



# Q1

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# Quarterly Report 2026

**Equiton Real Estate  
Income and  
Development  
Fund Trust**



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On the cover:

**CIBC, Hyde Park Commons**  
1960 - 1980 Hyde Park Road,  
London, ON

**Marquis Modern Towns**  
708 Woolwich Street,  
Guelph, ON

**TEN99 Broadview Trust**  
1099 Broadview Avenue,  
Toronto, ON

Artist Concept



Vicinity Condos Trust  
875 The Queensway,  
Toronto, ON



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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

The Equiton Real Estate Income and Development Fund Trust (the Trust) delivered consistent performance in Q1'26, supported by disciplined capital deployment and the strength of its underlying asset base amid evolving market conditions. The Trust's diversified portfolio, anchored by income-producing commercial assets and complemented by a pipeline of actively managed development projects, is structured to deliver stable income and support long-term value. Its purposeful and measured strategy is supported by full portfolio occupancy with advantageous leasing terms, development progress, and emerging government policy.

The Trust's Class A and Class F DRIP units generated trailing 12-month returns of 6.30% and 7.38%, respectively, supported by strong income-producing assets. As development projects reach completion and units are closed, the Trust is designed to provide special distributions to Investors, meaningfully enhancing the overall return profile.

Performance continued to be supported by solid underlying fundamentals across the commercial portfolio, with 100.0% occupancy as at March 31, 2026, compared to 94.3% at the same time last year, reflecting the addition of a medical services tenant at Hyde Park Commons in the latter half of 2025. The portfolio's diversified tenancy, anchored by essential service providers and everyday retail, continues to support cash flow resilience and stability.

As at March 31, 2026, the weighted average lease term to maturity was 6.39 years, reflecting the Trust's continued focus on tenancy stability and income visibility over time.

Jason Roque  
CEO and Founder



Helen Hurlbut  
President and CFO/Co-Founder

Contractual rent escalations embedded across the majority of leases provide organic future revenue growth. The portfolio also benefits from a well-staggered lease maturity profile, with ~88% of commercial gross leasable area not subject to lease expiry until 2031 or later. This structure limits exposure to near-term leasing volatility and supports continuity of cash flows, while allowing the Trust to address renewals and re-leasing over time in a measured and strategic way.

This strong operational foundation is reflected in the Trust's financial performance. For the three-month period ended March 31, 2026, the portfolio generated operating revenues of \$338,625, representing an ~19% Y/Y increase and NOI of \$205,547, up 23% Y/Y. NOI margin rose to 60.7% as at March 31, 2026, up 200 basis points Y/Y.

This performance is complemented by a well-positioned capital structure, reflecting a disciplined approach to leverage and liquidity management. Debt coverage metrics remained strong, with a debt service coverage ratio of 1.33x and an interest coverage ratio of 1.98x, reinforcing the portfolio's capacity to service its obligations and sustain performance across more challenging economic conditions.

In addition to its stabilized portfolio, the Trust continues to advance its development platform as a key driver of long-term growth, supported by an integrated start-to-finish approach that provides greater visibility into project performance and value creation throughout the development process.

Marquis Modern Towns, in Guelph, Ontario, was delivered in 2025 and is in its final sell down phase. The Trust continued to advance unit closings while actively marketing remaining units through weekly open houses and separate seminars for first-time homebuyers and those interested in buying investment properties.

Meanwhile, critical municipal approvals for the other four developments, TEN99 Broadview, Sandstones Condo, Wilson Station Condos, and Vicinity Condos are progressing, guided by Equiton’s experienced development team. These well-managed projects will add much-needed supply to the GTA in the coming years at a time when shortages are anticipated.

At the same time, recent federal and provincial policy measures aimed at improving housing affordability, including tax rebates for newly constructed homes, are expected to provide incremental support to demand. Together with population growth expected to increase modestly in 2027 and stabilizing over the medium term<sup>1</sup>, these dynamics are expected to further reinforce condominium market fundamentals and support the Trust’s strong development platform.

The Trust’s fully leased commercial portfolio, vertically integrated development pipeline, and disciplined management approach remain focused on delivering sustainable, long-term value for investors. Supported by a high-quality asset base, prudent capital allocation, and resilient sector fundamentals, along with emerging policy tailwinds, the Trust is well positioned to navigate the evolving landscape and capitalize on opportunities as we progress through 2026.

**Jason Roque, CEO and Founder**

**Helen Hurlbut, President and CFO/Co-Founder**

<sup>1</sup> Office of the Parliamentary Budget Officer - Demographic Implications of the 2026-2028 Immigration Levels Plan - February 2026.

**Sandstones Condo Trust**  
2257 Kingston Road,  
Toronto, ON



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# Corporate Profile

Equiton is a private real estate investment firm built on the belief that real estate, when approached with discipline, expertise, and integrity, creates enduring value for investors, residents, and the communities we serve.

From a single apartment property to a fully integrated platform spanning 50+ properties and 250+ professionals, our growth has been driven by entrepreneurial agility for more than a decade - moving decisively, identifying opportunity, and adapting across market cycles - while our disciplined and intentional approach supports consistent, long-term execution.

Backed by deep leadership expertise and a hands-on operating model, we make institutional-quality private real estate investing accessible, with an uncompromising commitment to governance, transparency, and performance.

At Equiton, we remain stronger than ever in our conviction that well-managed communities and solid investments go hand in hand. We define progress not only by the value we create for investors, but also by the positive impact on the lives of Residents who call our properties home, now and in the years to come.

**Sandstones Condo Trust**  
2257 Kingston Road,  
Toronto, ON



# Operating Highlights

## Summary of Key Performance Indicators (KPIs)

As at March 31,	Q1 2026	Q1 2025
<b>Portfolio Performance</b>		
Total Fund AUM (\$ Million)	\$50.1	\$49.0
<b>Commercial Operations</b>		
<b>Hyde Park Commons and 710 Woolwich</b>		
Weighted Average Occupancy Rate <sup>1</sup>	100.0%	94.3%
Weighted Average Net Retail Rental Rate (\$ per occupied sq. ft.)	\$32.96	\$33.08
Operating Revenues	\$338,625	\$284,552
NOI	\$205,547	\$166,930
NOI Margin	60.7%	58.7%
Mortgage Debt to Gross Book Value	54.0%	53.6%
Weighted Average Time Remaining on the Mortgage (years)	1.42	2.42
Debt Service Coverage (times) <sup>1</sup>	1.33	1.21
Interest Coverage (times) <sup>1</sup>	1.98	1.76
Weighted Average Lease Term to Maturity (years)	6.39	5.97
Gross Leasable Area (sq. ft.)	26,159	26,159
Occupied Area (sq. ft.)	26,159	24,659
Vacant Area (sq. ft.)	-	1,500
<b>Financial Lending Operations<sup>2</sup></b>		
Loan(s) Receivable	\$-	\$5,200,000
Weighted Average Interest Rate	-%	6.55%
Weighted Average Time Remaining to Maturity (months)	-	13
Number of Loans	-	3
<b>Development Operations</b>		
Active Development Projects	1	1
Equity Investment in Development <sup>3</sup>	\$7,581,123	\$9,081,123
Total Development Cost Incurred to Date <sup>4</sup>	\$11,883,237	\$41,706,028

<sup>1</sup> Occupancy is presented using a quarterly weighted average for the year and includes contractual leases.

<sup>2</sup> In September 2025, the Trust's Financial Lending portfolio previously totaling \$5.2M was fully transferred in kind as a seed investment in the Equitum Monthly Income Fund Trust, in return for Class E units.

<sup>3</sup> Equity Investment in Development decreased by \$1.5M Y/Y as a result of return of capital distribution received related to partial closings completed at Marquis Modern Towns.

