



Equiton Residential Income Fund Trust

2025

Annual Report



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Forward-Looking Information

Certain information in this communication contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may relate to future events or the Trust’s performance. Forward-looking information includes, but is not limited to, information regarding the Trust’s distributions, growth potential and volatility, investor returns, ability to achieve operational efficiencies, objectives, strategies to achieve those objectives, beliefs, plans, estimates, projections and intentions; and similar statements concerning anticipated future events, results, circumstances, performance or expectations and other statements that are not historical facts. These statements are based upon assumptions that the Management of the Trust believes are reasonable, but there can be no

assurance that actual results will be consistent with these forward-looking statements. Forward-looking information involves numerous assumptions, known and unknown risks, and uncertainties that contribute to the possibility that the forward-looking statements will not occur and may cause actual results to differ materially from those anticipated in such forward-looking statements. Some of these risks are discussed in the section “Risk Factors” in the Offering Memorandum. These forward-looking statements are made as of the date of this communication and the Trust is not under any duty to update any of the forward-looking statements after the date of this communication other than as otherwise required by applicable legislation.

Letter from Leadership


In 2025, the Equiton Residential Income Fund Trust (the Trust) delivered solid performance, reflecting consistent operating execution and a disciplined investment approach. Against a backdrop of evolving market conditions across the Canadian multifamily sector, the Trust's portfolio resilience and active asset management supported continued value creation for Investors.

A core element of the Trust's strategy — its active management approach and focus on operational excellence — proved to be a key differentiator throughout the year. Reflecting these commitments, the Trust invested \$18.7M in building improvements and unit upgrades across the portfolio in 2025. Ongoing investments in Resident satisfaction, property upgrades, and operational efficiency strengthened portfolio performance, reinforcing demand within the Trust's communities and supporting long-term results while helping mitigate near-term market fluctuations.

This operational strength translated directly into results as improvements contributed to valuation gains across the portfolio. The Trust's gains were driven primarily by operational execution rather than market-driven repricing — demonstrating Management's ability to create value through controllable levers rather than relying on external market drivers.

The Trust's long-term strategy has shown resilience as market conditions evolve, delivering 8.56% (Class A DRIP) and 10.46% (Class F DRIP) net trailing returns since inception¹. In 2025, Class A DRIP total returns were 6.88% including a 5.73% yield while Class F DRIP Investors received a 7.92% total return including a 6.68% yield, consistent with the Trust's historical distribution profiles and underscoring the portfolio's capacity to deliver stable income in a moderating market environment. This income remains characterized by 100% return of capital, enhancing tax efficiency for Investors.

¹ As at Dec. 31, 2025. Class A DRIP inception: May 2016. Class F DRIP inception: March 2018.



Jason Roque
CEO and Founder

The Trust generated net positive capital inflows during the year, reflecting continued Investor confidence. Proceeds were allocated towards accretive acquisitions and continued investment in value-enhancing initiatives.

During 2025, the Trust deployed \$99.2M of capital, including acquisition costs, to purchase two properties comprising 292 units. Notably, the Trust completed its first acquisition in British Columbia with Mountain Park Residences, a 117-unit rental complex in the Metro Vancouver area that further strengthened geographic diversification within the portfolio. As well, the Trust's mid-year acquisition of Central Tower in Edmonton, Alberta, provided meaningful added exposure to one of Canada's fastest-growing urban markets.

"The Trust's results in 2025 reflect the strength of its operating platform and long-standing approach to multifamily investing."

These acquisitions reflect the Trust's continued ability to identify and execute on opportunities in high-quality rental markets, even during a period of uncertainty. With acquisition conditions improving and competitive intensity moderating, the Trust was able to pursue these opportunities selectively at favourable pricing and terms.

The Trust's purpose-built rental development project in Ottawa - Maison Riverain - celebrated the grand opening of its first tower in 2025. Despite a more competitive leasing climate, a combination of community engagement, active lead management, dynamic pricing, and disciplined incentive management led to a successful start for Tower 1's initial lease-up.

At year-end, the tower was firmly on the path toward stabilization with approximately 70% of units leased and is expected to make a positive contribution to portfolio cash flow as occupancy increases.



Helen Hurlbut
President and CFO
/Co-Founder

Additionally, negotiations are ongoing with anchor tenants in Tower 1's commercial space. The broader development continues to progress as planned, with Tower 2 under construction and advancing on schedule, while planning and pre-development activities for the remaining tower continue as anticipated.

Following elevated pricing in recent years, the rental market moderated in 2025. Despite this moderation, the purpose-built multifamily market remained the most resilient segment, with national average asking rents declining 1% Y/Y, compared with a 2.3% decline in broader rents².

The Trust maintained stable market rents across the portfolio while the turnover program continued to support top-line growth. The Trust turned 835 units, generating an average rent uplift of 11.5%, which translated into approximately \$171k of incremental monthly revenue. Overall portfolio rents increased by 5.7% on a net Average Monthly Rent (AMR) basis, reflecting continued execution of the Trust's turnover strategy, alongside steady growth in in-place rents. The portfolio's gap to market positions the Trust to capture additional embedded rental upside through future natural turnover.

Full-year contributions to revenue growth from acquisitions completed in 2024, together with the partial-year contributions of properties added in 2025, drove revenue growth of 33.2% Y/Y (\$19.4M) and a net operating income (NOI) increase of 30.6% Y/Y (\$10.1M) as at year-end. Additionally, same store NOI increased 2.0% Y/Y, with NOI margin ending the year at 55.9%. This performance underscores the Trust's ability to preserve profitability despite higher utility, realty tax, and leasing incentive costs.

The Trust's balance sheet positions it for resilience in a stabilizing interest rate environment. The Trust completed \$95.3M of new mortgage financing, which generated ~\$28M in net proceeds, enhancing the Trust's liquidity position and flexibility.

The mortgage debt to gross book value ratio rose modestly to 52.4%, primarily reflecting the year's two major acquisitions, which were financed with competitive CMHC-insured mortgages consistent with much of the existing financing structure.

The incremental increase in leverage remains aligned with Management's conservative capital structure and debt management strategy.

Throughout 2025, the Trust continued to advance its environmental, social, and governance (ESG) initiatives, reinforcing the long-term sustainability of its portfolio. The prioritization of Resident satisfaction is a cornerstone of this effort, contributing to strong occupancy and longer Resident tenure across the Trust's communities.

Occupancy across the portfolio was 95.5% as at December 31, aligned with national averages. Equiton's commitment was recognized with its first Company Award from SatisFacts, a leading provider of resident satisfaction surveys. Moreover, 18 properties across the portfolio received individual SatisFacts Community Awards in 2025, doubling last year's total. Management continues to prioritize the Resident experience through building improvements, community events, and transparent management, ultimately benefiting Investor returns.

The Trust's prudent approach to capital management was further reflected in the 2025 amendment to its Declaration of Trust. This change strengthens the Trust's ability to manage liquidity, supports portfolio stability, and ensures continued alignment between capital activity and the execution of the Trust's long-term investment strategy.

The Trust's results in 2025 reflect the strength of its operating platform and long-standing approach to multifamily investing. Achieving momentum in a challenging market environment underscores the resilience of the portfolio and positions the Trust to benefit as market conditions continue to stabilize.

Looking ahead, Management will continue prioritizing proactive asset management, enhancing the Resident experience, and capturing embedded rent growth across the portfolio while pursuing selective acquisition opportunities that support future value creation. With a commitment to financial stewardship, the Trust remains poised to provide sustainable income and capital appreciation for Investors.

Jason Roque, CEO and Founder
Helen Hurlbut, President and CFO/Co-Founder



2025

Performance Highlights

As at December 31, 2025



2610 109 Street Northwest,
Edmonton, AB



280 Montgomery Street,
Ottawa, ON

Portfolio Growth

2

Acquisitions

292

Units Added to Portfolio

\$99.2M

Capital Deployed

Operational Performance

835

Units Turned

21.7%

% Portfolio Turned

11.5%

Avg. Rent Uplift on Turnover

Financial Performance

33.2%

Y/Y Growth in Operating Revenues

30.6%

Y/Y Growth in NOI

55.5%

NOI Margin

Financing & Capital Management

3

Number of Refinancings Completed

\$28M

Net Capital Generated from Refinancings

\$95M

Total Financing Volume

2025 – Property Stabilization & Lease-Up Activity

199 (~70%)

Leases Executed at Maison Riverain

98.6%

Contractual Occupancy – Stabilization of Henday Suites

Corporate Profile

Established in 2015, Equiton is a leader in private equity investments. Our remarkable growth is a result of our leadership team's expertise in the industry and their ability to generate long-term wealth through real estate investments. We know that finding the right opportunities involves time, experience, and discipline. Our strategy is always forward looking, anticipating trends and adapting our approach to strengthen our market position. We focus on capitalizing on value creation opportunities and building the most robust portfolio possible for our Investors while creating spaces our Residents are proud to call home. We create value by investing in real estate and leveraging opportunities for improvement, optimization, and redevelopment. At Equiton, we are focused on making private equity real estate investments more accessible to Canadians to support them in their wealth building journey.

1355 Commissioners
Road West, London, ON



Summary of Key Performance Indicators (KPIs)

The Trust remained resilient in 2025, delivering improvements across the majority of its KPIs while continuing to support accretive growth for Investors.

The following financial results of operations and financial condition for the 12-month period ended December 31, 2025 and comparable prior year periods should be read in conjunction with the Trust's financial statements dated February 28, 2026 for the 12-month period ended December 31, 2025.

As at December 31,	2025	2024
PORTFOLIO PERFORMANCE		
Overall Portfolio Occupancy ¹	95.5%	97.6%
Net Average Monthly Rent ²	\$1,647	\$1,559
Occupied Average Monthly Rent ²	\$1,619	\$1,540
Monthly Market Rents - Quarter End	\$2,064	\$2,063
Operating Revenues	\$77.7M	\$58.3M
NOI	\$43.1M	\$33.0M
NOI Margin (%) ⁵	55.5%	56.6%
ASSETS UNDER MANAGEMENT (AUM)		
	\$1,489M	\$1,292M
Growth in AUM - Y/Y	15.2%	35.8%
Growth in Operational Revenue - Y/Y	33.2%	23.2%
Growth in NOI - Y/Y	30.6%	22.8%
FINANCIAL METRICS³		
Mortgage Debt to Gross Book Value ⁴	52.4%	52.2%
Weighted Average Mortgage Interest Rate ⁴	3.61%	3.41%
Weighted Average Time Remaining On Mortgages (years) ⁴	6.97	7.76
Debt Service Coverage (times) ⁴	1.36	1.57
Interest Coverage (times) ⁴	1.95	2.42
Revenue Gap to Market	24.8%	30.9%

1 Leased rent-ready units as of December 31, 2025 and 2024. Excludes properties undergoing stabilization.

2 Average quarterly amounts as at December 31.

3 Measures are not defined by International Financial Reporting Standards (IFRS), do not have standard meanings and may not be comparable with other industries or companies.

4 Excludes TD line of credit and construction property - Maison Riverain. Including these, LTV ratio is 57.25%.

5 Includes impact of property currently undergoing development and lease-up (Maison Riverain). Excluding this property, NOI margin for the 12-months ended December 31, 2025 is 56.6%.



Mission

Equiton believes in creating lasting value by investing in people and communities. We strive to deliver superior real estate investment solutions so our customers can build their wealth and financial security.

Vision

To be a leading force in making high-quality private real estate investing accessible while building lasting relationships with our Stakeholders.

Core Values



Integrity

Rigorous adherence to a set of moral and ethical standards focused on respect, honesty, and fairness.



Accountability

Individual responsibility for delivering on our commitments and being accountable for our decisions, actions, and results.



Expertise

Offering the highest level of professional expertise, quality service and knowledgeable insights.



Customer Focused

We recognize our customers are the reason for our success and know by putting their needs first, we foster trusting, long-term relationships.



Entrepreneurial Spirit

Focusing on a growth mindset, continuous improvement, embracing change, and recognizing goals are achieved through dedication and hard work.



Our ESG Objective

With a focus on sustainability, Equiton's ESG objective is integral to our investment strategies, from how we select and manage our properties to the results we deliver. Through this approach, we aim to design investment solutions that lead to lasting positive impacts that benefit our company while improving the environment and society's well-being.

Equiton has seamlessly integrated environmentally responsible strategies and practices into our business operations and investment strategies. These operations entail optimizing energy usage in our buildings, offering water conservation and waste diversion resources to our Residents, developing community programs, and ensuring compliance with environmental reporting standards throughout our portfolio. Through these efforts, we aim to deliver strong results for Investors and contribute meaningfully to a more sustainable and equitable future.

ESG Targets and Commitments

Equiton has outlined a set of commitments aimed at fortifying our corporate values and advancing our sustainability efforts. These encompass a range of initiatives, including Employee Engagement Surveys, comprehensive sustainability training, enhanced well-being programs for our Residents, and the establishment of targets for key environmental metrics.

TARGETS & COMMITMENTS	2025 OUTCOMES & PROGRESS	2024 OUTCOMES & PROGRESS
Perform annual Resident satisfaction surveys and promote ongoing enhancement at the asset level	Completed 2,199 Annual Surveys (see page 13)	Completed 1,680 Annual Surveys
Conduct annual Employee surveys	Completed Achieved >85% Employee Engagement (see page 13)	Completed Achieved >80% Employee Engagement
We aim to achieve a reduction of water use by 2% Y/Y across portfolio	5.1% Y/Y Reduction (see page 12)	4.4% Y/Y Reduction
We aim to achieve a reduction of energy consumption (natural gas, hydro) by 2% Y/Y across portfolio	1.4% Y/Y Reduction (see page 12)	2.9% Y/Y Reduction
Roll out and enhance sustainability training company-wide	Ongoing	Ongoing
Broaden social, health and well-being programs for our Residents	Hired Additional On-Site Staff, Facilitated 60+ Community Events (see page 13)	Enhanced Fitness Amenities, Building Accessibility, Safety Systems, etc. Facilitated 59 Community Events
Achieve net-zero carbon emissions by 2050 across portfolio	Continued Capital Expenditure Program within ESG Framework	Progress made on property-wide assessments / ESG framework applied to the capital expenditure program

ESG Highlights

Through its participation in the Global Real Estate Sustainability Benchmark (GRESB), Management is focusing on long-term accountability and building a stronger, more sustainable future. With these priorities in mind, we confidently moved forward with our ESG initiatives and are proud to share results that demonstrate measurable progress.

Operational Excellence: Equiton's Key to Good Stewardship



Management targeted environmental savings and efficiencies across the portfolio:

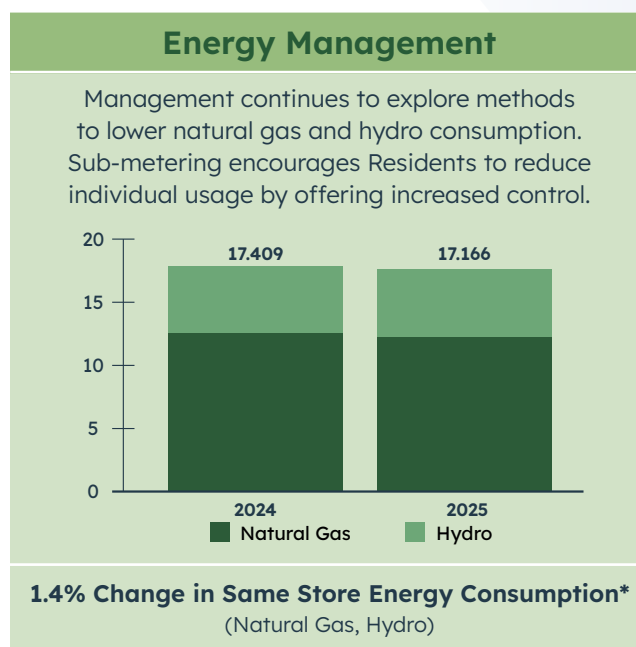
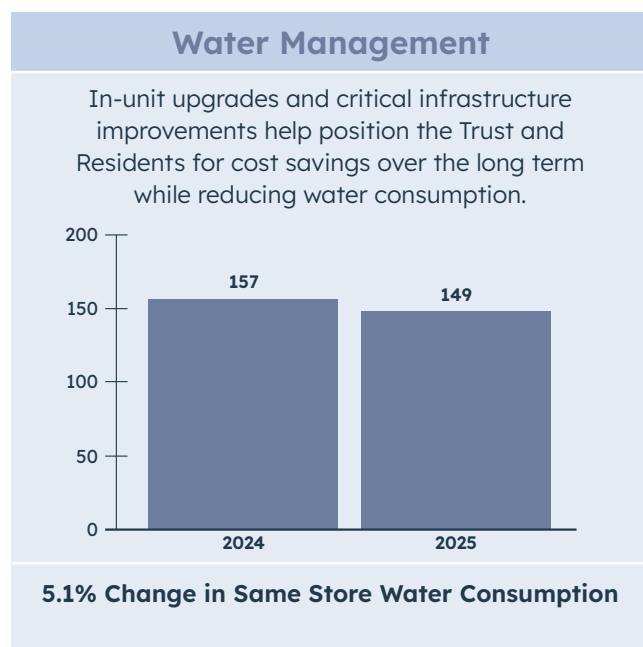
- Water fit-ups and installation of water-saving devices
- Comprehensive electrical energy audits
- Building envelope and window enhancements
- Boiler and radiator replacements
- Cooling system replacements
- Added building automation systems



Equiton saved 18,219,000 litres of water

in 2025, That's over 91k standard bathtubs.

(Same store consumption)



Sub-Metering Portfolio

Number of Residents billed separately for utility consumption.

	2025	Y/Y % Change
Number of Units	4,320	+15.7%
Water	1,350	100+%
Natural Gas	179	0.0%
Hydro	2,275	+44.9%

*Energy consumption is influenced by variation in outdoor temperatures. Normalization has been applied to improve comparability across reporting years and to better reflect underlying operational performance. As such, these amounts do not correspond directly to utility expenses reported in the Trust's IFRS-based audited financial statements, which reflect actual energy costs and consumptions incurred during the year.

**Excludes previously renovated rental suites.

Building Thriving Communities

Equiton’s community-building efforts continue to deliver meaningful improvements to the Resident experience.



54.7% (+10.2% Y/Y)

of Equiton rental units meet CMHC rental affordability criteria

90

units with long-term affordability commitments

Residents in Focus

Resident Satisfaction Survey

In 2025, Equiton received its first Company Award from SatisFacts, a leading provider of resident satisfaction surveys. Moreover, 18 individual properties received Community SatisFacts Awards, **double last year’s count**.



2,199

Resident surveys collected (+30% Y/Y)

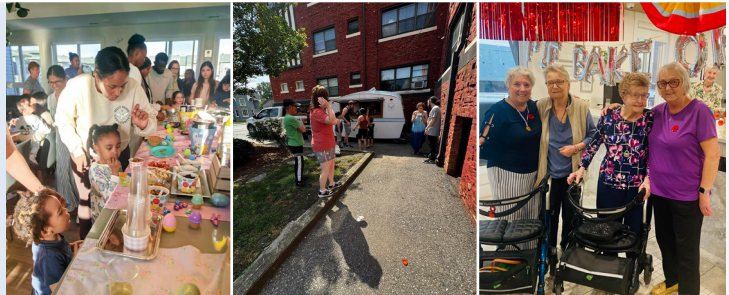


4.22/5

Average resident satisfaction score (+2.2% Y/Y)

Community Life

- 60+ community events
- 35 on-site Resident Managers (increased)
- Property upgrades for safety, enjoyment, and sense of home



88.8%

(+7.0% Y/Y)

Overall response rate

Employee Engagement Survey

The results of Equiton’s annual Employee Engagement Survey help drive important improvements across the organization, helping attract and retain valuable Employees.

