Management's Discussion and Analysis

For the three months ended March 31, 2022 and 2021

minto
Apartment REIT

Table of Contents

Section I - Overview

Business Overview

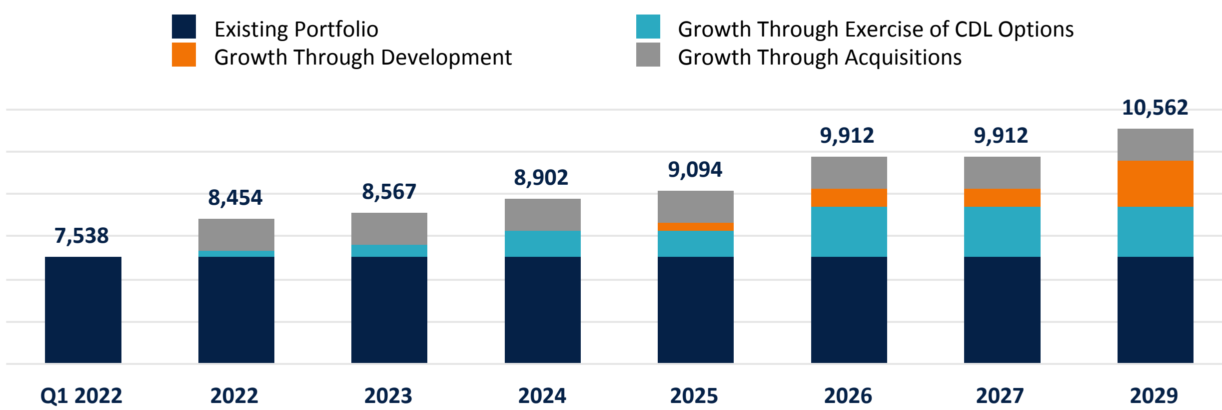
Minto Apartment Real Estate Investment Trust (the "REIT") is an unincorporated, open-ended real estate investment trust established pursuant to a Declaration of Trust dated April 24, 2018, which was amended and restated on June 27, 2018 and has been further amended from time to time. The REIT owns, develops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

The REIT's portfolio, referred to herein as the "Total Portfolio", consists of 30 (March 31, 2021 - 29) multi-residential rental properties located in Ontario, Quebec and Alberta, comprising an aggregate of 5,375 (March 31, 2021 - 5,114) suites that are wholly-owned by the REIT, 1,413 (March 31, 2021 - 1,413) suites that are 50% co-owned with institutional partners and 750 (March 31, 2021 - 750) suites that are 40% co-owned with an institutional partner.

The "Same Property Portfolio" consists of 29 multi-residential properties comprising an aggregate 5,114 suites wholly-owned by the REIT, 1,413 suites that are 50% co-owned with institutional partners and 750 suites that are 40% co-owned with an institutional partner. As at March 31, 2022, the Same Property Portfolio makes up approximately 97% of the total fair value of the investment properties.

The REIT is currently developing two income-producing multi-residential projects on excess land available at these properties that will add 417 suites to the portfolio[1] and is pursuing the development of a third multi-residential project on excess land that would add a further 650 suites to the portfolio[1] if completed. The REIT has also provided convertible development loans for the development of five multi-residential properties, which provide the REIT the option to acquire direct or indirect interests in these properties upon stabilization (the "CDL Options"). Once completed, and subject to the exercise of the CDL Options, 1,204 suites would be added to the portfolio[1]. Further, the recently announced acquisitions of 39 Niagara Street in Toronto ("Niagara West"), which closed on April 22, 2022, and 220 4th Avenue SW in Calgary ("The International"), scheduled to close May 6, 2022, will add a total of 753 suites to the portfolio[1]. The aggregate of these growth opportunities would increase the portfolio suite count by approximately 40% by 2029, as depicted below:

Suite Growth in the REIT's Portfolio[1]



The REIT continues to explore potential acquisitions and investments that meet its investment criteria. The growth through future acquisitions and investments is not depicted in the chart above.

[1] Suite counts, including co-owned properties, are presented at 100% rather than the REIT's ownership share.

Business Strategy and Objectives

The REIT's objectives are to:

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

Management believes it can accomplish these objectives given that it operates a high quality portfolio in an attractive asset class with compelling supply and demand characteristics. Furthermore, the REIT has several strategic avenues for growth and benefits from its strategic alliance with Minto Properties Inc. ("MPI").

Declaration of Trust

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

As of May 3, 2022, the REIT was in compliance with its investment guidelines and operating policies.