<sup>4</sup> Total Development costs incurred to date decreased due to unit closings at Marquis Modern Towns. The development costs attributable to these sold units have transferred from the balance sheet and are recognized in the cost of goods sold upon closing.

# Operating Highlights

## Assets Under Management (AUM)

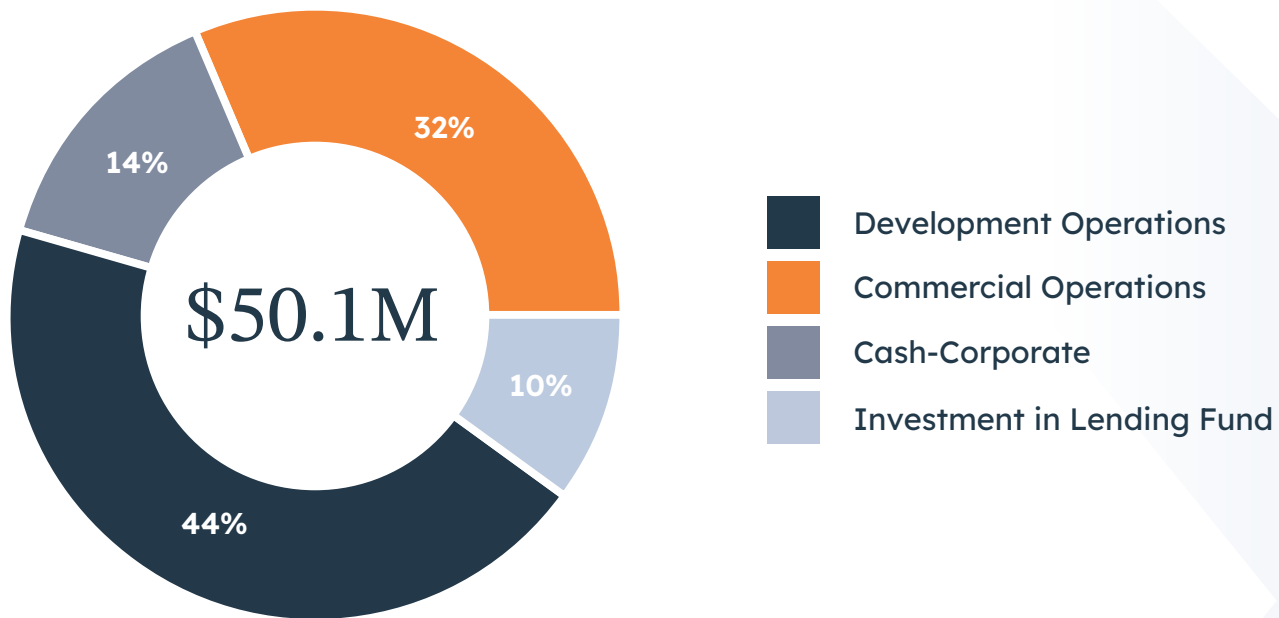
	Q1 2026	Q1 2025
<b>Commercial Operations</b>		
Investment in Hyde Park Commons	11,100,000	11,374,089
Investment in 710 Woolwich	4,300,000	4,500,000
Cash	93,235	130,598
<b>Commercial Operations</b>	<b>\$15,493,235</b>	<b>\$16,004,687</b>
<b>Financial Lending Operations</b>		
Loan(s) Receivable <sup>1</sup>	-	5,200,000
Cash	70,150	148,857
<b>Financial Lending Operations</b>	<b>\$70,150</b>	<b>\$5,348,857</b>
<b>Investment in Lending Fund</b>		
Investment in Equiton Monthly Income Fund Trust <sup>1</sup>	5,200,000	-
<b>Investment in Lending Fund</b>	<b>\$5,200,000</b>	<b>\$-</b>
<b>Development Operations</b>		
Cash Investment in Woolwich Development Project	9,236,589	10,547,941
Investment in Sandstones Condo	4,300,000	4,300,000
Investment in Vicinity Condos	2,400,000	2,400,000
Investment in TEN99 Broadview	3,200,000	3,200,000
Investment in Wilson Station Condos	1,800,000	-
Cash	1,148,223	11,392
<b>Development Operations</b>	<b>\$22,084,812</b>	<b>\$20,459,333</b>
<b>Cash - Corporate</b>	<b>\$7,202,611</b>	<b>\$7,188,563</b>
<b>AUM (\$)<sup>2</sup></b>	<b>\$50,050,808</b>	<b>\$49,001,440</b>

<sup>1</sup> In September 2025, the Trust's Financial Lending portfolio, with a carrying value of \$5.2M was transferred in kind in exchange for units in the Equiton Monthly Income Fund Trust.

<sup>2</sup> AUM is before the elimination of inter-entity transactions. Inter-entity transactions between the respective operations have been eliminated in the Trust's consolidated statements.