Equiton Scored Highest On...

- Confidence in Leadership
- Management
- Contribution
- Teamwork
- Customer Focus

Company Culture

- Introduced New Town Halls
- New Employee Recognition Program
- Recreational Company Sports Teams
- Volunteer Opportunities, Including Habitat for Humanity Build Days



Maison Riverain Development Update

280 Montgomery Street, Ottawa, Ontario

Project Overview

Maison Riverain, situated in Ottawa's Vanier neighbourhood, will consist of three high-rise towers adding approximately 1,100 rental units to the local housing market. With breathtaking views of the Rideau River, these contemporary apartments offer spacious layouts with quartz countertops, in-suite laundry, large balconies, and key fob entry. Residents will enjoy premium amenities, lockers and bike storage, underground parking, and electric car-charging stations.

2025 Highlights

- Tower 1 welcomed its first Residents in April and was ~70% leased by year-end.
- Final residential floor occupancy was achieved in September.
- Tower 2 construction commenced in February and progressed to the 10th floor by year-end.
- Major site servicing and roadworks substantially completed.
- Tower 3 advanced through pre-consultation, with Site Plan Approval (SPA) submission targeted for early 2026.



Year in Review

2025 was a pivotal year for Maison Riverain, marked by the conclusion of construction and subsequent occupancy of Tower 1, the start of construction and significant progress for Tower 2, and planning advancement for Tower 3.

Tower 1 reached substantial completion and entered active lease-up during the year. Partial occupancy was granted in April 2025, with initial move-ins commencing April 30. Occupancy progressed floor by floor, with final residential occupancy achieved in September and remaining permits issued in October. Interior common areas and amenities are complete and operational, and site works are largely finalized. Leasing activity remained strong, with 199 units leased by year-end, representing ~70% of total units and demonstrating continued progress toward stabilization. In parallel, advanced negotiations are ongoing with prospective anchor tenants for the commercial component.

Construction of Tower 2 commenced in February and progressed steadily. Major milestones included completion of excavation, dewatering and foundations, as well as crane installation and underground servicing. By year-end, the structure advanced to the 10th floor slab, with above-grade permits secured and early building envelope and systems work underway.

Tower 3 continued through the planning process in 2025, including completion of SPA pre-consultations in October, with further submissions targeted for early 2026.

Overall, Maison Riverain made meaningful progress across all three towers in 2025. Priorities for 2026 remain focused on advancing Tower 1 lease-up, maintaining construction momentum at Tower 2 and progressing approvals for Tower 3.

View of Tower 1 from Tower 2



City Park Space Progress



Tower 2 Progress



Business Overview

The Trust was formed on March 1, 2016, pursuant to the Declaration of Trust and has carried on business since its inception of selling the Trust Units and purchasing LP Units of the Partnership. The Partnership was formed under the laws of the Province of Ontario on March 1, 2016, pursuant to the filing of a limited partnership declaration, and has carried on active business since its inception by entering into the material agreements set out in “Material Agreements” and the transactions described in the Offering Memorandum.

Long-Term Objectives

The long-term objectives of the Trust are to maximize Unitholders’ value with regular and growing cash distributions payable monthly, and through the holding of LP Units to maximize Trust unit value through the ongoing management of the assets and through future acquisition of additional properties.

To achieve our objectives, the Trust must successfully raise capital through the sale of Trust Units to fund the acquisition of multi-residential properties. Management seeks to invest in existing residential and other income-producing multi-residential properties located in Canada.

17627 63 Street Northwest,
Edmonton, AB

Short-Term Objectives

The primary objective of the Trust in the ensuing 12 months is to seek out Investors, close the offerings, and complete additional offerings. The Trust will invest funds raised by such offerings in the Partnership by way of purchase of LP Units which will in turn invest in income-producing investments in Canada.



Investment Strategies

Management is actively increasing the portfolio through acquisition and consolidation of Canadian markets where the opportunity for stabilized, value-add, and select developable properties exists. The Management team has significant experience in all aspects of the multi-residential housing industry, including acquisitions and dispositions, finance and administration, property management, project development, construction, and renovation. Management believes that these skills will allow us to capitalize upon many multi-residential real estate opportunities which may be unavailable to other real estate investors who lack the expertise in the real estate sector.

Management enhances the value of our properties through several distinct and well-executed strategies:

Customer Satisfaction

Management strives to keep all customers satisfied and as long-term residents by creating a clean and comfortable environment. Developing a sense of community within the properties through various programs reduces turnover and vacancy, creating demand for families wanting to live in our buildings. By reducing costs associated with turnover and higher demand allowing increasing rents, net income will grow accordingly.

Maintenance and Repair Programs

Management is fundamentally driven by efficiencies and cost-effective programs that are accretive to the trust's short-term and long-term value. Management believes that the trust is positioned to take full advantage of efficiency programs and capital investments that will attract investors and enhance the value of the Trust's portfolio.

Superior Property Management

The success of each property from both financial and customer satisfaction standpoints starts with the attitudes and work ethic of the on-site building staff. Property management staff represent the organization from the first point of contact to the ongoing attention of residents' needs. As well as being attentive and dedicated, on-site staff are skilled in many areas to reduce the need for outside trades to be required for ordinary day-to-day repairs and maintenance.

Comprehensive Reporting

Management utilizes sophisticated financial tools to maximize income and measure the effectiveness of cost control and efficiency programs.

Strategic Debt Management

Management diligently seeks out financing opportunities to optimize and leverage returns. Attention to staggered maturities and terms at leveraged amounts set out by the Declaration of Trust will minimize the Trust's exposure to fluctuating interest rates and stabilize cash flows over the short and long term to benefit the organization.

Enhancement of the Portfolio

Management is always looking at opportunities to maximize the portfolio. Assessing unit creation opportunities, utility retrofits, common area and in-suite renovations/upgrades, sub-metering and strategic upgrades, among other things, are part of this strategy. Properties that are "mature" and no longer adding value may be sold or repositioned if there is a market for an enhanced property. Management looks to continue diversifying the portfolio by purchasing properties in thriving communities that will seek to strengthen and insulate the portfolio from concerns in any community.

Communications

Management delivers concise and current information to all Unitholders concerning the activities within the portfolio.

ESG Strategy Integration

Management is committed to embedding its multi-year ESG road map into the Trust's overall growth strategy. Supported by the Trustees and Equiton's ESG Committee, Management is dedicated to the advancement of a comprehensive ESG strategy to ensure continual improvement as a steward of the environment, real estate Investor, community developer and employer, and to make progress as an ethically responsible forward thinking organization. The integration of ESG into the Trust's investment process sits primarily with Equiton's Investment Committee and the Operations team.

Equiton's Investment Committee utilizes a proprietary ESG scorecard to formalize its approach to assessing and evaluating new acquisitions. This approach undertakes a fulsome analysis of ESG factors that, when combined with other non-ESG factors, aids in the understanding of the Trust's investments including risk profile. Management supports the ongoing commitment to providing and maintaining a working environment based on respect, dignity, and the rights of everyone in the organization. Incorporating relevant ESG issues into decision-making processes results in better risk assessment, better buildings for the communities served, increased transparency, and measured investment decisions for Investors.

Multi-Residential Strategy

Management believes that multi-residential properties offer an attractive investment opportunity with stability of yield, inflation protection, and growth potential. Focusing predominantly on one asset class will enable the Trust to acquire a critical mass of residential units and bolster the Trust's market presence, thereby enhancing the opportunities for future multi-residential property acquisitions at attractive prices. Given current market conditions, Management will continue to concentrate on communities with low vacancy levels, attractive economic prospects, and strong population demographics that align with the class of acquired multi-residential properties. Management will also pursue opportunities in both secondary economic hubs and major metropolitan areas when it's believed that the acquisitions are accretive to the portfolio or provide further opportunities for diversification.





Market Information

Canada's multifamily sector experienced a short-term moderation in 2025 as new supply increased and population growth slowed, shaping market dynamics. Vacancy rates in Canada's multifamily sector edged higher across several major markets and rent growth moderated from the record increases observed over several years of exceptionally tight rental market conditions. Despite this shift toward more balanced conditions, the sector continues to benefit from strong structural demand drivers, including persistent housing affordability challenges, elevated barriers to homeownership, and long-term population growth.

- Canada's economy grew 1.7% in 2025, in line with the Bank of Canada's projections earlier in the year, reflecting a generally stable macroeconomic backdrop. Annualized GDP growth is expected to reach 1.5%-2.2%¹. For the multifamily sector, this combination of stable economic growth and a constructive near-term outlook continues to support employment, household formation, and underlying rental demand.
- The Bank of Canada is expected to maintain its policy rate at or near 2.25%, at the lower end of its estimated neutral range, which should provide greater stability in borrowing conditions. This supports refinancing activity on stabilized multifamily assets and improves the feasibility of development projects².
- Multifamily cap rates stabilized in 2025 following several years of expansion, reflecting improved interest rate visibility and a more balanced capital markets environment. With valuation repricing slowing, sustained value creation is expected to rely increasingly on operational growth, disciplined cost management, and effective property management execution³.
- National home sales remain below long-term historical averages, and any recovery in housing market activity is expected to be uneven. Persistent homeownership affordability challenges continue to limit the transition from renting to owning, reinforcing demand for multifamily rental housing across markets.
- Housing starts began to lose momentum in the second half of 2025 and are projected to decline further into 2026. This slowdown is expected to widen the long-term housing supply gap, supporting longer-term demand, occupancy, and rent growth in the multifamily sector⁴.

- Fewer than 260k new homes were completed across Canada’s urban population centres (10,000+ residents) in 2025², still below the approximately 290k units per year that the Parliamentary Budget Officer estimates are required to close Canada’s housing gap by 2035. Without a sustained increase in construction activity, annual completions could decline further to ~190k by that time, reinforcing the structural housing shortage that underpins demand for multifamily rental housing⁵.
- National vacancy rates edged higher to 4.5% in 2025⁶ following several years of exceptionally tight rental conditions in certain markets, reflecting a period of market recalibration rather than structural weakening. Average purpose-built asking rents are expected to stabilize following recent moderation as newly delivered supply is absorbed and the pace of future supply growth slows.

Population growth slowed in late 2025 due to a reduction in non-permanent residents. However, long-term government projections suggest Canada’s population could still grow by approximately 2.5M by 2035, meaningfully sustaining underlying rental demand⁷.

- Government housing policy remains a central theme. Federal initiatives aimed at stimulating purpose-built construction — such as the enhanced Purpose-Built Rental Rebate offering 100% GST relief on eligible projects — signal continued policy momentum around measures that could provide more certainty for project timelines.
- Real estate markets across sectors — including office, retail, and housing — continue to undergo repricing in response to shifting capital market conditions. Multifamily sentiment remains comparatively strong relative to other asset classes, supported by durable demand fundamentals and improving financial conditions⁸.

(1) RBC Capital Markets - 2026 Outlook: Macro, monetary policy & rates

(2) Bank of Canada - Monetary Policy Report - January 2026

(3) Colliers - Canada Cap Rate Report Q4 2025 - January 2026

(4) CMHC - Housing Market Outlook 2026

(5) Office of the Parliamentary Budget Officer - Household Formation and the Housing Stock: Estimating the Housing Gap in 2035

(6) Yardi - Canadian multifamily market report

(7) Statistics Canada - Projected population, by projection scenario, age and gender, as of July 1

(8) PWC - Emerging Trends in Canadian Real Estate 2026, Beyond boundaries: Real estate’s new growth frontiers - November 2025

208 Woolwich Street South,
Breslau, ON



Investment Guidelines and Operating Policies

Investment Guidelines

The Declaration of Trust provides for certain guidelines on investments which may be made by the Trust. Additionally, the guidelines that follow are intended to generally set out the parameters under which any Subsidiary of the Trust or the Partnership will be permitted to invest. References to the Trust below shall be read as applying to such Subsidiary or the Partnership.

Investment Guidelines are as follows:

- a) The Trust shall focus its activities primarily on the acquisition, holding, maintaining, improving, leasing or managing of multi-residential revenue producing properties (and ancillary commercial or other real estate ventures) for investment purposes and assets ancillary thereto necessary for the operation thereof and such other activities as are consistent with the other investment guidelines of the Trust in Canada (the “Focus Activity”);
- b) notwithstanding anything contained in the Declaration of Trust to the contrary, the Trust will not, or permit a Subsidiary to, make or hold any investment, take any action or omit to take any action which would, at any time, result in the Trust:
 - (i) Trust Units being disqualified for any class of Deferred Income Plan at any time after the date on which the Trust has over 150 Trust Unitholders each holding not less than 100 Trust Units; or
 - (ii) The Trust ceasing to qualify as a “mutual fund trust” for purposes of the Income Tax Act (Tax Act);
- c) from and after the date on which the Trust has a Gross Book Value of at least one hundred fifty million dollars (\$150,000,000), no single asset (excluding the units of the Partnership and any portfolio of properties) shall be acquired if the cost of such acquisition (net of the amount of debt secured by such asset) will exceed 20% of Gross Book Value, provided that where such asset is the securities of or an interest in an entity, the foregoing tests shall be applied individually to each asset of such entity;
- d) the Trust may make its investments and conduct its activities, directly or indirectly, through an investment in one or more Persons on such terms as the Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited), unlimited liability companies and limited liability companies;
- e) except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or Trust company registered under the laws of a province or territory of Canada, short-term government debt securities or money market instruments of, or guaranteed by, a Schedule I Canadian chartered bank maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the Trust, the Trust directly or indirectly, may not hold securities of a Person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to (a) and (b) above, the Trust may hold securities of a Person:
 - (i) acquired in connection with the carrying on, directly or indirectly, of the Trust’s activities or the holding of the Trust Property; or
 - (ii) which focuses its activities primarily on Focus Activities, provided that, in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of an issuer (Acquired Issuer), the investment is made for the purpose of pursuing the merger or combination of the business and assets of the Trust and the Acquired Issuer or for otherwise ensuring that the Trust will control the business and operations of the Acquired Issuer;

- f) no investment will be made, directly or indirectly, in operating businesses unless such investment is incidental to a transaction:
 - (i) where revenue will be derived, directly or indirectly, principally from a Focus Activity; or
 - (ii) which principally involves the ownership, maintenance, improvement, leasing or management, directly or indirectly, of real property held for investment purposes;
- g) notwithstanding any other provisions of this section, the securities of a reporting issuer in Canada may be acquired provided that:
 - (i) the activities of the issuer are focused on Trust Investment Activities; and
 - (ii) in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding equity securities of the securities issuer, the investment or acquisition is of strategic interest to the Trust as determined by the Trustees in their discretion;
- h) no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- i) investments may be made in a mortgage, mortgage bonds, notes (except as provided for in the Declaration of Trust) or debentures (Debt Instruments) (including participating or convertible) only if:
 - (i) the real property which is security thereof is real property;
 - (ii) the security therefore includes a mortgage registered on title to the real property which is security thereof;
 - (iii) the amount of the investment (not including any Mortgage Insurance Fees incurred in connection therewith) does not exceed 85% of the market value of the real property which is the security thereof; and
 - (iv) the aggregate value of the investments of the Trust in Debt Instruments, after giving effect to the proposed investment, will not exceed 20% of the Gross Book Value;
- j) no investment shall be made in raw land except for the acquisition of properties adjacent to existing properties for the purpose of renovation or expansion of existing facilities where the total cost of all such investments does not exceed 10% of Gross Book Value; and
- k) notwithstanding any other provisions of the Declaration of Trust, investments may be made which do not comply with the provisions of Section 5.1 of the Declaration of Trust (other than paragraph (b) thereof) provided:
 - (i) the aggregate cost thereof (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred in connection with the acquisition and secured by a mortgage on such property) does not exceed 15% of the Gross Book Value; and
 - (ii) the making of such investment would not contravene the Declaration of Trust. The Trust has complied with the guidelines set out above since its formation.

Operating Policies

The operations and affairs of the Trust shall be conducted in accordance with the following operating policies:

- a) the construction or development of real property may be engaged in order to maintain its real properties in good repair or to enhance the revenue-producing potential of real properties in which it has an interest;
- b) title to each real property shall be held by and registered in the name of:
 - (i) a corporation or other entity wholly-owned by the Partnership,
 - (ii) the General Partner, or
 - (iii) a corporation or other entity wholly-owned indirectly by the Trust or jointly owned indirectly by the Trust with joint ventures;
- c) no indebtedness shall be incurred or assumed if, after giving effect to the incurring or assumption thereof of the indebtedness, the total indebtedness including amounts drawn under an acquisition and operating facility but not including Mortgage Insurance Fees incurred in connection with the incurrence or assumption of such indebtedness as a percentage of Gross Book Value, would be more than 75%;
- d) the Trust will not directly or indirectly guarantee any indebtedness or liabilities of any Person unless such guarantee is given in connection with or incidental to an investment that is otherwise permitted under Section 5.1 and/or 5.2 of the Declaration of Trust, or in circumstances where the guarantee would result in the Trust ceasing to qualify as a mutual fund trust pursuant to the Tax Act;

- e) at all times insurance coverage will be obtained and maintained in respect of potential liabilities of the Trust and the accidental loss of value of any of the Trust Property from risks, in amounts and with such insurers, in each case as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties and, for clarity, the Trust is not required to title insure; and
- f) a Phase I environmental audit shall be conducted or obtained for each real property to be acquired and, if the Phase I environmental audit report recommends that further environmental audits be conducted or obtained, such further environmental audits shall be conducted or obtained, in each case by or from an independent and experienced environmental consultant.

For the purpose of the foregoing operating policies, the assets, indebtedness, liabilities and transactions of a corporation, trust, partnership or other entity in which the Trust has an interest, directly or indirectly, will be deemed to be those of the Trust on a proportionate consolidated basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement.

The term “indebtedness” means (without duplication):

- a) any obligation, directly or indirectly, of the Trust for borrowed money;
- b) any obligation, directly or indirectly, of the Trust incurred in connection with the acquisition of property, assets or business other than the amount

of future income tax liability arising out of indirect acquisitions;

- c) any obligation, directly or indirectly, of the Trust issued or assumed as the deferred purchase price of property;
- d) any capital lease obligation, directly or indirectly, of the Trust;
- e) any obligation, directly or indirectly, of the type referred to in clauses (a) through (d) of another Person, the payment of which the Trust has, directly or indirectly, guaranteed or for which the Trust is responsible for or liable; and
- f) any amounts secured by any of the assets of the Trust; provided that:
 - (i) for the purposes of (a) through (b), an obligation (other than convertible debentures) will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of the Trust in accordance with generally accepted accounting principles in Canada;
 - (ii) obligations referred to in clauses (a) through (c) exclude trade accounts payable, distributions payable and accrued liabilities arising in the ordinary course of business; and
 - (iii) convertible debentures will constitute indebtedness to the extent of the principal amount outstanding. The Trust has complied with the operating policies set out above since its formation.

The Trust has complied with the operating policies set out above since its formation.

