FLAGSHIP COMMUNITIES REAL ESTATE INVESTMENT TRUST

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025

(In US Dollars)

Flagship Communities Real Estate Investment Trust
Condensed Consolidated Interim Statements of Financial Position (Unaudited)
(in thousands of U.S. dollars)

	Note	September 30, 2026	(Audited) December 31, 2025
Current Assets			
Cash and cash equivalents	4	**$ 6,402**	$ 9,748
Tenant and other receivables, net	5	**3,151**	1,603
Prepaids and other assets	6	**2,643**	3,692
Lender escrow deposits	7	**8,275**	4,197
		20,471	19,240
Other non-current assets	8	**227**	140
Investment properties	9	**1,403,314**	1,335,325
Property and equipment, net	10	**4,298**	3,780
Note receivable - related party	17	**2,460**	2,460
		1,410,299	1,341,705
Total Assets		**$ 1,430,770**	$ 1,360,945
Current Liabilities			
Trade and other payables		**$ 2,191**	$ 667
Line of credit	11	**8,500**	—
Other liabilities	12	**26,132**	20,178
Mortgages payable, net	13	**12,995**	1,905
Class B Units	14, 24	**117,976**	111,548
		167,794	134,298
Mortgages payable, net	13	**525,696**	531,723
Other non-current liabilities	15	**5,834**	6,198
		531,530	537,921
Total Liabilities		**699,324**	672,219
Unitholders' Equity			
Unitholders' equity	16	**731,446**	688,726
Total Liabilities and Unitholders' Equity		**$ 1,430,770**	$ 1,360,945

Flagship Communities Real Estate Investment Trust
Condensed Consolidated Interim Statements of Net Income and Comprehensive Income (Unaudited)
(in thousands of U.S. dollars)

	Note	For the three months ended September 30,		For the nine months ended September 30,	
		2026	2025	**2026**	2025
Rental Revenue and Related Income	18	**$ 30,668**	$ 26,087	**$ 90,980**	$ 75,935
Property Operating Expenses	19	**10,628**	9,130	**31,851**	25,891
Net Operating Income		**20,040**	16,957	**59,129**	50,044
Expenses/(Income)					
General and administrative expenses	20	**3,356**	2,895	**9,888**	8,771
Finance costs from operations	21	**6,876**	5,082	**20,187**	15,371
Accretion of mark-to-market adjustment on mortgages payable	13	**(56)**	(56)	**(167)**	(167)
Depreciation	10	**169**	130	**505**	384
Other (income)		**(63)**	(139)	**(681)**	(1,177)
Fair value adjustment - Class B Units	14	**(3,750)**	5,633	**2,684**	22,812
Distributions on Class B Units		**943**	865	**2,809**	2,595
Fair value adjustment - investment properties	9	**(13,185)**	(22,316)	**(28,713)**	(69,546)
Fair value adjustment - unit based compensation	23	**(128)**	290	**380**	878
Net Income and Comprehensive Income		**$ 25,878**	$ 24,573	**$ 52,237**	$ 70,123

Flagship Communities Real Estate Investment Trust
Condensed Consolidated Interim Statements of Changes in Unitholders' Equity
(Unaudited)
(in thousands of U.S. dollars)

	Note	Units	Distributions	Cumulative Net Income	Total Unitholders' Equity
Balance, December 31, 2024		**$ 300,434**	**$ (33,427)**	**$ 318,644**	**$ 585,651**
Net income and comprehensive income		—	—	70,123	70,123
Distributions	16	—	(9,028)	—	(9,028)
Balance, September 30, 2025		**$ 300,042**	**$ (42,455)**	**$ 388,767**	**$ 646,354**
Balance, December 31, 2025		**$ 300,042**	**$ (45,627)**	**$ 434,311**	**$ 688,726**
Net income and comprehensive income		—	—	52,237	52,237
Distributions	16	—	(9,517)	—	(9,517)
Balance, September 30, 2026		**$ 300,042**	**$ (55,144)**	**$ 486,548**	**$ 731,446**

Flagship Communities Real Estate Investment Trust
Condensed Consolidated Interim Statements of Cash Flows (Unaudited)
(in thousands of U.S. dollars)

	Note	For the nine months ended September 30, 2026	2025
Cash flow provided by operating activities			
Net income		**$ 52,237**	$ 70,123
Add (deduct):			
Unit based compensation	23	**1,580**	1,140
Finance costs from operations	21	**20,187**	15,371
Accretion of mark-to-market adjustment on mortgages payable	13	**(167)**	(167)
Depreciation	10	**505**	384
(Gain) on disposal of property and equipment	10	**(11)**	(50)
Interest income	17	**(144)**	(234)
Fair value adjustments		**(25,649)**	(45,856)
Distributions declared on Class B Units		**2,809**	2,595
Change in non-cash working capital	25	**723**	1,116
		$ 52,070	$ 44,422
Cash flow used in financing activities			
Distributions paid to Unitholders	16	**(9,517)**	(9,028)
Distributions paid to Class B Unitholders		**(2,799)**	(2,595)
Change in line of credit	11	**8,500**	2,000
Proceeds from mortgages payable	13	**6,000**	64,874
Financing costs associated with financing activities	13	**(255)**	(2,180)
Repayment of mortgages payable and note payable	13	**(1,288)**	(45,203)
Interest paid		**(19,642)**	(14,480)
		$ (19,001)	$ (7,004)
Cash flow used in investing activities			
Cash paid for investment property acquisitions	9	**(3,782)**	(14,403)
Change in other non-current assets		**(87)**	(1,209)
Cash received for investment property disposal	9	**1,836**	1,486
Capital expenditures on investment properties	9	**(33,514)**	(20,508)
Cash paid for property and equipment	10	**(1,039)**	(451)
Cash received for property and equipment disposal		**27**	—
Interest received	17	**144**	217
		$ (36,415)	$ (34,868)
(Decrease) increase cash and cash equivalents		**$ (3,346)**	**$ 2,550**
Cash and cash equivalents, beginning of period		**9,748**	**7,264**
Cash and cash equivalents, end of period		**$ 6,402**	**$ 9,814**