# Operating Highlights

## Assets Under Management (AUM)

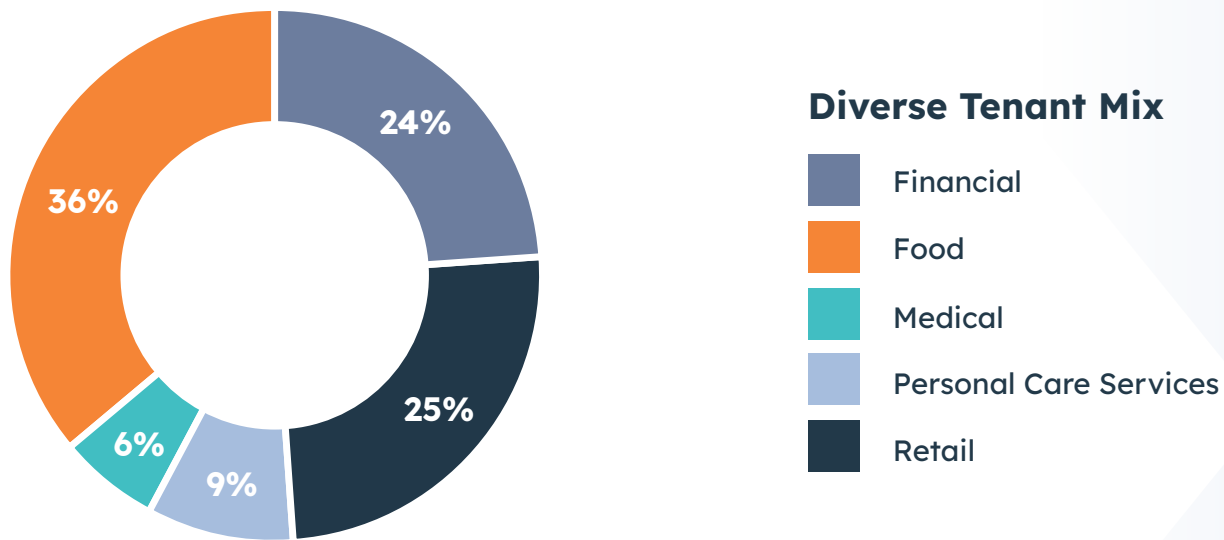


Vicinity Condos Trust - Scale Model  
875 The Queensway,  
Toronto, ON



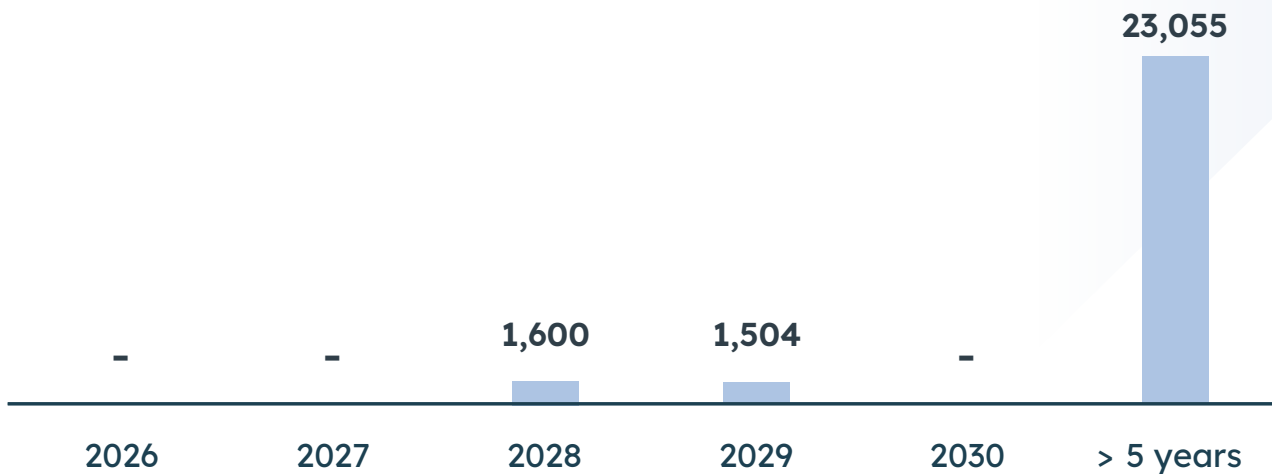
# Income-Producing Commercial Tenant Portfolio

## Commercial Tenant Occupancy - By Area



## Commercial Tenant Maturity Profile - By Area (Sq. Ft.)

Weighted Average Lease Term to Maturity: 6.39 Years





# Acquisitions and Dispositions

Acquisitions: None

Dispositions: None

**Vicinity Condos Trust**  
875 The Queensway,  
Toronto, ON

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# Included in the Portfolio

## Income-Producing Commercial Property

### **Hyde Park Commons**

1960 - 1980 Hyde Park Road, London, Ontario

Hyde Park Commons is a retail complex in northwest London, one of the city's fastest-growing residential areas. Located just south of Fanshawe Park Road West and west of Wonderland Road North, the property benefits from significant pedestrian traffic and high visibility along Hyde Park Road. It includes six units within an open-air retail structure and two standalone pad sites equipped with drive-thru facilities. Its prime location offers easy access via public transit and ample parking with 104 spaces. Anchored by Wendy's and CIBC, the plaza boasts a healthy mix of tenants, including retail, financial services, medical, and dining options.





## Income-Producing Commercial Property

### Retail Store

710 Woolwich Street, Guelph, Ontario

The Trust acquired a standalone retail building in September 2023 which was constructed as part of Equiton's Woolwich Development Project. This commercial unit was built-to-suit The Beer Store, who signed a 10+ year net lease during the development phase. Located in northern Guelph, the property is highly visible and accessible due to its proximity to Highway 6 and public transit. This drives substantial consumer traffic to the area.



# Income-Producing Commercial Property Summary

The income-producing portfolio continued to demonstrate stable performance in Q1'26, maintaining full occupancy and generating consistent cash flow. Performance in the period reflects the strength of the Trust's existing lease profile and the stability of its underlying Tenant base. Management remains focused on maintaining strong occupancy and supporting long-term income stability through active lease management and ongoing Tenant engagement across the portfolio.

For the three-month period ended March 31, 2026, operating revenues totaled \$338,625 supported by a weighted average net retail rental rate of \$32.96 per occupied square foot. NOI was \$205,547, representing an NOI margin of 60.7%, reflecting disciplined asset management, effective cost control and consistent income generation.

From a capital structure perspective, the portfolio maintains a mortgage debt to gross book value ratio of 54.0%, indicating prudent leverage and a stable financial position. With a weighted average remaining mortgage term of 1.42 years, the Trust is positioned to evaluate refinancing opportunities as lending conditions and interest rate environments evolve. This positioning supports the ability to respond to evolving lending conditions, evaluate pricing and term alternatives and manage cash flow prudently for Investors. Debt service coverage and interest coverage ratios of 1.33x and 1.98x, respectively, continue to demonstrate strong debt servicing capacity. A weighted average lease term of 6.39 years reinforces the portfolio's long-term income stability, providing sustained cash flow visibility and supporting overall performance.

**Wilson Station Condos Trust**  
1-11 Vinci Cres, Toronto, ON

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**Sandstones Condo Trust**  
2257 Kingston Road,  
Toronto, ON

Artist Concept



# Investment in Lending Fund

In September 2025, the Trust completed an in-kind transfer of \$5.2M in loans, previously held through its financial lending operations, for a seed investment in the newly established Equiton Monthly Income Fund Trust (Monthly Income Fund). The Fund is designed to deliver stable and recurring monthly income stream generated from interest on short-term, secured real estate-backed investments. Its objective is to maximize investor value through consistent monthly cash distributions. The Monthly Income Fund's strategy is to invest in a diversified portfolio of short-term loans to qualified individuals and businesses active in the real estate sector, including residential and commercial mortgages, land financing, development, construction loans, as well as other forms of secured real estate debt.

## Monthly Income Fund Highlights

As at March 31, 2026

**Fund AUM:**

**\$11.6M**

**Targeted Annual Net Return:**

**7-9%\***

\*Targets/illustrative scenarios are not guarantees; actual results may differ.  
See Equiton Monthly Income Fund Trust Offering Memorandum for more details and risks.  
Please read full disclaimers at [equiton.com/disclaimers](http://equiton.com/disclaimers)



## Active Development Project

### **Marquis Modern Towns** 708 Woolwich Street, Guelph, Ontario

Marquis Modern Towns is a beautiful development situated in the heart of North Guelph. This project comprises 96 spacious 2-bedroom, 2-bathroom stacked condominium townhomes spread across four community buildings. Nestled amidst natural surroundings, Marquis Modern Towns is tucked behind Woodlawn Memorial Park and opposite Riverside Park, offering residents a serene and picturesque environment near the Speed River. Upon completion, this development is expected to yield a special distribution to Investors in the Trust.

### **Q1 Highlights**

- Closing activity remained steady throughout the quarter. Approximately 75% sold.
- Introduction of the 5% GST Rebate for first-time homebuyers.
- Executed two key events aimed at driving qualified traffic and reinforcing the project's immediate occupancy advantage.
- Ongoing weekly open houses.

### **Next Steps**

- Additional programming to sustain momentum, including the rollout of the Equity Boost sales campaign at an upcoming event scheduled for early May.
- Explore further collaboration with banking partners to enhance purchaser education and facilitate financing solutions.

Throughout Q1, Marquis Modern Towns continued to progress toward project completion, with a sustained focus on final closings and absorption of remaining inventory. Closing activity remained steady throughout the quarter, supported by ongoing purchaser engagement and a focus on facilitating timely occupancies. By quarter end, the project was ~75% sold.

Sales and pricing strategies remained consistent with the previous quarter, including the introduction of a 5% GST Rebate for first-time homebuyers, structured as a credit on closing. This incentive has been positioned to improve affordability and reduce upfront costs while maintaining pricing integrity across the balance of inventory.

Marketing and sales efforts centred on targeted engagement across both first-time homebuyers and property investors. Two key events, a First-Time Home Buyer seminar and an investor-focused session, were executed to drive qualified traffic and highlight the project's near-term occupancy advantage with 30-60-day closings. These initiatives were supported by weekly open houses to sustain on-site activity and interest.

Buyer confidence is improving, supported by the rollout of the Government of Canada's GST/HST rebate and enhanced visibility on interest rates. This is expected to support the project by accelerating the sale of remaining units and advancing overall project completion.