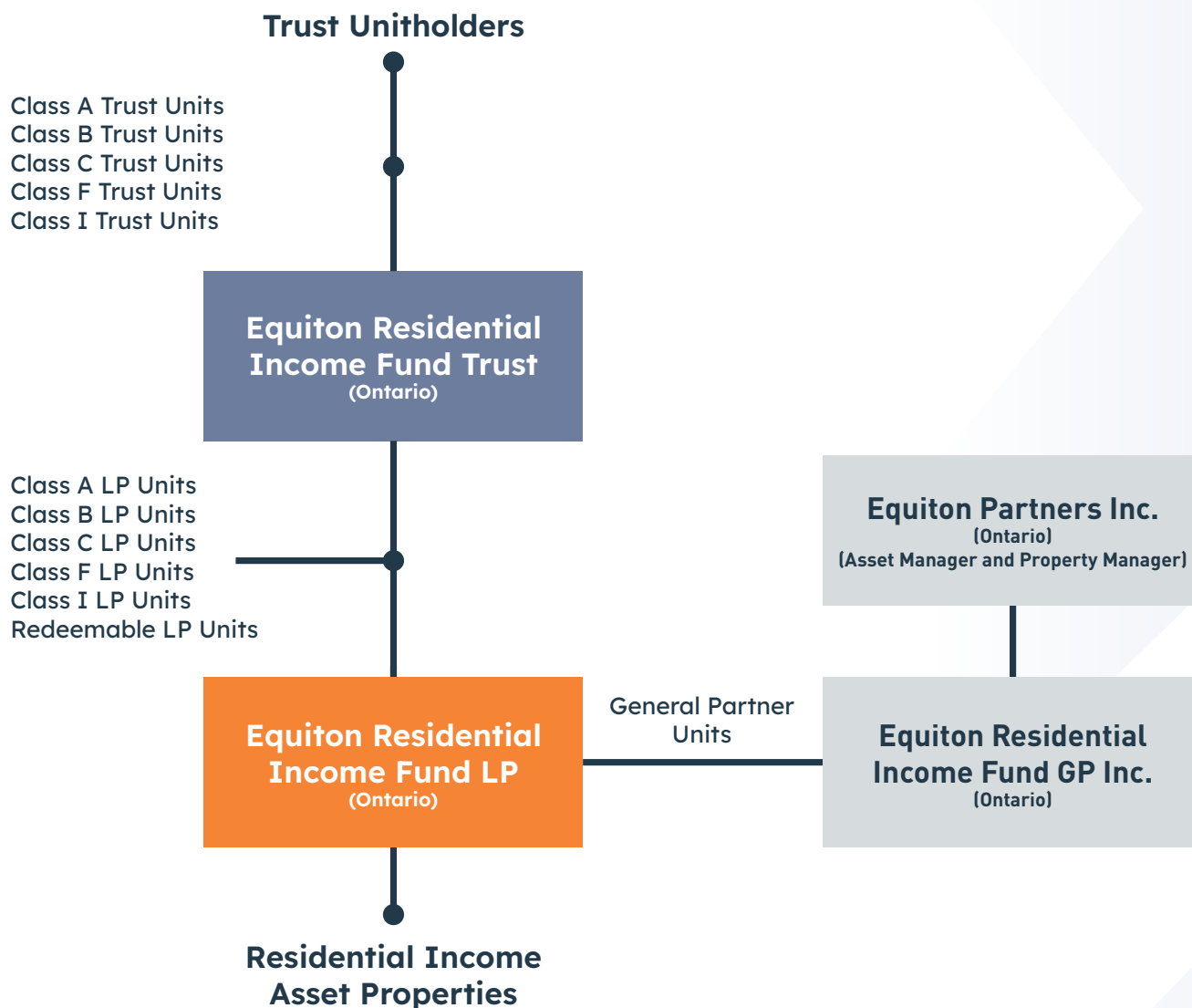
Amendments to Investment Guidelines and Operating Policies

Subject to the Declaration of Trust, any of the investment guidelines of the Trust set forth in this section may be amended by a Special Resolution at a meeting of the Voting Unitholders called for the purpose of amending the investment guidelines unless such change is necessary to ensure compliance with Applicable Laws, regulations or other requirements by applicable regulatory authorities from time to time or to maintain the status of the Trust as a “mutual fund trust” for the purposes of the Tax Act or to respond to amendments to the Tax Act or to the interpretation thereof.

The Trust Structure

The Trust is an unincorporated open-ended real estate investment trust created by a Declaration of Trust dated March 1, 2016, as amended and restated on February 28, 2019, and as amended as of March 30, 2022, and as amended as of December 11, 2025, governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. See “Declaration of Trust” and “Terms of Trust Units”. The Trust was established with the objective of investing indirectly in the business of the Partnership through its acquisition of Class A LP Units, Class B LP Units, Class C LP Units, Class F LP Units and Class I LP Units. All or substantially all of the net proceeds of the offering will be invested in the Partnership through the purchase of Class A LP Units, Class B LP Units, Class C LP Units, Class F LP Units and Class I LP Units, in equal proportion to the number of Class A Trust Units, Class B Trust Units, Class C Trust Units, Class F Trust Units and Class I Trust Units sold pursuant to the offering.

The following diagram sets out the principal operating structure of the Trust:



Valuation Policy

The Declaration of Trust provides that Market Value shall be determined by the Trustees, in their sole discretion, at least annually or more frequently as the Trustees may determine. The Trustees have adopted a valuation policy which provides that Market Value shall be determined monthly in accordance with the valuation methodology set out below, which methodology the Trustees may, in their sole discretion and without notice or approval of Trust Unitholders, modify from time to time in a manner consistent with market practice.

Valuation of Investment Property

Market Value is largely determined by the value of the Trust's investment properties held by the Partnership. To value the investment properties, a fair value model will be used in accordance with IAS 40 – Investment Properties.

An investment property in IAS 40 is defined as property held to earn rentals or for capital appreciation or both and are initially recorded at cost, including related transaction costs. Subsequent to initial valuation, investment properties are measured at fair value, which reflects market conditions at the reporting date. The Trust applies judgment in determining if the acquisition of an individual property qualifies as a business combination in accordance with IFRS 3 or as an asset acquisition. Transaction costs (including commissions, land transfer tax, appraisals, legal fees and third-party inspection reports associated with a purchase) related to property acquisitions not considered business combinations are capitalized in accordance with IAS 40. Transaction costs are expensed in accordance with IFRS 3 where such acquisitions are considered business combinations.

98 Farley Drive,
Guelph, ON





The fair value of investment properties is determined using a valuation framework developed by arms-length external appraisers who hold certification with the Appraisal Institute of Canada together with Equiton's Internal Valuation Team and the Asset Manager (collectively, the "Valuators"). The Valuators perform an annual valuation of each investment property which is typically done on the anniversary date of acquisition.

The Valuators use the following approaches in determining fair value:

- a) the cost approach, which is based on estimating the cost of replacing or reproducing the improvements, minus the loss in value from all forms of depreciation, plus the estimated site value;
- b) the sales comparison approach, which is based on estimating the value by comparing recent prices of similar properties within similar market areas; and
- c) a direct capitalization method which is based on the conversion of current and future normalized earnings potential directly into an expression of market value.

The Valuators will provide the following:

- a) a determination of the capitalization rates that would be used in valuing the properties and
- b) charts of comparable sales and supporting relevant market information and;
- c) a determination of the appropriate industry standard "set off" and normalization assumptions used in the calculation of net operating income.

At year-end, where annual valuations do not coincide with the year-end period, the Valuators will provide the following for the purposes of marking properties to market:

- a) a determination of the capitalization rates that would be used in valuing the properties; and
- b) charts of comparable sales and supporting relevant market information.

The Auditors are responsible for:

- a) reviewing the valuation framework to determine whether any changes or updates are required;
- b) evaluating the work of the Valuator, including assumptions and comparisons to market;
- c) reviewing of the controls over the underlying data provided to the Valuator from the Trust's accounting system;
- d) reviewing the "Fair Value" Report prepared by the Valuators; and
- e) reviewing, for the audited year-end financial statements, the resultant values for reasonableness, compliance with the valuation framework and compliance with IAS 40.

Equiton's Internal Valuation Team and the General Partner, are responsible, on a quarterly and annually basis to:

- a) provide on a quarterly basis updated valuations of investment properties not undergoing external appraisals, based on the process set forth in the valuation framework and utilizing the market based conditions at the time of the valuation;
- b) review the valuation process to determine whether any changes or updates are required;
- c) input the capitalization rates, set offs and normalization assumptions; and
- d) deliver the completed valuation process to the Auditors at year-end for the completion of the audit on the financial statements.

Investment properties that have been disposed of or permanently withdrawn from the property portfolio will not be included in the fair value process. Any gains or losses on the disposition of investment properties are recognized in the income statement in the year of disposition.

Calculation of Market Value

Market Value is calculated monthly, based on the IFRS balance sheet carrying values plus certain adjustments. The Market Value may change during a quarter or at quarter end if there are material changes or considerations that would impact the Market Value including, but not limited to, changes in capitalization rates, acquisitions, dispositions and profits or losses, whether realized or unrealized, within the investment portfolio.

The Market Value per Trust Unit is calculated by adding IFRS balance sheet assets, subtracting IFRS balance sheet liabilities, adding or subtracting appropriate non-IFRS adjustments and dividing by the total number of outstanding Trust Units. The non-IFRS adjustments include, but are not limited to:

a) capitalization of certain expenses, whose benefits accrue over a long period of time and should be allocated between existing, remaining, and incoming Trust Unitholders but may be written off or effectively written off under IFRS or where the value of such

expense is not as yet reflected, in whole or in part, in the investment portfolio valuation due to timing lags, if any;

b) portfolio premiums, if any;

c) portfolio inter-quarter timing adjustments, if any; and

d) discretionary adjustments, if any.

The calculation of the Market Value involves critical estimates, assumptions and judgments as part of the process.

Market Value is currently determined monthly as per the above methodology and approved by the Trustees. It is announced by the Trust and is effective on the first day of each month for use in, but not limited to processing redemptions, new subscriptions, financial statements of the Trust, account statements for Trust Unitholders and marketing materials including fund fact sheets. It is also posted on the website of the Asset Manager.

120 Raglan Avenue,
Toronto, ON



120 Raglan Avenue

2025 Operating Highlights



- Existing Properties
- Development



4,031

Portfolio Units



44

Properties



19

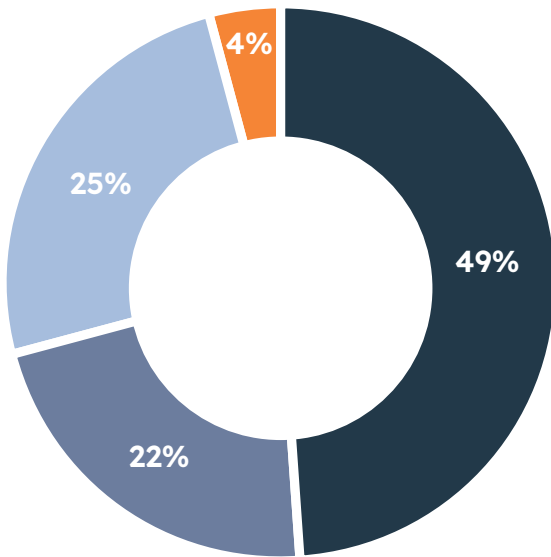
Communities

Figures above do not include Maison Riverain which is currently undergoing development/lease-up (Tower 1).

Portfolio Metrics

As at December 31, 2025

Portfolio Mix by Investment Strategy



Portfolio Investment Strategy Breakdown

- Core Plus:** Properties with stable fundamentals, and rents at or slightly below market that require additional strategic management, including leasing activities, upgrades, and renovations through the capital expenditure program.
- Value Add:** Properties with significant upside potential that are undergoing substantial upgrades, renovations, or operational changes to improve market position, attract higher rents, increase occupancy, and enhance overall value.
- Core:** High-quality properties with stable cash flows, high occupancy, and rents at or above market, typically with strong amenity offerings and minimal capital expenditure needs.
- Development:** A property progressing through the development lifecycle, including pre-construction planning and approvals, active construction and post-completion lease-up.

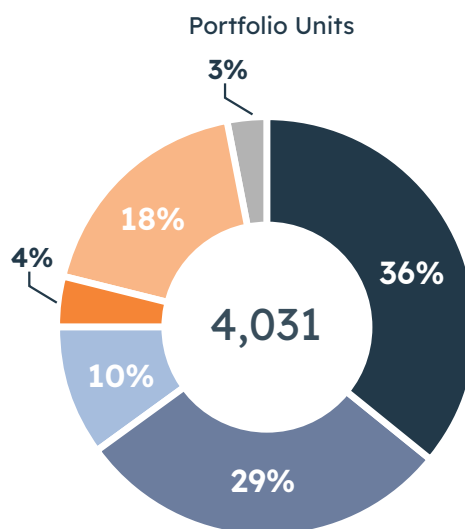
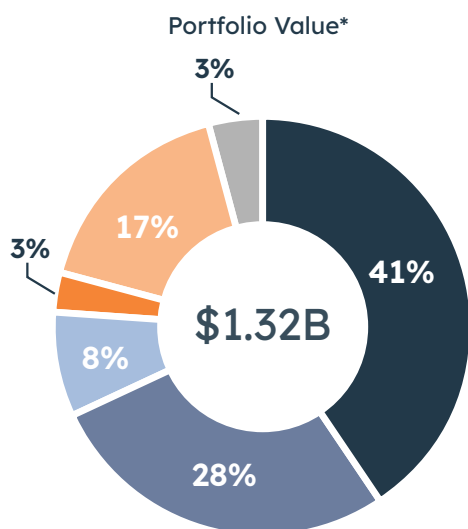
2610 109 Street Northwest,
Edmonton, AB



Portfolio Mix by Region

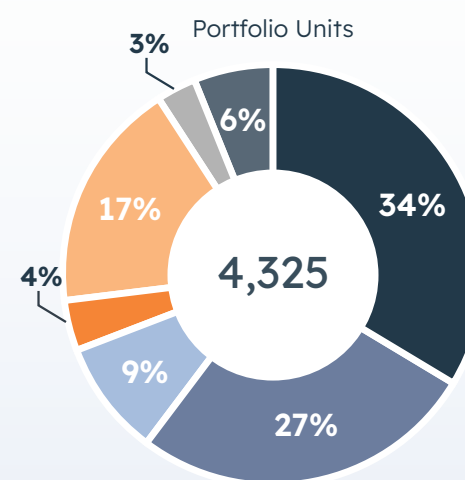
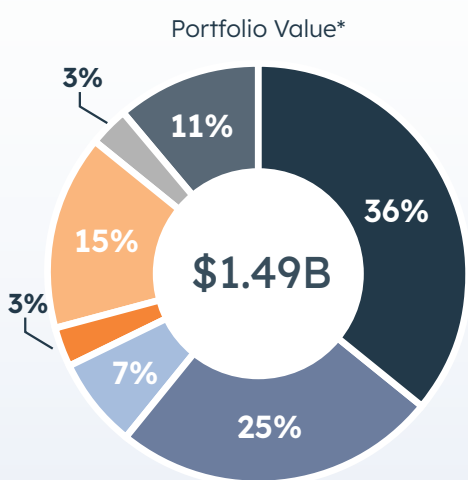
As at December 31, 2025

Total Income-Producing Property (IPP) Portfolio - Excluding Maison Riverain



■ Greater Toronto and Hamilton Area (GTHA)
 ■ Western Ontario
 ■ Southwestern Ontario
 ■ Southeastern Ontario
 ■ Alberta
 ■ British Columbia

Total Portfolio - Including Maison Riverain



■ Greater Toronto and Hamilton Area (GTHA)
 ■ Western Ontario
 ■ Southwestern Ontario
 ■ Southeastern Ontario
 ■ Alberta
 ■ British Columbia
 ■ Ottawa - Maison Riverain

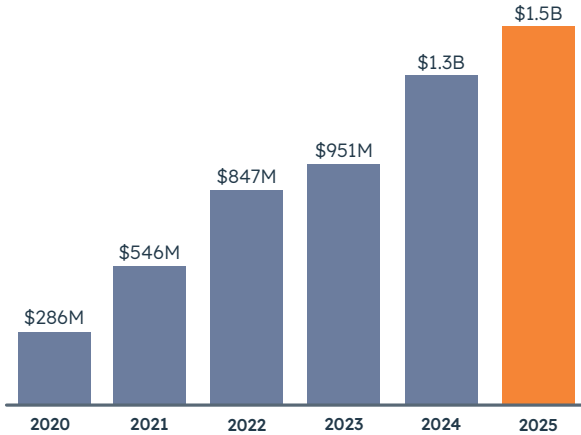
The Total IPP Portfolio value and unit count include stabilized IPPs only. The Total Portfolio value also includes Maison Riverain where Tower 1 (294 units) is undergoing lease-up while Towers 2 and 3 remain in development.

*Portfolio Value only includes values of properties, not including cash or deposits.

Fund Performance

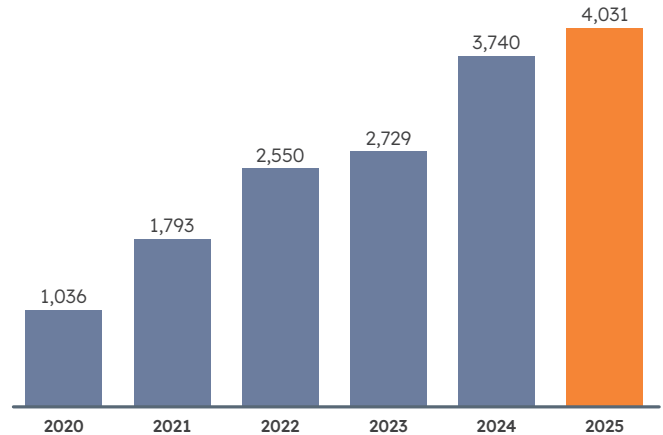
As at December 31, 2025

Assets Under Management*



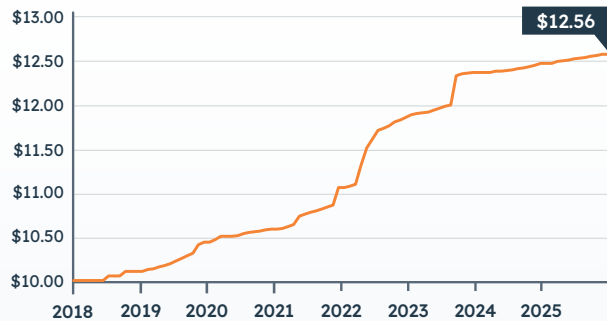
* Assets Under Management includes both cash and property value.

Portfolio Units**



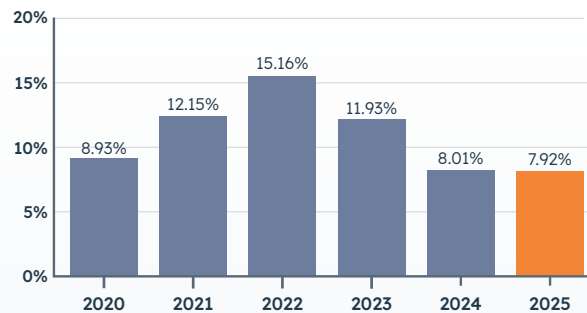
** Excludes the 294 units from Tower 1 of the Maison Riverein development project.