1. Nature of Operations

Flagship Communities Real Estate Investment Trust (the “REIT” or the “Trust”) is an unincorporated, open-ended real estate investment trust established under, and governed by, the laws of the Province of Ontario. The registered office of the REIT is located at 199 Bay Street, Suite 4000, Toronto, ON, M5L 1A9. The head office of the REIT is located at 2220 Grandview Dr, Suite 280, Fort Mitchell, KY 41017, United States.

The REIT was formed on August 12, 2020, and the operations of the REIT commenced on October 7, 2020 when it completed an initial public offering, for the purpose of owning and operating a portfolio of income-producing manufactured housing communities (“MHCs”) located in the United States.

The trust units (“Units”) of the REIT trade on the Toronto Stock Exchange in U.S. dollars under the symbol “MHC.U” and in Canadian dollars under the symbol “MHC.UN”.

As at September 30, 2026, the REIT owns 87 MHCs, 2 recreational vehicle resort communities, and 2 commercial real estate buildings located across Arkansas, Illinois, Indiana, Kentucky, Missouri, Ohio, Tennessee, and West Virginia (December 31, 2025 – 85, 2 and 2, respectively).

2. Basis of Presentation

(A) Statement of compliance

The condensed consolidated interim financial statements of the REIT have been prepared in accordance with International Accounting Standard 34 (“IAS 34”), *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements were approved by the Board of Trustees on November 11, 2026.

(B) Basis of presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for investment properties, class B units (“Class B Units”) of the REIT’s subsidiary, Flagship Operating, LLC, restricted units (“RUs”) and deferred trust units (“DTUs”), which are measured at fair value.

The condensed consolidated interim financial statements are presented in thousands of U.S. dollars, which is the REIT's functional currency.

(C) Principles of consolidation

The REIT consolidates its interest in entities in which it has control. Control is defined by the power to govern an entity's financial and operating policies so as to be able to obtain benefits from its activities. These condensed consolidated interim financial statements comprise the financial statements of the REIT and its subsidiaries, including, Flagship Operating, LLC, which owns Legacy Properties GP, LLC and Flagship Properties, LLC. Subsidiaries are entities controlled by the REIT. The financial statements of the subsidiaries are prepared for the same reporting periods as the REIT using consistent accounting policies. All intercompany balances, transactions and unrealized (gains) losses arising from intercompany transactions are eliminated upon consolidation.

3. Material Accounting Policies

The condensed consolidated interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the IASB. The condensed consolidated interim financial statements follow the same accounting policies as described in the consolidated financial statements for the year ended December 31, 2025, except as noted below.

(A) New accounting policies

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 that clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities with an exception for derecognition of financial liabilities settled via an electronic transfer. The amendments became effective as at January 1, 2026. The REIT adopted the amendments which did not have a material impact on the unaudited condensed consolidated interim financial statements.

(B) Standards issued but not yet effective for the nine months ended September 30, 2026

(1) IFRS 18, Presentation and Disclosure in the Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1 and aims to enhance comparability and transparency in financial reporting.

The standard introduces new requirements for the presentation and disclosure of financial information, including the separation of income and expenses into categories for operating, investing, and financing activities, with subtotals for each. It also mandates the disclosure and reconciliation of management-defined performance measures in a dedicated note to the financial statements and strengthens the requirements for aggregation and disaggregation of financial data.

The REIT is continuing to assess the impact of IFRS 18; however, the REIT has concluded the presence of a specialized main business activity ("SMBA") of investing in MHC assets. The anticipated impacts include the reclassification of certain income and expense line items into the operating category that, absent the presence of an SMBA, might otherwise be classified in the investing or financing categories in the consolidated statements of net income and comprehensive income.

The REIT has also evaluated whether certain measures used by management meet the definition of management-defined performance measures ("MPMs") under IFRS 18. The REIT has concluded that FFO, FFO adjusted, AFFO, and AFFO adjusted will be considered MPMs. The REIT may identify additional MPMs as part of its ongoing assessment. The REIT will adopt IFRS 18 in its consolidated financial statements beginning on January 1, 2027, when the standard becomes effective.

4. Cash and Cash Equivalents

		As at September 30, 2026		As at December 31, 2025
Operating accounts	**$**	**4,036**	$	2,476
Tenant security deposits		**2,332**		2,169
Money market		**34**		5,103
Total	**$**	**6,402**	$	9,748

5. Tenant and Other Receivables, Net

		As at September 30, 2026		As at December 31, 2025
Tenant receivables	**$**	**904**	$	952
Other receivables		**2,296**		701
Allowance for doubtful accounts		**(49)**		(50)
Total	**$**	**3,151**	$	1,603

The change in expected credit loss provision of tenant and other receivables was as follows:

		For the nine months ended September 30, 2026		For the year ended December 31, 2025
Allowance for doubtful accounts, opening balance	**$**	**50**	$	45
Change in expected credit loss provision		**(1)**		5
Allowance for doubtful accounts, ending balance	**$**	**49**	$	50

Tenant receivables include lot rent, utilities, miscellaneous fees, and other recoverable charges. Other receivables primarily consist of a balance due from a related party debtor (see Note 17). An allowance for credit losses is maintained for estimated losses resulting from the inability of tenants to meet obligations under lease agreements. The REIT actively reviews receivables and determines the potentially uncollectible accounts on a per-tenant basis. A tenant receivable is written down to an estimated recoverable amount when the REIT has reason to believe that the tenant will not be able to fulfill its obligations under the lease agreement.

