account. The Lender may debit the Borrower's bank account for the amount owed pursuant to the commitment letter, including principal, interest, costs, commissions, fees or disbursements. Any amount debited in excess of the sums available in this account shall constitute advances bearing interest at the applicable rate, pursuant to the commitment letter. The Borrower agrees to sign any document reasonably required and to provide the Lender with any information, documentation or account number reasonably required to implement direct debit from the Borrower's bank account.

8. LEGAL AND PROFESSIONAL FEES

The Borrower shall pay the reasonable fees and any costs arising from the Loan and, in general, all of Lender's legal counsel reasonable fees, the cost of insurance experts, if applicable, of title insurance, of land surveyors, appraisers, and of other professionals mandated by the Lender, pursuant to the presents, in order to evaluate the Property, as defined hereinafter, and submit a report to the Lender. The Lender shall be authorized to retain from the proceeds of the Loan a sufficient sum to pay these costs.

9. PROJECT'S COSTS/SOURCES OF FINANCING

Based on the Borrower's representations, the Lender estimates that the source of financing and their uses are as follows:

Sources of Funds		Uses of Funds			
Equity	\$ 10,198,424	15.9%	Costs to date ¹	\$ 56,581,581	89.4%
Fiera Senior Loan	\$ 53,250,000	84.1%	Interest Cost to Complete ¹	\$ 536,145	0.8%
			Other Cost to Complete ²	\$ 148,424	0.2%
			HST ³	\$ 2,464,774	3.9%
			New Interest Reserve	\$ 3,185,000	5.0%
			Financing Fees	\$ 532,500	0.8%
Total Sources	\$ 63,448,424	100.0%	Total Uses	\$ 63,448,424	100.0%

1. Per DRAFT CB Ross QS Report Dated January 6th, 2022 ref no. 18014

2. Cost to Complete excluding Interest and HST per DRAFT CB Ross QS Report Dated January 6th, 2022 ref no. 18014

3. \$1,628,850 per DRAFT CB Ross QS Report Dated January 6th, 2022 ref no. 18014 plus \$835,924 additional contingency

The final CB Ross QS Report ref no. 18014 to be received shall not differ in any material way from the draft presented previously. Where applicable, any reduction in the budget may result in a reduction of the amount of the Loan, at the Lender's discretion. Any increase in the budget must be compensated by an additional equity injection by the Borrower.

Receipt of final QS Report to be accompanied with letter confirming that construction of the Project is completed to the satisfaction of Fiera. (Received and acceptable)

10. BORROWER'S EQUITY

The Borrower must demonstrate to the Lender on or prior to the first advance that it has invested a minimum of **\$10,198,424** of equity into the Project. It is understood that the value of the land, Unsecured Notes, Preferred Units, Class A Subordinated Preferred Units and Class B Subordinated Preferred Units may be included in the equity calculation.

Furthermore, the Borrower agrees to maintain the total amount of Borrower's Equity in the Project and will not make any repayments of Borrower's Equity without the Lender's consent.

11. CONDITIONS PRIOR TO FIRST ADVANCE

The Lender shall not be required to make the first advance until the conditions precedent mentioned in Schedule A items 1 to 20 have been satisfied.

12. AVAILABILITY OF FUNDS

Subject to the conditions stipulated in this commitment letter, the funds shall be available by progressive advances, on a cost-to-complete basis, excluding HST, as administered by the Lender. If at any time prior to or following any advance the Lender, in its discretion, is not satisfied that the non-disbursed portion of the Loan will be insufficient to complete the work according to the plans and specifications of the project, the Borrower shall, upon request, inject additional equity to ensure that the non-disbursed portion of the loan is sufficient to complete the Project.

The Additional Disbursement to be funded to the Borrower once the Conditions Precedent in Schedule A have been satisfied.

The Additional Disbursement to be equal to amounts available after required holdbacks by the Lender less: Lawyer fees; title and other insurance fees; any other costs associated with the loan restructuring; and HST payable on the Commitment Fees.

HST Self Assessment and deferred development charges will be paid EITHER to the borrower upon proof of payment OR paid directly to the payee.

Any or all other costs associated with the construction or operation of the building will be paid by the Borrower.

Any available excessive operation surplus generated by the Borrower, after satisfying the Lender's interest reserve requirements, can be used to repay the Borrower's equity portion upon receiving consent from the Lender.

13. SECURITY

Any advance made by the Lender shall be secured by the following security (hereinafter referred to as the "Security"):

- 13.1 A 1st position mortgage in favour of the Lender in the amount of **\$55,000,000** registered against the Project, as well as the rents and revenues, present and future, produced by this or these Property(s) (the "Rents") and the insurance proceeds or indemnities payable pursuant to any insurance contract covering the Rents (hereinafter collectively referred to as the "Property");
- 13.2 A first-ranking general security agreement in favour of the Lender.
- 13.3 Corporate Guarantees in the full amount of the loan from the following: Suske Capital Inc., Chancery Seniors Housing Investments Inc., Chancery (Oshawa) The Bartlett GP Inc. and Hillspport Developments Inc..
- 13.4 Personal guarantees in the full amount of the loan from Mr. Stephen A. Suske and limited personal guarantee from Ms. Jessica Zhang in the amount of \$2,000,000;
- 13.5 Assignment of Rents and Leases for all leases and rents, income, profits and any recoverable amount arising from or in connection with the Property;
- 13.6 The Lender will obtain a title insurance policy in its favour and at the Borrower's expense with Chicago Title Insurance Company Canada.
- 13.7 Evidence of Comprehensive General Liability Insurance (including fire protection) with FIERA FP REAL ESTATE FINANCING FUND, L.P. listed as Payee;
- 13.8 Assignment of Insurance proceeds for all insurance requirements in form satisfactory to the Lender with the Lender to be named loss payee and/or additional insured as first mortgagee where applicable. All insurance policies, including without limitation any renewals/ amendments of policies throughout the term of loan, must be approved by the Lender's insurance consultants at the Borrower's cost;
- 13.9 Postponement in favour of the Lender of shareholder loans by all shareholders of the Borrower who are not also guarantors of the Loan;
- 13.10 A first-ranking assignment of all the construction and service contracts relating to the Project, including agreements with subcontractors and suppliers of materials as well as all of the plans and specifications for the project.
- 13.11 A joint and several environmental indemnity agreement of the Borrower and the Guarantors.
- 13.12 A joint and several cost overrun and completion guarantee of the Borrower and the Guarantors.
- 13.13 Jessica Zhang shall provide principal, cost overruns, completion and environmental guarantee limited to \$2,000,000.
- 13.14 Any other security which the Lender may reasonably require.

14. UNDERTAKINGS

- 14.1 The Borrower shall complete the Project on or before **June 30th, 2022** [was completed in August 2021], except in case of force majeure. The Borrower shall complete the construction of the Project strictly in accordance with the plans and specifications approved by the Lender and shall not abandon the Project after commencement of the work;
- 14.2 The Borrower shall maintain the Project properly insured against any loss, all according to the rules in Schedule B;
- 14.3 The Borrower and the Guarantors (subject to the \$2,000,000 limitation on the guarantee made by Jessica Zhang) jointly and severally agree to provide and inject all sums of money that may be required to pay any cost overruns when the contingency reserve for unforeseen events, if any, is insufficient; [was completed in August 2021]
- 14.4 The Borrower shall maintain the Project in good condition and pay promptly all taxes, electricity and natural gas invoices, or any other public utility invoice, and any federal, provincial, municipal or school levies, whether general or special, which may at any time affect or encumber the Property in priority to the rights of the Lender, and to provide annually to the Lender receipts confirming the full payment thereof, without subrogation in favour of any third party;
- 14.5 The Borrower shall inform the Lender of any change in the Project which could lead to additional costs. Any change in the plans and specifications that, in the aggregate, increase the construction costs by more than \$100,000 shall require the Lender's prior written consent; [was completed in August 2021]
- 14.6 The Borrower, the Guarantor and all contractors shall obtain and maintain in good standing all requirements of applicable laws and accreditations expected in respect of projects similar in kind including, without limitation, all enrollments necessary pursuant to the TARION warranty program and WSIB insurance; [was completed in August 2021]
- 14.7 The Borrower authorizes the Lender and Fiera Private Debt Inc, to install signage on strategic areas of the Project site, to use images and the logo of the Project as well as the official logo of the Borrower on the corporate website of the Lender, its marketing campaigns, social media and for any publicity;
- 14.8 The Borrower and the Guarantor shall provide the Lender with their latest financial statements, which must be acceptable to the Lender, acting reasonably, within one hundred and twenty (120) days of the end of their financial year;
- 14.9 The Borrower and the Guarantor shall provide the Lender with any material information that the Lender may reasonably request from them;
- 14.10 The Borrower and the Guarantor shall provide to the Lender annually, or more frequently if required by the Lender, good and sufficient evidence, in the form of a certificate of an officer of the Borrower to that effect, that the Borrower is not in arrears with respect to any employee pension and/or other benefits including, but not limited to, Workmen's Compensation Board premiums, Employer Health Tax premiums, Canadian Pension Plan contributions, Employment/Unemployment Insurance Commission premiums, or any other statutory remittances, including but not limited to income tax and harmonized sales taxes in respect of the Borrower's business operations.
- 14.11 The Borrower shall submit to the Lender a monthly leasing report for the Project.

15. RESTRICTIONS

The Borrower may not, without the Lender's prior written consent:

- 15.1 Grant any encumbrance, **other than customary permitted encumbrances**, affecting the Property that ranks in priority over, pari passu with or subordinate to the Lender's security, failing which all sums owing pursuant to this commitment letter and the Security, together with accrued interest, shall become immediately due and payable, at the Lender's sole option and discretion, without any further notice or delay;
- 15.2 Transfer or convey the Property, sell or assign the same in whole or in part, with the exception of the sale of condominium units to individual purchasers. It being understood that the amalgamation of the Borrower, the sale of or other dealing with the shares of the Borrower, or the issuance of new shares resulting in a change of control of the Borrower shall be deemed to be a transfer of the Project, which all require the prior written consent of the Lender;
- 15.3 Permit any prepayment of more than one month's rent;
- 15.4 Change or modify the Project in any material manner;
- 15.5 Further assign or transfer any rights assigned to the Lender pursuant to this commitment letter.

The Borrower agrees to keep the Property free and clear of all construction liens. The Borrower shall notify the Lender of the registration of any construction lien within three (3) days of being aware of its registration, and shall obtain a release of same within fifteen (15) days of its registration.

16. REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants to the Lender:

- 16.1 The Borrower is or shall be the registered and beneficial owner of the Property with good and marketable title, in fee simple, free from all charges, liens and other encumbrances whatsoever, **other than customary permitted encumbrances**, save and except to the extent consented to by the Lender;
- 16.2 The Property complies with all applicable legislative, regulatory and environmental standards, **failure to comply with which could reasonably be expected to have a material adverse effect on the value of the Property**, and the Borrower has not received any notice that the Property does not comply with such standards;
- 16.3 There is currently no pending or, **to the knowledge of the Borrower**, threatened litigation or judicial procedure that could materially affect the financial capacity of the Borrower, the Project, or the Property.
- 16.4 The Borrower is not in default with regard to any judgment, decision, order, injunction or decree by a court of law or an arbitrator, nor in default pursuant to any material agreement or contract or in default in any material respect in connection with any judgment, decision, settlement, requirement or an order promulgated or rendered by any agency, office, board, commission, ministry or other public authority or public servant representing them, and for which the consequences could adversely affect the Borrower's property, assets or financial condition;
- 16.5 The signing of this commitment letter, the Security and the other agreements, certificates and other documents relating to the Loan have been or shall be duly authorized prior to their execution;
- 16.6 The Borrower is a duly formed limited partnership which has a valid and legal existence, in good standing, pursuant to the laws of the province of the jurisdiction in which it was formed;
- 16.7 The Borrower has all the power and authority required to exercise its activities and to operate its business, to own, possess, manage and administer its properties, to authorize the signing of this commitment letter and to conclude, execute or ensure that all of the terms, conditions and obligations stipulated in this commitment letter are performed;

16.8 The Loan is for the Borrower's own purpose and is not intended to be used by a third party or for the benefit of a third party and the Borrower acknowledges having read and taken cognizance of the terms and conditions of this commitment letter and accept them.

17. EVENTS OF DEFAULT

17.1 The following constitute events of default under the Loan, which shall be in addition to all further events of default as may be contained in the Security:

- After the first advance, the Borrower or any Guarantor default in any obligation in this commitment letter, the Security, or any other contract, agreement or undertaking entered into with the Lender in connection with the Loan or any other loan granted by the lender to the Borrower, any Guarantor or any affiliated persons or entities ("Affiliates") ("Related Loans");
- At any time prior to any advance of funds and throughout the duration of the Loan, a representation or a warranty made or given by the Borrower or any Guarantor pursuant to this commitment letter is false or inaccurate **could reasonably be expected to have** a material adverse effect on the financial status of the Borrower and/or the Guarantor and/or on the viability of the Project;
- The Borrower fails to pay any installment in principal or interest pursuant to this commitment letter when due;
- The Borrower or any Guarantor becomes insolvent;
- The Borrower or any Guarantor files a proposal or a notice of intention to present a proposal to its creditors pursuant to the *Bankruptcy and Insolvency Act*;
- The Borrower or any Guarantor proposes a transaction or an arrangement under the terms of the *Company's Creditors Arrangement Act*;
- The Borrower or any Guarantor becomes bankrupt or makes an assignment of its property for the benefit of its creditors;
- The Borrower or any Guarantor takes steps to reach an arrangement with its creditors in order to liquidate or to become bankrupt;
- The Borrower or any Guarantor does not diligently contest procedures taken for its liquidation or bankruptcy within thirty (30) days after such procedures are initiated;
- There is no release from a seizure of the Property within (15) days after the writ is served;
- The Borrower or any Guarantor is in a situation similar to any of the ones described above, but in a foreign jurisdiction;
- A title defect is discovered which materially reduces the **value of the Lender's Security**, in the Lender's sole discretion;
- The Borrower sells or conveys the Property or any part thereof to a buyer, **other than an affiliate**, who is not approved by the Lender, in its sole discretion, but subject to the terms of this commitment letter;
- The operational bank account from which the interest is collected is seized;
- The Borrower is not discharged from any charge, lien, execution or sequestration that ranks prior to or *pari passu* with the Security;
- The Borrower ceases to pay its debts as they become due;

- A change occurs which, in the opinion of the Lender **acting reasonably**, has a material adverse effect on the risk related to the Project and/or the risk related to the Borrower's or the Guarantor's financial situation;
- The Borrower grants any encumbrance of the Property, or any part thereof, without the Lender's prior written consent;
- The Borrower leases the Property, or any part thereof, without the Lender's consent, **such consent not to be unreasonably or arbitrarily withheld or delayed**;
- The Property or a part thereof is expropriated.

17.2 Following an event of default, the Lender may:

- Demand the immediate repayment of all principal, interest and costs owed.
- With or without entry into possession of the Property or any part thereof, and whether or not there has been such entry, by writing under its hand or at its option by application to a court of competent jurisdiction, for and during the period of such default, appoint a receiver of the Property or any part thereof and of the rents and profits thereof, or of only the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any receiver and appoint another and that, in making any such appointment or removal, the Lender shall be deemed to be acting as the agent or attorney for the Borrower.
- Exercise all of its rights and remedies granted pursuant to this commitment letter, the Security and by law, *inter alia* to initiate any personal legal action, take possession of all the Borrower's assets related to the Project and complete the construction Project, in its absolute discretion.

All amounts collected by the Lender in exercising any of its rights hereunder, including all amounts collected under any Related Loan, shall be applied by the Lender in its sole and absolute discretion. Without limitation, if several debts are due from the Borrower or any Affiliates, the Lender shall be entitled to apply the amounts collected against outstanding amounts under the Loan and/or Related Loans, in its sole discretion, without regard to the provenance of the amounts collected. In the event of a default, the Borrower undertakes to sign, and to cause any Affiliate to sign, any agreements or other documents that may be required by the Lender to give effect to the foregoing provisions.

17.3 Any omission by the Lender to notify the Borrower of an event of default shall not be deemed a waiver of the Lender's rights in this regard.

18. INCREASE IN COSTS IMPOSED BY LAW

In the event of any addition, change or modification of any applicable law (except any law providing for the taxation of revenue or of the principal of the Lender) or any interpretation of such a law by a government body responsible for its administration and which imposes the creation or an increase, leads directly or indirectly to an increase, the creation or the modification of any reserve, of the capital structure, or of the special deposits or similar requirements pertaining to the Lender or to either its assets or its liabilities or which imposes upon the Lender any situation relating to this commitment letter or to the Loan and whose effect is to increase directly or indirectly the cost for the Lender of financing the Loan, or to reduce the amount of principal or interest received by the Lender pursuant to this commitment letter, the Borrower shall pay upon written demand of the Lender, as additional interest pursuant to this commitment letter, on each subsequent date on which interest is otherwise payable, sums that are sufficient to compensate the Lender against such increase in costs, incurred from the date of effect of such addition, change or modification of applicable law, provided that, in the event of such a request, the Borrower shall have the option to elect to repay the principal amount owed to the Lender that is owing and unpaid, up until the date of the prepayment of the principal, inclusively, and each time that this election is made by the Borrower and the prepayment is made, all of these sums become owing and payable on the date indicated in the election, and no other additional interest otherwise demanded is payable and no premium for prepayment is payable on the principal so prepaid.

19. ENVIRONMENT

19.1 For the purposes of this Section 20, the following words have the following meanings:

"Applicable Laws" means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations, approvals and all applicable common law or equitable principles in force and effect during the currency of the Mortgage.

"Environmental Laws" means all present and future Applicable Laws, standards and requirements relating to environmental or occupational health and safety matters, including those relating to the presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation and clean-up or any other aspect of a Hazardous Substance.

"Environmental Proceeding" means any investigation, action, proceeding, conviction, fine, judgement, notice, order, claim, directive, permit, license, approval, agreement or lien of any nature or kind arising under or relating to Environmental Laws.

"Hazardous Substance" means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation contaminants, pollutants, asbestos, lead, urea formaldehyde foam insulation, polychlorinated by-phenyls or hydrocarbon products, any materials containing same or derivatives thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products, and hazardous wastes.

19.2 The Borrower hereby represents and warrants to the Lender as follows: The Property and all businesses and operations conducted thereon comply with all Environmental Laws. The Property has not been used by the Borrower for or designated as a waste disposal site and, except as disclosed in the environmental report provided to the Lender prior to the advance of the Loan (the "Environmental Audit"), contains no Hazardous Substances and, to the knowledge of the Borrower, there is no existing or threatened Environmental Proceeding against or affecting the Property. Copies of all existing environmental assessments, audits, tests and reports relating to the Property have been delivered to the Lender. To the best of the Borrower's knowledge and belief, there are no pending or proposed changes to Environmental Laws or to any Environmental Proceedings which would render illegal or materially restrict or change the present use and operation of the Property. Except as disclosed in the Environmental Audit, neither the Borrower nor, to the best of the Borrower's knowledge and belief after due inquiry and investigation, any other person or organization: (i) has used or permitted the use of the Property to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances; (ii) has been subject to any Environmental Proceeding related to the Property; (iii) has caused or permitted the release or discharge of any Hazardous Substance on or in the vicinity of the Property; (iv) has received or otherwise has knowledge of any Environmental Proceedings or of any facts which could give rise to any Environmental Proceeding related to the Property; (v) has undertaken any remediation or clean-up of any Hazardous Substance on or in the vicinity of the Property; or (vi) has defaulted in reporting any occurrence or circumstance to any governmental authority in relation to the Property which is or was required to be reported pursuant to any Environmental Laws.

19.3 The Borrower covenants that it shall: (i) ensure that the Property and the Borrower comply with all Environmental Laws at all times; (ii) not permit any Hazardous Substance to be located, manufactured, stored, spilled, discharged or disposed of at, on or under the Property (except in the ordinary course of business of the Borrower or any tenant and in compliance with all Environmental Laws) nor permit any other activity on or in respect of the Property that might result in any Environmental Proceeding affecting the Property, Borrower or Lender; (iii) notify the Lender promptly of any threatened or actual Environmental Proceedings; (iv) remediate and cure in a timely manner any non-compliance by the Property or the Borrower with Environmental Laws, including removal of any Hazardous Substances from the Property; (v) maintain all environmental and operating documents and records including all permits, licenses, certificates, approvals, orders and agreements relating to the Property as required by Environmental Laws; (vi) provide the Lender promptly upon request with such information, documents, records, permits, licences, certificates, approvals, orders, agreements, environmental audits, reports, assessments and inspections and take such other steps (all at the Borrower's expense) as may be required by the Lender to confirm and/or ensure compliance by the Property and the

Borrower with Environmental Laws, and (vii) execute all consents, authorizations and directions necessary to permit any inspection of the Property by any governmental authority and to permit the release to the Lender or its representatives, of any information relating to the Property and the Borrower.

- 19.4 Without limiting any other provision of the Mortgage or any document collateral thereto, the Borrower and the Guarantor, jointly and severally, shall indemnify and pay, protect, defend and save the Lender harmless from and against all actions, proceedings, losses, damages, liabilities, claims, demands, judgments, costs, expenses (including **reasonable** legal fees and disbursements on a substantial indemnity basis) (collectively "**Environmental Claims**"), imposed on, made against or incurred by the Lender arising from or relating to, directly or indirectly, and whether or not disclosed by the Environmental Audit and whether or not caused by the Borrower or within its control, (i) any actual or alleged breach of Environmental Laws relating to or affecting the Property, (ii) the actual or alleged presence, release, discharge or disposition of any Hazardous Substance in, on, over, under, from or affecting all or part of the Property or surrounding lands, including any personal injury or property damage arising therefrom, (iii) any actual or threatened Environmental Proceeding affecting the Property including any settlement thereof, (iv) any assessment, investigation, containment, monitoring, remediation and/or removal of all Hazardous Substances from all or part of the Property or surrounding areas or otherwise complying with Environmental Laws, or (v) any breach by the Borrower of any covenant hereunder or under any document collateral hereto or under Applicable Law relating to environmental matters. This indemnity shall survive repayment of the Loan, foreclosure upon the Mortgage and any other extinguishing of the obligations of the Borrower or the Guarantor under the Mortgage and any other exercise by the Lender of any remedies available to it against the Borrower and/or the Guarantor.
- 19.5 The Lender or agent of the Lender may, at any time, before and after default, and for any purpose deemed necessary by the Lender, enter upon the Property **during normal business hours upon provision of reasonable prior notice**, to inspect the Property and buildings thereon. Without in any way limiting the generality of the foregoing, the Lender (or its agents) may enter upon the Property to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Lender and the reasonable cost of such testing, assessment, investigation or study, as the case may be, with interest at the interest rate set out in the Mortgage, shall be a charge upon the Property. The exercise of any of the powers enumerated in this clause shall not result in the Lender or its agents being deemed to be in possession, management, or control of the Property and buildings.
- 19.6 The provisions, undertakings and indemnifications contained in this Section 20 shall remain in full force and effect notwithstanding the cancellation/discharge of the Security and/or the full and final repayment of the Loan.

20. AUTHORIZATION AND MATERIAL CHANGE

In order to analyze the request for a Loan, for the duration of the Loan and any extension thereof, the Borrower and the Guarantor hereby authorize the Lender to collect any information from any third party for the purpose of verifying credit rating, solvency and reputation.

The Lender may cancel its commitment to lend or may claim repayment of the Loan in the event of any change which, in the opinion of the Lender, **acting reasonably**, affects the risk associated with the Project and/or the risk associated with the financial situation of Borrower or of the Guarantor.

21. GUARANTOR

- 21.1 In consideration of the sum of Two Dollars (\$2.00) now paid by the Lender to **Suske Capital Inc., Chancery Seniors Housing Investments Inc., Chancery (Oshawa) The Bartlett GP Inc., Hillspport Developments Inc., Stephen A. Suske and Jessica Zhang** (hereinafter collectively referred as "Guarantor") (the receipt and sufficiency of which is hereby acknowledged) and the Lender advancing the principal money secured or any part thereof by the Mortgage to the Borrower on the terms and conditions set out in this commitment letter and pursuant to the Mortgage, the Guarantor, hereby jointly and severally with the Borrower, irrevocably, absolutely and unconditionally, as principal debtor and not as surety, guarantees to the Lender the due and punctual payment by the

Borrower of all principal monies, interest and any other monies which may now or hereafter become due and owing under the terms of the Mortgage and the observance and performance by the Borrower of all of the covenants and obligations contained therein, and the Guarantor, for himself, his heirs, administrators, estate trustees, successors and assigns, covenants with the Lender that if the Borrower shall at any time make default in the punctual payment of any monies payable under the Mortgage or fails to observe and perform any of the covenants and obligations contained therein or in this commitment letter, he will pay all such monies to the Lender or perform any of the covenants and obligations of the Borrower forthwith after demand having been made in accordance with the notice provisions contained herein, and agrees to indemnify the Lender against all losses, damages, costs, charges and expenses the Lender may at any time or from time to time suffer, incur or become liable of in connection with resulting from or occasioned by any breach by the Borrower any provisions contained in the Mortgage. The Guarantor's liabilities hereunder shall bear interest from the date of such demand at the rate of interest set out in the Mortgage. **Notwithstanding any of the foregoing or any other term or provision of this Commitment Letter or of any of the Security provided in connection therewith, in no event shall the obligation or liability of Jessica Zhang in respect of the Guarantee provided for herein exceed the sum of \$2,000,000.00**

21.2 The undersigned further acknowledges and agrees with the Lender as follows:

- The Lender may grant time, renewals, extensions, indulgences, releases and discharges or take additional security from and give up the same in any or all of the security it is receiving from the Borrower, abstain from taking any enforcement proceedings it may be entitled to and otherwise deal with the Borrower and others as the Lender may see fit, including entering into any renewal agreements, extension agreements, amending agreements or dealing with the Mortgage in any other manner, and may apply all monies at any time received from the Borrower or others upon such part of the obligation of the Borrower as the Lender deems best and change any such application in whole or in part, without in any way limiting or lessening the liabilities of the Guarantor to the Lender.
- The Lender shall not be bound to exhaust their recourse against the Property, the Borrower or any other covenantor/guarantor or to value the security under the Mortgage or any collateral security before requiring or being entitled to payment from the Guarantor. Provided it is understood and agreed any funds payable pursuant to this covenant to the Lender shall be applied by the Lender upon receipt of such funds to amounts due and payable under the Mortgage.
- No change or extension of time or other indulgence or release of the Borrower or anyone claiming through the Borrower, either before or after demand or claim against the Guarantor or any arrangement or other dealing by the Lender with the Borrower or any other person, either before or after demand or claim against the Guarantor, or the bankruptcy or insolvency of the Borrower, or the release, exchange, acceptance or failure to perfect by the Lender of any security, either before or after demand or claim against the Guarantor, shall in any way release, waive, vary, affect or prejudice the rights of the Lender against the Guarantor, notwithstanding the Lender may not give notice thereof to the Guarantor, and the Guarantor hereby waives, to the maximum extent permitted by law, any requirement of notice, demand or prior action against the Borrower or any other security and hereby renounces all benefits of discussions and division.
- All indebtedness and liability, present and future, of the Borrower to the Guarantor as well as any indebtedness or liability for amounts advanced by the Guarantor on behalf of any other covenantor or guarantor of the Mortgage are hereby assigned to the Lender and postponed to the obligations contained in the Mortgage, and all monies received by the Guarantor in respect thereof during any period when there is an uncured default under the Loan or any of the documents in connection therewith shall be received in trust for the Lender and shall be paid over to the Lender upon demand and without in any way limiting or lessening the obligations imposed on the Guarantor, and this assignment and postponement shall remain in full effect until repayment in full to the Lender of all amounts secured by the Mortgage. The Guarantor acknowledges the assignment to the Lender shall not impose upon the Lender any obligation to do anything to realize on the assigned debts and claims or to ensure those debts or claims do not become statute barred by the operation of law relating to limitation of actions or otherwise.
- The Guarantor shall have no right to be subrogated to the rights of the Lender until all liabilities and obligations of the Borrower and the Guarantor to the Lender have been satisfied in full in respect of the Mortgage.

- The covenants of the Guarantor shall continue for the full term of the Mortgage and any renewal thereof unless a release in writing has been authorized by the Lender and shall be binding upon the heirs, executors, administrators, estate trustees, successors and assigns of the Guarantor.
- Subject to the Loan being in good standing during the twelve (12) month term of the Loan, to make payment to the Lender forthwith after demand for payment is made in writing.
- The Guarantor acknowledges if for any reason the Borrower has no legal existence and is or becomes under no legal obligation to discharge the monies secured by the Charge or if any monies owing by the Borrower to the Lender becomes irrecoverable from the Borrower by operation of law or for any reason whatsoever, this covenant and the covenants, agreements and obligations of the Guarantor contained herein shall nevertheless be binding upon the Guarantor as principal debtor until such time as all monies owing by the Borrower to the Lender under the Mortgage have been paid in full and the liabilities secured thereby have been discharged.
- The covenants in this Section 22 shall be in addition to and not in substitution for any other guarantees or other securities which the Lender may now or hereafter hold in respect of the monies secured by the Mortgage and the Lender shall be under no obligation to marshal in favour of the Guarantor any other covenants or other securities or any monies or other assets which the Lender may be entitled to receive or may have a claim upon; and no loss of or in respect of or unenforceability of any other covenants or other securities the Lender may now or hereafter hold in respect of the monies secured by the Mortgage.
- The statement in writing of the Lender of the monies owing by the Borrower to the Lender or of any other default under the Mortgage shall be binding upon the Guarantor unless an error has been made and all right to question in any way the Lender's present or future method of dealing with the Borrower or any dealing with any person or persons now or hereafter liable to the Lender for the monies hereby secured or any part thereof or with any security now or hereafter held by the Lender or with any goods or property covered by such security is hereby waived.
- The Guarantor agrees the Lender shall not be obliged to make any demand upon or take any proceedings, or action against the Borrower or any other person before pursuing its rights against the Guarantor pursuant hereto. In the event the Lender in its absolute discretion makes demand upon the Guarantor, the Guarantor shall be held and be bound to the Lender directly as principal debtor in respect of the payment of the amounts hereby guaranteed. Demand for payment shall be deemed to have been effectively made upon the Guarantor two (2) business days following the date an envelope containing such demand addressed to the Guarantor, at the address of the Guarantor last known to the Lender, is posted, postage prepaid, in the post office.
- Without prejudice to or in any way limiting or lessening the Guarantor's liability and without obtaining the consent of or giving notice to the Guarantor, the Lender may discontinue, reduce, increase, decrease or otherwise vary the credit of the Borrower in respect of the Loan and Mortgage, may increase, decrease, or otherwise vary, the interest rate on any renewals or extensions and/or may change the amortization period to such terms as the Borrower and the Lender shall agree, may grant time, renewals, extension, indulgences, releases and discharges to and accept compositions from or otherwise deal with the Borrower and others, including the Guarantor and any other guarantors as the Lender may see fit and the Lender may take, abstain from taking or perfecting, vary, exchange, renew, discharge, give up, realize on or otherwise deal with securities and guarantees in such manner as the Lender may see fit, and the Lender may apply all monies received by it from the Borrower or others or from securities or guarantees upon such parts of the guaranteed liabilities, whether liabilities of the Borrower to the Lender, as the Lender may see fit and change any such application in whole or in part from time to time.
- In the event there is a default in payment of any sums owing by the Borrower to the Lender in respect of the Loan at any time, the Lender may treat all guaranteed liabilities as due and payable and may forthwith collect from the Guarantor the total amount hereby guaranteed and may apply the sum so collected upon the guaranteed liabilities, or may place it to the credit of a special account. A written statement of the Lender as to the amount remaining unpaid to the Lender at any time by the Borrower shall be conclusive evidence and shall, in any event, be *prima facie* correct against the Guarantor as to the amount remaining unpaid to the Lender at such time by the Borrower.
- Subject to terms above, until payment in full of all the liabilities guaranteed hereunder, all dividends, compositions, proceeds of securities, securities valued or payments received by Lender from the Borrower or others, or from estates in respect of the guaranteed liability shall be regarded for all

purposes as payments in gross without any right on the part of the Guarantor to claim the benefit thereof in reduction of the liability under this guarantee, and the Guarantor shall not claim any setoff or counterclaim against the Borrower in respect of any liability of the Borrower to the Guarantor, claim or prove in the bankruptcy or insolvency of the Borrower in competition with the Lender or have any right to be subrogated to Lender.

- This guarantee shall not be discharged or otherwise affected by the death or loss of capacity of the Borrower, by any change in the name of the Borrower, or in the membership of the Borrower, if a partnership, or in the objects, capital structure or constitution of the Borrower, if a corporation, or by the sale of the Borrower's business or any part thereof, or by the Borrower being amalgamated with a corporation, but shall, notwithstanding any such event, continue to apply to all guaranteed liabilities, whether theretofore or thereafter incurred; and in the case of a change in the membership of a Borrower which is a partnership or in the case of the Borrower being amalgamated with a corporation, this guarantee shall apply to the liabilities of the resulting partnership or corporation, and the term "Borrower" shall include each such resulting partnership and corporation.
- Prior to executing this commitment letter, the Guarantor confirms and acknowledges having had the meaning and import of the terms and provisions of this commitment letter explained to him, and further confirms having had an opportunity to seek independent legal advice separate and apart from the Borrower. The Guarantor further confirms he is fully aware of the nature and effect of this guarantee and postponement of claims and the obligations and liabilities that arise hereunder and has granted the same of his own volition and without fear, threats, compulsion, influence or pressure from the Lender, the Borrower or any other guarantor in respect of the Loan.
- The guarantee and postponement of claims herein shall extend to and enure to the benefit of the Lender and its successors and assigns. Every reference herein to the Guarantor is a reference to and shall be construed as including the Guarantor and his heirs, executors, administrators, legal representatives, estate trustees, successors and assigns of the Guarantor, to and upon all of whom the guarantee and postponement of claims herein shall extend and be binding.

22. NOTICE

Any notice given pursuant to this commitment letter, addressed to either party, shall be in writing and shall be deemed to have been given on the day of its delivery by messenger, its service by a court bailiff or by email or on the third day after being mailed by registered mail, as the case may be, to the following addresses:

22.1 In the case of the Lender:

FIERA FP REAL ESTATE FINANCING FUND, L.P.
C/O General Partner Fiera FP Real Estate Financing Fund Inc.
C/O Fiera Private Debt Inc.
1699, Le Corbusier Boulevard, Office 400
Laval (Quebec) H7S 1Z3
ATTN.: Senior Vice President, Real Estate Financing

Email: rcousineau@fieracapital.com

22.2 In the case of the Borrower:

Chancery (Oshawa) The Bartlett Limited Partnership

ATTN. : **Mr. Stephen A. Suske, Ms. Jessica Zhang, Mr. Josh Skaist**
Email: ssuske@suskecapital.com, jessica@chanceryseniors.com, joshskaist@gmail.com

22.3 In the case of the Guarantor:

ATTN. : **Mr. Stephen A. Suske, Ms. Jessica Zhang, Mr. Josh Skaist**
Email: ssuske@suskecapital.com, jessica@chanceryseniors.com, joshskaist@gmail.com
or to such other address as either party may give notice whereof to the other in the manner indicated above.

23. MISCELLANEOUS

This commitment letter may not be modified except in writing and must be signed by the parties.

The presentation of this commitment letter using various sections, subsections, paragraphs, subparagraphs and others and the insertion of headings are intended to facilitate the reading thereof and shall not be used to interpret this document nor to extend or limit its scope.

This commitment letter and the Security shall be governed by the laws of the province in which the Project is situated.

The Lender reserves the right to assign the Loan, in whole or in part, as well as its right in the Security, without the consent of the Borrower or the Guarantor.

The Lender shall be entitled to allocate any sum received at its discretion. The Lender may, at its sole discretion, allocate instalments, repaid sums used to keep its Security or use these sums to pay debts secured by prior ranking security.

Should any clause of this commitment letter be declared invalid, illegal or otherwise inapplicable in any manner or for any reason, the validity, the legality and the applicability of the other provisions shall not be affected in any way. If this were to occur, the Lender and the Borrower shall take all necessary measures to negotiate an alternative that meets the objectives of the provision that has been declared invalid, illegal or inapplicable.

24. CONTRACT EQUIVALENT TO A LOAN AGREEMENT

Once accepted and signed by the Borrower and the Guarantor, if any, this commitment letter shall be deemed a loan agreement, and its date of signature shall be deemed to be the date of signing of this commitment letter by the Borrower. This commitment letter shall replace the financing outline as well as any other written or verbal agreement between the parties regarding the Loan.

Subsequently, the Lender shall ensure the preparation of the documents relating to the Security required by this commitment letter, which must be implemented to the satisfaction of the Lender and its legal advisor, if need be, prior to any advance.

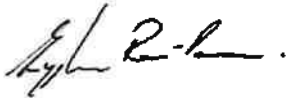
25. SCHEDULES

Schedule A called "Conditions prior to first advance" and Schedule B "Insurance Requirements" shall form an integral part of the presents.

26. ACCEPTANCE

If you agree with the conditions indicated above, please return to us the attached copy duly signed on or before **March 11 th, 2022**; on this date, this Commitment Letter shall become, at the Lender's discretion, null and void if it is not accepted.

FIERA PRIVATE DEBT INC.,
Acting on behalf of
GENERAL PARTNER FIERA FP REAL ESTATE FINANCING FUND INC.
the general partner of
FIERA FP REAL ESTATE FINANCING FUND, L.P.

Per: 

Gryphon Raeburn-Power
Director, Real Estate Financing

Per: 

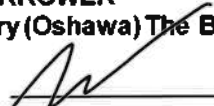
Ralph S. Doerr
Managing Director, Real Estate Financing

Per: 

Ahmad Kassem
Senior Manager, Risk Management

Signed and accepted on this 9th day of March 2022

THE BORROWER
Chancery (Oshawa) The Bartlett Limited Partnership

Per: 

Name: Stephen A. Suske

Per: _____
Name: _____

Per: _____
Name: _____

I/we have the authority to bind the corporation

Signed and accepted on this 9th day of March 2022

BENEFICIAL OWNERS

Chancery Seniors Housing Investments Inc.

Per: 

Name: Stephen A. Suske

I/we have the authority to bind the corporation

Per: _____

Name: _____

Hillsport Developments Inc.

Per: 

Name: Josh Skuse

I/we have the authority to bind the corporation

Each Beneficial Owner acknowledges having read and understood the terms and conditions of this Commitment and accepts same

GUARANTOR(s)

Each Guarantor acknowledges having read and understood the terms and conditions of this Offer and accepts same.

Suske Capital Inc.

Per: 

Name: Stephen A. Suske

I/we have the authority to bind the corporation

Chancery (Oshawa) The Bartlett GP Inc.

Per: 

Name: Stephen A. Suske

I/we have the authority to bind the corporation

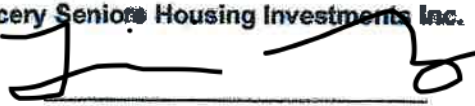
Per: _____

Name: _____

Per: _____

Name: _____

Chancery Senior Housing Investments Inc.

Per: 

Name: Jingjie Zhang

I/we have the authority to bind the corporation

Per: _____

Name: _____

Hillspoint Developments Inc.

Per: 

Name: Josh Stang

I/we have the authority to bind the corporation

Per: _____

Name: _____

Mr. Stephen Suske

Per: 

Name: Stephen A. Suske

Ms. Jessica Zhang

Per: 

Name: Jingjie Zhang

SCHEDULE A

Conditions prior to first advance:

1. The Lender will have obtained from its legal counsel a favourable opinion on the financing and the rank of the security and will also have obtained **title insurance** and an opinion on title specifying that the Borrower is the owner of the Property, in fee simple, and that The Lender holds the security and the rank herein described. The Lender will have received from the legal counsel of the Borrower an opinion on the corporate status of the latter, certifying that the Borrower is a limited partnership **formed** under the laws of the Province of Ontario and of Canada, and certifying that the Borrower has the corporate power and authority to execute, sign and deliver the security, the loan agreement and any other document required herein and attesting that the said security constitutes legal, valid and enforceable obligations against the Borrower, subject however to the laws pertaining to bankruptcy and to the rights of creditors with respect to the execution of non-monetary obligations. All security documentation is in place to the satisfaction of Fiera's solicitor;
2. The Lender will have obtained from its legal counsel, to the Lender's entire satisfaction, a favourable opinion confirming the Project does not contravene the notice of covenants and restrictions registered on title and associated grant agreement.
3. The Lender must declare being satisfied with the credit rating, the solvency and the financial condition of the Borrower, the Project and the Guarantor. The Borrower and the Guarantor must provide the bank statements, the hypothecary statements and any other supporting document in order to confirm the value of its assets;

- Receipt of current **Financial Information** in form and content satisfactory to the Lender from each of the Credit Parties.

- i) The last 3 year's financial statements for the following:

- Chancery (Oshawa) The Bartlett Limited Partnership
- Chancery (Oshawa) The Bartlett GP Inc.
- Suske Capital Inc.
- Chancery Seniors Housing Investments Inc.
- Hillspport Developments Inc.

In the event of a newly incorporated company, an accountant or management prepared opening balance sheet will be required.

- ii) Substantiation of net worth will be required for each personal guarantor satisfactory to the Lender including, receipt and approval of satisfactory credit bureaus.
- iii) Credit Bureaus checks are to be conducted by the Fiera for the following individuals and are to be satisfactory to Fiera:
 - a) Stephen A. Suske
 - b) Jessica Zhang
 - c) Josh Skaist

- Completion of due diligence, and additional information obtained as Fiera may require.

4. Copy of the final Agreement of Purchase and Sale for the land located at 550 Bond Street West, Oshawa, ON acceptable to Fiera.

5. A satisfactory review and approval of the standard form of unit lease agreement.

6. A satisfactory review and approval of current in-place, executed, residential lease agreements.
7. A satisfactory review and approval of the signed Geriatric Care clinic lease agreement and the signed Bistro lease agreements with a minimum rental rate of \$63,900 per annum.
8. A satisfactory review and approval that all Property Taxes are paid to date for the Project.
9. The Lender must have received evidence from the QS that the Borrower has injected the required equity, as indicated in this commitment letter, which must be acceptable to the Lender; The lender must have received a solemn declaration signed by the Borrower and the Guarantors confirming that all costs incurred for the project have been fully paid to the Lender's complete satisfaction. [Satisfied and acceptable]
10. Receipt of a Geotechnical Report, in form and content acceptable to the Lender, attesting to the satisfactory nature of the soil condition to support the buildings contemplated for the Project and confirming that the soil tests and other tests and examinations of the Property are satisfactory for construction and completion of the Project. The Geotechnical Report shall be prepared by a firm of geotechnical engineers qualified in Ontario, in good standing and acceptable to the Lender, and with sufficient professional insurance in the opinion of the Lender.

Letter of Transmittal from the engineer stating Fiera Private Debt may rely on the Geotechnical Report as though it were an original addressee.

11. Receipt of a Phase I ESA Report satisfactory to Fiera Private Debt from an acceptable firm, including a letter of transmittal, as well as a clean Phase I ESA Report satisfactory to Fiera Private Debt from an acceptable firm.

Letter of Transmittal from the engineer stating that the Lender may rely on the ESA as though it were an original addressee.

12. Receipt of a satisfactory review of the site plan agreement, building permit, boundary and foundation plan of survey, occupancy permit, as available. Satisfactory evidence of compliance with all applicable building and zoning bylaws respecting the use and occupancy and intended construction of the property.
13. Receipt by the Lender an updated Appraisal Report prepared by a firm acceptable to the Lender supporting the completed and stabilized value of a minimum of \$71,000,000 of the Project..

Letter of Transmittal to be provided by the Appraisal Firm, confirming that Fiera Private Debt may rely upon the appraisal for Risk Underwriting purposes.

14. The Borrower shall maintain the Project properly insured against any loss, all according to the rules in Schedule B;
15. Receipt by the Lender of a copy of all signed commercial and residential leases, in the entire satisfaction of the Lender.
16. Receipt of QS Report and letter confirming that construction of the Project is complete to the satisfaction of Fiera. (Satisfied)
17. Receipt of a Statutory Declaration signed by Josh Skaist, Jessica Zhang and Stephen Suske which confirms that all General Contractor invoices are paid and the building is complete. (Satisfied and acceptable)
18. Final occupancy letter confirming that the building permit is closed. (Satisfied and acceptable)
19. Receipt of rent roll together with all in-place leases.

Additional condition precedent to advances re payout equity investors:

20. Receipt of HST Self Assessment calculation from the Borrower to the satisfaction of Fiera and proof of

HST fully paid.

Reporting Conditions:

21. On a month to month basis and when requested by the Lender, the Borrower shall provide the Lender with up-dated monthly leasing reports and signed leases.
22. On an annual basis, Accountant-prepared Review Engagement Financial Statements of the Borrower and Notice To Reader Financial Statements of the Guarantors are to be provided to the Lender within 120 days from year-end.
23. On a monthly basis and when requested by the Lender, an updated rent roll as at the last day of the month shall be received by the 15th day of the following month (or the next business day if the 15th is a holiday or weekend), together with all leases.

Other Conditions:

24. Provisions of the Construction Act to be adhered to at all times.
25. All reasonable legal, appraisal, inspection, insurance consultant, Quantity Surveyor and other reasonable costs incurred with respect to the subject loan facility will be the sole responsibility of the Borrower.
26. Any other items as may be reasonably required for a transaction of this nature.
27. General verification and updates of lease up information on a regular basis, and as requested by Fiera Private Debt.

SCHEDULE B

INSURANCE REQUIREMENTS EXISTING BUILDING

Prior to the disbursement of the Loan, Fiera FP Real Estate Financing Fund must receive a copy of the insurance policies (or certificates of insurance) listed below, contracted from an established insurer authorized to practice by law, and to the complete satisfaction of the Lender or the Lender's Insurance Consultant.

Throughout the term of the loan, the Borrower must obtain, maintain and provide the Lender with the following proof of insurance:

1. A **Comprehensive Fire/Property Insurance**, all perils (all risks) including replacement cost and coverage for sewer back-up, flood, earthquake as well as «by-laws» related to construction (if applicable), including in particular zoning regulation, increase of construction costs and cost of demolition of the undamaged portion of the property, for an amount equal to the full reconstruction value of the property (justified by a professional appraisal for insurance purposes, at the expense of the Borrower) and no less than the loan amount.
2. A **Rental Income Insurance or Business Interruption Insurance**
A Rental Income Insurance providing coverage for the current gross rental income losses with a minimum indemnity period of 12 months, covering 100% of the gross income losses projected by the company operating on the property;
or a Business Interruption Insurance for business interruption losses with a minimum indemnity period of 12 (18, 24) months, covering 100% of the gross profits projected by the company operating on the property.
3. A **Boiler and Machinery Insurance (Equipment Breakdown)** covering any sudden or accidental damage to machinery or equipment, for the same limits as the Comprehensive Fire/Property Insurance mentioned above, including property loss or damage, loss in projected rental income or business interruption.
4. A **General Liability Insurance** including bodily injury and property damage occurring on or in the property or in the vicinity of the property, including a minimum per-claim limit of:
 - o \$2,000,000 if the loan amount is less than \$2,000,000;
 - o \$5,000,000 if the loan amount is between \$2,000,000 and \$9,999,999;
 - o \$10,000,000 if the loan amount is \$10,000,000 or more.

If there is presence of a reservoir (oil tank), an endorsement for limited pollution (IBC 2313) is required. It must be included under the liability insurance for a minimum amount of \$500,000.

Fiera FP Real Estate Financing Fund must be added as additional insured under the liability insurance covering this location, but only with respect to claims arising out of the operations of the insured.

General conditions applying to all insurance:

For all insurance policies required by Fiera FP Real Estate Financing Fund, the Lender must be added as 1st rank mortgagee and beneficiary. The Borrower and/or the Borrower's Insurers waive their rights of subrogation against the Lender.

Each policy must provide for a 30-day written notice to the Lender to inform of any cancellation or significant modification to the coverages.

Each policy must be underwritten subject to the Standard Mortgage Clauses approved by the Insurance Bureau of Canada (BAC 3000) or their equivalent.

The Borrower agrees to provide the Lender and/or its agent with all proof of insurance upon renewal of such policies, at least 30 days prior to their expiration, for the entire term of the loan.

The Borrower authorizes the Lender or its Insurance Consultant to communicate with the Borrower's Insurance Broker in order to obtain all the required information for this purpose; the Insurance Broker must forward any and all information relative to all current insurance contracts, to the Lender or its Insurance Consultant, at the expense of the Borrower.

The Borrower agrees to promptly notify the Lender in writing in case of any loss occurrence or any damage to the property or other mortgaged assets, to provide all proof of loss and to take all necessary measures to ensure that the Lender receives the indemnities due under the provisions of each of the insurance policies covering such loss, according to its interests.

THIS IS EXHIBIT "B" REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

Date	Amount	Interest rate			Interest rate
2026-04-09	\$ 381,705.17	8.4			
2026-03-10	\$ 344,765.96	8.4			\$ 53,250,000.00 5%
2026-02-10	\$ 357,079.03	8.4			\$ 7,765,625.00
2026-01-12	\$ 406,331.31	8.4			
2025-12-10	\$ 369,392.10	8.4			
2025-11-10	\$ 389,034.38	8.4			
2025-10-10	\$ 383,301.58	8.9	8.65		
2025-09-10	\$ 391,283.59	8.9			
2025-08-11	\$ 417,345.73	8.9			
2025-07-10	\$ 391,257.56	8.9			
2025-06-10	\$ 378,215.64	8.9			
2025-05-12	\$ 417,341.39	8.9			
2025-04-10	\$ 405,398.51	9.15	8.9		
2025-03-10	\$ 375,431.41	9.15			
2025-02-10	\$ 422,983.12	9.4	9.15		
2025-01-10	\$ 428,478.31	9.9	9.4		
2024-12-10	\$ 406,204.47	9.9			
2024-11-12	\$ 488,966.50	10.4			
2024-10-10	\$ 457,148.39	10.4			
2024-09-10	\$ 450,337.24	10.65	10.4		
2024-08-12	\$ 519,636.27	10.9	10.65		
2024-07-10	\$ 477,793.64	10.9		6.95	3.95
2024-06-10	\$ 502,915.20	11.15	10.9		
2024-05-10	\$ 488,070.74	11.15			
2024-04-10	\$ 488,070.74	11.15			
2024-03-11	\$ 455,532.69	11.15			
2024-02-12	\$ 536,877.81	11.15			
2024-01-10	\$ 488,070.74	11.15			
2023-12-11	\$ 504,339.76	11.15			
2023-11-10	\$ 504,339.76	11.15			

2023-10-10	\$ 471,801.71	11.15			
2023-09-11	\$ 520,608.79	11.15			
2023-08-10	\$ 503,245.43	11.15	10.9	7.2	3.95
2023-07-10	\$ 445,318.45	10.9			
2023-06-12	\$ 514,218.82	10.65	10.9		
2023-04-10	\$ 481,657.19	10.65			
	\$ 15,964,499.13	10.03			

	Original	Propose	
Fiera principal	\$ 53,250,000.00	\$ 53,250,000.00	
Interest	\$ 15,964,499.13	\$ 7,982,249.57	reduce by 50%
Total payment	\$ 69,214,499.13	\$ 61,232,249.57	
Received from Bartlett	\$ 6,600,000.00	\$ 6,600,000.00	round up number
Remaining	\$ 62,614,499.13	\$ 54,632,249.57	

30-Oct-25	4.45%
18-Sep-25	4.70%
13-Mar-25	4.95%
30-Jan-25	5.20%
12-Dec-24	5.45%
24-Oct-24	5.95%
05-Sep-24	6.45%
25-Jul-24	6.70%
06-Jun-24	6.95%
July 13,2023	7.20%
June 08,2023	6.95%
January 26,2023	6.70%
	5.97%

THIS IS EXHIBIT “C” REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

LOAN EXTENSION OFFER

Toronto on December 29th, 2022

Chancery (Oshawa) The Bartlett Limited Partnership
2275 Upper Middle Road East, Suite 400
Oakville, On
L6H 0C3

ATTENTION OF: Mr. Stephen A. Suske, Ms Jessica Zhang and Mr. Josh Skaist

Re: Loan 100908 with a total amount of \$53,250,000, extension offered to March 31st, 2023.

Fiera FP Real Estate Financing Fund, L.P. (the "Lender") is pleased to confirm the approval of the extension of the Term of the Loan identified above, subject to the terms of this Loan Extension Offer, which extends the Loan to March 31, 2023 once the conditions herein are satisfied, for *Chancery (Oshawa) The Bartlett Limited Partnership*, (the "**Borrower**") under the commitment letter between the Lender and the Borrower dated November 27, 2020 and any other document recording the indebtedness, as well as amendments and/or extensions, if any (the "**Loan Agreement**").

As of December 29th, 2022 the outstanding amount of the Loan is \$50,367,762.

1. EXTENSION

Subject to the provisions hereof and notwithstanding the fact that the Loan is on a demand basis, the Lender agrees to extend, from December 10th, 2022, the Term of the Loan such that the new maturity date of the Loan shall be March 31st, 2023, after which the Loan shall be repaid in full, capital, interest and fees.

The new maturity date of the loan shall be: **March 31st, 2023**

2. PAYMENT OF HST CONDITION

Based on the Borrower's representations, total HST payable to the CRA is **\$2,737,149**. The HST payable will be remitted by the Lender on behalf of the Borrower to the CRA from the availability under the Loan.

Notwithstanding the foregoing, any HST payable in respect of the Project over and above the amounts described in this section, are of the Borrower's account and will be paid by the Borrower from its own resources to the CRA.

Applicable wire fees or costs of these transactions will be paid from the availability of the Loan.

3. EXTENSION CONDITIONS

Litigation Condition

The Borrower to provide satisfactory updates to the action by J.J. McGuire General Contractors Inc. v. Chancery (Oshawa) The Bartlett Limited Partnership.

If any monies are required to be paid for the above action – the Borrower must inform the Lender and no monies may come from the Borrower's bank account without the prior consent of the Lender.

Pre-Authorized Debit Condition

The repayment of any sum relating to the Loan may be made, at the Lender's discretion, by direct debit from the Borrower's bank account. The Lender may debit the Borrower's bank account for the amount owed pursuant to the commitment letter, including principal, interest, costs, commissions, fees or disbursements. Any amount debited in excess of the sums available in this account shall constitute advances bearing interest at the applicable rate, pursuant to the commitment letter. **The Borrower agrees to sign any document required and to provide the Lender with any information, documentation or account number required to implement direct debit from the Borrower's bank account. The Borrower to return to the Lender a Pre-Authorized Debit in the form and content satisfactory to the Lender as a condition precedent to the Extension.**

Monthly Interest Payment Condition

The Borrower must send a minimum of **\$750,000**, as for deposit into the Loans Interest Reserve Account and payment against the monthly interest invoices. The balance of monthly interest payments to be funded from the Loans Interest Reserve Account, until the Interest Reserve Account is depleted at which time the Borrower will pay all interest under the Loan from its own resources, pursuant to the terms of the Loan Agreement.

The Lender shall give a written notice on the tenth (10th) day of each month, or on the next working day if the Lender's offices are closed, indicating the amount of interest that will be deducted from the Borrower's banking operations account. The monthly interest payments shall be deducted every month from the Borrower's bank account, pursuant to the Pre-Authorized Debit article of the Loan Agreement, five (5) working days following the said written notice.

4. INTEREST RESERVE

\$750,000 will be sent to the Lender from the Borrower to be deposited into the Loans Interest Reserve Account, to make payments for monthly interest until fully depleted.

Authorized loan amount to remain the same at **\$53,250,000**.

5. DEFAULT

The Borrower or any Guarantor default in any obligation or condition in this Loan Extension Offer or the Loan Agreement constitute events of default under the Loan.

6. TERM EXTENSION FEES

In consideration of this extension, the extension fee is considered earned and the Borrower will pay to Fiera Private Debt Inc. the applicable fees of **\$163,397 plus HST for a total of \$184,638.61** from the Loan and if insufficient the fees will be debited from the Borrowers bank account, once a signed copy of this Loan Extension Offer is returned to the Lender.

In the event that the term extension fees are unpaid, this extension of the Term will be, at the discretion of the Lender, null and void and ineffective and you will be bound without notice or delay to immediately reimburse us for all amounts due under the Loan, capital, interest and fees.

7. MISCELLANEOUS

All terms and conditions set forth in the Loan Agreement shall prevail *mutatis mutandis*.

8. ACCEPTANCE


If you agree with the conditions indicated above, please return to us the attached copy duly signed on or before December 30th, 2022; on this date, this Loan Extension Offer shall become, at the Lender's discretion, null and void if it is not accepted.

Fiera FP Real Estate Financing Fund, L.P.




Ralph S. Doerr
Managing Director, Real Estate Financing
200 Bay Street, Suite 3800, South Tower,
Toronto, Ontario
M5J 2J1

THE BORROWER
Chancery (Oshawa) The Bartlett Limited Partnership



PER: Stephen A. Suske



PER: Josh Skene a behalf of Fiera

PER:

Signed and accepted on this _____ day of _____ 20____

BENEFICIAL OWNERS

Chancery Seniors Housing Investments Inc




PER: Stephen A. Suske

PER:

I have the authority to bind the corporation

I have the authority to bind the corporation

Hillsport Developments



PER:

PER:

Josh Skorst

I have the authority to bind the corporation

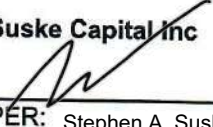
I have the authority to bind the corporation

Each Beneficial Owner acknowledges having read and understood the terms and conditions of this Loan Extension Offer and accepts same

GUARANTOR(s)

Each Guarantors acknowledges having read and understood the terms and conditions of this Loan Extension Offer and accepts same

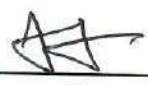
Suske Capital Inc



PER: Stephen A. Suske

I have the authority to bind the corporation

Chancery (Oshawa) The Bartlett GP Inc.