Basis of Presentation

The following Management's Discussion and Analysis of the REIT's results of operations and financial condition should be read in conjunction with the REIT's unaudited condensed consolidated interim financial statements and accompanying notes for the three months ended March 31, 2022 ("Q1 2022") and 2021, prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB") and the REIT's audited consolidated financial statements and the accompanying notes for the years ended December 31, 2021 and 2020 prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB. All amounts are stated in thousands of Canadian dollars, unless otherwise noted.

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

The REIT's Board of Trustees approved the content of this Management's Discussion and Analysis on May 3, 2022. Disclosure in this document is current to that date unless otherwise stated. Additional information relating to the REIT can be found on SEDAR at www.sedar.com and also on the REIT's website at www.mintoapartments.com.

Forward-Looking Statements

This Management's Discussion and Analysis may contain forward-looking statements (within the meaning of applicable Canadian securities laws) relating to the business of the REIT. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the REIT's expectations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "Risks and Uncertainties". There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this Management's Discussion and Analysis and, except as expressly required by applicable law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Use of Estimates

The preparation of the unaudited condensed consolidated interim financial statements in conformity with IAS 34 requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in the unaudited condensed consolidated interim financial statements and accompanying note disclosures. Although these estimates are based on Management's knowledge of current events and actions the REIT may undertake in the future, actual results may differ from the estimates.

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

Financial and Operating Highlights

Financial Performance

Since the onset of the pandemic, the REIT's first and foremost priority has been the health and safety of its residents, employees, trade partners and communities. The REIT continues to take the necessary steps and precautions in order to lessen the spread of COVID-19 and to prioritize good health.

The Canadian rental market continues to benefit from the lifting of lockdowns, the increase in immigration and the resumption of international travel. With rental market conditions improving, the REIT continues to refine and adjust its targeted marketing efforts and initiatives to optimize leasing, occupancy and rents.

For Q1 2022, the REIT achieved 5.0% Total Portfolio NOI growth compared to Q1 2021 as a result of revenue growth on the Same Property Portfolio and the acquisition of Le Hill-Park in Q4 2021. Same Property Portfolio average monthly rent increased 2.9% and occupancy increased by 314 bps compared to Q1 2021.

Further, the REIT delivered FFO growth of 10.0% and AFFO growth of 11.0% compared to Q1 2021. This was primarily attributable to the NOI growth in the Same Property Portfolio as discussed above and earnings from the acquisition of Le Hill-Park.

The REIT continued to execute its strategy to create organic growth by realizing on the gain-to-lease potential in the portfolio and by renovating suites. The REIT was able to realize, a 10.8% gain on the 401 new leases it signed in Q1 2022, which represents annualized revenue growth of approximately $726. In addition, with the improving market conditions and backed by strong leasing and higher average monthly rents achieved, the gain-to-lease potential increased to 10.7% in Q1 2022 compared to 6.8% in Q4, 2021. The gain-to-lease potential at Q1 2022 is the highest it has been since the onset of the pandemic. The REIT repositioned 60 suites in Q1 2022, generating an average annual unlevered return of 8.4%.

NAV per unit of $24.33 at March 31, 2022 grew by 1.4% from December 31, 2021. Fair value gain on investment properties of $14,395 was recognized for Q1 2022 mainly as a result of an increase in forecast NOI in its Ottawa and Toronto properties.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Geographic Diversification with Entry into the Greater Victoria Area Market through a Convertible Development Loan

The REIT achieved a new milestone by expanding into the Greater Victoria Area market through a convertible development loan. The city of Victoria and its strong rental market fundamentals provided a compelling investment opportunity for the REIT, while expanding its geographic footprint. The Victoria market is impacted by a rental housing supply and demand imbalance with low vacancy rates, attractive rents, and benefits from a growing population, and strong economic fundamentals. Victoria is also in close proximity to Vancouver, a major economic center, and a market where the REIT has already established a presence through two convertible development loans. On March 24, 2022, the REIT committed to advance up to $51,700 including interest thereon to finance MPI's 45% interest in a joint venture for the redevelopment of a shopping centre at 3958 Shelbourne Street into five six-storey mixed-use multi-residential buildings atop at-grade retail space ("University Heights"). The property will comprise 593 suites and 113,485 square feet of grocery-anchored retail. The REIT has an option to acquire MPI's 45% interest in the joint venture upon stabilization of the redevelopment at 95% of the interest's then-appraised fair market value.