Unit Price Growth



Trailing 12-Month Returns - Class F DRIP

(As at December 31)



\$100,000 Invested In Class F DRIP Since Inception



Summary of 2025

Results of Operations and KPIs

Key Transactions and Events

- The Trust's AUM grew by 15.2% Y/Y to \$1.49B, reflecting continued execution of its growth strategy through accretive acquisition activity, supported by strong financial and operational performance across its existing multifamily portfolio.
- During the year, the Trust deployed approximately \$99.2M to acquire two properties, Central Tower in Edmonton, Alberta, and Mountain Park Residences in Burnaby, British Columbia. These acquisitions advanced the Trust's geographic diversification strategy by increasing exposure to major markets in Western Canada, including Metro Vancouver. Both properties were acquired at attractive pricing and offer favourable investment characteristics, including lower near-term capital requirements, strong return potential, and desirable locations.
- 2025 saw continued advancement of the Maison Riverain development in Ottawa, a three-tower purpose-built rental project comprising over 1,100+ residential units. As at December 31, 2025, the Trust's total fair value investment in Maison Riverain was approximately \$164.1M, inclusive of a \$28.9M equity contribution and reflective of its participation across all three phases of the project. Tower 1 achieved substantial completion in Q3'25, with leasing activity progressing strongly through year-end. Of the 294 total units, 199 units (~70%) were leased as at December 31, 2025 and negotiations with prospective anchor commercial tenants are ongoing. This leasing performance reflects both resilient resident demand and disciplined execution of leasing initiatives amid evolving multifamily market conditions in 2025. Management expects the property to continue progressing toward stabilization and to begin contributing positively to NOI.
- Acquired with ~60% occupancy in December 2024, Henday Suites, a newly constructed 277-unit multifamily property, achieved stabilization materially ahead of underwriting expectations. Given the more challenging leasing conditions experienced in 2025, the pace of absorption represented a meaningful outperformance, supported by disciplined leasing execution, active asset management and continued demand in the Edmonton rental market.
- The fair value of the Trust's IPP increased to \$1,426M as at December 31, 2025, from \$1,153M in the prior year. The increase was primarily driven by acquisition activity and the reclassification of Maison Riverain Tower 1 from investment property under development to income-producing property, together with value enhancing capital investments and valuation gains across the existing portfolio. Operational performance remained a key driver of value creation, supported by strong leasing execution and disciplined expense management, as well as targeted capital programs that enhanced NOI growth. The Trust's weighted average capitalization rate ended the year at 4.40%, reflecting modest compression of 8 basis points (bps) from 4.48% in the prior year, primarily driven by cap rate tightening in the Trust's Western Canadian portfolio, where market fundamentals and investor demand for multifamily assets remained particularly strong.

Operating Results and Balance Sheet Management

Portfolio Operating Performance

- The Trust delivered strong operating results in 2025, supported by its vertically integrated asset and property management platform, which continued to drive resilient performance and value creation amid an evolving multifamily operating environment. Management maintained competitive positioning while mitigating vacancy risk by actively refining leasing and retention strategies. As at December 31, 2025, portfolio occupancy remained strong at 95.5% while same store AMR increased 3.6% Y/Y to \$1,650. These results contributed to a 2.7% Y/Y increase in same store operating revenues, further supported by active revenue optimization initiatives including the expansion of ancillary income programs across the portfolio.

- Year-over-year operating expense growth was primarily driven by higher leasing incentives and advertising costs in response to a more competitive multifamily leasing environment, together with increased utilities expenses and realty taxes.
- Management remained focused on disciplined expense minimization throughout the year, supported by staffing model adjustments, ongoing realty tax assessment reviews, utility conservation initiatives through the Trust's water sub-metering program and other capital projects. Collectively, these initiatives supported stronger cost management across the portfolio and helped mitigate broader operating expense pressures.
- Supported by operating revenue growth and disciplined management of expense pressures, same store NOI increased 2.0% Y/Y, with NOI margin ending the year at 55.9%. This performance underscores the Trust's ability to preserve profitability despite higher utility, realty tax, and leasing incentive costs, and reflects the strength of its operating platform.
- As at December 31, 2025, the Trust's gap to market was 24.8% compared to 30.9% in the prior year, reflecting continued growth in in-place rents and moderation in market rents. This narrowing was influenced by the Trust's dynamic pricing approach, which focused on aligning leasing strategies with evolving market conditions while reinforcing strong occupancy levels. The moderation in market rent growth was offset in part by strong execution of the Trust's turnover program, under which 835 units were turned in 2025, generating an average rent lift of ~11.5%, translating to \$171k of incremental monthly revenue. The turnover program continues to support top-line growth, independent of market rent expansion. With approximately 22% of the portfolio classified as value add, the Trust remains well positioned to capture additional embedded rental upside through future natural turnover.

Portfolio Capital Program

- In support of its turnover and value enhancement strategy, the Trust deployed ~\$11.0M on unit turnover renovations during 2025, alongside a further ~\$7.7M invested in capital improvement projects across the portfolio. This capital was deployed to enhance suite quality, support rental rate growth on natural turnover, and maintain the portfolio's competitive positioning. Together, this capital deployment reflects a disciplined approach to reinvestment, balancing near-term revenue capture with the preservation and enhancement of long-term asset value, while also contributing to an improved Resident experience.

Balance Sheet and Capital Management

- Prudent debt management remains an integral component of the Trust's capital allocation framework. As at December 31, 2025, the Trust maintained a prudent mortgage debt to gross book value of 52.4%, reflecting a balanced approach to leverage while supporting continued portfolio growth. The Trust benefits from CMHC-insured financing, which represented ~97% of total debt outstanding at year-end, supporting attractive borrowing costs and financing stability through favourable terms. Debt maturities are strategically staggered to mitigate refinancing risk, with a weighted average term to maturity of 6.97 years. The majority of loans are fixed rate, resulting in a weighted average interest rate of 3.61%, well below prevailing market rates.
- During 2025, the Trust completed \$95.3M of new mortgage financing, including the refinancing of Treeview Apartments, Central Tower, and Wellington Place, which generated ~\$28M in net proceeds. This enhanced the Trust's liquidity position and balance sheet flexibility, demonstrating its continued ability to unlock equity from stabilized assets to fund ongoing growth initiatives.
- As at December 31, 2025, the Trust increased total Trust Units outstanding to 64.4M and remained in a net positive capital raise position at year-end, despite more selective market conditions and an elevated redemption environment. This continued Investor support reflects confidence in the Trust's defensive multifamily exposure, consistent operating performance and disciplined approach to leverage and liquidity management. At year-end, the Trust maintained a positive cash balance, supporting near-term funding requirements and ongoing financial flexibility.

KPIs

To assist Management and Unitholders in monitoring and evaluating the Trust's achievements, Management has provided several metrics or KPIs to measure performance and success.

Occupancy

Through a focused, hands-on approach, Management has maintained strong occupancy of 95.5% as at December 31, 2025. Management remains confident in its ability to sustain strong occupancy levels over the long term.

Net Average Monthly Rent

As at December 31, 2025, the Trust's quarterly market rents remained stable Y/Y at \$2,064. This stability reflects the continued strength of our portfolio and operating markets, particularly in the context of rental rate softness observed across the broader Canadian multifamily sector in 2025. Additionally, the Trust achieved a 5.7% Y/Y increase in net AMR, supported by in-place rent growth and turnover uplift.

Net Operating Income

NOI is a widely used operating performance indicator in the real estate industry. Management expects to increase NOI by generating operating efficiencies, conducting revenue stream assessments, and strategically managing its assets.

Leverage Ratios and Terms

Volatility risk has been managed by fixing the lowest possible interest rates for long-term mortgages, while mitigating refinancing risk by prudently managing the portfolio's average term to maturity and staggering the maturity dates. The Trust's weighted AMR increased Y/Y with new borrowing activity but continued at a favourable rate of 3.61%. Management will continue to follow strict debt service coverage and interest coverage ratio targets.

Rent Collection

Rent collection remained strong in 2025, with bad debts accounting for less than 1% of total operating revenues. The Trust's closely monitored receivables program continues to demonstrate its effectiveness.

Portfolio Growth



Management's objective is to continue to source accretive acquisition opportunities to increase the Trust's operational growth and diversify the portfolio by demography and geography. In 2025, the Trust continued its growth through the acquisitions of Central Tower in Edmonton, Alberta and Mountain Park Residences in Burnaby, British Columbia, carrying a cumulative fair value of \$104.4M at year-end and added 292 units to the Trust's existing residential portfolio, representing a 7.7% increase in Portfolio Units.

Rental Revenue

On a same store basis, the Trust's average occupied monthly rent per unit increased by 4.3% Y/Y to \$1,627 as at December 31, 2025, compared to \$1,559 in the prior year. The increase reflects steady in-place rent growth achieved through Resident retention efforts, and above-guideline rent adjustments implemented at select properties following the completion of qualifying capital improvements. This performance demonstrates the Trust's ability to continue to drive rental income growth within its stabilized portfolio.

Operational and Financial Results

Net and Occupied Average Monthly Rents (AMR) and Occupancy

Net AMR is defined as gross potential rents, including vacant units, divided by the total number of suites, and does not include revenues from parking, laundry, or other sources. Occupied AMR is defined as actual residential rents, excluding vacant units, divided by the total number of occupied units, and does not include revenues from parking, laundry, or other sources.

As at December 31,	Net AMR			Occupied AMR			Occupancy %		
	2025 (\$)	2024 (\$)	Change (%)	2025 (\$)	2024 (\$)	Change (%)	2025 (%)	2024 (%)	Change (%)
Ontario									
GTHA	1,714	1,599	7.2	1,687	1,583	6.6	95.7	97.7	(2.0)
Western	1,627	1,590	2.3	1,600	1,567	2.1	95.9	98.3	(2.4)
Southwestern	1,460	1,381	5.7	1,420	1,354	4.9	93.5	97.8	(4.3)
Southeastern	1,358	1,290	5.3	1,328	1,258	5.5	94.7	92.9	1.8
Total Ontario	\$1,631	\$1,546	5.5%	\$1,603	\$1,525	5.1%	95.4%	97.7%	(2.3%)
Alberta	\$1,703	\$1,682	1.2%	\$1,693	\$1,699	(0.4%)	96.1%	97.3%	(1.2%)
British Columbia	\$1,950	NA	NA	\$1,884	NA	NA	93.0%	NA	NA
Total Portfolio*	\$1,647	\$1,559	5.7%	\$1,619	\$1,540	5.2%	95.5%	97.6%	(2.1%)

Net and Occupied AMR, as reflected above, are representative of the Trust's IPP portfolio and exclude the property currently undergoing stabilization/development (Maison Riverain).

Same Store Portfolio: Net AMR, Occupied AMR and Occupancy by Region

Same Store AMR includes all properties that have been owned by the Trust as at January 1, 2024.

As at December 31,	Net AMR			Occupied AMR			Occupancy %		
	2025 (\$)	2024 (\$)	Change (%)	2025 (\$)	2024 (\$)	Change (%)	2025 (%)	2024 (%)	Change (%)
Ontario									
GTHA	1,638	1,562	4.9	1,615	1,548	4.3	97.2	98.8	(1.6)
Western	1,784	1,728	3.2	1,767	1,697	4.2	93.9	98.8	(4.9)
Southwestern	1,460	1,415	3.2	1,420	1,354	4.9	93.5	97.8	(4.2)
Southeastern	1,358	1,290	5.3	1,328	1,258	5.5	94.7	92.9	1.8
Total Ontario	\$1,637	\$1,575	3.9%	\$1,612	\$1,544	4.4%	95.3%	98.2%	(2.9%)
Alberta	\$1,776	\$1,703	4.3%	\$1,761	\$1,699	3.6%	97.7%	97.3%	0.4%
British Columbia	NA	NA	NA	NA	NA	NA	NA	NA	NA
Same Store Portfolio	\$1,650	\$1,588	3.9%	\$1,627	\$1,559	4.3%	95.4%	98.2%	(2.7%)

Total Operating Revenue and NOI by Region - All Portfolio

Transactional activity and strong portfolio operating performance in 2025 resulted in operating revenues and NOI growth of 33.2% and 30.6%, respectively, when compared to the prior year.

Total Operating Revenue by Region

Year ended December 31,	2025		2024		Growth (%)
	Revenue (\$)*	Revenue (%)	Revenue (\$)	Revenue (%)	
Ontario					
GTHA	30,049,110	39.3	23,597,393	40.0	27.3
Western	23,028,071	30.1	19,640,509	34.0	17.2
Southwestern	6,925,927	9.1	6,756,082	12.0	2.5
Southeastern	2,709,463	3.5	2,654,973	4.0	2.1
Total Ontario	\$62,712,571	82.0%	\$52,648,957	90.0%	19.1%
Alberta	\$12,745,207	16.7%	\$5,667,942	10.0%	100+%
British Columbia	\$979,524	1.3%	NA	NA	NA
Total IPP Portfolio	\$76,437,302	100.0%	\$58,316,899	100.0%	31.1%

*The above revenue figures are representative of the Trust's IPP portfolio and excludes the property currently undergoing stabilization/development (Maison Riverain). Including this property, the Trust's revenue is \$77,664,753 for the year ended December 31, 2025.

Net Operating Income by Region

Year ended December 31,	2025			2024			NOI Growth (%)
	NOI (\$)*	NOI (%)	NOI Margin (%)	NOI (\$)	NOI (%)	NOI Margin (%)	
Ontario							
GTHA	17,506,048	40.4	58.3	13,492,468	41.0	57.2	29.7
Western	13,284,880	30.7	57.7	11,691,954	35.0	59.5	13.6
Southwestern	3,580,929	8.3	51.7	3,400,963	10.0	50.3	5.3
Southeastern	1,209,105	2.8	44.6	1,254,149	4.0	47.2	(3.6)
Total Ontario	\$35,580,962	82.2%	56.7%	\$29,839,534	90.0%	56.7%	19.2%
Alberta	\$7,009,851	16.2%	55.0%	\$3,187,755	10.0%	56.2%	100+%
British Columbia	\$688,112	1.6%	70.2%	NA	NA	NA	NA
Total IPP Portfolio	\$43,278,925	100.0%	56.6%	\$33,027,289	100.0%	56.6%	31.0%

*The above NOI figures are representative of the Trust's IPP portfolio and excludes the property currently undergoing stabilization/development (Maison Riverain). Including this property, the Trust's NOI is \$43,120,586 and NOI margin is 55.5% for the year ended December 31, 2025.

Total Operating Revenue and NOI by Region - Same Store Portfolio

Same store portfolio operating revenue grew 2.7% Y/Y while NOI grew by 2.0% during the same period due to increases in market rents on natural turnover and growth in ancillary revenues through various strategic initiatives.

Same Store Operating Revenues by Region

Year ended December 31,	2025		2024		Growth (%)
	Revenue (\$)	Revenue (%)	Revenue (\$)	Revenue (%)	
Ontario					
GTHA	21,852,856	40.3	21,273,063	40.4	2.7
Western	17,023,234	31.4	16,620,645	31.5	2.4
Southwestern	6,925,927	12.8	6,756,082	12.8	2.5
Southeastern	2,709,463	5.0	2,654,973	5.0	2.1
Total Ontario	\$48,511,480	89.5%	\$47,304,763	89.7%	2.6%
Alberta	\$5,722,882	10.5%	\$5,528,898	10.3%	3.5%
British Columbia	NA	NA	NA	NA	NA
Same Store Portfolio	\$54,234,362	100.0%	\$52,833,661	100.0%	2.7%

Same Store Net Operating Income by Region

Year ended December 31,	2025			2024			NOI Growth (%)
	NOI (\$)	NOI (%)	NOI Margin (%)	NOI (\$)	NOI (%)	NOI Margin (%)	
Ontario							
GTHA	12,170,861	40.1	55.7	11,919,522	40.1	56.0	2.1
Western	10,237,676	33.8	60.1	10,114,577	34.0	60.9	1.2
Southwestern	3,580,929	11.8	51.7	3,400,963	11.4	50.3	5.3
Southeastern	1,209,105	4.0	44.6	1,254,149	4.2	47.2	(3.6)
Total Ontario	\$27,198,571	89.7%	56.1%	\$26,689,211	89.7%	56.4%	1.9%
Alberta	\$3,132,813	10.3%	54.7%	\$3,060,290	10.3%	55.4%	2.4%
British Columbia	NA	NA	NA	NA	NA	NA	NA
Same Store Portfolio	\$30,331,384	100.0%	55.9%	\$29,749,501	100.0%	56.3%	2.0%

Operating Expenses

Realty Taxes

For the year ended December 31, 2025, total portfolio realty taxes increased compared to the prior year, primarily reflecting the impact of acquisitions completed in 2024 and 2025. On a same store basis, realty taxes increased Y/Y, driven mainly by municipal property tax rate increases across several jurisdictions, most notably in Ontario.

These increases were partially mitigated by approximately \$240k of aggregate property tax savings realized in 2025 through property tax appeals and pre-roll reviews in Alberta undertaken with third-party consultants.

Utilities

For the year ended December 31, 2025, utility costs increased compared to the prior year, primarily reflecting portfolio expansion from acquisitions completed in 2024 and 2025, as well as changes in same store utility rates and consumption.

On a same store basis, hydro expenses increased 18.2% Y/Y, primarily due to higher electricity consumption driven by colder weather in 2025, coupled with higher electricity rates in Ontario.

Natural gas expenses increased 0.1% Y/Y, as higher consumption was largely offset by lower natural gas pricing. Natural gas costs declined overall Y/Y primarily due to the removal of the federal carbon tax effective April 1, 2025.

Water expenses decreased 3.3% Y/Y, driven by lower water consumption across the portfolio. This reduction reflects the Trust's significant sub-metering expansion completed in 2025, which also contributed to a 76.0% increase in same store water recoveries. In addition to lowering operating expenses, sub-metering reduces overall utility consumption and supports improved environmental performance.