Looking ahead, Q2 efforts will continue to prioritize sales through the continued rollout of the Equity Boost campaign through an event in early May. Further collaboration with banking partners is also being explored to enhance purchaser education and facilitate financing solutions at the point of sale. These efforts are intended to drive absorption and support the final phase of the project lifecycle.

# Active Development Projects

The Trust is also invested in the following development projects:



## **Vicinity Condos Trust**

875 The Queensway, Toronto, ON



## **Sandstones Condo Trust**

2257 Kingston Road, Toronto, ON



## **TEN99 Broadview Trust**

1099 Broadview Avenue, Toronto, ON



## **Wilson Station Condos Trust**

1-11 Vinci Crescent, Toronto, ON



# Risk 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 in 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.

# Interim Consolidated Financial Statements

## Equiton Real Estate Income and Development Fund Trust (Unaudited)

For the three-month period ended March 31,  
2026

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# Equiton Real Estate Income and Development Fund Trust

## Interim Consolidated Statements of Financial Position

Mar 31, 2026      Dec 31, 2025

### Assets

Cash	\$ 9,773,886	\$ 9,456,701
Restricted cash	49,975	54,975
Accounts receivable	87,478	139,329
Prepaid expenses	351,153	347,844
Investment properties (Note 4)	15,400,000	15,400,000
Real estate inventory under development (Note 5)	11,883,237	14,798,913
Due from related parties (Note 6)	23,928	15,020
Promissory note receivable (Note 8)	2,393,638	2,393,638
Investments (Note 7)	16,900,000	16,900,000
Other assets	<u>160,507</u>	<u>97,950</u>
<b>Total assets</b>	<b><u>\$ 57,023,802</u></b>	<b><u>\$ 59,604,370</u></b>

### Liabilities

Payables and accruals	\$ 1,602,333	\$ 2,760,761
Customer deposits	-	28,685
Unit subscriptions held in trust	49,975	54,975
Security deposits	84,233	84,233
Due to related parties (Note 6)	228,505	223,800
Mortgages payable (Note 9)	<u>8,255,963</u>	<u>8,297,056</u>

### Liabilities excluding net assets attributable to unitholders

10,221,009      11,449,510

### Net assets attributable to unitholders


46,802,793      48,154,860


### Total liabilities and net assets attributable to unitholders

**\$ 57,023,802**      **\$ 59,604,370**

Commitments (Note 13)

Approved on behalf of the Trust

  
\_\_\_\_\_  
Trustee

  
\_\_\_\_\_  
Trustee

See accompanying notes to the interim consolidated financial statements.

## Equiton Real Estate Income and Development Fund Trust

### Interim Consolidated Statements of Income and Comprehensive Income

Three-month period ended March 31,  
**2026** 2025

<b>Revenue</b>		
Sale of real estate inventory	\$ 3,500,647	\$ -
Occupancy revenue	13,860	623,530
Rental income	341,071	284,552
Interest income	52,084	140,318
Investment income	115,377	-
Other income	288,800	24,135
	<b>4,311,839</b>	<b>1,072,535</b>
<b>Expenses</b>		
Cost of real estate inventory	3,220,416	-
Asset management fees (Note 11)	224,488	229,644
Interest and finance costs	118,775	121,782
Property operating expenses	191,330	245,403
Selling and marketing	108,531	84,859
Professional fees	49,540	46,497
General and administrative	49,290	56,604
Dues and subscriptions	6,875	7,346
Bank fees	2,414	2,400
Participation fees (Note 11)	-	14,435
Amortization of property and equipment	-	20,984
	<b>3,971,659</b>	<b>829,954</b>
<b>Net income and comprehensive income</b>	<b>\$ 340,180</b>	<b>\$ 242,581</b>

See accompanying notes to the interim consolidated financial statements.

## Equiton Real Estate Income and Development Fund Trust

### Interim Consolidated Statements of Changes in Net Assets Attributable to Unitholders

For the three-month period ended March 31, 2026

	<b>Net Assets Attributable to Unitholders</b>
<b>Net assets attributable to unitholders, January 1, 2025</b>	<b>\$ 37,279,505</b>
Issuance of Class A Trust units (Note 10)	10,713,420
Redemptions of Class A Trust units (Note 10)	(1,733,316)
Issuance of Class F Trust units (Note 10)	125,014
Redemptions of Class F Trust units (Note 10)	(214,368)
Issuance of Class B Trust units (Note 10)	214,712
Redemptions of Class B Trust units (Note 10)	(14,450)
Issuance of Class C Trust units (Note 10)	2,354,405
Redemptions of Class C Trust units (Note 10)	(29,998)
Issuance costs (Note 10)	(1,072,957)
Distributions to unitholders	(3,658,512)
Net income and comprehensive income	<u>4,191,405</u>
<b>Net assets attributable to unitholders, December 31, 2025</b>	<b><u>\$ 48,154,860</u></b>
<hr/>	
<b>Net assets attributable to unitholders, January 1, 2026</b>	<b>\$ 48,154,860</b>
Issuance of Class A Trust units (Note 10)	1,714,891
Redemptions of Class A Trust units (Note 10)	(2,169,870)
Issuance of Class F Trust units (Note 10)	30,746
Redemptions of Class F Trust units (Note 10)	(174,529)
Issuance of Class B Trust units (Note 10)	54,542
Redemptions of Class B Trust units (Note 10)	(60,000)
Issuance of Class C Trust units (Note 10)	92,530
Redemptions of Class C Trust units (Note 10)	(28,200)
Issuance costs (Note 10)	(163,486)
Distributions to unitholders	(963,964)
Distributions to general partner	(24,907)
Net income and comprehensive income	<u>340,180</u>
<b>Net assets attributable to unitholders, March 31, 2026</b>	<b><u>\$ 46,802,793</u></b>

See accompanying notes to the interim consolidated financial statements.

## Equiton Real Estate Income and Development Fund Trust

### Interim Consolidated Statements of Cash Flows

For the three-month period ended

Mar 31, 2026

Mar 31, 2025

Increase (decrease) in cash

#### Operating activities

Net income	\$ 340,180	\$ 242,581
Items not affecting cash:		
Amortization of deferred financing charges	9,299	10,630
Amortization of property and equipment	-	20,984
Changes in non-cash operating items (Note 12)	<u>(1,235,238)</u>	<u>(686,629)</u>
Cash used in operating activities	<u>(885,759)</u>	<u>(412,434)</u>

#### Financing activities

Proceeds from issuance of units	1,067,510	3,431,185
Redemption of units	(2,432,599)	(388,500)
Distributions	(138,765)	(111,073)
Issuance costs	(163,486)	(322,886)
Deferred financing charges	-	(97,331)
(Repayment of) proceeds from mortgages payable	<u>(50,392)</u>	<u>800,752</u>
Cash (used in) provided by financing activities	<u>(1,717,732)</u>	<u>3,312,147</u>

#### Investing activities

Issuance of mortgage receivable, net	-	(998,500)
Purchase of investments	-	(1,622)
Sale of (additions to) property under development	<u>2,915,676</u>	<u>(783,900)</u>
Cash provided by (used in) investing activities	<u>2,915,676</u>	<u>(1,784,022)</u>

Net increase in cash during the period	312,185	1,115,691
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Cash, beginning of period	<u>9,511,676</u>	<u>6,955,410</u>
Cash, end of period	<u>\$ 9,823,861</u>	<u>\$ 8,071,101</u>

#### Cash presented as:

Cash	\$ 9,773,886	\$ 8,031,126
Restricted cash	49,975	39,975

See accompanying notes to the interim consolidated financial statements.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 1. Nature of operations

Equiton Real Estate Income and Development Fund Trust (the “Trust”) is an open-ended real estate investment trust (“REIT”) established on April 30, 2018 under the laws of the Province of Ontario.