PER: *Josh Skorst for DLGP*

PER:

I have the authority to bind the corporation

Chancery Seniors Housing Investments Inc.



PER: Stephen A. Suske

I have the authority to bind the corporation

PER:

I have the authority to bind the corporation

Hillsport Developments Inc.



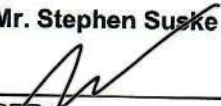
PER:

Josh Skorst

I have the authority to bind the corporation

I have the authority to bind the corporation

Mr. Stephen Suske



PER: Stephen A. Suske

I have the authority to bind the corporation

Ms. Jessica Zhang

PER:

I have the authority to bind the corporation

THIS IS EXHIBIT “D” REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

The Bartlett - Rent Roll

Aug-23

Unit	Floor Plan	Type	Size (sm)	Size (sf)	Leased Rate	Status	Move-in Date	Parking	
GROUND FLOOR									
Unit 1101	2BED - TYPE J	2BED	89.3sm	962	\$3,045	Leased	11-27-2020	\$75	75
Unit 1102	1BED+D - TYPE G	1BED+D	69.0sm	742	\$2,468	Leased	09-08-2021	\$0	
Unit 1103	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,600	Leased	2022-08-01	\$0	
Unit 1104	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,725	Reserved			
Unit 1105	1BED+D - TYPE B	1BED+D	69.7sm	750	\$2,775	Leased		\$0	
Unit 1106	1BED+D - TYPE C	1BED+D	67.3sm	724		Model Suite			
Unit 1107	1BED+D - TYPE BF	1BED+D	69.7sm	750	\$2,650	Leased	2022-04-06	\$35	35
Unit 1108	1BED+D - TYPE J	1BED+D+C+W	87.0sm	936	\$2,950	Leased	22-03-2022	\$80	80
Unit 1109	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,600	Leased	2022-07-15	\$0	
Unit 1110	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,725	Leased	2023-07-12	\$35	35
Unit 1111	1BED+D - TYPE E	1BED+D	65.8sm	708	\$2,725	Leased	2023-06-01	\$35	35
Unit 1112	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,725	Leased	2023-04-01	\$35	35
Unit 1113	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,600	Leased	2022-10-13	\$35	35
Unit 1114	1BED+D - TYPE F	1BED+D	63.5sm	684	\$2,600	Leased	2022-08-31	\$0	
Unit 1115	2BED - TYPE F	2BED	83.3sm	897		Vacant			
Unit 1116	1BED+D - TYPE C	1BED+D	68.0sm	732	\$2,600	Leased	31-05-2022	\$80	80
Unit 1117	1BED - TYPE A	1BED	54.2sm	583	\$2,450	Leased	2022-10-01	\$0	
Unit 1118	1BED+D - TYPE D	1BED+D+W	67.2sm	723	\$2,800	Leased	04-02-2022	\$80	80
Unit 1119	2BED - TYPE BF2	2BED	98.5sm	1060	\$3,355	Leased	2023-06-01	\$0	
SECOND FLOOR									
Unit 2201	2BED - TYPE BF	2BED	87.1sm	938	\$2,950	Leased	01-03-2022	\$0	
Unit 2202	2BED - TYPE B	2BED	86.2sm	928	\$3,045	Leased	12-16-2020	\$75	75
Unit 2203	2BED - TYPE A	2BED	97.5sm	1049	\$3,255	Leased	12-12-2020	\$0	
Unit 2204	2BED - TYPE C	2BED	89.0sm	958	\$3,255	Leased		\$0	
Unit 2205	1BED + D - TYPE BF4	1BED+D	66.1sm	711	\$2,550	Leased	06-11-2021	\$35	35
Unit 2206	2BED - TYPE D	2BED	86.2sm	928	\$2,900	Leased	2022-01-05	\$80	80
Unit 2207	1BED + D - TYPE BF3	1BED+D	65.8sm	708	\$2,625	Leased	11-09-2021	\$0	
Unit 2208	1BED + D - TYPE H	1BED+D+C+HB	86.8sm	934	\$3,045	Leased	04-24-2021	\$0	
Unit 2209	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,500	Leased	2022-08-29	\$35	35
Unit 2210	1BED+D - TYPE BF2	1BED+D	77.4sm	833	\$2,950	Leased	2023-06-25	\$35	35
Unit 2211	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,625	Leased	2023-04-01	\$0	
Unit 2212	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	01-11-2021	\$0	

Unit 2213	1BED+D - TYPE B	1BED+D	69.8sm	751	\$2,650	Leased	2022-11-16	\$35	35
Unit 2214	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,500	Leased	01-03-2022	\$80	80
Unit 2215	1BED+D - TYPE BF	1BED+D	69.8sm	751	\$2,700	Leased	2023-02-02	\$0	
Unit 2216	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,500	Leased	29-03-2022	\$80	80
Unit 2217	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,500	Leased	2022-08-01	\$35	35
Unit 2218	1BED+D - TYPE J	1BED+D+C+W	87.0sm	936	\$2,850	Leased	2022-11-01	\$80	80
Unit 2219	1BED+D - TYPE E	1BED+D	65.8sm	708	\$2,600	Leased	2022-09-01	\$0	
Unit 2220	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,500	Leased	01-04-2022	\$0	
Unit 2221	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,625	Leased	2023-07-01	\$35	35
Unit 2222	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	02-16-2021	\$75	75
Unit 2223	2BED - TYPE F	2BED	80.5sm	866		Vacant	2022-11-01	\$0	
Unit 2224	1BED+D - TYPE F	1BED+D	67.3sm	724	\$2,500	Leased	25-04-2022	\$35	35
Unit 2225	1BED - TYPE A	1BED	53.1sm	572	\$2,415	Leased	11-09-2021	\$80	80
Unit 2226	1BED+D - TYPE C	1BED+D	68.0sm	732	\$2,600	Leased	09-01-2021	\$0	
Unit 2227	2BED - TYPE BF2	2BED	99.2sm	1068	\$3,150	Leased	2022-09-15	\$35	35
Unit 2228	1BED+D - TYPE D	1BED+D+W	67.2sm	723	\$2,835	Leased	11-11-2020	\$0	
THIRD FLOOR									
Unit 3301	2BED - TYPE BF	2BED	87.1sm	938	\$3,045	Leased	05-12-2021	\$0	
Unit 3302	2BED - TYPE B	2BED	86.2sm	928	\$3,045	Leased	11-07-2020	\$0	
Unit 3303	2BED - TYPE A	2BED	97.5sm	1049	\$3,255	Leased	11-10-2020	\$75	75
Unit 3304	2BED - TYPE C	2BED	89.0sm	958	\$3,255	Leased	2023-06-01	\$80	80
Unit 3305	1BED+D - TYPE BF4	1BED+D	66.1sm	711	\$2,500	Leased	25-05-2022	\$0	
Unit 3306	2BED - TYPE D	2BED	86.2sm	928	\$3,045	Leased	11-18-2020	\$75	75
Unit 3307	1BED+D - TYPE BF 3	1BED+D	65.8sm	708	\$2,500	Leased	2022-11-07	\$35	35
Unit 3308	1BED + D - TYPE H	1BED+D+C+HB	86.8sm	934	\$3,045	Leased	01-01-2021	\$80	80
Unit 3309	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,625	Leased	10-31-2020	\$75	75
Unit 3310	1BED+D - TYPE BF2	1BED+D	77.4sm	833	\$2,800	Leased	17-05-2022	\$80	80
Unit 3311	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,625	Leased	05-29-2021	\$75	75
Unit 3312	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	01-01-2021	\$0	
Unit 3313	1BED+D - TYPE B	1BED+D	69.8sm	751	\$2,625	Leased	04-16-2021	\$75	75
Unit 3314	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	01-04-2022	\$0	
Unit 3315	1BED+D - TYPE BF	1BED+D	69.8sm	751	\$2,600	Leased	2022-08-30	\$0	
Unit 3316	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,600	Leased	11-30-2020	\$0	
Unit 3317	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,625	Leased	29-04-2022	\$35	35
Unit 3318	1BED+D - TYPE J	1BED+D+C+W	87.0sm	936	\$2,995	Leased	09-03-2022	\$75	75

Unit 3319	1BED+D - TYPE E	1BED+D	65.8sm	708	\$2,625	Leased	07-21-2021	\$0	
Unit 3320	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,500	Leased	10-03-2022	\$80	80
Unit 3321	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,500	Leased	2022-08-27	\$35	35
Unit 3322	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	2022-06-05	\$0	
Unit 3323	2BED - TYPE F	2BED	80.4sm	865	\$2,900	Leased	04-03-2022	\$80	80
Unit 3324	1BED+D - TYPE F	1BED+D	67.3sm	724	\$2,500	Leased	2022-08-24	\$35	35
Unit 3325	1BED - TYPE A	1BED	53.1sm	572	\$2,415	Leased	2023-07-01	\$0	
Unit 3326	1BED+D - TYPE C	1BED+D	68.0sm	732	\$2,500	Leased	26-06-2021	\$80	80
Unit 3327	2BED - TYPE BF2	2BED	99.2sm	1068	\$3,255	Leased	04-01-2021	\$75	75
Unit 3328	1BED+D - TYPE D	1BED+D+W	67.2sm	723	\$2,835	Leased	11-11-2020	\$75	75

FOURTH FLOOR

Unit 4401	2BED - TYPE BF	2BED	87.1sm	938	\$3,098	Leased	08-15-2021	\$80	80
Unit 4402	2BED - TYPE B	2BED	86.2sm	928	\$3,045	Leased	07-29-2021	\$0	
Unit 4403	2BED - TYPE A	2BED	97.6sm	1051	\$3,255	Leased	11-13-2020	\$75	75
Unit 4404	2BED - TYPE C	2BED	89.0sm	958	\$3,255	Leased	12-10-2021	\$0	
Unit 4405	1BED+D - TYPE BF4	1BED+D	66.1sm	711	\$2,625	Leased	2023-06-07	\$35	35
Unit 4406	2BED - TYPE D	2BED	86.2sm	928	\$3,045	Leased	12-15-2020	\$75	75
Unit 4407	2BED+D- TYPE G	2BED+D	98.8sm	1064	\$3,360	Leased	11-26-2020	\$75	75
Unit 4408	1BED + D - TYPE H	1BED+D+C+HB	86.8sm	934	\$3,045	Leased	04-01-2021	\$75	75
Unit 4409	2BED+D - TYPE A	2BED+D	99.2sm	1068	\$3,360	Leased	11-25-2020	\$0	
Unit 4410	1BED+D - TYPE BF2	1BED+D	77.4sm	833	\$2,950	Leased	2022-12-04	\$35	35
Unit 4411	1BED+D - TYPE B	1BED+D	69.6sm	749	\$2,625	Leased	11-07-2020	\$0	
Unit 4412	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	2023-07-24	\$35	35
Unit 4413	1BED+D - TYPE BF	1BED+D	69.8sm	751	\$2,700	Leased	2023-09-01	\$0	
Unit 4414	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	07-31-2021	\$0	
Unit 4415	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,625	Leased	11-07-2020	\$25	25
Unit 4416	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	26-10-2021	\$0	
Unit 4417	1BED+D - TYPE E	1BED+D	65.8sm	708	\$2,625	Leased	2023-07-15	\$0	
Unit 4418	1BED +D - TYPE J	1BED+D+C+W	87.0sm	936	\$2,993	Leased	08-26-2021	\$80	80
Unit 4419	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,500	Leased	2022-08-26	\$35	35
Unit 4420	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	01-01-2021	\$35	35
Unit 4421	2BED - TYPE F	2BED	80.5sm	866	\$2,900	Leased	15-04-2022	\$80	80
Unit 4422	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,625	Leased	2023-05-01	\$80	80
Unit 4423	1BED - TYPE A	1BED	53.2sm	573	\$2,415	Leased	2023-04-26	\$0	
Unit 4424	1BED+D - TYPE F	1BED+D	67.3sm	724	\$2,500	Leased	2022-08-12	\$0	

Unit 4425	2BED - TYPE BF2	2BED	98.6sm	1061	\$3,255	Leased	11-03-2020	\$75	75
Unit 4426	1BED+D - TYPE C	1BED+D	68.0sm	732	\$2,625	Leased	02-01-2021	\$75	75
Unit 4428	1BED+D - TYPE D	1BED+D+W	67.2sm	723	\$2,835	Leased	10-21-2020	\$75	75

FIFTH FLOOR

Unit 5501	2BED - TYPE BF	2BED	87.1sm	938	\$3,050	Leased	01-04-2022	\$0	
Unit 5502	2BED - TYPE B	2BED	86.2sm	928	\$3,203	Leased	15-12-2021	\$80	80
Unit 5503	2BED - TYPE A	2BED	97.6sm	1051	\$3,360	Leased	12-09-2020	\$75	75
Unit 5504	2BED - TYPE C	2BED	84.8sm	913	\$3,200	Leased	01-01-2022	\$80	80
Unit 5505	1BED+D - TYPE BF4	1BED+D	66.1sm	711	\$2,700	Leased	2022-11-01	\$35	35
Unit 5506	2BED - TYPE D	2BED	82.9sm	892	\$3,000	Leased	2022-03-24	\$80	80
Unit 5507	2BED+D - TYPE G	2BED+D	98.8sm	1064	\$3,350	Leased	2022-06-01	\$35	35
Unit 5508	1BED + D - TYPE H	1BED+D+C+HB	84.6sm	911	\$3,150	Reserved	2023-09-01	\$35	35
Unit 5509	2BED+D - TYPE A	2BED+D	99.2sm	1068	\$3,465	Leased	05-26-2021	\$75	75
Unit 5510	1BED+D - TYPE BF2	1BED+D	77.4sm	833	\$2,900	Leased	2022-08-01	\$35	35
Unit 5511	1BED+D - TYPE B	1BED+D	69.6sm	749	\$2,775	Leased	01-31-2021	\$35	35
Unit 5512	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,600	Leased	2022-11-15	\$35	35
Unit 5513	1BED+D - TYPE BF	1BED+D	69.8sm	751	\$2,650	Leased	2023-05-01	\$0	
Unit 5514	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,600	Leased	2022-07-28	\$35	35
Unit 5515	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,600	Leased	28-04-2022	\$115	115
Unit 5516	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,600	Leased	2022-07-01	\$35	35
Unit 5517	1BED+D - TYPE E	1BED+D	65.8sm	708	\$2,600	Leased	2022-11-05	\$80	80
Unit 5518	1BED +D - TYPE J	1BED+D+C+W	87.0sm	936	\$2,900	Leased	29-03-2022	\$80	80
Unit 5519	1BED+D - TYPE A	1BED+D	65.8sm	708	\$2,725	Leased	2023-08-02	\$35	35
Unit 5520	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,600	Leased	2022-01-04	\$80	80
Unit 5521	2BED - TYPE F	2BED	83.2sm	896	\$3,000	Leased	01-03-2022	\$80	80
Unit 5522	1BED+D - TYPE C	1BED+D	67.3sm	724	\$2,600	Leased	2022-07-01	\$0	
Unit 5523	1BED - TYPE A	1BED	55.0sm	592	\$2,400	Leased	04-03-2022	\$0	
Unit 5524	1BED+D - TYPE F	1BED+D	67.3sm	724	\$2,725	Leased	2023-07-01	\$35	35
Unit 5525	2BED - TYPE BF2	2BED	96.8sm	1042	\$3,360	Leased	01-09-2021	\$80	80
Unit 5526	1BED+D - TYPE C	1BED+D	68.0sm	732	\$2,725	Leased	2023-08-01	\$0	
Unit 5528	1BED+D - TYPE D	1BED+D+W	67.2sm	723	\$2,800	Leased	2022-09-21	\$0	

124	96.1%	4840
2	1.6%	\$58,080
126	97.7%	

THIS IS EXHIBIT “E” REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

LETTER OF INTEREST

December 30, 2024

VIA E-MAIL ONLY

Attention: Jimmy Suske

Re: Letter of Interest: First Mortgage Financing
Property: 550 Bond Street West, Oshawa, ON, L1J 0E4

Further to receipt of some preliminary information, we have reviewed your loan requirements, and confirm our interest in entertaining an application for MLI Select Mortgage Financing over the captioned property, subject to the following general terms and conditions:

PURPOSE: To provide a CMHC-insured first mortgage to purchase the Property.

BORROWER: A partnership to be formed

GUARANTORS: Chancery Seniors Housing Investments Inc. and Suske Capital Inc.
Peakhill Equity

LOAN AMOUNT:

Net Loan Amount:	\$56,236,000.00
Application Fees:	\$26,057.78
Insurance Premiums:	<u>\$3,452,751.84</u>
Total Gross Loan Amount:	\$59,714.809.63

FUNDING: Single Advance.

TERM: 10-Years.

AMORTIZATION: 480 Months

INTEREST RATE: The rate is equal to the sum of 50 basis points plus hedge costs over the bid side yield of the 10-year Canada Mortgage Bond as determined by the Lender's investment dealers. The indicative rates as of December 30, 2024, is 4.11%.

COMMITMENT FEE: Waived.

PREPAYMENT PRIVILEGE: The Loan will be closed to prepayment.

MONTHLY PAYMENT: Payments of principal and interest on the first day of each month.

SECURITY:

1. First mortgage charge over the subject Property.

2. First General Assignment of Rents.
3. First General Security Agreement.
4. Joint and several personal guarantees of the Guarantors
5. Any other security reasonably required by the Lender and its counsel.

**CONDITIONS PRECEDENT /
INFORMATION:**

Peakhill Capital will require the following information to be submitted and accepted in order to complete this application and advance funds:

1. Financial Statements and Bank Statements for the Borrower, as applicable.
2. Receipt of Current Rent Roll outlining the occupancy and square foot of each unit.
3. Purchase and Sale Agreements and all executed amendments.
4. Personal net worth statements for individual guarantors, as applicable.
5. A financial review of the Borrower's rental portfolio on CMHC's template.
6. Estoppel required for all commercial tenants.
7. Organizational chart for the Borrowing entity.
8. Final copies of the phase I ESA reports and corresponding letters indicating that the Site is free of contamination.
9. Credit Reports on the Borrower (by acceptance of this offer you authorize us to make the necessary credit inquiries).
10. Copies of the most recent property tax bills, last 12 months of utility bills, and the current property insurance policies.
11. An Inspection of the Property by a representative of Peakhill Capital.
12. Such other applicable conditions as deemed necessary by the Lender.

INSURANCE:

A current insurance review on which the Lender may rely. The Lender will forward all policies to our insurance consultant for their review.

TITLE INSURANCE:

A policy of title insurance in favour of the Lender will be required.

CREDIT INFORMATION:

By this letter, I/we hereby authorize Peakhill Capital to obtain any background information it deems necessary concerning this application, including but not confined to, reports from the credit bureaus, retail credit company, Dun & Bradstreet, or any other source or agency that Peakhill Capital considers appropriate. I/We hereby expressly consent and authorize Peakhill Capital to collect, use, or disclose to third parties the Personal Information as required and as permitted pursuant to the

PIPEDA or other laws. Such third parties may include mortgage loan investors, mortgage loan trustees, law firms, insurance companies, credit bureaus or other third parties involved in the mortgage loan industry.

BORROWER COSTS:

The Borrower will be responsible for legal services, property survey or real property report, insurance review, and third-party reporting costs associated with the mortgage.

INSPECTION FEE:

\$500

GOOD FAITH DEPOSIT:

In returning this letter duly executed as acceptance of the above terms and conditions, you will be required to provide a Good Faith Deposit in the amount of \$10,000. The Good Faith Deposit will be deposited by **PEAKHILL CAPITAL "IN TRUST"** and applied towards a commitment fee and inspection fee upon the acceptance of the Commitment Letter. If you accept this letter of interest and Peakhill Capital issues a Commitment Letter substantially under the basic terms and conditions outlined herein, and the loan subsequently does not proceed, the \$10,000 Good Faith Deposit will be retained as compensation to the Lender for work completed.

If the above general terms and conditions are acceptable to you, we would ask that you sign and return a copy of this letter to us by email or courier, together with a cheque in the amount of \$10,000 representing the above-described Good Faith Deposit payable to Peakhill Capital by no later than **January 8, 2024**. The preceding is not a commitment to provide First Mortgage Financing, but an expression of interest in entertaining an application for financing. All terms and conditions outlined will be subject to credit committee approval.

Yours very truly,

PEAKHILL CAPITAL INC.



Max Goyzman
Vice President, Financing



Harley Gold
Managing Director



Mark Nirenshtein
Associate, Financing

EXECUTION PAGE

The above terms and conditions accepted and agreed to this ____ day of _____, 2024.

BORROWER:

Per: _____
I/We have the authority to bind the Company

GUARANTORS:

Per: _____

Per: _____

SCHEDULE A

Peakhill Capital Inc. (Trust Account), CAD Incoming Wire and EFT Instructions

For Incoming CAD Wire Payments:

Beneficiary Bank: BMO Bank of Montreal
S.W.I.F.T. BIC CODE: BOFMCAM2
CC Code: 000100022

Beneficiary Bank Address:

Toronto Main Branch (Transit 00022), 100 King Street West, Toronto, Ontario, Canada, M5X 1A1

Beneficiary Name: Peakhill Capital Inc.

Beneficiary Account: 00021656324

Beneficiary Address: 105 Adelaide Street West, Suite 910, Toronto, ON M5H 1P9

For CAD EFTs:

Legal Name: Peakhill Capital Inc.

Financial Institution Code: 001

Transit Number: 00022

Account Number: 1656324

THIS IS EXHIBIT “F” REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario



MD&A

MANAGEMENT'S
DISCUSSION
& ANALYSIS

2025

FOR THE YEAR ENDED
December 31, 2025





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

For the Year Ended December 31, 2025

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About this Management's Discussion and Analysis

Chartwell Retirement Residences (“Chartwell” or the “Trust”) has prepared the following management’s discussion and analysis (the “MD&A”) to provide information to assist its current and prospective investors’ understanding of the financial results of Chartwell for the year ended December 31, 2025. This MD&A should be read in conjunction with Chartwell’s audited, consolidated financial statements for the years ended December 31, 2025, and 2024, and the notes thereto (the “Financial Statements”). This material as well as additional information about Chartwell, including our Annual Information Form for the year ended December 31, 2025, dated February 26, 2026 (the “AIF”), is available on Chartwell’s website at www.investors.chartwell.com and on the SEDAR+ website at www.sedarplus.com.

The discussion and analysis in this MD&A is based on information available to management as of February 26, 2026.

All references to “Chartwell,” “we,” “our,” “us,” or the “Trust” refer to Chartwell Retirement Residences and its subsidiaries, unless the context indicates otherwise. For ease of reference, “Chartwell” and the “Trust” are used in reference to the ownership and the operation of retirement and long term care residences and the third-party management business of Chartwell. The direct ownership of such residences and operation of such business is conducted by subsidiaries of the Trust.

In this document we refer to joint ventures as defined by IFRS Accounting Standards in ‘IFRS 11 – Joint Arrangements’ and that are accounted for using the equity method as “Equity-Accounted JVs”.

In this document, “Q1” refers to the three-month period ended March 31; “Q2” refers to the three-month period ended June 30; “Q3” refers to the three-month period ended September 30; “Q4” refers to the three-month period ended December 31; “2025” refers to the calendar year 2025; “2024” refers to the calendar year 2024; “2023” refers to the calendar year 2023; and “2022” refers to the calendar year 2022.

Unless otherwise indicated, all comparisons of results for 2025 and Q4 2025 are in comparison to results from 2024 and Q4 2024, respectively.

All dollar references, unless otherwise stated, are in Canadian dollars.

In this document we use a number of performance measures that are not defined in generally accepted accounting principles (“GAAP”) which follow the disclosure requirements established by National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosures (collectively, the “Non-GAAP Measures”), to measure, compare and explain the operating results and financial performance of the Trust.

These Non-GAAP Measures do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures used by other issuers. The Real Property Association of Canada (“REALPAC”) issued white papers with recommendation for calculation of Funds from Operations (“FFO”) (the “REALPAC Guidance”). Our FFO definition is substantially consistent with the definition adopted in the REALPAC Guidance. Refer to the “Additional Information on Non-GAAP Measures” section of this MD&A for details.

In this document we use various financial metrics and ratios in our disclosure of financial covenants. These metrics are calculated in accordance with the definitions contained in our credit agreements and the trust indenture governing our outstanding debentures and may be described using terms that differ from standardized meanings prescribed by GAAP. These metrics may not be comparable to similar metrics used by other issuers.

The Non-GAAP Measures are categorized as non-GAAP financial measures, non-GAAP ratios, supplementary financial measures, and capital management measures as follows:

Non-GAAP Financial Measures:

FFO, FFO for Equity-Accounted JVs, Internal Funds from Operations (“IFFO”), including per unit amounts (“PU”), Earnings before interest, tax, depreciation and amortization (“consolidated EBITDA” or “EBITDA”), Adjusted Property Revenue, Adjusted Resident Revenue, Adjusted Other Property Revenue, Adjusted Direct Property Operating Expense, Adjusted Operating Margin, Adjusted Resident Revenue per Occupied Suite (“REVPOS”), Adjusted Direct Property Operating Expense per Occupied Suite (“DOEPOS”), Adjusted Net Operating Income per Occupied Suite (“NOIPOS”), FFO Payout Ratio, Consolidated Interest Expense, Adjusted Consolidated Gross Book Value of Assets, Book value of assets, Gross book value adjustment on IFRS transition, Adjustment for accumulated depreciation and amortization, Aggregate Adjusted Assets, and Amortization of finance costs and fair value adjustments on assumed mortgages, Proforma adjustments, and Total Units Outstanding.

Non-GAAP Ratios:

Debt Service Coverage Ratio, Interest Coverage Ratio, Total Leverage Ratio, Adjusted Consolidated Unitholders’ Equity Ratio, Secured Indebtedness Ratio, Unencumbered Property Asset Ratio, Consolidated EBITDA to Consolidated Interest Expense Ratio, Indebtedness Percentage, Net Debt to Adjusted EBITDA Ratio, Expected Unlevered Yield, and Coverage Ratio.

Supplementary Financial Measures:

Net Operating Income (“NOI”), Adjusted NOI, Adjusted Development Costs, Estimated Stabilized NOI, Unencumbered Property Asset Value and Unencumbered Aggregate Adjusted Assets.

Capital Management Measures:

Liquidity, Imputed Cost of Debt, Regularly Scheduled Debt Principal Payments, Consolidated Indebtedness, Secured Indebtedness, and Unsecured Indebtedness.

Refer to the “Additional Information on Non-GAAP Measures”, “Results of Operations/FFO”, “Significant Events/Development/Expected Unlevered Yield and Imputed Cost of Debt”, “Results of Operations/Adjusted Property Revenue, Adjusted Resident Revenue, Adjusted Direct Property Operating Expense, Adjusted Operating Margin, and Adjusted NOI” and “Liquidity and Capital Resources/Debt Covenants” sections of this MD&A for details on these measures.

Risks and Uncertainties

Refer to the “Risks and Uncertainties” section on page 50 of this MD&A, as well as our AIF dated February 26, 2026, for detailed discussions of risk factors and uncertainties facing Chartwell.

Forward-Looking Information

This document contains forward-looking information that reflects management’s current expectations, estimates, forecasts and projections about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry as of the date of this MD&A. Refer to the “Forward-Looking Information” section on page 50 of this MD&A.

Highlights

The following highlights select metrics for 2025 compared to 2024 and Q4 2025 compared to Q4 2024. Refer to the “Results of Operations” section on page 19 of this MD&A for details.

2025

- Property revenue increased \$279.1 million or 34.9%.
- Net income increased \$7.1 million.
- FFO increased \$80.6 million or 40.8%.
- Same property adjusted NOI increased 18.4%.
- Same property adjusted operating margin increased 330 basis points (“bps”) to 41.7%.
- Weighted average same property occupancy increased 480 bps to 92.8%, ending at 95.2%
- Same property NOIPOS increased 12.2% on higher REVPOS and lower DOEPOS.

Q4 2025

- Property revenue increased \$73.8 million or 33.8%.
- Net income increased \$3.7 million.
- FFO increased \$23.6 million or 40.9%.
- Same property adjusted NOI increased 16.9%.
- Same property adjusted operating margin increased 310 bps to 41.6%.
- Weighted average same property occupancy increased 430 bps to 94.7%.
- Same property NOIPOS increased 11.6% on higher REVPOS and lower DOEPOS.

Distributions increase 2.0% as of March 31, 2026.

The following table summarizes select financial and operating performance measures:

(\$000s, except per unit amounts)	Q4 2025	Q4 2024	Change	2025	2024	Change
Property revenue	292,258	218,445	73,813	1,079,035	799,923	279,112
Direct property operating expense	174,944	138,707	36,237	650,076	509,179	140,897
Net income	7,244	3,544	3,700	29,495	22,378	7,117
FFO ⁽¹⁾	81,241	57,663	23,578	278,020	197,462	80,558
FFO per unit ⁽¹⁾	0.26	0.21	0.05	0.95	0.76	0.19
G&A expenses ⁽²⁾	12,714	10,334	2,380	56,601	49,460	7,141

(1) Non-GAAP; refer to the “Results of Operations/FFO” section on page 20 of this MD&A for details.

(2) Refer to the “Results of Operations/General, Administrative and Trust Expenses” section on page 25 of this MD&A for details.

The following table summarizes the results of our same property portfolio as at December 31, 2025:

(\$000s, except percentages and per occupied suite amounts)	Q4 2025	Q4 2024	Change	2025	2024	Change
Same property⁽¹⁾						
Adjusted property revenue ⁽²⁾	182,391	168,452	13,939	705,927	647,327	58,600
Adjusted resident revenue ⁽²⁾	179,526	165,273	14,253	694,304	634,103	60,201
Adjusted other property revenue ⁽²⁾	2,865	3,179	(314)	11,623	13,224	(1,601)
Adjusted direct property operating expense ⁽²⁾	106,567	103,586	2,981	411,629	398,774	12,855
Adjusted NOI ⁽²⁾	75,824	64,866	10,958	294,298	248,553	45,745
Adjusted operating margin ⁽²⁾	41.6%	38.5%	3.1pp	41.7%	38.4%	3.3pp
Weighted average occupancy rate	94.7%	90.4%	4.3pp	92.8%	88.0%	4.8pp
REVPOS ⁽²⁾	5,026	4,848	178	4,959	4,778	181
DOEPOS ⁽²⁾	2,984	3,039	(55)	2,940	3,005	(65)
NOIPOS ⁽²⁾	2,123	1,903	220	2,102	1,873	229

(1) Non-GAAP; refer to the “Property Portfolio Groupings” section on page 5 of this MD&A for explanation of ‘Same property’ and the significance of this metric.

(2) Non-GAAP; refer to the “Results of Operations/Adjusted Property Revenue, Adjusted Resident Revenue, Adjusted Direct Property Operating Expense, Adjusted Operating Margin, and Adjusted NOI” section on page 21 of this MD&A for details.

The following table summarizes select metrics related to our liquidity and debt portfolio. Refer to the “Liquidity and Capital Resources” section on page 28 of this MD&A for details.

	December 31, 2025	December 31, 2024	December 31, 2023
Net Debt to Adjusted EBITDA	6.9x	8.4x	10.2x
Interest Coverage Ratio	3.5x	2.7x	2.3x
Available liquidity (\$000)	504,043	314,295	348,631
Weighted average interest rate (consolidated)	3.92%	4.30%	3.84%

Business Overview

Chartwell is in the business of serving and caring for Canada’s seniors. We are passionate about what we do because we know we are positively impacting the lives of many people.

Our **Vision**—Making People’s Lives BETTER—is the core foundation of how we run our business.

Our **Mission** describes our promise to our **residents**: to create happy, healthy, meaningful lives; to their **families**: to create peace of mind; to our **employees**: to create rewarding careers; and to our **investors**: to create growing returns.

Our **Guiding Principles** direct our decisions in how we deliver on our vision and mission. **Residents First**: Serve with kindness, respect and empathy. Bring Joy through WOW moments. **Own It**: Take personal accountability. Fix what is broken. **Be Curious**: Ask questions and seek feedback. Share knowledge. **Simplify & Innovate**: Fear inaction, not failure. Experiment, learn, repeat. **Stronger Together**: Team up. Welcome differences.



Our Portfolio

Chartwell is an open-ended real estate trust governed by the laws of the Province of Ontario. We indirectly own and operate a portfolio of seniors housing residences across the continuum of care, all of which are located in Canada.

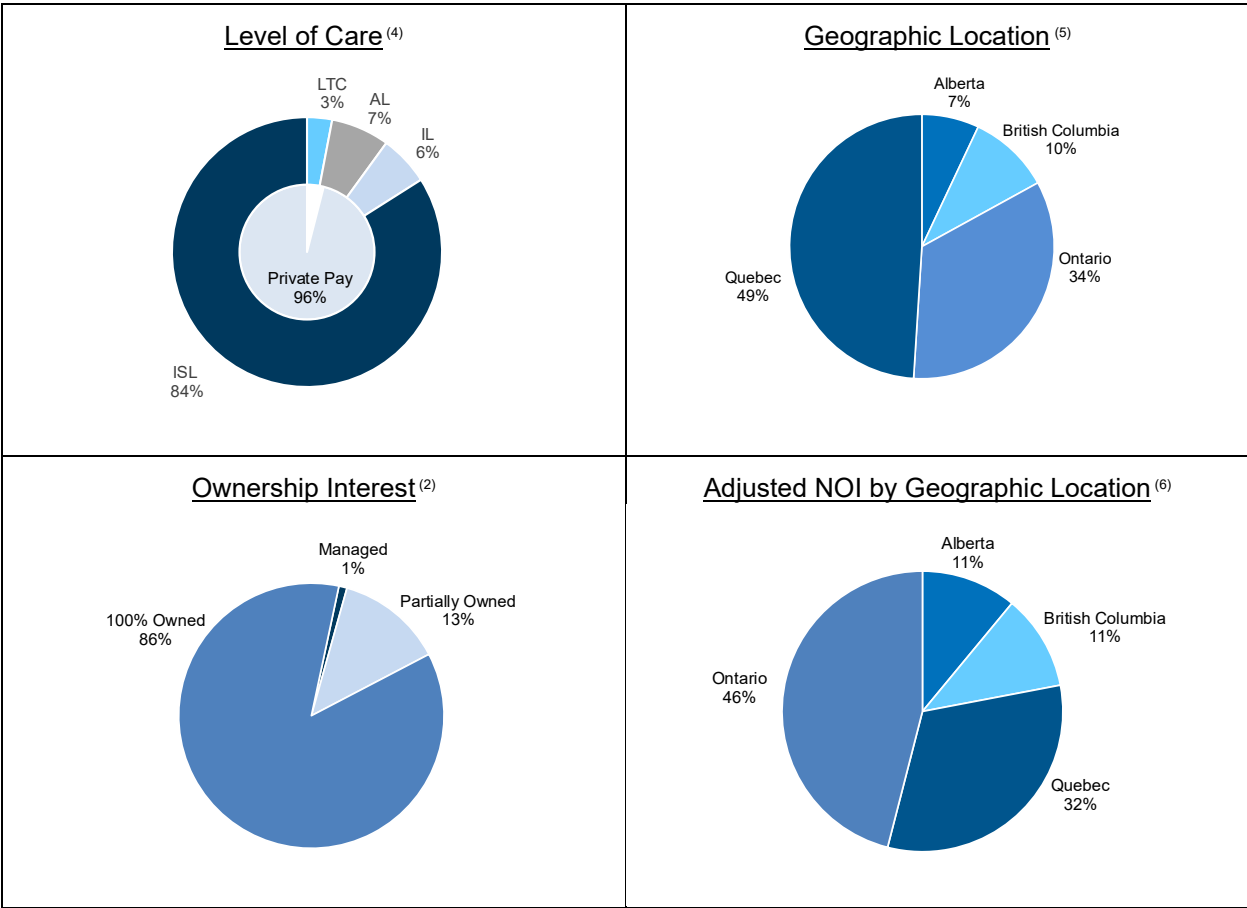
We provide resident services and care in the following settings:

Independent Living (“IL”)	Apartments with availability of dining, life enrichment and housekeeping services.
Independent Supportive Living (“ISL”)	Apartments and suites with availability of dining, life enrichment, housekeeping, personal assistance, and care services.

Assisted Living (“AL”)	Suites with a base level of personal assistance services and/or personal care services for persons with Alzheimer’s disease or other forms of dementia included in the base fee, located in a separate/secure wing, floor or building. Additional care services may be added on top of base fee.
Long Term Care (“LTC”)	Access to 24-hour nursing care or supervision in a secure setting, assistance with daily living activities and high levels of personal care. Admission and funding are overseen by local government agencies in each province.

The following table and pie charts present the composition of our owned and managed portfolio of residences at December 31, 2025:

	100% Owned ⁽¹⁾	Partially Owned ⁽²⁾	Total Owned	Total Managed	Total
Properties ⁽³⁾	130	13	143	1	144
Suites	22,729	3,552	26,281	283	26,564



(1) Includes one non-core property for which operational closure was completed, and on May 5, 2025, we entered into a 15-year lease agreement with the Ottawa Hospital. On February 19, 2026, we entered into a definitive agreement to sell this property for \$49.0 million with closing expected in Q1 2026.

(2) We have a 50% ownership interest in 10 residences (2,643 suites), a 60% ownership interest in one residence (165 suites) and an 85% ownership interest in two residences (744 suites).

(3) Effective Q1 2025, we changed our approach to the property count which resulted in a reduction of 12 properties. Where more than one residence is located on the same site or address, it is now counted as one property.

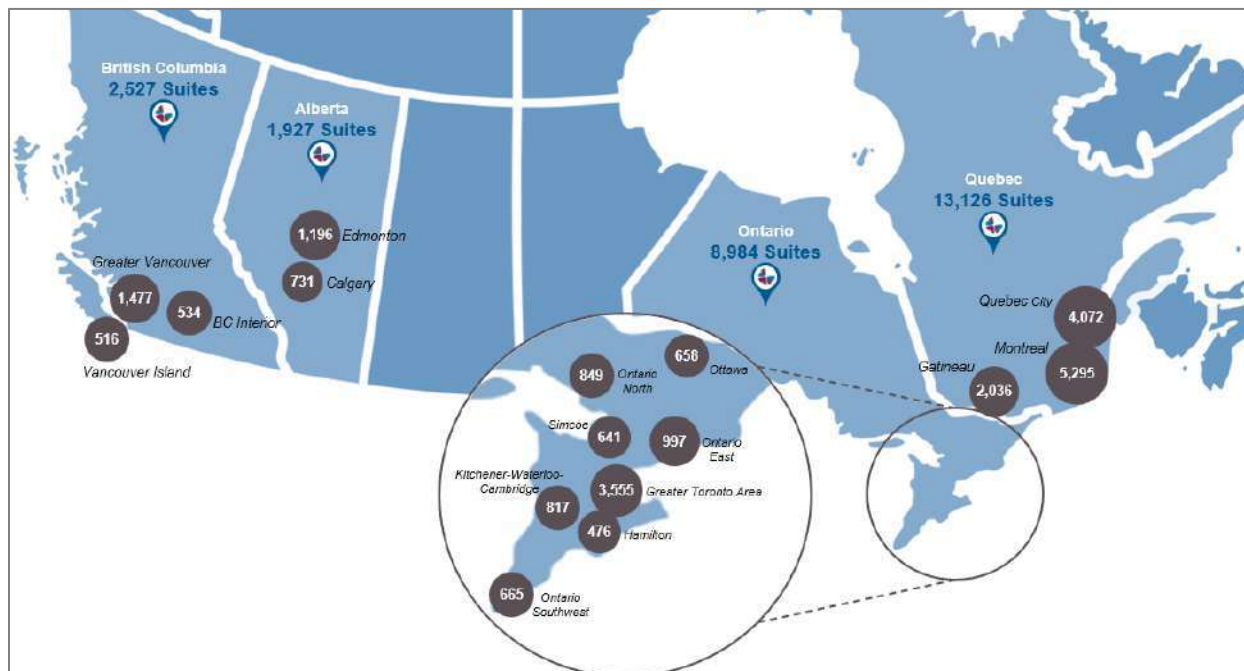
(4) Based on suites at Chartwell’s share of ownership interest at December 31, 2025. 96% of our suites are private pay and 4% receive funding by local government agencies in their respective province.

(5) Based on suites at 100% ownership interest at December 31, 2025.

(6) Adjusted NOI % represents Chartwell’s share of ownership interest for the year ended December 31, 2025.

Property Geographic Locations

Our properties are concentrated in Canada's four largest seniors housing markets—British Columbia, Alberta, Ontario, and Quebec. The following chart maps out our property portfolio as at December 31, 2025:



Property Portfolio Groupings

We use groupings of our properties to evaluate and monitor our financial and operating performance including:

Same property	Effective January 1, 2025, the composition of our same property portfolio includes properties that have been owned continuously and at the same ownership percentage since the beginning of the previous fiscal year.
Growth	Our growth portfolio includes properties that were acquired subsequent to January 1 of the preceding fiscal year and development properties that have not been operating for the full prior fiscal year. Additionally, our growth portfolio includes properties for which we acquired incremental ownership interest in the current fiscal year. Consequently, the previous fiscal year's results are not fully comparable for these properties.
Repositioning	Our repositioning portfolio includes properties that we expect to sell in the current fiscal year, and properties that are undergoing significant redevelopment or repositioning, including in some cases changes in capacity or use.

The supplemental disclosures of these portfolio groupings are Non-GAAP Measures that do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures used by other issuers.

The following table summarizes the composition of each portfolio grouping as at December 31, 2025:

	Composition of Suites					Total	Total at Chartwell's Share of Ownership
	Properties	IL	ISL	AL	LTC		
Same property							
100% Owned	81	849	9,947	966	201	11,963	11,963
Partially Owned ⁽¹⁾	5	17	908	-	-	925	610
Total same property	86	866	10,855	966	201	12,888	12,573
Growth							
100% Owned	33	384	7,644	619	125	8,772	8,772
Partially Owned ⁽²⁾	8	181	2,285	161	-	2,627	1,443
Total growth	41	565	9,929	780	125	11,399	10,215
Repositioning							
100% Owned ⁽³⁾	16	40	1,418	110	426	1,994	1,994
Total repositioning	16	40	1,418	110	426	1,994	1,994
Total portfolio	143	1,471	22,202	1,856	752	26,281	24,782

(1) We own an 85% interest in one property and a 50% interest in four properties.

(2) We own an 85% interest in one property, a 60% interest in one property, and a 50% interest in six properties.

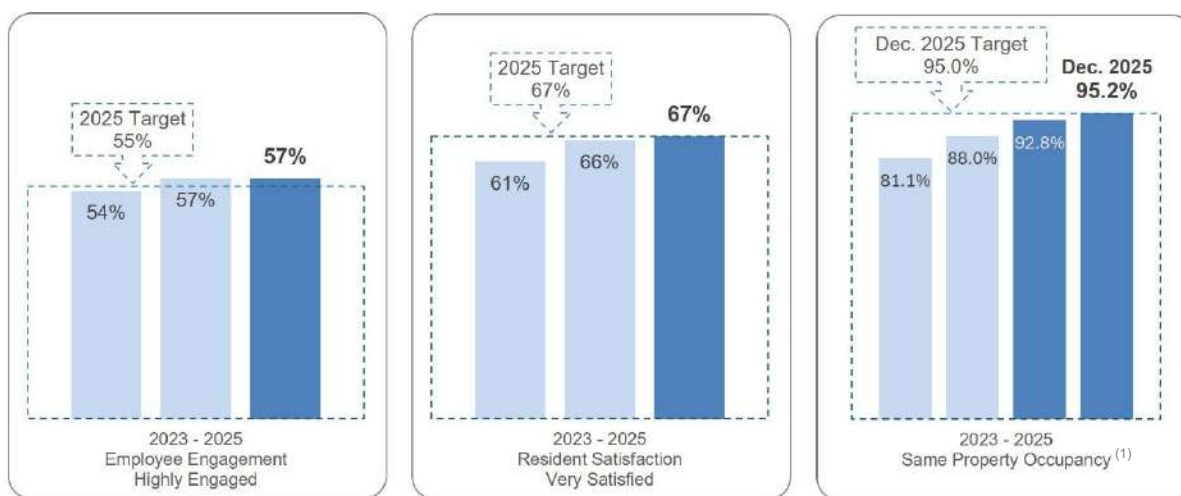
(3) Includes one non-core property that was operationally closed and in May 2025, leased to the Ottawa Hospital.

Business Strategy

2025 Strategy

In 2025, we will achieve in our retirement residences, **Employee Engagement** of 55% (highly engaged), **Resident Satisfaction** of 67% (very satisfied) and Same Property **Occupancy** of 95% to drive strong **IFFOPU** growth by providing exceptional resident experiences through personalized services in our upscale and mid-market residences in urban and suburban locations.

2025 marked the final year of our strategic plan which culminated in Chartwell meeting or exceeding our strategic goals. The following charts summarize Employee Engagement, Resident Satisfaction and Same Property Occupancy results for the past three years:



(1) Same property occupancy results are as reported, and the composition of the same property portfolio is not the same year-over-year.

2028 Strategy

In 2026-2028, we will generate robust **FFO per unit growth** through **exceptional resident experiences, empowered teams, a well-established agile management platform, and prominent Chartwell brand** driving **market-leading occupancies** in a **growing and renewing portfolio** of **community-tailored residences**.

We expect to deliver robust **FFOPU growth** through the achievement of the following targets to be measured and reported each quarter:

Same Property Performance	
Weighted average occupancy	> 95%
REVPOS growth ⁽¹⁾	> 4%
DOEPOS growth ⁽¹⁾	< 4%
Balance Sheet	
Net Debt to Adjusted EBITDA ⁽²⁾	< 7.5x
Interest Coverage Ratio ⁽²⁾	> 3.0x
FFO Payout Ratio ⁽¹⁾	< 60%
Capital	
Acquisitions and Developments ⁽³⁾	\$2 billion
Dispositions ⁽⁴⁾	\$1 billion

(1) Measured quarterly.

(2) Measured quarterly for the trailing 12 months.

(3) Refers to aggregate purchase price of acquisitions at Chartwell's share of ownership plus adjusted development costs for the three-year period ending December 31, 2028. Measured quarterly on a cumulative basis.

(4) Refers to the aggregate gross sale price of dispositions for the three-year period ending December 31, 2028. Measured quarterly on a cumulative basis.

Scope and Competitive Advantage:

Exceptional resident experiences. We create resident experiences that are personalized, memorable, feel like home, and where friends and families feel welcome and respected. Resident satisfaction will be measured annually by Net Promoter Score ("NPS"). 2025 NPS was 43; 2026 NPS target is 45.

Empowered teams. Our residence managers take ownership of strategies, execution, and results while leveraging expert corporate support. They innovate, experiment and lead highly engaged teams to exceed residents' expectations and achieve market-leading occupancies. Employee engagement will be measured annually by employee NPS ("eNPS"). 2025 eNPS was 39; 2026 eNPS target is 40.

Agile management platform. Culture, experience, standards and processes are optimized to enable smooth operations, innovation, learning and efficiency in scaling growth. Our leading management platform will continue to evolve through technology-enabled tools, transparent pricing strategies, a regionally focused corporate sales team and localized marketing. These tools also foster organizational learning and support our ability to scale effectively as we grow our footprint and deepen our presence in key markets.

Prominent Chartwell brand. We are strengthening the Chartwell brand as a differentiating asset. Our brand promise, **Joy is Ageless**, enhances our ability to attract residents, talent and partners. Brand consistency across our residences, paired with meaningful community partnerships, deepens trust and reinforces our market leadership positioning.

Market-leading occupancies. Aspiring to be the occupancy leader in each market through a strong brand presence, local market knowledge and deep community connections.

Growing and renewing portfolio. Responsibly and sustainably expanding market reach through investments in our core property portfolio, acquisitions and strategic developments. Optimizing and future-proofing our property portfolio through divestitures of non-core assets.

Community-tailored residences. Delivering services and care tailored to the unique demographic composition, preferences, and identity of local communities. Partnering with communities to bring positive change and improve lives.

2026 Outlook

The fundamentals supporting seniors housing have never been stronger. Canada's 80 plus population is projected to grow at approximately 4.0% annually over the next 20 years, creating sustained, long-term demand for retirement living. At the same time, new construction has slowed significantly, construction starts have been less than 1% of inventory in our core markets for the past three years, and many older residences are facing capital or economic obsolescence. This imbalance between accelerating demand and constrained supply underpins a continued favourable operating environment in 2026 for quality operators with scale, brand, and financial capacity. It also reinforces Chartwell's strategic focus on optimizing and renewing our existing portfolio, selectively pursuing development and acquisition opportunities in core markets, and responsibly recycling capital from non-core assets.

Operations

2025 represented another year of significant occupancy growth for Chartwell. We added 480 basis points ("bps") of occupancy in our same property portfolio, and we realized our strategic objective of 95% occupancy. We also strengthened our portfolio through acquisitions, reinvestment, new developments, and divestitures. In addition, we mirrored these improvements with ongoing investments in our management platform. The enhancements in our technology, sales and marketing strategies, and corporate support functions are efficiently delivering the tools that empower our front-line leaders to deliver exceptional results. We expect the strength of our portfolio and management platform to enable us to maintain a **95% average occupancy** in our same property portfolio and achieve occupancy gains in our growth portfolio. Occupancy growth will be supported by continued increases in rental and service rates which we expect to grow by approximately 4% in 2026. Rate increases for our existing residents will take place throughout the year based on individual lease anniversary dates. Market rates are being assessed on an ongoing basis considering local dynamics. We expect to continue to reduce the use of targeted incentives during 2026 which will support rate growth. As a result of the expected growth in average occupancy and rate, we expect to see further growth in our same property adjusted operating margin beyond the 41.7% achieved in 2025. Adjusted operating margin is adjusted NOI divided by adjusted resident revenue.

2026 Same Property Composition

Effective January 1, 2026, the composition of our same property portfolio changed to include properties that have been owned continuously and at the same ownership percentage since January 1, 2025. Same property excludes development properties that have not been operating for the full prior fiscal year and properties that are expected to undergo significant redevelopment, repositioning or are to be sold in the current year.

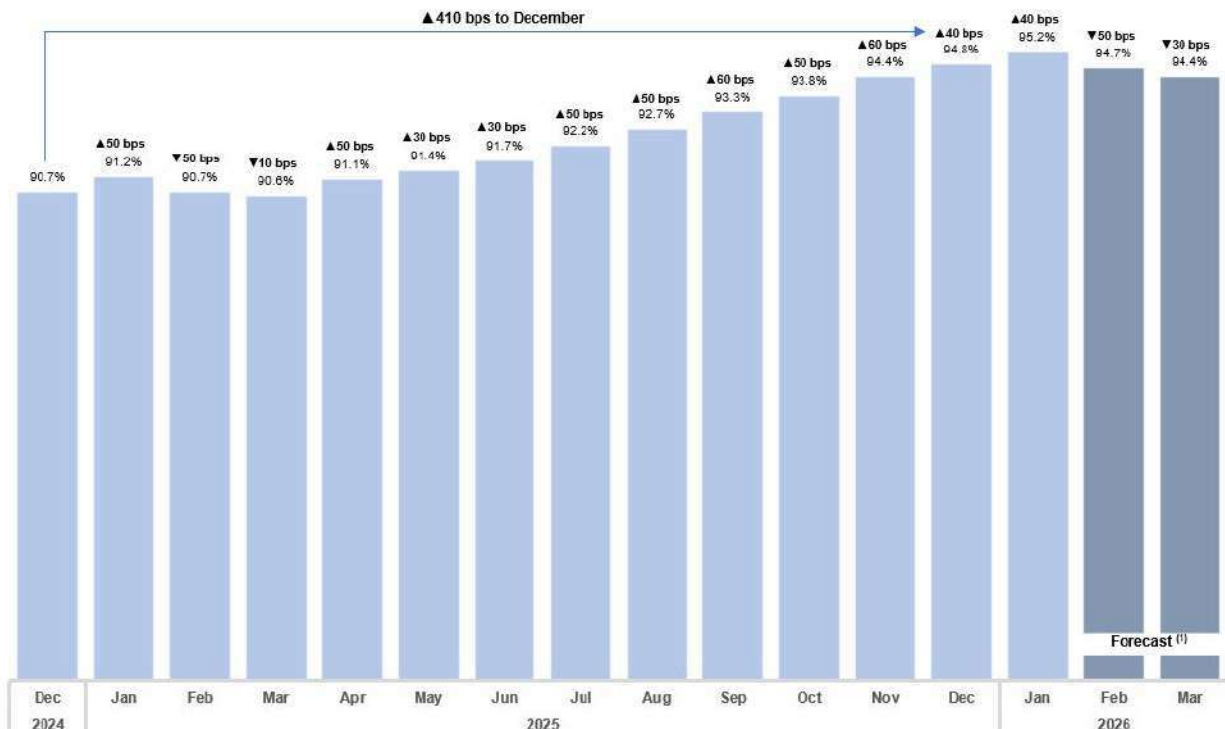
The following table summarizes the changes in composition of our same property portfolio reported in our 2025 financial results compared to the composition that will be reported in our 2026 financial results:

	Properties	Suites	At Chartwell's Share of Ownership	
			Suites	Occupancy ⁽¹⁾
Same property as reported in 2025	86	12,888	12,573	95.2%
Add: moved from growth portfolio	11	3,239	2,336	92.2%
Add: moved from repositioning portfolio	2	439	439	97.1%
Same property for 2026 reporting	99	16,566	15,347	94.8%

(1) As at December 31, 2025.

Same property for the purpose of this Outlook is in accordance with our 2026 definition. Same property references elsewhere in this document reflect the 2025 composition of our same property portfolio.

The following chart provides an update in respect of our same property occupancy:



(1) Forecast includes leases and notices as at January 31, 2026, and an estimate of mid-month move-ins of 20 bps for February and 50 bps for March, based on the preceding 12-month average of such activity.

We experienced a seasonal occupancy dip during the 2026 winter that was more in-line with historical periods given severe weather conditions and a more pronounced flu season. We expect to see strong spring permanent move-in activity given the robust industry supply and demand fundamentals and expect to achieve our full year average occupancy target of 95%.

For our combined same property and growth portfolios, the annual revenue impact of a one percent change in REVPOS is estimated at approximately \$11.2 million and a one percentage point change in occupancy is estimated at \$11.9 million.

General, Administrative and Trust (“G&A”) Expenses

Excluding the impact of unit based and performance based compensation, G&A expenses increased in-line with inflation in 2025 with continued investment in technology solutions and corporate support processes being offset by efficiencies achieved as we grow the portfolio. We expect this trend to continue in 2026 as we identify and implement further efficiencies that will allow us to support the growing portfolio, without significant increases in G&A expenses.

Portfolio Optimization

Development

Following a period of limited activity that was driven by elevated construction and financing costs, we have recommenced our development program to create a pipeline of new projects that will form a core pillar of our growth strategy. We will partner with reputable developers on attractive new sites and on lands we already own. We expect these partnerships to include both projects where we will contribute equity to the development, and projects structured with forward purchase arrangements that provide the ability to acquire properties either on construction completion or at stabilization. In total, we have identified projects representing 6,348 suites in our targeted core markets.

During 2025, we commenced construction of three development projects in Quebec representing 527 suites. These projects, which are expected to be delivered in Q4 2026 and Q1 2027 include expansions to two existing properties and a new project on a site adjacent to a residence co-owned by Chartwell and Batimo. We also announced a mezzanine loan for a new development in Alberta where we have a call option to acquire the property on stabilization, which we expect to occur in 2029. We also expect to finalize several new development projects in 2026 that will support our growth pipeline for 2028 and 2029.

Acquisitions

2025 was a record year of acquisitions for Chartwell with over \$1.7 billion in completed and announced investments during the year. We acquired interests in properties in core markets across British Columbia, Ontario, Quebec, and Alberta. These transactions included the acquisition of several newer, high-quality properties, as well as the consolidation of our ownership interests in a number of existing residences.

We expect the strong pace of acquisitions to continue in 2026 as we pursue opportunities to high grade our portfolio by acquiring newer, high-quality properties in core markets. We remain focused on leveraging our operating platform, maintaining financial flexibility, and advancing acquisitions that support long-term portfolio optimization.

Dispositions

We have identified properties within our portfolio that no longer fit our core strategic focus due to their location, size, age and/or service offering. These non-core properties represent approximately 5,500 suites. We intend to pursue dispositions of these properties in the next three years, as market conditions allow, with proceeds expected to be used to support future development and acquisition activity that is in line with Chartwell's current strategy.

Taxation

In 2025, 96.3% of our distributions were classified as return of capital and 3.7% were classified as eligible dividends. Based on current forecasts, we do not expect any other SIFT taxes payable in 2026.

Liquidity and Financing

As at February 26, 2026, liquidity amounted to \$483.8 million, which included \$88.9 million of cash and cash equivalents and \$394.9 million of available borrowing capacity on our Credit Facilities.