Convertible development loans provide the REIT with an option to purchase new, high-quality purpose-built rental properties in attractive urban locations at a discount to its then-appraised fair value. The financing structure insulates the REIT from development and construction risks, while the REIT earns an attractive return during the development period. These transactions highlight the unique benefits of the REIT's relationship with Minto Properties Inc. ("MPI") and its affiliates.

Expansion of the REIT Portfolio from Relationship with The Minto Group

One of the benefits of the REIT's relationship with The Minto Group is the opportunity to access its property pipeline. On April 11, 2022, the REIT announced its intention to acquire interests in two properties jointly-owned by a subsidiary of Minto Properties Inc. ("MPI"). The REIT agreed to acquire a 28.35% managing interest in 39 Niagara Street, 29 and 33 Bathurst Street and 31 Bathurst Street ("Niagara West") and a 100% interest in 220 4th Avenue SW, Calgary, Albert ("The International"). Both properties are located in their respective downtown cores, offering above-average net operating income growth potential.

Niagara West is a newly constructed property (completed in 2020), comprising 501 suites and approximately 52,600 square feet of grocery-anchored at-grade retail at the intersection of Bathurst Street and Front Street West in downtown Toronto. The acquisition of Niagara West was completed on April 22, 2022, with its purchase price of $114,488 satisfied by a cash payment of $2,639, the assumption of an existing $46,158 mortgage and the issuance of 2,985,956 Class B limited partnership units ("Class B LP Units") of Minto Apartment Limited Partnership (the "Partnership") to the vendor.

The International comprises 252 suites and 2,700 square feet of commercial space in downtown Calgary. It is directly connected to the Plus 15, one of the world's most extensive pedestrian skywalk systems, connecting residents to retail, restaurants and entertainment. The $86,515 purchase price will be satisfied by a cash payment of $24,295 and the assumption of an existing mortgage of $62,220. The acquisition is expected to close on May 6, 2022.

Organic Growth — Gain-to-Lease[1]

The REIT realized on organic growth for the three months ended March 31, 2022 through effective leasing activities and revenue management strategies. As new tenants take occupancy, the REIT is able to move rental rates from older in-place levels to current market rates. During the period, new leases resulted in annualized revenue growth of approximately $726. A summary of leasing activities and the gains to be realized from new leases signed for Q1 2022 is set out in the table below:

Geographic Node	New Leases Signed[1]	Average Monthly Expiring Rent per Suite	Average Monthly New Rent per Suite	Percentage Gain-to-Lease	Annualized Gain-to-Lease[2,3]
Toronto	101	$1,856	$2,105	13.4%	$202
Ottawa	164	1,595	1,761	10.4%	327
Alberta	78	1,328	1,446	8.8%	110
Montreal	58	1,911	2,111	10.4%	87
Total/Average	**401**	**$1,620**	**$1,794**	**10.8%**	**$726**

[1] New leases signed includes 100% of new leases from co-ownerships and excludes new leases of furnished suites.
[2] For co-owned properties, reflects the REIT's co-ownership interest only.
[3] Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

The REIT realized an average gain-to-lease of 10.8% on the 401 new leases it signed in Q1 2022. The REIT realized gains in all markets. As the Canadian economy continued to recover from the impacts of the pandemic, the need for discounts to drive occupancy continued to decline.

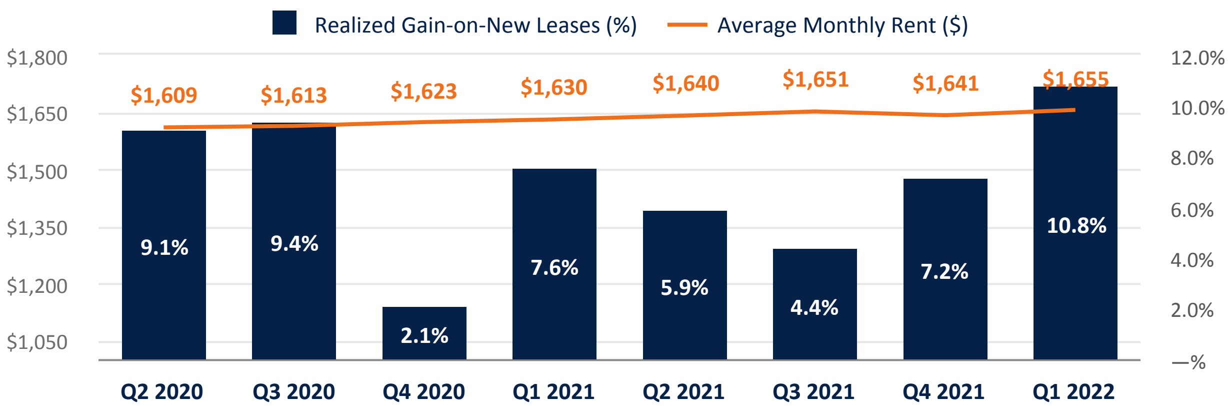
The annualized gains realized from new leases signed in the last four quarters are as follows:

