



Q2 Quarterly Report

Equiton Residential
Income Fund Trust



2026

On the cover:
208 Woolwich Street South,
Breslau, ON

433 King Street
London, ON

Opportunities

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2610 109 Street Northwest,
Edmonton, AB

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.





Jason Roque
CEO and Founder

Letter from Leadership

Since its first acquisition, the Equiton Residential Income Fund Trust (the Trust) has grown its Canadian multifamily portfolio through disciplined investment selection, active portfolio management, capital allocation, and balance-sheet management.

In the second quarter of 2026, we proudly marked the Trust's 10-year anniversary. The milestone reflects a decade of helping Investors pursue their wealth objectives while navigating evolving market conditions, like today's, with a long-term focus on value creation. Since inception in May 2016, the Trust has delivered total returns of 10.22% and 8.41% to Class F and Class A Unitholders, respectively, with 12-month trailing returns of 7.47% and 6.43%.

Building on first-quarter leasing momentum, total portfolio occupancy increased 180 basis points (bps) Q/Q to 97.3% as at June 30, 2026, above the Canadian national average for purpose-built rentals of 95.3%¹. The improvement reflected the Trust's continued focus on leasing and reducing vacancy downtime, supported by more responsive pricing and tighter turn management across the portfolio.

With in-place rates ~20.7% below estimated market rents at quarter end, unit turnover continues to provide a source of embedded growth. During the six months ended June 30, 2026, the Trust turned 450 units and achieved average rental growth on turnover of 4.9%. Net average monthly rent increased 3.1% Y/Y to \$1,726. The portfolio's meaningful allocation to value-add investments may provide opportunities to support future rental growth, while ongoing investments in technology and analytics enhance visibility across unit availability, renovation activity, pricing, and leasing, enabling greater consistency in execution.

In Ottawa, Tower 1 at Maison Riverain reached stabilization during the quarter at ~95% occupancy against a backdrop of elevated new rental supply and competitive leasing conditions in Ottawa. Stabilization represents an important transition for the asset, reducing lease-up risk and increasing its contribution to recurring net operating income (NOI). Commercial leasing also progressed at Tower 1. Following the execution of a long-term lease with

¹ Yardi Canadian National Multifamily Report Q2 2026.



Helen Hurlbut
President and CFO

a pharmacy, the tenant began permitting and fit-out activities. Negotiations for the majority of the remaining commercial space were in their final stages at quarter end. Meanwhile, Tower 2 reached its full structural height late in the quarter, marking an important construction milestone, with the project remaining on schedule.

Operating revenues totaled \$42.9M for the six months ended June 30, 2026, an increase of 17.1% Y/Y, while net operating income grew 15.7% to \$23.8M. Growth was primarily driven by acquisitions completed in 2025 and the contribution from Maison Riverain Tower 1 as it progressed through lease-up, alongside consistent performance from the stabilized portfolio. Alongside consistent performance from the same store portfolios, revenue totaled \$37.7M and NOI was \$21.0M, representing growth of 1.9% and 1.3% Y/Y, respectively.

The Trust continued to actively manage its financing and capital structure with a CMHC-insured second mortgage completed in the second quarter that generated net proceeds of \$5.2M, providing additional capacity to advance value-add initiatives across the portfolio. This builds on refinancing activity in the previous quarter, which generated ~\$20.0M of additional liquidity.

The Trust's weighted average cap rate held at 4.39% during the quarter. For the first six months of 2026, the Trust recognized ~\$5.7M in net fair value gains, primarily driven by improved property-level operating performance. This underscores the Trust's ability to generate organic growth and value through disciplined execution.

The Trust's performance through the first half of 2026 extends its decade-long track record. The people behind that record were also recognized this year, with Equiton receiving Wealth Professional's Employer of Choice award and again being named among Benefits and Pensions Monitor's Top Employers.

As the Trust enters its second decade, the long-term outlook for Canadian multifamily remains constructive, supported by significant housing needs and continued policy focus on housing supply and investment. We remain focused on creating long-term value for Investors through active management, disciplined capital allocation and continued investment in the quality of our communities.

Jason Roque, CEO and Founder
Helen Hurlbut, President and CFO

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.



Summary of

Key Performance Indicators (KPIs)

The Trust demonstrated continued resilience in Q2'26, delivering improvements across the majority of its KPIs while supporting accretive growth for Investors.

The following financial results of operations and financial condition for the six-month period ended June 30, 2026, and comparable prior-year periods should be read in conjunction with the Trust's financial statements dated August 10, 2026, for the six-month period ended June 30, 2026.

As at June 30,	Q2 2026	Q2 2025
PORTFOLIO PERFORMANCE		
Total Portfolio Occupancy ¹	97.3%	96.0%
Same Store Occupancy ²	97.7%	96.0%
Net Average Monthly Rent ³	\$1,726	\$1,623
Occupied Average Monthly Rent ³	\$1,678	\$1,590
Monthly Market Rents - Quarter End	\$2,064	\$2,085
Operating Revenues	\$42.9M	\$36.6M
NOI	\$23.8M	\$20.6M
NOI Margin (%)	55.6%	56.2%
ASSETS UNDER MANAGEMENT (AUM)		
	\$1,528M	\$1,338M
Growth in AUM - Y/Y	14.2%	26.8%
Growth in Operational Revenue - Y/Y	17.1%	39.3%
Growth in NOI - Y/Y	15.7%	38.3%
FINANCIAL METRICS⁴		
	June 30, 2026	December 31, 2025
Mortgage Debt to Gross Book Value ⁵	56.2%	52.4%
Weighted Average Mortgage Interest Rate ⁵	3.69%	3.61%
Weighted Average Time Remaining On Mortgages (years) ⁵	7.08	6.97
Debt Service Coverage (times) ⁵	1.26	1.36
Interest Coverage (times) ⁵	1.76	1.95
Revenue Gap to Market	20.7%	24.8%

¹ Leased rent-ready units as of June 30, 2026 and 2025.

² Same Store Occupancy includes all leased rent-ready units in properties that have been owned by the Trust as at January 1, 2025.

³ Average quarterly amounts as at June 30, 2026.

⁴ 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.

⁵ Excludes TD line of credit and Maison Riverain construction facility - (Tower 2 and Tower 3); including these, LTV ratio is 58.41%.

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 ~1,100 rental units to the local housing market. With breathtaking views of the Rideau River, Maison Riverain offers contemporary apartments, 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, electric car charging stations, and more.

Q2'26 Highlights

- Tower 1 achieved stabilization during the quarter at 95% occupancy, representing a key development milestone and the successful transition from lease-up to stabilized operations.
- The property's first commercial tenant took possession during the quarter and commenced permitting and fit-out activities. Negotiations for the majority of the remaining commercial space were in their final stages at quarter end.
- Tower 2 construction topped off, marking an important construction milestone as activity progresses on the building envelope and interior fit-out.
- Tower 3 continued to advance through the municipal approval process. The City of Ottawa's feedback was incorporated into the plans, and a revised Site Plan Application (SPA) was submitted subsequent to quarter end.



Earlier in 2026, Maison Riverain earned national recognition with a CoStar Impact Award for its commitment to sustainability, operational excellence, and a high-quality Resident experience. It was named Ottawa's most impactful multifamily development, alongside projects recognized for transforming communities across North America and the United Kingdom.

Operationally, leasing performance across the first half of 2026 reflected the asset's market positioning and amenity offerings, supported by the implementation of a digital leasing platform designed to streamline tour booking and improve leasing efficiency.

Building on this momentum, Tower 1 transitioned to the Trust's core portfolio upon achieving stabilization in Q2'26, reaching 95% occupancy despite elevated new rental supply and competitive leasing conditions in Ottawa. For investors, stabilization provides greater cash flow visibility and moderates leasing risk.

Alongside stabilization, Tower 1 also received its Final Occupancy Permit on June 4, marking another significant milestone in the completion of the development. Site works and municipal infrastructure are substantially complete, with remaining activities focused on final completion and close-out.

Commercial leasing also progressed during the second quarter. Following the execution of the property's first commercial lease in Q1'26, the long-term pharmacy tenant took possession of its space in Q2'26 and began permitting and fit-out activities. By the end of the second quarter, negotiations for the majority of the remaining commercial space had entered their final stages. As the commercial component moves toward stabilization, it is expected to enhance recurring NOI and cash flow contributions while expanding the range of on-site services available to Residents.

Construction of Tower 2 remains on schedule, with the building topping off on June 3. Work continues across the building envelope and interior fit-out.