We finance our operations primarily through long-term fixed-rate mortgage debt, the majority of which are insured by Canada Mortgage and Housing Corporation ("CMHC"). We maintain an investment grade credit rating which allows us to issue unsecured debentures and obtain unsecured bank financing at attractive cost. We will continue to utilize these financing tools to balance cost, flexibility, and tenure of our debt portfolio. In 2026, our debt maturities include \$209.6 million of mortgages with a weighted average interest rate of 2.99%. As at February 26, 2026, we estimate the 10-year CMHC-insured mortgage rate to be approximately 3.85% and the five-year unsecured debenture rate to be approximately 3.88%.

Distributions

On February 26, 2026, the Trustees approved an increase in our monthly distributions from \$0.051 per unit (\$0.612 annualized) to \$0.052 per unit (\$0.624 annualized). The increase will be effective for the March 31, 2026 distribution payable on April 15, 2026.

Significant Events

In addition to the items discussed in the “2026 Outlook” section of this MD&A, the following events have had a significant effect on our financial results to date in 2025 and/or may be expected to affect our results in the future:

Portfolio Optimization

We continue to pursue a portfolio optimization strategy to high grade our portfolio into newer, larger, and operationally efficient seniors communities across Canada's top retirement markets to best position Chartwell for long-term sustainable NOI growth. We have invested significant financial and management capital pursuing acquisitions in line with this strategy and more recently have initiated new development projects to support a strong pipeline of future property growth. We have also identified properties within our portfolio that no longer fit this core strategic focus due to their location, size, age and/or service offering.. We intend to pursue dispositions of some or all of these properties, as market conditions allow, with proceeds expected to be used to support future development and acquisition activity that is in line with Chartwell's current strategy.

Development

Expected Unlevered Yield

In addition to monitoring development costs measured on a GAAP basis, which includes land, hard and soft development costs, furniture, fixtures and equipment, we assess our return on investment in development activities using the non-GAAP measure 'Expected Unlevered Yield'. Expected Unlevered Yield should not be construed as an alternative to other GAAP metrics and may not be comparable to measures used by other entities.

Expected Unlevered Yield is defined as the ratio of:

- the estimated annual NOI of a development property in the first year it achieves an expected stabilized occupancy level (“Estimated Stabilized NOI”), which varies from project to project,
- divided by the estimated adjusted development costs (the “Adjusted Development Costs”), which is the sum of:
 - development costs on a GAAP basis, plus
 - an imputed cost of debt calculated by applying our estimated weighted average cost of debt to our GAAP development costs, compounded during the development of the property (the “Imputed Cost of Debt”).

We see this as a useful measure as we believe it reflects our financial returns on the total economic cost of developing a new property.

Completed Developments

During Q3 2025, we completed the redevelopment of Chartwell Ballycliffe LTC, located in Ajax, Ontario, expanding the home from 100 to 224 beds and became eligible for a \$10.1 million grant from the Ontario Ministry of Long Term Care (the “MLTC”). As at December 31, 2025, we incurred total adjusted development costs of \$80.1 million, resulting in a \$70.0 million net investment in the project. In addition, we expect to receive an annual capital funding subsidy from the MLTC of \$1.9 million over the next 25 years. Present value of this cash flow stream of \$31.4 million was recorded as a receivable in our financial statements.

Developments in Construction

The following table summarizes development projects that are in construction as of the date of this MD&A:

Project	Location	Suites / Beds	Suite Type	Chartwell Ownership	Estimated Development Cost ⁽¹⁾ (\$ millions)	Estimated Imputed Cost of Debt ⁽¹⁾⁽²⁾ (\$millions)	Estimated Adjusted Development Costs ⁽¹⁾⁽³⁾ (\$millions)	Adjusted Development Costs ⁽¹⁾⁽²⁾ incurred as at December 31, 2025 (\$millions)	Expected Completion Date	Expected Stabilized Occupancy Date	Expected Stabilized Occupancy	Estimated Stabilized NOI ⁽¹⁾⁽²⁾ (\$millions)	Expected Unlevered Yield ⁽²⁾
Chartwell Le Prescott II	Vaudreuil-Dorion, QC	247	IL/ AL	50%	47.1	1.0	48.1	13.9	Q1 2027	Q1 2030	96.5%	3.6	7.5%
Lib Vaudreuil-Dorion	Vaudreuil-Dorion, QC	187	IL	50%	37.9	0.7	38.6	12.4	Q1 2027	Q2 2029	97.0%	1.9	4.9%
Chartwell des Mille-Îles	Terrebonne, QC	93	IL	100%	32.0	1.9	33.9	7.2	Q4 2026	Q1 2028	97.5%	2.5	7.4%
		527			117.0	3.6	120.6	33.5					

(1) Calculated at Chartwell's ownership interest in the project.

(2) Non-GAAP; refer to the preamble to this section for the definition of this metric and the discussion of its significance.

(3) Non-GAAP; represents the total of estimated Development Costs and estimated Imputed Cost of Debt.

In 2025, we acquired ownership interests in two development projects in Vaudreuil-Dorion with Batimo as follows:

- On June 11, 2025, we acquired a 50% interest in a 247-suite addition to the existing Chartwell Le Prescott residence—Chartwell Le Prescott II—comprised of 223 independent living suites and 24 assisted living suites for a purchase price of \$7.8 million.
- On July 3, 2025, we acquired a 50% interest in the development of Lib Vaudreuil-Dorion, a 187-suite seniors' apartment building tailored to active, independent 55+ adults for a purchase price of \$6.3 million.

Development Arrangements with Third-Party Developers

In addition to development projects where we make direct equity investments, we may participate in selected development projects through arrangements with third-party developers. These arrangements are structured on a project specific basis and may include mezzanine financing, operational involvement and future acquisition rights, without initial equity ownership in the underlying development.

During the year, we advanced mezzanine financing in connection with the development of a 111-suite retirement residence in Calgary, Alberta. The financing is secured by the project and includes customary credit protection. We will act as the operations manager of the residence and have the option to acquire the property upon stabilization. The project is not consolidated and is not included in our development costs as reported in the table above.

Projects by Batimo

We have built an important pipeline of acquisition opportunities by participating in certain development projects conducted by Batimo in the province of Quebec. Batimo carries out development activities, and we provide certain operations management services to these projects and in some cases, provide mezzanine financing.

We have entered into various development arrangements with Batimo under which we participate in the development and lease-up of certain retirement residence projects. Under legacy arrangements, Batimo has the right, upon a property achieving specified stabilized occupancy levels, to require us to acquire an 85% ownership interest in the property at a price based on fair market value, as defined in the agreements. This right is exercisable for a defined period following stabilization.

We have adopted a revised ownership structure for the Chartwell Le Prescott II project under construction. Under this framework, Chartwell and Batimo each hold a 50% interest during construction and lease-up. Upon achievement of stabilized occupancy, the parties will negotiate the terms under which our ownership interest would increase to 85%. If the parties are unable to reach an agreement, either party may require Chartwell's purchase of an additional 35% interest at a price based on fair market value, as defined in the agreements. These rights are exercisable for a defined period following stabilization.

Certain other development projects with Batimo are subject to separate arrangements and are not governed by the terms described above.

Since the inception of our partnership in 2014, we have acquired interests in 11 properties (3,565 suites) from Batimo including interests in three projects in 2025, as discussed in the Acquisitions section following.

The following table summarizes the status of current projects by Batimo:

Project	Location	Suites	Suite Type	Current Project Status ⁽¹⁾	Actual Completion Date	Current Occupancy ⁽²⁾	Actual / Expected Stabilized Occupancy Date
Chartwell Le Montcalm	Candiac, QC	283	ISLA	O	September 2017	98.8%	Q4 2022

(1) Current project status is defined where 'O' means Operating.

(2) As of January 16, 2026.

Chartwell Le Montcalm has achieved the occupancy threshold giving effect to the Batimo put rights. We estimate the current value of this project at approximately \$86.5 million at 100% ownership interest.

Potential Developments on Owned Lands

The following table summarizes additional development opportunities on our owned lands. While a number of these development projects are in advanced stages of pre-construction or feasibility assessments, others have a longer-term development time horizon and, in some cases, may be subject to extensive municipal approval requirements. The land values are recorded in land held for development and properties under development.

Location	Ownership %	Vacant Land Size (acres)	Estimated Potential Number of Suites ⁽¹⁾	Book Value of Land (\$millions)
Bowmanville, ON	100%	1.8	223	4.3
Brockville, ON	100%	0.5	54	0.6
Calgary, AB	100%	1.4	384	10.9
Edmonton, AB	100%	2.1	202	5.5
Gatineau, QC	100%	3.4	600	8.6
Gatineau, QC	100%	2.2	419	6.5
Gatineau, QC	100%	1.5	159	2.6
Morrisburg, ON	100%	1.8	24	-
Nepean, ON	100%	0.5	32	0.6
Oshawa, ON	100%	2.0	201	6.0
Pickering, ON	100%	1.3	415	6.3
Saint-Hyacinthe, QC	100%	0.8	70	0.7
Saint-Jérôme, QC	100%	6.0	410	0.9
Saint-Jérôme, QC	100%	0.6	126	-
St-Jean-sur-Richelieu, QC	100%	1.3	163	-
Surrey, BC	100%	2.6	184	4.9
Victoriaville, QC	100%	1.1	66	0.2
Total ⁽²⁾		30.9	3,732	58.6

(1) Numbers of potential suites to be developed are estimates and subject to change based on market conditions and municipal approval processes.

(2) Includes \$46.3 million in land held for development and \$12.3 million in properties under development.

Acquisitions

On January 17, 2025, we acquired a 131-suite retirement residence in Victoria, British Columbia for a purchase price of \$75.0 million. The residence was rebranded Chartwell Victoria Harbour. The purchase price was settled in cash.

On March 1, 2025, we acquired a 632-suite retirement residence in Montreal, Quebec for a purchase price of \$136.0 million. The residence was rebranded Chartwell Rosemont Les Quartiers. The purchase price was settled in cash.

On March 10, 2025, we acquired the remaining 15% ownership interest in Chartwell Trait-Carré, a 361-suite retirement residence in Charlesbourg, Quebec from Batimo for \$17.2 million before working capital adjustments and closing costs. The purchase price included the proportionate assumption of the \$66.5 million mortgage in place at closing, with the balance settled in cash. We now have 100% ownership interest in this residence. In addition, we repaid the mortgage following closing of the transaction.

On April 1, 2025, we acquired Chartwell Le Florilège, a 345-suite retirement residence in Quebec City, Quebec from Batimo. The purchase price of \$112.9 million was partially settled through the assumption of a \$77.6 million variable rate mortgage bearing interest at the Canadian Overnight Repo Rate Average ("CORRA") plus 1.95% and maturing in six months. This mortgage was subsequently repaid. The remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash.

On April 1, 2025, we acquired Chartwell L'Envol, a 360-suite retirement residence in Quebec City, Quebec from Batimo. The purchase price of \$117.8 million was partially settled through the assumption of a \$65.4 million variable rate mortgage bearing interest at CORRA plus 1.95% and maturing in six months as well as the settlement of a \$4.2 million mezzanine loan. This mortgage was subsequently repaid. The remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash.

On June 1, 2025, we acquired an additional 5% ownership interest in The Sumach by Chartwell, a 332-suite retirement residence in Toronto, Ontario for \$6.7 million before normal working capital and other closing adjustments. We now have 50% ownership interest in the property.

On July 21, 2025, we entered into a definitive agreement to acquire a portfolio of six seniors housing communities comprising 1,024 suites located in London, Waterloo, and Mississauga, Ontario for a total purchase price of \$432.0 million, including a forward purchase agreement to acquire 29 townhomes at one of the communities upon completion of their development expected in Q4 2026. The purchase price will be partially settled by assuming mortgages of approximately \$229.6 million. The assumed mortgages, the majority of which are CMHC insured, have a weighted average interest rate of 4.5% and weighted average term to maturity of 19 years. Closing of the transaction is subject to third-party approvals.

On October 1, 2025, we acquired a 449-suite retirement residence (rebranded Chartwell Les Tours Angrignon) in Montreal, Quebec. The purchase price of \$88.5 million was partially settled through the assumption of a CMHC-insured mortgage of \$68.7 million bearing interest at 2.22% maturing in December 2026. The remainder of the purchase price, subject to normal working capital and other adjustments, was paid in cash.

On November 1, 2025, we acquired Résidence L'Aubier, a 376-suite retirement residence in Lévis, Quebec from Batimo. The purchase price of \$128.2 million was settled in cash and the repayment of a \$10.0 million loan extended by Chartwell to Batimo. A portion of the purchase price of \$0.65 million is held back to support the vendor NOI guarantee obligations to Chartwell.

On November 3, 2025, we acquired a 238-suite retirement residence (rebranded Chartwell Panorama) in Laval, Quebec for \$76.0 million. The purchase price was settled in cash.

On December 1, 2025, we acquired a 334-suite retirement residence (rebranded Chartwell Azalis) in Repentigny, Quebec for \$111.0 million. The purchase price was settled in cash.

On December 2, 2025, we acquired a newly developed 155-suite retirement residence (rebranded Chartwell Edgewater) in Nanaimo, British Columbia for \$102.7 million. The purchase price was settled in cash.

On December 15, 2025, we acquired The Edward, a 90-suite retirement residence in Calgary, Alberta for \$53.0 million. The purchase price was settled in cash.

On December 18, 2025, we acquired the remaining 15% ownership interest in Résidence Légende, a 368-suite retirement residence in Longueuil, Quebec from Batimo for \$17.9 million before working capital adjustments and closing costs. The purchase price included the proportionate assumption of the \$10.1 million mortgage in place at closing, with the balance settled in cash. We now have 100% ownership interest in this residence.

Dispositions

On February 1, 2025, we completed the wind-up our joint arrangements with Welltower (the “Welltower Transaction”). Under the terms of the agreement, Chartwell conveyed its ownership interest in 23 assets (the “Welltower Assets”) to Welltower for consideration of: (i) Welltower’s ownership interest in 16 assets (the “Chartwell Assets”) and (ii) \$93.1 million in cash net of debt and working capital adjustments. Net proceeds to Chartwell after estimated transaction costs of \$12.9 million and taxes of \$1.8 million are expected to be approximately \$78.4 million (the “Cash Consideration”). Chartwell acquired \$210.4 million in PP&E and assumed \$131.7 million in debt on the Chartwell Assets. The assumed debt has a weighted average interest rate of 3.1% and a weighted average term to maturity of 5.3 years. The net change to total debt for Chartwell was a reduction of approximately \$52.1 million including the impact of the settlement of the Welltower loan of \$33.3 million that was settled upon closing of the transaction, as discussed in the “Liquidity and Capital Resources/Debt/Loans Payable” section on page 31 of this MD&A. This net change is before any impact of the Cash Consideration.

Repositioning

On May 5, 2025, we entered into a 15-year lease agreement with the Ottawa Hospital for one of our residences in Ottawa, Ontario. Under the terms of the lease, we will receive annual lease payments of \$2.3 million, subject to escalators. We expect to incur one-time leasing costs of approximately \$2.7 million. On February 19, 2026, we entered into a definitive agreement to sell this residence for \$49.0 million with closing expected in Q1 2026.

Financing

On March 6, 2025, we issued \$200.0 million of 3.650% Series E senior unsecured debentures (the “Series E Debentures”) due on May 6, 2028, and \$200.0 million of 4.500% Series F senior unsecured debentures (the “Series F Debentures”) due on March 6, 2032. The net proceeds of the Series E Debentures and the Series F Debentures were used to repay indebtedness under our secured credit facility, to repay the remaining \$75.0 million outstanding on our unsecured term loan and to partially finance acquisitions. Refer to the “Liquidity and Capital Resources/Debt/Debentures” section on page 32 of this MD&A for details.

On June 3, 2025, we entered into amending agreements to extend the maturity date of the secured and unsecured credit facility from May 29, 2027, to May 29, 2029. Terms of the facility were amended to reduce the interest on the secured facility and to change the lending formula impacting the calculation of the facility’s available borrowing capacity. Refer to the “Liquidity and Capital Resources/Debt/Credit Facilities” section on page 31 of this MD&A for details.

At-the-Market Program

On November 14, 2024, we filed a prospectus supplement to establish an at-the-market equity distribution program (the “2024 ATM Program”). The 2024 ATM Program allowed us to issue up to \$250.0 million of Trust Units from treasury to the public from time to time during the term of the 2024 ATM Program at its discretion.

As of June 30, 2025, approximately \$250.0 million of Trust Units qualified for distribution under the 2024 ATM Program had been issued and sold.

On August 7, 2025, we amended the prospectus supplement for the 2024 ATM Program to increase the aggregate amount of Trust Units that could be issued under the 2024 ATM program by an additional \$250.0 million. As of September 30, 2025, we had issued and sold a further approximate \$250.0 million of Trust Units under the amended 2024 ATM Program.

On November 6, 2025, we filed a new prospectus supplement to renew our at-the-market equity distribution program (the “2025 ATM Program” and together with the 2024 ATM Program, the “ATM Programs”) to allow us to issue up to \$500.0 million of Trust Units from treasury to the public from time to time during the term of the 2025 ATM Program. The 2025 ATM Program is effective until May 30, 2026, unless terminated prior to such date by Chartwell or otherwise in accordance with the terms of the Equity Distribution Agreement which sets out the terms of the sale of Trust Units under the 2025 ATM Program. As of December 31, 2025, we had issued and sold approximately \$240.0 million of the Trust Units under the 2025 ATM program.

During the year ended December 31, 2025, we issued an aggregate 38,894,442 Trust Units under the ATM Programs at an average price of \$18.52 per Trust Unit for total gross proceeds of \$720.5 million. Commission and other costs amounted to \$11.5 million, offset by a deferred tax asset of \$6.1 million.

Credit Rating

On September 30, 2025, DBRS confirmed our Issuer Rating and Senior Unsecured Debentures credit rating at BBB (low) and changed the trends to Positive from Stable, as described in their report. Details are available on the DBRS website at www.dbrsmorningstar.com.

Joint Arrangements

'IFRS 11 – Joint Arrangements' classifies joint arrangements either as a joint operation or as a joint venture. Joint operations are joint arrangements in which the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Joint operations are accounted for using proportionate consolidation. Joint ventures are joint arrangements in which the parties have rights to the net assets relating to the arrangement. Generally, where the party holds its interest in the joint arrangement through a separate legal entity, the joint arrangement will be classified as a joint venture. Joint ventures are accounted for using the equity method of consolidation. Chartwell does not independently control its joint arrangements which are accounted for using the equity method, and Chartwell's proportionate share of the financial position and results of operations of its investment in such joint arrangements, where presented and discussed in this MD&A using the proportionate consolidation method, does not necessarily represent Chartwell's legal claim to such items.

The following table summarizes the classification of properties which are owned through our joint arrangements, or which are partially owned as at December 31, 2025:

Joint Arrangements	# of Properties	Suites/Beds	Chartwell Ownership	Joint Arrangement Type	Consolidation Method
Held directly:					
Chartwell-Champlain Landlord ("CCL")	5	1,807	50%	Joint operation	Proportionate
The Sumach by Chartwell	1	332	50%	Joint operation	Proportionate
Batimo	2	744	85%	Joint operation	Proportionate
Chartwell Riverside Retirement Residence	1	138	50%	Joint operation	Proportionate
Chartwell Churchill House Retirement Residence	1	98	50%	Joint operation	Proportionate
Chartwell Le Prescott II	1	-	50%	Joint operation	Proportionate
Lib Vaudreuil-Dorion	1	-	50%	Joint operation	Proportionate
Held through separate legal entities:					
Chartwell-Champlain Operator	1	Same as CCL	Same as CCL	Joint venture	Equity
Chartwell Oakville Retirement Residence	1	147	50%	Joint venture	Equity
Chartwell Thornhill Retirement Residence	1	121	50%	Joint venture	Equity
Kingsbridge Retirement Community	1	165	60%	Joint venture	Equity

On February 1, 2025, we completed the wind-up of our joint arrangements with Welltower as outlined in the "Significant Events/Portfolio Optimization/Dispositions" section on page 16 of this MD&A.

Results of Operations

Net Income/(Loss)

The following table summarizes select financial measures:

<i>(\$000s)</i>	Q4 2025	Q4 2024	Change	2025	2024	Change
Property revenue	292,258	218,445	73,813	1,079,035	799,923	279,112
Direct property operating expense	174,944	138,707	36,237	650,076	509,179	140,897
Net income	7,244	3,544	3,700	29,495	22,378	7,117

For 2025, property revenue increased \$279.1 million or 34.9%, and direct property operating expense increased \$140.9 million or 27.7%. Refer to the “Adjusted Property Revenue, Adjusted Direct Property Operating Expense, Adjusted Operating Margin, and Adjusted NOI” section on page 21 of this MD&A for details.

For 2025, net income was \$29.5 million compared to \$22.4 million in 2024 primarily due to:

- higher property revenue,
 - reversal of impairment expense, and
 - higher gain on disposal of assets,
- partially offset by:
- higher direct property operating expense,
 - higher depreciation of property, plant and equipment (“PP&E”),
 - higher finance costs,
 - higher deferred tax expense,
 - lower net income from joint ventures,
 - higher general, administrative, and Trust (“G&A”) expenses, and
 - higher negative changes in fair value of financial instruments.

Fourth Quarter

For Q4 2025, property revenue increased \$73.8 million or 33.8%, and direct property operating expense increased \$36.2 million or 26.1%. Refer to the “Adjusted Property Revenue, Adjusted Direct Property Operating Expense, Adjusted Operating Margin, and Adjusted NOI” section on page 21 of this MD&A for details.

For Q4 2025, net income was \$7.2 million compared to \$3.5 million in Q4 2024 primarily due to:

- higher property revenue, and
 - reversal of impairment expense,
- partially offset by:
- higher direct property operating expense,
 - higher depreciation of PP&E,
 - negative changes in fair value of financial instruments in Q4 2025 as compared to positive changes in fair value of financial instruments in Q4 2024,
 - higher deferred tax expense,
 - higher finance costs,
 - lower net income from joint ventures, and
 - higher G&A expenses.

FFO

FFO, a non-GAAP financial measure, should not be construed as an alternative to net earnings or cash flow from operating activities as determined by GAAP. FFO as presented may not be comparable to similar measures used by other issuers. We present FFO substantially consistent with the definition adopted in the REALPAC Guidance. This definition is included in the “Additional Information on Non-GAAP Measures” section on page 39 of this MD&A.

We believe that the use of FFO, combined with the required primary GAAP presentations, is beneficial to the users of the financial information, improving their understanding of our operating results. FFO is considered a meaningful measure for reviewing our operating and financial performance because it excludes several items that can vary among owners of identical assets in similar conditions based on historical cost accounting and useful life estimates. These items include real estate asset depreciation, amortization of intangible assets, transaction costs from business acquisitions and dispositions, impairment of PP&E, distributions on Class B Units of Chartwell Master Care LP recorded as interest expense, changes in the fair value of financial instruments, deferred income tax expense/benefit, remeasurement gains, gains/losses on asset disposals, and adjustments for Equity-Accounted JVs. By excluding these items, FFO helps users compare the financial and operating performance of our real estate portfolio across different financial reporting periods.

Refer to the “Additional Information on Non-GAAP Measures” section on page 39 of this MD&A for the reconciliation of net income/(loss), the most closely comparable GAAP measure, to FFO and FFO per unit (“FFOPU”) amounts.

The following table presents FFO, FFOPU and weighted average number of units:

<i>(\$000s, except per unit amounts and number of units)</i>	Q4 2025	Q4 2024	Change	2025	2024	Change
FFO ⁽¹⁾	81,241	57,663	23,578	278,020	197,462	80,558
FFOPU ⁽²⁾	0.26	0.21	0.05	0.95	0.76	0.19
Weighted average number of units (000) ⁽³⁾	310,769	275,494	35,275	293,288	260,119	33,169

(1) Non-GAAP; refer to the “Additional Information on Non-GAAP Measures/FFO” section on page 39 of this MD&A for a discussion of the nature of various adjustments made in FFO calculations.

(2) Non-GAAP; refer to the “Additional Information on Non-GAAP Measures/Per Unit Amounts” section on page 43 of this MD&A for a discussion of the calculation of the per unit amounts.

(3) Non-GAAP; refer to “Weighted Average Number of Units” section on page 43 of this MD&A.

For 2025, FFO was \$278.0 million or \$0.95 per unit, compared to \$197.5 million or \$0.76 per unit for 2024. The change in FFO was primarily due to:

- higher adjusted NOI of \$109.8 million,
- higher adjusted interest income of \$3.7 million,
- higher other lease revenue of \$2.2 million, and
- lower depreciation of PP&E and amortization of intangibles assets used for administrative purposes of \$0.5 million,

partially offset by:

- higher adjusted finance costs of \$20.0 million,
- lower management fees of \$7.6 million,
- higher G&A expenses of \$7.1 million, and
- lower other income of \$0.9 million.

Fourth Quarter

For Q4 2025, FFO was \$81.2 million or \$0.26 per unit, compared to \$57.7 million or \$0.21 per unit for Q4 2024. The change in FFO was primarily due to:

- higher adjusted NOI of \$28.8 million, and
- higher adjusted interest income of \$1.5 million, and
- higher other lease revenue of \$1.2 million,

partially offset by:

- higher adjusted finance costs of \$3.3 million,
- higher G&A expenses of \$2.4 million, and
- lower management fees of \$2.2 million.

Adjusted Property Revenue, Adjusted Resident Revenue, Adjusted Direct Property Operating Expense, Adjusted Operating Margin, and Adjusted NOI

The tables on the following pages of this section summarize our adjusted property revenue, adjusted resident revenue, adjusted direct property operating expense, adjusted operating margin, and adjusted NOI, which are each non-GAAP measures, and also includes supplemental disclosure of our same property portfolio, our growth portfolio, and our repositioning portfolio. The supplemental disclosure of our same property portfolio, our growth portfolio, and our repositioning portfolio are non-GAAP measures and should not be construed as an alternative to GAAP measures. We use these groupings of properties to evaluate and monitor our financial and operating performance and we believe that this additional disclosure enhances the ability to understand and assess our results of operations and compare such results from period to period. Definitions for each of these portfolio groupings as well as the composition of the portfolio included in the respective grouping for the current reporting period are provided in the “Business Overview” section on page 5 of this MD&A.

The measure of profit or loss is adjusted NOI which is adjusted property revenue less adjusted direct property operating expense. Adjusted property revenue is property revenue plus Chartwell’s proportionate share of its joint ventures’ property revenue less property revenue from non-controlling interest. Adjusted property revenue is comprised of adjusted resident revenue and adjusted other property revenue. Adjusted direct property operating expense is direct property operating expense plus Chartwell’s proportionate share of its joint ventures’ direct property operating expense less direct operating expense from non-controlling interest.

REVPOS is adjusted resident revenue divided by the weighted average number of occupied suites for the applicable period. (Previously, REVPOS was reported as adjusted property revenue divided by the weighted average number of occupied suites for the applicable period). DOEPOS is adjusted direct property operating expense divided by the weighted average number of occupied suites for the applicable period. NOIPOS is adjusted NOI divided by the weighted average number of occupied suites for the applicable period. Such measures are used by management and are useful to investors for the same purposes as adjusted property revenue, adjusted resident revenue, adjusted NOI and adjusted direct property operating expense. Information regarding occupied suites is found in the “Per Occupied Suite” section on page 43 of this MD&A.

The following table reconciles property revenue and direct property operating expense from our financial statements to adjusted property revenue and adjusted direct property operating expense, and NOI to adjusted NOI, and identifies contributions from our same property, growth, and repositioning portfolios:

(\$000s, except occupancy rates)	Q4 2025	Q4 2024	Change	2025	2024	Change
Property revenue	292,258	218,445	73,813	1,079,035	799,923	279,112
<i>Add (Subtract):</i>						
Share from joint ventures ⁽¹⁾	11,468	39,485	(28,017)	54,726	142,430	(87,704)
Share from non-controlling interest ⁽²⁾	-	(1,382)	1,382	(3,070)	(2,710)	(360)
Adjusted property revenue ⁽³⁾	303,726	256,548	47,178	1,130,691	939,643	191,048
<i>Comprised of:</i>						
Same property ⁽³⁾	182,391	168,452	13,939	705,927	647,327	58,600
Growth ⁽³⁾	93,614	42,290	51,324	315,971	112,200	203,771
Repositioning ⁽³⁾	27,721	45,806	(18,085)	108,793	180,116	(71,323)
Adjusted property revenue ⁽³⁾	303,726	256,548	47,178	1,130,691	939,643	191,048
Resident revenue	287,861	214,699	73,162	1,061,351	784,266	277,085
<i>Add (Subtract):</i>						
Share from joint ventures ⁽¹⁾	11,355	39,136	(27,781)	54,139	141,050	(86,911)
Share from non-controlling interest ⁽²⁾	-	(1,364)	1,364	(3,028)	(2,673)	(355)
Adjusted resident revenue ⁽³⁾	299,216	252,471	46,745	1,112,462	922,643	189,819
<i>Comprised of:</i>						
Same property ⁽³⁾	179,526	165,273	14,253	694,304	634,103	60,201
Growth ⁽³⁾	92,125	41,697	50,428	310,792	110,687	200,105
Repositioning ⁽³⁾	27,565	45,501	(17,936)	107,366	177,853	(70,487)
Adjusted resident revenue ⁽³⁾	299,216	252,471	46,745	1,112,462	922,643	189,819
Other property revenue	4,397	3,746	651	17,684	15,657	2,027
<i>Add (Subtract):</i>						
Share from joint ventures ⁽¹⁾	113	349	(236)	587	1,380	(793)
Share from non-controlling interest ⁽²⁾	-	(18)	18	(42)	(37)	(5)
Adjusted other property revenue ⁽³⁾	4,510	4,077	433	18,229	17,000	1,229
<i>Comprised of:</i>						
Same property ⁽³⁾	2,865	3,179	(314)	11,623	13,224	(1,601)
Growth ⁽³⁾	1,489	593	896	5,179	1,513	3,666
Repositioning ⁽³⁾	156	305	(149)	1,427	2,263	(836)
Adjusted other property revenue ⁽³⁾	4,510	4,077	433	18,229	17,000	1,229
Direct property operating expense	174,944	138,707	36,237	650,076	509,179	140,897
<i>Add (Subtract):</i>						
Share from joint ventures ⁽⁴⁾	6,594	25,137	(18,543)	32,694	92,177	(59,483)
Share from non-controlling interest ⁽⁵⁾	-	(697)	697	(1,528)	(1,374)	(154)
Adjusted direct property operating expense ⁽³⁾	181,538	163,147	18,391	681,242	599,982	81,260
<i>Comprised of:</i>						
Same property ⁽³⁾	106,567	103,586	2,981	411,629	398,774	12,855
Growth ⁽³⁾	52,843	25,713	27,130	182,983	67,550	115,433
Repositioning ⁽³⁾	22,128	33,848	(11,720)	86,630	133,658	(47,028)
Adjusted direct property operating expense ⁽³⁾	181,538	163,147	18,391	681,242	599,982	81,260
NOI	117,314	79,738	37,576	428,959	290,744	138,215
<i>Add (Subtract):</i>						
Share from joint ventures	4,874	14,348	(9,474)	22,032	50,253	(28,221)
Share from non-controlling interest	-	(685)	685	(1,542)	(1,336)	(206)
Adjusted NOI ⁽³⁾	122,188	93,401	28,787	449,449	339,661	109,788
<i>Comprised of:</i>						
Same property ⁽³⁾	75,824	64,866	10,958	294,298	248,553	45,745
Growth ⁽³⁾	40,771	16,577	24,194	132,988	44,650	88,338
Repositioning ⁽³⁾	5,593	11,958	(6,365)	22,163	46,458	(24,295)
Adjusted NOI ⁽³⁾	122,188	93,401	28,787	449,449	339,661	109,788
Weighted average occupancy rate:						
Same property portfolio	94.7%	90.4%	4.3pp	92.8%	88.0%	4.8pp
Growth portfolio	91.8%	88.4%	3.4pp	90.1%	87.5%	2.6pp
Repositioning portfolio	88.7%	84.0%	4.7pp	86.1%	83.8%	2.3pp
Total portfolio	93.0%	88.7%	4.3pp	90.7%	87.1%	3.6pp

(1) Non-GAAP; represents Chartwell's proportionate share of the property revenue of our Equity-Accounted JVs as referenced in the notes to our Financial Statements and as described in the "Joint Arrangements" section on page 18 of this MD&A.

(2) Non-GAAP; represents Chartwell's proportionate share of the property revenue of our non-controlling interest as referenced in the notes to our Financial Statements.

(3) Non-GAAP; refer to the preamble to this table for explanations and discussion of the significance of these metrics.

(4) Non-GAAP; represents Chartwell's proportionate share of the direct property operating expense of our Equity-Accounted JVs as referenced in the notes to our Financial Statements and as described in the "Joint Arrangements" section on page 18 of this MD&A.

(5) Non-GAAP; represents Chartwell's proportionate share of the direct property operating expense of our non-controlling interest as referenced in the notes to our Financial Statements.

For 2025, adjusted property revenue increased 20.3% primarily due to:

- higher same property adjusted property revenue of 9.1%, and
 - higher revenue from our growth portfolio,
- partially offset by:

- lower revenue from our repositioning portfolio.

For 2025, adjusted direct property operating expense increased 13.5% primarily due to:

- higher same property adjusted direct property operating expense of 3.2%, and
 - additional direct property operating expenses in our growth portfolio,
- partially offset by:

- lower direct property operating expense from our repositioning portfolio.

As a result, for 2025, adjusted NOI increased \$109.8 million or 32.3%.

Fourth Quarter

For Q4 2025, adjusted property revenue increased 18.4% primarily due to:

- higher same property adjusted property revenue of 8.3%, and
- higher revenue from our growth portfolio,

partially offset by:

- lower revenue from our repositioning portfolio.

For Q4 2025, adjusted direct property operating expense increased 11.3% primarily due to:

- higher same property adjusted direct property operating expense of 2.9%, and
- additional direct property operating expenses in our growth portfolio,

partially offset by:

- lower direct property operating expense from our repositioning portfolio.

As a result, for Q4 2025, adjusted NOI increased \$28.8 million or 30.8%.

Same Property Performance

The following table summarizes the results of our same property portfolio as at December 31, 2025:

<i>(\$000s, except percentages)</i>	Q4 2025	Q4 2024	Change	2025	2024	Change
Same property⁽¹⁾						
Adjusted property revenue ⁽²⁾	182,391	168,452	13,939	705,927	647,327	58,600
Adjusted resident revenue ⁽²⁾	179,526	165,273	14,253	694,300	634,103	60,197
Adjusted other property revenue ⁽²⁾	2,865	3,170	(305)	11,627	13,222	(1,595)
Adjusted direct property operating expense ⁽²⁾	106,567	103,586	2,981	411,629	398,774	12,855
Adjusted NOI ⁽²⁾	75,824	64,866	10,958	294,298	248,553	45,745
Adjusted operating margin ⁽²⁾	41.6%	38.5%	3.1pp	41.7%	38.4%	3.3pp
Weighted average occupancy rate	94.7%	90.4%	4.3pp	92.8%	88.0%	4.8pp

(1) Non-GAAP; refer to the "Property Portfolio Groupings" section on page 5 of this MD&A for explanation of 'Same property' and the significance of this metric.

(2) Non-GAAP; refer to the preamble in this section for explanations of 'adjusted property revenue', 'adjusted resident revenue', 'adjusted direct property operating expense', 'adjusted NOI', and 'adjusted operating margin' for the significance of these metrics.

For 2025, same property adjusted resident revenue increased 9.5% primarily due to higher occupancy as well as a 3.8% increase in REVPOS.

For 2025, same property adjusted direct property operating expense increased 3.2% primarily due to higher staffing costs, food costs, management costs, office and general expenses, marketing expenses and utility expenses, partially offset by lower insurance expenses.

As a result, for 2025, same property adjusted NOI increased \$45.7 million or 18.4%. Same property adjusted operating margin also increased to 41.7% in 2025 from 38.4% in 2024.

The following identifies same property adjusted NOI trends by platform for 2025:

- Our Western Canada platform same property adjusted NOI increased \$11.6 million or 14.4%.
- Our Ontario platform same property adjusted NOI increased \$26.3 million or 19.0%.
- Our Quebec platform same property adjusted NOI increased \$7.8 million or 26.8%.

The following table summarizes our annual weighted average occupancy rates in our same property portfolio:

	2025	2024	Change
Western Canada	96.3%	92.6%	3.7pp
Ontario	90.7%	85.2%	5.5pp
Quebec	92.8%	88.4%	4.4pp
Same property portfolio	92.8%	88.0%	4.8pp

In 2025, weighted average occupancy in our same property portfolio was 92.8%, compared to 88.0% in 2024, an increase of 4.8 percentage points. All platforms experienced occupancy gains in 2025 compared to 2024.

Fourth Quarter

For Q4 2025, same property adjusted resident revenue increased 8.6% primarily due to higher occupancy and a 3.7% increase in REVPOS.

For Q4 2025, same property adjusted direct property operating expense increased 2.9% primarily due to higher staffing costs, food costs, management costs and marketing expenses partly offset by lower office and general expenses.

As a result, for Q4 2025, same property adjusted NOI increased \$11.0 million or 16.9%. Same property adjusted operating margin also increased to 41.6% in Q4 2025 from 38.5% in Q4 2024.

The following identifies same property adjusted NOI trends by platform for Q4 2025:

- Our Western Canada platform same property adjusted NOI increased \$3.0 million or 14.4%.
- Our Ontario platform same property adjusted NOI increased \$6.2 million or 17.1%.
- Our Quebec platform same property adjusted NOI increased \$1.8 million or 22.8%.

The following table summarizes our quarterly weighted average occupancy rates in our same property portfolio:

	Q4 2025	Q4 2024	Change	Q3 2025	Change
Western Canada	97.3%	94.8%	2.5pp	96.6%	0.7pp
Ontario	92.9%	87.7%	5.2pp	91.0%	1.9pp
Quebec	95.2%	90.8%	4.4pp	93.1%	2.1pp
Same property portfolio	94.7%	90.4%	4.3pp	93.1%	1.6pp

In Q4 2025, weighted average occupancy in our same property portfolio was 94.7%, compared to 90.4% in Q4 2024, an increase of 4.3 percentage points. All platforms experienced occupancy gains in Q4 2025 compared to Q4 2024 and compared to Q3 2025. Q4 2025 same property portfolio occupancy increased 1.6 percentage points from Q3 2025.

Management and Other Fees

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Welltower	-	1,894	(1,894)	611	7,842	(7,231)
Others	1,042	1,359	(317)	4,308	4,718	(410)
Total management and other fees	1,042	3,253	(2,211)	4,919	12,560	(7,641)

Management and other fees decreased \$7.6 million in 2025 and \$2.2 million in Q4 2025, primarily due to the Welltower Transaction completed in Q1 2025, partially offset by higher performance-based fees.

Interest Income

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Interest income on loans receivable	1,016	746	270	4,389	2,013	2,376
Other interest income	1,990	626	1,364	3,807	1,592	2,215
Total interest income	3,006	1,372	1,634	8,196	3,605	4,591

Interest income on loans receivable increased \$2.4 million in 2025 compared to 2024, primarily due to higher interest rates and higher average loan balances during the year and increased \$0.3 million in Q4 2025 compared to Q4 2024 primarily due to higher interest rates. This includes income from two mezzanine loans bearing interest rates of 13% and 14% as well as vendor take-back loans earning 6% - 10%.

On July 11, 2025, we advanced \$4.5 million mezzanine loan for the development of a retirement residence located in Calgary, Alberta. On November 12, 2025, an additional \$2.0 million mezzanine loan was advanced increasing the total mezzanine loan balance on this project to \$6.5 million.

Other interest income increased due to higher average cash balances during the period.

General, Administrative and Trust Expenses

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
G&A expenses	12,714	10,334	2,380	56,601	49,460	7,141

For 2025, G&A expenses increased \$7.1 million compared to 2024, of which \$6.1 million relates to higher compensation expense from estimated performance-based payments and to the increase in value of our Trust Units. The increase was partially offset by a \$1.0 million reduction in severance costs. 2025 expenses also include \$1.1 million of increased investment in technology projects compared to the prior year.

G&A expenses increased \$2.4 million in Q4 2025 compared to Q4 2024. Expenses increased from \$0.5 million of higher compensation expense related to estimated performance-based payments and to the increase in value of our Trust Units and \$0.4 million of higher severance costs. We also continued to invest in our technology platforms which resulted in an increase of \$0.6 million in Q4 2025 compared to the prior year.

Finance Costs

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Contractual interest expense on mortgages	20,651	18,192	2,459	79,902	62,631	17,271
Comprised of:						
Same property ⁽¹⁾	10,915	11,515	(600)	44,415	42,269	2,146
Growth ⁽¹⁾	9,074	4,901	4,173	32,422	12,028	20,394
Repositioning ⁽¹⁾	662	1,776	(1,114)	3,065	8,334	(5,269)
Interest expense on Debentures ⁽²⁾	9,553	6,589	2,964	37,032	22,539	14,493
Interest expense on Credit Facilities	379	1,243	(864)	3,090	8,710	(5,620)
Interest expense on Loans Payable ⁽³⁾	-	2,840	(2,840)	1,432	10,818	(9,386)
	30,583	28,864	1,719	121,456	104,698	16,758
Amortization of finance costs and mark-to-market adjustments on assumed mortgages	1,603	536	1,067	6,118	3,545	2,573
	32,186	29,400	2,786	127,574	108,243	19,331
Interest capitalized to properties under development	(259)	(811)	552	(2,516)	(2,862)	346
Distributions on Class B Units recorded as interest expense	223	231	(8)	898	927	(29)
Total finance costs	32,150	28,820	3,330	125,956	106,308	19,648

(1) Non-GAAP; refer to the "Property Portfolio Groupings" section on page 5 of this MD&A for explanations of 'Same property', 'Growth', and 'Repositioning' and the significance of these metrics.

(2) "Debentures" refers collectively to the "Series B Debentures", the "Series C Debentures", the "Series D Debentures", the "Series E Debentures", and the "Series F Debentures". Refer to the "Liquidity and Capital Resources/Debt/Debentures" section on page 32 of this MD&A for details.

(3) "Loans Payable" refers collectively to the 'unsecured term loan', the 'Welltower Loan 1', and the 'Welltower Loan 2'. Refer to the "Liquidity and Capital Resources/Debt/Loans Payable" section on page 31 of this MD&A for details.

Contractual interest expense on mortgages increased \$17.3 million and \$2.5 million in 2025 and Q4 2025, respectively, primarily due to higher balances outstanding during the period, partially offset by lower interest rates. Refer to the “Liquidity and Capital Resources/Debt/Mortgage Debt” section on page 30 of this MD&A for details.

Interest expense on Debentures increased \$14.5 million and \$3.0 million in 2025 and Q4 2025, respectively, primarily due to higher balances outstanding with the new instruments issued partially offset by lower interest rates. Refer to the “Liquidity and Capital Resources/Debt/Debentures” section on page 32 of this MD&A for details.

Interest expense on Credit Facilities decreased \$5.6 million and \$0.9 million in 2025 and Q4 2025, respectively, primarily due to lower balances outstanding and lower interest rates. Refer to the “Liquidity and Capital Resources/Debt/Credit Facilities” section on page 31 of this MD&A for details.

Interest expense on Loans Payable decreased in 2025 and Q4 2025, primarily due to the repayment of the outstanding term loan and Welltower loans. Refer to the “Liquidity and Capital Resources/Debt/Loans Payable” section on page 31 of this MD&A for details.

The following table provides supplemental information related to finance costs for our Equity-Accounted JVs:

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Contractual interest expense on mortgages	604	618	(14)	2,448	2,084	364
Comprised of:						
Same property ⁽¹⁾	235	238	(3)	933	954	(21)
Growth ⁽¹⁾	369	380	(11)	1,515	1,130	385
Amortization of finance costs	8	8	-	32	49	(17)
Total finance costs	612	626	(14)	2,480	2,133	347

(1) Non-GAAP; refer to the “Property Portfolio Groupings” section on page 5 of this MD&A for explanations of ‘Same property’ and ‘Growth’ and the significance of these metrics.

Other Income/(Expense)

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Transaction costs arising on dispositions	(266)	(491)	225	(6,719)	(5,518)	(1,201)
Impairment reversal, net	11,000	-	11,000	12,963	-	12,963
Gain/(loss) on disposal of assets	1,128	(941)	2,069	62,918	53,963	8,955
Other income	-	-	-	-	1,412	(1,412)
Other expense	(45)	(604)	559	(787)	(1,207)	420
Total other income/(expense)	11,817	(2,036)	13,853	68,375	48,650	19,725

Transaction costs arising on dispositions are expensed as incurred and fluctuate from period to period based on the timing and volume of transactions.

Impairment reversal of \$13.0 million and \$11.0 million in 2025 and Q4 2025, relates to a reversal of previously recognized impairment expense on one non-core property in Ontario, partially offset by an impairment charge on another non-core property in Quebec in Q3 2025.

Gain on disposal of assets increased \$8.9 million in 2025 and \$2.1 million in Q4 2025 primarily due to the completion of the Welltower Transaction in Q1 2025.

Other income of \$1.4 million in 2024 is due to one-time retroactive funding related to the previously disposed long term care segment.

Other Items

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Depreciation of PP&E and amortization of intangible assets	(72,092)	(49,710)	(22,382)	(247,248)	(168,566)	(78,682)
Change in fair value of financial instruments	(4,528)	1,660	(6,188)	(24,348)	(19,875)	(4,473)
Current income tax benefit/expense	2,535	2,744	(209)	(1,066)	255	(1,321)
Deferred income tax benefit/(expense)	(11,492)	(7,166)	(4,326)	(43,675)	(34,752)	(8,923)

Depreciation of PP&E and amortization of intangible assets increased \$78.7 million in 2025 and \$22.4 million in Q4 2025, primarily due to acquisitions.

Change in fair value of financial instruments is primarily a result of changes in the market value of the underlying financial instruments. These amounts are expected to fluctuate from period to period due to changes in financial markets.

The 2025 current income tax expense primarily relates to estimated tax payable on the completed Welltower Transaction and the 2024 current income tax benefit primarily related to the recovery of SIFT tax associated with the disposition of non-core properties. Current tax benefit of \$2.5 million in Q4 2025 primarily relates to an adjustment to the estimated tax payable on the completed Welltower Transaction, whereas Q4 2024 reflects an adjustment to the SIFT tax payable on the disposition of non-core properties.

Deferred income tax expense increased by \$8.9 million and \$4.3 million in 2025 and Q4 2025, respectively, primarily due to the reversal of temporary differences on PP&E and fair value adjustments.

Cash Flow Analysis

The following table summarizes the significant changes in our operating, financing, and investing cash flows between 2025 and 2024 using our consolidated statements of cash flows:

Cash Provided by (Used in):	Increase (Decrease) (\$millions)	Explanation
Operating activities	129.1	Change in cash flows from operating activities is primarily due to: <ul style="list-style-type: none"> higher NOI, and changes in working capital, partially offset by: <ul style="list-style-type: none"> higher interest paid.
Financing activities	183.9	Change in cash flows from financing activities is primarily due to: <ul style="list-style-type: none"> higher proceeds from the ATM Programs, higher proceeds from mortgage financing activities, and higher proceeds from the senior unsecured debentures, partially offset by: <ul style="list-style-type: none"> no proceeds from the offerings of Trust Units in 2025 as compared to offerings of Trust Units in 2024, higher mortgage repayments, repayments of loans payable in 2025 as compared to proceeds from loans payable in 2024, repayments on our Credit facilities in 2025 as compared to draws on our Credit facilities in 2024, higher additions to finance costs, and higher distributions due to additional Trust Units issued.
Investing activities	(219.4)	Change in cash flows from investing activities is primarily due to: <ul style="list-style-type: none"> higher acquisitions of assets, higher additions to PP&E and intangible assets, lower proceeds from disposition of PP&E, and no restricted cash in 2025 as compared to restricted cash in 2024, and lower distributions received from joint ventures, partially offset by: <ul style="list-style-type: none"> lower income tax paid, lower advances on loans receivables, and lower contributions to joint ventures.

The following table summarizes the significant changes in our operating, financing, and investing cash flows between Q4 2025 and Q4 2024 using our consolidated statements of cash flows:

Cash Provided by (Used in):	Increase (Decrease) <i>(\$millions)</i>	Explanation
Operating activities	36.9	Change in cash flows from operating activities is primarily due to: <ul style="list-style-type: none"> • higher NOI, and • changes in working capital, partially offset by: <ul style="list-style-type: none"> • higher interest paid.
Financing activities	85.6	Change in cash flows from financing activities is primarily due to: <ul style="list-style-type: none"> • proceeds from the ATM Programs, • higher proceeds from mortgage financing activities, and • no repayments of loans payable in Q4 2025 as compared to repayments of loans payable in Q4 2024, partially offset by: <ul style="list-style-type: none"> • repayments of senior unsecured debentures, • higher mortgage repayments, • no draws from our Credit facilities in Q4 2025 as compared to draws from our Credit facilities in Q4 2024, • higher additions to finance costs, and • higher distributions due to additional Trust Units issued.
Investing activities	(291.8)	Change in cash flows from investing activities is primarily due to: <ul style="list-style-type: none"> • higher acquisitions of assets, • higher additions to PP&E and intangible assets, • no restricted cash in Q4 2025 as compared to restricted cash in Q4 2024, and • lower distributions received from joint ventures, partially offset by: <ul style="list-style-type: none"> • lower advances on loans receivables, • lower contributions to joint ventures, and • lower income taxes paid.

Liquidity and Capital Resources

Liquidity

Our liquidity and capital resources are used to fund capital investments in our properties, development and acquisition activities, servicing of our debt obligations, and distributions to our unitholders. Our principal source of liquidity is net operating income generated from our property operations. We also finance our business, subject to market conditions, through the use of property-specific mortgages, secured and unsecured credit facilities, secured and unsecured term loans, senior unsecured debentures and equity financing.

At December 31, 2025, our liquidity was \$504.0 million as presented in the following table:

<i>(\$000s)</i>	December 31, 2025	December 31, 2024
Cash and cash equivalents	109,132	20,048
Available under Credit Facilities ⁽¹⁾	394,911	294,247
Total	504,043	314,295

(1) Refer to the "Credit Facilities" section on page of this MD&A for the determination and calculation of this amount.

In addition, at December 31, 2025, our share of cash and cash equivalents held in our Equity-Accounted JVs was \$4.9 million.

As at December 31, 2025, our current liabilities were \$862.3 million, exceeding our current assets of \$171.7 million, resulting in a working capital deficiency of \$690.6 million. Current liabilities include \$330.3 million of mortgages payable and \$249.7 million of senior unsecured debentures. Excluding current mortgages payable and current senior unsecured debentures, Chartwell's working capital deficiency is \$110.6 million.

We expect to refinance or repay this maturing debt and meet all of our other obligations as they become due. We may utilize some or all of the following sources of liquidity, subject to market conditions:

- (i) cash flow generated from our operations,
- (ii) proceeds from non-core asset sales,
- (iii) property-specific mortgages,
- (iv) secured and unsecured credit facilities,
- (v) secured and unsecured loans,
- (vi) debentures, and
- (vii) new equity financing.

Debt

Our debt portfolio currently consists of property-specific mortgages, Credit Facilities, Loans Payable, and Debentures. Our debt management objective is to maximize financial flexibility, maintain a strong balance sheet and stagger our maturities by:

- accessing low-cost, long term, fixed-rate debt and short-term, variable-rate financing,
- managing interest rate risk by spreading debt maturities over time,
- proactively managing our short-term maturities and where appropriate, refinancing maturing mortgages with long term debt, and
- growing our unencumbered asset pool.

The following table summarizes the components of the principal balance of our debt at December 31, 2025 and December 31, 2024:

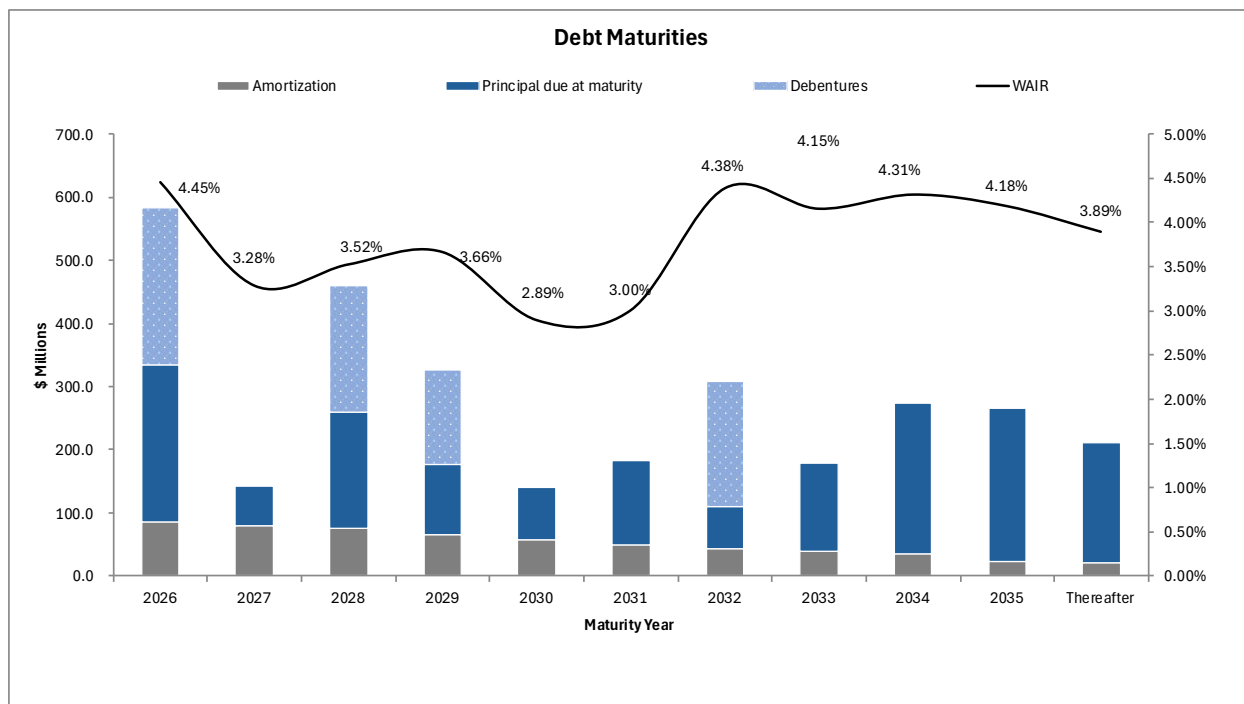
(\$000s)	December 31, 2025	December 31, 2024
Mortgages payable	2,272,320	1,852,274
Credit Facilities	-	100,000
Loans Payable		
Unsecured term loan	-	75,000
Welltower Loan 1	-	33,323
Welltower Loan 2	-	40,665
Debentures		
Series B Debentures	-	150,000
Series C Debentures	250,000	250,000
Series D Debentures	150,000	150,000
Series E Debentures	200,000	-
Series F Debentures	200,000	-
Total	3,072,320	2,651,262

The following table summarizes the scheduled principal maturity and weighted average interest rates for our debt portfolio at December 31, 2025:

(\$000s)	Amortizing Principal Payments	Principal Due at Maturity	Total Mortgages	Weighted Average Interest Rate ⁽¹⁾	Credit Facilities	Weighted Average Interest Rate	Loans Payable	Weighted Average Interest Rate ⁽¹⁾	Debentures	Weighted Average Interest Rate	Total	Consolidated Weighted Average Interest Rate
2026	84,681	249,162	333,843	3.29%	-	-	-	-	250,000	6.00%	583,843	4.45%
2027	79,347	62,036	141,383	3.28%	-	-	-	-	-	-	141,383	3.28%
2028	75,956	183,677	259,633	3.42%	-	-	-	-	200,000	3.65%	459,633	3.52%
2029	65,219	111,590	176,809	3.03%	-	-	-	-	150,000	4.40%	326,809	3.66%
2030	57,966	82,278	140,244	2.89%	-	-	-	-	-	-	140,244	2.89%
2031	49,631	133,360	182,991	3.00%	-	-	-	-	-	-	182,991	3.00%
2032	43,869	65,133	109,002	4.17%	-	-	-	-	200,000	4.50%	309,002	4.38%
2033	39,353	139,948	179,301	4.15%	-	-	-	-	-	-	179,301	4.15%
2034	35,413	237,696	273,109	4.31%	-	-	-	-	-	-	273,109	4.31%
2035	22,354	242,821	265,175	4.18%	-	-	-	-	-	-	265,175	4.18%
Thereafter	21,583	189,247	210,830	3.89%	-	-	-	-	-	-	210,830	3.89%
Total	575,372	1,696,948	2,272,320	3.63%	-	-	-	-	800,000	4.74%	3,072,320	3.92%

(1) For variable rate instruments, the weighted average interest rate in 2025 is based on the 2025 weighted average interest rate.

The following chart provides a breakdown of our debt maturities at December 31, 2025:



Mortgage Debt

We generally have access to low-cost mortgage financing insured by CMHC. As of December 31, 2025, approximately 95% of our mortgage debt was CMHC insured. We intend to continue financing our properties through this program including, for those properties operating at high occupancy levels, converting conventional mortgages to CMHC debt and placing mortgages on certain currently unencumbered properties.