As at March 31, 2026 the Trust qualified as a “mutual fund trust” (pursuant to subsection 132(6) of the Income Tax Act) and it was formed primarily to indirectly invest in a diversified pool of North American based real estate assets which include income producing property, real estate development and construction, and real estate financing and lending.

As of March 31, 2026 the Trust has a 99.999% interest in Equiton Real Estate Income and Development Fund LP (the “Limited Partnership”) and the Limited Partnership has a 99.999% interest in three different limited partnerships: Equiton Real Estate Development Fund LP (“Development LP”), Equiton Commercial Real Estate Fund LP and Equiton Real Estate Financial LP. Until September 5, 2024, Development LP had an 85% interest in an investment property under development through a joint operation.

The Trust is not subject to income taxes. The net income or loss of the Trust is allocated to the unitholders for tax purposes. No provision for income taxes has been made.

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### 2. General information and statement of compliance

The interim 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 interim consolidated financial statements are presented in Canadian dollars, which is the Trust’s functional currency. The Trust’s head office is located at 1111 International Boulevard, Suite 500, Burlington, Ontario L7L 6W1.

The interim consolidated financial statements were approved and authorized for issue by the Trust on May 7, 2026.

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### 3. Summary of material accounting policies

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

#### Principles of consolidation

The interim consolidated financial statements comprise the financial statements of the Trust and its controlled investment in other entities. Control exists when the Trust is exposed or has rights to variable returns from its involvement with the investee entities and has the ability to affect those returns through its power over its investments in those entities. The investments are consolidated from the date on which control is transferred to the Trust and will cease to be consolidated from the date on which control is transferred out of the Trust.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 3. Summary of material accounting policies (continued)

#### Principles of consolidation (continued)

The Trust has an investment in the Limited Partnership which is controlled via contractual arrangements that provide the Trust with control over this Limited Partnership. The results of investments acquired or disposed of during the period / year are included in the consolidated statements of income and comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Intra-group balances and transactions, and any unrealized gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with the investments are eliminated to the extent of the Trust's interest in the entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The interim consolidated financial statements of the Trust set out the assets, liabilities, revenues, expenses, and cash flows of the Trust and its direct and indirect investments in the following limited partnerships:

Entity	Direct ownership interest at	
	Mar 31, 2026	Dec 31, 2025
Equiton Real Estate Income and Development Fund LP	99.999%	99.999%
Equiton Real Estate Financial LP	99.999%	99.999%
Equiton Commercial Real Estate Fund LP	99.999%	99.999%
Equiton Real Estate Development Fund LP	99.999%	99.999%

These interim consolidated financial statements have been prepared on the historical cost basis except for the investments in Sandstones Condo Trust, Vicinity Condos Trust, Ten99 Broadview Trust, Wilson Station Condos Trust and Equiton Monthly Income Fund Trust which are measured at fair value through profit and loss ("FVTPL").

#### Investment properties

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 measured initially at their cost, including related transaction costs, initial leasing commissions, and where applicable, borrowing costs. Investment properties also include tenant improvements, leasing costs (commissions and straight-line rent adjustments) in order to avoid double counting when establishing the fair value of the investment properties.

Subsequent expenditures are capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Trust and the cost of the item can be measured reliably. Such costs include suite preparation costs, which are incurred to improve the condition of a space to enhance its lease ability, and capital expenditures. All other repairs and maintenance costs are expensed when incurred.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Investment properties (continued)

After initial recognition, investment properties are carried at fair value. Fair value is based upon valuations performed by an appraiser accredited through the Appraisal Institute of Canada, using valuation techniques including the direct capitalization and discounted cash flow methods. Recent real estate transactions with similar characteristics and location to the Trust's assets are also considered.

Changes in fair value are recognized in the interim consolidated statement of income and comprehensive income. Investment properties are derecognized when they have been disposed.

See below for details of the treatment of leasing costs capitalized within the carrying amount of the related investment property.

#### Real estate inventory under development

Real estate inventory under development is acquired or constructed for sale in the ordinary course of business and is held as inventory and measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, based on prevailing market prices at each reporting date and discounted for the time value of money, if material, less estimated costs of completion and estimated selling costs.

Cost includes all expenditures incurred in connection with the acquisition of the property and other costs incurred in bringing the inventories to their present location and condition. This includes pre-development expenditures, direct development and construction costs and borrowing costs directly attributable to the construction of the inventory. Direct costs of real estate inventory are based on actual costs incurred or to be incurred.

#### Leasing costs

Leasing costs are costs incurred by the Trust to induce a tenant to enter into a lease for space in the properties. Leasing costs consist of five categories of costs, with accounting treatments as follows:

- i) Leasing commissions  
Leasing commissions are incurred by the lessor in the negotiation and execution of leasing transactions. These costs are capitalized to investment properties and are considered in the fair value adjustment of the investment properties if material, otherwise they are expensed.
- ii) Tenant improvements  
Tenant improvements are costs incurred to make leasehold improvements to the tenants' space. These costs are capitalized to investment properties and are considered in the determination of the fair value of the investment properties.
- iii) Tenant incentives  
Tenant incentives include cash payments, the buy-out of previous lease obligations, and payment of moving expenses. Tenant incentives are recognized as a receivable and amortized as a reduction of rental revenue over the initial term of the related leases. These receivables are included in investment properties and are considered in the determination of the fair value of the investment properties.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Leasing costs (continued)

iv) Rent free or lower than market rate rents

Incentives in the form of free rent or lower than market rate rent form part of the straight-line rent adjustments. The accounting of straight-line rents is described in the revenue recognition note.

v) Marketing costs

Marketing costs include advertising, space plans, credit checks and promotion costs. These costs are expensed as incurred.

The Trust may incur certain significant costs for repair or replacement items that are recoverable from tenants. If such costs incurred meet the criteria for betterment, they are capitalized to investment properties in the period incurred. Otherwise, they are recognized as an operating expense in the consolidated statement of income and comprehensive income in the period incurred.

Long term repairs and replacement items are recovered from tenants at cost plus interest over a number of periods. The amount recovered in the current period is included in operating expense recoveries. No receivable is set up for potential future recoveries of the long-term items due to the lack of certainty of collection.

#### 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.

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. When Development LP transacts with either the Trust or other limited partnerships on behalf of the co-ownership, unrealized profits and losses and balances outstanding are eliminated to the extent of the Trust's interest in the joint operations.

#### 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 in accordance with IFRS 16.

As such, the Trust continues to use the straight-line method of base rental revenue recognition whereby the total of cash rents due over the term of a lease is recognized evenly over that term. Accordingly, an accrued rent receivable is recorded for the difference between the straight-line rent adjustments recorded as revenue and the rent that is contractually due from the tenants. This accrued rent receivable is included in investment properties.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Revenue recognition (continued)

Service components within the Trust lease arrangements fall within the scope of IFRS 15, 'Revenue from contracts with customers', specifically the recoveries of operating costs and property taxes. The Trust recognizes recoveries revenues in the period in which the corresponding services are performed, and collectability is reasonably assured.

Revenue from the sale of real estate inventory is recognised when the Trust satisfies its performance obligations of transferring control of the property to the purchaser. The Trust typically satisfies its performance obligations at a point in time when legal title to the land is transferred to the purchaser.

Investment income includes distributions from underlying investments which is recognised when declared.

Other rental revenues included in the leases such as parking revenues, storage revenues, signage revenues and lease termination fees are recognized as revenue during the period in which the services are performed, and collectability is reasonably assured.