Progress at Tower 3 continued to advance through the municipal review process, with City feedback resulting in minor revisions to the SPA initially submitted in February 2026. The revised plans were re-submitted in mid-July, subsequent to quarter end.

Together, progress across the three towers reflects the Trust's development strategy in action, spanning municipal approvals, active construction, lease-up, and stabilization. As projects advance through the development lifecycle, they are positioned to contribute to the Trust's long-term growth and value-creation objectives.

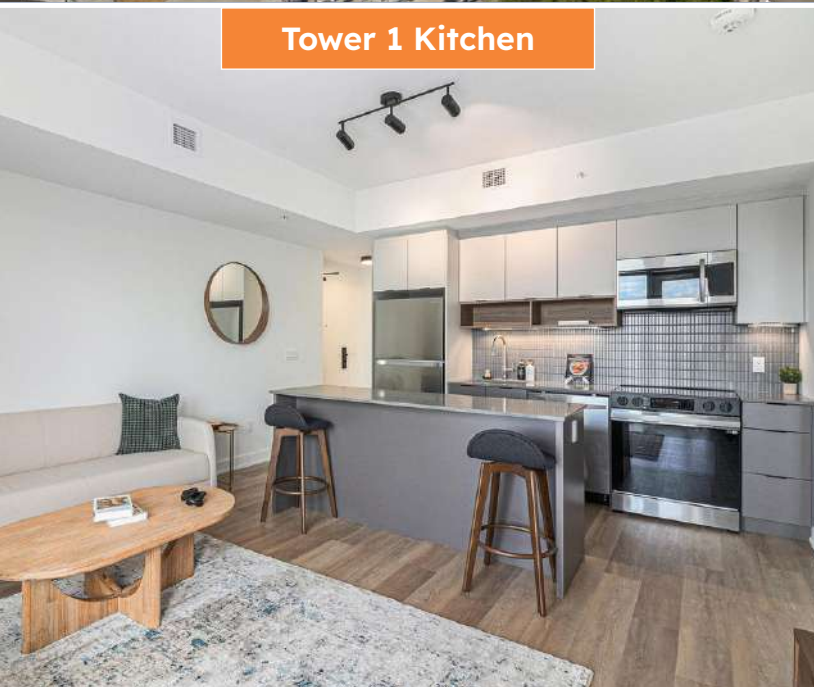
Tower 1 Exterior



Tower 1 Living Room



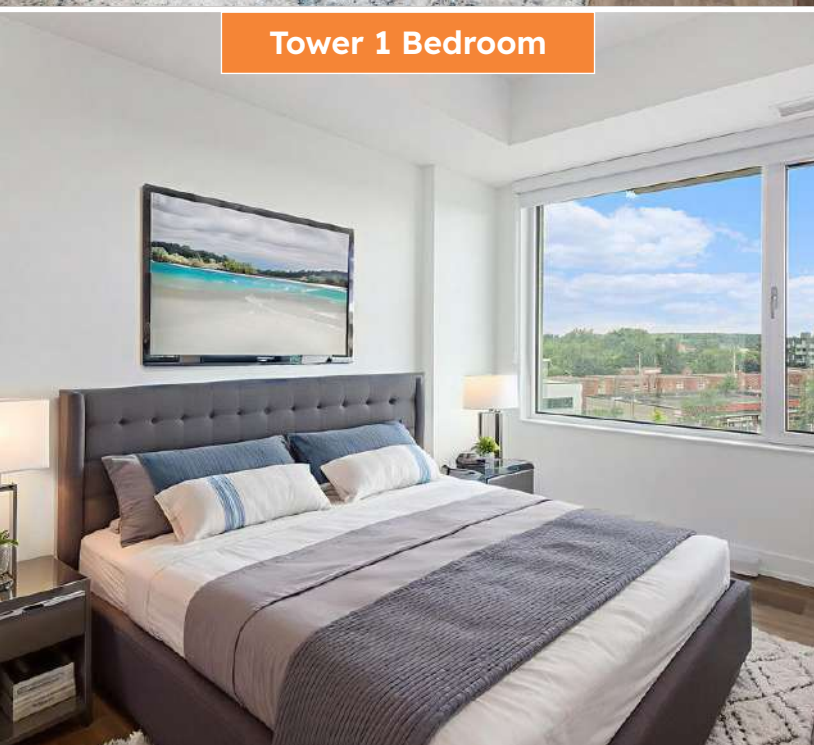
Tower 1 Kitchen



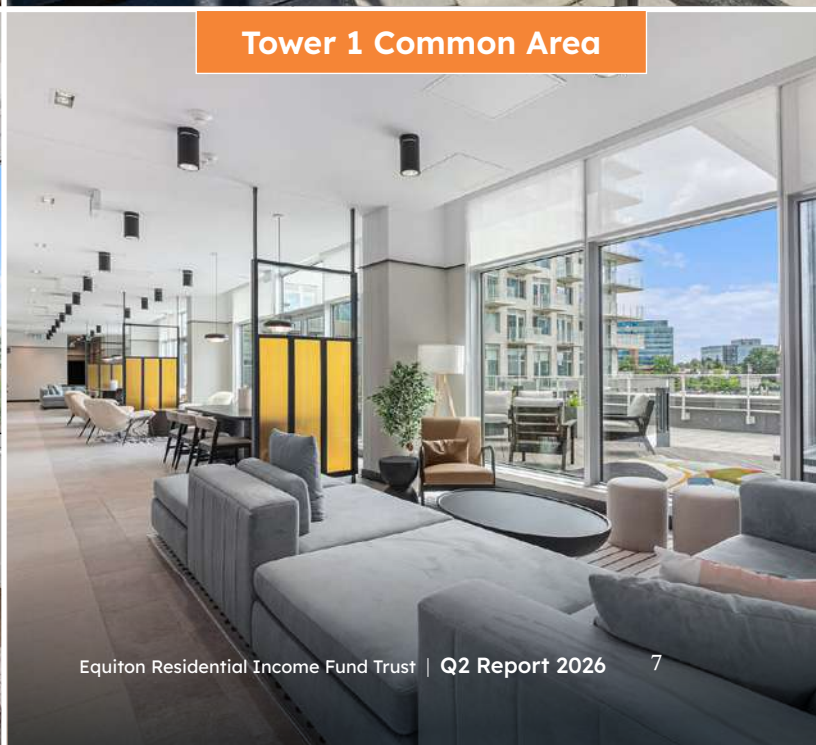
Tower 1 Outdoor Terrace



Tower 1 Bedroom



Tower 1 Common Area



Tower 2 Exterior



Tower 1 Exterior Landscaping



Tower 2 Kitchen Millwork



Tower 2 Lobby



Q2 2026 Operating Highlights



4,328
Portfolio Units



44
Properties



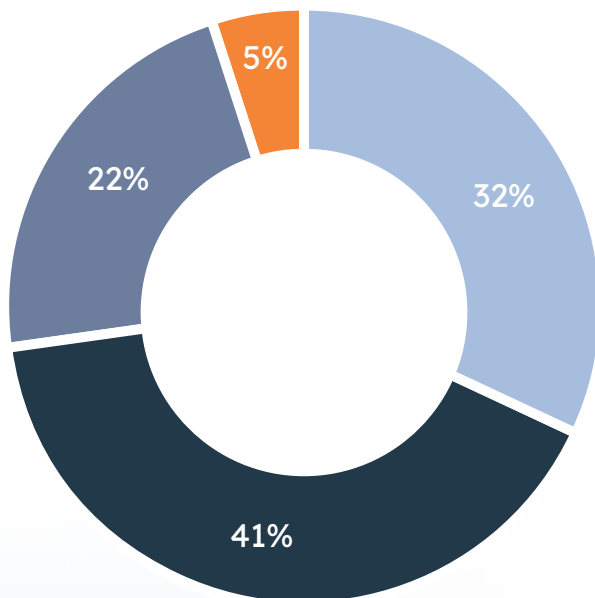
19
Communities

Effective Q1'26, the 294 residential units at Maison Rivrain - Tower 1 have been incorporated into the Trust's reported portfolio unit count, reflecting the asset's continued progression toward stabilization.