The following table summarizes the changes in the principal balance of our mortgage debt portfolio in 2025:

	Balance (\$000s)	Weighted Average Term to Maturity (Years)	Weighted Average Interest Rate	% CMHC Insured
Principal balance at December 31, 2024	1,852,274	5.8	3.86%	82%
Repaid in the period	(347,580)	N/A	4.32%	9%
Assumed mortgages	220,566	3.2	2.95%	91%
New mortgage financing	626,101	8.2	4.04%	86%
Amortizing principal payments	(79,041)	N/A	N/A	N/A
Principal balance at December 31, 2025	2,272,320	6.5	3.63%	95%
Mark-to-market adjustments on assumed mortgages	131			
Finance costs	(90,290)			
Mortgages payable at December 31, 2025	2,182,161			

Assumed mortgages include \$201.2 million of CMHC-insured mortgages related to the acquisition of properties, as well as two construction loans bearing interest at 6.16% and 2.78% which were repaid in Q2 2025, and Q4 2025.

New mortgage financing includes refinancing on three properties and ten new CMHC-insured mortgages, maturing in 2031 to 2036 with a weighted average interest rate of 4.04%.

The following table provides select financial statistics for our mortgage debt portfolio:

	At December 31, 2025			At December 31, 2024	
	Fixed Rate	Variable Rate	Total	Total	Total
Principal amount (\$000s)	2,232,733	39,587	2,272,320		1,852,274
Weighted average interest rate	3.61	4.57	3.63%		3.86%
Average term to maturity (years)	6.6	0.1	6.5		5.8

The following tables are supplemental information and summarize the components of our mortgage debt portfolio for our Equity-Accounted JVs:

(\$000s)	December 31, 2025	December 31, 2024
Principal balance of mortgages payable	48,385	49,594
Finance costs	(71)	(98)
Mortgages payable	48,314	49,496

(\$000s)	Amortizing Principal Payments	Principal Due at Maturity	Total Principal Balance of Mortgages Payable	Weighted Average Interest Rate
2026	267	48,118	48,385	4.93%

Credit Facilities

The following table summarizes the available borrowing capacity and borrowings on our Credit Facilities at December 31, 2025:

(\$000s)	Maximum Capacity	Available Capacity	Utilized for Letters of Credit	Net Available Capacity	Borrowed	Available Borrowing Capacity	Maturity Date
Secured credit facility ⁽¹⁾	300,000	300,000	(5,089)	294,911	-	294,911	May 29, 2029
Unsecured credit facility ⁽²⁾	100,000	100,000	-	100,000	-	100,000	May 29, 2029
Total Credit Facilities	400,000	400,000	(5,089)	394,911	-	394,911	

(1) Available capacity is determined based on a formula that considers the lending value of the properties included in the secured asset pool. The factors impacting the lending value formula include property valuations, the mortgageability amount determined on the basis of NOI for the previous four quarters, and the secured collateral.

(2) An option to increase borrowing capacity by an additional \$50.0 million is available, subject to certain conditions.

On June 3, 2025, we entered into amending agreements to extend the maturity date of the secured and unsecured credit facility from May 29, 2027 to May 29, 2029. The amending agreement included a 10 bps reduction of interest applicable to the secured credit facility. At the current BBB(low) rating by DBRS, last confirmed by DBRS on September 30, 2025, amounts borrowed under the secured credit facility bear interest at the banks' prime rate ("Prime") plus 55 bps or CORRA plus 155 bps plus credit spread adjustment, and amounts borrowed under the unsecured credit facility bear interest at Prime plus 70 bps or CORRA plus 170 bps plus credit spread adjustment. The secured credit facility is secured by first and second ranked charges on specific properties. The cost of our Credit Facilities is based on our credit rating.

Loans Payable

During Q1 2025, all loans payable were fully repaid.

The following table summarizes our Loans Payable as at December 31, 2024:

December 31, 2024	Outstanding Principal (\$000s)	Financing Costs, Net (\$000s)	Carrying Value (\$000s)	Interest rate	Maturity date
Unsecured term loan ⁽¹⁾	75,000	(16)	74,984	5.62%	January 22, 2025
Welltower Loan 1 ⁽²⁾	33,323	-	33,323	6.71%	February 14, 2025
Welltower Loan 2 ⁽¹⁾	40,665	-	40,665	6.85%	February 15, 2025
Total	148,988	(16)	148,972		

(1) Repaid on maturity.

(2) Repaid on the closing of the Welltower Transaction on February 1, 2025.

Debentures

The following tables summarize our Debentures outstanding as at December 31, 2025 and December 31, 2024:

December 31, 2025	Outstanding Principal (\$000s)	Financing Costs, Net (\$000s)	Carrying Value (\$000s)	Interest rate	Maturity date
Series C Debentures	250,000	(311)	249,689	6.000%	December 8, 2026
Series D Debentures	150,000	(879)	149,121	4.400%	November 5, 2029
Series E Debentures	200,000	(772)	199,228	3.650%	May 6, 2028
Series F Debentures	200,000	(870)	199,130	4.500%	March 6, 2032
Total	800,000	(2,832)	797,168		

December 31, 2024	Outstanding Principal (\$000s)	Financing Costs, Net (\$000s)	Carrying Value (\$000s)	Interest rate	Maturity date
Series B Debentures	150,000	(47)	149,953	4.211%	April 28, 2025
Series C Debentures	250,000	(652)	249,348	6.000%	December 8, 2026
Series D Debentures	150,000	(990)	149,010	4.400%	November 5, 2029
Total	550,000	(1,689)	548,311		

On March 6, 2025, we issued \$200.0 million of 3.650% Series E Debentures due on May 6, 2028.

On March 6, 2025, we issued \$200.0 million of 4.500% Series F Debentures due on March 6, 2032.

On April 28, 2025, we repaid \$150.0 million of Series B Debentures.

Debt Covenants

Our Credit Facilities, Loans Payable, and Debentures contain numerous financial covenants that include maintaining certain leverage and debt service ratios (collectively, our “Debt Covenants”). Management monitors these ratios on an ongoing basis to ensure compliance. As of December 31, 2025, we were in compliance with all of our Debt Covenants.

The following table summarizes our compliance with the leverage and coverage ratios as they relate to our Debentures, and other key debt metrics:

	Covenant	December 31, 2025	December 31, 2024
Interest Coverage Ratio ⁽¹⁾	minimum of 1.65x	3.5x	2.7x
Indebtedness Percentage ⁽²⁾	less than or equal to 65%	45.3%	49.3%
Coverage Ratio ⁽³⁾	not less than 1.3x	2.6x	1.7x
Debt Service Coverage Ratio ⁽⁴⁾	minimum of 1.40x	2.0x	1.7x
Net Debt to Adjusted EBITDA ⁽⁵⁾	n/a	6.9x	8.4x

(1) Calculated based on 12 months ended December 31, 2025; and 12 months ended December 31, 2024. Refer to the “Debt Covenant Calculations/Consolidated EBITDA to Consolidated Interest Expense Ratio for Debentures (‘Interest Coverage Ratio for Debentures’)” section on page 43 of this MD&A for the calculation of Interest Coverage Ratio.

(2) Refer to the “Debt Covenant Calculations/Indebtedness Percentage for Debentures” section on page 43 of this MD&A for the calculation of Indebtedness Percentage.

(3) Refer to the “Debt Covenant Calculations/Unsecured Debt Coverage Ratio for Debentures” section on page 44 of this MD&A for the calculation of Coverage Ratio.

(4) Calculated based on 12 months ended December 31, 2025; and 12 months ended December 31, 2024. Refer to the “Debt Covenant Calculations/Debt Service Coverage Ratio for Credit Facilities and Loans Payable” section on page 44 of this MD&A for the calculation of Debt Service Coverage Ratio.

(5) Refer to the “Debt Covenant Calculations/Net Debt to Adjusted EBITDA” section on page 44 of this MD&A for the calculation of Net Debt to Adjusted EBITDA.

Total Units Outstanding and Distributions

The following table summarizes changes in the number of outstanding units during 2025:

	Trust Units	Trust Units under EUPP	Class B Units	DTUs	Total Units Outstanding ⁽¹⁾
Balance December 31, 2024	272,568,524	1,817,188	1,509,360	863,215	276,758,287
Trust Units issued pursuant to Distribution Reinvestment Program ("DRIP")	2,826,431	-	-	-	2,826,431
Trust Units issued under the ATM program	38,894,442	-	-	-	38,894,442
Trust Units issued under EUPP	-	139,085	-	-	139,085
Trust Units released on settlement of EUPP receivable	154,898	(154,898)	-	-	-
Exchange of Class B Units into Trust Units	54,950	-	(54,950)	-	-
DTUs issued	-	-	-	53,760	53,760
Distributions on DTUs	-	-	-	28,664	28,664
Exchange of DTUs into Trust Units	137,944	-	-	(137,944)	-
Balance December 31, 2025	314,637,189	1,801,375	1,454,410	807,695	318,700,669

(1) Non-GAAP; includes Class B Units and DTUs which are classified as liabilities in our Financial Statements.

As of February 26, 2026, the Trust has 316,879,421 Trust Units outstanding, and Chartwell Master Care LP has 1,447,910 Class B Units outstanding which are exchangeable for 1,447,910 Trust Units.

Distributions

The following table summarizes distributions declared on Trust Units in Q4 2025, 2025, 2024, and 2023 in relation to cash flows from operating activities and net income/(loss):

(\$000s)	Q4 2025	2025	2024	2023
Cash flows from operating activities	91,383	329,931	200,850	157,425
Net income attributable to Unitholders	7,244	29,413	22,408	128,273
Finance costs included in cash flow from financing activities	(15,873)	(40,388)	(19,491)	(9,212)
Distributions declared on Trust Units	47,395	178,797	158,516	146,037
Excess/(deficit) of cash flows from operating activities over distributions declared on Trust Units	43,988	151,134	42,334	11,388
Excess/(deficit) of cash flows from operating activities less finance costs included in cash flow from financing activities over distributions declared on Trust Units	28,115	110,746	22,843	2,176
Deficit of net income attributable to unitholders over distributions declared on Trust Units	(40,151)	(149,384)	(136,108)	(17,764)

The declaration and payment of future distributions is at the discretion of the Board of Trustees of Chartwell (the "Trustees"). The Trustees rely upon forward-looking cash flow information including forecasts and budgets, results of operations, requirements for capital expenditures and working capital, future financial prospects of the Trust, debt covenants and obligations, and any other factors considered relevant by them in setting the distribution rate. The Trustees do not use net income/(loss) as determined in accordance with GAAP as the basis for establishing the level of distributions to unitholders as it includes items that we do not believe are informative or reflective of the factors described above that are used in and considered relevant in setting the distribution rate. The items that are included in net income/(loss) and are not used or considered relevant include, among other items, distributions on Class B Units which are recorded as interest expense, non-cash depreciation and amortization, changes in fair values of certain liabilities and impairment losses. We believe that, with the appropriate level of capital reinvestment in our properties, their income-generating potential does not generally diminish over time.

We achieved positive operating cash flows after distributions and finance costs in both 2025 and 2024, reflecting the success of our operational sales, marketing, and portfolio optimization strategies.

On February 26, 2026, the Trustees approved an increase in our monthly distributions from \$0.051 per unit (\$0.612 annualized) to \$0.052 per unit (\$0.624 annualized). The increase will be effective for the March 31, 2026 distribution payable on April 15, 2026.

Unitholders who are Canadian residents are eligible to participate in our DRIP, which allows reinvestment of their distributions into new units of Chartwell, including a 3% bonus distribution with no commissions. This facilitates unitholders' ability to realize the benefits of compound growth in their investment. Unitholders can enroll in our DRIP by contacting their investment advisor. In 2025, our average DRIP participation was 27.5% compared to 26.3% participation in 2024.

Capital Investments

In normal circumstances, we regularly reinvest capital in our owned property portfolio with the goal of growing our property NOI and protecting and maintaining our properties.

The following table summarizes our capital investments in 2025 and 2024:

(\$000s)	2025	2024
Building improvements	33,327	29,436
Mechanical and electrical	22,694	14,706
Suite improvements and upgrades	29,594	25,767
Interior improvements and upgrades	8,347	7,934
Furniture, fixtures and equipment	10,205	14,327
Communications and information systems	6,929	355
Properties under development ⁽¹⁾	111,096	92,525
Total capital investments ⁽²⁾	138,083	101,177

(1) Net of \$10.1 million development funding grant based on costs incurred to date on a completed development.

(2) Includes 144 properties (24,782 suites) at Chartwell's share of ownership for 2025, and 171 properties (22,301 suites) at Chartwell's share of ownership for 2024.

The following table is supplemental information and summarizes capital investments in our Equity-Accounted JVs in 2025 and 2024 not included in the table above:

(\$000s)	2025	2024
Capital investments in Equity-Accounted JVs	1,025	2,365

Building Improvements

This category primarily includes investments in facades, balconies, garages, elevators and parking lots. In addition to preserving the existing revenue generating capacity and value of our properties, these investments support occupancy growth due to improved physical appearance of the property, growth in ancillary property revenues (e.g., parking rates) and operating cost savings (e.g., energy efficient windows and doors, improved building insulation).

For 2025, we completed 114 major building improvement projects valued over \$50,000 each, totalling \$29.9 million (2024 – 94 projects totalling \$28.2 million). In addition, included in this category are the acquisitions of five condominium suites at two of our properties in British Columbia totalling \$2.4 million.

Mechanical and Electrical

This category primarily includes investments in heating, air conditioning and ventilation systems, fire safety systems, including sprinklers and lighting systems. These investments are generally expected to result in energy cost savings and lower equipment maintenance costs over time.

For 2025, we completed 104 major mechanical and electrical projects valued over \$50,000 each, totalling \$20.9 million (2024 – 94 projects totalling \$14.2 million).

Suite Improvements and Upgrades

This category includes capital investments in resident suites. We have developed and implemented a program of strategic capital allocation to resident suite upgrades. These discretionary investments are made to improve the competitive position of our properties in the market and to allow for higher rental rate increases on suite turnover. In most cases, in addition to regular painting, resident suite upgrades include flooring upgrades and/or full renovations of bathrooms and kitchens.

For 2025, we invested in strategic suite upgrade programs in 52 properties (2024 – 53 properties).

Interior Improvements and Upgrades

This category includes investments in common areas of our properties that are made primarily to improve their marketability and improved functionality for our residents. These investments include upgrades to property resident amenity areas, such as hallways, dining rooms, lounges, theatres, etc.

For 2025, we invested in strategic common area upgrade programs in 41 properties (2024 – 51 properties).

Furniture, Fixtures and Equipment

This category primarily includes investments in resident common area and model suite furnishings and equipment, including upgrades to commercial kitchens and investments in resident transportation programs. These investments are primarily made to improve the competitiveness of our properties and to provide enhanced services to our residents.

Communication and Information Services

This category includes investments in telecommunication systems, including emergency call systems and computer hardware.

Balance Sheet Analysis

The following table summarizes the significant changes in assets, liabilities, and equity for December 31, 2025 compared to December 31, 2024.

	Increase (Decrease) <i>(\$millions)</i>	Explanation
Total assets	957.9	Total assets increased primarily due to increases in PP&E from acquisitions, cash, capital funding receivable and trade and other receivables partially offset by decreases in assets held for sale, loans receivables, other assets, investment in joint ventures and intangible assets.
Total liabilities	337.7	Total liabilities increased primarily due to increases in mortgages payable, senior unsecured debentures, accounts payable, deferred tax liabilities, other liabilities and distribution payable partially offset by lower liabilities related to assets held for sale, loans payable and credit facilities.
Equity	620.2	The increase in equity is primarily due to the issuance of Trust Units under the ATM program, DRIP and net income for the period, partially offset by distributions and issuance costs, net of tax.

Commitments and Contingencies

Contractual Obligations and Guarantees

The following table summarizes the maturities on major financial liabilities as at December 31, 2025, excluding future interest payments and put option commitments:

(\$000s)	Contractual Value	2026	2027	2028	2029	2030	Thereafter
Mortgages payable	2,272,320	333,843	141,383	259,633	176,809	140,244	1,220,408
Senior unsecured debentures	800,000	250,000	-	200,000	150,000	-	200,000
Accounts payable and accrued liabilities	184,438	178,038	-	6,400	-	-	-
Distributions payable	16,213	16,213	-	-	-	-	-
Resident deposits	8,953	8,953	-	-	-	-	-
Lease obligations	8,039	984	373	116	25	-	6,541
Total maturities	3,289,963	788,031	141,756	466,149	326,834	140,244	1,426,949

Lease obligations relate to leases of land, office space and equipment.

We have entered into various construction contracts related to our development projects. As at December 31, 2025, the remaining commitments under these contracts amounted to approximately \$58.6 million (2024 - \$2.6 million).

Guarantees

As of December 31, 2025, together with our partners we have jointly and severally guaranteed loans on certain joint arrangements to an aggregate maximum amount of \$588.2 million. As at December 31, 2025, outstanding balances on these loans were \$529.6 million.

Other Contracts

Upon achievement of certain conditions, Batimo may require us to acquire an 85% interest in their development properties which we manage and for which, in some cases, have provided mezzanine loans.

As of December 31, 2025, there was one Batimo project that is subject to this arrangement as Chartwell Le Montcalm (283 suites) has achieved the occupancy threshold giving effect to the Batimo put rights. A summary and status of Batimo project is provided under the "Significant Events/Projects by Batimo" section on page 13 of this MD&A.

Letters of Credit

As at December 31, 2025, we were contingently liable for letters of credit in the amount of \$5.1 million.

Litigation, Claims and Contingencies

Class Action

On June 1, August 14, and October 5, 2020, Chartwell was served with three different statements of claims (the "Claims") that were filed in the Ontario Superior Court of Justice, all seeking an order certifying the Claims as class actions pursuant to the *Class Proceedings Act (Ontario)*. In January 2022, the Court consolidated the Claims into one proceeding (the "Consolidated Claim"). The Consolidated Claim alleges, among other things, gross negligence, breach of the Canadian Charter of Rights and Freedom, breach of contract and breach of fiduciary duty in respect of Chartwell's response to the pandemic. The plaintiffs are seeking \$100.0 million in general damages and \$10.0 million in aggravated, punitive and/or exemplary damages. We do not believe that the Claims or the damages sought have merit.

On November 20, 2020, the Ontario government enacted the *Supporting Ontario's Recovery Act* (the "Recovery Act"). Under the Recovery Act, which is retroactive to March 17, 2020, proceedings are barred and dismissed without costs if they allege injury by COVID-19 if the defendant made good faith efforts to follow public health guidance and COVID-19 related laws and did not act with gross negligence. On March 7, 2024, the Consolidated Claim was certified, but pursuant to the Recovery Act, only gross negligence claims survive the cause of action test. The litigation is currently in the documentary discovery process. We do not believe the outcome will have a material adverse impact on our business, results of operations or financial condition and believe that any potential liability would be resolved within the limits of our insurance coverage.

Pay Equity

Certain Ontario LTC homes achieved pay equity by 2005 under a sector framework that used the "proxy" method, with the Ontario government directly funding the related obligations. In subsequent litigation commenced in 2010, unions asserted that additional adjustments were required to maintain pay equity. Although the Ontario Pay Equity Tribunal (the "Tribunal") found generally in favour of the participating LTC homes, appellate courts later found in favour of unions and directed the Tribunal. The Supreme Court of Canada denied leave to appeal on October 14, 2021, thereby upholding the appellate court decision.

Chartwell owns or previously owned four Ontario LTC homes that are respondents to this decision and previously owned seven additional Ontario LTC homes that also used the proxy method and could also be affected. Although Chartwell completed the sale of its LTC operations in 2023, it continues to participate in sector discussions with unions, other LTC homes and the Ontario government regarding an appropriate pay equity maintenance framework.

There are significant uncertainties regarding how the decision will be implemented, including the scope of any required pay equity adjustments, the methodology and timing for implementation, and the ultimate financial impact on Chartwell. Discussions among the affected parties have not meaningfully progressed. As a result, Chartwell cannot currently reliably estimate any potential liability. Chartwell expects that any required pay equity adjustments will be fully funded by the Ontario government; however there is no assurance that such funding will be provided in full or on a timely basis. No liability for potential pay equity adjustments, or related recovery from the Ontario government, has been recognized in Chartwell's financial statements. Any requirement to fund pay equity adjustments, in whole or in part, could increase Chartwell's labour costs and adversely affect its financial condition and results of operations.

Summary of Select Financial Information

Annual Financial Information

The following table summarizes selected annual financial information for each of the past three years:

(\$000s, except per unit amounts)	2025	2024	2023
Property revenue	1,079,035	799,923	687,324
Total revenues	1,108,517	852,147	738,554
Direct property operating expense	650,076	509,179	463,361
Net income	29,495	22,378	128,273
Total assets	5,044,977	4,087,069	3,234,076
Total non-current liabilities	2,489,047	1,927,776	1,681,845
Total liabilities	3,351,393	3,013,688	2,442,615
Distributions declared per unit	0.6120	0.6120	0.6120

Our annual results for the past three years have been primarily affected by acquisitions, developments, and dispositions. Our 2023 results were impacted by the pandemic. Refer to the “2026 Outlook” section on page 9 of this MD&A.

Quarterly Financial Information

The following table summarizes our quarterly unaudited financial information:

(\$000s, except per unit amounts and number of units)	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	300,287	282,174	273,158	252,898	232,699	220,464	202,401	196,583
Direct property operating expense	(174,944)	(165,393)	(159,683)	(150,056)	(138,707)	(128,389)	(120,709)	(121,374)
Depreciation and amortization	(72,092)	(61,865)	(60,133)	(53,158)	(49,710)	(43,530)	(39,369)	(35,957)
Share of net income/(loss) from joint ventures	525	294	146	608	3,214	2,946	1,939	1,367
G&A expenses	(12,714)	(12,678)	(14,126)	(17,083)	(10,334)	(11,731)	(12,924)	(14,471)
Other income/(expense)	11,817	571	173	55,814	(2,036)	54,152	(2,112)	(1,354)
Finance costs	(32,150)	(31,339)	(31,859)	(30,608)	(28,820)	(28,351)	(26,359)	(22,778)
Changes in fair value of financial instruments	(4,528)	(6,733)	(7,608)	(5,479)	1,660	(14,998)	(3,252)	(3,285)
Current income tax benefit/(expense)	2,535	4,367	157	(8,125)	2,744	(2,840)	-	351
Deferred income tax benefit/(expense)	(11,492)	(14,604)	(5,962)	(11,617)	(7,166)	(24,120)	(2,413)	(1,053)
Net income/(loss) for the period	7,244	(5,206)	(5,737)	33,194	3,544	23,603	(2,798)	(1,971)
<i>Comprised of:</i>								
Unitholders	7,244	(5,240)	(5,769)	33,178	3,539	23,638	(2,798)	(1,971)
Non-controlling interest	-	34	32	16	5	(35)	-	-
Net income/(loss) for the period	7,244	(5,206)	(5,737)	33,194	3,544	23,603	(2,798)	(1,971)
FFO ⁽¹⁾	81,241	73,058	67,553	56,169	57,663	55,861	44,698	39,239
FFOPU ⁽¹⁾	0.26	0.24	0.24	0.20	0.21	0.20	0.18	0.16
IFFO ⁽¹⁾	83,743	74,749	69,438	58,292	59,407	56,703	44,979	39,632
IFFOPU ⁽¹⁾	0.27	0.25	0.24	0.21	0.22	0.21	0.18	0.16
Weighted average number of units (000) ⁽²⁾	310,769	298,507	285,514	277,943	275,494	274,318	246,121	244,216

(1) Non-GAAP; refer to the “Additional Information on Non-GAAP Measures” section on page 39 of this MD&A.

(2) Non-GAAP; refer to the “Weighted Average Number of Units” section on page 43 of this MD&A.

Our results for the past eight quarters have primarily been affected by:

- acquisitions, dispositions, and developments of properties as described in the “Significant Events” section on page 12 and the “2026 Outlook” section on page 9 of this MD&A and in our 2024 MD&A,
- changes in fair value of financial instruments,
- deferred income taxes,
- current income taxes, and
- impairment charges and reversal of impairment charges.

The effect of seasonal factors on our quarterly results is primarily related to outbreaks and weather patterns which affect both direct operating expenses, primarily utilities, staffing and maintenance cost trends, and also revenue due to changes in occupancy based on new resident move-in trends.

Additional Information on Non-GAAP Measures

Throughout this MD&A, there are references to certain Non-GAAP Measures. As described in the relevant sections of this MD&A, where a Non-GAAP Measure is discussed for the first time, we have described why we believe it is useful to investors and how management uses the Non-GAAP Measure. Non-GAAP Measures do not have any standardized meaning prescribed by GAAP and therefore, are unlikely to be comparable to similar financial measures used by other issuers. The following provides detailed definitions and reconciliations to the most closely comparable GAAP measure for any Non-GAAP Measure that has not been provided elsewhere in this MD&A. We present FFO substantially consistent with the definition adopted by REALPAC in the REALPAC Guidance.

Funds from Operations and Internal Funds from Operations

FFO

According to the REALPAC Guidance, FFO is defined as follows:

Profit or loss per GAAP Statement of Comprehensive Income adjusted for:

- A. Unrealized changes in the fair value of investment properties.
- B. Depreciation of depreciable real estate assets including depreciation for components relating to capitalized leasing costs, capitalized tenant allowances treated as capital improvements and lease-related items ascribed in a business combination.
- C. Amortization of tenant allowances and landlord's work spent for the fit-out of tenant improvements and amortized as a reduction to revenue.
- D. Amortization of tenant/customer relationship intangibles or other intangibles arising from a business combination.
- E. Gains or losses from sales of investment properties and owner-occupied properties, including the gain or loss included within discontinued operations (if applicable).
- F. Tax on profits or losses on disposals of properties.
- G. Deferred taxes.
- H. Impairment losses or reversals recognized on land and depreciable real estate properties, excluding those relating to properties used exclusively for administrative purposes.
- I. Revaluation gains or losses recognized in profit or loss on owner-occupied properties, excluding those relating to properties used exclusively for administrative purposes.
- J. Transaction costs expensed as a result of the purchase of a property being accounted for as a business combination.
- K. Foreign exchange gains or losses on monetary items not forming part of a net investment in a foreign operation.
- L. Gain or loss on the sale of an investment in a foreign operation.
- M. Changes in the fair value of financial instruments which are economically effective hedges but do not qualify for hedge accounting.
- N. Negative goodwill or goodwill impairment.
- O. Effects of puttable instruments classified as financial liabilities.
- P. Results of discontinued operations.
- Q. Adjustments for equity-accounted entities.

- R. Incremental leasing costs.
- S. Property taxes accounted for under IFRIC 21.
- T. Operational revenue and expenses from Right of Use assets.
- U. Non-controlling interest.

IFFO

IFFO is a Non-GAAP Financial Measure used to evaluate management performance and does not have a standardized meaning prescribed by IFRS; therefore, it is not comparable to similar measures presented by other income trusts or other companies. IFFO should not be construed as an alternative to net earnings or cash flow from operating activities as determined by IFRS. Chartwell calculates IFFO by adding or subtracting the following items to or from its FFO: (a) Imputed Cost of Debt on development properties; (b) income guarantees due from vendors of certain acquired properties; and (c) current income tax. These adjustments to FFO are made to ensure management is not incented to make short-term decisions for Chartwell by not developing new properties or acquiring properties with long term value creation potential.

FFO Payout Ratio

FFO payout ratio is a Non-GAAP Financial Measure used to evaluate management performance and does not have a standardized meaning prescribed by IFRS; therefore, it is not comparable to similar measures presented by other income trusts or other companies. FFO payout ratio is calculated as the declared distributions to unitholders for the period as a percentage of FFO.

The following table provides a reconciliation of net income/(loss) to FFO and IFFO:

(\$000s, except per unit amounts, number of units, and payout ratio)	Q4 2025	Q4 2024	Change	2025	2024	Change
Net income/(loss)	7,244	3,544	3,700	29,495	22,378	7,117
<i>Add (Subtract):</i>						
B Depreciation of PP&E	71,693	49,225	22,468	245,509	166,371	79,138
D Amortization of limited life intangible assets	399	485	(86)	1,739	2,195	(456)
B Depreciation of PP&E and amortization of intangible assets used for administrative purposes included in depreciation of PP&E and amortization of intangible assets above	(1,039)	(1,125)	86	(3,626)	(4,092)	466
E Loss/(gain) on disposal of assets	(1,128)	941	(2,069)	(62,918)	(53,963)	(8,955)
J Transaction costs arising on dispositions	266	491	(225)	6,719	5,518	1,201
H Impairment losses/(reversals)	(11,000)	-	(11,000)	(12,963)	-	(12,963)
F Tax on gains or losses on disposal of properties	(2,535)	(2,744)	209	1,066	(255)	1,321
G Deferred income tax	11,492	7,166	4,326	43,675	34,752	8,923
O Distributions on Class B Units recorded as interest expense	223	231	(8)	898	927	(29)
M Changes in fair value of financial instruments	4,528	(1,660)	6,188	24,348	19,875	4,473
Q FFO adjustments for Equity-Accounted JVs ⁽¹⁾	1,098	1,196	(98)	4,332	3,887	445
U Non-controlling interest ⁽¹⁾	-	(87)	87	(254)	(131)	(123)
FFO ⁽²⁾	81,241	57,663	23,578	278,020	197,462	80,558
<i>Add (Subtract):</i>						
Imputed Cost of Debt ⁽³⁾	-	182	(182)	-	1,112	(1,112)
Income guarantees ⁽⁴⁾	2,502	1,562	940	8,201	2,148	6,053
IFFO ⁽⁵⁾	83,743	59,407	24,336	286,221	200,722	85,499
Weighted average number of units (000) ⁽⁶⁾	310,769	275,494	35,275	293,288	260,119	33,169
FFOPU ⁽⁷⁾	0.26	0.21	0.05	0.95	0.76	0.19
IFFOPU ⁽⁷⁾	0.27	0.22	0.05	0.98	0.77	0.21
Distributions declared on Trust Units	47,395	41,716	5,679	178,516	158,516	20,281
FFO Payout Ratio ⁽⁵⁾	58.3%	72.3%	(14.0pp)	64.3%	80.3%	(16.0pp)

(1) Non-GAAP; see reconciliation table following for the calculation of these amounts.

(2) Non-GAAP; refer to the preamble to this table and to the "Results of Operations/FFO" section on page 20 of this MD&A for a discussion of the significance of this metric.

(3) Non-GAAP; refer to the "Significant Events/Development/Expected Unlevered Yield and Imputed Cost of Debt" section on page 12 of this MD&A. Includes Chartwell's proportionate share of Equity-Accounted JVs.

(4) Non-GAAP; refer to the preamble to this table. Includes Chartwell's proportionate share of Equity-Accounted JVs.

(5) Non-GAAP; refer to the preamble to this table.

(6) Non-GAAP; refer to the "Weighted Average Number of Units" section on page 43 of this MD&A.

(7) Non-GAAP; refer to the "Per Unit Amounts" section on page 43 of this MD&A for a discussion of the calculation of the per unit amounts.

The following table provides supplemental information in respect of the adjustment to FFO for Equity-Accounted JVs:

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
B Depreciation of PP&E and amortization of intangible assets	952	1041	(89)	3,735	3,013	722
E Loss/(gain) on disposal of assets	-	1	(1)	(5)	2	(7)
M Change in fair value of financial instruments	146	154	(8)	602	872	(270)
Q FFO adjustments for Equity-Accounted JVs ⁽¹⁾	1,098	1,196	(98)	4,332	3,887	445

(1) Non-GAAP; refer to the preamble to this section.

The following table provides supplemental information in respect of the FFO for non-controlling interest:

(\$000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Net income/(loss)	-	(5)	5	(82)	30	(112)
B Depreciation of PP&E and amortization of intangible assets	-	(84)	84	(172)	(165)	(7)
E Gain on disposal of assets	-	2	(2)	-	4	(4)
U Non-controlling interest ⁽¹⁾	-	(87)	87	(254)	(131)	(123)

(1) Non-GAAP; refer to the preamble to this section.

The following table provides a quarterly reconciliation of net income/(loss) to FFO and IFFO:

(\$000s, except per unit amounts and number of units)	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income/(loss)	7,244	(5,206)	(5,737)	33,194	3,544	23,603	(2,798)	(1,971)
<i>Add (Subtract):</i>								
B Depreciation of PP&E	71,693	61,430	59,694	52,692	49,225	43,009	38,795	35,342
D Amortization of limited life intangible assets	399	435	439	466	485	521	574	615
B Depreciation of PP&E and amortization of intangible assets used for administrative purposes included in depreciation of PP&E and amortization of intangible assets above	(1,039)	(874)	(833)	(879)	(1,125)	(974)	(941)	(1,055)
E Loss/(gain) on disposal of assets	(1,128)	(1,288)	(249)	(60,253)	941	(55,850)	1,584	(638)
J Transaction costs arising on dispositions	266	322	1,674	4,458	491	2,507	528	1,992
H Impairment losses/(reversals)	(11,000)	-	(1,963)	-	-	-	-	-
F Tax on gains or losses on disposal of properties	(2,535)	(4,367)	(157)	8,125	(2,744)	2,840	-	(351)
G Deferred income tax	11,492	14,604	5,962	11,617	7,166	24,120	2,413	1,053
O Distributions on Class B Units recorded as interest expense	223	223	224	228	231	231	232	232
M Changes in fair value of financial instruments	4,528	6,733	7,608	5,479	(1,660)	14,998	3,252	3,285
Q FFO adjustments for Equity-Accounted JVs ⁽¹⁾	1,098	1,130	973	1,130	1,196	900	1,059	735
U Non-controlling interest ⁽¹⁾	-	(84)	(82)	(88)	(87)	(44)	-	-
FFO ⁽²⁾	81,241	73,058	67,553	56,169	57,663	55,861	44,698	39,239
<i>Add (Subtract):</i>								
Imputed Cost of Debt ⁽³⁾	-	-	-	-	182	256	281	393
Income guarantees ⁽⁴⁾	2,502	1,691	1,885	2,123	1,562	586	-	-
IFFO ⁽⁵⁾	83,743	74,749	69,438	58,292	59,407	56,703	44,979	39,632
Weighted average number of units (000) ⁽⁶⁾	310,769	298,507	285,514	277,943	275,494	274,318	246,121	244,216
FFOPU ⁽⁷⁾	0.26	0.24	0.24	0.20	0.21	0.20	0.18	0.16
IFFOPU ⁽⁷⁾	0.27	0.25	0.24	0.21	0.22	0.21	0.18	0.16

(1) Non-GAAP; refer to the preceding reconciliation tables for the calculation of these amounts.

(2) Non-GAAP; refer to the preamble to this table and to the "Results of Operations/FFO" section on page 20 of this MD&A for a discussion of the significance of this metric.

(3) Non-GAAP; refer to the "Significant Events/Development/Expected Unlevered Yield and Imputed Cost of Debt" section on page 12 of this MD&A. Includes Chartwell's proportionate share of Equity-Accounted JVs.

(4) Non-GAAP; refer to the preamble to this table. Includes Chartwell's proportionate share of Equity-Accounted JVs.

(5) Non-GAAP; refer to the preamble to this table.

(6) Non-GAAP; refer to the "Weighted Average Number of Units" section on page 43 of this MD&A.

(7) Non-GAAP; refer to the "Per Unit Amounts" section on page 43 of this MD&A for a discussion of the calculation of the per unit amounts.

Per Unit Amounts

In our calculations of FFOPU and IFFOPU, we add the weighted average Class B Units to the weighted average Trust Units as the Class B Units are exchangeable into Trust Units at any time at the option of the unitholder. In addition, we add Trust Units issued under EUPP and DTUs.

Weighted Average Number of Units

The following table provides details of the weighted average number of units outstanding:

(000s)	Q4 2025	Q4 2024	Change	2025	2024	Change
Weighted average number of units ⁽¹⁾	310,769	275,494	35,275	293,288	260,119	33,169

(1) Includes Trust Units, Class B Units, Trust Units issued under EUPP and DTUs.

Per Occupied Suite

In our calculations of REVPOS, DOEPOS, and NOIPOS we use the same property weighted average number of occupied suites for the applicable period.

	Q4 2025	Q4 2024	Change	2025	2024	Change
Weighted average number of occupied suites	11,906	11,363	543	11,667	11,059	608

Debt Covenant Calculations

Consolidated EBITDA to Consolidated Interest Expense Ratio for Debentures ("Interest Coverage Ratio for Debentures")

We are required at all times to maintain an Interest Coverage Ratio for Debentures of not less than 1.65 on a proforma basis and calculated based on the definitions for the Debentures.

(\$000s, except ratio)	12 months December 31, 2025	12 months December 31, 2024
Consolidated EBITDA for Debentures ⁽¹⁾	437,807	334,521
Consolidated interest expense for Debentures ⁽²⁾	125,812	124,712
Interest Coverage Ratio for Debentures	3.5x	2.7x

(1) Refer to the "Supporting Covenant Calculations/1. Consolidated EBITDA for Credit Facilities, Loans Payable, and Debentures" section on page 45 of this MD&A for the calculation of consolidated EBITDA for Debentures.

(2) Refer to the "Supporting Covenant Calculations/2. Consolidated Interest Expense for Credit Facilities, Loans Payable, and Debentures" section on page 45 of this MD&A for the calculation of consolidated interest expense for Debentures.

Indebtedness Percentage for Debentures

We are required to maintain a ratio of consolidated indebtedness to aggregate adjusted assets of less than or equal to 65%.

(\$000s, except indebtedness percentage)	December 31, 2025	December 31, 2024
Consolidated indebtedness for Debentures ⁽¹⁾	3,014,705	2,825,784
Aggregate adjusted assets for Debentures ⁽²⁾	6,650,709	5,733,608
Indebtedness percentage for Debentures	45.3%	49.3%

(1) Refer to the "Supporting Covenant Calculations/4. Consolidated Indebtedness for Credit Facilities, Loans Payable, and Debentures" section on page 46 of this MD&A for the calculation of consolidated indebtedness for Debentures.

(2) Refer to the "Supporting Covenant Calculations/5. Adjusted Consolidated Gross Book Value of Assets for Credit Facilities and Loans Payable and Aggregate Adjusted Assets for Debentures" section on page 47 of this MD&A for the calculation of aggregate adjusted assets for Debentures.

Unsecured Debt Coverage Ratio for Debentures

We are required to maintain a ratio of unencumbered aggregate adjusted assets to the aggregate principal amount of outstanding consolidated unsecured indebtedness of not less than 1.3 on a proforma basis giving effect to the transactions completed to the date of this MD&A and calculated based on the definition in the Supplemental Trust Indentures.

(\$000s, except ratio)	December 31, 2025	December 31, 2024
Unencumbered aggregate adjusted assets for Debentures ⁽¹⁾	2,062,550	1,088,350
Unsecured indebtedness for Debentures ⁽²⁾	808,079	633,310
Coverage ratio for Debentures	2.6x	1.7x

(1) Includes 39 properties valued at \$2,062.6 million as of December 31, 2025 (30 properties valued at \$1,088.4 million as of December 31, 2024). The property values are based on third-party appraisals that are dated no longer than two years from the applicable determination date.

(2) Refer to the "Supporting Covenant Calculations/4. Consolidated Indebtedness for Credit Facilities, Loans Payable, and Debentures" section on page 46 of this MD&A for the calculation of unsecured indebtedness for the Debentures.

Debt Service Coverage Ratio for Credit Facilities and Loans Payable

We are required to maintain a minimum debt service coverage ratio of 1.40 on a rolling 12-month basis.

(\$000s, except ratio)	12 months December 31, 2025	12 months December 31, 2024
Consolidated EBITDA for Credit Facilities and Loans Payable ⁽¹⁾	409,477	309,067
Consolidated interest expense for Credit Facilities and Loans Payable ⁽²⁾	123,903	106,782
Consolidated regularly scheduled debt principal payments for Credit Facilities and Loans Payable ⁽³⁾	79,350	74,325
Consolidated debt service payments for Credit Facilities and Loans Payable	203,253	181,107
Debt service coverage ratio for Credit Facilities and Loans Payable	2.0x	1.7x

(1) Refer to the "Supporting Covenant Calculations/1. Consolidated EBITDA for Credit Facilities, Loans Payable, and Debentures" section on page 45 of this MD&A for the calculation of consolidated EBITDA for Credit Facilities and Loans Payable.

(2) Refer to the "Supporting Covenant Calculations/2. Consolidated Interest Expense for Credit Facilities, Loans Payable, and Debentures" section on page 45 of this MD&A for the calculation of consolidated interest expense for Credit Facilities and Loans Payable.

(3) Refer to the "Supporting Covenant Calculations/3. Regularly Scheduled Debt Principal Payments for Credit Facilities" section on page 46 of this MD&A for the calculation of consolidated regularly scheduled debt principal payments for Credit Facilities and Loans Payable.

Net Debt to Adjusted EBITDA

In addition to the financial covenants related to our Credit Facilities and Debentures, we internally monitor the Net Debt to Adjusted EBITDA ratio as calculated based on the definitions of Consolidated Indebtedness and Consolidated EBITDA contained in the trust indentures for our Debentures.

(\$000s, except ratio)	December 31, 2025	December 31, 2024
Consolidated Indebtedness for Debentures ⁽¹⁾	3,014,705	2,825,784
Consolidated EBITDA for Debentures ⁽²⁾	437,807	334,521
Net Debt to Adjusted EBITDA ratio	6.9x	8.4x

(1) Refer to the "Supporting Covenant Calculations/4. Consolidated Indebtedness for Credit Facilities, Loans Payable, and Debentures" section on page 46 of this MD&A for the calculation of this amount.

(2) Refer to the "Supporting Covenant Calculations/1. Consolidated EBITDA for Credit Facilities, Loans Payable, and Debentures" section on page 45 of this MD&A for the calculation of this amount.

The Net Debt to Adjusted EBITDA ratio has improved primarily due to higher NOI and continuous occupancy growth. Additionally, financing of certain acquisitions and development projects in lease-up which have not yet achieved their expected stabilized EBITDA contribution also impacted this ratio.

Supporting Covenant Calculations

1. Consolidated EBITDA for Credit Facilities, Loans Payable, and Debentures

The following table provides the calculation of consolidated EBITDA for the Credit Facilities, Loans Payable, and Debentures.

(\$000s)	12 months December 31, 2025	12 months December 31, 2024
Net income	29,413	22,408
Gain on disposal of assets ⁽¹⁾	(62,923)	(53,960)
Transaction costs ⁽¹⁾	6,719	5,518
Impairment expense/(reversal)	(12,963)	-
Non-cash change in fair value of financial instruments ⁽¹⁾	24,950	20,747
Consolidated net income/(loss) for Credit Facilities and Loans Payable	(14,804)	(5,287)
Consolidated finance costs ⁽¹⁾	128,436	108,441
Consolidated depreciation of PP&E and amortization of intangible assets ⁽¹⁾	250,812	171,416
Consolidated income tax expense/(benefit)	44,741	34,497
Principal portion of capital funding	292	-
Consolidated EBITDA for Credit Facilities and Loans Payable	409,477	309,067
Proforma adjustments ⁽²⁾	28,330	25,454
Consolidated EBITDA for Debentures	437,807	334,521

(1) Non-GAAP; includes Chartwell's proportionate share of Equity-Accounted JVs.

(2) Adjusted to reflect a full-year impact of acquisitions and dispositions completed during the reporting period, on a proforma basis.

2. Consolidated Interest Expense for Credit Facilities, Loans Payable, and Debentures

The following table provides the calculation of consolidated interest expense for Credit Facilities, Loans Payable, and Debentures.

(\$000s)	12 months December 31, 2025	12 months December 31, 2024
Interest on mortgages ⁽¹⁾	82,349	64,715
Interest on Debentures	37,032	22,539
Interest on Credit Facilities	3,090	8,710
Interest on Loans Payable	1,432	10,818
Consolidated interest expense for Credit Facilities and Loans Payable	123,903	106,782
Proforma adjustments ⁽²⁾	1,909	17,930
Consolidated interest expense for Debentures	125,812	124,712

(1) Non-GAAP; includes Chartwell's proportionate share of Equity-Accounted JVs.

(2) Adjusted to reflect a full-year impact of acquisitions, dispositions and financings completed during the reporting period, on a proforma basis.

3. Regularly Scheduled Debt Principal Payments for Credit Facilities and Loans Payable

The following table summarizes regularly scheduled principal debt payments for the Credit Facilities and Loans Payable.

<i>(\$000s)</i>	12 months December 31, 2025	12 months December 31, 2024
Regularly scheduled debt principal payments per Financial Statements	79,041	74,028
Regularly scheduled debt principal payments for equity-accounted entities	309	297
Regularly scheduled debt principal payments for Credit Facilities and Loans Payable	79,350	74,325

4. Consolidated Indebtedness for Credit Facilities, Loans Payable, and Debentures

The following table provides the calculation of consolidated indebtedness for Credit Facilities, Loans Payable, and Debentures.

<i>(\$000s)</i>	December 31, 2025	December 31, 2024
Principal balance of mortgages payable	2,272,320	1,852,274
Principal balance of mortgages payable related to assets held for sale	-	138,391
Principal balance of mortgages payable related to Equity-Accounted JVs	48,385	49,594
Welltower loan 1	-	33,323
Welltower loan 2	-	40,665
Outstanding amount on secured credit facility	-	100,000
Outstanding amount on secured term loan related to assets held for sale	-	13,600
Secured indebtedness for the unsecured credit facility and Loans Payable	2,320,705	2,227,847
Principal balance of Debentures	800,000	550,000
Unsecured term loans	-	75,000
Capital lease obligations ⁽¹⁾	8,079	8,310
Unsecured indebtedness for Debentures	808,079	633,310
Outstanding letters of credit	5,089	5,753
Third-party guarantees	-	230
Unsecured indebtedness for Credit Facilities and Loans Payable	813,168	639,293
Consolidated indebtedness for Credit Facilities and Loans Payable	3,133,873	2,867,140
<i>Add (Subtract):</i>		
Outstanding letters of credit	(5,089)	(5,753)
Third-party guarantees	-	(230)
Cash and cash equivalents	(109,132)	(20,048)
Cash and cash equivalents of Equity-Accounted JVs	(4,947)	(15,325)
Cash and cash equivalents of non-controlling interest	-	-
Consolidated indebtedness for Debentures	3,014,705	2,825,784

(1) Includes capital lease obligations related to joint ventures of \$nil at December 31, 2025 (\$0.1 million at December 31, 2024).

5. Adjusted Consolidated Gross Book Value of Assets for Credit Facilities and Loans Payable and Aggregate Adjusted Assets for Debentures

The following table provides the calculations of both the adjusted consolidated gross book value of assets for Credit Facilities and Loans Payable and the aggregate adjusted assets for Debentures.

(\$000s)	December 31, 2025	December 31, 2024
Book value of assets ⁽¹⁾	5,086,007	4,133,163
Gross book value adjustment on IFRS transition	116,426	121,539
Adjustment for accumulated depreciation and amortization for Credit Facilities and Loans Payable ⁽²⁾	1,562,355	1,514,279
Adjusted consolidated gross book value of assets for Credit Facilities and Loans Payable	6,764,788	5,768,981
<i>Add (Subtract):</i>		
Cash and cash equivalents	(109,132)	(20,048)
Cash and cash equivalents of Equity-Accounted JVs	(4,947)	(15,325)
Cash and cash equivalents of non-controlling interest	-	-
Aggregate adjusted assets for Debentures	6,650,709	5,733,608

(1) Non-GAAP; includes Chartwell's proportionate share of Equity-Accounted JVs.

(2) Includes accumulated depreciation of PP&E and amortization of intangible assets for Equity-Accounted JVs of \$21.0 million at December 31, 2025 (\$27.6 million at December 31, 2024) and fully amortized assets of \$254.7 million at December 31, 2025 (\$272.9 million at December 31, 2024).

Critical Accounting Policies and Estimates

Critical Accounting Judgments, Estimates and Assumptions in Applying Accounting Policies

Our material accounting policies for the year ended December 31, 2025 are referred to in Note 3 of our Financial Statements. Under IFRS, it is necessary to make estimates when preparing the financial statements and then to re-evaluate the original estimates used on an ongoing basis. Our estimates are based on past experience and other factors that we believe are reasonable under the circumstances. As this involves varying degrees of judgement and uncertainty, the amounts currently reported in the financial statements could, in the future, prove to be inaccurate.

Valuation of PP&E and Intangibles

Fair value is the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction (that is, other than in a forced or liquidation sale) between market participants. Quoted market prices in active markets are the best evidence of fair value and are used as the basis for fair value measurement, when available. When quoted market prices are not available, estimates of fair value are based on the best information available, including prices for similar items and the results of other valuation techniques. Valuation techniques used would be consistent with the objective of measuring fair value.

Our Financial Statements are affected by fair value measures. The most significant areas affected are as follows:

- An impairment loss is recognized when the carrying amount of an asset is not recoverable. The impairment loss is determined as the excess of carrying value over its recoverable amount.
- Intangible assets with indefinite lives are also required to be assessed at a minimum annually, comparing the recoverable amount to carrying value to determine if an impairment loss is required to be recognized.

PP&E and intangible assets represent more than 90% of our assets.

At each reporting date we assess whether there is an indication, based on internal or external sources of information, that an asset or a Cash Generating Unit (“CGU”) in PP&E may be impaired. When indicators of impairment exist, we evaluate whether the recoverable amount of a CGU exceeds its carrying amount. Factors which could indicate that impairment exists include significant underperformance relative to historical or projected operating results, significant changes in the manner or use of the assets, significant negative industry or economic trends, or a change in the strategy for our overall business.

Our business, markets and business environment are continually monitored, and judgments and assessments are made to determine whether an event has occurred that indicates possible impairment. If such an indication exists, then the asset’s recoverable amount is estimated, and an impairment loss is recognized immediately in profit and loss for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of a) fair value less costs of disposal, and b) the value in use calculated on a discounted cash flow basis. Both the identification of events that may trigger impairment and the estimates of future cash flows and the fair value of the asset require considerable judgement.

The assessment of asset impairment requires us to make significant assumptions about the selection of discount rates, capitalization rates and terminal capitalization rates used to determine the fair value of a CGU. Significant assumptions are also required to estimate future stabilized cash flows, which include assumptions about rental rates and occupancy rates. Such assumptions can be significantly impacted by current and future economic conditions in the geographical markets of each CGU, and management’s strategic plans within each of its markets. Management also applies adjustments to reflect the expectations of market participants. Estimates and assumptions used in the determination of the recoverable amounts were based upon information that was known at the time, along with the future outlook. Actual results can, and often do, differ from these estimates, and can have either a positive or negative impact on the estimate and whether an impairment situation exists. In addition, when impairment tests are performed, the estimated useful lives of the properties are reassessed, with any change accounted for prospectively. Intangible assets that have indefinite useful lives are tested for impairment annually, or more frequently, if events or circumstances indicate that the assets might be impaired. Goodwill is tested for impairment at least annually or whenever indicators of impairment of the CGU to which the goodwill relates have occurred. Intangible assets with finite useful lives are tested for impairment if events or changes in circumstances, assessed at each reporting date, indicate the carrying amount may not be recoverable.

Subsequent changes in the fair value of contingent consideration arrangements are recognized in net income. The excess of the purchase price over the fair value of the acquired identifiable net assets and liabilities is goodwill. On the date of acquisition goodwill is recorded as an asset.

When an acquisition does not meet the criteria for business combination accounting treatment, it is accounted for as an acquisition of a group of assets and liabilities, the cost of which includes transaction costs that are allocated upon initial recognition to the assets and liabilities acquired based upon their relative fair values.

Changes in Accounting Estimates and Changes in Accounting Policies

Our material accounting policies are described in Note 3 of our Financial Statements. Note 3(m) outlines future accounting policy changes. There were no significant changes to our accounting policies in 2025 or following the date of our 2025 Financial Statements except for the adoption of IFRS 18 Presentation and Disclosure in Financial Statements and Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 11).

Related Party Transactions

In the normal course of operations, Chartwell enters into various transactions with related parties. A summary of related party transactions can be found in Note 11 of our Financial Statements.

Controls and Procedures

We are committed to maintaining effective disclosure controls and procedures and internal controls over financial reporting. We continue to invest in improvements to our information systems and financial processes to further strengthen our internal controls. A control system, no matter how well conceived and operated, can provide only reasonable, and not absolute, assurance that its objectives are met. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; and (ii) the impact of isolated errors. Additionally, controls may be circumvented by the unauthorized acts of individuals, by the collusion of two or more people or by management override. The design of any system of controls is also based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential conditions.

Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws, and include controls and procedures that are designed to ensure that information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

An evaluation was carried out, under the supervision of and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of Chartwell's disclosure controls and procedures as defined under National Instrument 52-109. In making this assessment, the Chief Executive Officer and the Chief Financial Officer used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in the Internal Control – Integrated Framework – 2013 (COSO Internal Control Framework – 2013). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of Chartwell's disclosure controls and procedures were effective as at December 31, 2025.

Internal Control over Financial Reporting

We are responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Chief Executive Officer and the Chief Financial Officer assessed, or caused an assessment under their direct supervision of the design and operating effectiveness of our internal controls over financial reporting as at December 31, 2025, and based on that assessment determined that our internal controls over financial reporting were appropriately designed and were operating effectively in accordance with the COSO Internal Control Framework – 2013.

There were no material changes in our internal controls over financial reporting that occurred during the year ended December 31, 2025 that have significantly affected or are reasonably likely to significantly affect our internal control over financial reporting.

Risks and Uncertainties and Forward-Looking Information

Risks and Uncertainties

- **General Business Risks:** We are subject to general business risks and to risks inherent in the seniors housing industry and in the ownership of real property. These risks include general economic conditions, health-related risks, disease outbreaks (for example, COVID-19) and control risks, fluctuations in occupancy levels, the inability to achieve economic residency fees (including anticipated increases in such fees), rent control regulations, increases in labour costs, and other operating costs including the costs of utilities, possible future changes in labour relations, reduction in personnel below acceptable levels (e.g. due to events such as a pandemic or disease outbreak), competition from or the oversupply of other similar properties, changes in neighbourhood or location conditions and, the imposition of increased taxes or new taxes, capital expenditure requirements, changes in interest rates, and changes in the availability and cost of money for long term financing which may render refinancing of mortgages difficult or unattractive. Moreover, there is no assurance that expected demographic trends will continue or that the occupancy levels achieved to date at the Properties and expected in the future will continue or be achieved. Any one of, or a combination of, these factors may adversely affect our cash available to, or the financial position of Chartwell.

There are inherent legal, reputational and other risks involved in providing housing and health care services to seniors. The vulnerability and limited mobility of some seniors increases such risks. Such risks include disease outbreak, fires or other catastrophic events at a property which may result in injury or death, negligent or inappropriate acts by employees or others who come into contact with our residents, and unforeseen events at Chartwell or even non-Chartwell properties that result in damage to our brand or reputation or to the industry as a whole.

- **Occupancy, Business Volumes, and Competition:** Revenue and operating results depend significantly on the occupancy levels at our residences. Numerous other developers, managers and owners of seniors housing residences compete with us in seeking residents. The existence of competing developers, managers and owners and competition for our residents may adversely affect our ability to find residents for our seniors housing residences and on the level of rents or rental rate which may be charged, and could adversely affect our revenues and, consequently, our ability to meet debt obligations. An increased supply of suites in the regions in which we operate may have an impact on the demand for suites in such residences. Our ability to compete successfully depends on a number of factors, including the number of competitors in the local market, the types of services available, our reputation in the local area, cost of services and the location, physical condition and age of the residences.
- **Access to Capital, Interest Rate, Credit Rating and Other Debt and Financing Risk:** We have and will continue to have substantial outstanding consolidated indebtedness comprised primarily of the mortgages, term loans, debentures and indebtedness under our credit facilities. Our level of indebtedness could adversely affect its business and results of operations, including: limiting its ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general business purposes; restricting Chartwell's flexibility and discretion to operate its business; limiting our ability to make Distributions; having to dedicate a portion of cash flows from operations to the payment of interest on our existing indebtedness and not having such cash flows available for other purposes; exposing our business to increased debt capital market risks, including interest rate risk and refinancing risk at maturity; exposing us to increased interest expense on borrowings at variable rates; limiting our ability to adjust to changing market conditions; and making us vulnerable in a downturn in general economic conditions.

We intend to finance our growth strategy, including acquisitions and developments, through a combination of working capital and cash flow from operations, additional indebtedness and public or private sales of equity or debt securities. In the event that we require additional equity or debt financing for any reason, there can be no assurance that such financing will be available when required or on commercially favourable terms or on terms that are otherwise satisfactory to us. We are also subject to the risk that any of its existing indebtedness may not be able to be refinanced upon maturity or that the terms of such refinancing may not be as favourable as the terms of its existing indebtedness. This may

be due to factors including our financial condition, results of operations and cash flows, the terms of our existing indebtedness, general economic conditions and volatility, disruption and other unfavourable trends in the North American capital and credit markets. In particular, we currently have access to the government-backed mortgage insurance program through the National Housing Act, which is administered by CMHC. We entered into the LBA with CMHC in December 2015. In October 2024, CMHC terminated the LBA and replaced it with the LBRMF. There can be no guarantee that the provisions of the mortgage insurance program will not be changed in the future so as to make costs of obtaining mortgage insurance prohibitive or so as to restrict access to the insurance program in the future. To the extent that any financing requiring CMHC consent or approval is not obtained or that such consent or approval is only available on unfavourable terms, We may be required to use a conventional mortgage or other financing alternatives which may be less favourable to us than a CMHC-insured mortgage. No assurance can be given that we will be successful in obtaining additional financing, or refinancing existing indebtedness, on acceptable terms, at reasonable cost and at the required times, or at all. If we cannot obtain financing on acceptable terms, at reasonable cost and at the required times, our operations, liquidity and financial condition may be materially adversely affected and we may have to forgo, delay, or abandon some or all of its planned capital expenditures or any development, investment, or acquisition opportunities that we identify, which could adversely affect our revenues and results of operations.