As at December 31,	Net Utilities*			Same Store - Net Utilities*		
	2025 (\$)	2024 (\$)	Variance (%)	2025 (\$)	2024 (\$)	Variance (%)
Hydro	2,081,291	1,435,985	44.9	1,604,890	1,357,643	18.2
Natural Gas	1,666,534	1,337,422	24.6	1,221,811	1,220,592	0.1
Water	2,222,365	1,924,337	15.5	1,652,530	1,708,147	(3.3)
	\$5,970,190	\$4,697,744	27.1%	\$4,479,231	\$4,286,382	4.5%

* Net of utility recoveries

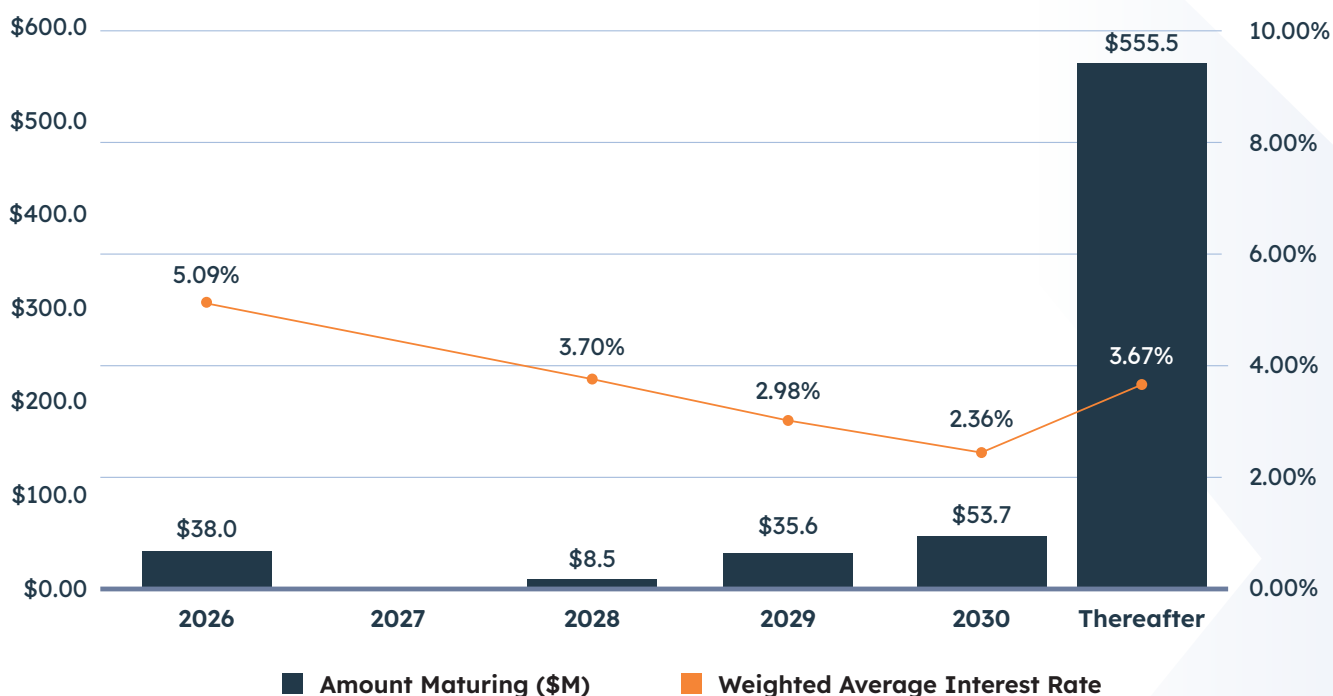
Other Operating Expenses

In addition to realty taxes and utilities, a notable driver of the Y/Y increase was elevated leasing incentives and advertising, which remains aligned with broader industry practices aimed at supporting Resident retention and occupancy stabilization in a highly competitive rental environment.

Debt Portfolio

The Trust's loan portfolio comprises long-term fixed-rate mortgages secured by individual properties, along with an operating line of credit. The mortgage portfolio is diversified across multiple lenders and features staggered maturities to mitigate interest rate risk. As at December 31, 2025, the weighted average interest rate was 3.61%, with a weighted average remaining term to maturity of 6.97 years. The following table outlines mortgage maturities over the next five years and beyond.

Income-Producing Property Mortgage Maturity by Year



97% Mortgage Debt - CMHC Insured

Of the \$38.0M of debt maturing in 2026, \$29.5M relates to two loans secured by Wellington Place, both of which were successfully refinanced in February 2026 into a CMHC-insured loan maturing in March 2036 at a fixed rate of 4.19%. The remaining maturities relate to three other properties in the portfolio. Management continues to proactively monitor market conditions and evaluate refinancing opportunities to support the Trust's capital and liquidity objectives.

In January 2026, the Maison Riverain Tower 1 construction facility was fully repaid, discharged and replaced with a CMHC-insured takeout mortgage. The new mortgage bears a fixed interest rate of 4.03% and has a 10-year term, maturing on March 1, 2036. Construction financing remains in place for Maison Riverain Towers 1 and 2. Overall, this refinancing shifts Tower 1 from a short-term construction debt to a long-term, fixed-rate insured financing, extending the Trust's weighted average debt term and increasing the proportion of long-term, fixed-rate debt within the Trust's leverage profile.

Gap to Market

The Trust continues to drive value creation by acquiring assets with below-market rents and implementing targeted rental strategies to accelerate rent optimization and close the gap to market levels.

As at December 31,	2025	2024
	% Gap to Market	% Gap to Market
Ontario		
GTHA	33.1	38.7
Western	27.1	31.7
Southwestern	32.1	35.9
Southeastern	27.9	32.0
Total Ontario	30.3%	35.6%
Alberta	1.3%	1.2%
British Columbia	23.4%	NA
Total Portfolio	24.8%	30.9%

125 Wellington Street North,
Hamilton, ON





Value Creation

For the year ended December 31, 2025, the portfolio recorded a gross fair value increase of \$74.1M. This increase was driven primarily by improvements in portfolio operating performance despite a more tempered rental environment and reflects Management's continued focus on controllable drivers of value creation.

Approximately 72% of the year's fair value increase was attributable to operational improvements including disciplined rental rate management, expense optimization initiatives, and contributions from strategic capital deployment. These factors supported growth in stabilized NOI across the portfolio and were the principal drivers of valuation uplift in 2025. The remaining 28% of the fair value increase was attributable to modest cap rate compression.

The portfolio's weighted average cap rate was 4.40% at December 31, 2025, compared with 4.48% in the prior year, representing 8 bps of Y/Y compression. The compression was driven primarily by the Trust's Western Canada portfolio, particularly Alberta, where continued population growth and resilient rental demand contributed to increased investor demand for multifamily assets, resulting in tighter cap rates. This follows cumulative average portfolio cap rate expansion of 56 bps over the prior three years as valuations adjusted to broader market repricing and higher financing costs.

Looking ahead, Management expects the Trust's operating fundamentals to remain supportive of continued value creation. The Trust will remain focused on driving NOI through active revenue management, disciplined cost controls and targeted reinvestment initiatives, while maintaining a prudent approach to capital allocation. The strong performance achieved in 2025 provides a solid foundation for continued growth in portfolio value and long-term Investor returns.



Non-IFRS Financial Measures

Management prepares and releases audited annual financial statements in accordance with International Financial Reporting Standards (IFRS). In the report, financial measures not recognized under IFRS, which do not have a standard meaning prescribed by IFRS, are disclosed. These include Same Store NOI, Same Store calculations, and adjusted Cash Generated from Operating Activities (collectively, Non-IFRS Measures). Since these measures are not recognized under IFRS, they may not be comparable to similar measures reported by other issuers. Non-IFRS Measures are presented because Management believes they are relevant for evaluation purposes.



Case Study

Enhancing Amenities and Resident Experience

In a leasing environment driven by elevated supply and turnover, an important area of focus for the Trust in 2025 was Resident retention and enhancing the Resident experience.

By improving existing amenities, upgrading security systems, and modernizing mechanical systems, we can help ensure that Residents continue to feel safe and happy in their homes while also improving the marketability of properties for prospective Residents.

In 2025, Management invested approximately 25% — just under \$2M — of its overall capital spend into Resident-focused improvement projects:

~\$150k

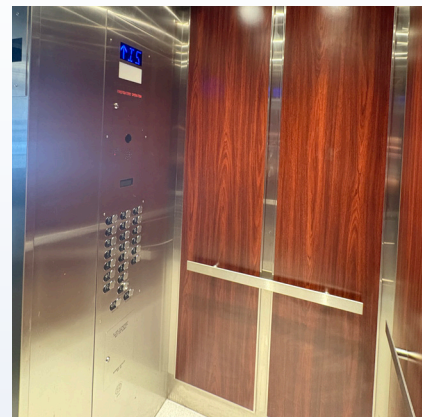
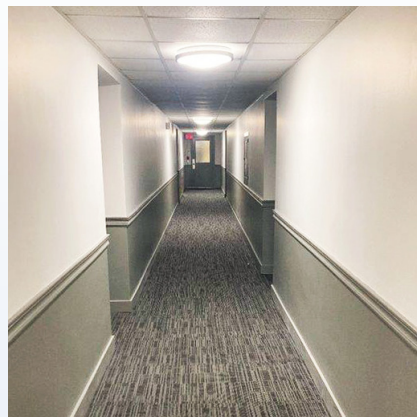
Amenity Improvements

Fitness & Social Rooms, Laundry Rooms, Outdoor Amenity Spaces, etc.

~\$1.8M

Enhancing Resident Experience

Lobbies, Entranceways, Landscaping, Common Areas, Security, Elevators, etc.





Case Study

Enhancing Amenities and Resident Experience

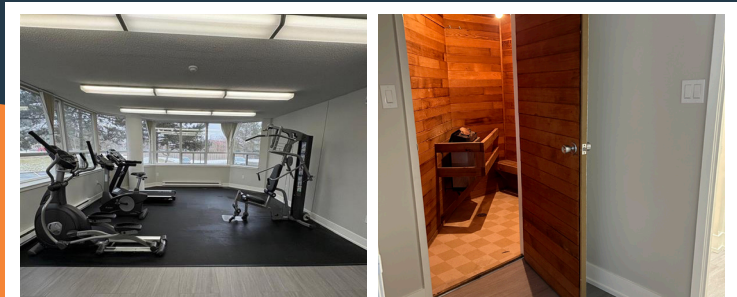
Parkway Village, 200-230 Denistoun Street, Welland, Ontario

The Trust's recently completed capital expenditure program at Parkway Village offers a prime example of how disciplined property stewardship can support operational excellence.

Built in the early 1990s and acquired in June 2024, Parkway Village is a complex of four, eight-storey apartment buildings located along the banks of the Welland Canal. When initially assessing this property for acquisition, Management identified opportunities to improve the marketability of the property and the Resident experience by enhancing functionality and appearance of the social and fitness rooms. These areas were worn, outdated, and characterized by low community usage, suggesting clear potential for strategic value creation.

Fitness Room

- Replaced carpet with new gym matting
- Repainted the entirety of the space
- Completely renovated the washroom facilities
- Upgraded to LED lighting



Social Room

- Replaced flooring
- Updated light fixtures
- Upgraded kitchen and appliances
- Replaced drywall in select areas



These improvements not only enhanced the Resident experience, as demonstrated by the increased use of these spaces, but also positioned Parkway Village more competitively within the Welland market, where leasing conditions tightened moderately due to an influx of new condominium supply in the region.

2025 Acquisitions and Dispositions

Acquisitions

Edmonton, Alberta

2610 109 St. NW
Acquired: July 2025



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	101	74	0	0	175

Central Tower is an 18-storey high-rise rental tower with 175 units and 185 indoor parking spaces. Central Tower's open-concept units feature modern finishes, premium appliances, and private balconies. Building amenities include a yoga room, cycling studio, golf simulator, pet wash, and social room. The location offers nearby access to the Century Park LRT and direct access to Gateway Boulevard and Calgary Trail highways.

Burnaby, British Columbia

7070 Inlet Dr.
Acquired: August 2025



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	57	51	9	0	117

Mountain Park Residences is a four-building complex with 117 units and 100 indoor parking spaces. In-suite amenities include luxury vinyl plank flooring, stainless steel appliances, updated kitchens and bathrooms, and private balconies or patios. Property amenities include an indoor pool, fitness centre, and laundry facilities. The location offers easy access to the Barnet Highway, connecting Residents to downtown Vancouver and major employment areas.

Dispositions: None

Property Details

City	Address	Properties	Bachelor	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	Commercial	Total
Brampton, ON	78 Braemar Dr.	1	0	40	112	1	0	0	153
Brantford, ON	19 & 23 Lynnwood Dr.	2	0	35	68	10	0	0	113
	120,126 & 130 St.Paul Ave.	1	0	15	31	0	0	0	46
Breslau, ON	208 Woolwich St. S.	1	0	3	74	1	0	0	78
Burlington, ON	1050 Highland St.	1	0	3	15	0	0	0	18
Burnaby, BC	7070 Inlet Dr.	1	0	57	51	9	0	0	117
Chatham, ON	75 & 87 Mary St.	1	0	22	34	0	0	0	56
	383-385 Wellington St. W.	1	22	26	5	1	0	0	54
Edmonton, AB	10001 Bellamy Hill Rd. NW.	1	3	0	155	0	0	0	158
	17627 63 St. NW.	1	0	68	205	4	0	0	277
	2610 109 St. NW.	1	0	101	74	0	0	0	175
Guelph, ON	98 Farley Dr.	1	22	41	30	0	0	0	93
	5 & 7 Wilsonview Ave.	1	0	5	17	7	0	0	29
	8 & 16 Wilsonview Ave.	2	2	54	53	3	0	0	112
Hamilton, ON	125 Wellington St. N.	1	5	247	73	38	0	1	364
Kingston, ON	252 & 268 Conacher Dr.	2	0	6	18	0	0	0	24
	760/780 Division St.	1	0	24	48	40	0	0	112
	1379 Princess St.	1	1	18	13	0	0	2	34
Kitchener, ON	100-170 Old Carriage Dr.	1	2	14	202	0	0	0	218
London, ON	1355 Commissioners Rd. W.	1	0	14	37	0	0	0	51
	433 King St.	1	0	62	66	1	0	1	130
	470 Scenic Dr.	1	16	32	63	4	0	0	115
Markham, ON	65 Times Ave.	1	9	37	18	0	0	0	64
Mississauga, ON	65 & 75 Paisley Blvd. W.	2	15	67	79	2	0	1	164
Ottawa, ON	Maison Riverain	1							
Sherwood Park, AB	200 Edgar Ln.	1	4	8	92	0	0	0	104
Stratford, ON	30 & 31 Campbell Crt.	2	0	33	63	3	0	0	99
Toronto, ON	12 & 14 Auburndale Crt.	1	0	0	15	23	8	0	46
	2303 Eglinton Ave. E.	1	6	67	96	0	0	0	169
	787 Vaughan Rd.	1	7	25	6	0	0	0	38
	223 Woodbine Ave.	1	0	32	16	0	0	0	48
	650 Woodbine Ave.	1	0	30	8	0	0	0	38
	1862 Bathurst St.	1	12	27	34	2	0	0	75
	4190 Bathurst St.	1	0	53	27	0	0	0	80
	120-130 Raglan Ave.	1	3	145	43	0	0	0	191
Welland, ON	200-230 Denistoun St.	4	1	178	186	23	0	0	388
		44	130	1,589	2,127	172	8	5	4,031*

*Totals do not include Tower 1 of Maison Riverain currently undergoing stabilization.

Property Details



Edmonton, Alberta

10001 Bellamy Hill Road Northwest

Acquired: December 2022



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
3	0	155	0	0	158

Park Square Apartments is a 21-storey high-rise rental tower with 158 units and five floors of open-air parking, totalling 195 stalls. Condo-style amenities include a fitness centre, social room, and a rooftop lounge and patio with incredible views of the city and the scenic Edmonton River Valley. The property is within walking distance of downtown Edmonton, rapid transit, and abundant services and amenities, including grocery stores, banks, restaurants, and retail stores.



Sherwood Park, Alberta

200 Edgar Lane

Acquired: September 2022



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
4	8	92	0	0	104

Emerald Hills Landing is a luxury 55+ rental residence with four storeys, 104 units, and 79 indoor and 36 outdoor parking spaces. Building amenities include a social room, lounge area, and a fitness centre. This property is located less than 20 minutes from downtown Edmonton and is close to a hospital and a wide variety of dining, grocery, and retail options.



Edmonton, Alberta

2610 109 Street Northwest

Acquired: July 2025



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	101	74	0	0	175

Central Tower is an 18-storey high-rise rental tower with 175 units and 185 indoor parking spaces. Central Tower's open-concept units feature modern finishes, premium appliances, and private balconies. Building amenities include a yoga room, cycling studio, golf simulator, pet wash, and social room. The location offers nearby access to the Century Park LRT and direct access to Gateway Boulevard and Calgary Trail highways.



Edmonton, Alberta

17627 63 Street Northwest

Acquired: December 2024



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	68	205	4	0	277

Henday Suites is a four-storey rental complex with 277 suites and 394 parking spots. In-suite amenities include laundry, quartz countertops, wide-plank flooring, private balconies, and high-efficiency appliances. Building amenities include gym and yoga room, theatre and social rooms, rooftop patio with BBQs, bike room, pet wash, and storage lockers. The location offers easy access to downtown Edmonton via major highways and public transit.



Burnaby, British Columbia

7070 Inlet Drive

Acquired: August 2025



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	57	51	9	0	117

Mountain Park Residences is a four-building complex with 117 units and 100 indoor parking spaces. In-suite amenities include luxury vinyl plank flooring, stainless steel appliances, updated kitchens and bathrooms, and private balconies or patios. Property amenities include an indoor pool, fitness centre, and laundry facilities. The location offers easy access to the Barnet Highway, connecting Residents to downtown Vancouver and major employment areas.



Brampton, Ontario

78 Braemar Drive

Acquired: July 2022



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	40	112	1	0	153

Braemar Place is a modern rental residence with 15 storeys, 153 units, and 57 indoor and 141 outdoor parking spaces. Condo-style amenities include on-site laundry, storage lockers, bicycle storage, a dog run, and an outdoor swimming pool. The property is across from the Bramalea City Centre and close to various schools, parks, and playgrounds, with easy access to public transit and Highways 410, 401 and 407.



Brantford, Ontario

19 & 23 Lynnwood Drive

Acquired: July 2016 and December 2023



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	35	68	10	0	113

Lynnwood Place consists of two neighbouring six-storey buildings with a shared driveway and a combined 113 units. Amenities include 127 surface parking spaces and laundry facilities in both buildings. The property is in a quiet residential area, within walking distance of public transportation, parks, shopping, and restaurants and is minutes from Highway 403.



Brantford, Ontario

120, 126 and 130 St. Paul Avenue

Acquired: July 2016



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	15	31	0	0	46

Park Manor is a mid-rise, four-storey building with 46 units, and 49 surface parking spots, featuring on-site laundry facilities. The property is within walking distance of the Grand River, Brantford General Hospital, restaurants, schools, and recreational facilities, with easy access to public transportation and Highway 403.



Breslau, Ontario

208 Woolwich Street South

Acquired: March 2022



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	3	74	1	0	78

Joseph's Place is a luxury, fully accessible property with four storeys, 78 units, and 114 parking spaces. Condo-style amenities include a fitness room, social room, lockers, bicycle storage, chair lift access, and an outdoor BBQ area. This property is in a quaint small town, just a 15-minute drive from downtown Kitchener, with many amenities just minutes away, including restaurants, cafés, schools, shops, banks, and grocery stores.



Burlington, Ontario

1050 Highland Street

Acquired: August 2019



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	3	15	0	0	18

Parkland Apartments is a two-storey walk-up building with 18 units and 20 surface parking spots. Amenities include laundry facilities and on-site management. The property is in a quiet neighbourhood and backs onto a large park with a children’s playground and local tennis courts. It offers convenient access to public transportation and major highways, with many nearby amenities, including shopping, restaurants, and local services.



Chatham, Ontario

75 & 87 Mary Street

Acquired: August 2018



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	22	34	0	0	56

Thamesview Apartments consists of a pair of two-and-a-half-storey walk-up buildings with 56 units. Amenities include 60 surface parking spaces and laundry facilities. The property is within walking distance of the regional hospital, and close to downtown Chatham, shopping, restaurants, a fire station, a police station, the Thames River and Highway 401.



Chatham, Ontario

383-385 Wellington Street West

Acquired: December 2017



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
22	26	5	1	0	54

Kent Manor consists of one four-storey building and one adjacent single-family dwelling, totalling 54 units. Amenities include 24 surface parking spaces and laundry facilities. The property is in a premium area dominated by single-family homes with easy public transit access. It lies near the Thames River, a hospital, shopping, restaurants, a police station, and St. Clair College.