6. Prepaids and Other Assets

The REIT's prepaids and other assets consist of the following:

	Note	As at September 30, 2026	As at December 31, 2025
Prepaid insurance		**$ 496**	$ 1,854
Deferred issuance costs	16	**122**	27
Other prepaids and deposits		**2,025**	1,811
Total		**$ 2,643**	$ 3,692

7. Lender Escrow Deposits

Escrows for real estate taxes, insurance, capital repairs, and interest are held in trust by the lender for payment on behalf of the REIT. As at September 30, 2026 and December 31, 2025, the REIT had lender escrow deposits of $8,275 and $4,197, respectively.

8. Other Non-Current Assets

Other non-current assets include funds held in escrow for future investment property acquisitions, funds held in escrow for future financing, as well as deferred issuance costs related to the re-establishment of the base shelf prospectus dated August 8, 2025. As at September 30, 2026 and December 31, 2025, the REIT had other non-current assets of $227 and $140, respectively.

9. Investment Properties

A reconciliation of the carrying value for investment properties at the beginning and end of the reporting period is set out below:

	As at September 30, 2026	As at December 31, 2025
Investment properties, opening balance	**$ 1,335,325**	$ 1,087,348
Capital expenditures *(1)*	**33,514**	25,948
Acquisition of investment properties	**7,598**	110,953
Disposal of investment properties *(2)*	**(1,836)**	(1,746)
Fair value adjustment - investment properties	**28,713**	112,822
Investment properties, ending balance	**$ 1,403,314**	$ 1,335,325

(1) During the nine months ended September 30, 2026 and year ended December 31, 2025 the REIT purchased 237 and 156 rental homes, respectively, and incurred additional capital expenditures necessary to bring the homes to a condition suitable for leasing. The total cost of the 237 and 156 rental home additions was $14,500 and $9,316, respectively. Rental homes are primarily sourced from Empower Park ("Empower") (see Note 17).

(2) During the nine months ended September 30, 2026 and year ended December 31, 2025 the REIT disposed of 90 rental homes totaling $1,836 and 111 rental homes totaling $1,746, respectively. Disposal of these rental homes was at fair value resulting in no (gain) loss recognized in the condensed consolidated interim statements of net income and comprehensive income.

During the nine months ended September 30, 2026 and the year ended December 31, 2025, the REIT had the following investment property activity:

		Assets		*Liabilities*	*Consideration from the REIT*		
Community	**Acquisition date**	**Investment properties**	**All additional assets**	**Liabilities**	**Cash and cash equivalents**	**Mortgages payable**	**Class B Units**
Dry Fork *(1)*	**3/16/2026**	**$ 6,067**	**$ —**	**$ 62**	**$ 2,261**	**$ —**	**$ 3,744**
Cottonwood	**5/11/2026**	**1,531**	**—**	**10**	**1,521**	**—**	**—**
		$ 7,598	**$ —**	**$ 72**	**$ 3,782**	**$ —**	**$ 3,744**
Madison 627 *(1)*	3/21/2025	1,133	—	—	1,133	—	—
Sawyier Pointe *(1)*	8/22/2025	30,692	—	5,970	13,270	11,452	—
Village Green	10/31/2025	45,539	141	94	45,586	—	—
Lebanon	11/21/2025	7,918	121	38	4,682	3,318	—
Miami View	11/21/2025	11,636	97	8	7,666	4,060	—
New Richmond	11/21/2025	14,035	167	45	7,539	6,618	—
		$ 110,953	$ 526	$ 6,155	$ 79,876	$ 25,448	$ —

(1) The March 16, 2026, March 21, 2025 and August 22, 2025 acquisitions were purchased from a related party (see Note 17)

As at September 30, 2026 and December 31, 2025 the REIT had Investment properties with fair value of $1,189,379 and $1,113,537, respectively, pledged as collateral against the line of credit (the “Line of Credit”) (see Note 11) or mortgages payable (see Note 13).

The REIT used an internal valuation methodology, with inputs from external appraisals and other market data, to value the investment properties as at both September 30, 2026 and December 31, 2025.

A significant change in occupancy rates, rents or capitalization rates per annum would result in a significant change in the fair value of the MHCs.

Due to estimation uncertainty the REIT monitors market trends and changes in the economic environment affecting the valuation of its investment properties. If there are changes in the critical and key assumptions used in valuing the investment properties, in regional, national or international economic conditions, including but not limited to changes in inflation, interest rates, or general economic conditions, the fair value of investment properties may change materially.