Portfolio Metrics

As at June 30, 2026

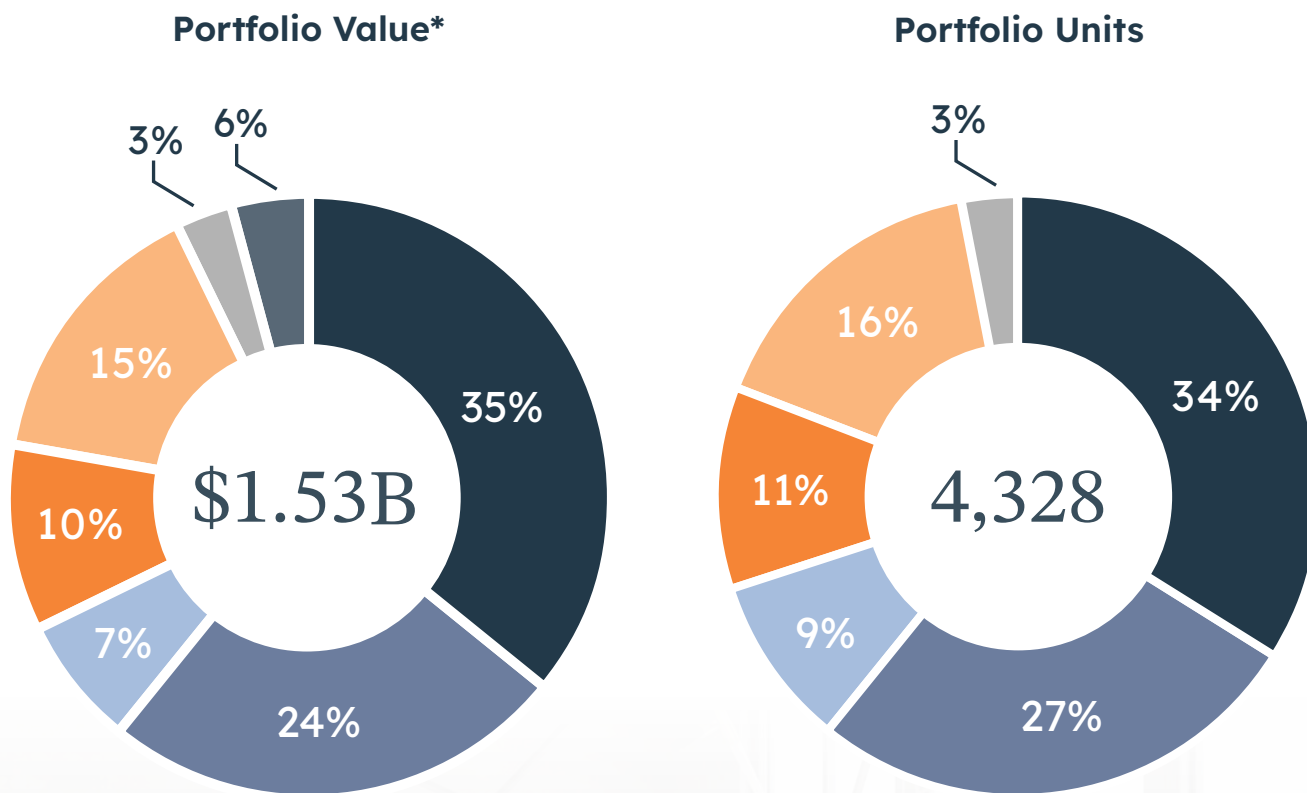
Portfolio Mix by Investment Strategy



Portfolio Investment Strategy Breakdown

- 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.
- 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.
- Development:**
A property progressing through the development lifecycle, including pre-construction planning and approvals, active construction and post-completion lease-up.

Portfolio Mix by Region



■ Greater Toronto and Hamilton Area (GTHA)
 ■ Western Ontario
 ■ Southwestern Ontario
■ Southeastern Ontario
 ■ Alberta
 ■ British Columbia
 ■ Maison Riverain - Towers 2 & 3

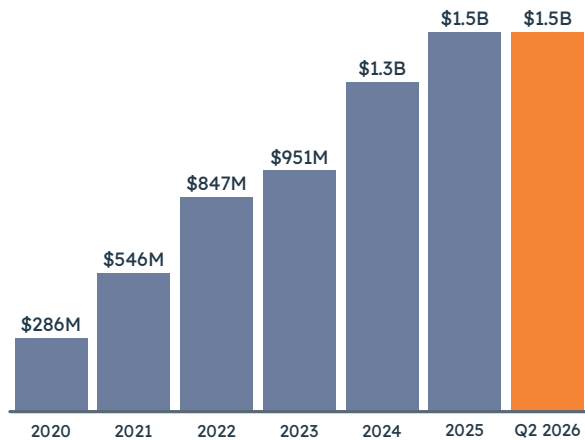
Effective Q2'26 3 additional commercial units at Maison Riverain - Tower 1 have been incorporated into the Trust's reported portfolios unit count. The commercial unit count remains subject to change as the commercial component progresses toward stabilization.

*Portfolio Value includes property values only, not cash or deposits.

Fund Performance

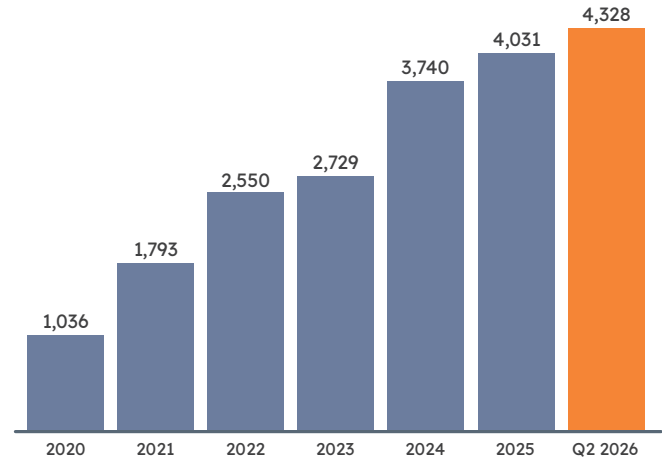
As at June 30, 2026

Assets Under Management*

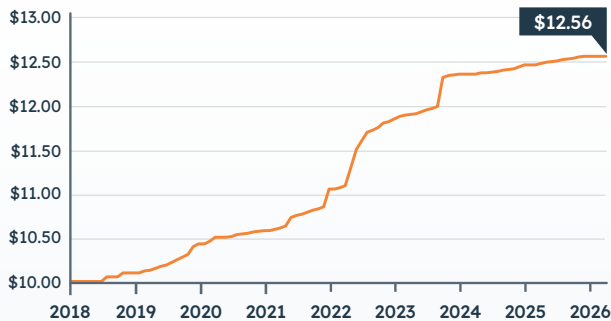


* "Assets Under Management" in this chart includes both cash and property value.

Portfolio Units

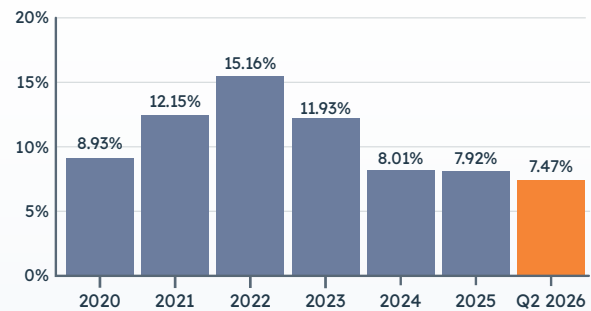


Unit Price Growth

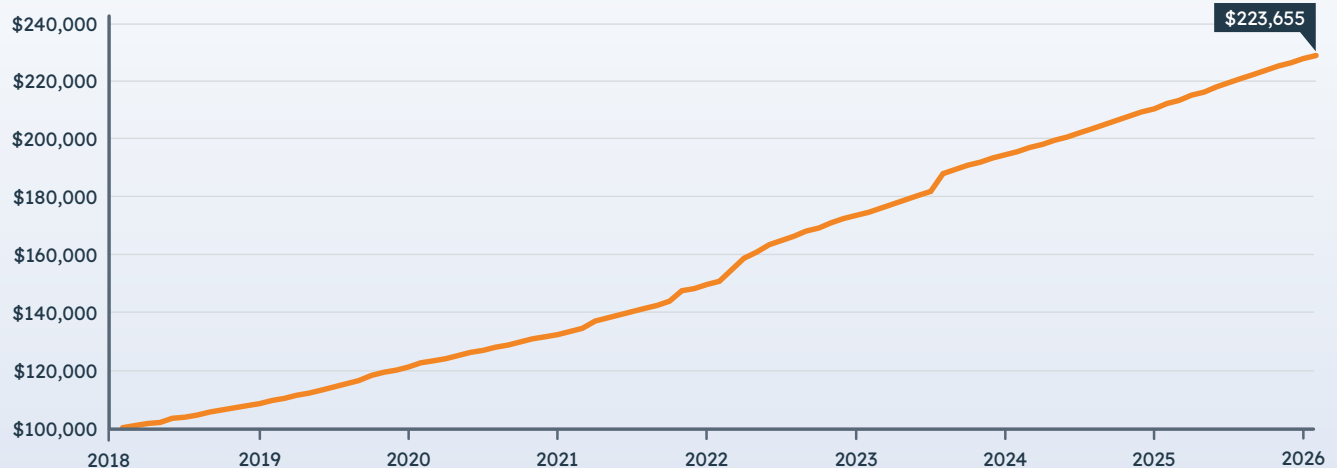


Trailing 12-Month Returns - Class F DRIP

(As at June 30)