Guelph, Ontario

98 Farley Drive

Acquired: March 2022



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
22	41	30	0	0	93

URBN Lofts is a modern rental residence with six storeys, 93 units, and 124 outdoor parking spots. Condo-style amenities include a fitness room, social lounge, shared workspace, free Wi-Fi throughout, electric vehicle chargers, an outdoor BBQ area, bike storage, and lockers. Ideally located in one of the most sought-after neighbourhoods in Guelph, with easy access to Highway 401, it is within walking distance of several major grocery stores, banks, drug stores, and multiple sit-down and quick-serve restaurants.



Guelph, Ontario

5 & 7 Wilsonview Avenue

Acquired: October 2019



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	5	17	7	0	29

Treeview Manor consists of two, three-storey walk-up buildings with a connecting basement corridor featuring 29 units. Amenities include 42 parking spots and laundry facilities. This property is in a prime location with easy access to Highways 6 and 401 and within walking distance of public transportation. Nearby amenities include a large shopping mall, services, restaurants, and the University of Guelph.



Guelph, Ontario

8 & 16 Wilsonview Avenue

Acquired: July 2020



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
2	54	53	3	0	112

Treeview Towers is a seven-storey building with 112 units. Amenities include onsite laundry, storage lockers and outdoor parking. This property is conveniently located next to a major shopping centre with a variety of retailers and restaurants. It is close to several parks, walking trails, public transportation, and the University of Guelph.



Hamilton, Ontario

125 Wellington Street North



Acquired: March 2021

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
5	247	73	38	1	364

Wellington Place comprises two connected buildings, 19 and six storeys respectively, occupying nearly an entire city block, with 364 units and underground parking. Amenities include a fitness facility, social room, and laundry lounge with Wi-Fi. This property is conveniently located only minutes from downtown Hamilton and a short commute to McMaster University, Hamilton General Hospital, and St. Joseph’s Healthcare. Public transit, GO Transit, shopping, restaurants, and parks are all just steps away.



Kingston, Ontario

252 & 268 Conacher Drive



Acquired: September 2018

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	6	18	0	0	24

Riverstone Place and Millstone Place are a pair of two-and-a-half-storey walk-up buildings containing a total of 24 units. Amenities include 25 surface parking spaces and laundry facilities. This property is located close to public transportation, a hospital, fire station, police station, shopping, services, restaurants, Queen’s University, and Highway 401.



Kingston, Ontario

760/780 Division Street & 2 Kirkpatrick Street



Acquired: March 2018

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	24	48	40	0	112

Treeview Apartments consists of one mid-rise building with three-and-a-half-storeys and 112 units, and two adjacent vacant parcels of land with future development potential. Amenities include 112 surface parking spaces and laundry facilities. This property is close to public transit, the St. Lawrence River, a hospital, police station, shopping, restaurants, Queen’s University, and Highway 401.



Kingston, Ontario

1379 Princess Street

Acquired: May 2018



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
1	18	13	0	2	34

The Lucerne is a three-and-a-half-storey building with commercial space on the ground floor. It features 34 units, 40 surface-level parking spaces, an elevator, and laundry facilities. The property is located minutes from Queen’s University, St. Lawrence College, the St. Lawrence River, a hospital, fire station, police station, shopping, and restaurants. There is also easy access to public transportation and Highway 401.



Kitchener, Ontario

100-170 Old Carriage Drive

Acquired: April 2021



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
2	14	202	0	0	218

Adanac Crossing consists of one, nine-storey building with 108 units and two, three-storey walk-up buildings with 55 units each. It is on a significant piece of land, with 253 surface parking spaces and a large, wooded area with mature trees. Amenities include a fenced-in dog park and laundry facilities. This property is ideally located near Conestoga College and close to shops, restaurants, parks, and playgrounds, with easy access to public transit and major highways.



London, Ontario

1355 Commissioners Road West

Acquired: May 2019



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	14	37	0	0	51

Village West Apartments is a five-storey building with 51 units and outdoor parking. Amenities in this condo-style building include a large, well-appointed lobby, social room, and fitness centre. This property, located in the quaint village of Byron, backs onto a park-like setting with nearby shops, restaurants, schools, parks, conservation areas, and public transit.



London, Ontario

433 King Street

Acquired: October 2021



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	62	66	1	1	130

Kingswell Towers is an 18-storey building with 130 units and underground parking. Amenities include a fitness room, social room, sauna, and bike storage. The building is within walking distance of downtown London and has an abundance of retail, dining, entertainment venues, and nightlife options. It also offers easy access to many city parks, walking trails, bike paths, and the Thames River.



London, Ontario

470 Scenic Drive

Acquired: October 2023



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
16	32	63	4	0	115

Scenic Tower is a mid-rise building with nine storeys, 115 units, 100 outdoor parking spaces and 48 underground parking spaces. Amenities include a social room, common laundry facilities, lockers, and an outdoor amenity area. This property ideally sits within walking distance of the Victoria Hospital, the Thames River Valley, and numerous parks with walking and cycling trails. It offers easy access to public transit and Highway 401.



Markham, Ontario

65 Times Avenue

Acquired: March 2019



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
9	37	18	0	0	64

The Foresite is a five-storey building with 64 units. Amenities include 20 surface and 44 underground parking spots, in suite laundry facilities, and elevator service. The building is in a prime location, close to public transit, only minutes from shopping, restaurants, and amenities with easy access to Highways 407, 404 and 7.



Mississauga, Ontario

65 & 75 Paisley Boulevard West



Acquired: December 2019

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
15	67	79	2	1	164

Seville East & West consists of two, seven-storey buildings, totalling 164 units. Amenities include 126 surface and 60 underground parking spaces, laundry facilities, and an on-site convenience store. The property is just south of downtown Mississauga in a prime location and only minutes from shopping, restaurants, and amenities, including a major hospital. It also has easy access to Highway 403, the QEW, public transit and a GO station.



Ottawa, Ontario

280 Montgomery Street



Acquired: January 2022

This Ottawa project is a three-tower mixed-use, purpose-built rental development that will bring much-needed housing to Ottawa's core. Spanning four acres next to the Rideau River at Montreal Road, the project will offer over 1,100 residential units and 20,000 square feet of retail space.

As at December 31, 2025, Tower 1 was approximately 70% leased (199 units) and it received its final unit/floor occupancy permit with final building occupancy permit targeted for end of January 2026. Tower 2 construction reached the 10th floor and installation of the main electrical room commenced. An SPA pre-consultation meeting for Tower 3 was held in October with submission targeted for early 2026.



Stratford, Ontario

30 & 31 Campbell Court



Acquired: April 2016

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	33	63	3	0	99

The Wynbrook and the Mayfair are two low-rise, three-storey buildings on opposite sides of the street with a combined 99 units. Amenities include 100 surface parking spaces and laundry facilities in each building. The property is minutes from Stratford's historic downtown core, the Avon River, and Lake Victoria. There is easy access to public transportation and shopping, and it is only a 30-minute drive to Kitchener and Waterloo.



Toronto, Ontario

12 & 14 Auburndale Court

Acquired: October 2021



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	15	23	8	0	46

The Scotch Elms is a 46-unit townhome property with 29 outdoor, 37 underground, and seven visitor parking spots. Townhomes feature in-suite laundry, functional basements, and private fenced-in backyards. This property is located in a family-friendly residential neighbourhood within walking distance of grocery and retail stores, schools, and parks, with excellent transit accessibility and Highway 401 only minutes away.



Toronto, Ontario

1862 Bathurst Street

Acquired: September 2024



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
12	27	34	2	0	75

Ava Manor is a seven-storey mid-rise with 75 units and 22 indoor parking spaces. Amenities include parcel lockers and renovated common areas. The property is located in Forest Hill, one of Toronto's most prestigious and family-friendly neighbourhoods renowned for its easy access to transit, ample amenities, and numerous parks and trails.



Toronto, Ontario

4190 Bathurst Street

Acquired: September 2024



MAP

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	53	27	0	0	80

Almore Apartments is a nine-storey mid-rise with 80 units and 79 indoor and 13 outdoor parking spaces. Amenities include parcel lockers and renovated common areas. The property is conveniently located close to a TTC bus stop and the Wilson station, and with ample shopping and amenities nearby.



Toronto, Ontario

2303 Eglinton Avenue East



Acquired: December 2022

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
6	67	96	0	0	169

Ravine Park Apartments has seven storeys, 169 units, and 183 combined indoor and outdoor parking spots. Amenities include common laundry facilities and lockers. This property is near a large commercial district, offering diverse dining, entertainment, and lifestyle amenities. It also provides excellent public transit accessibility with subway and GO stations within walking distance and a planned LRT station across the street.



Toronto, Ontario

120 & 130 Raglan Avenue



Acquired: September 2024

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
3	145	43	0	0	191

Cedarwood Suites is comprised of 120 Raglan, a nine-storey mid-rise with 175 units and 101 indoor and 37 outdoor parking spaces, as well as 130 Raglan, a set of three-storey townhomes with a total of 16 units and six indoor and nine outdoor parking spaces. Amenities in 120 Raglan include renovated common areas, on-site laundry facilities, and parcel lockers while 130 Raglan boasts in-suite laundry, FIBE-ready internet, and dishwashers. This property is located in Forest Hill, one of Toronto's most prestigious neighbourhoods renowned for its easy access to transit, ample amenities, and numerous parks and trails.



Toronto, Ontario

787 Vaughan Road



Acquired: November 2020

Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
7	25	6	0	0	38

Gertrude Suites is a four-storey building with 38 units and on-site laundry facilities. Residents of this eclectic Eglinton West neighbourhood of Toronto are within walking distance of the Eglinton Crosstown line, restaurants, parks, trails, shopping, and other amenities.



Toronto, Ontario

223 Woodbine Avenue

Acquired: March 2020



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	32	16	0	0	48

Beach Park Apartments is a three-and-a-half-storey building with 48 units offering 51 surface parking spaces and laundry facilities. This building is in a premier location just steps from the Beaches Park and boardwalk along Lake Ontario and close to shopping, restaurants, and amenities. The property is near public transit and only minutes from downtown Toronto.



Toronto, Ontario

650 Woodbine Avenue

Acquired: November 2020



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
0	30	8	0	0	38

The Beach Suites is a four-storey building with 38 units, 27 surface parking spots, and laundry facilities in the trendy Beaches neighbourhood of Toronto. The building is in a premier location near public transit routes for downtown Toronto and several parks, the lakefront boardwalk, shopping, amenities, and the Beaches Park on Lake Ontario.



WELLAND, ONTARIO

200-230 Denistoun St.

Acquired: June 2024



Unit Breakdown

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
1	178	186	23	0	388

Parkway Village is made up of four, eight-storey apartment buildings with a combined 388 units and 581 parking spots. Amenities including fitness rooms, social rooms, laundry facilities, individual thermostats, and on-site staff. These buildings are located steps from the Welland Recreational Waterway, and offer easy access to downtown Welland, grocery stores, restaurants, coffee shops, hospital, churches, public transit, schools, parks and walking trails.



Risks and Uncertainties

There are certain risk factors inherent in an investment in the Trust Units and in the activities of the Trust, including, but not limited to, risks related to availability of distributable income, liquidity and potential price fluctuations of the Trust Units, redemption risk, tax-related risks, litigation risks, risks of real estate investment and ownership, mortgage refinancing, availability of cash flow, risk of changes in government regulation, environmental matters, Trust Unitholder liability, dependence on key personnel, potential conflicts of interest, changes in legislation, investment eligibility and dilution arising from the issue of additional Trust Units. See “OFFERING MEMORANDUM” for full list of Risks.

Senior Management Team



Jason Roque
Chief Executive
Officer



Helen Hurlbut
President and Chief
Financial Officer



Greg Placidi
Chief Investment
Officer & Portfolio
Manager



Jonathan Fleischer
Chief Operating
Officer, Equiton Living



Bill Flinders
Chief Technology
Officer



Vivian Salonga
Chief Compliance
Officer



Kelly Margaritis
General Counsel



Kathy Gjamovska
VP, Marketing &
Communications



Ryan Donkers
VP, Investments



Michael Kowalczyk
VP, Investment
Finance & Asset
Management



Sheetal Chetan
VP, Corporate
Finance & Treasury



Tania Angemi
VP, People and
Culture



Jonathan Brimmell
VP, Operations,
Income-Producing
Properties



Sakshi Bonomo
VP, Finance, Income-
Producing Properties



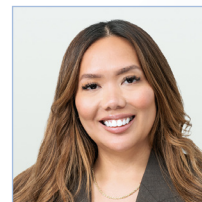
Braiden Goodchild
VP, Capital Formation
and Strategic
Transactions



Alan Dillabough
VP, Development



Matthew Spironello
VP, Construction

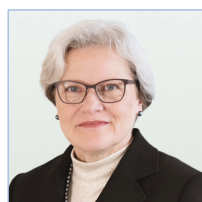


Kimberley Crescin
VP, Sales and Marketing,
Equiton Developments

Equiton Residential Income Fund Trust Independent Board Members



David Hamilton



Aida Tammer



Scot Caithness



Consolidated Financial Statements

Equiton Residential Income Fund Trust

For the years ended December 31, 2025, and 2024

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Independent Auditor's Report

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To the Trustees of
Equiton Residential Income Fund Trust

Opinion

We have audited the consolidated financial statements of Equiton Residential Income Fund Trust (the "Trust"), which comprise the consolidated statements of financial position as at December 31, 2025 and December 31, 2024, the consolidated statements of income and comprehensive income, consolidated statements of changes in net assets attributable to unitholders and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Equiton Residential Income Fund Trust as at December 31, 2025 and December 31, 2024, and its financial performance and its consolidated cash flows for the years then in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statement in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statement, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Trust as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Doane Grant Thornton LLP

Toronto, Canada
February 28, 2026

Chartered Professional Accountants
Licensed Public Accountants

Audit | Tax | Advisory

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Equiton Residential Income Fund Trust


Consolidated Statements of Financial Position

(in thousands of dollars)	Note	December 31, 2025	December 31, 2024
ASSETS			
Non-current assets			
Investment properties	[4]	\$ 1,425,980	\$ 1,153,289
Investment property under development	[5]	56,862	115,931
		1,482,842	1,269,220
Current assets			
Cash		6,573	18,559
Restricted cash	[6]	787	1,001
Tenant and other receivables		2,165	1,291
Loan receivable	[8]	1,983	2,796
Prepaid expenses		2,165	1,391
		13,673	25,038
TOTAL ASSETS		\$ 1,496,515	\$ 1,294,258
EQUITY AND LIABILITIES			
Non-current Liabilities			
Mortgages payable	[9]	\$ 605,687	\$ 552,548
Construction loan payable	[10]	118,818	47,564
		724,505	600,112
Current Liabilities			
Construction loan payable	[10]	9,750	16,875
Bank loan payable	[11]	28,950	18,030
Current portion of mortgages payable		47,876	14,054
Accounts payable and accrued liabilities		16,100	21,924
Tenant deposits and deferred revenue		6,380	5,293
Unit subscriptions held in trust	[6]	787	1,001
Distributions payable		4,403	3,907
Due to related parties	[12]	1,632	2,956
		115,878	84,040
TOTAL LIABILITIES BEFORE NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		\$ 840,383	\$ 684,152
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		\$ 656,132	\$ 610,106
TOTAL LIABILITIES INCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		\$ 1,496,515	\$ 1,294,258

Commitment [17]

On behalf of the Trustees

 Trustee

 Trustee

See accompanying notes to the consolidated financial statements

Equiton Residential Income Fund Trust

Consolidated Statements of Income and Comprehensive Income

(in thousands of dollars)

	Note	Year ended December 31,	
		2025	2024
Property revenue		\$ 77,665	\$ 58,317
Property operating expenses			
Operating expenses		(18,195)	(13,420)
Utilities		(7,680)	(5,641)
Property taxes		(8,669)	(6,228)
		(34,544)	(25,289)
Net operating income		\$ 43,121	\$ 33,028
Other income		944	1,609
Financing cost		(26,432)	(14,421)
Administration		(1,468)	(1,401)
Asset management fee	[14]	(14,727)	(11,329)
Fair value adjustment on investment properties	[4]	52,804	3,479
Net income and comprehensive income		\$ 54,242	\$ 10,965

See accompanying notes to the consolidated financial statements

Equiton Residential Income Fund Trust

Consolidated Statements of Changes in Net Assets Attributable to Unitholders

(in thousands of dollars)

	Net assets attributable to unitholders
As at January 1, 2024	\$ 496,465
Issuance of units	205,567
Issuance of units under DRIP	27,618
Redemption of units	(70,249)
Issuance costs	(9,095)
Net income	10,965
Distributions to General Partner	(9,429)
Distributions	(41,736)
As at December 31, 2024	\$ 610,106

	Net assets attributable to unitholders
As at January 1, 2025	\$ 610,106
Issuance of units	164,566
Issuance of units under DRIP	32,593
Redemption of units	(136,640)
Issuance costs	(8,667)
Net income	54,242
Distributions to General Partner	(11,046)
Distributions	(49,022)
As at December 31, 2025	\$ 656,132

Equiton Residential Income Fund Trust

Consolidated Statements of Cash Flows

(in thousands of dollars)

Note	Year ended December 31,	
	2025	2024
OPERATING ACTIVITIES		
Net income and comprehensive income	\$ 54,242	\$ 10,965
Add (deduct) items not affecting cash		
Increase in fair value of investment properties	(52,804)	(3,479)
Amortization of assumed mortgage	1,188	573
Amortization of deferred financing fees	2,056	(29)
Change in non-cash operating items [16]	(7,923)	5,644
Cash (used in) provided by operating activities	(3,241)	13,674
FINANCING ACTIVITIES		
Proceeds from issuance of units	153,520	188,255
Redemption of units	(136,640)	(70,249)
Distribution to unitholders	(15,933)	(13,302)
Payment of issuance costs	(8,667)	(9,105)
Proceeds from bank loan payable	10,920	4,595
Payment of deferred financing fees	(5,243)	(15,868)
Interest reserve holdback	-	41
Repayment of mortgages payable	(9,648)	(7,423)
Proceeds from mortgages payable	98,608	219,546
Proceeds from construction loan	64,129	33,496
Cash provided by financing activities	151,046	329,986
INVESTING ACTIVITIES		
Building improvements	(18,762)	(19,817)
Repayment (receipt) of loan receivable	813	(659)
Acquisition of investment properties	(99,200)	(286,681)
Investment in property under development	(42,856)	(35,048)
Cash used in investing activities	(160,005)	(342,205)
Net (decrease) increase in cash	(12,200)	1,455
Cash, beginning of year	19,560	18,105
Cash, end of year	\$ 7,360	\$ 19,560
Cash presented as:		
Cash	\$ 6,573	\$ 18,559
Restricted cash	787	1,001
	\$ 7,360	\$ 19,560
Supplemental non-cash items		
Issuance and reinvestment of units under distribution reinvestment plan	\$ 32,593	\$ 27,618
Distribution to the general partner	11,046	9,429

See accompanying notes to the consolidated financial statements

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

1. Nature of operations

Equiton Residential Income Fund Trust (the “Trust”) is an open-ended real estate investment trust (“REIT”) established on March 1, 2016 under the laws of the Province of Ontario. The Trust qualified as a “mutual fund trust” (pursuant to subsection 132(6) of the Income Tax Act) and it was formed primarily to acquire income-producing properties located in Canada. The Board of Trustees (“Trustees”) intends to distribute or designate all taxable income directly earned by the Trust to unitholders of the Trust and to deduct such distributions and designations for income tax purposes. Accordingly, the Trust has not recorded a provision for income taxes.