Key metrics of the capitalization rates applicable to the REIT's MHCs were as follows:

	As at September 30, 2026	As at December 31, 2025
Capitalization Rates		
High	**9.00 %**	9.00 %
Low	**4.50 %**	4.50 %
Weighted Average	**4.95 %**	4.95 %
% Change		
+ 0.25%	**(4.84)%**	(4.84)%
- 0.25%	**5.37 %**	5.37 %
$ Change		
+ 0.25%	**$ (62,704)**	$ (60,017)
- 0.25%	**$ 69,484**	$ 66,507

10. Property and Equipment, Net

	Autos & Trucks	Equipment - Office and Maintenance	Furniture and Fixtures	Total
Cost				
As at December 31, 2024	**$ 210**	**$ 3,843**	**$ 481**	**$ 4,534**
Additions	76	853	110	1,039
As at December 31, 2025	**$ 286**	**$ 4,696**	**$ 591**	**$ 5,573**
Additions	62	835	142	1,039
Disposals	(36)	—	—	(36)
As at September 30, 2026	**$ 312**	**$ 5,531**	**$ 733**	**$ 6,576**
Accumulated depreciation				
As at December 31, 2024	**$ 54**	**$ 1,111**	**$ 95**	**$ 1,260**
Depreciation	26	433	74	533
As at December 31, 2025	**$ 80**	**$ 1,544**	**$ 169**	**$ 1,793**
Depreciation	31	408	67	505
Disposals	(20)	—	—	(20)
As at September 30, 2026	**$ 91**	**$ 1,952**	**$ 236**	**$ 2,278**
Net book value				
As at December 31, 2024	$ 156	$ 2,732	$ 386	$ 3,274
As at December 31, 2025	$ 206	$ 3,152	$ 422	$ 3,780
As at September 30, 2026	**$ 221**	**$ 3,579**	**$ 497**	**$ 4,298**

11. Line of Credit

The REIT's revolving line of credit (the "Line of Credit") is secured by two MHCs and two resort communities and has a total available capacity of $33,000. The Line of Credit matures on April 30, 2029 and incurs interest at the Wall Street Journal Prime rate ("Prime rate"). As at September 30, 2026 and December 31, 2025 there was $8,500 and $Nil outstanding on the Line of Credit and unamortized deferred financing costs were $140 and $Nil, respectively. The Line of Credit requires the REIT to comply with various covenants all of which the REIT was in compliance with as at both September 30, 2026 and December 31, 2025.

12. Other Liabilities

		As at September 30, 2026		As at December 31, 2025
Property related accruals	**$**	**7,303**	$	3,592
Finance costs payable		**1,960**		2,220
Tenant security deposits		**5,415**		4,926
Distributions payable		**1,371**		1,361
Unearned revenue		**3,217**		3,538
Unit based compensation payable		**6,866**		4,541
Total	**$**	**26,132**	$	20,178

13. Mortgages Payable, Net

Mortgages are shown net of unamortized mark-to-market adjustments and unamortized deferred financing costs. The balances are as follows:

		As at September 30, 2026		As at December 31, 2025
Mortgages payable	**$**	**544,114**	$	539,400
Unamortized mark-to market adjustment		**815**		982
Unamortized deferred financing costs		**(6,238)**		(6,754)
Total mortgages payable		**538,691**		533,628
Less: current portion		**(12,995)**		(1,905)
Amount classified as non-current portion	**$**	**525,696**	$	531,723

The REIT's weighted average contractual annual interest rate on its mortgages and note payable as at both September 30, 2026 and December 31, 2025 was approximately 4.54%.

The REIT's mortgages payable consist of fixed rate mortgages. The REIT may, from time to time, enter into mortgages or notes payable with variable rates.

The mortgages payable balances as at September 30, 2026 are due as follows:

For the year ending December 31,		Principal payments
2026	$	616
2027		12,933
2028		3,394
2029		18,078
2030		172,968
Thereafter		336,125
Total	**$**	**544,114**

The REIT's mortgages payable are collateralized by investment properties. The mortgages payable contains customary representations, warranties, and events of default, which require the REIT to comply with affirmative and negative covenants. As at both September 30, 2026 and December 31, 2025, the REIT was in compliance with all financial covenants relating to its mortgages payable.

Cash flows and non-cash changes related to the mortgages payable, net are as follows:

		For the nine months ended September 30, 2026		For the year ended December 31, 2025
Mortgages payable, net, opening balance	**$**	**533,628**	$	419,823
Cash Flows				
Proceeds from mortgages payable		**6,000**		203,358
Financing costs associated with financing activities		**(255)**		(4,929)
Repayment of mortgages payable and note payable		**(1,288)**		(110,919)
		538,085		507,333
Non-Cash Changes				
Acquisitions of investment property (Note 9)	**$**	**—**	$	25,448
Note payable settlement expense		**—**		567
Accretion of mark-to-market adjustment on mortgages payable		**(167)**		(222)
Amortization of deferred financing costs		**773**		502
Mortgages payable, net, ending balance	**$**	**538,691**	$	533,628

14. Class B Units

The fair value was calculated using the Unit closing price as at both September 30, 2026 and December 31, 2025.

As at September 30, 2026 and December 31, 2025, distributions payable on Class B Units were $314 and $304, respectively.

For the periods presented, the following table presents the outstanding Class B Units and the change in fair value of the Class B Units.

	Class B Units		Value
Class B Units, December 31, 2024	**5,577,411**	**$**	**83,159**
Fair value adjustment	—		28,389
Class B Units, December 31, 2025	**5,577,411**	**$**	**111,548**
Class B units issued (Note 17)	191,607		3,744
Fair value adjustment	—		2,684
Class B Units, September 30, 2026	**5,769,018**	**$**	**117,976**

15. Other Non-Current Liabilities

Other non-current liabilities consist of unvested RUs and a contractual obligation assumed during the year ended December 31, 2025. This obligation is expected to convert to a note payable upon completion of an infrastructure project. As at September 30, 2026 and December 31, 2025, the REIT had other non-current liabilities of $5,834 and $6,198, respectively.

16. Unitholders' Equity

The REIT is authorized to issue an unlimited number of Units. Units are ordinary trust units of the REIT, each of which represents a unitholder’s proportionate undivided beneficial interest and voting rights in the REIT.