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



Summary

of Results of Operations and KPIs

Key Transactions and Events

- AUM increased by 14.2% Y/Y to \$1.5B as at June 30, 2026, reflecting continued execution of the Trust's growth strategy. This growth was driven by a combination of accretive acquisition activity and sustained strong financial and operating performance across the Trust's existing portfolio.
- AUM expansion was further supported by ongoing progress and continued advancement of Maison Riverain. During Q2'26, Tower 1 reached stabilization, representing a significant milestone in the asset's transition from development to stabilized operations. Since achieving initial occupancy in April 2025, the property has demonstrated strong leasing performance, supported by disciplined execution from the Trust's asset management and operations team. Tower 1 is expected to provide a stable and growing contribution to recurring NOI and operating cash flow, while reinforcing the Trust's ability to generate long-term value through the successful execution of its development strategy.
- The commercial component at Maison Riverain Tower 1 continued to advance during the period. The pharmacy tenant has taken possession of its premises and is progressing through permitting and tenant fit-out, while Management continues to finalize lease negotiations for a portion of the remaining space. Upon stabilization, the commercial component is expected to enhance the overall income diversification and recurring cash flow profile of the asset.
- The Trust completed three mortgage refinancings, including loans secured by Wellington Place, in Hamilton, Ontario, in addition to the Brantford and Stratford portfolios, generating ~\$20.0M in net proceeds. Additionally, the Trust completed a new CMHC-insured mortgage financing secured by Lynnwood Place, in Brantford, Ontario, generating approximately \$5.2M of net incremental proceeds. The financing was completed at an attractive borrowing rate, consistent with the Trust's strategy of optimizing its capital structure through access to low-cost CMHC-insured financing. The additional proceeds will be reinvested into high-return capital initiatives across the portfolio, reflecting the Trust's disciplined approach to capital allocation and supporting sustainable long-term growth in operating performance and portfolio value.
- As at June 30, 2026, the Trust recognized a net fair value increase of \$5.7M across the portfolio primarily attributable to stronger underlying operating performance. The valuation uplift underscores the quality and resilience of the Trust's multifamily portfolio and demonstrates Management's ability to create value through disciplined asset management, strategic capital investment, and strong operational execution despite a moderating market environment.
- Earlier in 2026, the Trust completed the consolidation of the remaining Class B units into Class C units, further streamlining the Trust's capital structure and unit class composition. As at June 30, 2026, the Trust had approximately \$65.5M (December 31, 2025 – 64.4M) Trust Units outstanding, reflecting continued Investor participation and sustained support for the Trust's long-term growth strategy.

Operating Results and Balance Sheet Management

Portfolio Operating Performance

- The Trust continued to demonstrate disciplined portfolio operating performance during the period, leveraging its vertically integrated operating platform to maintain stable performance amid a more competitive operating environment.
- As at June 30, 2026, total portfolio occupancy was 97.3%, representing an increase of 180 bps from December 31, 2025. The increase in total portfolio occupancy was driven by strong leasing execution during the first six months of the year, together with targeted vacancy mitigation initiatives that accelerated the lease up of available units, supporting continued growth in top-line performance. Same store occupancy was 97.7%, reflecting resilient demand across the Trust's core markets and the strength of its stabilized portfolio.

- Same store occupied average monthly rent increased to \$1,660, up 4.4% Y/Y, primarily driven by rent increases on unit turnover. The Trust continued to benefit from a meaningful mark-to market opportunity embedded within its in-place rent profile, with an estimated gap to market of approximately 20.7% as of June 30, 2026. This gap is supported by the Trust's strategic portfolio composition, which reflects a balanced allocation between core and core plus assets and a meaningful exposure to value-add properties, primarily high-quality legacy rental assets. This positioning provides embedded rental upside accumulated over time, supporting rent stability while maintaining a sustained runway for future rent growth.
- Overall, same store operating revenues increased by approximately 2% compared to the prior year period, reflecting rental rate growth, stable occupancy, and a continued focus on revenue optimization. Management expects to sustain rent growth through turnover and guideline increases while continuing to expand ancillary revenue streams including parking (+3% Y/Y) and cable (+34% Y/Y) to support overall portfolio cash flow.
- Same store operating expenses remained relatively stable in Q2'26, increasing by less than 3% Y/Y. This performance was primarily driven by lower utility expenses, including reductions in hydro and natural gas consumption and pricing. These savings were offset by higher advertising expenditures related to the lease up of Maison Riverain Tower 1, which are expected to moderate following the asset's stabilization, as well as increased use of tenant incentives. Management continues to closely monitor market conditions and deploy tenant incentives selectively where necessary to supporting leasing activity while maintaining disciplined revenue management.
- Same store NOI increased by approximately 1.3% compared to the prior year period while same store NOI margins contracted by 30 bps. The modest margin compression was primarily attributable to inflationary operating cost pressures and higher lease related expenditures, including advertising and tenant incentives, reflecting competitive market conditions. Management remains focused on prudent expense management and operational initiatives to mitigate cost pressures and support long-term margin expansion.

Portfolio Capital Program

- The Trust continued to execute on its unit turnover program in the second quarter, completing 450 unit turns and achieving an average lift on turnover of 4.9% for the six-month period ended June 30, 2026. The program continues to represent a key driver of revenue growth, supporting the Trust's ability to capture embedded value within the portfolio independent of broader market rent fluctuations.
- In support of its turnover and value enhancement strategy, the Trust deployed approximately \$5.0M on unit turnover renovations during the period, alongside a further \$2.1M invested in capital improvement projects across the portfolio. Capital deployment is evaluated on a project specific return basis, with a focus on initiatives that drive rental rate growth, enhance unit and property quality, achieving energy efficiency, and maintain the competitive positioning of the Trust's portfolio. This approach reflects a disciplined reinvestment strategy, 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 of June 30, 2026, the Trust maintained a mortgage debt to gross book value of 56.2%, reflecting a balanced approach to leverage while supporting continued portfolio growth. The Trust benefits from significant access to CMHC-insured financing, which represented approximately 97% of total debt outstanding at period 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 7.08 years, while the majority of borrowings are fixed rate, resulting in a weighted average mortgage interest of 3.69%, below prevailing market rates.
- For the period ended June 30, 2026, the Trust completed three mortgage refinancings, including loans secured by Wellington Place and the Brantford and Stratford portfolios, generating approximately \$20.0M in net proceeds. The Trust also closed on an additional mortgage secured by Lynnwood Place, generating new net proceeds of \$5.2M. These financing activities reflect the Trust's continued focus on proactively managing its capital structure and liquidity. The new proceeds are expected to be deployed toward value enhancing capital expenditures across the portfolio, consistent with the Trust's long term value creation strategy.



Maison Rivrain
280 Montgomery Street,
Ottawa, ON

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 total portfolio occupancy of 97.3% and same store occupancy of 97.7% as at June 30, 2026. Management remains confident in its ability to sustain strong occupancy levels over the long term.

Net Average Monthly Rent (AMR)

As at June 30, 2026, the Trust's quarterly market rent was \$2,064 (June 30, 2025 - \$2,085). The modest Y/Y decline reflects a more competitive leasing environment across the multifamily sector while demonstrating the resilience of rental pricing within the Trust's portfolio and operating markets. The Trust continues to maintain meaningful embedded rental upside as below market in-place rents transition toward current market levels through natural turnover. This is reflected in the 6.2% Y/Y increase in net average monthly rent.

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. For the six-month period ended June 30, 2026, total portfolio NOI grew by 15.7% compared to the prior year period.

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 average mortgage rate increased modestly Y/Y with new borrowing activity but continued at a favourable rate of 3.69%. Management will continue to follow strict debt service coverage and interest coverage ratio targets.