2. General information and statement of compliance with IFRS

The consolidated financial statements of the Trust have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board (“IASB”). The consolidated financial statements have been prepared on a historical cost basis except for investment properties and certain categories of financial instruments, if any, that have been measured at fair value. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements unless otherwise indicated.

The consolidated financial statements are presented in Canadian dollars, which is the Trust’s functional currency. The address of the Trust’s registered office is 1111 International Boulevard, Suite 500, Burlington, Ontario, L7L 6W1. The consolidated financial statements for the year ended December 31, 2025, were approved and authorized for issue by the Trust on February 28, 2026.

3. Summary of material accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

Principles of consolidation

These consolidated financial statements include the accounts of the Trust and its controlled entity: Equiton Residential Income Fund Limited Partnership (the “Limited Partnership”). The results of the Limited Partnership will continue to be included in the consolidated financial statements of the Trust until the date that the Trust’s control over the Limited Partnership ceases. Control exists when the Trust has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the amount agreed to by the related parties, which approximates fair value.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

(in thousands of dollars)

3. Summary of material accounting policies (continued)

Joint arrangements

A joint arrangement is a contractual arrangement pursuant to which the Trust or a controlled entity and other parties undertake an economic activity that is subject to joint control, whereby the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control. Joint arrangements are of two types - joint ventures and joint operations. A joint operation is a joint arrangement in which the Trust has rights to the assets and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement in which the Trust has rights to only the net assets of the arrangement.

The Trust is party to a single joint arrangement, which is a joint operation, through a 75% co-ownership interest called Riverain Co-ownership ("Riverain"). Riverain includes an investment property under development located at 29 Selkirk Street and 2 Montreal Road in the City of Ottawa, Ontario (Note 7). Joint operations are accounted for by recognizing the Trust's proportionate share of the assets, liabilities, revenue, expenses and cash flows of the joint operation.

Investment properties

The Trust accounts for its investment properties using the fair value model in accordance with IAS 40 - Investment properties ("IAS 40"). Properties that are held for long-term rental yields or for capital appreciation or both are classified as investment properties. Investment properties also include properties that are being constructed or will be developed for future use as investment properties.

Investment properties are recorded initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services, and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating.

Additions to investment properties are expenditures incurred for the expansion or redevelopment of the existing property, or to maintain or improve its productive capacity. Productive capacity maintenance costs are major maintenance costs and tenant improvements. Subsequent to initial recognition, investment properties are recorded at fair value. The changes in fair value in each reporting period are recorded in the consolidated statement of income and comprehensive income. Fair value of the investment properties is determined using a combination of external independent valuations and internally prepared valuations. The external valuations are performed on a rotational basis by independent, qualified external appraisers.

Recent real estate transactions with similar characteristics and locations to the Trust's assets are also considered. The direct capitalization income method applies a capitalization rate to the property's stabilized net operating income which incorporates allowances for the vacancy, management fees, and structural reserves for capital expenditures for the property. The resulting capitalized value is further adjusted, where appropriate, for extraordinary costs to stabilize the income and non-recoverable capital expenditures.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

3. Summary of material accounting policies (continued)

Investment property under development

The investment property under development takes a substantial period of time to prepare for its intended use as an investment property. The investment property under development is initially recorded at the purchase price plus transaction costs.

Subsequent to acquisition, the cost of development properties includes all direct expenditures incurred in connection with their development and construction. These expenditures consist of all direct costs, realty taxes and borrowing costs. The development period commences when expenditures are being incurred and activities necessary to prepare the asset for its intended use are in progress. Capitalization ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

Properties under development are measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably determinable.

Tenant deposits

Tenant deposits are recognized initially at the fair value of the cash received and subsequently measured at amortized cost. The Trust obtains deposits from tenants as a guarantee for returning the leased premises at the end of the lease term in a specified good condition or for specified lease payments according to the terms of the lease.

Revenue recognition

The Trust has retained substantially all of the risks and benefits of ownership of its investment properties and therefore accounts for leases with its tenants as operating leases.

Revenue from investment properties include rents from tenants under leases, parking income, laundry income and other miscellaneous income paid by the tenants under the terms of their existing leases. Rental revenue under a lease commences when a tenant has a right to use the leased asset and revenue is recognized pursuant to the terms of the lease agreement. Revenue is recognized systematically over the term of the lease, which is generally not more than twelve months. Other rental revenues such as parking revenues and laundry revenues are considered non-lease components and are within the scope of IFRS 15 - Revenue from Contracts with Customers. The performance obligation for property management and ancillary services is satisfied over time.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

3. Summary of material accounting policies (continued)

Financial instruments and fair values

(i) Financial assets

In accordance with IFRS 9, 'Financial Instruments', financial assets are required to be measured at fair value on initial recognition. Subsequent to initial recognition, financial assets are categorized and measured based on how the Trust manages its financial instruments and the characteristics of their contractual cash flows. IFRS 9 contains three principal classification categories for financial assets:

- i) Measured at amortized cost,
- ii) Fair value through other comprehensive income, and
- iii) Fair value through profit or loss.

A financial asset is measured at amortized cost if it meets both of the following conditions

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

The Trust's financial assets include cash, restricted cash, tenant and other receivables and loan receivable. All financial assets are recognized initially at fair value and subsequently at amortized cost using the effective interest method with the exception of the loan receivable with is subsequently measured at fair value through profit or loss.

Impairment – Expected Credit Loss Model:

For the impairment of financial assets, the Trust uses a forward-looking 'expected credit loss' ('ECL') model. The measurement options for the ECL are lifetime expected credit losses and 12-month expected credit losses.

The Trust adopted the practical expedient to determine ECL on receivables using a provision matrix based on historical credit loss experiences adjusted for forward-looking factors specific to the debtors and to the economic environment to estimate lifetime ECL.

(ii) Financial liabilities

In accordance with IFRS 9, 'Financial Instruments', financial liabilities are required to be measured at fair value on initial recognition. Subsequent to initial recognition, financial liabilities are measured based on two categories:

- i) Amortized cost, and
- ii) Fair value through profit or loss.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

3. Summary of material accounting policies (continued)

Financial instruments and fair values (continued)

(ii) Financial liabilities (continued)

Under IFRS 9, all financial liabilities are classified and subsequently measured at amortized cost except in certain cases. The Trust has no financial liabilities that meet the definitions of these specific cases. Financial liabilities consist of mortgages payable, construction loan payable, due to related parties, unit subscriptions held in trust, payables and accruals, bank loan payable, tenant deposits and distributions payable.

A financial liability is derecognized when the obligation under the liability is discharged, canceled or expires.

(iii) Transaction costs

Direct and indirect financing costs that are attributable to the issue of other financial liabilities measured at amortized cost are presented as a reduction from the carrying amount of the related debt and are amortized using the effective interest rate method over the term of the related debt. These costs include interest, amortization of discounts or premiums relating to borrowings, fees and commissions paid to lenders, agents, brokers and advisers, and transfer taxes and duties that are incurred in connection with the arrangement of borrowings.

(iv) Fair value

Fair value measurements recognized in the statement of financial position are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values. Each type of fair value is categorized based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The fair value hierarchy for measurement of assets and liabilities is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs for the asset or liability that are not based on observable market data.

Fair value of financial assets and liabilities

The fair values of cash, restricted cash, tenant and other receivables, amounts due to related parties, payables, construction loan payable, bank loan payable, tenant deposits and distributions payable approximate their carrying value due to the short-term maturity of those instruments.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

3. Summary of material accounting policies (continued)

Fair value of financial assets and liabilities (continued)

The fair value of the mortgages payable and loan receivable has been determined by discounting the cash flows of these financial instruments using December 31, 2025, and December 31, 2024, market rates for debts of similar terms.

	December 31, 2025		
	Fair Value Hierarchy	Carrying Value	Fair Value
Assets:			
Investment properties	Level 3	\$ 1,425,980	\$ 1,425,980
Loan receivable	Level 2	\$ 1,983	\$ 1,983
Liabilities:			
Mortgage payable	Level 2	\$ 683,812	\$ 615,094
	December 31, 2024		
	Fair Value Hierarchy	Carrying Value	Fair Value
Assets:			
Investment properties	Level 3	\$ 1,153,289	\$ 1,153,289
Loan receivable	Level 2	\$ 2,796	\$ 2,796
Liabilities:			
Mortgage payable	Level 2	\$ 591,993	\$ 527,699

Critical accounting estimates, assumptions, and judgments

Estimates and judgments are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Trust has made the following critical accounting estimates, assumptions, and judgments:

Investment properties

In determining estimates of fair values for its investment properties, the assumptions underlying estimated values are limited by the availability of comparable data and the uncertainty of predictions concerning future events. Should the following underlying assumptions change, actual results could differ from the estimated amounts:

- i. Property tenancies;
- ii. Market rents;
- iii. Market terminal capitalization rates;
- iv. Discount rates;
- v. Direct capitalization rates;
- vi. Economic environment and market conditions; and
- vii. Market activity.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

3. Summary of material accounting policies (continued)

Critical accounting estimates, assumptions, and judgments (continued)

The critical estimates and assumptions underlying the valuation of the investment properties are outlined in Note 4.

Joint operations

When determining the appropriate basis of accounting for the Trust's investment in co-ownership, the Trust makes judgments about the degree of control that the Trust exerts directly or through an arrangement over the co-ownership's relevant activities.

The Trust has determined that its interest in the co-ownership is a joint operation (Note 7).

Net assets attributable to unitholders

Trust units are redeemable at the holder's option and therefore are considered a puttable instrument in accordance with International Accounting Standard 32 - Financial Instruments: Presentation ("IAS 32"), subject to certain limitations and restrictions. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instruments may be presented as equity. The Trust units do not meet the necessary conditions and have therefore been presented as net assets attributable to unitholders under IAS 32.

Future accounting policy changes

Standards and amendments issued but not yet effective

IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include, among other things, clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.

The Amendments are effective for annual periods starting on or after January 1, 2026, with early adoption permitted for classification of financial assets and related disclosures only. The Trust is assessing the impact this amendment will have on its consolidated financial statements.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

(in thousands of dollars)

3. Summary of material accounting policies (continued)

Future accounting policy changes (continued)

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about the Trust's financial performance, thereby enabling better investment decisions. It will affect all entities using IFRS Accounting Standards. IFRS 18 introduces new sets of requirements to improve the Trust's reporting of financial performance and give investors a better basis for analyzing and comparing companies through:

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires funds to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but entities can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged. The Trust is assessing the implications of IFRS 18 on its consolidated financial statements and disclosures and does not intend to early adopt this standard.

4. Investment properties

Reconciliation of the carrying amount for investment properties for the beginning and end of the financial year are as follows:

Balance, January 1, 2024	\$ 849,831
Purchase of investment property	280,162
Building improvements to investment properties	19,817
Increase in fair value of investment properties	<u>3,479</u>
Balance, December 31, 2024	\$ 1,153,289
Purchase of investment property	99,200
Completion of development (reclassification within investment property, Note 5)	101,925
Building improvements to investment properties	18,762
Increase in fair value of investment properties	<u>52,804</u>
Balance, December 31, 2025	\$ 1,425,980

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

4. Investment properties (continued)

On June 21, 2024, the Trust acquired an investment property located at 200-230 Denistoun St. Welland, Ontario for a cost of \$75,267.

On September 18, 2024, the Trust acquired an investment property located at 4190 Bathurst St., 120 & 130 Raglan Ave. and 1862 Bathurst St. in North York, Ontario at a cost of \$137,644.

On December 18, 2024, the Trust acquired an investment property located at 17627 63 St. NW, Edmonton, Alberta for a cost of \$73,769 and assumed mortgage with a fair value adjustment of \$6,519.

On July 21, 2025, the Trust acquired an investment property located at 2610 109 St. NW, Edmonton, Alberta for a cost of \$52,744.

On August 12, 2025, the Trust acquired an investment property located at 7070 Inlet Dr., Burnaby, British Columbia for a cost of \$46,456.

The estimated fair values per these appraisals are as follows:

Region	2025	2024
Alberta	\$ 219,700	\$ 152,230
Greater Toronto and Hamilton Area	535,100	501,360
British Columbia	47,100	-
Southeastern Ontario	144,380	37,550
Southwestern Ontario	109,000	106,320
Western Ontario	370,700	355,829
	\$ 1,425,980	\$ 1,153,289

The Trust determined the fair value of each investment property based upon, among other things, rental income from current leases and assumptions about rental income from future leases reflecting market conditions at the applicable statement of financial position dates, less future cash outflow pertaining to the respective leases. The properties are appraised using several approaches that typically include a direct capitalization income method and a direct comparison approach.

Valuations prepared under the direct capitalization method include the use of a capitalization rate as part of the underlying assumptions.

The fair value estimates are prepared by internal and external valuation specialists. As at December 31, 2025, all investment properties were fair valued.

Values are most sensitive to changes in capitalization rates, and the variability of cash flows. If the capitalization rate were to increase by 25 basis points ("bps"), the value of investment properties would decrease by \$72,922 (2024 – decrease by \$61,205). If the capitalization rate were to decrease by 25 bps, the value of investment properties would increase by \$78,286 (2024 – increase by \$68,565).

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

4. Investment properties (continued)

Capitalization rates used to generate the estimated fair values for the investment properties ranged from 4.00% to 5.40% at December 31, 2025 (2024 – 4.00% to 5.51%) with a weighted average capitalization rate across the investment properties portfolio of 4.40% (2024 – 4.48%).

5. Investment property under development

	<u>2025</u>	<u>2024</u>
Opening balance, January 1	\$ 115,931	\$ 80,883
Property under development expenditures	42,856	35,048
Completion of development (reclassification within investment property, Note 4)	(101,925)	-
Balance, December 31	\$ 56,862	\$ 115,931

This property under development represents the Trust's 75% interest in Riverain (Note 7).

During the year ended December 31, 2025, Phase 1 of the investment property under development reached substantial completion and became available for its intended use. In accordance with IFRS, the Trust transferred Phase 1 from investment property under development to investment properties and recognized its 75% ownership interest, totaling \$101,925.

6. Restricted cash

Restricted cash of \$787 (2024 - \$1,001) represents unitholder subscriptions held in trust until the trade settlement date. These amounts will be returned to investors if the proposed unitholder subscriptions do not successfully proceed.

7. Joint arrangement

The Trust's indirect interests in Riverain are subject to joint control and accounted for as a joint operation. The Limited Partnership entered into a co-ownership agreement with Selkirk & Main Holdings Inc. and is developing a multi residential property in Ottawa, Ontario. The co-ownership was formed on January 18, 2022 and is governed by co-owner's agreement effective as of that date. The co-ownership agreement stipulates that a co-owners committee be formed consisting of two members, of whom one member shall be appointed by each of the co-owners. All major decisions, as defined in the agreements, require the unanimous vote of the members of the co-owners committee. The Limited Partner's ownership interest is 75%. The project is being completed in three phases. Phase 1 has been completed and the Trust's proportionate interest in Phase 1 is reflected in Investment Properties. Phases 2 and 3 remain under construction and the Trust continues to capitalize its proportionate share of development costs related to these phases.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

7. Joint arrangement (continued)

The financial information in respect of the Partnership's indirect 75% proportionate share of the joint operation is as follows:

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Assets:		
Cash	\$ 4,123	\$ 975
Tenant and other receivables	783	266
Prepaid expenses	44	7
Investment property	107,250	-
Investment property under development	<u>56,862</u>	<u>115,931</u>
Total Assets	<u>169,062</u>	<u>117,179</u>
Liabilities:		
Accounts payable and accrued liabilities	5,786	10,272
Land loan payable	9,750	16,875
Construction loan payable	<u>118,818</u>	<u>47,564</u>
Total liabilities	<u>134,354</u>	<u>74,711</u>
Co-owners' Equity	<u>34,708</u>	<u>42,468</u>
Total Liabilities and Co-owners' Equity	<u>\$ 169,062</u>	<u>\$ 117,179</u>

8. Loan receivable

On January 18, 2022, the Limited Partnership entered into an equity loan agreement with Selkirk & Main Holdings Inc. The Limited Partnership has agreed to provide loans to Selkirk & Main Holdings Inc. from time to time as equity funds are required for the joint operation of Riverain (Note 7) in principal amount equal to 12.5% of the required equity funds of the joint operation.

The equity loan bears in interest at a rate equal to 7.75% per annum. The equity loan is repayable upon the earlier of the following:

- the day upon which the first advance of any long-term financing for such phase is made following the construction thereof; and
- the day upon which the Selkirk & Main Holdings Inc. ceases to be a co-owner of the property or such phase.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

8. Loan receivable (continued)

The loan is secured as follows:

- a joint and several corporate guarantee and postponement from Selkirk & Main Holdings Inc. and Main and Main Asset Management Inc. for the full amount of the equity loan.
- a pledge in favour of the Limited Partnership of all of the issued and outstanding shares of the nominees;
- the co-owners charge made by Selkirk & Main Holdings Inc. in favour of the Limited Partnership (including the registered co-owners charge in favour of Equiton granted by the Nominees) which shall, in addition to the matters set out in Section 7.3(1) of the co-owners agreement, secure payment of the equity Loan.

The equity loan was assessed at December 31, 2025 to determine whether there is objective evidence of impairment. A loan investment is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of an asset, and that the loss event had a negative effect on these estimated future cash flows of that asset that can be estimated reliably. For the period ended December 31, 2025, there was no provisions for loan investment losses. The fair value of the loan receivable is estimated to approximate its carrying value (Note 3).

9. Mortgages payable

	<u>2025</u>	<u>2024</u>
Mortgages payable	\$ 683,812	\$ 591,993
Deferred finance charges	<u>(30,249)</u>	<u>(25,391)</u>
	653,563	566,602
Less: current portion	<u>(47,876)</u>	<u>(14,054)</u>
Non-current mortgages payable	<u>\$ 605,687</u>	<u>\$ 552,548</u>

The mortgages are payable to various financial institutions and bear fixed interest rates ranging from 2.0% to 4.6% (2024 – 2.0% to 4.6%) and maturing at various dates ranging from 2026 to 2036 (2024 – 2025 to 2035).

The balances repayable as noted above are exclusive of the fair value adjustments recorded upon initial recognition of the mortgages that have been assumed. As of December 31, 2025, these fair value adjustments totalled \$9,155 (2024 - \$10,343).

The mortgages payable are secured by the investment properties disclosed in Note 4 and are repayable as follows:

2026	\$ 47,876
2027	10,246
2028	17,967
2029	43,236
2030	69,482
Thereafter	<u>502,495</u>
	<u>\$ 691,302</u>

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
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9. Mortgages payable (continued)

- (i) There are financial and non-financial covenants pertaining to the Bank of Montreal facilities and they were all met as at December 31, 2025.
- (ii) The First National first mortgage on loan was assumed on the purchase of the 125 Wellington Street North, Hamilton, Ontario property. The difference between the fair value and carrying value of the mortgage was determined to be at a premium of \$134 at the assumption date.
- (iii) The Peakhill Capital first mortgage on loan was assumed on the purchase of the 208 Woolwich Street South, Breslau, Ontario property. The difference between the fair value and carrying value of the mortgage was determined to be at a premium of \$660 at the assumption date.
- (iv) The First National first mortgage on loan was assumed on the purchase of the 98 Farley, Guelph, Ontario property. The difference between the fair value and carrying value of the mortgage was determined to be at a premium of \$275 at the assumption date.
- (v) The Canada ICI first mortgage on loan was assumed on the purchase of the 200 Edgar Lane, Sherwood Park, Alberta property. The difference between the fair value and carrying value of the mortgage was determined to be at a premium of \$3,516 at the assumption date.
- (vi) The People's Trust first mortgage on loan was assumed on the purchase of 23 Lynnwood Drive, Brantford, Ontario property. The difference between the fair value and carrying value of the mortgage was determined to be at a premium of \$554 at the assumption date.
- (vii) The Canada ICI mortgage was assumed on the purchase of 17627 63 St. NW, Edmonton, Alberta property. The difference between the fair value and carrying value of the mortgage was determined to be at a premium of \$6,494 at the assumption date.