Increases in market interest rates could significantly increase our debt servicing costs, which could have a material adverse effect on our business and results of operations. A portion of our cash flow is devoted to servicing its debt, and there can be no assurance that we will continue to generate sufficient cash flow from operations to meet required interest and principal payments. If we are unable to meet interest or principal payments, it could be required to seek renegotiation of such payments or obtain additional equity, debt or other financing.

If we fail to comply with the covenants, restrictions and requirements of any of its debt obligations, it could be in default under the relevant agreement which could have a material adverse effect on our liquidity, financial condition and results of operations. A default under one debt financing arrangement could cause cross-defaults under other financing arrangements, including our mortgages, term loans, debentures and our credit facilities. For example, because the terms of our debt contain cross-default provisions, a default by us related to one debt instrument could affect a significant number of our other properties and corresponding mortgages, term loans, debentures and credit facilities. In the event of any such default, if we failed to obtain replacement financing or amendments to or waivers under the applicable financing arrangement, its lenders could cease making further advances, declare our debt to be immediately due and payable, impose significant restrictions and requirements on our operations, institute foreclosure procedures against their collateral, or impose significant fees and transaction costs. If debt acceleration occurs, economic conditions may make it difficult or expensive to refinance the accelerated debt or we may have to issue equity, which would have dilutive effects on unitholders. Even if new financing is made available to us, credit may not be available to us on acceptable or reasonable terms. In addition, the terms of our indebtedness generally contain customary provisions that, upon an event of default, restrict the Distributions that may be made by us and our subsidiaries. Upon an event of default under such indebtedness, our ability to make Distributions will be adversely affected.

On September 30, 2025, DBRS confirmed the BBB (low) with Positive trends rating of Chartwell's Issuer Rating and Senior Unsecured Debentures. There is no assurance that we will continue to receive such credit ratings. Accordingly real or anticipated changes in Chartwell's Issuer Rating and /or Senior Unsecured Debentures credit ratings may adversely affect our business, operating results and financial condition.

- **Human Capital:** We compete in local markets with other health care providers with respect to attracting and retaining qualified personnel. We are also dependent upon the available labour pool of employees. A shortage of qualified personnel may require us to enhance our wage and benefits packages in order to compete. No assurance can be given that labour costs will not increase, or if they do increase, they can be matched by corresponding increases in rental or management revenue. The health care industry continues to face shortages of qualified personnel, including but not limited to nurses and personal support workers, particularly in non-urban settings. Continuation of such shortages could impact the delivery of services to residents in increased competition for staff and increased labour costs. This shortage, along with general inflationary pressures, may require us to enhance our pay and benefits

package to effectively compete for qualified personnel. We may not be able to recover such added costs through increased rates charged to residents or increased government funding. The inability to retain and/or attract qualified personnel may result in: a reduction in occupancy levels or services provided; use of staffing agencies at added cost; and an increased risk of deficiencies in operations which could potentially result in fines or penalties. An increase in personnel costs or a failure to attract, train and retain qualified and skilled personnel could adversely affect our business, results of operations and financial condition.

- **Economic and Financial Conditions:** Adverse changes to the economic and financial conditions in Canada, the United States and globally could impact our ability to execute upon our operating, investing and financing strategies which, in turn, could have a material adverse impact on our business, sales, profitability and financial position. In addition to labour costs, supply expenses make up a substantial portion of our cost of services. Those expenses can be subject to increases in periods of rising inflation or trade wars (including the imposition of new tariffs, duties and other trade protection measures and any responses thereto). Although historically we have generally been able to implement cost control measures, proactive procurement practices and/or obtain increases in government funding sufficient to substantially offset increases in these expenses, there can be no assurance that we will be able to anticipate fully or otherwise respond to any cost pressures or receive such increased funding, which may have a material adverse effect on the business, results of operations and our financial condition.

We rely on key suppliers to provide us with certain equipment and supplies. A shortage of such equipment or suppliers, due to supply chain disruptions, could have a material adverse impact on our business, especially if we are unable to find reasonable alternatives or secure such equipment or suppliers at reasonable prices. Our ability to secure sufficient equipment and suppliers is affected by many factors beyond our control. A shortage or disruption of equipment and supplies that are critical to our operations may adversely affect our business, results of operations and financial condition.

- **Labour Relations:** We, directly or indirectly employ 11,492 people in Canada. Excluding managers, approximately 77% of the employees working in the residences are represented by labour unions or employee associations. Labour relations with the unions are governed by collective bargaining agreements with many different unions. There can be no assurance that we will not at any time, whether in connection with the renegotiation process or otherwise, experience strikes, labour stoppages or any other type of conflict with unions or employees which could have a material adverse effect on our business, operating results and financial condition. However, most seniors housing residences in the Province of Ontario fall under the jurisdiction of the Hospital Labour Disputes Arbitration Act which prohibits strikes and lockouts in the seniors housing sector. Therefore, collective bargaining disputes are more likely to be resolved through compulsory third-party arbitration in Ontario.

In British Columbia, Alberta and Québec where strikes and lockouts may be permitted, certain essential services regulations apply which ensure the continuation of resident care and most services. Non-unionized seniors housing residences may become unionized in the event they are approached for certification by a trade union. There can be no assurance that the seniors housing residences we own that are currently unorganized will not, in the future, be subject to unionization efforts or that any such efforts will not result in the unionization of such a seniors housing facility's employees.

In December 2025, the British Columbia Ministry of Health announced that it had entered into a Memorandum of Agreement with the Health Employers Association of British Columbia ("HEABC") and the Facilities Bargaining Association ("FBA") pursuant to which eligible publicly funded care home operators in British Columbia would be brought into HEABC membership and the collective bargaining agreements negotiated by HEABC would be applied to those facilities, notwithstanding any existing collective bargaining agreements in place at such facilities. At this time, it is not known whether any Chartwell properties will be included within the scope of this initiative or how eligibility will be determined. Chartwell has a total of 126 funded beds at two British Columbia properties. If any Chartwell properties are included, the application of HEABC-negotiated collective bargaining agreements could result in increased labour costs, which could have an adverse effect on the impacted properties.

Certain Ontario LTC homes achieved pay equity by 2005 under a sector framework that used the "proxy" method, with the Ontario government directly funding the related obligations. In subsequent litigation

commenced in 2010, unions asserted that additional adjustments were required to maintain pay equity. Although the Ontario Pay Equity Tribunal (the “Tribunal”) found generally in favour of the participating LTC homes, appellate courts later found in favour of unions and directed the Tribunal. The Supreme Court of Canada denied leave to appeal on October 14, 2021, thereby upholding the appellate court decision.

Chartwell owns or previously owned four LTC homes that are respondents to this decision and previously owned seven additional LTC homes that also used the proxy method and could be affected. Although we completed the sale of the LTC operations in 2023, we continue to participate in sector discussions with unions, other LTC homes and the Ontario government regarding an appropriate pay equity maintenance framework.

There are significant uncertainties regarding how the decision will be implemented, including the scope of any required pay equity adjustments, the methodology and timing for implementation, and the ultimate financial impact on us. Discussions among the affected parties have not meaningfully progressed. As a result we cannot reliably estimate any potential liability. We expect that any required pay equity adjustments will be fully funded by the Ontario Government; however there is no assurance that such funding will be provided in full or on a timely basis. No liability for potential pay equity adjustments or related recovery from the government has been recognized in Chartwell’s financial statements. Any requirement to fund pay equity adjustments in whole or in part, could increase Chartwell’s labour costs and adversely affect its financial condition and results of operations.

- **Joint-Venture Interests:** We have entered into joint-venture arrangements in respect of certain of our seniors housing operations. These joint-venture arrangements have the benefit of sharing the risks associated with ownership and management of such seniors housing residences including those risks described above and provide us with access to properties and development sites we would otherwise have. However, we may be exposed to adverse developments, including a possible change in control, in the business and affairs of our joint-venture partners which could have a significant impact on, or termination of, our interests in our joint ventures and could affect the value of the joint ventures to us and/or cause us to incur additional costs if we were to solely undertake the operations of the joint venture. In addition, there are risks which arise from the joint-venture arrangements themselves, including: the risk that the other joint-venturer may exercise buy-sell, put or other sale or purchase rights which could obligate us to sell our interest or buy the other joint-venturer’s interest at a price which may not be favourable to us or at a time which may not be advantageous to us, the effect of which could be materially adverse to our financial position or resources.
- **Government Regulation:** Health care in general is an area subject to extensive regulation and frequent regulatory change. In Canada, a number of provinces are promoting regionally managed and regulated health care systems. These changes favour larger operators having the resources to provide more cost-effective management services and well-developed staff training programs on a regional basis. There can be no assurance that future regulatory changes in health care, particularly those changes affecting the seniors housing industry will not adversely affect us.

In all provinces, LTC Residences and retirement homes are subject to government oversight, regulation and licensing requirements, which may change or become more onerous in the future. In addition, governments in some jurisdictions have increased, and may continue to increase, regulatory oversight of seniors housing, including through more prescriptive operational requirements, enhanced inspection and enforcement regimes, and measures affecting the pricing of accommodation and services, such as rent control. There can be no assurances that future regulatory changes affecting the seniors housing industry would not have a material adverse impact on the business, operating results and financial condition of Chartwell. While the Operator endeavours to comply with all regulatory requirements in its residences, it is not unusual for stringent inspection procedures to identify deficiencies in operations. In such circumstances, for all legitimately identified deficiencies, it is our intention to correct deficiencies or have its manager correct deficiencies within the time frames allowed.

- **Maintenance of Assets:** We are committed to keeping our communities in a good state of repair. We fundamentally believe that investing back into communities increases resident and staff satisfaction, which ultimately makes the business more profitable. In 2025, we invested \$111.1 million of capital back

into our property portfolio. In addition to recurring capital maintenance projects, these investments include large, often multi-phased, renovation projects and projects undertaken to comply with the requirements of various regulatory or government authorities, projects that improve the revenue-generating potential of our properties and projects identified during acquisition due diligence. The amount of these investments varies from time to time based on the volume of specific projects in progress. We take into account the capital maintenance requirements of our residences when determining future cash flows available for Distributions. A significant increase in capital maintenance requirements could adversely impact our cash availability.

- **Acquisitions, Disposition and Development:** Agreements to acquire or sell, as well as development agreements entered into with third parties may be subject to unknown, unexpected or undisclosed liabilities which could have a material adverse impact on our operations and financial results. Representations and warranties given by such third parties to us may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties.

Moreover, the acquired properties may not meet expectations of operational or financial performance due to unexpected costs associated with operating an acquired property, as well as the general investment risks inherent in any real estate investment.

In addition, the letters of intent and purchase or sale agreements entered into with third parties with respect to such acquisitions or sales, as applicable, are generally subject to certain closing conditions, and in some cases, the granting of regulatory approvals. Such acquisitions or sales may not be completed due to the failure to satisfy closing conditions or the failure to receive required regulatory approvals and certain funds paid by us may not be recoverable.

We are pursuing several development activities. These activities create development-specific risks, including the risk of subcontractors placing liens on projects, construction delays, increasing costs, labour disputes, delays in obtaining municipal and regional approvals and disputes with development partners.

We may also face additional risks, including those associated with forward purchase commitments, potential cash flow dilution from on-balance sheet developments, and concerns related to construction quality, developer reputation, and other related factors.

- **Workplace Health and Safety:** We recognize that ensuring a healthy and safe workplace reduces work-related injury, illness and disability, improves productivity, lowers absenteeism and helps minimize any liability or penalties which could be incurred in connection with workplace injuries or illness. Chartwell has occupational health and safety programs in place and has established policies, procedures and training aimed at ensuring compliance with applicable legislative requirements. Failure to comply with workplace health and safety policies and procedures or applicable legislative requirements could result in increased work-related injury or illness, fines and/or penalties and damage to our reputation and thus have a material adverse effect on the business, results of operations and financial condition of Chartwell.
- **Pandemic, Epidemic or Outbreak of Disease:** The occurrence of a pandemic, epidemic, or other outbreak of an infectious disease, or other public health crisis in areas in which we operate could have a material adverse effect on our business, results of operations, liquidity, borrowing capacity and financial condition. Federal, provincial or local health agencies may, or we may choose to, restrict, limit or suspend in-person tours by or on behalf of prospective residents and/or admissions to our residences as a precautionary measure in a crisis to avoid the spread of a contagious illness or other public health crisis, resulting in decreased occupancy. Even in the absence of any such restriction, limit or suspension, prospective residents may delay or defer moving into a residence due to negative perceptions of congregate living and/or in an attempt to avoid possible exposure to infectious diseases. Enhanced procedures, protocols and care put in place to assist in reducing the likelihood of exposure to infectious diseases or to address actual outbreaks in our residences (for example, enhanced screening, personal protective equipment, increased disinfection, mandatory vaccination policies, rapid testing and other health and safety measures) would result in increased costs. A pandemic, epidemic or other outbreak may also adversely affect operations by causing staffing and supply shortages. Although government

funding or assistance may mitigate some of these impacts, there is no certainty of the extent to which that will be the case. There is uncertainty regarding the implementation and impact of any government funding, pandemic-related legislation and any other future relief measures. In addition, outbreaks, cause our staff and our management team to spend considerable time planning for and addressing such events, which diverts their attention from other business concerns. Further, a pandemic, epidemic or contagious disease outbreak may impact the overall economy so that credit markets are adversely affected, which may make it more difficult for us to access the credit markets or, if able to do so, at a higher cost or less advantageous terms, potentially impacting, among other things refinancings and our development plans and timelines. A pandemic, epidemic, or other outbreak of an infectious disease may result in an increased risk that we may be subject to litigation related to our handling of the pandemic, epidemic or other outbreak of infectious disease at its residences, which, even if not meritorious, and even if covered by our insurance, could result in increased operating costs to defend.

- **Growth and Strategic objectives:** We may not be able to successfully execute our growth strategy and portfolio optimization and capital recycling programs. Our ability to achieve our strategic objectives is subject to known and unknown risks and uncertainties, including those discussed herein. The ability to grow may require the issuance of additional Units and such issuances may not always be a viable capital raising option. Furthermore, timing differences may occur between the issuance of additional units and the time the proceeds may be used to invest in acquiring or developing new properties. Depending on the duration of this timing difference, this may be dilutive. Our strategy includes growth through identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating such properties and disposing other properties. While we expect that we will have opportunities to acquire properties which will be accretive and enable us to increase cash flow through improved management and dispose of properties that are no longer aligned with our strategy and areas of focus, there can be no assurance that will be the case.
- **Liability and Insurance:** The businesses which are carried on, directly or indirectly, by us, entail an inherent risk of liability. We expect that from time to time we may be subject to such lawsuits as a result of the nature of our businesses. In addition, attempts to advance class action lawsuits have become more prevalent in senior care. There can be no assurance that we will not face risks of this nature.

We maintain business and property insurance policies in amounts and with such coverage and deductibles as deemed appropriate, based on the nature and risks of the businesses, historical experience and industry standards. There can be no assurance, however, that claims in excess of the insurance coverage or claims not covered by the insurance coverage will not arise or that the liability coverage will continue to be available on acceptable terms or that coverage for certain risks such as infectious diseases will continue to be available at all. A successful claim against us not covered by, or in excess of, our insurance could have a material adverse effect on our business, operating results and financial condition. Claims against us, regardless of their merit or eventual outcome, also may have a material adverse effect on our ability to attract residents or expand our businesses and will require management to devote time to these matters rather than to the operation of the business.

- **Real Property Ownership and Lack of Diversity:** Real property equity investments are relatively illiquid. This illiquidity will tend to limit our ability to respond to changing economic or investment conditions. By specializing in a particular type of real estate, we are exposed to adverse effects on that segment of the real estate market and do not benefit from a diversification of our portfolio by property type.
- **Geographic Concentration:** Our business and operations are conducted within Canada primarily in Ontario and Quebec. A geographic concentration of our owned and leased suites, at our percentage share of ownership or leasehold interest, is described under the “Business Overview” section on page 3 of this MD&A. The market value of these properties and the income generated from them could be negatively affected by changes in local, regional or national economic conditions or legislative/regulatory changes in the respective jurisdictions.
- **Management Contracts:** We receive management fees from non-owned residences that we manage for others and earn management fees from co-owned properties. We will not receive this revenue if the management agreements with the residences’ owners are terminated or not renewed upon their expiry.

Such contracts are generally terminable upon 90 days' notice, with the exception of Management Agreements on properties with secured mezzanine loans advanced by us.

- **Conflicts of Interest:** The Chartwell Trustees, CSH Trustees and, Directors will, from time to time, in their individual capacities deal with parties with whom we may be dealing or may be seeking investments similar to those desired by us. The relevant constating documents of Chartwell, CSH Trust and Master LP contain conflict of interest provisions requiring our Chartwell Trustees, CSH Trustees and Directors to disclose material interests in material contracts and transactions and to refrain from voting thereon.
- **Loans Receivable:** Our loans receivable are generally secured by subordinated charges of the borrowers' interests in real estate and rank behind senior financing. Similarly, the vendor take back mortgages provided by Master LP are secured by subordinate charges on properties. If our borrowers face financial difficulty and are not able to meet their commitments to their lenders, including us, we could suffer a loss of either interest or principal or both on the loans we have advanced, since other lenders will rank ahead of us in any recovery. Additionally, we may not, at the applicable time, have the financial capacity to acquire all properties that we are entitled or required to acquire from borrowers. There is a risk, if property values deteriorate or the financial capacity of the borrowers deteriorates, that we could suffer losses on such loans.
- **Privacy, Cyber Security and Information Technology:** As a custodian of a large amount of personal information and personal health information relating to our employees and our residents, we are exposed to the legal and reputational risk of the loss, misuse or theft of any such information. We help mitigate this risk by deploying appropriate technology and training for preventing unauthorized access or theft for our employees relating to the safeguarding of such information and we maintain cybersecurity insurance in amounts and with such coverage as deemed appropriate based on the nature and risks of the business.

Cyber security has become an increasingly problematic issue for issuers and businesses in Canada and around the world, including for us and the seniors housing industry. Cyber-attacks against large organizations are increasing in sophistication and are often focused on financial fraud, compromising sensitive data for inappropriate use or disrupting business operations. Such an attack could compromise our confidential information as well as that of our residents, employees, and third parties with whom we interact and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage. In particular, in connection with our business we maintain a large amount of personal health information about our residents. If we were to experience a security breach resulting in unauthorized access to our use or disclosure of such information, we could be exposed to complaints, investigations or litigation and our reputation may be negatively affected. As a result, while we continually monitor for malicious threats and adapt accordingly in an effort to ensure we maintain high privacy and security standards, invest in cyber defense technologies to support our business model and to protect our systems, residents and employees, employing industry best practices, there can be no assurance that these measures will prevent loss, misuse or theft of any such information.

We are a party to agreements with third parties for hardware, software, network, telecommunications and other information technology ("IT") services in connection with our operations. The efficient operation of our business depends, in part, on computer hardware and software systems and on how well we and our suppliers protect networks, equipment, systems and software against damage from a number of threats (including cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, malware, vandalism, ransomware and theft). Our operations also depend on the timely maintenance, upgrade and replacement of systems and software, as well as pre-emptive expenses to help mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems could, depending on the nature of any such failure, adversely impact our reputation and may adversely affect our business, operating results and financial condition.

- **Artificial Intelligence:** We began to introduce artificial intelligence ("AI") solutions into various aspects of our business and operation, including finance, administration and workforce management. Our competitors or other third parties may incorporate AI into their products and services quicker, which could impair our ability to compete effectively and adversely affect our operations. The adoption of AI solutions

has taken and expected to continue to take management efforts. There can be no assurance that use of AI will enhance our business or operations or produce the intended result.

The use of AI involves significant risks, including the risk that outputs or recommendations generated or assisted by AI applications may be deficient, inaccurate, misleading, biased or otherwise unreliable, which could adversely affect our business, reputation, financial condition and results of operations. The use of AI solutions may result in cybersecurity incidents or privacy breaches involving personal information or confidential business information, including due to vulnerabilities in our systems or those of third-party service providers. We may also be exposed to legal and regulatory risks related to the use of AI, including evolving government regulation and privacy laws, intellectual property and copyright issues, and allegations that AI-assisted content infringes third-party rights or is otherwise improper.

We adopted an AI policy and governance framework designed to support the responsible and ethical use of AI solutions, however, there can be no assurance that such measures will be effective in all circumstances or will prevent or mitigate all risks associated with AI. The rapid evolution of AI, including potential government regulation of AI and privacy laws, may require significant resources to develop, test and maintain our IT infrastructure and systems to support the ethical implementation of AI and minimize any unintended and harmful impacts.

- **Environmental Liabilities:** Environmental legislation and policies have become increasingly important in recent years. Under various environmental laws and regulations, we, as either owner or manager, could become liable for the costs of removal or remediation of certain hazardous, toxic or regulated substances released on or in our properties or disposed of at other locations in some cases regardless of whether or not we knew of or was responsible for their presence. The failure to remove, remediate or otherwise address such substances, if any, may adversely affect an owner's ability to sell such properties or to borrow using such properties as collateral and could potentially result in claims against the owner by private plaintiffs. It is our operating policy to obtain a Phase I environmental site assessment, conducted by an independent and experienced environmental consultant, prior to acquiring or financing any property. Where Phase I environmental site assessments identify sufficient environmental concerns or recommend further assessments, Phase II or Phase III environmental site assessments are conducted. They are intrusive investigations that involve soil, groundwater or other sampling to confirm the absence or presence and extent of an environmental concern.

Environmental laws and regulations may change, and we may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have a material adverse effect on our business, financial condition or results of operation and distributions.

- **Climate Change Risk:** We are exposed to climate change risk from natural disasters and severe weather, such as floods, ice storms, windstorms, earthquakes, wildfires or other severe weather that may result in damage or loss to our investment properties. These adverse weather and natural events could cause substantial damage and/or revenue losses as well as cost increases. There can be no assurance that damages or losses caused by these adverse weather and natural events will not exceed ours or our residents' property insurance coverage. Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable.

Over time, climate change may also affect our operational expenses, including utilities and preventative maintenance expenses, as temperatures fluctuate. In addition, changes in federal, provincial or local legislation and regulation on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties and could also require us to spend more on our new development properties without a corresponding increase in revenue. Chartwell management reports on climate change risks, regularly to our Board of Directors, including mitigation strategies with respect to this risk.

- **ESG Risks:** There are rapid and ongoing developments and changing expectations relating to ESG matters and factors such as the impact of operations on climate change, diversity, equity and inclusion, corporate governance and other matters, which may result in increased regulatory, social or other scrutiny on Chartwell. This scrutiny may be intensified as a result of the varying pro-ESG and anti-ESG views held

by certain stakeholders. If we are unable to adequately recognize and respond to such developments and governmental, societal, investor and consumer expectations relating to such ESG matters, we may miss corporate opportunities, become subject to additional scrutiny, incur unexpected costs or experience damage to our reputation. If any of these events were to occur, there may be a material adverse effect on our business, financial condition, cash flows and results of operations and the market value of our Trust Units and/or senior unsecured debentures may decline.

- **Distributions:** Our distributions are made at the discretion of the Trustees based on forward-looking cash flow information, including forecasts and budgets, results of operations, requirements for capital expenditures and working capital, future financial prospects, debt covenants and obligations, and any other factors considered relevant by them in setting the distribution rate. Items such as principal repayments, capital expenditures, variances in operating results and redemption of units, if any, or the failure of CSH Trust or Master LP to make distributions to Chartwell Retirement Residences may affect Distributions. We may be required to decrease our distributions in order to accommodate any such items.
- **Restrictions on Redemption Right:** It is anticipated that the redemption right will not be the primary mechanism for holders of Units to liquidate their investments. Cash redemptions are subject to limitations. Securities which may be distributed *in specie* to Unitholders in connection with a redemption will not be listed on any stock exchange and may not be qualified investments under the Tax Act for Plans. No established market is expected to develop in such notes and they may be subject to resale under applicable securities laws.
- **Dilution:** To date, we have issued an aggregate of 40,122,942 Trust Units pursuant to the 2024 ATM Program and the 2025 ATM Program. We may issue up to \$260.0 million worth of additional Trust units pursuant to the 2025 ATM Program. We may, in our sole discretion, issue additional Trust Units from time to time, and the interests of the Unitholders may be diluted thereby.
- **Nature of Units:** The Units are not traditional equity investments. The Units represent an undivided ownership interest in Chartwell. Our primary assets are CSH Trust Units. The Units do not represent a direct investment in the business of Master LP and should not be viewed by investors as direct securities of Master LP or its subsidiaries. As holders of Units, Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions or rights to dissent from fundamental transactions undertaken by a corporation and to apply to court to be paid “fair value” for their securities. As well, Chartwell may not be a recognized entity under certain existing insolvency legislation such as the *Bankruptcy and Insolvency Act* (Canada) and the *Companies Creditors’ Arrangement Act* (Canada) and thus the treatment of Unitholders upon an insolvency is uncertain.

The Units are not debt instruments and are dissimilar to debt instruments in that there is no principal amount owing to Unitholders. Further, cash Distributions are not guaranteed amounts and may fluctuate with the performance of the entities in which we invests. The trading price of the Units will be greatly affected by such performance and the anticipated Distributions of Chartwell. The market value of the Units may deteriorate if we are unable to maintain its cash Distribution levels in the future and that deterioration may be significant.

- **Unitholder Liability:** The Declaration of Trust provides that no Unitholder shall be subject to any liability whatsoever to any person in connection with a holding of Units. However, in jurisdictions outside the Provinces of Ontario, Québec, Alberta and British Columbia (and in those jurisdictions in certain circumstances), there remains a minimal risk, which is considered by us to be remote in the circumstances, that a Unitholder could be held personally liable, despite such statement in the Declaration of Trust, for our obligations to the extent that claims are not satisfied out of the our assets. Our affairs are conducted to seek to minimize such risk wherever possible.
- **Market for Units and Unit Price:** The Units are listed on the TSX. There can be no assurance that an active public market for Units will be sustained. One of the factors that may influence the market price of the Units is the annualized yield on the Unit price from Distributions. Accordingly, an increase in market interest rates may lead purchasers of Units to demand a higher annual yield, which could adversely affect the market price of the Units. The market price of the Units does not necessarily reflect our net asset

value. In addition, the market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors outside of our control which may cause the market price of Units to change in a manner which is different from the change in value of the underlying real estate assets.

- **Taxation:**

- ***The SIFT Rules***

The SIFT Rules, which relate to the federal income taxation of certain publicly traded trusts and certain other publicly-traded flow-through entities, were enacted on June 22, 2007. Generally, under the SIFT Rules, certain distributions from a “SIFT trust” (as defined in the Tax Act) will not be deductible in computing the trust’s taxable income, and the trust will be subject to tax on such distributions at a rate that is comparable to the general tax rate applicable to a Canadian corporation. To the extent that a distribution attracts this tax, it will be taxed in the hands of the receiving Unitholder (whether received in cash, additional Units or otherwise) as a taxable dividend from a taxable Canadian corporation, which dividend will be eligible for the enhanced dividend tax credit (an “eligible dividend”).

The SIFT Rules are not applicable to certain real estate investment trusts that meet certain conditions (as provided in the Tax Act) relating to the nature of their revenues and investments (the “REIT Conditions”). As currently structured, we do not meet the REIT Conditions. Chartwell has been a SIFT trust since 2007 and, unless we change our structure and the nature of our operations, we expect to be a SIFT trust for 2026 and future years.

In 2025, 96.3% of our distributions were classified as return of capital and 3.7% were classified as eligible dividends. Based on our current forecasts, we do not expect any other tax to be payable by us under the SIFT Rules in 2025.

As a general matter, the amount of tax payable by Chartwell under the SIFT Rules, if any, in any given taxation year may be affected by acquisitions, dispositions and other events occurring in such taxation year or other relevant taxation years.

- ***Tax Status***

If we cease to qualify as a “mutual fund trust” for the purposes of the Tax Act or the Units ceased to be “qualified investments” under the Tax Act, the Canadian federal income tax considerations applicable to us and our Unitholders would be materially and adversely different in certain respects.

We will endeavour to ensure that we continue to qualify as a mutual fund trust and the Trust Units continue to be qualified investments under the Tax Act for Plans but there is no assurance that we will be able to do so. Generally, Trust Units will be qualified investments for Plans if, at the relevant time (a) the Trust Units are listed on the TSX (or other designated stock exchanges for the purposes of the Tax Act), (b) the Trust Units are registered investments under the Tax Act or (c) if we qualify as a mutual fund trust (as defined in the Tax Act). The Tax Act may impose penalties for the acquisition or holding of non-qualified investments by a Plan. Any property distributed to a Unitholder on an in-specie redemption of Trust Units may not be a qualified investment under the Tax Act for a Plan. There can be no assurance that Canadian federal income tax laws (or the judicial interpretation thereof), the administrative and/or assessing practices of the CRA and/or the treatment of mutual fund trusts will not be changed in a manner which adversely affects Unitholders.

Net income and net realized capital gains in excess of the cash distributions we make in a year may be distributed to Unitholders in the form of additional Units. Unitholders will generally be required to include an amount equal to the fair market value of those Trust Units in their taxable income, notwithstanding that they do not directly receive a cash Distribution.

Although we are of the view that all expenses to be claimed by us and our subsidiaries will be reasonable and deductible, that the tax filing positions taken by us are reasonable, and that the cost amount and capital cost allowance claims of such entities will have been correctly determined and that the allocation of Master LP’s income for tax purposes among its partners is reasonable, there can be no assurance that CRA will agree. If CRA successfully challenges us and/or our subsidiaries in any of these respects, the taxable income of Chartwell and the Unitholders, will increase or change.

Master LP has acquired many properties on a rollover basis with the result that the cost base for tax purposes in such properties was less than their fair market value at the time of acquisition. Master LP may acquire properties on a rollover basis in the future, with a similar result in their cost base. On a future sale of such properties for a sale price in excess of such cost base, income and capital gain will be realized which may result in tax being payable, under the SIFT Rules.

Forward-Looking Information

This MD&A contains forward-looking information that reflects the current expectations, estimates and projections of management about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry. The words “plans”, “expects”, “is expected”, “budget” “scheduled”, “estimates”, “intends”, “anticipates”, “projects”, “believes”, “timeline”, “forecast”, “outlook”, “potential”, “prospects”, “strategy”, “target”, “maintain” or positive or negative variations of such words and phrases or statements to the effect that certain actions, events or results “may”, “will”, “could”, “should”, “would”, “might”, “occur”, “be achieved” or “continue” and similar expressions, identify forward-looking statements.

Examples of such forward-looking information in this document include but are not limited to the following, each of which is subject to significant risks and uncertainties and is based on a number of assumptions which may prove to be incorrect:

- statements regarding our business strategies, operational sales, marketing strategies, including our 2028 Strategy targets and objectives, rental and service rate increases, reduction in use of target incentives, and the expected results of such strategies,
- statements and forecasts regarding occupancy trends and growth including statements regarding expected occupancy levels, move-in activity, and achievement of occupancy targets,
- statements and forecasts regarding our portfolio optimization strategies including our ability to achieve acquisition, development investment and divestiture targets outlined in our 2028 Strategy.
- statements regarding our ability to achieve improvements in our cash flows, improved operating margins, and operating efficiencies,
- our predictions and expectations with respect to industry trends including growth in the senior population and the pace of new construction starts,
- our expectations regarding our ability to meet our obligations as they become due utilizing our sources of liquidity,
- our expectations regarding achievement of certain occupancy levels and projected earnings generated therefrom,
- our expectations of adjusted operating margin,
- statements regarding employee engagement and resident satisfaction targets,
- our expectations with respect to potential expansion projects and development projects on new sites and our owned lands,
- information related to the expected completion and expected stabilized occupancy dates of properties under development,
- the expected closings and closing dates of, taxes, proceeds and expected use of proceeds from, acquisitions and dispositions,
- our expectations with respect to the balance and associated interest rates of certain mortgage debt,
- our ability to realize expected unlevered yields, occupancy rates and net operating income on our development projects,
- our expectations with respect to refinancing activities, including our ability to renew maturing debt and to obtain new financings in due course,
- our intention and ability to access low-cost mortgage financing insured by CMHC,
- the sustainability of our current distributions and plans to increase the current level of distributions,
- our expectations regarding future development and acquisition opportunities, including but not limited to those with Batimo,
- our expectations with respect to future disposition and asset repositioning opportunities,

- statements regarding the impact of certain litigation,
- our expectations regarding continued funding of our programs by government agencies due to impact of new laws and regulations in Canada,
- expectations with respect to the funding of pay equity adjustments,
- statements regarding the income-generating potential of our properties,
- our expectations regarding the tax classification of future distributions,
- our expectations with respect to the fluctuation in the market and fair value of our financial instruments,
- our expectations regarding our SIFT status and taxes that are expected to be payable in the current and future years under the SIFT Rules, and
- our expectations regarding future demand for retirement suites and services in the provinces in which we operate.

Forward-looking statements are based upon a number of estimates and assumptions and are subject to a number of known and unknown risks and uncertainties, many of which are beyond our control, and that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking statements. These estimates and assumptions include, but are not limited to, expected growth, results of operations, performance and business prospects and opportunities. In addition, certain specific assumptions were made in preparing forward-looking information including growth in revenue and service fees, growth in occupancy rates due to industry demand, continued growth in labour costs as a result of labour shortages and market conditions, continued access to Canada Mortgage and Housing Corporation's mortgages at competitive rates, continued access to capital markets which will continue to provide us with access to equity and/or debt at reasonable rates to meet financial and operating needs, no unforeseen changes to tax laws and our ability to maintain our status as a mutual fund trust.

While we anticipate that subsequent events and developments may cause our views to change, we do not intend to update this forward-looking information, except as required by applicable securities laws. This forward-looking information represents our views as of the date of this MD&A and such information should not be relied upon as representing our views as of any date subsequent to the date of this document. We have attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimated expressed or implied by the forward-looking information. However, there may be other factors that cause results, performance or achievements not to be as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. **There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statement. Accordingly, readers should not place undue reliance on forward-looking information.** These factors are not intended to represent a complete list of the factors that could affect us. See risk factors highlighted in materials filed with the securities regulatory authorities in Canada from time to time, including but not limited to our most recent AIF.

Supplemental Information

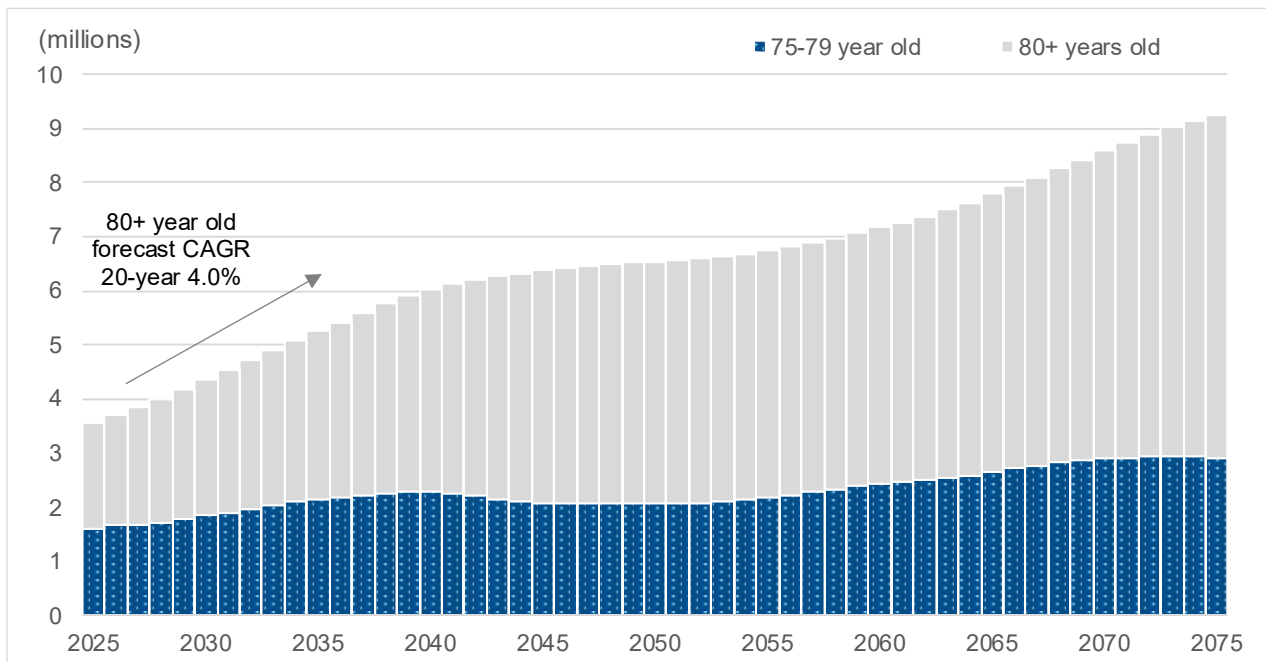
Significant Future Demand

Based on the forecasted ratios of retirement suites to the population of people over the age of 75, the demand for retirement suites is expected to accelerate over the next 20 years.

Demand for retirements suites will further benefit from the following:

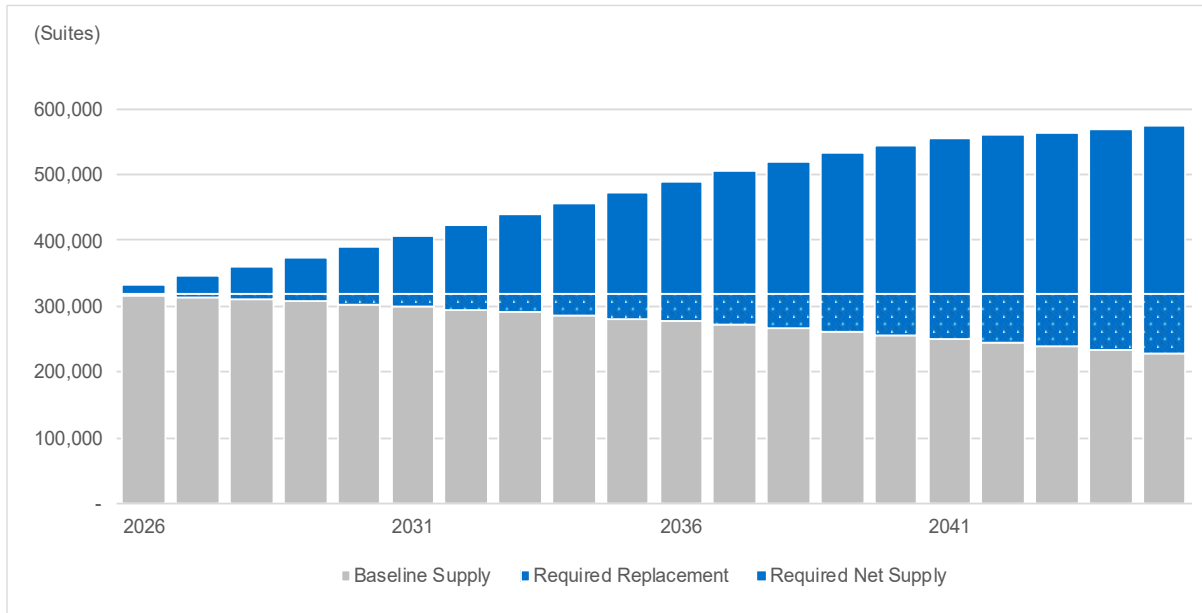
- If governments are unable to fully address demand growth for government-funded long term care spaces, there may be additional demand for retirement suites.
- The existing inventory of retirement suites includes a number of older properties which may become obsolete over time, further increasing demand for newer suites.
- We believe that there is pent-up demand for retirement accommodation and services, that built up through the pandemic, driven by the increased ageing population and disruptions of community-based support services for seniors during the pandemic.
- The acceptance of retirement living is significantly higher in Quebec. We believe the introduction of more flexible service offering and pricing options, including a-la-carte services, across the country, may further increase consumer interest in retirement living and drive higher demand.

Population of Age 75+ Year Olds



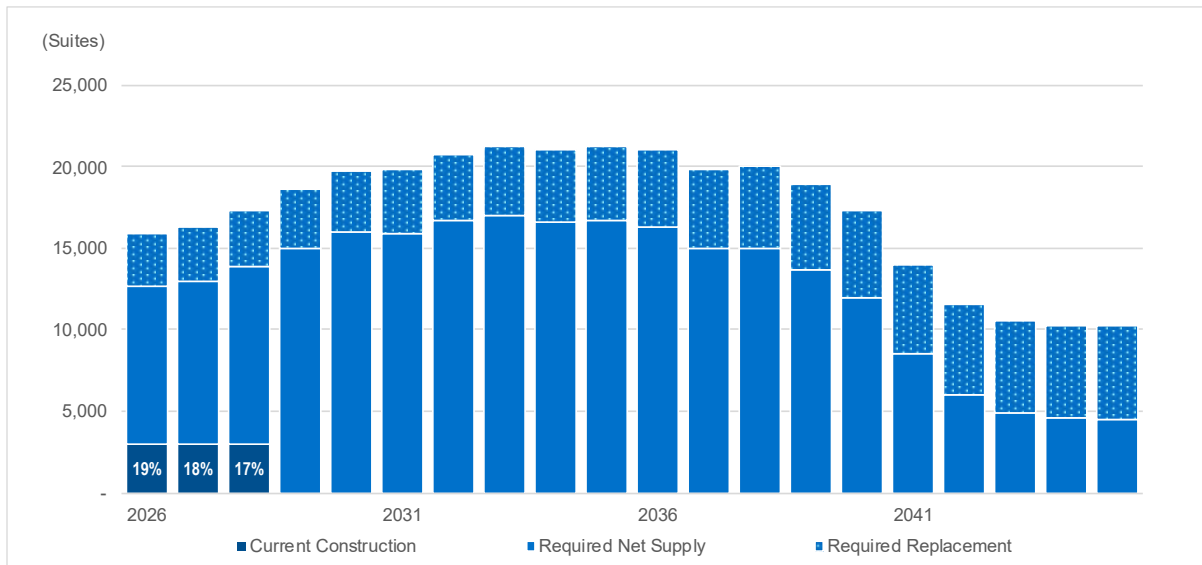
Sources: Statistics Canada and Cushman & Wakefield ULC.

New Supply Required to Maintain Market Equilibrium



Source: Cushman & Wakefield ULC.

Required Net-New Supply vs. Lifecycle Replacement of Existing Inventory



Source: Cushman & Wakefield ULC.

Chartwell Top 15 Markets – Supply and Demand Data

Supply

Location ⁽⁴⁾	Chartwell Portfolio ⁽¹⁾		Existing Inventory ⁽²⁾		Properties under construction within 5km of a Chartwell Property ⁽³⁾	
	Total		Total		# of Properties	# of Suites
	# of Properties	# of Suites	# of Properties	# of Suites		
Greater Vancouver Area	11	1,477	182	14,530	0	0
Calgary	6	731	78	9,937	1	151
Edmonton	6	1,196	91	10,395	1	114
Durham	5	587	36	4,989	1	160
Windsor/Essex County	3	340	27	2,445	0	0
Halton	4	484	32	3,876	3	614
Ontario North	8	849	41	3,601	0	0
Greater Ottawa Area	5	658	95	11,640	2	580
Peel	2	194	30	4,116	0	0
Toronto	6	1,036	71	8,111	2	346
Kitchener/Waterloo/Cambridge/Guelph	8	1,014	60	5,661	0	0
York	7	776	42	5,164	1	203
Gatineau	6	2,036	24	4,235	0	0
Greater Montreal Area	15	5,012	351	63,813	1	205
Quebec City	11	4,072	146	19,152	1	218
Subtotal (Top 15 Markets)	103	20,462	1,306	171,665	13	2,591
Other	37	5,393				
Grand Total	140	25,855				

(1) Excludes LTC.

(2) Source: Cushman & Wakefield ULC.

(3) Illustrative only. A 5km radius is not necessarily indicative of our view of competition. Properties listed includes only private pay retirement residences and seniors apartments and excludes other forms of competition such as home care, naturally occurring retirement communities, multi-family rental, and long term care.

(4) Locations follow CMHC's region and naming convention except for Greater Vancouver Area (CMHC region "Lower Mainland"), Greater Montreal Area (CMHC region "Montreal"), Greater Ottawa Area (CMHC region "Ottawa"), and Kitchener/Waterloo/Cambridge/Guelph (CMHC region "Waterloo, Wellington & Dufferin").

Demand

Location ⁽³⁾	Demographic Information ⁽¹⁾				Demographic Data 75+ yrs ⁽¹⁾		
	2025				2025		
	Total Population	Median Household Income (\$)	Avg House Value (\$)	Unemployment Rate %	Total Population	10 yr Growth %	10 yr CAGR
Greater Vancouver Area	3,565,940	105,800	1,326,752	6.4%	276,863	56.4%	4.6%
Calgary	1,788,962	104,267	697,566	7.0%	103,032	93.8%	6.8%
Edmonton	1,636,501	98,347	470,916	7.8%	103,162	74.1%	5.7%
Durham	801,942	123,328	829,180	8.6%	56,428	58.2%	4.7%
Windsor/Essex County	479,248	90,929	500,790	8.7%	41,553	48.5%	4.0%
Halton	667,037	144,144	1,163,918	8.2%	53,468	48.8%	4.1%
Ontario North	868,200	90,426	387,824	7.8%	87,799	51.5%	4.2%
Greater Ottawa Area	1,182,088	120,200	653,413	7.6%	93,577	52.1%	4.3%
Peel	1,640,630	104,277	979,992	8.2%	107,117	50.4%	4.2%
Toronto	3,214,723	91,609	1,076,003	8.2%	250,493	38.2%	3.3%
Kitchener/Waterloo/Cambridge/Guelph	1,057,004	106,904	756,094	8.3%	74,561	49.9%	4.1%
York	1,286,802	123,390	1,268,207	8.2%	107,834	65.7%	5.2%
Gatineau	373,602	94,834	463,721	7.5%	26,953	58.3%	4.7%
Greater Montreal Area	4,602,080	87,157	569,189	6.1%	395,621	38.4%	3.3%
Quebec City	896,222	89,683	418,658	3.4%	93,933	45.3%	3.8%
Subtotal/Average (Top 15 Markets)	24,060,981	105,020⁽²⁾	770,815⁽²⁾	7.5%⁽²⁾	1,872,394	55.3%⁽²⁾	4.5%⁽²⁾

(1) Sources: Cushman & Wakefield provided by Environics Analytics 2024, and Statistics Canada. Table 14-10-0354-01 Regional unemployment rates used by the Employment Insurance program, three-month moving average, seasonally adjusted.

(2) Average.

(3) Locations follow CMHC's region and naming convention except for Greater Vancouver (CMHC region "Lower Mainland"), Greater Montreal Area (CMHC region "Montreal"), Greater Ottawa Area (CMHC region "Ottawa") and Kitchener/Waterloo/Cambridge/Guelph (CMHC region "Waterloo, Wellington & Dufferin").

THIS IS EXHIBIT “G” REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario



Management's Discussion and Analysis

For the years ended December 31, 2025 and 2024



minto
Apartment REIT

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Section I - Overview

Business Overview

Minto Apartment Real Estate Investment Trust (the "REIT") is an unincorporated, open-ended real estate investment trust established pursuant to a Declaration of Trust dated April 24, 2018, which was amended and restated on June 27, 2018 and has been further amended from time to time. The REIT owns, develops and operates a portfolio of income-producing multi-residential rental properties located in Canada. The REIT was established under the laws of the Province of Ontario. The principal and registered office of the REIT is 200-180 Kent Street, Ottawa, Ontario.

The REIT's portfolio consists of 28 (December 31, 2024 - 28) multi-residential rental properties located in urban locations: Ottawa, Toronto, Montreal, Calgary and Vancouver.

When referring to "Total Portfolio" herein, the results of all 28 properties are included of which one property is held by a joint venture accounted for using the equity method. Due to this accounting method, the joint venture results are excluded from certain financial metrics, such as revenue, operating expenses, NOI, and NOI margin. However, it is included in specific operational metrics and capital management measures, including the number of properties, total suites, average monthly rent, average occupancy, closing occupancy, weighted average effective interest rate on Term Debt, and weighted average term to maturity on Term Debt. For all other metrics, Management specifies when proportionate results are utilized.

The REIT has two new rental properties under development on excess land at existing communities in Toronto, described in Section I - Overview- Outlook - Development of Purpose-Built Rental Properties and Intensification on Existing Sites". These properties are still under construction and are therefore not yet ready for their intended use. As a result, until they are substantially complete, they are excluded from Total Portfolio operational metrics, including the number of properties, total suites, average monthly rent, average occupancy, and closing occupancy, but their contributions are included in the REIT's Total Portfolio financial metrics.

The "Same Property Portfolio" consists of 27 multi-residential properties owned for equivalent periods in 2025 and 2024 and represents 99% (December 31, 2024 - 97%) of the REIT's Total Portfolio suite count. The Same Property Portfolio excludes results from two Ottawa assets sold on February 15, 2024 (Tanglewood and a selection of suites at Parkwood Hills, "Chesterton-Bowhill"), an Ottawa property sold on January 22, 2025 (Castlevue) and a property acquired in Vancouver on January 15, 2025 (Lonsdale Square). Unless otherwise noted, analysis and figures presented in this Management's Discussion and Analysis are on a Total Portfolio basis.

The ownership distribution of suites is shown in the table below and unless otherwise noted, all references to suite count, including co-owned properties, are at 100% ownership rather than the REIT's proportionate effective ownership:

As at December 31,	Same Property Portfolio Suites		Total Portfolio Suites	
	2025	2024	2025	2024
Wholly-owned	4,821	4,821	4,821	5,062
50% co-owned ¹	1,413	1,413	1,526	1,413
40% co-owned	750	750	750	750
28.35% co-owned	501	501	501	501
Total suites	7,485	7,485	7,598	7,726
Total suites at effective ownership	5,970	5,970	6,027	6,211

Arrangement Agreement

On January 5, 2026, the REIT entered into an arrangement agreement (the "Arrangement Agreement") with Crestpoint Real Estate (Pine) Limited Partnership ("Crestpoint"), Minto Properties Inc. ("MPI"), and Minto Apartment GP Inc. (the "General Partner"), in respect of a statutory plan of arrangement (the "Arrangement"). Under the terms of the Arrangement, among other things, Crestpoint will acquire all of the trust units of the REIT (each, a "Unit"), other than Units held directly or indirectly by MPI and certain senior officers of MPI and the REIT (the "Retained Interest Holders"), for consideration of \$18.00 per Unit in an all cash transaction.

¹ Includes 113 suites held by an equity-accounted joint venture.

On March 3, 2026, the Board of Trustees of the REIT convened a special meeting of the holders (the "Unitholders") of Units and special voting units of the REIT to consider the Arrangement. Pursuant to the terms of the Arrangement, in order for the Arrangement to become effective, a special resolution of the Unitholders had to be approved at the meeting by: (i) at least two-thirds of votes cast by Unitholders; and (ii) a simple majority of votes cast by trust unitholders, excluding the Units held by Retained Interest Holders and any other Units required to be excluded under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*. The Arrangement was approved by the Unitholders at the special meeting. The completion of the Arrangement remains subject to the waiver or satisfaction of conditions customary for transactions of this nature, including, among others: court approval, clearance under the *Competition Act* (Canada) and the consent of Canada Mortgage and Housing Corporation ("CMHC") and certain lenders to the REIT.

In connection with the completion of the Arrangement, which is currently expected to occur in the second half of 2026, it is expected that the Units will be delisted from the Toronto Stock Exchange ("TSX") and that the REIT will cease to be a reporting issuer in all applicable Canadian jurisdictions shortly thereafter.

For additional details regarding the Arrangement, including details regarding risks and uncertainties related to the Arrangement, refer to the management information circular dated January 29, 2026 available on SEDAR+ at www.sedarplus.ca and also on the REIT's website at www.mintoapartmentreit.com.

Business Strategy and Objectives

The REIT's objectives are to:

- provide Unitholders an opportunity to invest in high-quality income-producing multi-residential rental properties strategically located across urban centres in Canada;
- enhance the value of the REIT's assets and maximize long-term Unitholder value through value-enhancing capital investment programs and active asset and property management of the REIT's properties;
- provide Unitholders with predictable and sustainable distributions; and
- expand the REIT's asset base in its key markets through intensification programs, acquisitions and developments.

Management believes the REIT can accomplish these objectives given that it operates a high quality portfolio in an attractive asset class with compelling supply and demand characteristics, subject to any changes thereto that result from the completion of the Arrangement.

The REIT has a thoughtful and prudent approach to managing its capital by balancing the allocation among available alternatives. These alternatives include Unit buybacks, the repayment of variable-rate debt, convertible development loan ("CDL") programs, increasing suite count through its current developments, maintenance capital expenditures, distributions, repositioning programs, deleveraging, and strategic acquisitions. Key criteria impacting capital allocation decisions include project returns, liquidity, leverage levels, net asset value ("NAV") per unit and cash flow growth per unit over time. The REIT also evaluates dispositions that meet its divestiture criteria as part of its capital management.

Declaration of Trust

The investment guidelines and operating policies of the REIT are outlined in the REIT's Amended and Restated Declaration of Trust dated June 27, 2018, as amended from time to time (collectively, the "DOT"). A copy of the DOT is available on SEDAR+ at www.sedarplus.ca.

As of March 4, 2026, the REIT was in compliance with its investment guidelines and operating policies as set out in the DOT.

Basis of Presentation

The following Management's Discussion and Analysis of the REIT's results of operations and financial condition should be read in conjunction with the REIT's consolidated financial statements and accompanying notes for the years ended December 31, 2025 ("FY 2025") and 2024 ("FY 2024"), prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

This Management's Discussion and Analysis also contains certain non-IFRS and other financial measures including funds from operations ("FFO"), FFO per unit, Normalized FFO, Normalized FFO per unit, adjusted funds from operations ("AFFO"), AFFO per unit, AFFO Payout Ratio, Normalized AFFO, Normalized AFFO per unit, Normalized AFFO Payout Ratio, net operating income ("NOI"), Debt-to-Gross Book Value ratio, Debt-to-adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") ratio, Debt Service Coverage ratio, NAV, and NAV per unit. In addition, the REIT includes select measures and metrics presented on a Proportionate Share Basis. These measures are commonly used by publicly traded entities in the real estate industry. Management believes that these metrics are useful for measuring different aspects of performance and assessing the underlying operating performance on a consistent basis. However, these measures do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should strictly be considered supplemental in nature and not a substitute for financial information prepared in accordance with IFRS. See "Non-IFRS and Other Financial Measures" under Section VI - "Supplemental Information" for definitions of these measures.

The REIT's Board of Trustees approved the content of this Management's Discussion and Analysis on March 4, 2026. Disclosure in this document is current to that date unless otherwise stated. Additional information relating to the REIT can be found on SEDAR+ at www.sedarplus.ca and also on the REIT's website at www.mintoapartmentreit.com.

Forward-Looking Statements

This Management's Discussion and Analysis may contain forward-looking statements (within the meaning of applicable Canadian securities laws) relating to the business of the REIT. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "predict", "expect", "goal", "seek", "strategy", "future", "intend", "plan", "will", "may", "could", "should", "estimate", "might", "likely", "occur", "achieve", "continue", "potential", or the negative thereof, and other similar expressions. These statements are not historical facts but instead represent Management's expectations, estimates, forecasts and projections regarding future events and circumstances, including the impact of current economic conditions which include trade disputes, interest rate uncertainty, and inflation, among other factors, on the REIT's business, operations and financial results. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "Risks and Uncertainties". There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this Management's Discussion and Analysis and, except as expressly required by applicable law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Use of Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in the consolidated financial statements and accompanying note disclosures. Although these estimates are based on Management's knowledge of current events and actions the REIT may undertake in the future, actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Financial and Operating Highlights

Financial Performance

The REIT's Same Property Portfolio unfurnished suite portfolio continued its steady performance in Q4 2025, driven by consistent growth in average monthly rent ("AMR"). This growth occurred despite headwinds from elevated supply in several of the REIT's markets and slower population growth resulting in a decrease in average occupancy and the continued use of promotions. Commercial revenue increased as a result of new tenants taking occupancy at The Carlisle in Ottawa in Q2 2025 and at Kaleidoscope in Calgary in Q4 2025. Overall, Same Property Portfolio revenue growth was impacted by a decline in furnished suite revenue, as the REIT continued its exit from the short-term rental business.

Same Property Portfolio NOI for Q4 2025 increased year-over-year as revenue growth outpaced operating expenses, which remained flat compared to the same period. Lower repair and maintenance expenses were partially offset by higher marketing costs to drive leasing activity. Same Property Portfolio utilities increased slightly due to higher consumption from a colder start to winter and higher average electricity and water rates, largely offset by lower natural gas expense driven by the removal of the carbon tax.

Normalized FFO per unit and AFFO per unit increased in Q4 2025 as a result of the accretive Unit buybacks that occurred earlier in the year, higher Same Property Portfolio NOI, and increased management fee income, partially offset by lower interest income following the repayment of two CDLs, and increased interest costs driven by additional financings completed in late Q4 2024 and Q2 2025.