Portfolio Growth

Management's growth strategy focuses on the disciplined pursuit of accretive acquisitions to enhance portfolio scale and quality. Following two accretive acquisitions completed in 2025, the Trust is prioritizing expansion in Western Canada, reflecting confidence in the region's favourable demographic trends and economic outlook. More broadly, the Trust remains focused on core markets supported by strong underlying fundamentals including population growth, employment stability and balanced supply demand conditions.

Rent Collection

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

Rental Revenue

On a basis, the Trust's average occupied monthly rent per unit increased by 4.4% Y/Y to \$1,660 as of June 30, 2026, compared to \$1,590 in the same period of the prior year. 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 June 30,	Net AMR			Occupied AMR			Occupancy %		
	Q2 2026 (\$)	Q2 2025 (\$)	Change (%)	Q2 2026 (\$)	Q2 2025 (\$)	Change (%)	Q2 2026 (%)	Q2 2025 (%)	Change (%)
Ontario									
GTHA	1,745	1,700	2.6	1,719	1,673	2.7	96.9	96.6	0.3
Western	1,676	1,606	4.3	1,645	1,578	4.3	98.3	96.2	2.1
Southwestern	1,484	1,451	2.2	1,446	1,401	3.2	96.5	93.6	2.9
Southeastern	1,917	1,346	42.4	1,717	1,295	32.5	95.4	95.8	(0.4)
Total Ontario	\$1,714	\$1,615	6.1%	\$1,663	\$1,584	5.0%	97.1%	96.1%	1.0%
Alberta	\$1,748	\$1,671	4.7%	\$1,722	\$1,659	3.8%	99.3%	95.7%	3.6%
British Columbia	\$1,936	NA	NA	\$1,884	NA	NA	91.4%	NA	NA
Total Portfolio*	\$1,726	\$1,623	6.2%	\$1,678	\$1,590	5.5%	97.3%	96.0%	1.3%

* Comparative changes in Southeastern Ontario reflect the inclusion of Maison Riverain Tower 1.

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, 2025.

As at June 30,	Net AMR			Occupied AMR			Occupancy %		
	Q2 2026 (\$)	Q2 2025 (\$)	Change (%)	Q2 2026 (\$)	Q2 2025 (\$)	Change (%)	Q2 2026 (%)	Q2 2025 (%)	Change (%)
Ontario									
GTHA	1,745	1,700	2.6	1,730	1,673	3.4	96.9	96.6	0.3
Western	1,676	1,606	4.3	1,654	1,578	4.8	98.3	96.2	2.1
Southwestern	1,484	1,451	2.2	1,463	1,401	4.5	96.5	93.6	2.9
Southeastern	1,392	1,346	3.4	1,374	1,295	6.1	97.6	95.8	1.8
Total Ontario	\$1,668	\$1,615	3.2%	\$1,650	\$1,584	4.1%	97.4%	96.1%	1.3%
Alberta	\$1,713	\$1,671	2.5%	\$1,714	\$1,659	3.3%	99.4%	95.7%	3.7%
British Columbia	NA	NA	NA	NA	NA	NA	NA	NA	NA
Same Store Portfolio	\$1,674	\$1,623	3.1%	\$1,660	\$1,590	4.4%	97.7%	96.0%	1.7%

Total Operating Revenue and NOI by Region - Total Portfolio

Transactional activity and stable portfolio operating performance resulted in operating revenues and net operating income growth of 17.1% and 15.7%, respectively, when compared to the prior year.

Operating Revenue by Region

As at June 30,

	Q2 2026		Q2 2025		Growth (%)
	Revenue (\$)	Revenue (%)	Revenue (\$)	Revenue (%)	
Ontario					
GTHA	15,042,449	35.1	15,123,288	41.3	(0.5)
Western	11,612,459	27.1	11,518,960	31.5	0.8
Southwestern	3,420,630	8.0	3,477,590	9.5	(1.6)
Southeastern	3,720,951	8.7	1,376,504	3.8	100+
Total Ontario	\$33,796,489	78.9%	\$31,496,342	86.1%	7.3%
Alberta	\$7,862,163	18.3%	\$5,122,331	13.9	53.5%
British Columbia	\$1,215,881	2.8%	NA	NA	NA
Total Portfolio	\$42,874,533	100.0%	\$36,618,673	100.0%	17.1%

Net Operating Income by Region

As at June 30,

	Q2 2026			Q2 2025			NOI Growth (%)
	NOI (\$)	NOI (%)	NOI Margin (%)	NOI (\$)	NOI (%)	NOI Margin (%)	
Ontario							
GTHA	8,651,531	36.3	57.5	8,819,038	42.8	58.3	(1.9)
Western	6,515,010	27.3	56.1	6,657,568	32.3	57.8	(2.1)
Southwestern	1,716,345	7.2	50.2	1,812,229	8.8	52.1	(5.3)
Southeastern	1,617,856	6.8	43.5	457,499	2.2	33.2	100+
Total Ontario	\$18,500,742	77.6%	54.7%	\$17,746,334	86.1%	56.3%	4.3%
Alberta	\$4,556,934	19.2%	58.0%	\$2,846,891	13.9%	55.6%	60.1%
British Columbia	\$771,779	3.2%	63.5%	NA	NA	NA	NA
Total Portfolio	\$23,829,455	100.0%	55.6%	\$20,593,225	100.0%	56.2%	15.7%

Total Operating Revenue and NOI by Region - Same Store Portfolio

Same store operating revenue and NOI increased by 1.9% and 1.3%, respectively, compared to the prior year period, reflecting the Trust's continued organic growth through turnover driven uplift and contractual rent increases complemented by modest gains in ancillary revenues through targeted initiatives.

Same Store Operating Revenue by Region

As at June 30,	Q2 2026		Q2 2025		Growth (%)
	Revenue (\$)	Revenue (%)	Revenue (\$)	Revenue (%)	
Ontario					
GTHA	15,042,109	40.3	15,123,288	41.4	(0.5)
Western	11,612,459	31.1	11,518,960	31.5	0.8
Southwestern	3,420,630	9.2	3,477,590	9.5	(1.6)
Southeastern	1,371,979	3.7	1,339,437	3.7	2.4
Total Ontario	\$31,447,177	84.3%	\$31,459,275	86.1%	0.0%
Alberta	\$5,846,272	15.7%	\$5,122,331	13.9%	14.1%
British Columbia	NA	NA	NA	NA	NA
Same Store Portfolio	\$37,293,449	100.0%	\$36,581,606	100.0%	1.9%

Same Store Net Operating Income by Region

As at June 30,	Q2 2026			Q2 2025			NOI Growth (%)
	NOI (\$)	NOI (%)	NOI Margin (%)	NOI (\$)	NOI (%)	NOI Margin (%)	
Ontario							
GTHA	8,651,531	41.2	57.5	8,819,038	42.5	58.3	(1.9)
Western	6,515,010	31.0	56.1	6,657,568	32.1	57.8	(2.1)
Southwestern	1,716,345	8.2	50.2	1,812,229	8.7	52.1	(5.3)
Southeastern	643,602	3.1	46.9	603,306	2.9	45.0	6.7
Total Ontario	\$17,526,488	83.5%	55.7%	\$17,892,141	86.2%	56.9%	(2.0%)
Alberta	\$3,492,372	16.5%	59.7%	\$2,846,891	13.8%	55.6%	22.7%
British Columbia	NA	NA	NA	NA	NA	NA	NA
Same Store Portfolio	\$21,018,860	100.0%	56.4%	\$20,739,032	100.0%	56.7%	1.3%

Operating Expenses

Realty Taxes

For the six-month period ended June 30, 2026, total portfolio realty taxes increased relative to the comparative period, primarily attributable to the impact of acquisitions completed in 2025, as well as the addition of Maison Riverain Tower 1, which was delivered in 2025.

On a same store basis, realty taxes increased modestly Y/Y, reflecting typical underlying changes in property assessments across the portfolio and increasing municipal mill rates. Management continues to actively manage realty tax expense through a disciplined and proactive approach, including the pursuit of assessment appeals where appropriate in addition to the implementation of pre-roll review processes in Alberta, to identify and mitigate potential increases in advance of final tax billings.

Utilities

Utility costs are inherently variable and can fluctuate period over period due to changes in both consumption levels and underlying utility rates. The tables below present a breakdown of utility expenses by type for the six-month period ended June 30, 2026, and June 30, 2025. Variances in total utility costs are primarily attributable to the expansion of the portfolio resulting from acquisitions and development delivery completed in 2025.