10. Construction loan payable

Land Loan Facility

On October 16, 2023, Riverain entered into a new \$22,500 Land Loan facility agreement with Desjardins to refinance the phase two and phase three land located in Ottawa. The original Land Loan facility outstanding of \$24,000 was replaced and the loan differential of \$1,500 was repaid upon issuance of the first construction loan draw. The interest rate is fixed at 7.69% for 12 months equal to the lender's cost of funds plus 150 basis points (1.5%) with interest-only paid monthly.

The Land Loan converted to a variable interest rate on November 1, 2024, at the prime rate plus 75 basis points (0.75%). The land loan matures on November 1, 2025. As of December 31, 2024, the outstanding balance is \$22,500 (December 31, 2023, \$22,500), of which the Limited Partnership has recorded its 75%. The other co-owner and the Limited Partnership have provided a corporate guarantee and postponement of claim for the full loan amount of \$22,500 plus interest and costs for the full duration of the existing land loan facility on phase two and phase three units and any renewals thereof.

On September 11, 2025, upon issuance of the first draw on the Tower C Construction facility, \$3,905 was repaid to the Land Loan, with the remaining \$5,595 paid upon the second draw on October 9, 2025. Thereafter, the Land Loan attributable to Tower B is \$13,000 with a fixed interest rate of 4.46% and with maturity date of December 1, 2026.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

10. Construction loan payable (continued)

As at December 31, 2025, the outstanding balance is \$13,000 (2024 - \$22,500) of which the Partnership has recorded its 75%. The other co-owner and the Limited Partnership have provided a corporate guarantee and postponement of claim for the full loan plus interest and costs for the full duration of the existing land loan facility on phase two and phase three units and any renewals thereof.

Construction Loan Facility

On October 16, 2023, Riverain entered into an \$88,254 Construction Loan Facility (“CLF”) agreement with Desjardins to finance the construction of phase one. The CLF is a variable rate loan based on the prime interest rate increased by fifty basis points (0.50%). Accrued interest is due on the first day of the month. The CLF matures on November 1, 2026. In conjunction with the CLF, the Nominee entered into a \$1,500 revolving operating line of credit to bridge approved project costs between advances at the same variable interest rate as the CLF.

On March 7, 2024, the phase one commitment letter was amended to increase the maximum authorized amount on the CLF to \$106,954 with no additional equity contribution required. Draws on the CLF are completed once per month with the issuance of the construction report by the project monitor AMS Quantity Surveyors.

On January 22, 2025, the phase one commitment letter was amended for a second time to increase the maximum authorized amount on the CLF to \$106,954 with no additional equity contribution required. The maximum authorized amount for both the CLF and the line of credit facilities together is now \$106,954. The increase in authorized amounts were drawn to fund phase three pre-construction costs as they come due.

On June 13, 2025, the phase one CLF was converted to a Canadian Mortgage Housing Corporation (“CMHC”) insured facility which is funded by Desjardins. The maximum authorized amount on the CLF is \$127,721. The interest due monthly during the construction period is based on the prime rate less 50 basis points. Upon the first advance on June 13, 2025, the previous CLF outstanding balance of \$82,719 was discharged with Desjardins.

As of December 31, 2025, the outstanding balance is \$127,721 (2024 - \$63,419) of which the Partnership has recorded its 75%. Borrowings under each of these agreements are secured by a first collateral mortgage charge on the land and improvements and a general security agreement. As of December 31, 2025, all covenants were met.

On September 11, 2025, the Tower C Canadian Mortgage Housing Corporation (“CMHC”) insured construction facility, which is funded by Desjardins, commenced its first draw. The maximum authorized amount on the CLF is \$144,827. The interest due monthly during the construction period is based on the prime rate less 50 basis points. As at December 31, 2025, the outstanding balance on the Tower C CLF is \$30,703 (2024 - \$nil) of which the Partnership has recorded 75%.

The other co-owner and the Limited Partnership have provided a corporate guarantee and postponement of claim or the full loan amount plus interest and costs for the full duration of the existing construction loan facility on phase one construction and any renewals thereof.

Borrowings under each of these agreements are secured by a first collateral mortgage charge on the lands and improvements and a general security agreement.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
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10. Construction loan payable (continued)

Letter of credit

On January 17, 2020, Riverain also entered into a \$500 Letters of Credit Facility (“LCF”) agreement with Desjardins, which can only be used to finance the municipal bodies and public utilities for development purposes. Letter of credits will be for a term of one year and will be subject to an annual fee of 1% upon issuance. The LCF had been extended for an additional 12-month term to February 1, 2023. On January 19, 2023, the LCF agreement was increased to \$2,000 in conjunction with the refinancing of the Land Loan.

On October 16, 2023, the LCF was increased to \$3,000 in conjunction with the Construction Loan Facility for a period of one year under the same terms and conditions. On June 13, 2025, upon conversion revolving to the CMHC insured CLF, the LCF for phase one set at \$2,632 along with a revolving operating line of credit of \$1,500. The line of credit was closed on December 16, 2025, with the final draw on CLF.

On September 11, 2025, a \$1,500 LCF was issued for Tower C, which can only be used to finance the municipal bodies and public utilities for development purposes. Letter of credits will be for a term of one year and will be subject to an annual fee of 1% upon issuance. As at December 31, 2025, the outstanding balance in \$nil (2024- \$nil).

11. Bank loan payable

The Limited Partnership has a credit facility with TD Commercial Bank for \$30,000 in the form of an operating loan. The facility bears interest at prime rate plus 1.00%.

There are financial and non-financial covenants pertaining to the facility. As of December 31, 2025, all covenants were met.

As of December 31, 2025, the Limited Partnership had drawn down \$28,950 (2024 - \$18,030) of the facility.

12. Related party transactions and balances

(a) Agreement with Equiton Capital Inc.

The Trust has entered into an Agency Agreement with Equiton Capital Inc. (the “Agent”), a related party through (a) sharing key management personnel with the Trust and (b) one of the Trustees of the Trust indirectly controls Equiton Capital Inc. The Trust has retained the Agent to act as a selling agent of the Trust units.

Pursuant to the Agency Agreement, the Trust incurred agency fees with the Agent related to the issuance of trust units in the amount of \$6,613 (2024 - \$8,714), which are included in issuance costs in the statements of changes in net assets attributable to unitholders.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
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12. Related party transactions and balances (continued)

(b) Due to related parties

	<u>2025</u>	<u>2024</u>
Due to Equiton Residential Income Fund GP Inc. (general partner of Limited Partner)	\$ 2,770	\$ 2,814
Due to Equiton Capital Inc.	183	142
Due to Equiton Partners Inc.	<u>(1,321)</u>	<u>-</u>
	<u>\$ 1,632</u>	<u>\$ 2,956</u>

Equiton Residential Income Fund GP Inc. is the general partner of Equiton Residential Income Fund Limited Partnership and has the same common management as the Trust. Equiton Partners Inc. is the asset manager (Note 14).

Amounts due to related parties are unsecured, non-interest bearing, and due on demand.

13. Net assets attributable to unitholders

Unitholder transactions excluding allocations of net income distributions and contributed surplus:

(i) Class A Trust Units

The Trust is authorized to issue an unlimited number of Class A Trust units.

(ii) Class B Trust Units

The Trust is authorized to issue an unlimited number of Class B Trust units.

(iii) Class C Trust Units

The Trust is authorized to issue an unlimited number of Class C Trust units.

(iv) Class F Trust Units

The Trust is authorized to issue an unlimited number of Class F Trust units.

(v) Class I Trust Units

The Trust is authorized to issue an unlimited number of Class I Trust units.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

13. Net assets attributable to unitholders (continued)

Units outstanding

	<u>Number of Units</u>
Class A Trust Units	
Balance, January 1, 2024	17,862
Issuance of units	4,401
Issuance of units through distribution reinvestment plan	832
Redemption of units	(1,319)
Transfer of units to different classes	(75)
Balance, December 31, 2024	21,701
Issuance of units	3,972
Issuance of units through distribution reinvestment plan	989
Redemption of units	(2,205)
Transfer of units to different classes	(109)
Balance, December 31, 2025	24,348
Class B Trust Units	
Balance, January 1, 2024	765
Issuance of units	167
Issuance of units through distribution reinvestment plan	44
Redemption of units	(34)
Transfer of units to different classes	7
Balance, December 31, 2024	949
Issuance of units	-
Issuance of units through distribution reinvestment plan	44
Redemption of units	(43)
Transfer of units to different classes	(24)
Balance, December 31, 2025	926
Class C Trust Units	
Balance, January 1, 2024	1,351
Issuance of units	839
Issuance of units through distribution reinvestment plan	79
Redemption of units	(55)
Transfer of units to different classes	2
Balance, December 31, 2024	2,216
Issuance of units	1,159
Issuance of units through distribution reinvestment plan	109
Redemption of units	(268)
Transfer of units to different classes	43
Balance, December 31, 2025	3,259

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

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(in thousands of dollars)

13. Net assets attributable to unitholders continued)

Class F Trust Units

Balance, January 1, 2024	14,771
Issuance of units	7,074
Issuance of units through distribution reinvestment plan	753
Redemption of units	(1,465)
Transfer of units to different classes	(811)
Balance, December 31, 2024	20,322
Issuance of units	5,110
Issuance of units through distribution reinvestment plan	947
Redemption of units	(3,746)
Transfer of units to different classes	(1,076)
Balance, December 31, 2025	21,557

Class IS1 Trust Units

Balance, January 1, 2024	11,514
Issuance of units	4,109
Issuance of units through distribution reinvestment plan	568
Redemption of units	(2,801)
Transfer of units to different classes	877
Balance, December 31, 2024	14,267
Issuance of units	2,910
Issuance of units through distribution reinvestment plan	571
Redemption of units	(4,662)
Transfer of units to different classes	1,179
Balance, December 31, 2025	14,265
Total A, B, C, F and I units, December 31, 2025	64,355

On December 19, 2016, the Trust instituted a DRIP whereby Canadian unitholders may elect to have their distributions automatically reinvested in additional units, retroactive to the commencement of the Trust.

During the year, the Trust made distributions of \$49,022 (2024 - \$41,736). Of this amount, \$32,593 (2024 - \$27,618) were reinvested through the DRIP.

The General Partner shall be entitled to a 20% interest in cash distributions of the Partnership, and a 20% interest in any increase in the equity value of the investment properties, calculated and payable at the time such increase in equity value is realized or the issuance of additional limited partner units by the Partnership. The General Partner has indicated that it will either defer payment of such distributions until such time as sufficient cash is available or to elect to receive such distributions in the form of limited partnership units of the Partnership. During the period, the Trust accrued distributions of \$11,046 (2024 - \$9,429) to Equiton Residential Income Fund GP Inc.

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14. Asset management agreement

The property management services were performed by Equiton Partners Inc., a related party as same common management as the Trust. The compensation for providing the Property Management Services is paid equal to 4.0% of the gross income from the properties for the initial term and for each renewal. In addition, Equiton Partners Inc. is paid a fee equal to 5.0% of the total cost to (i) construct tenant improvements and/or coordinate the construction, modification, improvement, re-construction, or effecting of material repairs to any tenant premises at any of the Properties, or (ii) construct, modify, improve, re-construct or effect a material repair to any portion of the Property or Properties. During the period, the property management fee included in the property operating expenses is \$3,005 (2024 – \$2,307).

Equiton Partners Inc. is also entitled to the following fees pursuant to the Asset Management Agreement:

(i) Transaction fee

The transaction fee is charged at 1.00% of the purchase price with respect to each property acquired or sold by the Trust. During the year the transaction fee recorded in investment properties on the statement of financial position is \$1,100 (2024 – \$3,117).

(ii) Asset management fee

The asset management fee is charged at 1.00% annually with respect to the gross asset value of the assets in the Trust. The asset management fee is calculated and charged monthly. During the year the asset management fee recorded in the statement of income and comprehensive income is \$14,727 (2024 – \$11,329).

(iii) Financing fee

The financing fee is charged at 1.00% of the loan amount with respect to each senior or first ranking financing transaction, at 0.50% of the loan amount with respect to each refinancing transaction and at 1.50% of the loan amount with respect to each mezzanine or non-first ranking financing transaction. During the year financing fees recorded as deferred financing fees in the mortgages payable on the statement of financial position is \$881 (2024 - \$2,787).

Transactions with related parties are in the normal course of operations and are measured at the amount of consideration established and agreed to by the related parties which approximates fair value.

15. Management of capital

The Trust defines capital that it manages as the aggregate of net assets attributable to unitholders and interest-bearing debt less cash. The Trust's objective when managing capital is to ensure that the Trust will continue as a going concern so that it can sustain daily operations. The Trust's primary objective is to ensure that it has sufficient cash resources to indirectly invest in real estate assets in order to provide adequate returns in the form of distributions to its unitholders. To secure the additional capital necessary to pursue these plans, the Trust may attempt to raise additional funds through the issuance of additional trust units.

Equiton Residential Income Fund Trust

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15. Management of capital (continued)

The Trust is subject to risks associated with debt financing, including the possibility that existing mortgages may not be refinanced or may not be refinanced on favourable terms or with interest rates less favourable than those of the existing debt. The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

The total managed capital for the Trust is summarized below:

	<u>2025</u>	<u>2024</u>
Mortgages payable	\$ 683,812	\$ 591,993
Construction loan payable	128,568	64,439
Bank loan payable	28,950	18,030
Cash	<u>(6,573)</u>	<u>(18,559)</u>
Net debt	834,757	655,903
Net assets attributable to unitholders	<u>656,132</u>	<u>610,096</u>
	<u>\$ 1,490,889</u>	<u>\$ 1,265,999</u>

16. Changes in non-cash operating items

	<u>2025</u>	<u>2024</u>
Payables and accruals	\$ (5,823)	\$ (1,088)
Tenant deposits and deferred revenue	1,087	1,231
Tenant and other receivables	(874)	(423)
Prepaid expenses	(774)	(159)
Unit subscriptions held in trust	(215)	(1,211)
Due to/from related parties	<u>(1,324)</u>	<u>7,294</u>
	<u>\$ (7,923)</u>	<u>\$ 5,644</u>

17. Commitment

As of December 31, 2025, the Limited Partnership has entered into contract with consultants as part of its joint arrangement in Riverain with its co-owner totalling \$4,798 of which \$2,061 is the balance to complete.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

(in thousands of dollars)

18. Financial instruments and risk management

Risks associated with financial assets and liabilities

Financial risks arise from financial instruments to which the Trust is exposed during or at the end of the reporting period. Financial risk comprises market risk, credit risk and liquidity risk. Management identifies, evaluates and monitors these risks throughout the year.

(i) 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 due to currency risk, price risk, and interest rate risk. Due to the nature of the Trust's financial instruments, it has no exposure to currency or price risk.

Interest rate risk

The Trust is subject to risk associated with debt financings including the risk that credit facilities will not be refinanced on terms as favorable as those of existing indebtedness.

The Trust's objective in managing interest rate risk is to minimize the volatility of the Trust's income. As of December 31, 2025, the Trust is subject to a fair value risk through the mortgages which are primarily financed at fixed interest rates with the exception of one variable rate mortgage which subjects the Trust to a cash flow risk. The fair market value of the mortgage's payable is disclosed above. The construction loan payable and loan payable also subject the Trust to a cash flow risk due to the variable interest rates.

Receivables and payables are non-interest bearing and with a term of less than one year, so it is assumed that there is no interest rate risk associated with these financial assets and liabilities.

Tenant deposits are non-interest bearing, so it is assumed that there is no interest rate risk associated with these financial liabilities.

(ii) Credit risk

Credit risk is the risk that the counterparty to a financial asset will default resulting in the Trust incurring a financial loss. A substantial portion of the Trust's amounts receivable is with various tenants and individuals and is subject to normal industry credit risks.

The Trust's principal assets are residential buildings. Credit risk arises from the possibility that tenants may not fulfil their lease obligations. The Trust mitigates this credit risk by performing credit checks and due diligence on prospective tenants and on existing tenants when appropriate, and by negotiating leases for spaces of varying sizes.

The carrying amount of receivables is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of income and comprehensive income within other expenses. When a receivable balance is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of income and comprehensive income. The total provision taken on the receivables as of December 31, 2025 is \$2,310 (2024 - \$1,688).

The Trust's maximum credit risk exposure on December 31, 2025 is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

Equiton Residential Income Fund Trust

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024
(in thousands of dollars)

18. Financial instruments and risk management (continued)

(iii) Liquidity risk

Liquidity risk is the risk the Trust will encounter difficulties in meeting its financial liability obligations. The Trust's objective in minimizing liquidity risk is to maintain appropriate levels of leverage on its real estate assets. As of December 31, 2025, the Trust was holding cash of \$7,360 (2024 - \$19,560) of which \$787 (2024 - \$1,001) was restricted for the future issuance of units. The mortgages payable, construction loan payable and loan payable have repayment terms outlined in Note 9, Note 10 and Note 11, respectively.

December 31, 2025	<u>On Demand</u>	<u>1 Year</u>	<u>2-5 Years</u>	<u>>5Years</u>
Mortgages payable	\$ -	\$ 47,876	\$ 140,931	\$ 502,495
Construction loan payable	-	9,750	118,818	-
Bank loan payable	28,950	-	-	-
Due to related parties	1,632	-	-	-
Unit subscriptions held in trust	787	-	-	-
Distributions payable	-	4,403	-	-
Payables & accruals	-	16,100	-	-
	<u>\$ 31,369</u>	<u>\$ 78,129</u>	<u>\$ 259,749</u>	<u>\$ 502,495</u>
December 31, 2024	<u>On Demand</u>	<u>1 Year</u>	<u>2-5 Years</u>	<u>>5Years</u>
Mortgages payable	\$ -	\$ 14,054	\$ 87,657	\$ 500,625
Construction loan payable	-	16,875	47,564	-
Bank loan payable	18,030	-	-	-
Due to related parties	2,966	-	-	-
Unit subscriptions held in trust	1,001	-	-	-
Distributions payable	-	3,907	-	-
Payables & accruals	-	21,924	-	-
	<u>\$ 21,997</u>	<u>\$ 56,760</u>	<u>\$ 135,221</u>	<u>\$ 500,625</u>

(iv) Environmental Risk

The Trust is subject to various Canadian laws relating to the environment. The Trust has formal policies and procedures dealing with limiting environmental exposures which are administered by Equiton Partners Inc. in their function as the asset manager. Costs related to environmental risk are mitigated by carrying environmental insurance. There is an exposure to financial risks arising from environmental factors which could cause a variation in earnings to the extent that costs may exceed such coverage.