	Number of Units		Value
Units outstanding, December 31, 2024	**19,402,056**	**$**	**300,434**
Less: issuance costs *(1)*			(392)
Units outstanding, December 31, 2025	**19,402,056**	**$**	**300,042**
Units outstanding,September 30, 2026	**19,402,056**	**$**	**300,042**

Transaction costs relating to equity offerings and over-allotment options are charged directly to transaction expense, as applicable.

The short form base shelf prospectus and at the market Offering prospectus supplement, filed on June 7, 2023 and June 28, 2023, respectively, lapsed on July 8, 2025, following which, the REIT filed a new base shelf prospectus dated August 8, 2025.

(1) On April 19, 2024, the REIT filed a supplement to its June 7, 2023 base shelf prospectus and entered into an underwriting agreement for an equity offering that closed on April 24, 2024. Issuance costs were charged directly to unitholders' equity, with $392 of deferred costs subsequently charged directly to unitholders' equity.

The REIT is also authorized to repurchase on the open market, at its discretion during the period commencing on August 28, 2026 and ending on the earlier of August 27, 2027 and the completion of purchases under the Normal Course Issuer Bid (the "Bid"), up to 1,642,039 trust units, representing approximately 10% of the "public float" (within the meaning of the rules of the TSX), subject to the normal terms and limitations of such bids. The REIT has yet to launch a Bid.

On October 15, 2025 the REIT announced that the Board of Trustees approved a 5.4% increase to its cash distribution to unitholders to $0.0545 per Unit per month or $0.654 per Unit per year. The new monthly cash distribution commenced with the October 2025 distribution, paid in November 2025.

On October 15, 2026 the REIT announced that the Board of Trustees approved a 5.9% increase to its cash distribution to unitholders to $0.05771 per Unit per month or $0.6925 per Unit per year. The new monthly cash distribution will commence with the October 2026 distribution, to be paid in November 2026.

For the nine months ended September 30, 2026 and December 31, 2025 the REIT declared distributions to unitholders of record in the amount of $9,517 ($0.0545 per Unit per month) and $12,200 ($0.0517 per Unit per month until the November 15, 2025 distribution at which time the amount increased to $0.0545 per Unit per month), respectively. Total distributions payable as at September 30, 2026 and December 31, 2025 were $1,057.

17. Related Party Transactions

The REIT and Empower, an entity majority-owned by the REIT's Chief Executive Officer ("CEO") and Chief Investment Officer ("CIO"), are party to certain agreements that govern the relationships between such parties and their affiliates. Empower will acquire and develop MHCs that do not meet the REIT's investment criteria and conduct home sales, including sales of manufactured homes located on investment properties, under the ''You Got it Homes'' brand.

Transactions between the REIT and Empower are governed by the Services Agreement or agreements relating directly to the specific transaction. Under the Services Agreement, Empower conducts all manufactured home sales for homes located on the REIT's investment properties, including home sales to the REIT for use in its rental fleet. The REIT has agreed to pay floor plan interest on homes located on its investment properties and reimburse Empower for any losses incurred from home sales within those properties.

The condensed consolidated interim financial statements include the following related party transactions:

(1) On March 16, 2026, the REIT acquired a 95 lot MHC from Empower for $5,985 which represented 95% of the appraised value (see Note 9). Total consideration exchanged was $6,005 and consisted of $2,261 of cash along with the 191,607 Class B Units (see Note 14). The number of Class B Units issued was calculated by reference to the volume-weighted average closing price of a Unit for the 10 trading days prior to the date of closing which was $19.54.

(2) On August 22, 2025 the REIT acquired a 504 lot MHC from Empower, for $30,590 which represented 95% of the appraised value (see Note 9). Total consideration exchanged was $24,722 and consisted of $13,270 of cash along with the assumption of $11,452 of existing mortgages. The REIT also assumed a contractual obligation of $5,658 that is expected to convert to a note payable upon completion of an infrastructure project (see Note 15).

(3) On March 21, 2025, the REIT acquired a 6-acre parcel of land adjoining an existing REIT owned MHC from a Empower for $1,133 (see Note 9). This parcel of land is fully developed and shares the infrastructure of the adjoining community.

(4) On July 2, 2021, the REIT entered into a promissory note (“Note Receivable-Related Party”) in the amount of $2,460 with Empower. The Note Receivable-Related Party includes monthly interest-only payments and matures on July 2, 2031 at which time the entire principal balance and any unpaid interest is due. The Note Receivable-Related Party incurs interest at the Prime rate. For the three and nine months ended September 30, 2026, interest income, included in other (income) in the condensed consolidated interim statements of net income and comprehensive income, was $43 and $127, respectively ($53 and $158 for the three and nine months ended September 30, 2025, respectively).

(5) During the nine months ended September 30, 2026 the REIT purchased 237 rental homes totaling $13,566 from Empower (154 and $8,142 for the nine months ended September 30, 2025). Some of these rental homes required additional capital expenditure to bring them to a condition suitable for leasing (see Note 9).

(6) During the three and nine months ended September 30, 2026, the REIT billed Empower a total of $558 and $1,830, of which, $542 and $1,785 was payroll and benefits, $15 and $41 was management fees, and $1 and $4 was other miscellaneous items, respectively ($614 and $2,021; $581 and $1,872; $28 and $134; $5 and $15, respectively, during the three and nine months ended September 30, 2025). These amounts are recorded within the same expense account to which they relate, or in the case of management fees, in other (income), in the condensed consolidated interim statements of net income and comprehensive income. As at September 30, 2026 and December 31, 2025, the REIT had a receivable, included in tenant and other receivables, net, from Empower of $2,018 and $630, respectively.