On a same store basis, net utility expense decreased by 11.4% compared to prior year period, reflecting favourable changes in utility rates, consumption and utility recoveries. Water expense declined despite higher pricing and increased consumption as recoveries increased by 55% comparative to the same period of the prior year following continued expansion of the Trust's water submetering program across the portfolio. Natural gas expense decreased by 26.2% primarily due to lower commodity pricing and reduced consumption, while hydro expense decreased modestly, reflecting lower consumption and savings realized through Management's strategic rate plan optimization. Management remains focused on implementing operational measures and efficiency initiatives aimed at moderating utility consumption levels over time.

As at June 30,	Net Utilities*			Same Store - Net Utilities*		
	Q2 2026 (\$)	Q2 2025 (\$)	Variance (%)	Q2 2026 (\$)	Q2 2025 (\$)	Variance (%)
Hydro	970,631	853,768	13.7	848,509	853,768	(0.6)
Natural Gas	918,790	1,100,086	(16.5)	811,712	1,100,086	(26.2)
Water	1,130,889	1,057,658	6.9	1,006,722	1,057,658	(4.8)
	\$3,020,310	\$3,011,512	0.3%	\$2,666,943	\$3,011,512	(11.4%)

* Net of utility recoveries

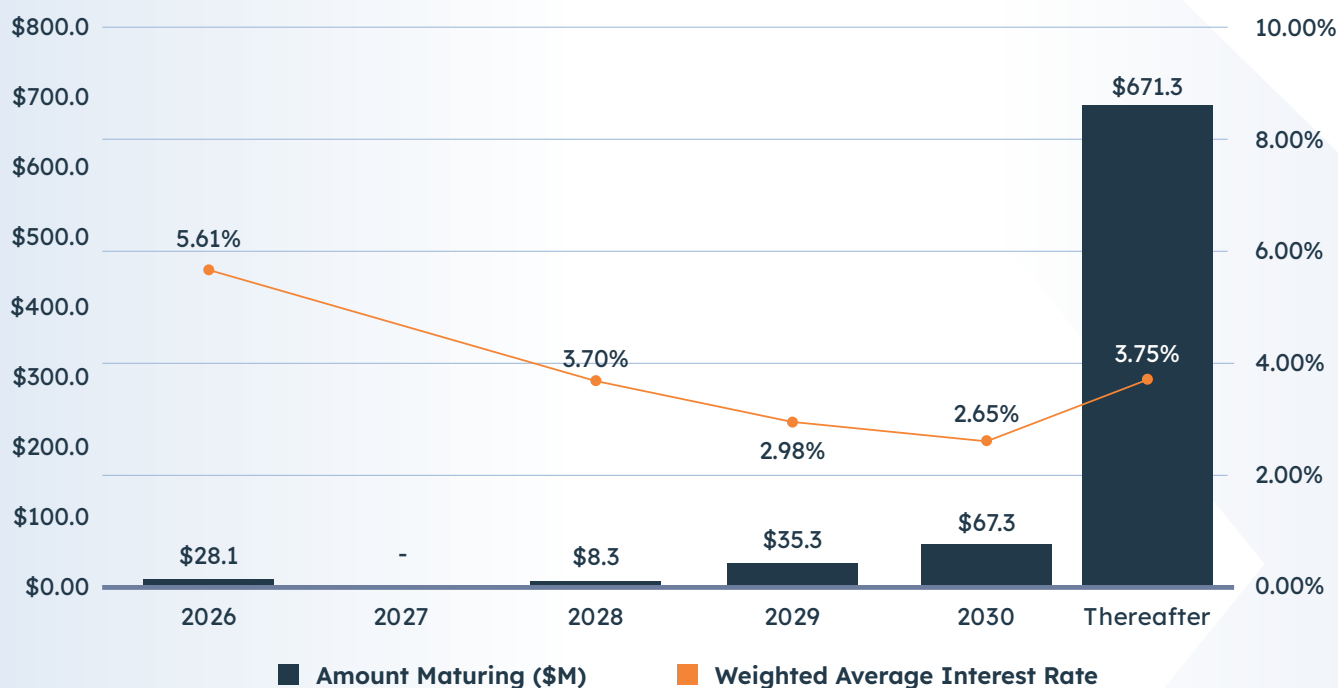
Other Operating Expenses

In addition to realty taxes and utilities, a notable contributor to the Y/Y increase in operating expenses was higher leasing incentives and advertising costs. These expenditures reflect continued investment in tenant retention and leasing activity, consistent with prevailing market conditions and competitive dynamics across the multifamily sector. Management remains disciplined and targeted in its deployment of these initiatives, with a focus on optimizing occupancy and supporting sustainable revenue performance across the portfolio.

Debt Portfolio

The Trust's loan portfolio comprises of 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 of June 30, 2026, the weighted average interest rate was 3.69%, with a weighted average remaining term to maturity of 7.08 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

During the six month period ended June 30, 2026, the Trust continued to execute on its financing strategy through a series of financing and refinancing transactions. The Trust completed the refinancing of the Stratford and Brantford portfolios through short term bridge facilities, pending their anticipated conversion to CMHC insured financing, and refinanced the mortgage loan secured by Wellington Place. Collectively, these transactions generated approximately \$20.0M of net refinancing proceeds.

Subsequent to quarter end, the short term bridge facilities secured by the Stratford and Brantford portfolios were converted to five year, CMHC insured permanent financing, with interest rates ranging from 3.70% - 3.97%. The completion of these financings increased the proportion of the portfolios mortgage debt that is CMHC insured to approximately 100%, further enhancing the Trust's debt profile.

In addition, the construction financing for Maison Riverain Tower 1 was fully repaid and replaced with a 10-year CMHC-insured take-out mortgage bearing a fixed interest rate of 4.03% and maturing in March 2036, while construction financing remains in-place for Towers 2 and 3. During Q2'26, the Trust also completed a \$5.7M CMHC insured second mortgage secured by Lynnwood Place, bearing a fixed interest rate of 4.00% and maturing in May 2031. Collectively, these transactions increased the proportion of long-term, fixed-rate CMHC insured debt within the Trust's mortgage portfolio, diversified the Trust's contractual debt maturity profile and generated incremental financing capacity to support the Trust's capital allocation objectives.

Gap to Market

The Trust continues to advance its rent optimization strategy, supported by the existence of a meaningful gap between in-place rents and prevailing market levels. As at June 30, 2026, the Trust's estimated gap to market was approximately 20.7%, representing a significant embedded growth opportunity. Management is focused on strategically capturing this upside through disciplined turnover execution and targeted rent increases in-place, where supported by market conditions and applicable rent legislation. This approach is expected to support continued organic revenue growth as the Trust progresses in narrowing the gap to market.

As at June 30,	Q2 2026	Q2 2025
	% Gap to Market	% Gap to Market
Ontario		
GTHA	30.0	36.9
Western	23.8	30.2
Southwestern	28.2	33.6
Southeastern	9.9	29.9
Total Ontario	24.8%	33.7%
Alberta	0.9%	2.9%
British Columbia	21.3%	NA
Total Portfolio	20.7%	29.1%

125 Wellington Street North
Hamilton, ON



Value Creation

For the six months ended June 30, 2026, the portfolio recorded a gross fair value increase of \$14.7M, reflecting continued progress in underlying operating performance and Management's focus on controllable drivers of value creation.

Fair value gains in the quarter were primarily supported by growth in stabilized net operating income, driven by continued execution on leasing strategies, portfolio optimization initiatives and ongoing expense management.

During the second quarter of 2026, multifamily investment fundamentals remained resilient despite continued macroeconomic uncertainty, variable bond yields and competitive rental environment. Multifamily cap rates remained stable during the period, supported by sustained investor demand for well-located rental housing assets and the sector's favourable long term supply and demand fundamentals. Against this backdrop, the portfolio's weighted average capitalization rate remained stable relative to the prior quarter at 4.39% as of June 30, 2026.

Management remains focused on advancing its value creation strategy through disciplined execution on organic growth initiatives and active asset management. The Trust's embedded gap to market, combined with continued focus on cost efficiency and capital allocation is expected to support further growth in stabilized cash flows over time, positioning the Trust to deliver sustained value creation and attractive risk-adjusted returns for Unitholders.

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.