The REIT's Same Property Portfolio unfurnished suite portfolio delivered steady performance in FY 2025, supported by continued growth in AMR. This increase occurred despite sustained headwinds from elevated supply in several of the REIT's markets and slower population growth, which contributed to lower average occupancy and the ongoing use of promotions across the portfolio. Overall Same Property Portfolio revenue growth was moderated by declines in both furnished suite revenue, as the REIT continued to exit the short-term rental business, and commercial revenue, due to a tenant that vacated the space at Minto Yorkville in Q2 2024 before becoming a tailwind in the second half of the year.

Same Property Portfolio NOI increased over FY 2024 as growth in revenue outpaced operating expenses. Property operating costs rose due to higher salaries and wages from annual increases and the filling of vacant positions, along with higher repairs and maintenance expenses and increased marketing spend required to drive leasing activity. Utilities also increased for the year, as a colder winter in Q1 2025 and higher natural gas rates prior to the elimination of the carbon tax in Q2 2025 drove an increase in natural gas costs, while higher electricity and water rates and consumption contributed to modest cost increases.

Normalized FFO per unit and AFFO per unit for FY 2025 declined slightly year over year, as the loss of NOI from the Castleview sale, lower interest income following the repayment of two CDLs and lower capitalized interest from a lower average outstanding balance on the credit facility were only partially offset by the accretive impact of Unit buybacks and higher Same Property Portfolio NOI.

Same Property Portfolio and Total Portfolio Operating Performance

In Q4 2025, Same Property Portfolio revenue increased by 1.7% compared to Q4 2024. The growth was driven by the steady performance of the unfurnished suite portfolio, resulting in a 1.9% increase in unfurnished suite revenue, primarily due to a 3.9% increase in AMR, partially offset by a 120 basis points ("bps") decline in average occupancy to 95.1% and the use of promotions. Commercial revenue grew by 23.6%, reflecting the commencement of two new leases in FY 2025. Stable revenue growth was partially offset by a 9.9% decrease in furnished suite revenue. Same Property Portfolio operating expenses were flat compared to Q4 2024, driven by lower repairs and maintenance costs and natural gas expense due to the cancellation of carbon taxes, partially offset by additional marketing spend to drive leasing. Overall, Same Property Portfolio NOI increased by 2.8% year-over-year, while NOI margin expanded by 60 bps to 63.6%.

For Q4 2025, Total Portfolio revenue declined by 1.3% compared to Q4 2024, as the Same Property Portfolio results were offset by the loss of revenue associated with the disposed Castleview property. Total Portfolio AMR grew by 4.8%, while average occupancy decreased by 140 bps to 94.9%. Total Portfolio operating expenses increased due to the same factors affecting the Same Property Portfolio, partially offset by the reduction of expenses from the disposal of Castleview. Overall, Total Portfolio NOI decreased by 0.8% and NOI margin compressed by 40 bps to 63.4%.

FY 2025 Same Property Portfolio revenue grew by 1.9% over FY 2024, driven by a 2.8% increase in unfurnished revenue due to strong AMR growth of 3.9%, partially offset by a 140 bps decrease in average occupancy. Same Property Portfolio operating expenses increased 3.3% year over year, as property operating costs and utilities increased 4.5% and 4.1%, respectively, while property taxes remained flat. Same Property Portfolio NOI increased by 1.2% in FY 2025 and NOI margin compressed by 50 bps to 63.5%.

For FY 2025, Total Portfolio results were impacted by the sale of Castleview, which offset the steady performance of the Same Property Portfolio. Revenue declined by 1.7% compared to FY 2024, while operating expenses were flat compared to the same period as a 3.3% decline in property taxes was offset by a 1.6% increase in property operating costs. Overall, NOI declined 2.6% and the NOI margin compressed by 60 bps to 63.4%.

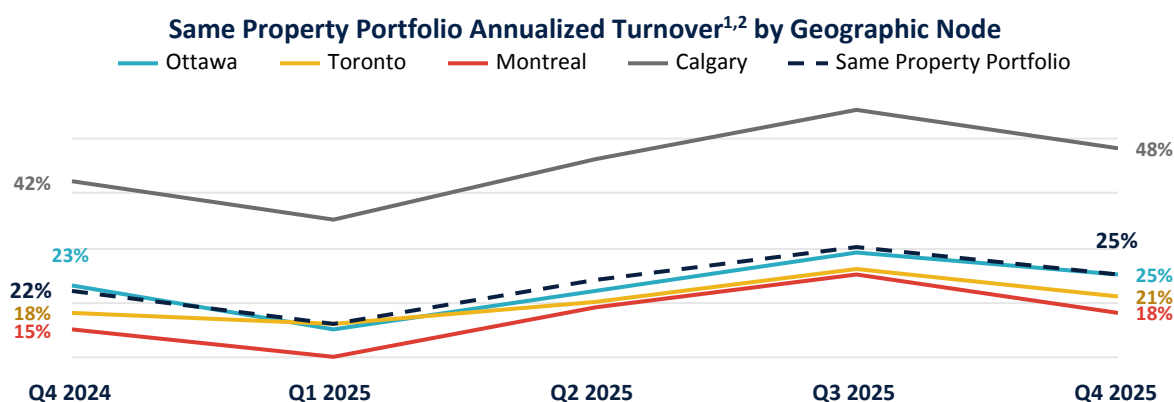
Normalized FFO and AFFO per unit Performance

Normalized FFO and Normalized AFFO per unit increased compared to Q4 2024. This was a result of the accretive effect of Unit buybacks, higher Same Property Portfolio NOI, and increased management fee income being partially offset by lower interest income following the repayment of two outstanding CDLs and increased interest costs driven by additional financings completed in late Q4 2024 and Q2 2025. Management normalizes for nonrecurring items that are not indicative of the REIT's overall operating performance; refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Reconciliation of Non-IFRS Financial Measures and Ratios" for a reconciliation of normalized results.

FY 2025 Normalized FFO and Normalized AFFO per unit decreased by 1.0% and 1.6% respectively, compared to FY 2024 as the loss of NOI from the disposition of Castleview, reduced finance income from the repayment of two CDLs, and lower capitalized interest related to the development projects more than offset the accretive Unit buybacks and growth in Same Property Portfolio NOI.

Turnover and Occupancy Trends

The annualized turnover for the Same Property Portfolio in Q4 2025 was 25%, representing a 300 bps increase from Q4 2024. The elevated turnover rate coupled with the start of the slower winter leasing season, resulted in a 100 bps sequential decrease in closing occupancy to 95.5% from Q3 2025.



Same Property Portfolio	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Closing Occupancy²					
Toronto	95.1 %	95.0 %	95.6 %	96.4 %	96.2 %
Ottawa	96.6 %	96.4 %	95.8 %	96.5 %	95.4 %
Calgary	93.1 %	95.6 %	95.2 %	97.0 %	94.0 %
Montreal	96.5 %	97.2 %	97.1 %	96.4 %	95.6 %
	95.8 %	96.1 %	96.0 %	96.5 %	95.5 %

Calgary experienced higher annualized turnover compared to Q4 2024, as the continued delivery of new supply created alternative living options and increased competition for leasing, which resulted in a 300 bps sequential decrease in closing occupancy from Q3 2025 to 94.0%.

Ottawa also experienced higher annualized turnover compared to Q4 2024, reflecting competitive pressures from newly completed purpose-built rentals. This new supply led to a 110 bps sequential decrease in closing occupancy to 95.4%.

New supply deliveries in Toronto led to higher annualized turnover relative to Q4 2024. However, the REIT's leasing team leveraged targeted promotions and marketing campaigns to drive leasing activity, resulting in steady closing occupancy of 96.2%.

In Montreal, the delivery of new supply in the second half of the year, coupled with reductions in non-permanent residents, led to elevated turnover relative to Q4 2024 and resulted in closing occupancy of 95.6%, representing an 80 bps sequential decrease from Q3 2025.

¹ Annualized turnover extrapolates the quarterly turnover rate to determine an annual rate and as such is not necessarily representative of a full year's turnover.

² Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

Vancouver continued to experience high turnover but the use of targeted promotions, renewal initiatives and effective marketing campaigns drove move-ins through the quarter, resulting in a closing occupancy of 83.2%, a 620 bps increase from Q3 2025. It is typical for a newly built property to experience higher turnover and this has been further compounded by an increase in supply in the Vancouver market.

Management continues to leverage a combination of tactical promotion, marketing campaigns, and a targeted renewal program across the portfolio to drive occupancy.

Execution of Strategic and Operational Objectives Despite Headwinds

The REIT continued to execute on its strategic and operational objectives while remaining disciplined with its capital allocation and actively managing the portfolio to drive FFO and AFFO per unit. During FY 2025, the REIT:

- Entered the Metro Vancouver market in Q1 through a 50% managing ownership interest in Lonsdale Square, a newly constructed 113-suite mixed-use property, for a purchase price of \$52,963;
- Sold a non-strategic 241-suite Ottawa property in Q1, Castlevue, for a sale price of \$69,000, generating net proceeds of \$33,849;
- Executed three new commercial leases representing annual rent of approximately \$1,000;
- Received repayment of two maturing CDLs in connection with the Lonsdale Square and The Hyland projects, in Q1 and Q2, respectively, representing total proceeds of \$33,419;
- Upward financed a maturing mortgage in Q2 for net proceeds of \$9,006;
- Maximized the Unit purchases available under its previously authorized normal course issuer bid ("NCIB"). Since November 2024, this represented 3,283,584 Units at a weighted average purchase price of \$13.37 per Unit, totalling \$43,886;
- Welcomed the first tenants in Q4 at the new Toronto development, 610 Martin Grove, and began pre-leasing Phase 1 of The Towns at York Mills & Leslie, another Toronto development project;
- Increased distributions by 2.9%, representing the seventh consecutive annual increase; and,
- Secured variable-rate construction financing of \$48,700 for The Towns at York Mills & Leslie project in Q4, of which \$9,582 was drawn at December 31, 2025.

Seventh Consecutive Annual Distribution Increase

On November 4, 2025, the Board of Trustees approved a 2.9% increase to the REIT's annual distribution from \$0.5200 per Unit to \$0.5350 per Unit, representing a monthly distribution of \$0.04458 per Unit, up from \$0.04333 per Unit.

Special Distribution

On December 15, 2025, the REIT declared a special non-cash distribution of \$0.21 per Unit, payable in Units on December 31, 2025 ("Special Distribution"). The Special Distribution was made to distribute a portion of the capital gains realized by the REIT from the sale of an investment property completed during the year ended December 31, 2025.

On December 31, 2025, the REIT issued 575,703 Units at a price of \$13.3627 per Unit, for a total value of \$7,693. Immediately following the issuance, the Units were consolidated such that each Unitholder held the same number of Units as each Unitholder held prior to the Special Distribution.

NAV per unit¹

NAV per unit as at December 31, 2025 was \$18.64, representing a 17.0% decrease from \$22.45 as at September 30, 2025. The decline was primarily attributable to a fair value loss on investment properties of \$240,084 in Q4 2025 reflecting capitalization rate expansion, lower forecast NOI, and an increase in the capital expenditure reserve, as consideration was given to the Arrangement as an observable input in establishing the year-end fair value of investment properties.

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

Execution of Organic Growth Strategy

The REIT delivered organic revenue growth by realizing on the gain-to-lease potential in the portfolio and, to a lesser extent, from its suite repositioning program. For Q4 2025, the REIT realized gains of 0.9% on the 390 new leases signed during the period. These gains represent annualized revenue growth of approximately \$75. The gain-to-lease potential of the portfolio was solid at 6.0% at December 31, 2025. The REIT's ability to realize the embedded gain-to-lease potential in the portfolio in the short term will be impacted by geographic turnover trends. Management expects turnover will be elevated for suites with sitting rents closer to market rents and it will continue to be slower for suites where the gap between sitting rents and market rents remains pronounced. The REIT repositioned 10 suites in Q4 2025, generating an average annual unlevered return of 9.2%.

Organic Growth — Gain-on-Lease¹

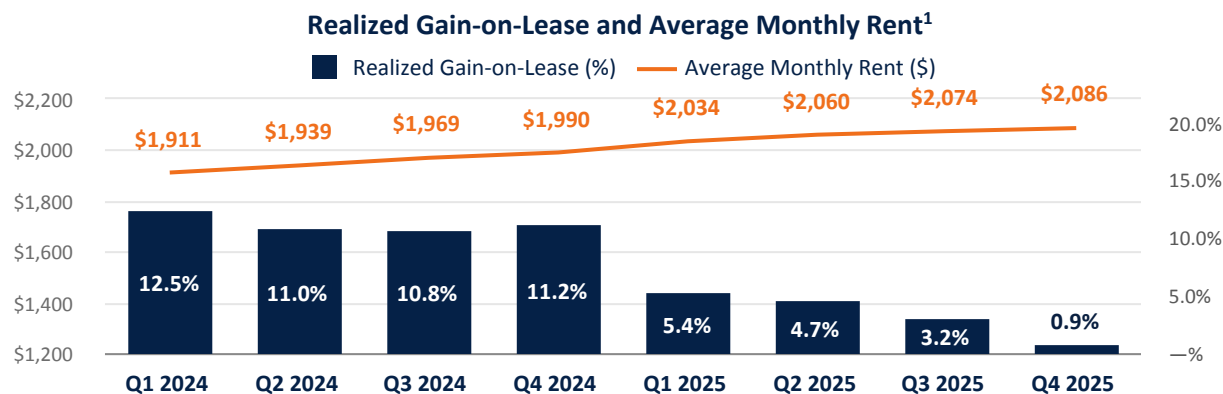
Gain-on-Lease: Q4 2025

The REIT realized organic revenue growth through effective leasing activities and revenue management strategies. Typically, as new tenants take occupancy, the REIT is able to move rental rates from lower in-place rents to current market rates. During the period, new leases resulted in annualized revenue growth of approximately \$75. Management has been actively driving lease activity to absorb vacancy and, in doing so, has offered promotions to new tenants, consistent with current market practices. A summary of leasing activities and the gains to be realized from new leases signed prior to applying the effect of promotions for Q4 2025 is set out in the table below:

Geographic Node	New Leases Signed ²	Expiring AMR	New AMR	Realized Gain-on-Lease ¹	Annualized Gain-on-Lease ^{1,3}
Toronto	118	\$2,761	\$2,845	3.0%	\$74
Ottawa	124	1,947	2,012	3.3%	97
Calgary	58	1,987	1,821	(8.4)%	(116)
Montreal	71	2,141	2,246	4.9%	57
Vancouver	19	3,152	2,828	(10.3)%	(37)
Total/Average	390	\$2,213	\$2,233	0.9%	\$75

The REIT continued to achieve gains on new leases it signed in the majority of its markets in Q4 2025, with an average gain-on-lease of 0.9% on the 390 new leases signed. This represents a sequential decline from 3.2% on 549 leases signed in Q3 2025 as market rents have declined, particularly in Vancouver and Calgary, and turnover remains lower for suites with tenants whose sitting rents are well below current market rents.

For more details on revenue growth, see Section II - "Financial Highlights and Performance - Review of Financial Performance - Revenue from Investment Properties".



The REIT continues to achieve growth in average monthly rent. Average monthly rent of \$2,086 for Q4 2025 increased 4.8%, or 3.9% on a Same Property Portfolio basis, over Q4 2024.

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

² Includes 100% of new leases signed at co-owned properties and excludes new leases of furnished suites.

³ For co-owned properties, reflects the REIT's effective ownership interest only.

Gain-on-Lease: FY 2025

The REIT realized an average gain-on-lease of 3.6% on the 1,826 new leases it signed. The following table summarizes the leasing activities and the gains to be realized from new leases signed prior to applying the effect of promotions for FY 2025:

Geographic Node	New Leases Signed ¹	Expiring AMR	New AMR	Realized Gain-on-Lease ²	Annualized Gain-on-Lease ^{2,3}
Toronto	610	\$2,688	\$2,817	4.8%	\$494
Ottawa	533	1,950	2,080	6.7%	835
Calgary	305	1,947	1,879	(3.5)%	(250)
Montreal	323	2,162	2,265	4.8%	280
Vancouver	55	3,189	3,054	(4.2)%	(45)
Total/Average	1,826	\$2,174	\$2,252	3.6%	\$1,314

Gain-on-Lease: Rolling Four Quarters

The annualized gains realized from new leases signed in the last four quarters are as follows:

Fiscal Quarter	New Leases Signed ¹	Expiring AMR	New AMR	Realized Gain-on-Lease ²	Annualized Gain-on-Lease ^{2,3}
Q1 2025	418	\$2,127	\$2,241	5.4%	\$451
Q2 2025	469	2,211	2,314	4.7%	449
Q3 2025	549	2,150	2,220	3.2%	339
Q4 2025	390	2,213	2,233	0.9%	75
Total/Average	1,826	\$2,174	\$2,252	3.6%	\$1,314

The REIT has achieved an average of 3.6% realized gain-on-lease over the last four quarters, representing annualized gain-on-lease of \$1,314.

Gain-to-Lease Potential

Management continually reviews market conditions and updates its estimates of market rent for the properties in the portfolio. Factoring in the new estimates of market rent, the estimated gain-to-lease potential on existing tenancies for the REIT's portfolio as at December 31, 2025 is as follows:

Geographic Node	Total Suites ⁴	Current AMR	Management's Estimate of Market AMR	Percentage Gain-to-Lease Potential ²	Annualized Estimated Gain-to-Lease Potential ^{2,3}
Toronto	2,332	\$2,360	\$2,511	6.4%	\$2,434
Ottawa	2,360	1,910	2,070	8.4%	4,555
Calgary	625	1,899	1,851	(2.5)%	(360)
Montreal	1,720	2,174	2,301	5.8%	1,880
Vancouver	94	3,227	3,105	(3.8)%	(69)
Total/Average	7,131	\$2,086	\$2,211	6.0%	\$8,440

Management currently estimates that the portfolio has an annualized gain-to-lease potential of approximately \$8,440. The REIT's gain-to-lease potential at December 31, 2025 was a solid 6.0%, although it decreased from Q3 2025 as market rents declined while the REIT continued to capture gain-on-lease. The REIT's ability to realize the gain-to-lease potential depends on suite turnover and overall market conditions.

¹ Includes 100% of new leases signed at co-owned properties and excludes new leases of furnished suites.

² Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures".

³ For co-owned properties, reflects the REIT's effective ownership interest only.

⁴ Excludes 140 furnished suites, 231 vacant suites, 61 suites leased for future occupancy and 35 suites offline for post move-out repairs and maintenance or repositioning.

Value Creation

Repositionings

A summary of the repositioning activities is set out below:

Property	Ownership Interest	Suites Repositioned and Leased		Remaining Suites to Reposition	Total Suites in the Program	Proportion Complete
		Q4 2025	FY 2025			
Toronto						
Minto Yorkville	100%	—	5	23	99	77%
The Towers at York Mills and Leslie	50%	2	8	175	409	57%
High Park Village	40%	1	16	225	407	45%
Roehampton	100%	1	5	30	148	80%
620 Martin Grove	100%	1	1	16	32	50%
Ottawa						
Carlisle	100%	1	4	58	191	70%
Castle Hill	100%	—	3	57	176	68%
Montreal						
Rockhill	50%	—	2	726	934	22%
Le 4300	100%	4	7	184	261	30%
Haddon Hall	100%	—	2	130	191	32%
Le Hill-Park	100%	—	3	139	261	47%
Total		10	56	1,763	3,109	43%

The following table summarizes costs and average annualized returns from repositioning activities for the last four quarters:

Fiscal Quarter	Suites Repositioned and Leased	Average Cost per Suite	Average Annual Rental Increase per Suite	Average Annual Unlevered Return ¹
Q1 2025	12	\$92,665	\$8,660	9.3%
Q2 2025	18	103,426	8,340	8.1%
Q3 2025	16	58,448	6,773	11.6%
Q4 2025	10	60,259	5,564	9.2%
Total/Average	56	\$79,545	\$7,417	9.3%

Management targets an average annual unlevered return on investment in the range of 8% to 15% on suites renovated and leased. The REIT's repositioning program represents an organic growth opportunity. Utilizing the REIT's asset management strategy, these programs target maximizing return on investment, while managing cash flow.

Capital is thoughtfully allocated to the 11 active repositioning projects on a suite-by-suite basis to ensure that an optimal investment decision is made. Many of the existing repositioning projects have been active for six years or more. Suites that become available at these properties are from residents with lengths of stay averaging approximately 12 years. These suites require investment and provide an opportunity to make upgrades that generate a positive return on investment. The REIT does not engage in renovation-related evictions. Management strategically assesses each repositioning opportunity considering factors such as the market rent for unrenovated suites, the incremental capital investment, and the opportunity cost of the downtime required for a renovation, among other factors.

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

Sustainability Initiatives

The REIT continues to implement sustainability-related measures to improve environmental, social, and governance performance under the three strategic pillars of environmental impact, community impact, and business resilience.

Highlights of activities and progress over the most recent quarter are provided below.

Environmental Impact

- Application of aerosolized duct seal was completed at Huron and High Park Village to reduce energy loss and increase heating, ventilation, and air conditioning system efficiency.
- New ventilation system air filters were installed in a pilot project to optimize air flow and reduce energy consumption at Niagara West.
- Three online education sessions on sustainability projects and opportunities were completed for site staff with the aim to reduce utility consumption through effective management of everyday processes.
- The Towns at York Mills & Leslie and 610 Martin Grove development projects outperformed the REIT's 85% construction waste diversion target, achieving a diversion rate of 86.7% in 2025.

Community Impact

- Launched a Men's Mental Health Initiative, with events such as a live webinar with a mental health advocate, trivia to increase "Movember" awareness, and a chili cook-off and merchandise sale to collect donations for mental health organizations.
- Continued implementation of the resident engagement program to build connections and drive change, with the release of the winter newsletter, food and social gatherings to celebrate the holidays, and charitable events including food and toy drives.

Business Resilience

- Performance monitoring continues following the deep retrofit at Minto Yorkville, a project that contributes to portfolio resilience through reductions in energy consumption and carbon emissions.
 - During the first eight months of the performance period (March to October 2025), natural gas consumption decreased by 86% and greenhouse gas emissions decreased by 72%, while electricity consumption increased by 4% compared to the previous year.
- The cybersecurity program was strengthened through the completion of a holiday-themed training campaign, additional phishing simulations, and the evaluation and implementation of new security solutions.

Governance Framework

The Board of Trustees receives quarterly updates on sustainability. REIT employee incentive pay continues to be linked, in part, to sustainability performance targets. Sustainability-related needs and considerations are incorporated into capital and operating budgets and sustainability expectations are included in the business plan.

Outlook

Looking ahead, we continue to believe that long-term constructive industry fundamentals remain intact. The primary tailwinds include the significant housing supply shortage that will remain for many years, rental housing continuing to be an affordable option given the gap between home ownership and renting, and long-term population growth. Having said that, in the near term, there are factors impacting the multi-family industry that will influence Management's ability to maintain occupancy, drive rents and impact certain input costs. Some of these factors include new supply in certain markets, a temporary pause in positive net immigration, low consumer confidence, global geopolitical risks, persistently elevated and volatile interest rates, and the threat of further tariffs. Although many of these factors are beyond our control, Management is focused on continuously adapting to market changes and we believe the steps we have taken to strengthen the balance sheet, increase cash flow and high grade the portfolio have improved the REIT's resiliency and ability to weather economic uncertainty.

Canada continues to face a large housing shortage. Currently, Canadians do not have enough housing to support our existing population. In June 2025, CMHC updated its estimates for restoring housing affordability to pre-pandemic levels by 2035, indicating that Canada will need to double its current number of housing starts to up to 480,000 per year over the next decade. CMHC acknowledged the magnitude of this challenge and indicated that achieving this target will require a significant increase in the workforce, substantial private sector development, and technological advancements that improve productivity. The report also noted that supply gaps exist across all of the REIT's markets, with the most acute shortages in Montreal, Toronto, and Ottawa.¹

Renting has become an increasingly attractive option for Canadians. The proportion of people who rent instead of own a home increased by 250 bps from 2011 to 2021. Over that same period, the number of households that rent increased 21.5%, more than double the 8.4% increase in the number of households that own their home.² Since 2001, average rents and average hourly wages have grown at almost the same pace, increasing by about 3.4% and 3.2% per year, respectively. In contrast, home ownership costs have significantly outpaced incomes and have grown at a compounded annual growth rate of 6.4% over the same period.³

Canada's population growth is expected to temporarily stall through the end 2026 before returning to growth in 2027 at an expected annualized rate of 0.8%.⁴ CMHC projects that Canada's population will increase to 44.5 million by 2035, an 8.2% increase from 2024, representing 3.4 million people.¹ Through October 1, 2025, Canada's total population remained flat compared to the end of 2024, primarily as the inflows of permanent residents were offset by a decline in non-permanent residents, including international students and temporary workers.²

There has been an increase in supply across several of the REIT's markets, with Toronto, Calgary, and Vancouver particularly affected, contributing to highly competitive rental conditions. In all three markets, an elevated number of supply deliveries through 2025 has placed downward pressure on market rents, resulted in the use of promotions, and contributed to higher vacancy. These factors are expected to continue influencing market dynamics in 2026. In order to support occupancy in these markets, Management has successfully implemented targeted renewal strategies and offered incentives in line with current industry practice. Management believes that as the current excess supply is absorbed and immigration targets return to growth in 2027, the nationwide housing shortage, demographic forces, and behavioural preferences will continue to drive long-term demand for rental housing.

Management will continue to drive revenue growth by realizing the gain-to-lease potential in the REIT's high-quality urban portfolio, increasing occupancy, managing controllable operating expenses, and, where strategically appropriate, completing value-enhancing suite repositionings. Management's commitment to optimizing NOI and making prudent capital allocation decisions while balancing long-term value creation and growth objectives will support FFO and AFFO per unit growth.

¹ CMHC

² Statistics Canada

³ Sources: Statistics Canada, CMHC, Teranet and Urbanation.

⁴ Immigration, Refugees and Citizenship Canada

Development of Purpose-Built Rental Properties and Intensification on Existing Sites

Management evaluates potential development projects that can generate NAV and long-term earnings growth for Unitholders. Development and construction entail some risk, however, Management believes the REIT can effectively mitigate this risk through its strategic alliance with MPI and its affiliates by capitalizing on their extensive experience and track record of successful developments and construction projects.

The REIT is developing additional suites on available excess land, with construction well underway at the following properties:

Location and Property Name	Ownership	Estimated Suites	Estimated Gross Project Costs ^{1,2}	Estimated Stabilization	Anticipated Yield
Toronto, ON					
610 Martin Grove	100%	225	\$ 119,000	Q4 2026	4.25% - 4.75%
The Towns at York Mills & Leslie	50%	192	\$ 195,000	Q4 2027	3.65% - 4.15%
		417	\$ 314,000		

The existing Richgrove community comprises two mid-rise residential apartment buildings with a total of 258 suites and 620 Martin Grove, a high-rise residential apartment building with 237 suites. The intensification project, 610 Martin Grove, involves the addition of a new tower with 225 suites, including 100 affordable housing suites, and 213 parking stalls. The REIT has an agreement with the City of Toronto under which the City has exempted or waived development charges and other fees amounting to \$4,309, has fully advanced a \$4,500 commitment in funding in the form of a forgivable loan, and has agreed to exempt the property from property tax and municipal and school taxes for a period of 25 years after first occupancy. A construction financing agreement is in place with CMHC for a maximum financing of \$93,745 at a fixed interest rate of 2.39% for a 10-year term. The first tenant move-ins for the affordable suites and market rate suites occurred in Q4 2025 and residential leasing continues while interior work on the upper floors, amenity finishing and landscaping continue. As of late February 2026, approximately 47% of suites were leased.

The York Mills & Leslie community comprises three existing 18-storey towers with a total of 409 suites. The intensification project, The Towns at York Mills & Leslie, entails the development of 192 new rental terrace homes in four blocks that are separated into two construction phases, creating a new amenity space that includes an indoor pool, gym, and recreational area, and replacing the existing parking structure with a new two-level underground parking garage. First occupancy for the Phase 1 suites occurred in Q1 2026, while work continues on the interior finishes for Phase 1 and the amenity space. For Phase 2, below-grade shoring and excavation are complete, and at-grade and suspended slab work is in progress. As of late February 2026, approximately 5% of suites were leased.

With first occupancy having occurred at both developments, the REIT has contributed much-needed rental homes to the housing supply while delivering meaningful growth to its portfolio. Management anticipates a temporary net reduction to FFO and AFFO as the properties progress through lease-up.

The construction of the two development projects will add 417 suites to the REIT's portfolio at an estimated total cost of \$314,000, generating an expected average yield between 3.65% and 4.75%.

The REIT is in the process of pre-development activities on excess land at the following property:

Property Name	Location	Ownership	Estimated Suites	Estimated Pre-Development Costs ³	Site Plan Approval
High Park Village	Toronto	40%	688	\$14,400	Q2 2024 ⁴

High Park Village consists of three buildings comprising 750 rental suites. The REIT and its partner successfully rezoned the site in Q3 2022 to develop two new towers comprising an estimated 688 suites and 344 parking stalls. In early Q3 2023, the REIT and its partner strategically postponed the construction phase of the project. The REIT and its partner continue to work through the pre-development phase to ensure that construction can commence expediently if and when it is strategically appropriate.

¹ Estimated gross project costs are presented at 100% rather than the REIT's proportionate share.

² Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

³ Estimated pre-development costs are presented at 100% rather than the REIT's proportionate share.

⁴ Site Plan Approval in Toronto is achieved in two phases and High Park Village has received the first phase of approval, the Notice of Approval with Conditions, and is pursuing the completion of the second phase, the Statement of Approval.

Access to Urban Pipeline in Target Markets Through MPI and Affiliates

The REIT has entered into agreements to extend CDLs to MPI and its affiliate. CDL projects provide a host of benefits to the REIT including insulation from development risk, the option to purchase newly constructed rental housing at a discounted price ("CDL Options"), the potential to provide a more economic entry into core, urban markets compared to acquisitions of existing properties, and the preservation of development capacity under the DOT for intensification projects.

As at December 31, 2025, the following CDL projects were ongoing:

Project Name	Location	Est. Suites	Potential Ownership	Est. Gross Project Costs ^{1,2}	Est. Stabilization	Maximum Loan Amount ³	Amount Outstanding at December 31, 2025
88 Beechwood	Ottawa, ON	227	100%	\$ 128,000	Q2 2026	\$ 53,500	\$ 49,070
University Heights	Victoria, BC	593	45% ⁴	\$ 392,000	2027	\$ 51,700	\$ 47,284
		820		\$ 520,000		\$ 105,200	\$ 96,354

88 Beechwood involves the development of a nine-storey property comprising 227 suites and approximately 5,900 square feet of retail space in Ottawa. Construction of the property is complete, and the project achieved Gold certification under the LEED Building Design and Construction rating system. Residential and commercial leasing continues, with stabilization expected in Q2 2026. As of late February 2026, approximately 90% of suites were leased.

University Heights involves the development of five buildings containing 593 rental suites and approximately 114,500 square feet of retail space on an 11.5 acre parcel in Victoria. At the first building, first occupancy has occurred and residential leasing continues. At the second building, residential leasing is underway and commercial space fit-ups are in progress. At the third building, rough-ins and drywall installation continues and elevator installation has commenced. At the fourth building, rough-in, drywall and rebar installation are underway, while air barrier and window installation is ongoing at the fifth building. Retail leasing continues and the project is expected to be fully stabilized in 2027. As of late February 2026, approximately 36% of the suites at the first two buildings were leased.

In connection with the CDL financings and their associated developments, the REIT has the exclusive option, upon project stabilization, to purchase the property at 88 Beechwood and MPI's 45% indirect ownership interest in University Heights, at 95% of its then-appraised fair market value as determined by independent and qualified third-party appraisers.

Capital Recycling Program

The REIT's capital recycling program is an important element of the REIT's strategic plan as it represents an internal source of equity capital. Management continuously evaluates the portfolio for relative NOI growth potential, NOI margin, repositioning programs, future capital expenditure requirements, geographic exposure and average age of the portfolio. This program will allow the REIT to reinvest any equity proceeds into opportunities with enhanced returns that are aligned with the REIT's strategy. The capital recycling program is an attractive alternative to raising equity from the capital markets.

On January 22, 2025, the REIT completed the sale of Castleview, a 241-suite property in Ottawa built in 1973, for a sale price of \$69,000. The sale generated net proceeds of \$33,849, net of mortgage and transaction costs. The proceeds were used to repay the then outstanding balance on the REIT's revolving credit facility and to purchase Units under the REIT's NCIB program.

¹ Estimated gross project costs are presented at 100% rather than MPI's proportionate share.

² Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

³ Maximum loan amounts include amounts for interest.

⁴ For University Heights, if the REIT exercises its CDL Option, it will acquire an indirect ownership interest in the property.

Section II - Financial Highlights and Performance

Key Performance Indicators

The REIT's operating results are affected by seasonal variations and prominent economic factors, including the increase of supply in the multi-residential rental market, trade disputes, economic growth, the interest rate environment, and inflation, among other factors. As a result, the operating performance and metrics in one quarter may not be indicative of future quarters. The following tables highlight certain key IFRS and non-IFRS financial and operating measures used by the REIT.

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Operating - Proportionate Share Basis¹						
Number of properties	28	28	—	28	28	—
Total suites ²	7,598	7,726	(128)	7,598	7,726	(128)
Average monthly rent ¹	\$ 2,086	\$ 1,990	4.8 %	\$ 2,086	\$ 1,990	4.8 %
Closing occupancy ¹	95.4 %	95.8 %	(40) bps	95.4 %	95.8 %	(40) bps
Average occupancy ¹	94.9 %	96.3 %	(140) bps	95.3 %	96.8 %	(150) bps
Average monthly rent ¹ - Same Property Portfolio ("SPP")	\$ 2,076	\$ 1,998	3.9 %	\$ 2,076	\$ 1,998	3.9 %
Closing occupancy ¹ - SPP	95.5 %	95.8 %	(30) bps	95.5 %	95.8 %	(30) bps
Average occupancy ¹ - SPP	95.1 %	96.3 %	(120) bps	95.4 %	96.8 %	(140) bps
Financial						
Revenue	\$ 38,915	\$ 39,434	(1.3)%	\$ 154,457	\$ 157,088	(1.7)%
NOI ¹	\$ 24,656	\$ 24,856	(0.8)%	\$ 97,961	\$ 100,571	(2.6)%
NOI margin ¹	63.4 %	63.0 %	40 bps	63.4 %	64.0 %	(60) bps
Net (loss) income and comprehensive (loss) income	\$ (228,597)	\$ 91,093	nmf ³	\$ (244,226)	\$ 63,238	nmf ³
Revenue - SPP	\$ 38,691	\$ 38,057	1.7 %	\$ 153,920	\$ 151,014	1.9 %
NOI ¹ - SPP	\$ 24,622	\$ 23,962	2.8 %	\$ 97,759	\$ 96,641	1.2 %
NOI margin ¹ - SPP	63.6 %	63.0 %	60 bps	63.5 %	64.0 %	(50) bps
FFO ¹	\$ 11,090	\$ 15,828	(29.9)%	\$ 56,798	\$ 64,719	(12.2)%
FFO per unit ¹	\$ 0.1778	\$ 0.2413	(26.3)%	\$ 0.8982	\$ 0.9859	(8.9)%
AFFO ¹	\$ 9,312	\$ 14,233	(34.6)%	\$ 50,008	\$ 58,307	(14.2)%
AFFO per unit ¹	\$ 0.1493	\$ 0.2170	(31.2)%	\$ 0.7909	\$ 0.8882	(11.0)%
AFFO Payout Ratio ¹	88.7 %	59.3 %	(2,940) bps	66.1 %	57.1 %	(900) bps
Distribution rate per unit	\$ 0.1325	\$ 0.1287	3.0 %	\$ 0.5225	\$ 0.5073	3.0 %
Distribution yield per unit ¹ based on Unit closing price	3.92 %	3.90 %	2 bps	3.83 %	3.80 %	3 bps
Normalized						
Normalized FFO ^{1,4}	\$ 15,170	\$ 15,828	(4.2)%	\$ 60,878	\$ 63,844	(4.6)%
Normalized FFO per unit ^{1,4}	\$ 0.2432	\$ 0.2413	0.8 %	\$ 0.9628	\$ 0.9725	(1.0)%
Normalized AFFO ^{1,4}	\$ 13,565	\$ 14,233	(4.7)%	\$ 54,448	\$ 57,432	(5.2)%
Normalized AFFO per unit ^{1,4}	\$ 0.2174	\$ 0.2170	0.2 %	\$ 0.8611	\$ 0.8749	(1.6)%
Normalized AFFO Payout Ratio ^{1,4}	60.9 %	59.3 %	(160) bps	60.7 %	58.0 %	(270) bps

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

² At December 31, 2025, includes 2,777 (December 31, 2024 - 2,664) suites co-owned with institutional partners.

³ No meaningful figure.

⁴ Refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Reconciliation of Non-IFRS Financial Measures and Ratios"

As at	December 31, 2025	December 31, 2024	Variance
Leverage - Proportionate Share Basis¹			
Proportionate Debt-to-Gross Book Value ratio ^{1,2}	48.9 %	42.5 %	640 bps
Proportionate Debt Service Coverage ratio ^{1,2}	1.64 x	1.68 x	(0.04) x
Proportionate Debt-to-Adjusted EBITDA ratio ^{1,2}	11.88 x	11.04 x	0.84 x
Weighted average term to maturity on Term Debt ¹	4.83	5.04	(0.21) years
Weighted average effective interest rate on Term Debt ¹	3.65 %	3.61 %	4 bps
Weighted average interest rate on variable-rate debt ¹	4.36 %	5.42 %	(106) bps
Valuation			
NAV ¹	\$ 1,163,054	\$ 1,459,319	(20.3)%
NAV per unit ¹	\$ 18.64	\$ 22.34	(16.6)%

Review of Financial Performance

The following tables highlight selected financial information for the REIT's Same Property Portfolio and Total Portfolio for the three months and years ended December 31, 2025 and 2024.

Same Property Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Revenue from investment properties	\$ 38,691	\$ 38,057	1.7 %	\$ 153,920	\$ 151,014	1.9 %
Property operating costs	7,437	7,506	0.9 %	29,891	28,614	(4.5)%
Property taxes	3,786	3,772	(0.4)%	15,152	15,075	(0.5)%
Utilities	2,846	2,817	(1.0)%	11,118	10,684	(4.1)%
Operating expenses	14,069	14,095	0.2 %	56,161	54,373	(3.3)%
NOI ¹	\$ 24,622	\$ 23,962	2.8 %	\$ 97,759	\$ 96,641	1.2 %
NOI margin ¹	63.6 %	63.0 %	60 bps	63.5 %	64.0 %	(50) bps

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

² Refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Reconciliation of Non-IFRS Financial Measures and Ratios"

Total Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Revenue from investment properties	\$ 38,915	\$ 39,434	(1.3)%	\$ 154,457	\$ 157,088	(1.7)%
Property operating costs	7,520	7,700	2.3 %	30,038	29,572	(1.6)%
Property taxes	3,836	3,916	2.0 %	15,236	15,760	3.3 %
Utilities	2,903	2,962	2.0 %	11,222	11,185	(0.3)%
Operating expenses	14,259	14,578	2.2 %	56,496	56,517	— %
NOI ¹	24,656	24,856	(0.8)%	97,961	100,571	(2.6)%
NOI margin ¹	63.4 %	63.0 %	40 bps	63.4 %	64.0 %	(60) bps
General and administrative expenses	6,608	2,340	(182.4)%	13,992	10,061	(39.1)%
Finance costs - operations	12,996	15,570	16.5 %	51,691	50,186	(3.0)%
Finance income	(1,601)	(2,028)	(21.1)%	(6,667)	(7,873)	(15.3)%
Fair value loss (gain) on:						
Investment properties	240,084	11,732	(1946.4)%	276,514	61,279	(351.2)%
Class B LP Units	(3,863)	(91,430)	(95.8)%	7,469	(73,144)	nmf ²
Interest rate swap	111	205	45.9 %	591	1,246	52.6 %
Unit-based compensation	(30)	(1,962)	(98.5)%	(173)	(1,585)	(89.1)%
Income (loss) from investment in joint venture	(251)	—	nmf ²	1,232	—	nmf ²
Loss on disposition	—	—	— %	604	615	1.8 %
Fees and other income	(801)	(664)	20.6 %	(3,066)	(3,452)	(11.2)%
Net (loss) income and comprehensive (loss) income	\$ (228,597)	\$ 91,093	nmf²	\$ (244,226)	\$ 63,238	nmf²

Net Operating Income

For Q4 2025 and FY 2025, Same Property Portfolio NOI increased by 2.8% and 1.2%, respectively, compared to the same periods in 2024. For the same periods, Total Portfolio NOI decreased by 0.8% and 2.6%. More details on the drivers of the change in NOI can be found in Section I - "Overview - Financial and Operating Highlights - Financial Performance".

Revenue from Investment Properties

Same Property Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Rental revenue						
Unfurnished suites	\$ 33,862	\$ 33,221	1.9 %	\$ 134,687	\$ 130,982	2.8 %
Furnished suites	1,641	1,822	(9.9)%	6,652	7,927	(16.1)%
Commercial leases	398	322	23.6 %	1,402	1,545	(9.3)%
Parking revenue	1,542	1,480	4.2 %	6,103	5,677	7.5 %
Other property income	1,248	1,212	3.0 %	5,076	4,883	4.0 %
	\$ 38,691	\$ 38,057	1.7 %	\$ 153,920	\$ 151,014	1.9 %

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

² No meaningful figure.

Total Portfolio

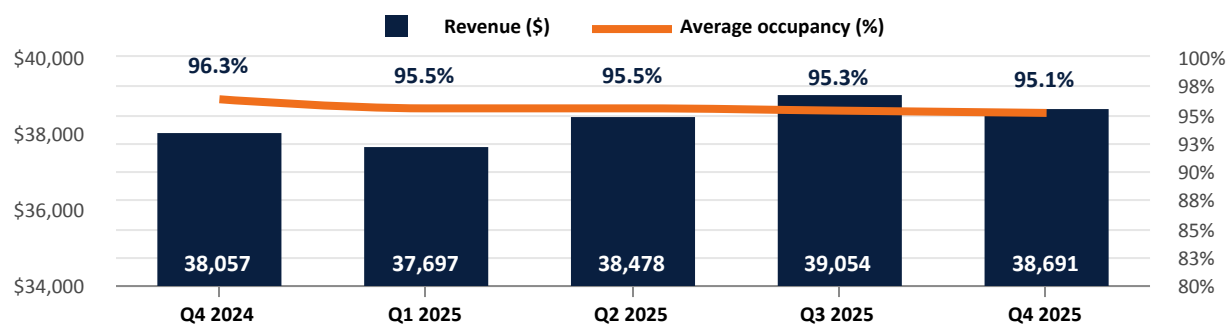
	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Rental revenue						
Unfurnished suites	\$ 34,063	\$ 34,493	(1.2)%	\$ 135,174	\$ 136,581	(1.0)%
Furnished suites	1,641	1,822	(9.9)%	6,652	7,927	(16.1)%
Commercial leases	398	322	23.6 %	1,402	1,545	(9.3)%
Parking revenue	1,553	1,528	1.6 %	6,128	5,928	3.4 %
Other property income	1,260	1,269	(0.7)%	5,101	5,107	(0.1)%
	\$ 38,915	\$ 39,434	(1.3)%	\$ 154,457	\$ 157,088	(1.7)%

Revenue from investment properties consists of rental revenue from residential lease agreements relating to unfurnished suites and furnished suites, rental revenue from commercial lease agreements, parking revenue and other property income. Other property income consists of ancillary revenue from laundry facilities, telecommunication commission revenue, fitness membership fee income, other fee income from tenants and recoveries of utility charges and operating costs.

Rental Revenue from Unfurnished Suites

For Q4 2025 and FY 2025, Same Property Portfolio rental revenue from unfurnished suites increased by 1.9% and 2.8%, respectively, compared to the same periods in 2024. This growth was driven by a 3.9% increase in Same Property Portfolio average monthly rent to \$2,076 and 23 suite conversions from furnished to unfurnished completed since Q4 2024. This was partially offset by a reduction in Same Property Portfolio average occupancy for Q4 2025 and FY 2025 which decreased by 120 bps and 140 bps, respectively, as well as the increased use of promotion compared to the same periods in 2024.

Same Property Portfolio Revenue and Average Occupancy¹



Same Property Portfolio	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Average Occupancy¹						
Toronto	95.5 %	95.3 %	20 bps	94.7 %	95.4 %	(70) bps
Ottawa	94.9 %	97.2 %	(230) bps	95.7 %	98.0 %	(230) bps
Calgary	94.0 %	94.4 %	(40) bps	93.6 %	96.8 %	(320) bps
Montreal	95.6 %	96.5 %	(90) bps	96.3 %	96.1 %	20 bps
	95.1 %	96.3 %	(120) bps	95.4 %	96.8 %	(140) bps

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

Total Portfolio	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Average Occupancy¹						
Toronto	95.5 %	95.3 %	20 bps	94.7 %	95.4 %	(70) bps
Ottawa	94.9 %	97.2 %	(230) bps	95.7 %	97.8 %	(210) bps
Calgary	94.0 %	94.4 %	(40) bps	93.6 %	96.8 %	(320) bps
Montreal	95.6 %	96.5 %	(90) bps	96.3 %	96.1 %	20 bps
Vancouver ²	75.8 %	N/A	nmf ³	84.8 %	N/A	nmf ³
	94.9 %	96.3 %	(140) bps	95.3 %	96.8 %	(150) bps

For Q4 2025 and FY 2025, Total Portfolio revenue from unfurnished suites decreased by 1.2% and 1.0%, respectively, compared to the same periods in 2024, resulting from the loss of revenue associated with the dispositions, partially offset by higher unfurnished suite revenue from the Same Property Portfolio.

Rental Revenue from Furnished Suites

For Q4 2025, rental revenue from furnished suites for both the Same Property Portfolio and Total Portfolio decreased by 9.9% compared to Q4 2024. This was driven by a reduction in average occupied furnished suites from 101 suites in Q4 2024 to 96 suites in Q4 2025, and a decrease in average monthly rent for furnished suites, from \$5,935 to \$5,722 over the same period. The REIT continued to wind down its furnished suite portfolio, converting 23 furnished suites to unfurnished since Q4 2024. The pace of conversions at each property is subject to local market leasing conditions in order to optimize yields and FFO and AFFO per unit.

For FY 2025, rental revenue from furnished suites for both the Same Property Portfolio and Total Portfolio decreased by 16.1% compared to FY 2024. This was driven by a reduction in average occupied furnished suites from 110 suites in FY 2024 to 96 suites in FY 2025, and a decline in average monthly rent for furnished suites, from \$5,943 to \$5,793 over the same period.

Rental Revenue from Commercial Leases

For Q4 2025, revenue from commercial leases for both the Same Property Portfolio and Total Portfolio increased by 23.6% compared to Q4 2024, driven by the commencement of a new lease at The Carlisle in June 2025 and at Kaleidoscope in November 2025.

For FY 2025, revenue from commercial leases for both the Same Property Portfolio and Total Portfolio decreased by 9.3% compared to FY 2024. The decline was driven by the retail vacancy at Minto Yorkville, partially offset by an increase in commercial occupancy at Niagara West, The Carlisle, and Kaleidoscope. In Q2 2025, the REIT entered into a commercial lease agreement for the vacant space at Minto Yorkville, with a lease commencement date in January 2026.

Parking Revenue

For Q4 2025 and FY 2025, Same Property Portfolio parking revenue increased by 4.2% and 7.5%, respectively, compared to the same periods in 2024, due to higher average monthly parking rates and increased usage.

For Q4 2025 and FY 2025, Total Portfolio parking revenue increased by 1.6% and 3.4%, respectively, compared to the same periods in 2024. The increase reflects higher parking revenue from the Same Property Portfolio, partially offset by the loss of parking revenue associated with the dispositions.

Other Property Income

For Q4 2025, Same Property Portfolio other property income increased by 3.0% compared to Q4 2024 due to increased recoveries of utility charges.

For FY 2025, Same Property Portfolio other property income increased by 4.0% compared to FY 2024 primarily due to higher fitness membership fee income and increased revenue from laundry facilities.

For Q4 2025 and FY 2025, Total Portfolio other property income was flat compared to the same periods in 2024, as increased revenue from the Same Property Portfolio was offset by the loss of other property income associated with the dispositions.

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

² Average occupancy includes the contribution of the property held through an equity-accounted joint venture in Vancouver. However, due to the accounting treatment of equity-accounted entities under IFRS, Total Portfolio revenue excludes the revenue earned by this entity.

³ No meaningful figure

Property Operating Costs

Same Property Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Property operating costs	\$ 7,437	\$ 7,506	0.9 %	\$ 29,891	\$ 28,614	(4.5)%
<i>% of revenue from investment properties</i>	19.2 %	19.7 %		19.4 %	18.9 %	

Total Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Property operating costs	\$ 7,520	\$ 7,700	2.3 %	\$ 30,038	\$ 29,572	(1.6)%
<i>% of revenue from investment properties</i>	19.3 %	19.5 %		19.4 %	18.8 %	

Property operating costs relate to direct costs associated with operating the properties and providing services to tenants, including repairs and maintenance, insurance, site staff salaries, cleaning costs, leasing costs, supplies, and waste removal.

For Q4 2025, Same Property Portfolio property operating costs were flat compared to Q4 2024, as lower repairs and maintenance expenses were offset by higher marketing costs to drive leasing activity.

For FY 2025, Same Property Portfolio property operating costs increased by 4.5% compared to FY 2024. This increase was primarily attributable to salaries and wages, repairs and maintenance expenses, and marketing costs.

For Q4 2025, Total Portfolio property operating costs decreased by 2.3% compared to Q4 2024 due to the decrease in expenses related to a disposed property and the same factors affecting the Same Property Portfolio.

For FY 2025, Total Portfolio property operating costs increased by 1.6% compared to FY 2024, as higher expenses for the Same Property Portfolio were partially offset by the decrease in expenses related to the disposed property.

Property Taxes

Same Property Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Property taxes	\$ 3,786	\$ 3,772	(0.4)%	\$ 15,152	\$ 15,075	(0.5)%
<i>% of revenue from investment properties</i>	9.8 %	9.9 %		9.8 %	10.0 %	

Total Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Property taxes	\$ 3,836	\$ 3,916	2.0 %	\$ 15,236	\$ 15,760	3.3 %
<i>% of revenue from investment properties</i>	9.9 %	9.9 %		9.9 %	10.0 %	

For Q4 2025 and FY 2025, Same Property Portfolio property taxes were flat compared to the same periods in 2024, as lower assessed values and rates in Calgary were offset by increased rates in Montreal, Toronto, and Ottawa.

For Q4 2025 and FY 2025, Total Portfolio property taxes decreased by 2.0% and 3.3%, respectively, compared to the same periods in 2024, due to the lower property taxes related to the disposed property and the same factors affecting the Same Property Portfolio.

Utilities

Same Property Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Electricity	\$ 1,043	\$ 1,029	(1.4)%	\$ 4,468	\$ 4,347	(2.8)%
Natural gas	1,064	1,069	0.5 %	3,697	3,493	(5.8)%
Water	739	719	(2.8)%	2,953	2,844	(3.8)%
	\$ 2,846	\$ 2,817	(1.0)%	\$ 11,118	\$ 10,684	(4.1)%
<i>% of revenue from investment properties</i>	7.4 %	7.4 %		7.2 %	7.1 %	

Total Portfolio

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Electricity	\$ 1,073	\$ 1,076	0.3 %	\$ 4,511	\$ 4,523	0.3 %
Natural gas	1,081	1,131	4.4 %	3,739	3,643	(2.6)%
Water	749	755	0.8 %	2,972	3,019	1.6 %
	\$ 2,903	\$ 2,962	2.0 %	\$ 11,222	\$ 11,185	(0.3)%
<i>% of revenue from investment properties</i>	7.5 %	7.5 %		7.3 %	7.1 %	

Utilities consist of electricity, natural gas and water for the rental properties. Utility costs are seasonal and can be highly variable from one period to the next. In addition to seasonality-driven usage, occupancy, utility rates and commodity prices impact costs.

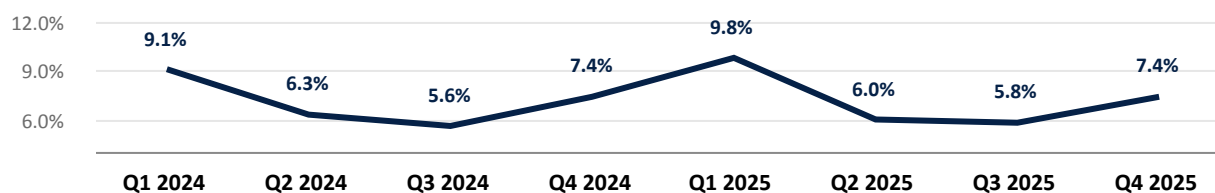
For Q4 2025, Same Property Portfolio utility costs increased by 1.0% compared to Q4 2024, driven by a 1.4% increase in electricity expense from an increase in consumption from a colder start to winter and higher average rates, and by a 2.8% increase in water expense resulting from an increase in average rates. Natural gas costs were flat compared to Q4 2024, as the cancellation of the carbon tax was offset mainly by an increase in consumption.

For FY 2025, Same Property Portfolio utility costs increased by 4.1% compared to FY 2024, primarily driven by an 5.8% increase in natural gas expense reflecting higher consumption during a colder winter and elevated gas prices across the portfolio in Q1 2025, in addition to a 2.8% increase in electricity expense primarily due to higher average rates across the portfolio.

For Q4 2025, Total Portfolio utility costs decreased by 2.0% compared to Q4 2024 due to the decrease in utility costs related to a disposed property, partially offset by the increase in utility costs from the Same Property Portfolio.

For FY 2025, Total Portfolio utility costs were flat compared to FY 2024, as the increase in utility costs from the Same Property Portfolio were offset by the decrease in utility costs related to the disposed property.

Same Property Portfolio Utilities Costs as a Percentage of Revenue¹



General and Administrative Expenses

General and administrative expenses relate to the administration of the REIT, including: audit fees, legal fees, salaries and benefits for REIT employees, Trustee fees, and costs associated with support services provided under the Administrative Support Agreement ("ASA") between the REIT and MPI.

For Q4 2025, general and administrative expenses increased by 182.4% compared to Q4 2024 due to professional and advisory fees of \$4,080 in connection with the Arrangement.

¹ Same Property Portfolio utilities costs as a percentage of revenue is representative of Total Portfolio utilities costs as a percentage of revenue.

For FY 2025, general and administrative expenses increased by 39.1% compared to FY 2024, primarily due to professional and advisory fees associated with the Arrangement and annual compensation increases, partially offset by a decrease in other advisory and audit-related fees.

Finance Costs - Operations

	Three months ended December 31,			Year ended December 31,		
	2025	2024	Variance	2025	2024	Variance
Interest expense on mortgages and loans	\$ 7,578	\$ 6,643	(14.1)%	\$ 29,836	\$ 25,613	(16.5)%
Interest expense and standby fees on credit facility	544	1,370	60.3 %	1,552	6,577	76.4 %
Financing amortization and other charges	381	268	(42.2)%	1,479	1,268	(16.6)%
Amortization of mark-to-market adjustments	(61)	(74)	(17.6)%	(289)	(293)	(1.4)%
Capitalized interest	(1,135)	(1,133)	0.2 %	(3,333)	(4,502)	(26.0)%
Contributions to joint venture	508	—	nmf ¹	1,956	—	nmf ¹
Distributions on Class C LP Units	1,769	2,306	23.3 %	7,034	8,453	16.8 %
Interest costs ²	9,584	9,380	(2.2)%	38,235	37,116	(3.0)%
Distributions on Class B LP Units	3,412	6,190	44.9 %	13,456	13,070	(3.0)%
	\$ 12,996	\$ 15,570	16.5 %	\$ 51,691	\$ 50,186	(3.0)%

Finance costs comprise interest expense on fixed and variable-rate mortgages and construction loans, interest expense and standby fees on the revolving credit facility, financing amortization and other charges, distributions on Class B limited partnership units of the Partnership ("Class B LP Units"), Class C limited partnership units of the Partnership ("Class C LP Units"), and contributions to a joint venture for a mortgage-related obligation, partially offset by capitalized interest expense.

Interest costs for Q4 2025 and FY 2025 increased by 2.2% and 3.0%, respectively, compared to the same periods in 2024, primarily due to higher interest expense on mortgages, reflecting an increase in the principal outstanding and a higher effective interest rate attributable to the upward financings completed in Q4 2024 and refinancings in Q2 2025, contributions to a joint venture for a mortgage-related obligation, and a reduction in capitalized interest related to intensification projects due to a lower outstanding balance on the variable-rate revolving credit facility. These increases were partially offset by a decline in interest expense resulting from a lower outstanding balance on the variable-rate revolving credit facility and lower distributions on Class C LP Units following the Q1 2025 redemption of Class C LP Units in connection with the sale of Castlerview.

For Q4 2025, distributions on Class B LP Units decreased by 44.9% compared to Q4 2024. In Q3 2024, a holder of Class B LP Units elected to receive a non-interest bearing loan equal to the distributions they would have otherwise received. On January 2, 2025, the non-interest bearing loan matured, was repaid in full, and a distribution equal to the loan balance was paid to the holder. This was partially offset by the increase to the monthly distribution paid by the REIT on its Units from \$0.04333 to \$0.04458 per Unit that became effective in November 2025.

For FY 2025, distributions on Class B LP Units increased by 3.0% compared to FY 2024. This was driven by the increase in the monthly distribution paid by the REIT on its Units in Q4 2024 from \$0.04208 to \$0.04333 per Unit and in Q4 2025 from \$0.04333 to \$0.04458 per Unit.