(7) During the three and nine months ended September 30, 2026, the REIT was billed for services provided by related parties that included HVAC and landscape services. These amounts are capitalized to investment property on the condensed consolidated interim statements of financial position or expensed to the appropriate expense account, including property operating expense, general and administrative expense, or finance costs from operations, on the condensed consolidated interim statements of net income and comprehensive income. As at September 30, 2026 and December 31, 2025, the REIT had total accounts payable and accrued liabilities due to related parties of $101 and $10, respectively. The following table breaks out billings for each related party.

Company Name	For the three months ended September 30,		For the nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Call Now HVAC[1]	**$ 113**	$ 310	**$ 690**	$ 846
BG3[2]	**269**	140	**679**	430
Empower[3]	**549**	183	**14,901**	693
Total	**$ 931**	$ 633	**$ 16,270**	$ 1,969

[1] Entity is 50% owned by the REIT's CEO and CIO. The managing member is a non-related party. The entity provides HVAC services to various properties, including installation of new air conditioning units and maintenance of existing systems.
[2] Entity is 100% owned by the brother of the REIT's CEO. It provides landscaping and construction services to various properties.
[3] Entity is wholly owned by the REIT's CEO and CIO. It acquires and develops MHCs that do not meet the REIT's investment criteria, sells manufactured homes located on the REIT's investment properties, including home sales to the REIT for use in its rental fleet. These transactions are quantified in Note 17 outside of this table. The REIT has agreed to pay floor plan interest on homes located on its investment properties and reimburse Empower for any losses incurred from home sales within those properties. These amounts are quantified in this table.

Payroll and benefits include $698 and $2,443 incurred to key management personnel during the three and nine months ended September 30, 2026, respectively, which includes short-term employee payroll and benefits, and RUs ($532 and $2,169 for the three and nine months ended September 30, 2025, respectively).

18. Rental Revenue and Related Income

The REIT's revenues consist of rental revenue and related income, including reimbursements of utility costs. Rental revenue and related income are generated from leasing investment properties to tenants under short term non-cancellable leases. Long term leases may be recognized on a straight line basis over the non-cancellable lease term.

No tenant accounted for more than 10% of the REIT's total rental revenue for the three and nine months ended September 30, 2026 and 2025, respectively.

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Rental revenue	**$ 25,141**	$ 21,352	**$ 74,728**	$ 62,501
Utilities reimbursement	**4,699**	3,991	**13,909**	11,272
Fee income	**811**	735	**2,278**	2,138
Other	**17**	9	**65**	24
Total	**$ 30,668**	$ 26,087	**$ 90,980**	$ 75,935

As at September 30, 2026, the total future contractual minimum base rent lease payments expected to be received under non-cancellable leases are as follows:

Year ending December 31,	**Base rent**
2026	$ 737
2027	669
2028	656
2029	505
2030	431
Thereafter	9,792
Total	**$ 12,790**

19. Property Operating Expenses

Property operating expenses incurred and charged to net income and comprehensive income are recorded as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Utility costs	**$ 4,281**	$ 3,421	**$ 12,828**	$ 9,768
Payroll and benefits	**2,117**	1,825	**6,333**	5,321
Taxes and insurance	**2,405**	2,311	**7,179**	6,475
Repairs and maintenance	**789**	570	**2,471**	1,819
Other property-based costs	**1,036**	1,003	**3,040**	2,508
Total	**$ 10,628**	$ 9,130	**$ 31,851**	$ 25,891

20. General and Administrative Expenses

General and administrative expenses incurred and charged to net income and comprehensive income are recorded as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Payroll and benefits	**$ 1,870**	$ 1,547	**$ 5,483**	$ 4,643
Legal / Consulting	**370**	450	**1,262**	1,430
Audit and tax fees	**195**	201	**546**	584
Taxes and insurance	**266**	312	**638**	853
Trustee fees	**149**	138	**442**	428
Travel	**155**	65	**430**	272
Other	**351**	182	**1,087**	561
Total	**$ 3,356**	$ 2,895	**$ 9,888**	$ 8,771

21. Finance Costs from Operations

Finance costs incurred and charged to net income and comprehensive income are as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Interest expense	**$ 201**	$ 154	**$ 606**	$ 568
Interest - mortgages and note payable	**6,407**	4,792	**18,808**	14,255
Note payable settlement expense	**—**	—	**—**	228
Amortization of deferred financing costs	**268**	136	**773**	320
Total	**$ 6,876**	$ 5,082	**$ 20,187**	$ 15,371

22. Employee Benefit Plan

Management of the REIT has adopted a defined contribution plan ("Plan") under Internal Revenue Service code section 401(k) for all eligible employees. A participant may elect to defer up to the maximum percentage of compensation permissible under code section 401(k). Management of the REIT elects to match employee deferrals under the Basic Safe Harbor Match: The REIT matches 100% of the first 3% of each employee's contributions and 50% of the next 2%. Employer matching contributions to the Plan totaled $53 and $196 during the nine months ended, respectively ($53 and $168 during the nine months ended September 30, 2025, respectively).

23. Unit-Based Compensation

(A) Restricted Units

Under the Equity Incentive Plan, RUs can be issued to better align the interests of the recipient with the interests of Unitholders and to facilitate the retention of key employees through long term ownership of Units. The number of RUs to be awarded to a recipient is equal to (i) the monetary value of the award, (ii) divided by the closing price of a Unit on the TSX for the day immediately preceding the date of grant. RUs are granted at the discretion of the executive team, with approval from the Board of Trustees, and vest over six years in equal installments.

For the periods presented, the following table summarizes the number of RUs outstanding.