208 Woolwich Street S.
Breslau, ON





Q2 2026

Acquisitions and Dispositions

Acquisitions: None

Dispositions: None

7070 Inlet Drive
Burnaby, BC

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	39	192	63	0	0	3	297
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	0	179	186	23	0	0	388
		44	168	1,782	2,190	172	8	8	4,328

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



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



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



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



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



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



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



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



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



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, totaling 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



MAP

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



MAP

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



MAP

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



Unit Breakdown – Tower 1

Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	Commercial	Total Units
39	192	63	0	3	297

Maison Riverain 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 June 30, 2026, Tower 1 was 95% leased and the first commercial lease was secured, with the second well underway.



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
0	179	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.

130 Raglan Avenue,
Toronto, ON



Interim Consolidated Financial Statements

Equiton Residential Income Fund Trust (Unaudited)

For the six-month period ended June 30, 2026

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Equiton Residential Income Fund Trust

Interim Consolidated Statements of Financial Position

<i>(in thousands of dollars)</i>	Note	June 30, 2026	December 31, 2025
ASSETS			
Non-current assets			
Investment properties	[4]	\$ 1,440,755	\$ 1,425,980
Investment property under development	[5]	82,571	56,862
		1,523,326	1,482,842
Current assets			
Cash		608	6,573
Restricted cash	[6]	2,171	787
Tenant and other receivables		2,523	2,165
Loan receivable	[8]	2,140	1,983
Prepaid expenses		3,235	2,165
		10,677	13,673
TOTAL ASSETS		\$ 1,534,003	\$ 1,496,515
EQUITY AND LIABILITIES			
Non-current liabilities			
Mortgages payable	[9]	\$ 728,795	\$ 605,687
Construction loan payable	[10]	41,598	118,818
		770,393	724,505
Current liabilities			
Construction loan payable	[10]	10,023	9,750
Bank loan payable	[11]	28,120	28,950
Current portion of mortgages payable		39,246	47,876
Accounts payable and accrued liabilities		27,618	16,100
Tenant deposits and deferred revenue		6,032	6,380
Unit subscriptions held in trust	[6]	2,171	787
Distributions payable		4,283	4,403
Due to related parties	[12]	5,887	1,632
		123,380	115,878
TOTAL LIABILITIES		\$ 893,773	\$ 840,383
EQUITY			
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		\$ 640,230	\$ 656,132
TOTAL EQUITY AND LIABILITIES		\$ 1,534,003	\$ 1,496,515

Commitment [17]

On behalf of the Trustees



Trustee



Trustee

See accompanying notes to the interim consolidated financial statements

Equiton Residential Income Fund Trust

Interim Consolidated Statements of Income and Comprehensive Income

(in thousands of dollars)	Note	Six-month period ended June 30,	
		2026	2025
Property revenue		\$ 42,875	\$ 36,619
Property operating expenses			
Operating expenses		(10,506)	(8,280)
Utilities		(3,871)	(3,674)
Property taxes		(4,669)	(4,071)
		(19,046)	(16,025)
Net operating income		\$ 23,829	\$ 20,594
Other income		309	413
Financing cost		(17,067)	(12,495)
Administration		(625)	(610)
Asset management fee	[14]	(8,375)	(6,968)
Fair value adjustment on investment properties	[4]	5,747	700
Net income and comprehensive income		\$ 3,818	\$ 1,634

Equiton Residential Income Fund Trust

Interim Consolidated Statements of Changes in Net Assets Attributable to Unitholders

(in thousands of dollars)

	Net assets attributable to unitholders
As at January 1, 2025	\$ 610,106
Issuance of units	78,789
Issuance of units under DRIP	15,821
Redemption of units	(62,408)
Issuance costs	(4,286)
Net income and comprehensive income	1,634
Distributions to General Partner	(5,344)
Distributions	(23,678)
As at June 30, 2025	\$ 610,634

	Net assets attributable to unitholders
As at January 1, 2026	\$ 656,132
Issuance of units	29,292
Issuance of units under DRIP	15,933
Redemption of units	(31,684)
Issuance costs	(2,604)
Net income and comprehensive income	3,818
Distributions to General Partner	(5,109)
Distributions	(25,548)
As at June 30, 2026	\$ 640,230

Equiton Residential Income Fund Trust

Interim Consolidated Statements of Cash Flows

<i>(in thousands of dollars)</i>	Note	Six-month period ended June 30,	
		2026	2025
OPERATING ACTIVITIES			
Net income and comprehensive income		\$ 3,818	\$ 1,634
Add (deduct) items not affecting cash			
Increase in fair value of investment properties		(5,747)	(700)
Amortization of assumed mortgage		591	591
Amortization of deferred financing fees		1,207	1,589
Change in non-cash operating items	[16]	15,381	3,519
Cash provided by operating activities		15,250	6,633
FINANCING ACTIVITIES			
Proceeds from issue of units		24,183	73,445
Redemption of units		(31,684)	(62,408)
Distribution to unitholders		(9,735)	(7,753)
Payment of issuance costs		(2,604)	(4,286)
Advance received/ (repayment of) line of credit		(830)	4,938
Payment of deferred financing fees		(6,382)	(1,686)
Repayment of mortgages payable		(5,146)	(4,636)
Proceeds from mortgage		28,772	9,881
Proceeds from construction loan		18,489	33,787
Cash provided by financing activities		15,063	41,282
INVESTING ACTIVITIES			
Building improvements		(9,028)	(8,191)
Repayment / (advance received) of loan receivable		(157)	695
Deposit		-	(3,900)
Investment in property under development		(25,709)	(23,529)
Cash used in investing activities		(34,894)	(34,925)
Net increase (decrease) in cash		(4,581)	12,990
Cash, beginning of period		7,360	19,560
Cash, end of period		\$ 2,779	\$ 32,550
Cash presented as:			
Cash		\$ 608	\$ 31,098
Restricted cash		2,171	1,452
		\$ 2,779	32,550

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(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 period ended June 30, 2026, were approved and authorized for issue by the Trust on August 10, 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 Interim Consolidated Financial Statements

June 30, 2026

(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 Interim Consolidated Financial Statements

June 30, 2026

(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 includes 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 Interim Consolidated Financial Statements

June 30, 2026

(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 which 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 Interim Consolidated Financial Statements

June 30, 2026

(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 Interim Consolidated Financial Statements

June 30, 2026

(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 June 30, 2026, and December 31, 2025, market rates for debts of similar terms.

		June 30, 2026			
		Fair Value Hierarchy	Carrying Value		Fair Value
Assets:					
Investment properties	Level 3	\$	1,440,755	\$	1,440,755
Loan receivable	Level 2	\$	2,140	\$	2,140
Liabilities:					
Mortgage payable	Level 2	\$	803,466	\$	724,421
		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

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 Interim Consolidated Financial Statements

June 30, 2026

(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 Interim Consolidated Financial Statements

June 30, 2026

(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, 2025	\$ 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
Building improvements to investment properties	9,028
Increase in fair value of investment properties	<u>5,747</u>
Balance, June 30, 2026	<u>\$ 1,440,755</u>

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

4. Investment properties (continued)

The estimated fair values per these appraisals are as follows:

Region	June 30, 2026	December 31, 2025
Alberta	\$ 224,400	\$ 219,700
Greater Toronto and Hamilton Area	538,325	535,100
British Columbia	48,300	47,100
Southeastern Ontario	146,710	144,380
Southwestern Ontario	109,700	109,000
Western Ontario	373,320	370,700
	\$ 1,440,755	\$ 1,425,980

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.

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 \$78,096 (December 31, 2025 – decrease by \$72,922). If the capitalization rate were to decrease by 25 bps, the value of investment properties would increase by \$87,015 (December 31, 2025 – increase by \$78,286).

Capitalization rates used to generate the estimated fair values for the investment properties ranged from 4.00% to 5.40% at June 30, 2026 (December 31, 2025 – 4.00% to 5.40%) with a weighted average capitalization rate across the investment properties portfolio of 4.39% (December 31, 2025 – 4.40%).

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

5. Investment property under development

	June 30, 2026	December 31, 2025
Opening balance	\$ 56,862	\$ 115,931
Property under development expenditures	25,709	42,856
Completion of development (reclassification within investment property, Note 4)	-	(101,925)
Balance	\$ 82,571	\$ 56,862

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 \$2,171 (December 31, 2025 - \$787) 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-owners' 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 Trust'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 Interim Consolidated Financial Statements

June 30, 2026

(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:

(in thousands of dollars)	June 30, 2026	December 31, 2025
Assets:		
Cash	\$ 1,561	\$ 4,123
Tenant and other receivables	1,477	783
Prepaid expenses	445	44
Investment property	108,825	107,250
Investment property under development	82,571	56,862
Total assets	194,879	169,062
Liabilities:		
Accounts payable and accrued liabilities	16,654	5,786
Revolving line of credit payable	273	-
Mortgages Payable	92,465	-
Construction loan payable	51,348	128,568
Total liabilities	160,740	134,354
Co-owners' Equity	34,139	34,708
Total Liabilities and Co-owners' Equity	\$ 194,879	\$ 169,062

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 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 Selkirk & Main Holdings Inc. ceases to be a co-owner of the property or such phase.