Finance Income

Finance income comprises interest income on CDLs, a Unit purchase loan made to a member of Management, and interest on bank deposits.

For Q4 2025 and FY 2025, finance income decreased by 21.1% and 15.3%, respectively, compared to the same periods in 2024. The decrease was driven by lower interest income on CDLs, due to a reduction in the average total CDL amount outstanding following the repayment of the CDLs associated with Lonsdale Square and The Hyland. The average total CDL amount outstanding decreased by 22.0% to \$95,574 in Q4 2025 and by 14.2% to \$109,913 in FY 2025.

¹ No meaningful figure

² Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

Fair Value Gain (Loss) on Investment Properties

Fair value of residential investment properties is determined using the direct capitalization approach, by applying an appropriate capitalization rate to the estimated 12-month stabilized forecasted NOI for each property, reduced by an estimate of five-year future capital expenditures. Estimated 12-month stabilized forecasted NOI is based on the respective property's forecasted results, less estimated aggregate future capital expenditures. Capitalization rates reflect the characteristics, location and market of each property. Fair value is determined based on internal valuation models incorporating market data and valuations performed by external appraisers.

The fair value gain (loss) on investment properties was a result of movement in the following:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Forecast NOI ¹	\$ (78,960)	\$ 17,540	\$ (42,804)	\$ 99,276
Capitalization rates	(133,238)	(18,569)	(164,254)	(121,143)
Capital expenditure reserve	(27,886)	(10,703)	(69,456)	(39,412)
	\$ (240,084)	\$ (11,732)	\$ (276,514)	\$ (61,279)

The weighted average capitalization rate used for the Q4 2025 valuation of residential properties was 4.62%, compared to 4.35% in Q3 2025. This increase reflects market evidence indicating upward pressure on capitalization rates during the quarter. Forecast NOI declined across the broader portfolio, primarily due to higher assumed vacancy and promotional allowances. The capital expenditure reserve increased due to both the revised timing of planned capital projects and the addition of new initiatives, including sustainability-related investments. In adjusting these inputs, consideration was given to the Arrangement as an observable input. Collectively, adjustments to capitalization rates, forecast NOI, and the capital expenditure reserve resulted in a \$240,084 fair value loss.

For FY 2025, the fair value loss was primarily driven by increases in capitalization rates across all geographies. Forecast NOI also decreased due to lower market rent assumptions and higher vacancy and promotional allowances, partially offset by reductions in carbon tax and insurance expense assumptions. The capital expenditure reserve increased due to both the revised timing of planned capital projects and the addition of new initiatives, including sustainability-related investments. In adjusting these inputs, consideration was given to the Arrangement as an observable input.

The capitalization rates of the portfolio for each of the REIT's residential rental markets were as follows:

As at	December 31, 2025		December 31, 2024	
	Low	High	Low	High
Ottawa, Ontario	4.63%	5.19%	4.25%	4.82%
Toronto, Ontario	3.73%	4.50%	3.75%	4.25%
Calgary, Alberta	4.88%	5.38%	4.50%	5.13%
Montreal, Quebec ²	4.50%	4.75%	4.13%	4.38%
Weighted-average capitalization rate	4.62%		4.32%	

Fair Value Loss (Gain) on Class B LP Units

The Class B LP Units are economically equivalent to Units, in that they receive distributions equivalent to the distributions paid on Units and are exchangeable into Units at the holder's option. The Class B LP Units are classified as financial liabilities and measured at fair value with any changes in fair value recorded in net income. The fair value gain or loss on Class B LP Units is measured every period by reference to the closing trading price of the Units. An increase in the Unit closing price over the period results in a fair value loss, whereas a decrease in the Unit closing price over the period results in a fair value gain.

¹ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

² The valuation methodology for Le Hill-Park transitioned from a discounted cash flow approach to the direct capitalization approach due to stabilized operations, market stability, and capital expenditures among other factors, with its capitalization rate included in the table above effective Q2 2025.

The change in Unit price for the periods presented was as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Unit price - opening	\$ 13.78	\$ 16.89	\$ 13.34	\$ 16.18
Unit price - closing	\$ 13.63	\$ 13.34	\$ 13.63	\$ 13.34

For Q4 2025 and Q4 2024, decreases in the Unit price resulted in fair value gains of \$3,863 and \$91,430, respectively.

For FY 2025, the increase in Unit price resulted in a net fair value loss of \$7,469, whereas for FY 2024, the decrease in the Unit price resulted in a fair value gain of \$73,144.

Fair Value Loss (Gain) on Interest Rate Swap

The REIT has an interest rate swap to receive variable interest based on the one-month Canadian Overnight Repo Rate Average ("CORRA") plus 215 bps and pay fixed interest at 3.38%. The swap is remeasured at each reporting date using discounted cash flow analysis.

For Q4 2025 and FY 2025, the REIT recognized a fair value loss of \$111 and \$591, respectively. For the same periods in 2024, the REIT recognized a fair value loss of \$205 and \$1,246, respectively. The variances in each period were primarily attributable to changes in variable interest rates.

Fair Value Loss (Gain) on Unit-Based Compensation

The REIT has issued Deferred Units to its Trustees and has issued Deferred Units and Performance Units to its executives. The liabilities are remeasured at each reporting date based on the closing Unit price and, for Performance Units, inputs to a pricing model. The change in Unit price is relative primarily to the opening Unit price with changes in the value recorded in net income.

For Q4 2025 and FY 2025, the REIT recognized a fair value gain of \$30 and \$173, respectively, reflecting adjustments to the estimated attainment of performance measures for Performance Units and changes in the Unit price. For the same periods in 2024, the REIT recognized a fair value gain of \$1,962 and \$1,585, respectively, due to decreases in the Unit price and adjustments to the estimated attainment of performance measures for Performance Units.

Income (Loss) from Investment in Joint Venture

The REIT holds a 50% indirect ownership interest in Lonsdale Square through the Lonsdale Square Limited Partnership ("LSLP"), which is accounted for using the equity method. Equity income or losses from the investment in joint venture reflect the REIT's share of net income from LSLP.

For Q4 2025, the REIT recognized equity income from LSLP of \$251 driven by its share of NOI.

For FY 2025, the REIT recognized a loss from LSLP of \$1,232 driven by its share of a fair value loss on the investment property, partially offset by its share of NOI.

Loss on Disposition

Disposal costs represent the incremental costs incurred to dispose of a property. The REIT incurred disposal costs of \$604 FY 2025 in connection with the sale of Castleview in Ottawa on January 22, 2025, compared to \$615 FY 2024 in connection with the sale of Tanglewood and Chesterton-Bowhill in Ottawa on February 15, 2024.

Fees and Other Income

Fees and other income represent revenue from asset, project, and property management services provided by the REIT in connection with five properties co-owned with institutional partners and insurance recoveries.

For Q4 2025, fees and other income increased by 20.6% compared to Q4 2024 due to an increase in management fee revenue driven by fees earned from LSLP.

For FY 2025, fees and other income decreased by 11.2% compared to FY 2024. The decrease was primarily due to insurance recoveries of \$875 received in FY 2024, which were partially offset by an increase in management fee revenue driven by fees earned from LSLP.

Summary of Quarterly Results

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Total assets ¹	\$ 2,417,306	\$ 2,627,580	\$ 2,653,330	\$ 2,641,367	\$ 2,645,415	\$ 2,621,906	\$ 2,604,850	\$ 2,576,201
Investment properties ²	\$ 2,236,825	\$ 2,443,290	\$ 2,466,347	\$ 2,441,698	\$ 2,483,224	\$ 2,463,929	\$ 2,445,357	\$ 2,431,060
Total liabilities ¹	\$ 1,605,293	\$ 1,582,088	\$ 1,569,180	\$ 1,530,374	\$ 1,529,668	\$ 1,587,238	\$ 1,523,291	\$ 1,522,545
Total non-current liabilities and Class B LP Units ¹	\$ 1,393,832	\$ 1,377,991	\$ 1,370,438	\$ 1,356,053	\$ 1,297,369	\$ 1,390,014	\$ 1,381,032	\$ 1,427,737
Revenue from investment properties	\$ 38,915	\$ 39,054	\$ 38,478	\$ 38,010	\$ 39,434	\$ 39,818	\$ 38,893	\$ 38,943
NOI ³	\$ 24,656	\$ 25,563	\$ 24,418	\$ 23,324	\$ 24,856	\$ 26,376	\$ 24,895	\$ 24,444
NOI margin ³	63.4%	65.5%	63.5%	61.4%	63.0%	66.2%	64.0%	62.8%
Net (loss) income and comprehensive (loss) income	\$ (228,597)	\$ (30,206)	\$ (1,090)	\$ 15,667	\$ 91,093	\$ (41,851)	\$ 32,790	\$ (18,794)
FFO ³	\$ 11,090	\$ 16,264	\$ 15,143	\$ 14,301	\$ 15,828	\$ 17,203	\$ 16,649	\$ 15,039
FFO per unit ³	\$ 0.1778	\$ 0.2604	\$ 0.2391	\$ 0.2207	\$ 0.2413	\$ 0.2620	\$ 0.2535	\$ 0.2290
Normalized FFO per unit ^{3,4}	\$ 0.2432	\$ 0.2604	\$ 0.2391	\$ 0.2207	\$ 0.2413	\$ 0.2588	\$ 0.2452	\$ 0.2272
AFFO ³	\$ 9,312	\$ 14,664	\$ 13,341	\$ 12,691	\$ 14,233	\$ 15,607	\$ 15,040	\$ 13,427
AFFO per unit ³	\$ 0.1493	\$ 0.2348	\$ 0.2106	\$ 0.1959	\$ 0.2170	\$ 0.2377	\$ 0.2290	\$ 0.2045
Normalized AFFO per unit ^{3,4}	\$ 0.2174	\$ 0.2348	\$ 0.2136	\$ 0.1959	\$ 0.2170	\$ 0.2345	\$ 0.2207	\$ 0.2026
Distributions declared ⁵	\$ 8,266	\$ 8,113	\$ 8,193	\$ 8,393	\$ 11,305	\$ 5,417	\$ 8,292	\$ 8,289
AFFO Payout Ratio ³	88.7%	55.4%	61.7%	66.4%	59.3%	53.1%	55.1%	61.7%
Normalized AFFO Payout Ratio ³	60.9%	55.4%	60.9%	66.4%	59.3%	53.8%	57.2%	62.3%
Distribution rate per unit	\$ 0.1325	\$ 0.1300	\$ 0.1300	\$ 0.1300	\$ 0.1287	\$ 0.1262	\$ 0.1262	\$ 0.1262

The REIT's operating results are affected by seasonal variations and other factors. As a result, operating performance and metrics in one quarter may not be indicative of future quarters. The winter months typically generate weaker performance due to higher energy consumption, higher snow clearing costs, and lower suite turnover. The best performing quarters in any given year are typically the second and third quarters, when stronger leasing demand and higher turnover provide an opportunity to realize more of the gain-to-lease potential.

A detailed analysis of the REIT's operating results for Q4 2025 and the impacts on FFO per unit and AFFO per unit can be found in Section I - "Overview - Financial and Operating Highlights - Financial Performance" and the status of the REIT's organic growth initiatives are in Section I - "Financial and Operating Highlights - Execution of Organic Growth Strategy".

¹ Comparative amounts for Q1 2025 and Q2 2025 have been amended to conform presentation and disclosed amounts.

² Including residential properties held for sale for Q4 2024 and Q4 2023.

³ Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures"

⁴ Refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Reconciliation of Non-IFRS Financial Measures and Ratios"

⁵ Includes distributions on Units and Class B LP Units, and excludes special non-cash distributions.

Summary of Annual Results

As at and for the year ended December 31,	2025		2024		2023	
Total assets	\$	2,417,306	\$	2,645,415	\$	2,702,120
Investment properties ¹	\$	2,236,825	\$	2,483,224	\$	2,540,533
Total liabilities	\$	1,605,293	\$	1,529,668	\$	1,624,739
Total non-current liabilities and Class B LP Units	\$	1,393,832	\$	1,297,369	\$	1,487,405
Revenue from investment properties	\$	154,457	\$	157,088	\$	157,925
NOI ²	\$	97,961	\$	100,571	\$	99,168
NOI margin ²		63.4 %		64.0 %		62.8 %
Net (loss) income and comprehensive (loss) income	\$	(244,226)	\$	63,238	\$	(116,659)
FFO ²	\$	56,798	\$	64,719	\$	55,258
FFO per unit ²	\$	0.8982	\$	0.9859	\$	0.8417
Normalized FFO per unit ^{2,3}	\$	0.9628	\$	0.9725	\$	0.8617
AFFO ²	\$	50,008	\$	58,307	\$	48,634
AFFO per unit ²	\$	0.7909	\$	0.8882	\$	0.7408
Normalized AFFO per unit ^{2,3}	\$	0.8611	\$	0.8749	\$	0.7608
Distributions declared ⁴	\$	32,965	\$	33,303	\$	32,328
AFFO Payout Ratio ²		66.1 %		57.1 %		66.5 %
Distribution rate per unit	\$	0.5225	\$	0.5073	\$	0.4925
NAV ²	\$	1,163,054	\$	1,459,319	\$	1,494,097
NAV per unit ²	\$	18.64	\$	22.34	\$	22.76

The REIT began FY 2025 with a portfolio of 28 multi-residential rental properties comprising 7,726⁵ suites across Ottawa, Toronto, Montreal, and Calgary with a value of \$2,483,224. During the year, the REIT acquired a 50% managing ownership interest in the 113-suite Lonsdale Square property in Vancouver and completed the sale of the 241-suite Castleview property in Ottawa, reducing the total suite count to 7,598⁵. The REIT's portfolio also experienced the effects of tightening market rents in certain markets, driven by increased supply deliveries; however, overall operating performance remained stable during the year. FFO and AFFO per unit growth was affected by the Ottawa asset sale, lower finance income due to the repayment of two outstanding CDLs, and higher interest costs driven by additional financings completed in late Q4 2024 and Q2 2025. These factors more than offset Same Property Portfolio NOI growth and the impact of Unit buybacks. Throughout the year, the REIT repurchased Units under its NCIB program; however, NAV per unit continued to be impacted by market conditions and consideration given to the Agreement, resulting in upward pressure on capitalization rates, decreased forecast NOI, and increased capital expense reserve, which affected investment property values.

¹ Including residential properties held for sale for Q4 2024 and Q4 2023.

² Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

³ Refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Reconciliation of Non-IFRS Financial Measures and Ratios"

⁴ Includes distributions on Units and Class B LP Units, and excludes special non-cash distributions.

⁵ Total suites includes 2,777 (December 31, 2024 - 2,664) suites co-owned with institutional partners.

Section III - Assessment of Financial Position

Investment Properties

The following table summarizes the changes in investment properties:

	Residential properties	Commercial properties	Development properties	Total
Balance, December 31, 2024	\$ 2,265,929	\$ 24,976	\$ 123,319	\$ 2,414,224
Additions				
Capital expenditures	36,268	398	—	36,666
Development expenditures	—	—	60,365	60,365
Other	746	1,338	—	2,084
Fair value loss	(243,226)	(5,875)	(27,413)	(276,514)
Balance, December 31, 2025	\$ 2,059,717	\$ 20,837	\$ 156,271	\$ 2,236,825

Disposition of Investment Property

On January 22, 2025, the REIT closed on the disposition of Castlevue in Ottawa for an aggregate sale price of \$69,000 and net cash proceeds of \$33,849, net of mortgages and transaction costs, as described in Section I - "Overview - Outlook - Capital Recycling Program".

Capital Expenditures

The REIT has a capital improvement program in place that is designed to extend the useful life of its investment properties, improve operating efficiency, increase curb appeal, enhance and maintain earnings capacity and meet the expectations of its tenants. The REIT's capital expenditures are classified into two main categories: value-enhancing capital expenditures and maintenance capital expenditures.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Value-enhancing capital expenditures				
Building improvements	\$ 11,058	\$ 11,080	\$ 27,725	\$ 28,650
Suite upgrades	1,181	1,455	3,125	3,702
	12,239	12,535	30,850	32,352
Maintenance capital expenditures	2,072	1,483	5,816	6,112
Total capital expenditures	14,311	14,018	36,666	38,464
Maintenance capital expenditures per suite	\$ 344	\$ 239	\$ 963	\$ 978

Value-enhancing capital expenditures consist of either building improvements or suite upgrades. Building improvements include common area and amenity space upgrades, energy conservation projects, building envelope enhancements, and suite enhancements performed, when necessary, as suites turn over. Suite upgrades represent capital expenditures incurred on larger repositioning programs designed to generate incremental returns. The repositioning programs include full-scale suite renovations that strategically target certain properties or geographic locations, as discussed previously in Section I - "Overview - Financial and Operating Highlights - Value Creation - Repositioning".

Value-enhancing renovations are intended to generate NAV accretion, long-term FFO and AFFO accretion and increase tenant satisfaction, however, they tend to be FFO and AFFO dilutive in the short-term due to vacancy during renovation.

Maintenance capital expenditures include expenditures that are incurred to maintain the existing earning capacity of the REIT's investment properties. Exterior work is highly dependent on favourable weather conditions and, as a result, a significant portion of the exterior work is performed between the months of May and October; therefore, actual maintenance capital expenditures in a given quarter may not be indicative of future quarters.

Maintenance capital expenditures for Q4 2025 and FY 2025 were \$2,072 and \$5,816, or \$344 and \$963 per suite, respectively, and primarily related to the maintenance of common areas, roofing, safety systems, and electrical systems at various buildings.

Management targets approximately \$1,000 per suite on average for maintenance capital expenditures on an annual basis, subject to cost pressures from inflation, availability of trades, and supply chain constraints. Actual maintenance capital expenditures came in slightly favourable to Management's target as certain projects were deferred to 2026.

Development Expenditures

Development expenditures are a component of the REIT's growth and value-creation strategy. These include projects which add to the REIT's existing suite count through intensification or redevelopment of existing assets. Development expenditures are intended to generate NAV accretion and long-term FFO and AFFO accretion. The REIT is currently developing two projects on excess land available at the existing Richgrove and York Mills & Leslie communities and is working through the pre-development phase for a third project at High Park Village, as discussed under Section I - "Overview - Outlook - Development of Purpose-Built Rental Properties and Intensification on Existing Sites". The breakdown of the REIT's share of development expenditures incurred in connection with these projects is as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
610 Martin Grove	\$ 8,519	\$ 11,088	\$ 33,780	\$ 30,375
The Towns at York Mills & Leslie	9,354	5,795	26,239	20,623
High Park Village	115	49	346	378
	\$ 17,988	\$ 16,932	\$ 60,365	\$ 51,376

The construction of 610 Martin Grove continued as planned, with development expenditures in Q4 2025 primarily related to interior finishes. As of December 31, 2025, the REIT had incurred gross project costs of \$101,384, and forecasts \$17,616 in remaining expenditures with stabilization expected in Q4 2026.

Construction at The Towns at York Mills & Leslie also continued to progress, with expenditures primarily related to interior finishes, finishings for the amenity building, and below-grade work for the parking garage for Phase 2. As of December 31, 2025, the gross project costs incurred were \$123,906. Management forecasts \$71,094 in remaining expenditures, with stabilization expected in Q4 2027.¹

In early Q3 2023, the REIT made the strategic decision to postpone the advancement of construction on the High Park Village development. As of December 31, 2025, the total pre-development project costs incurred were \$10,466.¹

Valuation

Refer to Section II - "Review of Financial Performance - Fair Value Gain (Loss) on Investment Properties" for details on the valuation method used for the REIT's investment properties.

Class B LP Units

The Class B LP Units receive distributions equivalent to the distributions paid on Units and are exchangeable at the holder's option into Units. One Special Voting Unit in the REIT is issued to the holder of Class B LP Units for each Class B LP Unit held. The limited IAS 32 exception for presentation as equity does not extend to Class B LP Units. As a result, the Class B LP Units are classified as financial liabilities. Holders of the Class B LP Units may elect to be loaned amounts equal to the amounts which would otherwise have been distributed to them, and have the aggregate amount of those distributions made to them, on the maturity date of the loan, which is on the first business day following the end of the year during which the loan was made.

As at December 31, 2025, there were 25,755,029 (December 31, 2024 - 25,755,029) Class B LP Units outstanding.

¹ Incurred costs and forecast expenditures are presented at 100% rather than the REIT's proportionate share.

Class C LP Units

The Class C LP Units provide for distributions to the holder of such Class C LP Units to be paid in priority to distributions to holders of the Units and Class B LP Units. Due to the nature of such distributions, the Class C LP Units are classified as financial liabilities.

On January 22, 2025, in connection with the sale of Castleview, the REIT redeemed for cancellation 4,130,092 Class C LP Units from the holder of the Class C LP Units for the repayment of the mortgage to which the Class C LP Units relate, for a total cost of \$34,547.

In August 2025, the REIT renewed three maturing mortgages to which Class C LP Units relate. The new mortgages have a weighted average effective interest rate of 3.93% and mature in August 2026.

As at December 31, 2025, there were 21,425,990 (December 31, 2024 - 25,556,082) Class C LP Units outstanding.

At December 31, 2025, the mortgages of investment properties to which the distributions on the Class C LP Units relate had a weighted average effective interest rate of 4.10% (December 31, 2024 - 4.20%) and mature at various dates between 2026 and 2033. The effective interest rate differs from the contractual interest rate as it includes the amortization of mark-to-market adjustments, fees, premiums, and other borrowing costs.

Mortgages and Loans

The REIT maintains mortgages with fixed and variable interest rates that are secured by investment properties and a fixed-rate mortgage-related obligation to a joint venture. At December 31, 2025, the weighted average effective interest rate was 3.57% (December 31, 2024 - 3.46%). The fixed-rate mortgages and the mortgage-related obligation mature at various dates between 2026 and 2035. The REIT's fixed-rate mortgages include a variable-rate mortgage that is fixed at 3.38% through an interest rate swap.

In April 2025, the REIT upward refinanced a maturing mortgage for net proceeds of \$9,006. The new CMHC-insured mortgage of \$32,615 has an effective interest rate of 4.08% and matures in September 2035. In addition, the REIT refinanced a conventional mortgage of \$18,351 at an effective interest rate of 4.36% which matures in January 2028.

The REIT has a fixed-rate non-revolving construction loan to finance its 610 Martin Grove development. The \$93,745 construction loan bears interest at 2.39% and matures on March 1, 2032. As at December 31, 2025, \$66,618 (December 31, 2024 - \$40,403) was drawn. Payments are made monthly on an interest-only basis.

In December 2025, the REIT obtained a variable-rate construction loan commitment of \$48,700 and as at December 31, 2025, \$9,582 (December 31, 2024 - \$nil) was drawn. The variable-rate construction loan is used to finance the construction of The Towns at York Mills & Leslie. The loan bears interest at Adjusted Canadian Overnight Repo Rate Average ("Adjusted CORRA") plus 200 basis points or prime plus 100 basis points and matures on October 31, 2028. At December 31, 2025, the weighted average variable interest rate was 4.56%.

Credit Facility

As at December 31, 2025, the REIT had available credit under its revolving credit facility of \$150,000 (December 31, 2024 - \$208,344), which is the lesser of the total commitment and the lending value. In Q2 2025, the REIT amended the terms of its revolving credit facility to extend the maturity date to May 30, 2028 and reduced the commitment to \$150,000. This reduced the REIT's interest costs by decreasing the standby fees the REIT pays while the availability remains sufficient to maintain financial flexibility and to continue to capitalize on opportunities to drive long-term NAV growth. The revolving credit facility is secured by several investment properties and is used to fund working capital requirements, acquisitions, letters of credit and for general corporate purposes. The revolving credit facility bears interest at the one-month Adjusted CORRA plus 175 bps or prime plus 75 bps. As at December 31, 2025, the weighted average variable interest rate was 4.31% (December 31, 2024 - 5.42%).

As at	December 31, 2025	December 31, 2024
Committed	\$ 150,000	\$ 300,000
Available	150,000	208,344
Utilized		
Amounts drawn	37,000	24,500
Letter of credit	2,022	2,022
	39,022	26,522
Undrawn amount available	\$ 110,978	\$ 181,822

Units

	Units	\$
Authorized	Unlimited	
Units issued and outstanding:		
Balance, December 31, 2024	39,578,819	\$ 735,311
Cancellation of Units under normal course issuer bid	(2,945,742)	(54,727)
Units issued in special non-cash distribution, net of issue costs	575,703	7,683
Consolidation of units issued pursuant to special non-cash distribution	(575,703)	—
Balance, December 31, 2025	36,633,077	\$ 688,267

Normal Course Issuer Bid

Under a previous NCIB which expired on September 26, 2025, the REIT purchased and cancelled 2,945,742 Units at a weighted average purchase price of \$13.29 per Unit, for a total cost including transaction costs of \$39,989 during the year ended December 31, 2025.

On September 26, 2025, the TSX accepted the REIT's notice to make an NCIB which is active from October 1, 2025 to September 30, 2026. The NCIB permits the REIT to acquire up to 3,471,354 Units, representing approximately 10% of its public float, and up to 34,984 Units on any given trading day.

Special Distribution

Details on the REIT's special distribution recorded on December 31, 2025 can be found in Section I - "Overview - Financial and Operating Highlights - Special Distribution".

Distributions

Distributions are paid monthly to Unitholders of record at the close of business on the last day of a month, on or about the 15th day of the following month. Distributions must be approved by the Board of Trustees and are subject to change depending on the general economic outlook and financial performance of the REIT.

For Q4 2025 and FY 2025, distributions to Unitholders of \$4,854 and \$19,509 (Q4 2024 and FY 2024 - \$5,115 and \$20,233) were declared, based on approved monthly distributions of \$0.04333 (2024 - \$0.04208) per Unit for the months of January to October and \$0.04458 (2024 - \$0.04333) for the months of November to December.

On November 4, 2025, the REIT's Board of Trustees approved a 2.9% increase to the REIT's annual distribution, as described in Section I - "Overview - Financial and Operating Highlights - Seventh Consecutive Annual Distribution Increase".

The REIT intends to continue paying its regular monthly cash distribution of \$0.04458 per Unit through to closing of the Arrangement.

Section IV - Liquidity, Capital Resources and Contractual Commitments

Liquidity and Capital Resources

The REIT's capital structure, shown in the table below, is Class B LP Units, Class C LP Units, mortgages, a mortgage-related obligation to a joint venture, construction loans, a credit facility and Unitholders' equity.

As at	December 31, 2025		December 31, 2024	
Liabilities (principal amounts outstanding):				
Class B LP Units	\$	351,041	\$	343,572
Class C LP Units		174,964		214,169
Mortgages		846,840		851,822
Mortgage-related obligation to joint venture		52,578		—
Construction loans		76,200		40,403
Credit facility		37,000		24,500
		1,538,623		1,474,466
Unitholders' equity		812,013		1,115,747
	\$	2,350,636	\$	2,590,213

Class B LP Units are economically equivalent to Units and are exchangeable for Units at the Class B LP Unitholder's option. Due to their exchange feature, IAS 32 requires Class B LP Units to be accounted for as a financial liability. Class B LP Units are not indebtedness for borrowed money and are not included in the determination of Debt-to-Gross Book Value ratio.

The objective of the REIT's capital strategy is to arrange capital at the lowest possible cost while maintaining diversity in its lending base, balance in its maturity schedule, and sufficient liquidity to fund the ongoing operations of the REIT and pay distributions. At December 31, 2025, on a Proportionate Share Basis, 87% (December 31, 2024 - 85%) of the REIT's Total Debt was CMHC insured and approximately 96% (December 31, 2024 - 95%) was fixed rate, including variable-rate debt fixed through an interest rate swap.

The REIT uses a prudent amount of debt financing in its capital structure. Pursuant to the REIT's DOT, overall indebtedness, as measured by the Debt-to-Gross Book Value ratio, is not to exceed 65% (or 70% of Gross Book Value including convertible debentures). Notwithstanding this limit, it is Management's current intention to maintain a more conservative Debt-to-Gross Book Value ratio. The REIT's Proportionate Debt-to-Gross Book Value ratio and liquidity as a percentage of Total Debt are calculated as follows:

As at	December 31, 2025		December 31, 2024	
Class C LP Units	\$	174,864	\$	214,290
Mortgages		841,617		846,079
Construction loans		76,200		40,403
Credit facility		37,000		24,500
Mortgage held by joint venture		52,578		—
Total Debt - Proportionate Share Basis ¹		1,182,259		1,125,272
Total assets		2,417,306		2,645,415
Adjustment to include the REIT's share of total assets in joint venture		320		—
Total assets - Proportionate Share Basis ¹		2,417,626		2,645,415
Proportionate Debt-to-Gross Book Value ratio¹		48.9 %		42.5 %
Total liquidity - Proportionate Share Basis ¹	\$	116,678	\$	187,700
Total liquidity as a percentage of Total Debt - Proportionate Share Basis¹		9.9 %		16.7 %

¹ Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

The REIT continues to maintain a conservative overall leverage position with a Proportionate Debt-to-Gross Book Value ratio of 48.9% at December 31, 2025.

While the REIT has sufficient liquidity, Management oversees its liquidity prudently given the current capital market conditions. The REIT's liquidity ratio (Total liquidity as a percentage of Total Debt) was 9.9% on a Proportionate Share Basis at December 31, 2025, compared to 16.7% at December 31, 2024.

Management measures the Proportionate Debt-to-Adjusted EBITDA ratio as a measure of the REIT's financial health and liquidity. Generally, the lower the ratio, the lower the credit risk. The REIT's Proportionate Debt-to-Adjusted EBITDA ratio is calculated as follows:

As at		December 31, 2025	December 31, 2024
<i>Trailing 12-month:</i>			
NOI	\$	97,961	\$ 100,571
General and administrative expenses		(13,992)	(10,061)
Finance income		6,667	7,873
Fees and other income		3,066	3,452
		93,702	101,835
Transaction costs in connection with the Arrangement		4,080	—
Impact on NOI of stabilized earnings from dispositions and acquisitions		1,240	(404)
Adjusted EBITDA¹	\$	99,022	\$ 101,431
Total Debt - Proportionate Share Basis ¹		1,182,259	1,125,272
Cash - Proportionate Share Basis ¹		5,700	5,878
Total Debt, net of cash - Proportionate Share Basis ¹	\$	1,176,559	\$ 1,119,394
Proportionate Debt-to-Adjusted EBITDA ratio¹		11.88x	11.04x

The REIT's Proportionate Debt-to-Adjusted EBITDA ratio increased by 0.84x compared to December 31, 2024 as operating performance was offset by the increase in Total Debt on a Proportionate Share Basis driven by the mortgage associated with Lonsdale Square, the new variable-rate construction loan associated with The Towns at York Mills & Leslie, additional draws on the 610 Martin Grove construction loan and additional draws on the revolving credit facility, partially offset by the redemption of Class C LP Units in connection with the sale of Castleview. The REIT uses a combination of equity and debt to finance the intensification of existing sites (refer to Section I - "Overview - Outlook - Development of Purpose-Built Rental Properties and Intensification on Existing Sites"). Any increased debt arising from these transactions may not be immediately matched by increased NOI until the development projects stabilize, resulting in a temporary increase to the Debt-to-Adjusted EBITDA ratio.

The REIT has staggered the maturities of its debt financings, including distributions payable on the Class C LP Units, to reduce interest rate risk and its risk related to refinancing. As at December 31, 2025, the weighted average term to maturity on Term Debt was 4.83 years (December 31, 2024 - 5.04 years) and the weighted average effective interest rate on Term Debt was 3.65% (December 31, 2024 - 3.61%) on a Proportionate Share Basis.

The contractual payments under the REIT's debt financing on a Proportionate Share Basis are summarized in the table below:

Year	Principal Repayments		Principal at Maturity and Weighted Average Effective Interest Rate						Total	% of Total	
	Mortgages	Class C LP Units	Mortgages	Class C LP Units	Credit facility	Construction loans					
2026	\$ 14,823	\$ 3,778	\$ 72,524	3.12%	\$ 57,825	3.93%	\$ —	\$ —	—%	\$ 148,950	12.5%
2027	14,640	2,079	—	—%	21,425	3.05%	—	—	—%	38,144	3.2%
2028	13,483	1,391	108,083	4.28%	—	—%	37,000	9,582	4.56%	169,539	14.3%
2029	12,411	1,311	177,666	3.52%	9,680	5.41%	—	—	—%	201,068	16.9%
2030	8,046	1,132	162,943	2.45%	11,292	3.49%	—	—	—%	183,413	15.4%
2031	4,400	919	—	—%	—	—%	—	—	—%	5,319	0.5%
Thereafter	8,792	1,457	301,607	4.08%	62,675	4.50%	—	66,618	2.39%	441,149	37.2%
	\$ 76,595	\$ 12,067	\$ 822,823		\$ 162,897		\$ 37,000	\$ 76,200		\$ 1,187,582	100.0%

¹ Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

As at December 31, 2025, the weighted average interest rate of the variable-rate revolving credit facility was 4.31%.

As of December 31, 2025, current liabilities, excluding Class B LP Units which are exchangeable for Units, of \$211,461 (December 31, 2024 - \$232,299) exceeded current assets of \$105,825 (December 31, 2024 - \$95,926), resulting in a net working capital deficit of \$105,636 (December 31, 2024 - \$136,373). Current liabilities as of December 31, 2025 include \$130,349 (December 31, 2024 - \$125,990) of debt financing which the REIT is actively in the process of refinancing.

The REIT's immediate liquidity needs are met through cash-on-hand, cash flow from operations, refinancing of maturing mortgages, draws on construction loans and availability on its revolving credit facility. As of December 31, 2025, liquidity was \$116,144 (December 31, 2024 - \$187,700), consisting of cash of \$5,166 (December 31, 2024 - \$5,878) and \$110,978 (December 31, 2024 - \$181,822) of available borrowing capacity under the revolving credit facility. Management believes there is sufficient liquidity to meet the REIT's financial obligations.

Cash Flows

As at December 31, 2025, the REIT held a cash balance of \$5,166 (December 31, 2024 - \$5,878). The sources and use of cash flow for the three months and years ended December 31, 2025 and 2024 are as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Operating activities	\$ 27,446	\$ 29,751	\$ 95,956	\$ 95,870
Financing activities	(2,561)	(972)	(113,321)	(110,013)
Investing activities	(27,838)	(29,044)	16,653	16,281

Cash Provided by Operating Activities and Cash Distributions

The following table outlines the differences between cash from operating activities, net income and cash distributions in accordance with National Policy 41-201, *Income Trusts and Other Indirect Offerings*:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Net (loss) income and comprehensive (loss) income	\$ (228,597)	\$ 91,093	\$ (244,226)	\$ 63,238
Add: distributions on Class B LP Units	3,412	6,190	13,456	13,070
	(225,185)	97,283	(230,770)	76,308
Less: distributions paid ¹	(8,188)	(5,461)	(37,834)	(28,415)
(Shortfall) excess of net (loss) income and comprehensive (loss) income over total distributions paid	\$ (233,373)	\$ 91,822	\$ (268,604)	\$ 47,893
Cash provided by operating activities	27,446	29,751	95,956	95,870
Add: interest received	35	283	5,696	1,362
Less: interest paid	(10,311)	(10,191)	(40,339)	(40,346)
	17,170	19,843	61,313	56,886
Less: distributions paid ¹	(8,188)	(5,461)	(37,834)	(28,415)
Excess of cash provided by operating activities over total distributions and interest paid	8,982	14,382	23,479	28,471
Distributions declared	\$ 8,266	\$ 11,305	\$ 32,965	\$ 33,303

For Q4 2025 and FY 2025, distributions paid exceeded net loss and comprehensive loss. Distributions are better evaluated in the context of operating cash flows rather than net income, as net income is impacted by several non-cash items, including fair value gains or losses on investment properties, Class B LP Units, Unit-based compensation, interest rate swap and income from investment in a joint venture, among others.

¹ Distributions paid on REIT Units and Class B LP Units.

While cash flows provided by operating activities are generally sufficient to cover distribution requirements, the timing of expenses may result in a temporary shortfall. In these cases, some portion of distributions may come from the REIT's capital or financing sources. For Q4 2025 and FY 2025, cash provided by operating activities was in excess of total distributions and interest paid.

Cash Used in Financing Activities

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Proceeds from construction loans	\$ 17,154	\$ 9,036	\$ 35,797	\$ 25,248
Proceeds from forgivable loan	—	—	2,250	—
Proceeds from mortgage refinancing	—	95,102	33,070	95,102
Net proceeds from (repayments on) credit facility	4,375	(75,424)	12,500	(115,736)
Principal repayments on mortgages	(3,833)	(3,584)	(15,309)	(14,203)
Contributions to joint venture relating to principal repayments	(90)	—	(326)	—
CMHC premiums and financing costs	(506)	(4,447)	(1,980)	(4,502)
Mortgage payments on disposition	—	—	—	(9,659)
Mortgage payments on refinancing	—	—	(22,743)	—
Redemption of Class C LP Units	—	—	(34,547)	—
Distributions on various classes of units	(9,332)	(6,722)	(42,492)	(41,175)
Interest paid	(10,311)	(10,191)	(40,339)	(40,346)
Purchase and cancellation of Units	(18)	(4,742)	(39,202)	(4,742)
	\$ (2,561)	\$ (972)	\$ (113,321)	\$ (110,013)

For Q4 2025, cash flows used in financing activities included interest paid, distributions on various classes of units, principal repayments on mortgages, CMHC premiums and financing costs, contributions to the joint venture relating to principal repayments, and the additional fees associated with the purchase and cancellation of Units under the NCIB program. These outflows were partially offset by draws on the construction loans and net draws on the revolving credit facility.

For FY 2025, cash flows used in financing activities included distributions on various classes of units, interest paid, the purchase and cancellation of Units under the NCIB program, the redemption of Class C LP Units in connection with the Castleview sale, mortgage payments on refinancing, principal repayments on mortgages, CMHC premiums and financing costs, and contributions to the joint venture relating to principal repayments. These outflows were partially offset by draws on the construction loans, proceeds from mortgage refinancing, net proceeds from the credit facility, and an advance on the forgivable loan associated with the 610 Martin Grove development.

Cash (Used in) Provided by Investing Activities

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Capital additions to investment properties	\$ (14,539)	\$ (12,967)	\$ (39,245)	\$ (39,551)
Development expenditures	(13,534)	(13,459)	(50,131)	(40,768)
Contributions to joint venture	—	—	(664)	—
Distributions received from joint venture	200	—	200	—
Loan advances to related parties	—	—	—	(14,351)
Loan repayments from related parties	—	—	28,163	30,056
Net proceeds on disposition of investment properties	—	—	67,815	84,352
Loan repayments from (advances to) Class B LP Unitholders	—	(2,901)	4,819	(4,819)
Interest received	35	283	5,696	1,362
	\$ (27,838)	\$ (29,044)	\$ 16,653	\$ 16,281

Cash flows used in investing activities for Q4 2025 included capital expenditures for investment properties and development expenditures related to three ongoing development projects, partially offset by distributions received from the joint venture and interest received, primarily from CDLs.

Cash flows provided by investing activities for FY 2025 included net proceeds from the sale of Castlevue, the repayments of CDLs associated with Lonsdale Square and The Hyland, interest received from primarily from CDLs, and the loan repayment from a holder of Class B LP Units. These inflows were partially offset by development expenditures related to three ongoing development projects, capital expenditures for investment properties, and contributions to the joint venture.

Reconciliation of Non-IFRS Financial Measures and Ratios

The following section includes reconciliations of Non-IFRS Financial Measures and Ratios used by the REIT. Refer to Section VI - "Supplemental Information - Non-IFRS and Other Financial Measures" for definitions of each of these measures.

FFO and AFFO

FFO and AFFO are non-IFRS financial measures. The REIT's method of calculating FFO and AFFO is substantially in accordance with the recommendations of the Real Property Association of Canada (REALPAC), but may differ from other issuers' methods and, accordingly, may not be comparable to FFO and AFFO reported by other issuers. FFO and AFFO are used for evaluating operating performance and are calculated as follows:

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net (loss) income and comprehensive (loss) income	\$ (228,597)	\$ (30,206)	\$ (1,090)	\$ 15,667	\$ 91,093	\$ (41,851)	\$ 32,790	\$ (18,794)
Distributions on Class B LP Units	3,412	3,348	3,348	3,348	6,190	377	3,252	3,251
Disposition costs on investment property	—	—	—	604	—	—	—	615
Fair value loss (gain) on:								
Investment properties	240,084	47,729	(2,422)	(8,877)	11,732	2,582	8,360	38,605
Class B LP Units	(3,863)	(7,727)	14,166	4,893	(91,430)	54,343	(27,558)	(8,499)
Interest rate swap	111	134	70	276	205	766	333	(58)
Unit-based compensation	(30)	(314)	152	19	(1,962)	986	(528)	(81)
Adjustment for equity-accounted entity	(27)	3,300	919	(1,629)	—	—	—	—
Funds from operations (FFO)	\$ 11,090	\$ 16,264	\$ 15,143	\$ 14,301	\$ 15,828	\$ 17,203	\$ 16,649	\$ 15,039
Maintenance capital expenditure reserve	(1,507)	(1,507)	(1,506)	(1,519)	(1,514)	(1,514)	(1,514)	(1,539)
Amortization of mark-to-market adjustments	(61)	(67)	(89)	(72)	(74)	(74)	(72)	(73)
Commercial straight-line rent adjustments	(37)	(26)	(20)	(19)	(7)	(8)	(23)	—
Direct leasing costs	(173)	—	(187)	—	—	—	—	—
Adjusted funds from operations (AFFO)	\$ 9,312	\$ 14,664	\$ 13,341	\$ 12,691	\$ 14,233	\$ 15,607	\$ 15,040	\$ 13,427
Weighted average number of Units and Class B LP Units issued and outstanding	62,388,106	62,456,164	63,333,111	64,788,348	65,586,166	65,671,690	65,669,554	65,659,537
FFO per unit	\$ 0.1778	\$ 0.2604	\$ 0.2391	\$ 0.2207	\$ 0.2413	\$ 0.2620	\$ 0.2535	\$ 0.2290
AFFO per unit	\$ 0.1493	\$ 0.2348	\$ 0.2106	\$ 0.1959	\$ 0.2170	\$ 0.2377	\$ 0.2290	\$ 0.2045
Distribution rate per unit	\$ 0.1325	\$ 0.1300	\$ 0.1300	\$ 0.1300	\$ 0.1287	\$ 0.1262	\$ 0.1262	\$ 0.1262
AFFO Payout Ratio	88.7%	55.4%	61.7%	66.4%	59.3%	53.1%	55.1%	61.7%
Normalized FFO per unit	\$ 0.2432	\$ 0.2604	\$ 0.2391	\$ 0.2207	\$ 0.2413	\$ 0.2588	\$ 0.2452	\$ 0.2272
Normalized AFFO per unit	\$ 0.2174	\$ 0.2348	\$ 0.2136	\$ 0.1959	\$ 0.2170	\$ 0.2345	\$ 0.2207	\$ 0.2026
Normalized AFFO Payout Ratio	60.9%	55.4%	60.9%	66.4%	59.3%	53.8%	57.2%	62.3%

For Q4 2025, FFO and AFFO were lower compared to the previous year, as detailed in Section I - "Overview - Financial and Operating Highlights - Financial Performance".

	December 31, 2025	December 31, 2024	December 31, 2023
Net (loss) income and comprehensive (loss) income	\$ (244,226)	\$ 63,238	\$ (116,659)
Distributions on Class B LP Units	13,456	13,070	12,683
Disposition costs on investment property	604	615	1,402
Fair value loss (gain) on:			
Investment properties	276,514	61,279	101,627
Class B LP Units	7,469	(73,144)	54,858
Interest rate swap	591	1,246	751
Unit-based compensation	(173)	(1,585)	596
Adjustment for equity-accounted entity	2,563	—	—
Funds from operations (FFO)	\$ 56,798	\$ 64,719	\$ 55,258
Maintenance capital expenditure reserve	(6,039)	(6,081)	(6,036)
Amortization of mark-to-market adjustments	(289)	(293)	(588)
Commercial straight-line rent adjustments	(102)	(38)	—
Direct leasing costs	(360)	—	—
Adjusted funds from operations (AFFO)	\$ 50,008	\$ 58,307	\$ 48,634
Weighted average number of Units and Class B LP Units issued and outstanding	63,232,705	65,646,639	65,647,644
FFO per unit	\$ 0.8982	\$ 0.9859	\$ 0.8417
AFFO per unit	\$ 0.7909	\$ 0.8882	\$ 0.7408
Distribution rate per unit	\$ 0.5225	\$ 0.5073	\$ 0.4925
AFFO Payout Ratio	66.1%	57.1%	66.5%
Normalized FFO per unit	\$ 0.9628	\$ 0.9725	\$ 0.8617
Normalized AFFO per unit	\$ 0.8611	\$ 0.8749	\$ 0.7608
Normalized AFFO payout ratio	60.7%	58.0%	64.7%

Normalized FFO and Normalized AFFO per unit FY 2025 decreased by 1.0% and 1.6%, respectively, compared to FY 2024, as detailed in Section I - "Overview - Financial and Operating Highlights - Financial Performance".

Maintenance capital expenditures include expenditures that are incurred in order to maintain the existing earning capacity of the REIT's investment properties. The maintenance capital expenditure reserve amount included in the AFFO calculation was based on the REIT's expectation of spending approximately \$1,000 per suite in 2025. Refer to Section III - "Assessment of Financial Position - Investment Properties - Capital Expenditures" for a more detailed discussion of maintenance capital expenditures.

Certain nonrecurring items on the REIT's consolidated statements of net (loss) income and comprehensive (loss) income are not indicative of the REIT's overall operating performance. Excluding the impact of these items, Q4 2025 Normalized FFO per unit and Normalized AFFO per unit grew slightly by 0.8% and 0.2%, respectively, compared to Q4 2024. FY 2025 Normalized FFO per unit and Normalized AFFO per unit decline was 1.0% and 1.6%, respectively, compared to FY 2024. These adjustments are detailed below:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
FFO	\$ 11,090	\$ 15,828	\$ 56,798	\$ 64,719
AFFO	9,312	14,233	50,008	58,307
Normalizing Items - FFO				
Transaction costs in connection with the Arrangement	4,080	—	4,080	—
Insurance recoveries	—	—	—	(875)
	4,080	—	4,080	(875)
Normalized FFO	15,170	15,828	60,878	63,844
Normalized FFO per unit	\$ 0.2432	\$ 0.2413	\$ 0.9628	\$ 0.9725
Normalizing Items - AFFO				
Direct leasing costs	173	—	360	—
Total Normalizing items	4,253	—	4,440	(875)
Normalized AFFO	13,565	14,233	54,448	57,432
Normalized AFFO per unit	\$ 0.2174	\$ 0.2170	\$ 0.8611	\$ 0.8749
Distribution rate per unit	\$ 0.1325	\$ 0.1287	\$ 0.5225	\$ 0.5073
Normalized AFFO Payout Ratio	60.9 %	59.3 %	60.7 %	58.0 %

NOI and NOI Margin

Same Property Portfolio

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Revenue from investment properties	\$ 38,691	\$ 38,057	\$ 153,920	\$ 151,014
Operating expenses	14,069	14,095	56,161	54,373
NOI	\$ 24,622	\$ 23,962	\$ 97,759	\$ 96,641
NOI margin	63.6 %	63.0 %	63.5 %	64.0 %

Total Portfolio

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Revenue from investment properties	\$ 38,915	\$ 39,434	\$ 154,457	\$ 157,088
Operating expenses	14,259	14,578	56,496	56,517
NOI	\$ 24,656	\$ 24,856	\$ 97,961	\$ 100,571
NOI margin	63.4 %	63.0 %	63.4 %	64.0 %

Proportionate Financial Measures and Ratios

Proportionate financial measures and ratios represent financial information adjusted to reflect the REIT's effective ownership share of joint venture results on a proportionately consolidated basis. This adjustment addresses the accounting difference arising from the use of the equity method for joint ventures under IFRS.

Proportionate Debt-to-Gross Book Value Ratio

Refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Liquidity and Capital Resources" for a reconciliation of Proportionate Debt-to-Gross Book Value ratio.

Proportionate Debt Service Coverage Ratio

The Proportionate Debt Service Coverage ratio is calculated as follows:

Year ended	December 31, 2025		December 31, 2024	
<i>Proportionate Share Basis:</i>				
NOI - Proportionate Share Basis	\$	99,492	\$	100,571
Interest expense and standby fees on credit facility		1,552		6,577
Distributions on Class C LP Units:				
Principal repayments		4,658		5,169
Contractual interest expense		7,034		8,453
Mortgages and construction loans:				
Principal repayments		15,636		14,203
Contractual interest expense		31,792		25,613
Total debt service - Proportionate Share Basis	\$	60,672	\$	60,015
Proportionate Debt Service Coverage ratio		1.64x		1.68x

Proportionate Debt Service Coverage ratio is a measure used by Management to assess the REIT's ability to pay both interest and principal on its Class C LP Units, mortgages and construction loans. Proportionate figures above include: NOI of \$1,531, contractual interest expense of \$1,956 and principal repayments of \$326 from LSLP. Generally, a higher ratio indicates lower credit risk. The decrease in Proportionate Debt Service Coverage ratio from the year ended December 31, 2024 was primarily a result of higher interest expense on mortgages from upward financings completed in Q4 2024 and Q2 2025, coupled with the acquisition LSLP and decreased NOI, partially offset by a decrease in interest costs on the variable-rate revolving credit facility due to a lower average outstanding balance, and lower Class C LP Unit distributions associated with contractual interest expense following the sale of Castleview.

Proportionate Debt-to-Adjusted EBITDA Ratio

Refer to Section IV - "Liquidity, Capital Resources and Contractual Commitments - Liquidity and Capital Resources" for a reconciliation of Proportionate Debt-to-Adjusted EBITDA ratio.

NAV and NAV per unit

As at	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2023
Net assets (Unitholders' equity)	\$ 812,013	\$ 1,045,492	\$ 1,115,747	\$ 1,077,381
Add: Class B LP Units	351,041	354,904	343,572	416,716
NAV	\$ 1,163,054	\$ 1,400,396	\$ 1,459,319	\$ 1,494,097
Number of Units and Class B LP Units	62,388,106	62,388,106	65,333,848	65,653,641
NAV per unit	\$18.64	\$22.45	\$22.34	\$22.76

NAV and NAV per unit are used by Management to assess the REIT's value and value per unit. Refer to Section I - "Overview - Financial and Operating Highlights - NAV per unit" for analysis.

Section V - Accounting Estimates and Policies, Controls and Procedures and Risk Analysis

Critical Judgments in Applying Accounting Policies

The following are the significant judgments that have been made in applying the REIT's accounting policies:

Investment property acquisitions

The REIT must assess whether an acquisition transaction should be accounted for as an asset acquisition or a business combination under IFRS 3, Business Combinations ("IFRS 3"). This assessment requires the REIT to make judgments on whether the assets acquired and liabilities assumed constitute a business as defined in IFRS 3 and if the integrated set of activities, including inputs and processes acquired, are capable of being conducted and managed as a business and the REIT obtains control of the business.

Income taxes

The REIT is a "mutual fund trust" and a "real estate investment trust" as defined in the Income Tax Act (Canada). The REIT is not liable to pay Canadian income taxes provided that its taxable income is fully distributed to Unitholders each year. The REIT is a "real estate investment trust" if it meets the prescribed conditions under the Income Tax Act (Canada) relating to the nature of its assets and revenue. The REIT uses judgment in reviewing the real estate investment trust conditions and assessing their interpretation and application to the REIT's assets and revenue, and it has determined that it qualifies as a "real estate investment trust" for the current period.

Interest in joint arrangements

The REIT assesses whether an arrangement should be accounted for as a joint operation or a joint venture under IFRS 11, *Joint Arrangements*. This assessment requires the REIT to make judgments on whether the REIT's rights and obligations arising from the arrangement constitute a joint operation or a joint venture.

Recognition of government grants

For acquired residential properties financed through forgivable loans, the REIT assesses whether throughout the remaining term of forgivable loans the REIT is expected to meet the conditions for forgiveness, that the outflow of economic resources is not probable and that in accordance with IAS 37 – Provision, Contingent Liabilities and Contingent Assets no financial liability is required to be recorded. For development properties financed through forgivable loans, the REIT assesses whether throughout the remaining term of the forgivable loans there is reasonable assurance that the REIT will meet the conditions for forgiveness. If they do, the balance to be forgiven is recognized over time in the consolidated statements of net income and comprehensive income.

Critical Accounting Estimates and Assumptions

The REIT makes estimates and assumptions that affect the carrying amounts of assets and liabilities and the reported amount of income for the period. Actual results could differ from estimates. The estimates and assumptions that have the most significant effect on the reported amounts in the consolidated financial statements include:

Residential Investment properties valuation

In applying the REIT's policy with respect to investment properties, significant accounting estimates and assumptions are required to determine the valuation of the residential properties under the fair value model. Significant accounting estimates and assumptions used in the REIT's internal valuation model include the estimated 12 month stabilized forecasted NOI for each property and the capitalization rates that reflect the characteristics, location and market for each property.

The REIT's business faces risk from prominent economic factors, including an increase of supply in the multi-residential rental market, economic growth, the interest rate environment, and inflation, among other factors. The REIT has used all information available as at December 31, 2025 that it considers relevant in determining the potential impact of these economic factors on the carrying amounts of assets and liabilities, earnings for the period and risks disclosed in the consolidated financial statements for the year ended December 31, 2025. The estimates and judgements that could be most significantly impacted by economic factors include those underlying the valuation of investment properties. Actual results could differ from those estimates. The REIT continues to monitor and assess the impact that economic factors will have on its business activities and financial results.

Risks and Uncertainties

Risks and Uncertainties Related to the Arrangement

There can be no certainty that all conditions precedent to the Arrangement will be satisfied or waived. Failure to complete the Arrangement could negatively impact the market price of the Units or otherwise adversely affect the business of the REIT.

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside of the control of the REIT, Crestpoint, MPI and the General Partner, including receipt of the requisite unitholder approval, receipt of the required regulatory approvals and the required lender and/or CMHC consents, court approval, and the satisfaction of other customary closing conditions. In addition, the completion of the Arrangement by Crestpoint and MPI is conditional on, among other things, dissent rights not having been exercised by the holders of more than 10% of the issued and outstanding Units, no Material Adverse Effect (as defined in the Arrangement Agreement) having occurred since the date of the Arrangement Agreement that is continuing as of the Closing (as defined in the Arrangement Agreement) and the REIT having complied with its obligations to cause the deposit of the MALP Loan Amount (as defined in the Arrangement Agreement) with the Depositary (as defined in the Arrangement Agreement). There can be no certainty, nor can the REIT, Crestpoint, MPI or the General Partner, provide any assurance, that these conditions will be satisfied or waived or, if satisfied or waived when they will be satisfied or waived. Moreover, a substantial delay in obtaining satisfactory approvals and/or the imposition of unfavourable terms or conditions in the approvals to be obtained could have an adverse effect on the business, financial condition or results of operations of the REIT or could result in the termination of the Arrangement Agreement and the Arrangement not being completed.

Refer to the risk factors and defined terms related to the Arrangement as set out in the management information circular dated January 29, 2026 and available on SEDAR+ at www.sedarplus.ca.

Risks and Uncertainties Related to the Business of the REIT

The REIT faces a variety of diverse risks, many of which are inherent in the business conducted by the REIT. They include the following:

Current Economic Environment

The REIT is subject to risks involving the economy in general, including inflation, deflation or stagflation, unemployment, geopolitical issues and international trade disputes and protection measures (including tariffs) or changes to existing trade agreements, as well as local, regional, national, or international outbreaks of contagious diseases adversely affecting economic conditions. Poor economic conditions could adversely affect the REIT's revenues, thereby reducing its operating income and earnings and harming the REIT's financial condition. In weak economic environments, the REIT's tenants may be unable to meet their rental payments and other obligations, which could have a material adverse effect on the REIT. The cost of construction materials may be affected by additional trade barriers resulting in increased capital and development expenditures and adversely affecting returns from value-add capital spending and intensification projects. Fluctuations in interest rates or other financial market volatility may adversely affect financing costs on variable-rate debt as well as the REIT's ability to refinance existing indebtedness at maturity or on terms as favourable as those of the existing indebtedness. These factors may negatively impact AFFO, restrict the availability of financing for prospective purchasers of the REIT's investments, reduce the value of such investments, or adversely affect the REIT's ability to complete acquisitions on financially desirable terms.

Access to Capital

The real estate industry is highly capital intensive. The REIT will require access to capital to fund its growth strategy and certain capital expenditures from time to time. There can be no assurances that the REIT will have access to sufficient capital or access to capital on terms favourable to the REIT for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. Market conditions and unexpected volatility or illiquidity in financial markets may inhibit the REIT's access to financing in the Canadian equity capital markets. As a result, it is possible that financing which the REIT may require in order to grow and expand its operations, upon the expiry of the term of financing, upon refinancing any particular property owned by the REIT or otherwise, may not be available or, if it is available, may not be available on favourable terms to the REIT. It is also possible that the REIT may not be able to secure upward refinancing for its properties when refinancing existing debt, which is an important part of the REIT's capital strategy. Failure by the REIT to access required capital could have a material adverse effect on the REIT's business, cash flows, financial condition and financial performance and ability to make distributions to Unitholders.