	Number of Units
Units outstanding, December 31, 2024	**340,992**
Restricted Unit issuance *(1)*	125,354
Distribution reinvestment	13,645
Settlement *(2)*	(1,459)
Units forfeited	(13,322)
Units outstanding, December 31, 2025	**465,210**
Restricted Unit issuance *(3)*	113,484
Distribution reinvestment	11,659
Settlement *(4)*	(1,235)
Units forfeited	(3,573)
Units outstanding, September 30, 2026	**585,545**

(1) On August 08, 2025 the REIT granted 125,354 RUs at a fair value of $17.65 per RU for a total grant date fair value of $2,212.

(2) During the year ended December 31, 2025, the REIT has settled 1,459 RUs at settlement date fair values ranging from $15.00 to $19.40. For the periods presented, the following table summarizes the RUs activity.

(3) On August 07, 2026 the REIT granted 113,484 RUs at a fair value of $20.84 per RU for a total grant date fair value of $2,365.

(4) During the nine months ended September 30, 2026, the REIT has settled 1,235 RUs at settlement date fair values ranging from $19.09 to $21.33. For the periods presented, the following table summarizes the RUs activity.

		As at September 30, 2026		As at December 31, 2025
Restricted Units, opening balance	**$**	**2,503**	$	916
Payroll and benefits		**1,024**		992
Fair value adjustment - unit based compensation		**312**		595
Restricted Units, ending balance	**$**	**3,839**	$	2,503

As at September 30, 2026 and December 31, 2025, 179,166 and 98,218 RUs were fully vested and recorded in Other liabilities while 8,596 and 26,973 RUs were unvested and recorded in Other non-current liabilities, respectively.

(B) Deferred Trust Units

Under the Equity Incentive Plan, non-employee trustees have the option to elect to receive up to 100% of trustee fees, which are otherwise payable in cash, in the form of DTUs. Accordingly, the number of DTUs to be awarded to a non-employee trustee is equal to (i) the value of the trustee fees that the non-employee trustee elects to receive in the form of DTUs, (ii) divided by the closing price of a Unit on the TSX for the day immediately preceding the date of grant. DTUs are granted on the first day of the month following the quarter in which they were earned. Once made, elections are irrevocable for the year in respect of which they are made and are effective for subsequent calendar years until terminated by the non-employee trustee. DTUs granted to non-employee trustees vest immediately upon grant.

For the periods presented, the following table summarizes DTU activity and the number of DTUs outstanding.

		Number of Units		Value
Units outstanding, December 31, 2024	**$**	**90,397**	**$**	**1,348,000**
Trustee fees	$	34,446	$	593,000
Distribution reinvestment	$	4,006	$	70,000
Fair value adjustment - unit based compensation		—	$	566,000
Units outstanding, December 31, 2025	**$**	**128,849**	**$**	**2,577,000**
Trustee fees *(1)*	$	24,235	$	486,000
Distribution reinvestment *(2)*	$	3,479	$	70,000
Fair value adjustment - unit based compensation		—	$	68,000
Units outstanding, September 30, 2026	**$**	**156,563**	**$**	**3,201,000**

(1) Trustee fees related to the issuance of DTU for the three and nine months ended September 30, 2026 were $168 and $486, resulting in 7,974 and 24,235 DTUs being issued, respectively ($150 and $443 resulting in 8,331 and 26,558 DTUs being issued for the three and nine months ended September 30, 2025, respectively).

(2) Distributions, that would otherwise be payable in cash, resulted in additional DTUs of 1,156 and 3,479 being issued for the three and nine months ended September 30, 2026 (DTUs of 965 and 2,907 for the three and nine months ended September 30, 2025).

24. Fair Value Measurement

The following summarizes the significant methods and assumptions used in estimating fair values of the REIT's financial instruments, or non-financial instruments including investment property:

The carrying values of the REIT's short-term financial assets and liabilities, except for DTUs and RUs which are carried at fair value, are carried at amortized cost which approximate their fair values due to their short periods to maturity.

The REIT used an internal valuation methodology, with inputs from appraisals and other market data, to value the investment properties. Such an internal valuation methodology uses significant unobservable inputs resulting in investment properties being classified as Level 3 fair value measurements.

The Note Receivable – Related Party is carried at amortized cost, which approximates fair value. The effective interest rate method exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount on initial recognition.

As at both September 30, 2026 and December 31, 2025 the RUs, DTUs, and Class B Units are carried at fair value which is based on the market trading price of a Unit (Level 1).

The mortgages payable, net are carried at amortized cost. For disclosure purposes, the fair value of the mortgages payable as at September 30, 2026 and December 31, 2025 was estimated by discounting expected cash flows using a rate of 6.65% and 5.64%, respectively, which is the expected rate available for debt of similar terms at the end of each respective period (Level 2).

The following tables summarizes the categories and fair values of the REIT's financial, and non-financial, instruments.

	Fair value as at September 30, 2026		
	Level 1	**Level 2**	**Level 3**
Assets			
Investment properties	—	—	$ 1,403,314
Liabilities			
RUs	$ (3,839)	—	—
DTUs	$ (3,201)	—	—
Class B Units	$ (117,976)	—	—
Mortgages payable	—	$ 472,225	—

	Fair value as at December 31, 2025		
	Level 1	**Level 2**	**Level 3**
Assets			
Investment properties	—	—	$ 1,335,325
Liabilities			
RUs	$ (2,503)	—	—
DTUs	$ (2,577)	—	—
Class B Units	$ (111,548)	—	—
Mortgages payable	—	$ (493,580)	—

25. Changes in Non-Cash Working Capital

Changes in non-cash working capital are recorded as follows:

	For the nine months ended September 30,	
	2026	2025
Tenant and other receivables, net	**$ (1,548)**	$ 740
Prepaids and other assets	**1,049**	1,544
Lender escrow deposits	**(4,078)**	(3,559)
Trade and other payables	**1,524**	(617)
Other liabilities	**3,776**	3,008
Change in non-cash working capital	**$ 723**	$ 1,116

26. Segment Reporting

The REIT owns, manages and operates multifamily properties located in the United States. Management, when measuring the REIT's performance, does not distinguish or group its operations on a geographical or any other basis. Accordingly, the REIT has a single reportable segment for disclosure purposes in accordance with IFRS.