#### Interest income

Mortgage interest income is recognized at the effective interest rate and recorded over the term of the mortgage when reasonable assurance exists regarding the measurement and collectability. Lender fees are earned over the term of the mortgage as performance obligations are met. Lender fees received in advance of being recognized as revenue are deferred and recognized over the term of the mortgage.

#### 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.

#### Financial instruments

##### (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,
- iii) Fair value through profit or loss

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Financial instruments (continued)

##### (i) Financial assets (continued)

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 are recognized initially at fair value and subsequently at amortized cost using the effective interest method. Financial assets subsequently measured at amortized cost consist of cash, restricted cash, accounts receivable, and due from related parties. The investments in Sandstones Condo Trust, Vicinity Condos Trust, Ten99 Broadview Trust, Wilson Station Condos Trust and Equiton Monthly Income Fund Trust do not meet the criteria for amortized cost measurement and are subsequently measured at fair value through profit and loss.

#### Impairment – Expected Credit Loss Model:

For the impairment of financial assets, IFRS 9 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 uses 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

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 payables, customer deposits, unit subscriptions held in trust, security deposits, due to related parties and mortgages payable.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 3. Summary of material accounting policies (continued)

#### Financial instruments (continued)

##### (iii) 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 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 judgement, 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.

The fair value of cash, restricted cash, accounts receivable, due from and to related parties, promissory note receivable, payables and unit subscriptions held in trust approximate their fair values due to the short-term to maturity of the financial instruments.

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. The investments in Sandstones Condo Trust, Vicinity Condos Trust, Ten99 Broadview Trust, Wilson Station Condos Trust and Equiton Monthly Income Fund Trust are all financial assets measured at fair value in the interim consolidated statements of financial position classified as Level 2 (2025 – Level 2). These instruments are measured based on recent trade transactions. There were no transfers between any of the levels during the three-month period ended March 31, 2026 and fiscal year 2025.

The fair values as at March 31, 2026 and December 31, 2025 of the investment in Sandstones Condo Trust, Vicinity Condos Trust, Ten99 Broadview Trust, Wilson Station Condos Trust, Equiton Monthly Income Fund Trust, investment properties, and mortgages payable before deferred financing costs are estimated at:

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Investment in Sandstones Condo Trust	\$ 4,300,000	\$ 4,300,000
Investment in Vicinity Condos Trust	2,400,000	2,400,000
Investment in Ten99 Broadview Trust	3,200,000	3,200,000
Investment in Wilson Station Condos Trust	1,800,000	1,800,000
Investment in Equiton Monthly Income Fund Trust	5,200,000	5,200,000
Mortgages payable	8,303,884	8,316,991

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Financial instruments (continued)

##### (iii) Fair value (continued)

These are compared with the carrying value of:

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Investment in Sandstones Condo Trust	\$ 4,300,000	\$ 4,300,000
Investment in Vicinity Condos Trust	2,400,000	2,400,000
Investment in Ten99 Broadview Trust	3,200,000	3,200,000
Investment in Wilson Station Condos Trust	1,800,000	1,800,000
Investment in Equiton Monthly Income Fund Trust	5,200,000	5,200,000
Mortgages payable	8,255,963	8,297,056

The fair value of the mortgages payable during the three-month period ended March 31, 2026 and fiscal year 2025 varied from the carrying value due to fluctuations in interest rates since its issue.

#### Critical accounting estimates, assumptions, and judgements

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.

##### a) Estimates

The Trust has made the following critical accounting estimates:

##### *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 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
- vii. Market activity

In determining the net recoverable estimate for the purpose of impairment testing, the assumptions of underlying estimated values are limited by the availability of comparable data and the uncertainty of prediction concerning future events. Should the underlying assumptions change, actual results could differ from the estimated amounts.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Critical accounting estimates, assumptions, and judgements (continued)

##### *Investment properties (continued)*

In addition, the computation of cost reimbursements from tenants for realty taxes, insurance and common area maintenance charges is complex and involves a number of estimates, including the interpretation of terms and other tenant lease provisions. Tenant leases are not consistent in dealing with such cost reimbursements, and variations in computations can exist. Adjustments are made throughout the year to these costs recovery revenues based upon the Trust's best estimate of the final amounts to be billed and collected.

##### *Net realizable value of real estate inventory under development*

Real estate inventory under development is stated at the lower of cost and net realizable value. In calculating net realizable value, management must estimate the selling price of these assets based on prevailing market prices at the dates of the statement of financial position, discounted for the time value of money, if material, less estimated costs of completion and estimated selling costs. If estimates are significantly different from actual results, the carrying amounts of these assets may be overstated or understated on the interim consolidated statements of financial position and, accordingly, earnings in a particular period may be overstated or understated.

#### b) Judgements

##### *Leases*

The Trust makes judgements in determining whether improvements provided to tenants as part of the tenant's lease agreement represent a capital expenditure or an incentive.

##### *Assessment of control*

In determining whether the Trust controls the entities in which it invests, management is required to consider and assess the definition of control in accordance with IFRS 10. The Trust has assessed that the Sandstones Condo Trust, Vicinity Condos Trust, Ten99 Broadview Trust, Wilson Station Condos Trust and Equiton Monthly Income Fund Trust has the ability to direct all relevant activities of the Sandstones Condo Limited Partnership, Vicinity Condos Limited Partnership, Ten99 Broadview Limited Partnership, Wilson Station Condos Limited Partnership and Equiton Monthly Income Fund Limited Partnership respectively and that the General Partner does not control the Sandstones Condo Limited Partnership, Vicinity Condos Limited Partnership, Ten99 Broadview Limited Partnership, Wilson Station Condos Limited Partnership and Equiton Monthly Income Fund Limited Partnership respectively. Judgment is required to determine whether the rights of the Trust result in control of respective trusts.

##### *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 net assets attributable to unitholders. The Trust units do not meet the necessary conditions and have therefore been classified as liabilities and presented as net assets attributable to unitholders under IAS 32.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 3. Summary of material accounting policies (continued)

#### Critical accounting estimates, assumptions, and judgements (continued)

##### *Joint arrangements*

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. Prior to September 1, 2024, the Trust has determined that its interest in the co-ownership is a joint operation.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

#### Future accounting policy changes

##### *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 financial statements.

##### *IFRS 18, Presentation and Disclosure in Financial Statements*

On April 9, 2024, the IASB issued IFRS 18 that will replace IAS 1, "Presentation of Financial Statements". The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

IFRS 18 introduces the following:

- Defined subtotals and categories in the statement of profits or loss.
- Requirements to improve aggregation and disaggregation.
- Disclosures about management-defined performance measures in the notes to the financial statements.
- Targeted improvements to the statement of cash flow by amending IAS 7, "Statement of Cash Flows".

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The standard is applied retrospectively, with specific transition provisions, and early adoption is permitted. The Trust is assessing the impact this standard will have on its financial statements.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 4. Investment properties

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Balance, beginning of year	\$ 15,400,000	\$ 15,872,467
Decrease in fair market value of investment properties	-	(472,467)
Balance, end of period / year	<u>\$ 15,400,000</u>	<u>\$ 15,400,000</u>

The Partnership held two Investment Properties as at March 31, 2026, as follows:

- 1960-1980 Hyde Park Road, London, Ontario
- 710 Woolwich Street, Guelph, Ontario

The properties were valued as at December 31, 2025 by independent professionally qualified appraisers who hold a recognized relevant professional qualification and have recent experience in the locations of the income-producing properties valued.

The significant assumption made relating to valuations of investment properties using direct capitalization income method is the capitalization rate.