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(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 June 30, 2026, 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 six months ended June 30, 2026, there were 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

	June 30, 2026	December 31, 2025
Mortgages payable	\$ 803,466	\$ 683,812
Deferred finance charges	(35,425)	(30,249)
	768,041	653,563
Less: current portion	(39,246)	(47,876)
Non-current mortgages payable	\$ 728,795	\$ 605,687

The mortgages are payable to various financial institutions and bear fixed interest rates ranging from 2.0% to 6.2% (December 31, 2025 – 2.0% to 4.6%) and maturing at various dates ranging from 2026 to 2036 (December 31, 2025 – 2025 to 2036).

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 June 30, 2026, these fair value adjustments totalled \$8,564 (December 31, 2025 - \$9,155).

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

12 months from period end	\$ 39,246
13 to 24 months from period end	28,846
25 to 36 months from period end	16,658
37 to 48 months from period end	90,808
49 to 60 months from period end	33,796
Thereafter	<u>601,004</u>
	\$ 810,358

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

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 June 30, 2026.
 - (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 land located in Ottawa for Phase 2 and 3. 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 matured on November 1, 2025. During Q4-2025, the Land Loan of \$22,500 was replaced and the loan differential of \$9,500 was repaid upon the issuance of the first and second construction loan draw for phase three, Tower C. The \$13,000 Land Loan financing phase two, Tower B land has a fixed interest rate of 4.46% for a 12-month term and matures on December 1, 2026.

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

10. Construction loan payable (continued)

As at June 30, 2026, the outstanding balance is \$13,000 (December 31, 2025, \$13,000) 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 was drawn to fund phase three pre-construction costs as they come due.

On June 13, 2025, the phase one CLF was converted to a Canada 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.

On September 11, 2025, the phase three, Tower C CMHC-insured construction facility, which is funded by Desjardins, commenced its first draw. The maximum authorized amount on the CLF is \$144,827 with a final advance date no later than August 16, 2028. The interest due monthly during the construction period is based on the prime rate less 50 basis points (0.50%).

As at June 30, 2026, the outstanding balance on the Tower C CLF is \$55,464 (December 31, 2025, \$30,703) 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 June 30, 2026, all covenants were met.

The other co-owner and the Limited Partnership have provided a corporate guarantee and postponement of claim for 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 Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

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 was 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 June 30, 2026, the outstanding balance is \$nil (December 31, 2025- \$nil).

Swingline Facility

A \$1,500 revolving operating line of credit is held with Desjardins to fund obligations as they come due in between construction draws. Any balance outstanding on the facility is repaid with the next construction draw. As at June 30, 2026, the balance outstanding on the swingline facility is \$364 of which the Partnership has recorded its 75%.

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 June 30, 2026, all covenants were met.

As of June 30, 2026, the Limited Partnership had drawn down \$28,120 (December 31, 2025 - \$28,950) of the facility.

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

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 \$2,331 (December 31, 2025 - \$6,613), which are included in issuance costs in the statements of changes in net assets attributable to unitholders.

(b) Due to related parties

	June 30, 2026	December 31, 2025
Due to Equiton Residential Income Fund GP Inc. (general partner of Limited Partnership)	\$ 7,679	\$ 2,770
Due to Equiton Capital Inc.	183	183
Due from Equiton Partners Inc.	(1,975)	(1,321)
	<u>\$ 5,887</u>	<u>\$ 1,632</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 Interim Consolidated Financial Statements

June 30, 2026

(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, 2025	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
Issuance of units	644
Issuance of units through distribution reinvestment plan	515
Redemption of units	(575)
Transfer of units to different classes	(271)
Balance, June 30, 2026	24,661
Class B Trust Units	
Balance, January 1, 2025	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
Issuance of units	-
Issuance of units through distribution reinvestment plan	3
Redemption of units	-
Transfer of units to different classes	(929)
Balance, June 30, 2026	-
Class C Trust Units	
Balance, January 1, 2025	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
Issuance of units	443
Issuance of units through distribution reinvestment plan	86
Redemption of units	(8)
Transfer of units to different classes	1,092
Balance, June 30, 2026	4,872

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

13. Net assets attributable to unitholders (continued)

Class F Trust Units

Balance, January 1, 2025	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
Issuance of units	768
Issuance of units through distribution reinvestment plan	463
Redemption of units	(1,364)
Transfer of units to different classes	107
Balance, June 30, 2026	21,531

Class I Trust Units

Balance, January 1, 2025	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
Issuance of units	477
Issuance of units through distribution reinvestment plan	232
Redemption of units	(579)
Transfer of units to different classes	1
Balance, June 30, 2026	14,396
Total A, B, C, F and I units, June 30, 2026	65,460

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 period, the Trust made distributions of \$25,548 (June 30, 2025 - \$23,678). Of this amount, \$15,204 (June 30, 2025 - \$15,821) was 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 \$5,109 (June 30, 2025 - \$5,344) to Equiton Residential Income Fund GP Inc.

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

14. Asset management agreement

The property management services are performed by Equiton Partners Inc., a related party, as it has common management with 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 \$1,708 (June 30, 2025 – \$1,447).

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 period, the transaction fee recorded in investment properties on the statement of financial position is \$nil (June 30, 2025 – \$nil).

(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 period the asset management fee recorded in the statement of income and comprehensive income is \$8,375 (June 30, 2025 – \$6,968).

(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 period financing fees recorded as deferred financing fees in the mortgages payable on the statement of financial position were \$365 (June 30, 2025 – \$82).

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

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(in thousands of dollars)

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:

	June 30, 2026	December 31, 2025
Mortgages payable	\$ 803,466	\$ 683,812
Construction loan payable	51,348	128,568
Bank loan payable	28,120	28,950
Cash	(608)	(6,573)
Net debt	882,326	834,757
Net assets attributable to unitholders	640,230	656,132
	\$ 1,522,556	\$ 1,490,889

16. Changes in non-cash operating items

	June 30, 2026	June 30, 2025
Payables and accruals	\$ 11,518	\$ (2,582)
Tenant deposits	(348)	467
Tenant and other receivables	(358)	386
Prepaid expenses	(1,070)	(843)
Units subscriptions held in trust	1,384	451
Due to/from related parties	4,255	5,640
	\$ 15,381	\$ 3,519

17. Commitment

As of June 30, 2026, the Limited Partnership has entered into contract with consultants as part of its joint arrangement in Riverain with its co-owner totalling \$5,826 of which \$2,788 is the balance to complete.

Equiton Residential Income Fund Trust

Notes to the Interim Consolidated Financial Statements

June 30, 2026

(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 favourable 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 June 30, 2026, 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 mortgages 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 June 30, 2026 is \$2,467 (December 31, 2025 - \$2,310).

The Trust's maximum credit risk exposure as at June 30, 2026 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 Interim Consolidated Financial Statements

June 30, 2026

(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 June 30, 2026, the Trust was holding cash of \$2,779 (June 30, 2025 - \$32,550) of which \$2,171 (June 30, 2025 - \$1,452) was restricted for the future issuance of units. The mortgages payable, construction loan payable and bank loan payable have repayment terms outlined in Note 9, Note 10 and Note 11, respectively.

June 30, 2026	On Demand	1 Year	2-5 Years	>5Years
Mortgages payable	\$ -	\$ 39,246	\$ 170,108	\$ 601,004
Construction loan payable	-	10,023	41,598	-
Bank loan payable	28,120	-	-	-
Due to related parties	5,887	-	-	-
Unit subscriptions held in trust	2,171	-	-	-
Revolving line of credit payable	273	-	-	-
Distributions payable	-	4,283	-	-
Payables & accruals	-	27,618	-	-
	<u>\$ 36,451</u>	<u>\$ 81,170</u>	<u>\$ 211,706</u>	<u>\$ 601,004</u>
December 31, 2025	On Demand	1 Year	2-5 Years	>5Years
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>

(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.

19. Changes to comparative information

Certain comparative figures in the statement of cash flows have been reclassified to align with the presentation of current year. These changes relate solely to presentation and have no impact on previously reported net income, cash flows, or equity.