27. Commitments and Contingencies

The REIT is subject to claims and litigation in the ordinary course of business. The impact of such claims and litigation can, at times, be difficult to estimate with certainty. Moreover, the REIT carries insurance to cover a broad spectrum of matters that may give rise to claims and litigation. As at September 30, 2026 management does not believe that any existing claim or litigation will have a material adverse effect on the business, assets, or results of operations of the REIT and no provision has been recorded as a result.

28. Capital Management

The REIT's policy is to maintain an appropriate capital base to support ongoing operations, maintain creditor and market confidence and sustain future developments of the business. Capital consists of cash and cash equivalents, Line of Credit, mortgages payable, net, Class B Units and unitholders' equity. The REIT monitors capital using tools designed to anticipate cash needs and to maintain adequate working capital, while also making appropriate distributions to the unitholders on a regular basis.

The REIT's mortgages payable contain customary representations, warranties, and events of default, which require the REIT to comply with affirmative and negative covenants. As at both September 30, 2026 and December 31, 2025, the REIT was in compliance with all financial covenants relating to its mortgages payable.

29. Financial Risk Management

The REIT's risk exposure and the impact on the REIT's financial instruments are summarized below:

(A) Credit Risk

Financial instruments that potentially subject the REIT to significant concentrations of credit risk consist principally of cash and cash equivalents, tenant and other receivables, net, and Note Receivable – Related Party. The only debtor to comprise more than 10% of the REIT's outstanding tenant and other receivables, net balance as at both September 30, 2026 and December 31, 2025 was a related party debtor (see Note 17). Additionally, the Note Receivable – Related Party accounted for 20.48% and 17.81% of the aforementioned financial instruments, respectively. The REIT regularly monitors its credit risk exposure and takes steps to mitigate the likelihood of these exposures resulting in actual loss. Credit risk arises from the possibility that residents in investment properties may not fulfill their lease or contractual obligations.

The REIT mitigates its credit risks by attracting residents of sound financial standing and by diversifying its mix of residents. It also monitors resident payment patterns and discusses potential resident issues with property managers on a regular basis. Cash and cash equivalents carry minimal credit risk as all funds are maintained with reputable financial institutions. The related party receivable, included in tenant and other receivables, net, and the Note Receivable – Related Party also carries minimal credit risk due to the nature of the relationship of the debtor to the REIT. The carrying amount of financial assets represents the maximum credit exposure.

(B) Liquidity risk

The REIT is exposed to liquidity risk or the risk of not meeting its financial obligations as they come due. The REIT manages maturities of the fixed rate mortgages payable, as well as any variable rate notes payable, and monitors the repayment dates to ensure sufficient capital will be available to cover obligations. The REIT constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations. The REIT expects to be able to meet all obligations as they become due using some or all of the following sources of liquidity - cash flow generated from property operations; property-specific mortgages; unsecured notes payable, existing cash and cash equivalents on hand; and available capacity on lines of credit. All of the REIT's financial liabilities are due within one year except for a portion of the mortgages payable.

The following tables provide information on the carrying balance and the non-discounted contractual maturities of financial liabilities of the REIT as at September 30, 2026 and December 31, 2025, respectively.

As at September 30, 2026	Carrying Amount	Contractual cash flows	Within 1 year	1 to 2 years	2 to 5 years	5+ years
Trade and other payables	$ 2,191	$ 2,191	$ 2,191	$ —	$ —	$ —
Line of credit	8,500	8,500	8,500	—	—	—
Other liabilities	26,132	26,132	26,132	—	—	—
Mortgages payable	538,691	726,070	39,930	56,392	312,373	317,375
Total	**$ 575,514**	**$ 762,893**	**$76,753**	**$ 56,392**	**$ 312,373**	**$317,375**

As at December 31, 2025	Carrying Amount	Contractual cash flows	Within 1 year	1 to 2 years	2 to 5 years	5+ years
Trade and other payables	$ 667	$ 667	$ 667	$ —	$ —	$ —
Line of credit	—	—	—	—	—	—
Other liabilities	20,178	20,178	20,178	—	—	—
Mortgages payable	533,628	734,726	28,726	64,636	254,705	386,660
Total	**$ 554,473**	**$ 755,571**	**$49,571**	**$ 64,636**	**$ 254,705**	**$386,660**

(C) Interest rate risk

The REIT is exposed to interest rate risk as a result of the Line of Credit and its mortgages payable; however, this risk is mitigated through management's strategy to primarily structure its mortgages payable in fixed-rate arrangements. The REIT may, from time to time, enter into mortgages or notes payable with variable rates.

The REIT also structures its financings so as to stagger the maturities of its debt, minimizing the exposure to interest rate volatility in any one year.

30. Subsequent Events

On October 23, 2026, the REIT acquired a MHC for $2,000. The MHC, which is 54% occupied across 125 lots, is located in Frankfort, Kentucky. The acquisition was funded with proceeds from the Line of Credit