### 5. Real estate inventory under development

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Balance, beginning of year	\$ 14,798,913	\$ 40,922,128
Development costs	304,740	3,415,556
Sale of real estate inventory	<u>(3,220,416)</u>	<u>(29,538,771)</u>
Balance, end of period / year	<u>\$ 11,883,237</u>	<u>\$ 14,798,913</u>

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 6. Related party transactions

#### 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 during the period related to the issuance of Trust Units in the amount of \$156,154 (2025 - \$322,885), which are included in issuance costs in the consolidated statements of changes of net assets attributable to unitholders.

#### Due from related parties

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Due from Equiton Balanced Real Estate Fund GP Inc. (a related party as the general partner of Equiton Balanced Real Estate Fund LP)	\$ 8,609	\$ 4,820
Due from Equiton Real Estate Commercial GP Inc. (a related party as the general partner of Equiton Real Estate Commercial LP)	4,524	2,500
Due from Equiton Real Estate Development GP Inc. (a related party as the general partner of Equiton Real Estate Development LP)	4,102	2,500
Due from Equiton Real Estate Financial GP Inc. (a related party as the general partner of Equiton Real Estate Financial LP)	<u>6,693</u>	<u>5,200</u>
	<u>\$ 23,928</u>	<u>\$ 15,020</u>

#### Due to related parties

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Due to Equiton Partners Inc. (a related party being the asset manager of the "Limited Partnerships")	\$ 218,349	\$ 215,465
Due to Equiton Capital Inc. (a related party through shared management)	<u>10,156</u>	<u>8,335</u>
	<u>\$ 228,505</u>	<u>\$ 223,800</u>

Balances due to/from related parties are unsecured, non-interest bearing and due on demand.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 7. Investments

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Investment in Sandstones Condo Trust	\$ 4,300,000	\$ 4,300,000
Investment in Vicinity Condos Trust	2,400,000	2,400,000
Investment in Ten99 Broadview Trust	3,200,000	3,200,000
Investment in Wilson Station Condos Trust	1,800,000	1,800,000
Investment in Equiton Monthly Income Fund Trust	<u>5,200,000</u>	<u>5,200,000</u>
	<u>\$ 16,900,000</u>	<u>\$ 16,900,000</u>

On August 31, 2022, the Trust purchased 43,000 Class B units of Sandstones Condo Trust for \$4,300,000. Sandstones Condo Trust is a related party through common management. Sandstones Condo Trust controls a limited partnership that is developing a multi-residential property located at 2257 Kingston Road, Toronto, Ontario. The investment in Sandstones Condo Trust is recorded at its fair market value which approximates the carrying value as at March 31, 2026.

On August 24, 2023, the Partnership purchased 24,000 Class B units of Vicinity Condos Trust for \$2,400,000. Vicinity Condos Trust is a related party through common management. Vicinity Condos Trust controls a limited partnership that is developing a multi-residential property located at 875 Queensway, Toronto, Ontario. The investment in Vicinity Condos Trust is recorded at its fair market value which approximates the carrying value as at March 31, 2026.

On April 16, 2024, the Partnership purchased 32,000 Class B units of Ten99 Broadview Trust for \$3,200,000. Ten99 Broadview Trust is a related party through common management and controls a limited partnership that is developing a multi-residential property located at 1099 Broadview Ave., Toronto, Ontario. The investment in Ten99 Broadview Trust is recorded at its fair market value which approximates the carrying value as at March 31, 2026.

On September 4, 2025, the Partnership purchased 18,000 Class B units of Wilson Station Condos Trust for \$1,800,000. Wilson Station Condos Trust is a related party through common management and controls a limited partnership that is developing a multi-residential property located at 11 Vinci Crescent, Toronto, Ontario. The investment in Wilson Station Condos Trust is recorded at its fair market value which approximates the carrying value as at March 31, 2026.

On September 30, 2025, the Partnership acquired 520,000 Class E units of Equiton Monthly Income Fund Trust (“EMIFT”) in exchange for \$5,200,000 mortgage receivables previously held by the Trust. EMIFT is a related party through common management which controls a limited partnership that helps the investors in generating consistent returns over the long-term loan assets. This transaction was recorded as the amount of consideration exchanged by the related parties which approximated the fair value of the mortgage receivable. The investment in EMIFT is recorded at its fair market value which approximates the carrying value as at March 31, 2026.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 8. Promissory note receivable

The promissory note receivable which bears interest at a rate of prime plus 10% (14.45% as at March 31, 2026 and December 31, 2025) and is due on demand and management is actively pursuing payment. The promissory note is secured by a general security agreement. The amount was assessed at March 31, 2026, to determine whether there is objective evidence of impairment. A promissory note receivable is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Due to the secured nature of the promissory note, no loss has been recognized as of March 31, 2026 and December 31, 2025.

### 9. Mortgages payable

	Payment Type	Interest Rate	Maturity date	Mar 31, 2026	Dec 31, 2025
a)	Blended	4.43%	April 1, 2027	\$ 5,979,189	\$ 6,022,077
b)	Blended	6.61%	Oct 1, 2028	2,332,325	2,339,829
				<u>8,311,514</u>	<u>8,361,906</u>
Less: Deferred financing charges				<u>(55,551)</u>	<u>(64,850)</u>
				<u>\$ 8,255,963</u>	<u>\$ 8,297,056</u>

Expected future principal repayments are as follows:

Period ended March 31, 2027	\$ 207,596
Period ended March 31, 2028	5,836,228
Period ended March 31, 2029	<u>2,267,690</u>
	<u>\$ 8,311,514</u>

- a) The mortgage is payable to First National Financial LP. The loan bears interest at 4.43% and matures on April 1, 2027. The Trust must comply with its mortgage agreement. The Trust met the requirements of the mortgage as at March 31, 2026 and December 31, 2025.
- b) The mortgage payable is also with First National Financial LP. The loan bears interest at 6.61% and matures on October 1, 2028. The Trust must comply with its mortgage agreement. The Trust met the requirements of the mortgage as at March 31, 2026 and December 31, 2025.

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 10. Unitholders' equity

In Q1 2026, the Trust issued 106,634 Class A units (2025 – 813,694 Class A units) at a price of \$10 per unit (2025 - \$10 per unit), nil Class B units (2025 – nil) at a price of \$10 per unit (2025 - \$10 per unit), nil Class C units (2025 – 211,067 Class C units) at a price of \$10 per unit (2025 - \$10 per unit) and nil Class F units (2025 – nil) at a price of \$10 per unit (2025 - \$10 per unit), resulting in net proceeds of \$1,066,344 (2025 - \$10,247,625). Furthermore, a cumulative total of 84,323 units (2025 – 322,442 units) were issued through the Trust's Dividend Reinvestment Plan ("DRIP") and 243,260 units (2025 – 199,214 units) were redeemed.