Real Estate Industry Risk

Real estate investments are generally subject to varying degrees of risk depending on the nature of the property. These risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations (such as new or revised residential tenant legislation or regulations affecting the availability and cost of CMHC mortgage insurance), the attractiveness of the properties to tenants, competition from others with available space and the ability of the owner to provide adequate maintenance at an economic cost. The performance of the economy in each of the areas in which the REIT's properties are located, including the financial results and labour decisions of major local employers, can have an impact on revenues from the properties and their underlying values.

An investment in real estate is relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may limit the REIT's ability to vary its Portfolio promptly in response to changing economic, investment or other conditions. If it were necessary to accelerate the liquidation of the REIT's real property investments, the proceeds to the REIT might be significantly less than the aggregate carrying or Net Asset Value of its properties. The REIT's exposure to general risks associated with real estate investments is mitigated by its geographic diversification.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made regardless of whether or not a property is producing sufficient income to service these expenses. The REIT's properties are subject to mortgages, which require significant debt service payments. If the REIT were unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or of sale.

Many of the REIT's properties were constructed in the 1960's and 1970's and require ongoing capital expenditures. While Management has implemented comprehensive property maintenance programs and monitors property conditions constantly, annual maintenance expenditure requirements could exceed the REIT's existing reserve estimates which could have a material adverse effect upon distributable income.

The nature of the REIT's business is such that refurbishment and structural repairs are required periodically, in addition to regular on-going maintenance.

Increased Supply Risk

Each segment of the real estate business is competitive. Numerous other residential developers and apartment owners compete in seeking tenants. Although the REIT's strategy is to own multi-residential properties in desirable locations in each market in which it operates, some of the properties of the REIT's competitors may be newer, better located or better capitalized. In addition, the desirability of property locations may change over time. The existence of alternative housing could have a material adverse effect on the REIT's ability to lease space in its properties and on the rents charged or concessions granted, and could adversely affect the REIT's revenues and its ability to meet its obligations.

Rent Control Risk

Rent control exists in some provinces in Canada, limiting the percentage of annual rental increases to existing tenants. The REIT is exposed to the risk of the implementation of, or amendments to, existing legislative rent controls in the markets in which it operates, which may have an adverse impact on the REIT's operations. Of the jurisdictions in which the REIT currently operates, Ontario, Quebec and British Columbia have rent controls.

Changes in Government Policy and/or Legislation

The REIT is subject to laws and regulations governing the ownership and leasing of real property, zoning, building standards, landlord/tenant relationships, construction, employment standards, environmental matters, taxes and other matters, which at times have included laws and regulations limiting rent increases and imposing a moratorium on the ability of landlords to evict tenants for the non-payment of rent. It is possible that future changes to government policies related to housing, including as a result of a change in government, and/or to applicable federal, provincial, municipal or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes to the legal requirements affecting the REIT (including with retroactive effect). Any changes in the laws to which the REIT is subject could materially adversely affect the REIT's rights and title to its assets or its ability to carry on its business in the ordinary course.

Tax-Related Risk

- i) **Mutual Fund Trust Status** - The REIT intends to qualify at all relevant times as a "mutual fund trust" for purposes of the Income Tax Act (Canada). There can be no assurance that Canadian federal income tax laws and the administrative policies and practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders.
- ii) **The REIT Exception** - Canadian tax legislation relating to the federal income taxation of Specified Investment Flow Through ("SIFT") trusts or partnerships provide that certain distributions from a SIFT will not be deductible in computing the SIFT's taxable income and that the SIFT will be subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to Canadian corporations. However, distributions paid by a SIFT as return of capital should generally not be subject to tax. Under the SIFT rules, the taxation regime will not apply to a real estate investment trust that meets prescribed conditions relating to the nature of its assets and revenue (the "REIT Exception"). The REIT Exception is comprised of a number of technical tests and the determination as to whether the REIT qualifies for the REIT Exception in any particular taxation year can only be made with certainty at the end of that taxation year. The REIT expects to qualify for the REIT Exception in 2025 and subsequent taxation years, such that it will be exempt from the SIFT rules. However, no assurances can be given that the REIT will satisfy the REIT Exception in any particular year. If the SIFT rules apply to the REIT, they may adversely affect the marketability of the Units, the amount of cash available for distributions and the after-tax return to investors.
- iii) **General Taxation** - There can be no assurance that Canadian federal or provincial tax laws, the judicial interpretation thereof, or the administrative and assessing practices and policies of the CRA, the Department of Finance (Canada) and any other tax authority or tax policy agency will not be changed in a manner that adversely affects the REIT, its affiliates or Unitholders, or that any such taxing authority will not challenge tax positions adopted by the REIT and its affiliates. Any such change or challenge could increase the amount of tax payable by the REIT or its affiliates or could otherwise adversely affect Unitholders by reducing the amount available to pay distributions or changing the tax treatment applicable to Unitholders in respect of such distributions.

Competition for Real Property Investments

The REIT competes for suitable real property investments with a variety of investors (both Canadian and foreign) that are presently seeking, or that may seek in the future, real property investments similar to those desired by the REIT. Many of these investors will have greater financial resources than those of the REIT. An increase in the availability of investment funds, and an increase in interest in real property investments, would tend to increase competition for real property investments, thereby increasing purchase prices and reducing yields therefrom. In addition, the REIT may require additional equity and/or debt financing to complete future real property acquisitions, which may not be available on terms acceptable to the REIT.

Cyber Security Risks

A cyber incident is any adverse event that threatens the confidentiality, integrity or availability of the REIT's information technology resources. More specifically, a cyber incident is an intentional attack or an unintentional event that can include gaining unauthorized access to information systems to disrupt operations, corrupt data or steal confidential information. The REIT's primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to its reputation, damage to relationships with its vendors and tenants and disclosure of confidential vendor or tenant information. The REIT, and The Minto Group ("Minto") as a service provider under the Administrative Support Agreement, have implemented processes, procedures and controls to detect and mitigate these risks, but these measures, as well as its increased awareness of a risk of a cyber incident, do not guarantee that a cyber incident will not occur or that the REIT's financial results will not be negatively impacted by such an incident.

AI and Automation Risk

The adoption of AI to enhance operational efficiency and automation can impact the REIT's operations, regulatory compliance, data and cyber security, and reputation. As the REIT adopts AI technology, it may be negatively impacted if the systems are not properly designed, tested, and monitored. The evolving regulatory and compliance landscape regarding AI may introduce new requirements impacting the REIT.

Property Acquisition Risk

The REIT's business objectives include, among other things, growth through identifying suitable acquisition and/or development opportunities, pursuing such opportunities, consummating acquisitions and leasing acquired properties. The acquisition of properties entails general risks associated with any real estate investment, including the risk that the investments will fail to perform in accordance with expectations, that the properties will not achieve anticipated occupancy levels and that estimates of the costs of improvements to bring an acquired property up to standards established for the intended market position for that property may prove inaccurate. If the REIT is unable to make accretive acquisitions or otherwise manage its growth effectively, it could adversely impact the REIT's financial position and financial performance and decrease the amount of cash available for distribution. There can be no assurance as to the pace of growth through property acquisitions or that the REIT will be able to acquire assets on an accretive basis and, as such, there can be no assurance that distributions to Unitholders will increase in the future.

Risks Associated with the Administrative Support Agreement

The REIT relies upon Minto with respect to the provision of certain services as described in the REIT's Annual Information Form dated March 4, 2026, under the section "Arrangements with Minto - Administrative Support Agreement", available on SEDAR+ at www.sedarplus.ca. If the REIT were to lose the services provided by Minto, or if Minto fails to perform its obligations under the Administrative Support Agreement, the REIT may experience an adverse impact on its business operations. The REIT may be unable to duplicate the quality and depth or the cost of the services available to it by handling such services internally or by retaining another service provider.

Utility and Property Tax Risk

Utility and property tax risk relates to the potential additional costs the REIT may experience as a result of higher commodity prices as well as its exposure to significant increases in property taxes. Over the past few years, property taxes have increased as a result of higher property assessments of municipal properties and property tax rates. Utility expenses, mainly consisting of natural gas and electricity service charges, have been subject to considerable price fluctuations over the past several years. Any significant increase in these commodity costs that the REIT cannot pass on to the tenant may have a negative material impact on the REIT. The REIT mitigates part of this risk by submetering many of its suites to measure the consumption of electricity and passing on the cost to tenants and by investing in technology and property improvements that are aimed at reducing consumption. As at December 31, 2025, approximately 94% of the suites in the Portfolio were submetered or directly metered for electricity and approximately 86% of tenants paid the cost of electricity consumed in their suites. The REIT will seek to pass on the cost of electricity for those suites that are submetered but where the tenants do not currently pay for electricity, as the suites' tenancies turn over.

Rental Income Risks

The short-term nature of residential tenant leases exposes the REIT to the effects of a declining market rent and increased vacancy, which could materially adversely affect the REIT's results from operations and ability to make distributions to Unitholders. Most of the REIT's residential tenant leases will be for a term of one year or less. Because the REIT's residential tenant leases generally permit residents to leave at the end of their lease term without any penalty, the REIT's rental revenue may be materially adversely affected by declines in market rents and increased vacancy more quickly than if such leases were for longer terms. Further, the operating costs of a suite or property may increase at a faster rate than the rental rate for such suite, which could negatively impact the financial condition of the REIT.

Renovation and Development Risk

There is a risk that renovations or developments undertaken by the REIT will exceed original cost estimates or will experience unforeseen delays and that renovated or new suites may not lease in the anticipated timeframe or at anticipated rents. During suite renovations, suites are unavailable for occupancy and do not generate income. There is also a risk of labour shortages and/or disputes resulting in unavailability of skilled tradespeople required to complete developments undertaken by the REIT. This could not only have a negative financial impact on the REIT's business but also affect the REIT's reputation.

Environmental Risk

As an owner of real estate, the REIT is subject to federal, provincial and municipal environmental regulations. These regulations may require the REIT to fund the costs of removal and remediation of certain hazardous substances on its properties or releases from its properties. The failure to remediate such properties, if any, could adversely affect the REIT's ability to borrow using the property as collateral or to sell the real estate. The REIT is not aware of any material non-compliance with environmental laws at any of its properties nor is it currently aware of any environmental condition with respect to any properties that it believes would involve material expenditures by the REIT. The REIT has made, and will continue to make, the necessary capital expenditures to comply with environmental laws and regulations. The REIT conducts due diligence on all properties prior to acquisition and this process includes independent expert assessment of environmental risk for each property. It is the REIT's policy to obtain a Phase I environmental site assessment conducted by a qualified environmental consultant as a condition of acquiring any additional property. See "Investment Guidelines and Operating Policies - Operating Policies".

Environmental laws and regulations can change rapidly, and the REIT may be subject to more stringent environmental laws and regulations in the future.

Climate-Related Risk

The REIT's properties may be impacted by both physical climate-related events and the transition to a lower carbon economy.

Among the most significant of the physical risks is the risk of flooding, including flash flooding. Depending on the severity, these events could cause significant damage to the REIT's properties, interrupt normal operations and threaten the safety of tenants. The REIT's ability to generate revenue from impacted properties may also be significantly impaired.

The REIT will require significant capital expenditures to meet the requirements of the policies and legislative requirements established by federal, provincial, and municipal governments to improve energy efficiency of buildings and reduce their greenhouse gas emissions. The REIT's capital plans consider the legislated requirements and ensure the REIT's properties conform to timelines set out in applicable legislation.

Climate-related events also may negatively impact certain costs of operation of the REIT's properties, including the cost of utility consumption due to abnormally hot or cold temperatures and the cost of snow removal. More generally, the increase in catastrophic losses worldwide from climate-related events has resulted in significant payouts by property insurers. This has resulted in a significant increase in property insurance premiums generally, including the property insurance premiums payable by the REIT. There is a risk of insurers being required to make payments on account of future climate-related catastrophic losses, which may result in further increases in the property insurance premiums payable by the REIT.

Joint Venture Risk

The REIT participates in co-ownerships and a partnership for five of its properties and may participate in other co-ownerships or partnerships in the future. There is a risk that the co-owners or partners may fail to fund their share of capital contributions or their economic or business interests or goals may change in a manner to differ from or become inconsistent with those of the REIT. Disputes with the co-owners or partners may negatively affect the operations of and returns from co-owned or partnership properties, or give rise to an obligation to purchase the interest of the co-owner or partner or to sell the REIT's interest to the co-owner or partner at a time or on terms that may adversely impact the REIT's financial position and financial performance.

Potential Conflicts of Interest with Minto

Minto's continuing businesses may lead to conflicts of interest between Minto and the REIT. The REIT may not be able to resolve such conflicts, and, even if it does, the resolution may be less favourable to the REIT than if it were dealing with a party that was not a holder of a significant interest in the REIT. In addition, the ongoing relationships between Minto and each of Roger Greenberg and Michael Waters may lead to conflicts of interest between such persons and the REIT. In order to mitigate part of the risk associated with conflicts of interest, all related party transactions with Minto are reviewed and approved on behalf of the REIT by the REIT's independent trustees only.

Social Media Risk

The use of social media could cause the REIT to suffer brand damage or information leakage. Negative posts or comments about the REIT or its properties on any social networking website could damage the REIT's reputation. In addition, employees or others might disclose non-public sensitive information relating to the REIT's business through external media channels. The continuing evolution of social media will present the REIT with new challenges and risks.

Appraisals of Properties

An appraisal is an estimate of market value and caution should be used in evaluating data with respect to appraisals. It is an estimate of value based on information gathered in the investigation, appraisal techniques employed and reasoning both quantitative and qualitative, leading to an opinion of value. The analysis, opinions and conclusions in an appraisal are typically developed based on, and in conformity with, or interpretation of the guidelines and recommendations set forth in the Canadian Uniform Standards of Appraisal Practice. Appraisals are based on various assumptions of future expectations of property performance and while the appraiser's internal forecast of net income for the properties appraised are considered to be reasonable at that time, some of the assumptions may not materialize or may differ materially from actual experience in the future. Appraisals are not guarantees of present or future value and there is no assurance that an appraised value actually reflects an amount that would be realized upon a current or future sale of any of the properties or that any projections included in the appraisal will be attainable. In addition, as prices in the real estate market fluctuate over time in response to numerous factors, the value of a property as shown in an appraisal may be an unreliable indication of its current market value.

A publicly traded real estate investment trust will not necessarily trade at values determined solely by reference to the underlying value of its real estate assets. Accordingly, the Units may trade at a premium or a discount to values implied by appraisals.

General Litigation Risks

In the ordinary course of the REIT's operations, whether directly or indirectly, it may become involved in, named as a party to or be the subject of various legal proceedings, including regulatory proceedings, tax proceedings and legal actions relating to personal injuries, property damage, property taxes, land rights, the environment, cyber-risks and contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined in a manner adverse to the REIT and as a result, could have a material adverse effect on the REIT's assets, liabilities, business, financial condition and financial performance. Even if the REIT prevails in any such legal proceedings, the proceedings could be costly and time-consuming and may divert the attention of Management and key personnel from the REIT's business operations.

General Uninsured Losses

The REIT carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. The REIT will continue to procure insurance for such risks, subject to certain standard policy limits and deductibles and will continue to carry such insurance if it is economical to do so. There are, however, certain types of risks (generally of a catastrophic nature such as war or environmental contamination), which are either uninsurable or not economically insurable. Should an uninsured or underinsured loss occur, the REIT could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and would continue to be obligated to repay any recourse mortgage indebtedness on such properties. There is a risk that any significant increase in insurance costs will impact negatively upon the profitability of the REIT.

Key Personnel

The REIT's executive and other senior officers have a significant role in the REIT's success and oversee the execution of the REIT's strategy. The REIT's ability to retain its management team or attract suitable replacements should any members of Management leave is dependent on, among other things, the competitive nature of the employment market. The REIT has experienced departures of key professionals in the past and may do so in the future, and it cannot predict the impact that any such departures may have on its ability to achieve its objectives. The loss of services from key members of the management team or a limitation on their availability could adversely impact the REIT's financial condition and cash flow. The REIT mitigates key personnel risk through succession planning, but does not maintain key personnel insurance.

Other Tax Matters

- i) **Non-Resident Ownership** - Under current law, a trust may lose its status under the Income Tax Act (Canada) as a mutual fund trust if it can reasonably be considered that the trust was established or is maintained primarily for the benefit of Non-Residents, except in limited circumstances. Accordingly, the DOT provides that Non-Residents may not be the beneficial owners of more than 49% of the Units (determined on a basic or a fully-diluted basis). The Trustees also have various powers that can be used for the purpose of monitoring and controlling the extent of Non-Resident ownership of the Units. The REIT mitigates this risk by regularly monitoring the residency of Unitholders.
- ii) **Tax-Basis of Acquired Properties** - Minto Apartment Limited Partnership (the "(Partnership)") has acquired, and may from time to time in the future acquire, certain properties on a fully or partially tax-deferred basis, such that the tax cost of these properties will be less than their fair market value. If one or more of such properties are disposed of, the gain realized by the Partnership for tax purposes (including any income inclusions arising from the recapture of previously claimed CCA on depreciable property) will be in excess of that which it would have realized if it had acquired the properties at a tax cost equal to their fair market values. For the purpose of claiming CCA, the UCC of such properties acquired by the Partnership will be equal to the amounts jointly elected by the Partnership and the transferor on the tax-deferred acquisition of such property. The UCC of such property will be less than the fair market value of such property. As a result, the CCA that the Partnership may claim in respect of such properties will be less than it would have been if such properties had been acquired with a tax cost basis equal to their fair market values.
- iii) **Eligibility for Investment** - The Income Tax Act (Canada) imposes penalties for the acquisition or holding of investments that are not "qualified investments" within the meaning of the Income Tax Act (Canada) by registered retirement savings plans, registered education savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans or tax-free savings accounts (collectively, "Exempt Plans"). Although the REIT will endeavour to ensure that the Units continue to be qualified investments for Exempt Plans, any property distributed to a Unitholder on an in specie redemption of Units may not be qualified investments under the Income Tax Act (Canada).
- iv) **Non-Residents of Canada** - The Income Tax Act (Canada) may impose additional withholding or other taxes on distributions made by the REIT to Unitholders who are Non-Residents. These taxes and any reduction thereof under a tax treaty between Canada and another country may change from time to time. The tax consequences under the Income Tax Act (Canada) for Non-Resident Unitholders may be more adverse than the consequences to other Unitholders. Non-Resident Unitholders should consult their own tax advisors.

Financial Risk Management

The REIT's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of interest rate risk, currency risk and other price risk.

Interest rate risk

As the REIT's interest-bearing assets mainly comprise fixed-rate instruments, changes in market interest rates do not have any significant direct effect on the REIT's income.

The REIT's financial liabilities comprise both fixed-rate and variable-rate instruments.

The REIT faces interest rate risk on its fixed-rate debt due to the expected requirement to refinance such debt in the year of maturity or shortly thereafter. The REIT manages interest rate risk by structuring its financings to stagger the maturities of its debt, thereby mitigating its exposure to interest rate and other credit market fluctuations.

For the portion of the REIT's financial liabilities that comprise variable-rate instruments, from time to time the REIT may enter into interest rate swap contracts or other financial instruments to modify the interest rate profile of its outstanding debt without an exchange of the underlying principal amount.

As at December 31, 2025, the REIT has a committed variable-rate credit facility of \$150,000 (December 31, 2024 - \$300,000) with an availability of \$150,000 (December 31, 2024 - \$208,344) and amounts drawn of \$37,000 (December 31, 2024 - \$24,500). A 1% change in prevailing interest rates would change annualized interest charges incurred by \$370 (December 31, 2024 - \$245).

As at December 31, 2025, the REIT also has a variable-rate construction loan with an outstanding balance of \$9,582 (December 31, 2024 - \$nil). A 1% change in prevailing interest rates would change annualized interest charges incurred by \$96 (December 31, 2024 - \$nil).

Currency risk

The REIT's financial statement presentation currency is Canadian dollars. Operations are located in Canada and the REIT has limited operational transactions in foreign-denominated currencies. As such, the REIT has no significant exposure to currency risk.

Other price risk

Other price risk is the risk of variability in fair value due to movements in equity prices or other market prices such as commodity prices and credit spreads.

The REIT is exposed to other price risk on its Class B LP Units. A 1% change in the prevailing market price of the Units as at December 31, 2025 would have a \$3,510 (December 31, 2024 - \$3,436) change in the fair value of the Class B LP Units.

Credit Risk

Credit risk is the risk that tenants and/or debtors may experience financial difficulty and be unable to fulfill their lease commitments or loan repayments. An allowance is recorded for expected credit losses ("ECL").

The REIT's risk of credit loss from tenants experiencing financial difficulties is mitigated through diversification. The REIT's residential rental business is carried on in the Toronto, Montreal, Ottawa, Calgary and Vancouver regions. The nature of this business involves a high volume of tenants with individually small monthly rent amounts. The REIT monitors the collection of residential rent receivables on a regular basis with strictly followed procedures designed to minimize credit loss in cases of non-payment.

The REIT is also exposed to the concentration of credit risk in relation to the loans advanced, in the event that the borrowers default on the contractual terms of repayment of amounts owing to the REIT. The REIT provides financing to MPI and affiliates of MPI for strategic developments and, in turn, receives an option to acquire an ownership interest in those developments. Management mitigates this risk by ensuring there is sufficient security provided by the development assets in addition to guarantees provided by MPI for loans advanced to affiliates of MPI.

Liquidity Risk

Liquidity risk is the risk that the REIT will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The REIT's liquidity is subject to macroeconomic, financial, competitive and other factors that are beyond the REIT's control.

Liquidity risk is managed through cash flow forecasting. Management monitors forecasts of the REIT's liquidity requirements to ensure it has sufficient cash to meet operational needs through maintaining sufficient cash and/or availability on the undrawn credit facility and ensuring that it meets its financial covenants related to debt agreements. Such forecasting takes into consideration the current and projected macroeconomic conditions, the REIT's cash collection efforts, debt financing plans and covenant compliance required under the terms of debt agreements. There is a risk that such liquidity forecasts may not be achieved and that currently available debt financing may no longer be available to the REIT at terms and conditions that are favourable to the REIT, or at all.

The REIT mitigates liquidity risk by staggering the maturity dates of its borrowing, maintaining borrowing relationships with various lenders, proactively renegotiating expiring credit agreements well in advance of the maturity date and by maintaining sufficient availability on its credit facility.

As of December 31, 2025, liquidity was \$116,144 (December 31, 2024 - \$187,700), consisting of cash of \$5,166 (December 31, 2024 - \$5,878) and \$110,978 (December 31, 2024 - \$181,822) of available borrowing capacity under the credit facility.

An analysis of the contractual cash flows associated with the REIT's financial liabilities is set out below:

	2026	2027	2028	2029	2030	2031 and thereafter	Total
Mortgages	\$ 86,977	\$ 14,256	\$ 121,168	\$ 189,662	\$ 170,550	\$ 264,227	\$ 846,840
Mortgage-related obligation to joint venture	370	384	399	415	431	50,579	52,578
Construction loans	—	—	9,582	—	—	66,618	76,200
Credit facility	—	—	37,000	—	—	—	37,000
Class C LP Units	61,603	23,504	1,391	10,991	12,412	65,063	174,964
Interest obligation ¹	38,870	36,016	30,959	26,458	19,895	44,000	196,198
Tenant rental deposits	11,304	10	—	—	—	144	11,458
Due to related parties	3,168	—	—	—	—	—	3,168
Accounts payable and accrued liabilities	48,994	846	534	350	316	6,327	57,367
	\$ 251,286	\$ 75,016	\$ 201,033	\$ 227,876	\$ 203,604	\$ 496,958	\$ 1,455,773

The contractual cash flows do not include any unamortized mark-to-market adjustments or unamortized deferred financing costs.

Related Party Transactions

Administrative Support Agreement

The Administrative Support Agreement ("ASA") between the REIT and MPI, an entity with significant influence over the REIT, matures on July 3, 2028 and, for a fee, provides the REIT with certain advisory, transaction and support services, including clerical and administrative support, operational support for the administration of day-to-day activities of the REIT and office space.

For the year ended December 31, 2025, the REIT incurred \$2,372 (December 31, 2024 - \$2,260) for services rendered by MPI and its affiliates under the ASA.

¹ Interest obligation on mortgages, mortgage-related obligation to joint venture, construction loans, credit facility and Class C LP Units.

Loans receivable from related parties^{1,2,3}

Project	Related Parties	Commitment	Interest Rate and Maturity	December 31, 2025	December 31, 2024
Lonsdale Square	Limited partnership jointly owned by MPI and a subsidiary of Darwin Properties	\$ 14,000	7% per annum February 28, 2025	\$ —	\$ 14,000
The Hyland	MPI	19,650	Variable per annum ¹ April 30, 2025	—	19,073
88 Beechwood	Affiliate of MPI	53,500	6% per annum ² December 31, 2026	49,070	46,219
University Heights	MPI	51,700	7% per annum December 31, 2026	47,284	44,179
		138,850		96,354	123,471
Loan receivable	Management	700	Variable per annum ³ April 27, 2032	546	621
Loan receivable	Limited partnership wholly-owned by MPI	—	Non-interest bearing January 2, 2025	—	4,819
		\$ 139,550		\$ 96,900	\$ 128,911

All commitments pertaining to projects include a reserve to fund interest costs. If the interest reserve is fully utilized, the interest is paid to the REIT on a monthly basis. In connection with these financings, the REIT has the exclusive option to purchase the property at 88 Beechwood and MPI's 45% indirect ownership interest in University Heights, upon project stabilization at 95% of then-appraised fair market value as determined by independent and qualified third-party appraisers.

On January 31, 2024, the REIT received repayment of a \$30,000 loan receivable associated with a development project at 99 Fifth Avenue in Ottawa, Ontario.

On January 2, 2025, the REIT received repayment of \$4,819 for the balance owing for a non-interest bearing loan from a holder of the Class B LP Units.

On January 15, 2025, LSLP, in which the REIT holds a 50% ownership interest, acquired Lonsdale Square from a limited partnership jointly owned by MPI and an unrelated third party. The loan of \$14,000 associated with the property was fully repaid concurrently with the closing of the purchase.

On April 30, 2025, the REIT received repayment of \$19,419 for the balance owing on the loan associated with The Hyland project.

On August 13, 2025, the REIT agreed to amend the 88 Beechwood loan agreement in order to, among other things, increase the loan amount to \$53,500 and extend the maturity date of the loan and the term of the REIT's option to purchase the property to December 31, 2026. Effective January 1, 2026, the loan will be prepayable without penalty at any time.

¹ Effective June 1, 2024, the interest rate is equal to the all-in interest rate the REIT pays on the credit facility on a monthly basis, subject to a maximum interest rate of 7.25% per annum and minimum interest rate of 5.25% per annum. Prior to the effective date of this amendment, the interest rate on the loan was 6% per annum.

² The interest rate on the loan is 6% per annum. Effective January 1, 2026, the interest rate per annum will be one-month Adjusted CORRA plus 500 basis points.

³ The interest rate per annum is set quarterly at the greater of prime and the prescribed interest rate as determined by the Regulations of the Income Tax Act (Canada) to a maximum of 5%. Interest is payable annually in arrears.

The following table shows the movement of loans receivable from related parties:

Year ended	December 31, 2025		December 31, 2024	
Opening balance	\$	128,911	\$	133,286
<i>Cash flows</i>				
Advances		—		19,170
Repayments		(32,982)		(30,056)
Interest received		(5,396)		(1,185)
		(38,378)		(12,071)
<i>Non-cash movement</i>				
Interest earned		6,367		7,696
		(32,011)		(4,375)
Closing balance	\$	96,900	\$	128,911

Fair value of loans receivable relating to projects is calculated based on current market rates plus risk-adjusted spreads on discounted cash flows. As at December 31, 2025, the current market rates plus risk-adjusted spreads were 7.25% (December 31, 2024 - 7.25% to 8.25%) and the fair value of the loans receivable relating to projects was \$96,236 (December 31, 2024 - \$122,453) and is considered level 2 within the fair value hierarchy.

Due to related parties

Item	Related Parties	December 31, 2025		December 31, 2024	
Class B LP Units distributions	MPI affiliates	\$	1,148	\$	5,935
Class C LP Units distributions	Limited partnership wholly-owned by MPI		592		803
Mortgage-related obligation to joint venture	LSLP		169		—
Property operating costs payable	MPI and its affiliates		46		157
Development costs and fees	Affiliate of MPI		1,414		933
Unit distribution	MPI		40		39
			3,409		7,867
Rental and service revenue receivable	MPI and its affiliates		(136)		(122)
Management fee income receivable	LSLP		(105)		—
		\$	3,168	\$	7,745

Revenue, expenses, capital expenditures and distributions

	December 31, 2025	December 31, 2024
Revenue from LSLP, and MPI, its affiliates and jointly-owned limited partnerships		
Revenue and management fee income	\$ 762	\$ 480
Interest income on loans advanced	6,367	7,696
Expenses to MPI, its affiliates, its wholly-owned and jointly-owned limited partnerships		
Property operating expenses	1,746	1,244
Development costs and fees	5,189	4,246
Distributions to MPI, its affiliates, its wholly-owned and jointly-owned limited partnerships and contributions to LSLP		
Distributions on Class B LP Units (finance costs)	13,456	13,070
Distributions on Class C LP Units (finance costs)	7,034	8,453
Distributions on Class C LP Units (principal)	39,205	12,760
Distributions on Units	470	454
Contributions for mortgage-related obligation (finance costs)	1,956	—
Contributions for mortgage-related obligation (principal)	326	—
Compensation of key management personnel		
Paid to executives	2,029	1,753
Unit-based compensation		
Executives	1,577	1,357
Trustees in lieu of annual retainer and meeting fees	714	665

Additional compensation to key management personnel for services provided to the REIT was paid by MPI and its affiliate.

Contingencies and Commitments

The REIT is subject to claims and legal actions that arise in the ordinary course of business. It is the opinion of Management that any ultimate liability that may arise from such matters would not have a significant adverse effect on the consolidated financial statements of the REIT.

The REIT has an off-balance sheet arrangement at one of its properties in the Toronto area which was acquired in 2018 pursuant to which the City of Toronto provided a forgivable loan to support affordable housing at this property. Provided that certain conditions are met, the REIT will not need to make repayments under this arrangement. As of December 31, 2025, the remaining unforgiven balance of the loan is \$9,792 (December 31, 2024 - \$11,016). To date, the REIT has met all conditions related to this forgivable loan and Management has assessed that throughout the remaining term of the loan the REIT is likely to continue to meet the conditions for forgiveness and that the outflow of economic resources to settle the loan is not probable. As such, no liability has been recorded by the REIT.

The REIT has an off-balance sheet arrangement at one of its properties in the Calgary area which was acquired in 2018 pursuant to which the Province of Alberta provided a forgivable loan to support affordable housing at this property. Provided that certain conditions are met, the REIT will not need to make repayments under the arrangement. As of December 31, 2025, the remaining unforgiven balance of the loan is \$2,352 (December 31, 2024 - \$2,688). To date, the REIT has met all conditions related to this forgivable loan and Management has assessed that throughout the remaining term of the loan the REIT is likely to continue to meet the conditions for forgiveness and that the outflow of economic resources to settle the loan is not probable. As such, no liability has been recorded by the REIT.

As at December 31, 2025, the REIT had committed to advance an additional \$8,846 in principal and to fund interest for related parties in support of two development projects (December 31, 2024 - \$13,279 for three development projects).

The REIT is a guarantor on two mortgages held through its joint arrangements. As at December 31, 2025, the maximum potential obligation resulting from these guarantees is \$64,138 (December 31, 2024 - \$11,950).

Future Changes in Accounting Standards

IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 – *Presentation and Disclosure in Financial Statements* to improve the transparency and comparability in the reporting of financial performance. The standard applies to annual reporting periods beginning on or after January 1, 2027. Earlier adoption is permitted.

The new standard replaces IAS 1 – *Presentation of Financial Statements* and introduces new requirements on presentation and disclosure within the statement of profit or loss, disclosure on management-defined performance measures ("MPMs"), and aggregation and disaggregation of financial information based on the identified roles of the primary financial statements and related notes.

The REIT intends to adopt the standard in its consolidated financial statements beginning on January 1, 2027, when the standard becomes effective, with retrospective application. The REIT is still assessing the impact of the new standard, particularly the presentation of the REIT's statements of net income and comprehensive income and statement of cash flows and the additional disclosures required for MPMs. The REIT is also assessing the aggregation and disaggregation of line items presented in the consolidated financial statements.

Subsequent Event

On January 5, 2026, the REIT entered into an Arrangement Agreement with Crestpoint and MPI. Under the terms of the Arrangement, among other things, Crestpoint will acquire all of the Units other than those held by the Retained Interest Holders for cash consideration of \$18.00 per Unit. More details can be found in Section I - "Overview - Arrangement Agreement".

Disclosure Controls and Internal Controls Over Financial Reporting

Management is responsible for establishing and maintaining a system of disclosure controls and procedures ("DC&P") to provide reasonable assurance that all material information relating to the REIT that is required to be publicly disclosed is recorded, processed, summarized and reported on a timely basis and within the time period specified in securities legislation.

Management is also responsible for establishing and maintaining adequate internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reports for external purposes in accordance with IFRS.

In designing such controls, it should be recognized that due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable, not absolute, 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.

The Chief Executive Officer and the Chief Financial Officer have evaluated, or caused an evaluation under their direct supervision of, the design and operating effectiveness of DC&P and ICFR (as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*) as at December 31, 2025.

As a result of this evaluation, Management has concluded that as of December 31, 2025 the design and operation of the REIT's DC&P were effective to ensure that material information relating to the REIT would have been known to them and that information required to be disclosed by the REIT is recorded, processed, summarized, and reported on a timely basis and within the time period specified in securities legislation. Management has also concluded that as of December 31, 2025, the REIT's ICFR were appropriately designed and operating effectively in accordance with the 2013 Guidance on Internal Control published by the Committee of Sponsoring Organizations of the Treadway Commission.

Section VI - Supplemental Information

Property Portfolio

As at December 31, 2025

Region and Property	Total Suites	REIT Ownership Interest	Effective Ownership Interest (Suites)
Toronto			
1 High Park Village	750	40%	300
2 The Towers at York Mills & Leslie	409	50%	205
3 Richgrove	258	100%	258
4 620 Martin Grove	237	100%	237
5 Minto Yorkville ¹	181	100%	181
6 Roehampton	148	100%	148
7 Niagara West	501	28.35%	142
	2,484		1,471
Ottawa			
8 Minto one80five ¹	417	100%	417
9 Parkwood Hills Garden Homes & Townhomes	204	100%	204
10 Aventura	354	100%	354
11 Huron	251	100%	251
12 Seneca	251	100%	251
13 Skyline Garden Homes, Maisonettes & Walkups	259	100%	259
14 The Carlisle	193	100%	193
15 Castle Hill	176	100%	176
16 Grenadier	158	100%	158
17 Eleanor	117	100%	117
18 Frontenac	104	100%	104
19 Stratford	59	100%	59
	2,543		2,543
Montreal			
20 Rockhill	1,004	50%	502
21 Le 4300	318	100%	318
22 Haddon Hall	210	100%	210
23 Le Hill-Park	261	100%	261
	1,793		1,291
Calgary			
24 The Quarters	199	100%	199
25 The Laurier	144	100%	144
26 Kaleidoscope	70	100%	70
27 The International	252	100%	252
	665		665
Vancouver			
28 Lonsdale Square	113	50%	57
Portfolio Total	7,598		6,027

¹ Suite counts for Minto Yorkville and Minto one80five include furnished suites, representing approximately 23% of the total suites at these properties.

Average Rent Per Square Foot

As at December 31, 2025

Geographic Node	Average monthly rent per occupied suite	Average sq. ft. per occupied suite	Average rent per sq. ft per suite
Toronto	\$2,360	776	\$3.04
Ottawa	\$1,910	810	\$2.36
Calgary	\$1,899	660	\$2.88
Montreal	\$2,174	981	\$2.22
Vancouver	\$3,227	660	\$4.89
Average	\$2,086	822	\$2.54

Non-IFRS and Other Financial Measures

The REIT's financial statements are prepared in accordance with IFRS. This Management's Discussion and Analysis also contains certain non-IFRS and other financial measures which are measures commonly used by publicly traded entities in the real estate industry. Management believes that these metrics are useful for measuring different aspects of performance and assessing the underlying operating and financial performance on a consistent basis. However, these measures do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should strictly be considered supplemental in nature and not a substitute for financial information prepared in accordance with IFRS. The REIT has adopted the guidance under NI 52-112 *Non-GAAP and Other Financial Measures Disclosure* for the purpose of this Management's Discussion and Analysis. These non-IFRS and other financial measures are defined below:

Non-IFRS Financial Measures and Ratios

- "FFO" is defined as IFRS consolidated net income adjusted for items such as unrealized changes in the fair value of investment properties, effects of puttable instruments classified as financial liabilities, and changes in fair value of financial instruments and derivatives. FFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The REIT's method of calculating FFO is substantially in accordance with REALPAC's recommendations under the revised publication titled "REALPAC Funds from Operations (FFO) & Adjusted Funds from Operations (AFFO) for IFRS" published in January 2022, but may differ from other issuers' methods and, accordingly, may not be comparable to FFO reported by other issuers. The REIT regards FFO as a key measure of operating performance. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "FFO per unit" is calculated as FFO divided by the weighted average number of Units of the REIT and Class B LP Units of the Partnership outstanding over the period. The REIT regards FFO per unit as a key measure of operating performance. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "Normalized FFO" is calculated as FFO net of nonrecurring items that occurred during the period which are not indicative of the REIT's typical operating results. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "Normalized FFO per unit" is calculated as Normalized FFO divided by the weighted average number of Units of the REIT and Class B LP Units of the Partnership outstanding over the period. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "AFFO" is defined as FFO adjusted for items such as maintenance capital expenditures, straight-line rental revenue differences, and direct leasing costs. AFFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The REIT's method of calculating AFFO is substantially in accordance with REALPAC's recommendations under the revised publication titled "REALPAC Funds from Operations (FFO) & Adjusted Funds from Operations (AFFO) for IFRS" published in January 2022, except that it adjusts for certain non-cash items (such as adjustments for the amortization of mark-to-market adjustments related to debt), but may differ from other issuers' methods and, accordingly, may not be comparable to AFFO reported by other issuers. The REIT regards AFFO as a key measure of operating performance. The REIT also uses AFFO in assessing its capacity to make distributions. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".

- "AFFO per unit" is calculated as AFFO divided by the weighted average number of Units of the REIT and Class B LP Units of the Partnership outstanding over the period. The REIT regards AFFO per unit as a key measure of operating performance. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "Normalized AFFO" is calculated as AFFO net of nonrecurring items that occurred during the period which are not indicative of the REIT's typical operating results. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "Normalized AFFO per unit" is calculated as Normalized AFFO divided by the weighted average number of Units of the REIT and Class B LP Units of the Partnership outstanding over the period. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "AFFO Payout Ratio" is the proportion of per unit distributions on Units and Class B LP Units, excluding special non-cash distributions, to AFFO per unit. The REIT uses AFFO Payout Ratio in assessing its capacity to make distributions. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "Normalized AFFO Payout Ratio" is the proportion of the per unit distributions on Units and Class B LP Units, excluding special non-cash distributions, to Normalized AFFO per unit. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "Debt-to-Adjusted EBITDA ratio" is calculated by dividing interest-bearing debt (net of cash) by Adjusted EBITDA. Adjusted EBITDA is a non-IFRS financial measure and is used for evaluation of the REIT's financial health and liquidity. Adjusted EBITDA is calculated as the trailing twelve-month NOI adjusted for a full year of stabilized earnings including finance income, fees and other income and general and administrative expenses from recently completed acquisitions or dispositions, but excluding fair value adjustments. The REIT regards Debt-to-Adjusted EBITDA ratio as a measure of financial health and liquidity. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Liquidity and Capital Resources".
- "Proportionate Share Basis" represents financial information adjusted to reflect the REIT's effective ownership share of joint venture results on a proportionately consolidated basis. This adjustment addresses the accounting difference arising from the use of the equity method for joint ventures under IFRS. For reconciliations refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments" under "Liquidity and Capital Resources" and "Reconciliation of Non-IFRS Financial Measures and Ratios".

Capital Management Measures

- "weighted average effective interest rate on Term Debt" is calculated as the weighted average of the effective interest rates on the outstanding balances of fixed-rate mortgages, a variable-rate mortgage fixed through an interest rate swap and Class C LP Units on a Proportionate Share Basis.
- "weighted average interest rate on variable-rate debt" is calculated as the weighted average contractual interest rate on the revolving credit facility and the variable-rate mortgages for the period, excluding the variable-rate mortgage fixed through an interest rate swap.
- "weighted average term to maturity on Term Debt" is calculated as the weighted average of the term to maturity on the outstanding fixed-rate mortgages, a variable-rate mortgage fixed through an interest rate swap and Class C LP Units on a Proportionate Share Basis.

Supplementary Financial Measures

- "average annual unlevered return" refers to the return on repositioning activities, and is calculated by dividing the average annual rental increase per suite after repositioning by the average repositioning cost per suite, excluding the impact of financing costs.
- "average total CDL amount outstanding" is calculated as the average of the total amount outstanding on the convertible development loans at the beginning of the period and at the end of the period.
- "Debt Service Coverage ratio" is the ratio of NOI to total debt service. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".

- "Debt-to-Gross Book Value ratio" is calculated by dividing total interest-bearing debt consisting of fixed and variable-rate mortgages, credit facility, construction loans and Class C LP Units by Gross Book Value and is used as the REIT's primary measure of its leverage. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Liquidity and Capital Resources".
- "Distribution yield per unit" is calculated as the annualized distribution rate per Unit and Class B LP Unit, excluding special non-cash distributions, divided by the Unit closing price as of the applicable balance sheet date.
- "gain-on-lease" refers to the gap between rents achieved on new leases of unfurnished suites as compared to expiring leases.
- "gain-to-lease potential" refers to the gap between Management's estimate of monthly market rent and average monthly in-place rent per occupied unfurnished suite.
- "Gross Book Value" is calculated as the total assets of the REIT as at the applicable balance sheet date.
- "gross project costs" represent initial acquisition cost and associated development project costs, including hard costs, soft costs, development and construction management costs, financing costs, goods and services tax and harmonized sales tax.
- "interest costs" are calculated as the sum of costs incurred on fixed and variable-rate mortgages, credit facility, and Class C LP Units and excludes debt retirement costs.
- "Contractual interest expense" is calculated as the sum of interest costs incurred on fixed and variable-rate mortgages, credit facility, and Class C LP Units and excludes debt retirement costs, amortization of deferred financing charges, and amortization of mark-to-market adjustments.
- "NAV" is calculated as the sum of the value of Unitholders' equity and Class B LP Units as at the applicable balance sheet date. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "NAV per unit" is calculated by dividing NAV by the number of Units and Class B LP Units outstanding as at the applicable balance sheet date. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "NOI" is defined as revenue from investment properties less property operating costs, property taxes and utilities (collectively referred to as "property operating expenses" or "operating expenses") prepared in accordance with IFRS. NOI should not be construed as an alternative to net income determined in accordance with IFRS. The REIT's method of calculating NOI may differ from other issuers' methods and, accordingly, may not be comparable to NOI reported by other issuers. The REIT regards NOI as an important measure of the income generated from income-producing properties and is used by Management in evaluating the performance of the REIT's properties. It is also a key input in determining the value of the REIT's properties. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "NOI margin" is defined as NOI divided by revenue from investment properties. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "property operating costs % of revenue from investment properties" is calculated as property operating costs for the period, divided by revenue from investment properties for the period.
- "property taxes % of revenue from investment properties" is calculated as property taxes for the period, divided by revenue from investment properties for the period.
- "Term Debt" is calculated as the sum of the amortized cost of fixed-rate mortgages, a variable-rate mortgage fixed through an interest rate swap and Class C LP Units.
- "Total Debt" is calculated as the sum of the amortized cost of interest-bearing debt consisting of a variable-rate credit facility and fixed-rate debt comprised of mortgages, a variable-rate mortgage fixed through an interest rate swap, Class C LP Units, and fixed and variable-rate construction loans.
- "Total Debt, net of cash" is calculated as Total Debt, reduced by cash balance.
- "total debt service" is calculated as the sum of interest expense recorded as finance costs and principal payments on mortgages, construction loans, credit facility and distributions on Class C LP Units.
- "Total liquidity" is calculated as the sum of the undrawn balance under the revolving credit facility and cash.
- "utilities % of revenue from investment properties" is calculated as utilities expense for the period, divided by revenue from investment properties for the period.

Operating Performance Measures

- "annualized turnover" is calculated as the number of move-outs for the period divided by total number of unfurnished suites in the portfolio. This percentage is extrapolated to determine an annual rate.
- "average monthly rent" represents the average monthly rent per suite for occupied unfurnished suites at the end of the period on a Proportionate Share Basis.
- "average monthly rent for furnished suites" represents the average daily rent per suite for furnished suites for the period multiplied by 30.
- "average occupied furnished suites" represents the average occupancy rate for furnished suites during the relevant period multiplied by the average furnished suite count during the period.
- "average occupancy" is defined as the ratio of occupied unfurnished suites to the weighted average of the total unfurnished suites in the portfolio for the period on a Proportionate Share Basis.
- "closing occupancy" is defined as the ratio of occupied unfurnished suites to the total unfurnished suites in the portfolio at the end of the period on a Proportionate Share Basis.

THIS IS EXHIBIT “H” REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

Year End 2018

Name	Amount	Units
Beryin International Inc. (Yin Quinny)	\$1,500,000	1,500
7510411 Canada Inc. (Shen,Yiqun)	\$50,000	50
Xu,Lei	\$50,000	50
Li,Li	\$50,000	50
Ke,Yan	\$100,000	100
Yang,Yang	\$100,000	100
Xia,Bo	\$150,000	150
Zhang,Hui	\$50,000	50
Du, Juan	\$100,000	100
Wang,Yunxia	\$50,000	50
Li,Mofei	\$50,000	50
Chen,Zichen	\$50,000	50
Ji,Qin	\$50,000	50
Ma, Xiaoyu	\$200,000	200
Jin, Wen	\$200,000	200
7686048 Canada Inc (Zhang Yicong)	\$200,000	200
Xu, Shengmei	\$50,000	50
Hu, Yijun	\$50,000	50
Wang, Xiaomin	\$50,000	50
Gao, Xinwei	\$50,000	50
Xie, Qiong	\$50,000	50
Ling, Chao	\$50,000	50
Deng, Jinghong	\$50,000	50
Li, Zhihua	\$50,000	50
Wang, Haiqing	\$50,000	50
Fan9999 holding inc (Fan,Jie)	\$100,000	100
Hillsport		4,050
Chancery		45
Cathrae		5
GP		1
Sum	\$3,500,000	7601

THIS IS EXHIBIT "I" REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE
THIS 14TH DAY OF APRIL, 2026

Pamela Heard

Pamela Heard, a Commissioner, etc.,
Province of Ontario

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

FIERA FP REAL ESTATE FINANCING FUND, L.P.

Applicant

– and –

**CHANCERY (OSHAWA) THE BARTLETT LIMITED PARTNERSHIP
and CHANCERY (OSHAWA) THE BARTLETT GP INC.**

Respondents

*IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT
R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE
COURTS OF JUSTICE ACT
R.S.O. 1990, c. C.43, AS AMENDED*

AFFIDAVIT OF JESSICA ZHANG

I, JINGJIE (JESSICA) ZHANG, of the City of Oakville, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:

1. I am a director of Chancery (Oshawa) The Bartlett GP Inc. (the “General Partner”), the general partner of Chancery (Oshawa) The Bartlett Limited Partnership (together, “Chancery”). As such, I have personal knowledge of the matters herein.

2. I make this affidavit in opposition to the motion brought by KSV Restructuring Inc. in its capacity as Court-appointed Receiver (the “Receiver”), returnable April 13, 2026, for a Distribution and Discharge Order that would, among other things, authorize and direct the

Receiver to distribute the available proceeds of the receivership to Fiera FP Real Estate Financing Fund, L.P. (“Fiera”) up to the full amount of Fiera’s indebtedness, and thereafter discharge the Receiver (the “Motion”).

3. The grounds for my opposition are set out in the letter to the Court dated March 30, 2026 (the “Letter”), a copy of which is attached hereto as Exhibit “A”. In particular, Chancery submits that, prior to approving any distribution to Fiera, the Court should review the fairness and reasonableness of the interest that has accrued on Fiera’s indebtedness over the course of the receivership proceedings, and determine whether any adjustment is appropriate in order to ensure fairness to the 33 unsecured investors who stand to lose 100% of their investments. I adopt and rely upon the contents of the Letter as if fully set out herein.

4. I make this affidavit in good faith and for improper purpose.

SWORN before me by videoconference
by Jessica Zhang at the City of
Toronto, in the Province of Ontario on the
10th day of April 2026, in accordance with
Or. Reg. 431/20, Administering Oath or
Declaration Remotely.



Commissioner for Taking Affidavits



JESSICA ZHANG

THIS IS EXHIBIT "A" REFERRED TO IN
THE AFFIDAVIT OF JESSICA ZHANG
SWORN BEFORE ME, BY VIDEOCONFERENCE,
THIS 10TH DAY OF APRIL, 2026

A handwritten signature in black ink, appearing to be 'RA', written over a horizontal line.

Ronald Allan

March 30, 2026

To: The Honourable Court

Re: Chancery (Oshawa) The Bartlett Limited Partnership et al. – Receivership Proceedings

We, Chancery (Oshawa) The Bartlett GP Inc., are writing on behalf of Chancery (Oshawa) The Bartlett Limited Partnership (collectively, “Chancery”), and in particular on behalf of its 33 investors, in response to the current status of the receivership proceedings and the matters raised in recent correspondence concerning the sale process and the indebtedness owing to Fiera FP Real Estate Financing Fund, LP (“Fiera”).

At the outset, Chancery acknowledges the efforts undertaken by the Receiver in conducting the sale process and managing the Bartlett Property throughout these proceedings. During the course of the sale process, Chancery and its investors remained hopeful that a transaction would be achieved at a value sufficient to satisfy all stakeholders, including the senior secured lender, Fiera, as well as unsecured equity investors.

However, it has now become clear, based on the outcome of the sale process and the absence of any offers sufficient to repay the senior secured indebtedness in full, that there will be no recovery available to investors and other unsecured stakeholders.

In light of this outcome, Chancery respectfully submits that it is appropriate for this Honourable Court to review the fairness and reasonableness of the interest that has accrued on Fiera’s indebtedness over the course of these proceedings. The accumulation of interest has materially increased the total indebtedness and has directly impacted the potential for any recovery by subordinate stakeholders. Chancery notes that the Bartlett Project incurred construction-facility level interest rates long after the project would have been deemed stabilized, and at which point under normal circumstances a project would be refinanced at a lower interest rate. From April 2023 to February 2026, Fiera incurred approximately \$15.8 million in interest (at a rate of 10% per annum). Fiera’s loan principal is \$53,503,221.25 and Fiera has collected approximately \$6.6 million of interest from the Bartlett Property’s operational cash flow. There are 33 investors who have invested \$5,019,000 into the Bartlett Project and they will lose 100% of their investments.

Chancery does not dispute the existence of Fiera’s secured claim or its priority ranking. However, given the extended duration of the receivership and the significant growth in the indebtedness attributable to accrued interest, we submit that a review is warranted to determine whether the quantum of such interest is fair and equitable in the circumstances, particularly as against unsecured parties.

This request is made in the interest of ensuring that the receivership process operates in a manner that is balanced and consistent with principles of fairness for all stakeholders.

Chancery therefore respectfully requests that the Court consider:

1. Reviewing the interest accrued on Fiera’s indebtedness during the receivership period; and

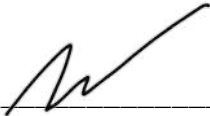
2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



BO XIA

Name:

Title:

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: 1885148 Ontario Inc.
Title:

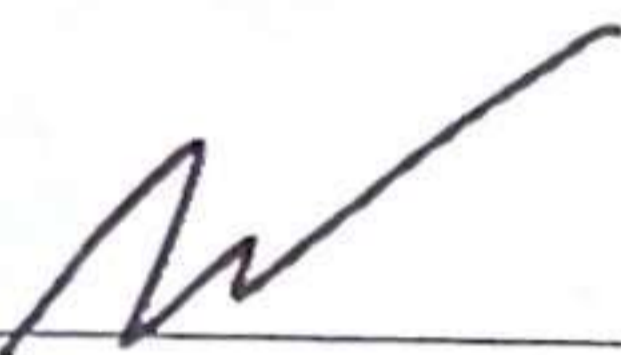
2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

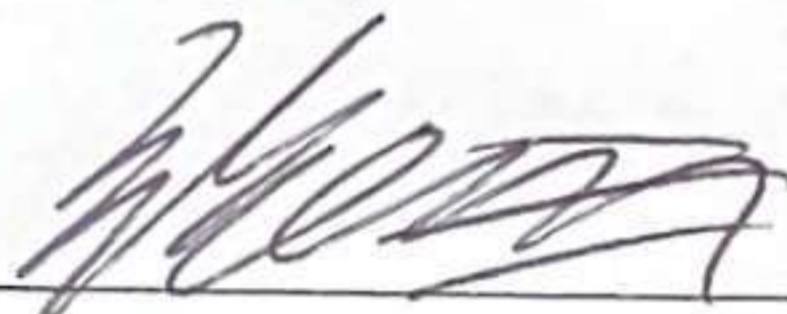
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name:
Title:

Pai Zhang

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name:
Title: *Investor*

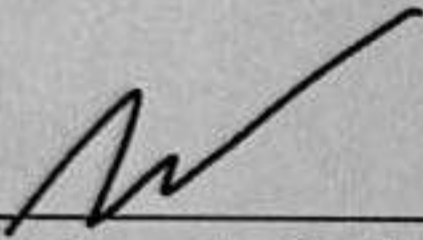
2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

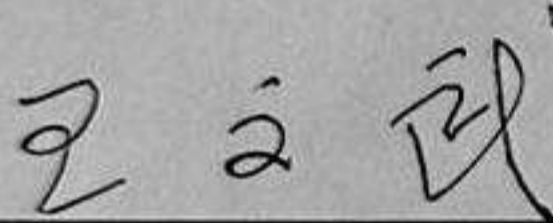
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: WEN WU WANG
Title:

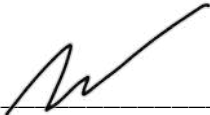
2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

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Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Selina Yijun Hu
Name:
Title:

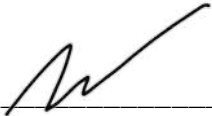
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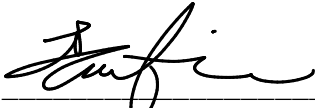
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Mofei Li
Title: Investor

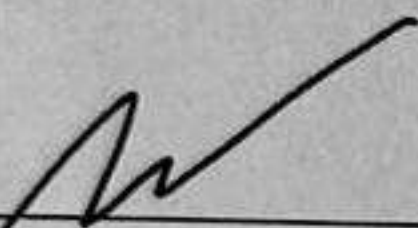
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We thank the Court for its consideration of this matter.

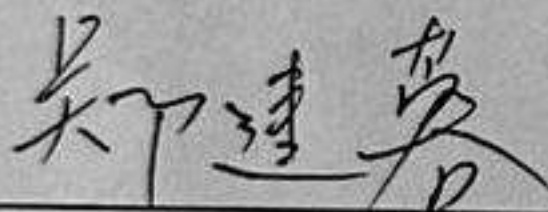
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: JIAN RONG ZHENG
Title:

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

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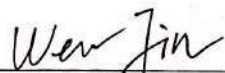
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Wen Jin

Title:

Investor - Chancery (Oshawa)
The Bartlett LP

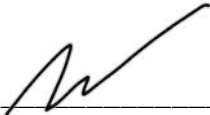
2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

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Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Hui Hu
Title:

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

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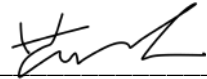
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: FAN9999 Holding Inc. (Jie Fan)
Title: Investor

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Hui Zhang
Title: Investor

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.

Zichen Chen

Name: Zichen Chen
Title: Investor

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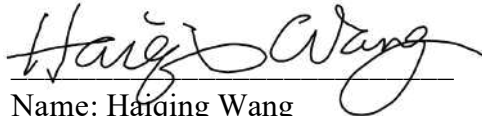
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Haiqing Wang
The Bartlett Limited Partnership

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Xinwei Gao
Title:

2. Determining whether any adjustment is appropriate in order to ensure fairness to unsecured investors.

We thank the Court for its consideration of this matter.

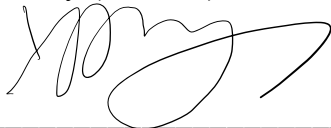
Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



Name: Qiong Xie
Title: Investor

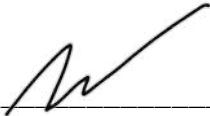
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Yours truly,



Jessica Zhang
Chancery (Oshawa) The Bartlett GP Inc.



Stephen A. Suske
Chancery (Oshawa) The Bartlett GP Inc.



BO XIA

Name:

Title:

FIERA FP REAL ESTATE FINANCING FUND, L.P.

Applicant

-and-

**CHANCERY (OSHAWA) THE BARTLETT LIMITE
PARTNERSHIP**

Respondents

Court File No. CV-23-00700694-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF JESSICA ZHANG

Suske Capital Inc.
101 – 2275 Upper Middle Rd East
Oakville, ON L6H 0C3

Pamela Heard LSO #73998V
Tel: 647 822 0913
Email: pheard@suskecapital.com

Counsel for Suske Capital Inc.