#### (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. As of March 31, 2026 and 2025 no Class I Trust units have been issued.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 10. Unitholders' equity (continued)

#### (a) Units outstanding

Class A Trust Units	Number
<b>Balance, January 1, 2025</b>	<b>4,332,252</b>
Issuance of units	813,694
Issuance of units through distribution reinvestment plan	262,905
Redemption of units	<u>(173,332)</u>
<b>Balance, December 31, 2025</b>	<b>5,235,519</b>
Issuance of units	106,634
Issuance of units through distribution reinvestment plan	66,240
Redemption of units	<u>(216,987)</u>
<b>Balance, March 31, 2026</b>	<b><u>5,191,406</u></b>
<b>Class B Trust Units</b>	<b>Number</b>
<b>Balance, January 1, 2025</b>	<b>395,714</b>
Issuance of units	-
Issuance of units through distribution reinvestment plan	21,910
Redemption of units	<u>(1,445)</u>
<b>Balance, December 31, 2025</b>	<b>416,179</b>
Issuance of units	-
Issuance of units through distribution reinvestment plan	5,566
Redemption of units	<u>(6,000)</u>
<b>Balance, March 31, 2026</b>	<b><u>415,745</u></b>
<b>Class C Trust Units</b>	<b>Number</b>
<b>Balance, January 1, 2025</b>	<b>328,801</b>
Issuance of units	211,067
Issuance of units through distribution reinvestment plan	24,871
Redemption of units	<u>(3,000)</u>
<b>Balance, December 31, 2025</b>	<b>561,739</b>
Issuance of units	-
Issuance of units through distribution reinvestment plan	9,380
Redemption of units	<u>(2,820)</u>
<b>Balance, March 31, 2026</b>	<b><u>568,299</u></b>

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 10. Unitholders' equity (continued)

#### (a) Units outstanding (continued)

Class F Trust Units	Number
<b>Balance, January 1, 2025</b>	<b>329,090</b>
Issuance of units	-
Issuance of units through distribution reinvestment plan	12,756
Redemption of units	<u>(21,437)</u>
<b>Balance, December 31, 2025</b>	<b>320,409</b>
Issuance of units	-
Issuance of units through distribution reinvestment plan	3,137
Redemption of units	<u>(17,453)</u>
<b>Balance, March 31, 2026</b>	<b><u>306,093</u></b>
<b>Total units outstanding, March 31, 2026</b>	<b><u>6,481,543</u></b>
Total units outstanding, December 31, 2025	<u>6,533,846</u>

### 11. Asset management agreement

Equiton Partners Inc. (the "Manager") is entitled to the following fees pursuant to the Asset Management Agreement:

#### (i) Asset management fees

The asset management fee is charged at 1.0% annually with respect to the net asset value of Equiton Real Estate Income and Development Fund Trust and Equiton Real Estate Income and Development Fund LP, as determined by its Board of Trustees, 1.0% annually with respect to the gross asset value of the assets in the Equiton Real Estate Financial LP, and 3.0% annually with respect to the gross asset value of Equiton Real Estate Development Fund LP. The asset management fee is calculated and charged monthly. During the period, the asset management fee charged and recorded in the interim consolidated statements of income and comprehensive income is \$224,488 (2025 - \$229,644).

#### (ii) Participation fees

During the term of the Asset Management Agreement, the Manager shall be entitled to a 20% fee based on the net income earned by the Equiton Real Estate Financial LP in connection with its mortgages receivable. During the period, the participation recorded in the interim consolidated statement of income and comprehensive income is \$nil (2025 - \$14,435). There will be no further participation fee given the loan assets have now been transferred to Equiton Monthly Income Fund Trust.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 11. Asset management agreement (continued)

#### (iii) Origination fees

In addition, during the term, the Manager shall be entitled to a fee equal to 3.0% of the total expenditures made in respect of each development project by Equiton Real Estate Development Fund LP, which shall be calculated and payable monthly. During the period, the origination fee recorded in the interim consolidated statement of income and comprehensive income is \$nil (2025 - \$nil).

#### (iv) Transaction fees

During the term, the Manager shall be entitled to a transaction fee equal to 1.00% of the purchase price with respect to each property acquired or sold by Equiton Commercial Real Estate Fund Limited Partnership. During the period, the transaction fee recorded in the interim consolidated statement of financial position as Investments is \$nil (2025 – \$nil).

#### (v) Financing fees

Lastly, during the term, the Manager shall be entitled to a financing fee 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 in connection with any mortgage payable secured by Equiton Commercial Real Estate Fund Limited Partnership. During the period, the financing fee recorded in the interim consolidated statement of financial position as deferred financing fee is \$nil (2025 – \$nil).

### 12. Changes in non-cash operating items

The total non-cash operating items for the Trust is summarized below:

	<u>Mar 31, 2026</u>	<u>Mar 31, 2025</u>
Accounts receivable	\$ 51,851	\$ (29,279)
Due from/to related parties	(4,203)	50,330
Promissory note receivable	-	31,884
Other assets	(62,557)	-
Unit subscriptions held in trust	(5,000)	5,000
Payables and accruals	(1,183,335)	(2,882,560)
Customer deposits	(28,685)	1,884,235
Prepaid expenses	<u>(3,309)</u>	<u>253,761</u>
Change in non-cash operating items	<u>\$ (1,235,238)</u>	<u>\$ (686,629)</u>

### 13. Commitments

The Trust has entered into contracts to complete the real estate inventory under development of \$nil (2025 - \$nil).

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# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

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March 31, 2026

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### 14. 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 distribution 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.

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 as favourable as 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>Mar 31, 2026</u>	<u>Dec 31, 2025</u>
Mortgages payable	\$ 8,255,963	\$ 8,297,056
Cash and restricted cash	<u>(9,823,861)</u>	<u>(9,511,676)</u>
Net debt	<u>(1,567,898)</u>	<u>(1,214,620)</u>
Net assets attributable to unitholders	<u>46,802,793</u>	<u>48,154,860</u>
	<u>\$ 45,234,895</u>	<u>\$ 46,940,240</u>

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### 15. 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 risks comprise market risk, credit risk and liquidity risk. Management identifies, evaluates and monitors these risks throughout the period.

#### (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 exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In respect of the Trust's interest-bearing financial instruments, the agreements for all mortgages held by the Trust stipulate a fixed rate of interest. Accordingly, the Trust would be subject to limited exposure to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates.

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 15. Financial instruments and risk management (continued)

#### Risks associated with financial assets and liabilities (continued)

##### (ii) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered with the Trust, resulting in a financial loss to the Trust. This risk arises principally from the cash and accounts receivable. For risk management reporting purposes, the Trust considers and consolidates all elements of credit risk exposure (such as loan-to-value, sector risk, location risk, and individual obligor default risk).

The Trust's policy over credit risk is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting the credit standards set out by the Trust's investment committee.

Credit risk is monitored on an on-going basis by the Trust in accordance with policies and procedures in place. The Trust's credit risk is monitored on a quarterly basis by the board of Trustees.

The Trust's maximum credit risk exposure (without taking into account collateral and other credit enhancements) at March 31, 2026 is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

##### (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. At March 31, 2026, the Trust was holding cash of \$9,823,861 (December 31, 2025 - \$9,511,676). The Trust's payables are payable on demand.

March 31, 2026	On Demand	1 Year	2-5 Years	>5 Years
Payables and accruals	\$ -	\$ 1,602,333	\$ -	\$ -
Security deposit	-	84,233	-	-
Mortgages payable	-	207,596	8,103,918	-
Due to related parties	228,505	-	-	-
Unit subscriptions held in trust	49,975	-	-	-
	<u>\$ 278,480</u>	<u>\$ 1,894,162</u>	<u>\$ 8,103,918</u>	<u>\$ -</u>

# Equiton Real Estate Income and Development Fund Trust

## Notes to the Interim Consolidated Financial Statements

March 31, 2026

### 15. Financial instruments and risk management (continued)

#### Risks associated with financial assets and liabilities (continued)

##### (iii) Liquidity risk (continued)

December 31, 2025	<u>On Demand</u>	<u>1 Year</u>	<u>2-5 Years</u>	<u>&gt;5 Years</u>
Payables and accruals	\$ -	\$ 2,760,761	\$ -	\$ -
Customer deposits	-	28,685	-	-
Security deposit	-	84,233	-	-
Mortgages payable	-	205,172	8,156,734	-
Due to related parties	223,800	-	-	-
Unit subscriptions held in trust	54,975	-	-	-
	<u>\$ 278,775</u>	<u>\$ 3,078,851</u>	<u>\$ 8,156,734</u>	<u>\$ -</u>