Fiscal Quarter	New Leases Signed[1]	Average Monthly Expiring Rent per Suite	Average Monthly New Rent per Suite	Percentage Gain-to-Lease	Annualized Gain-to-Lease[2,3]
Q2 2021	534	$1,593	$1,686	5.9%	$375
Q3 2021	555	1,630	1,701	4.4%	392
Q4 2021	444	1,652	1,770	7.2%	472
Q1 2022	401	1,620	1,794	10.8%	726
Total/Average	**1,934**	**$1,623**	**$1,732**	**6.8%**	**$1,965**

The above table highlights the seasonal nature of the business, with the peak leasing season taking place during the second and third quarters of a calendar year with typically lower leasing activity through the winter period. In response to the leasing challenges brought about by COVID-19, the REIT offered discounts in Q2 and Q3 2021, resulting in a record number of new leases signed but at a lower realized gain-to-lease. The use of pricing discounts have since declined resulting in a higher gain-to-lease realized during Q4 2021 and Q1 2022.

The REIT will continue to refine and adjust discounts to achieve optimal occupancy levels. For more details, see Section II, "Financial Highlights and Performance - Review of Financial Performance - Revenue from Investment Properties".

Gain-to-Lease and Average Monthly Rent[3]



The REIT has achieved sequential quarterly average monthly rent growth over the past eight quarters despite the COVID-19 pandemic and the challenges faced in core urban centres, except in Q4 2021 due to the addition of Le Hill-Park in Montreal which has an average monthly rent lower than the portfolio's average. Excluding Le Hill-Park average monthly rent for the REIT's portfolio was $1,664 for Q4 2021 and $1,677 for Q1 2022.

[1] New leases signed includes 100% of new leases from co-ownerships and excludes new leases of furnished suites.
[2] For co-owned properties, reflects the REIT's co-ownership interest only.
[3] Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Management continually reviews market conditions and updates its estimates of market rent for the properties in its portfolio. Factoring in the new estimates of market rent, the estimated gain-to-lease potential on existing tenancies for the REIT's portfolio as at March 31, 2022 is as follows:

Geographic Node	Total Suites[1]	Average Monthly In-Place Rent per Suite	Management's Estimate of Monthly Market Rent per Suite	Percentage Gain-to-Lease Potential	Annualized Estimated Gain-to-Lease Potential[2]
Toronto	1,805	$1,930	$2,134	10.6%	$2,886
Ottawa	2,857	1,561	1,742	11.6%	6,213
Alberta	627	1,271	1,356	6.6%	633
Montreal	1,661	1,808	1,998	10.5%	2,723
Total/Average	**6,950**	**$1,655**	**$1,832**	**10.7%**	**$12,455**

Management currently estimates that the portfolio has annualized gain-to-lease potential of approximately $12,455, compared to $7,913 at December 31, 2021, and $8,694 at March 31, 2021, returning to near pre-pandemic levels. Earlier in the pandemic, Management opted to preserve value by holding rents, leveraging promotions and spot pricing to manage conversion and occupancy. With discounts being offered by competitors in various markets and potential tenants' tendency to favour discounts compared to promotions, Management adapted its strategy beginning in Q2 2021 to balance discounts and promotions in the Toronto, Ottawa and Montreal markets. In Q4 2021, Management continued to offer discounts and promotions selectively to maintain and improve occupancy. The application of discounts and promotions continues in Q1 2022, however is tapering off as occupancy levels stabilize. In Ottawa and Toronto, Management is not offering any discounts and promotions, except for a handful of suites, resulting in a significant increase in the annualized estimated gain-to-lease potential.

The REIT continues to realize on gain-to-lease opportunities as suites turnover and expects to continue doing so going forward. The REIT's ability to realize the gain-to-lease potential is dependent on suite move-outs and overall market conditions. Management expects that the REIT will be able to realize a significant portion of the gain-to-lease potential over a period of three to five years.

Management also monitors market conditions for condominium suites being offered as rentals and considers this information when setting its estimate of monthly market rent. The REIT's suites continue to compare favourably to condominiums on a size and rental rate basis. For example, the average size and rental rate of the REIT's Toronto suites is 798 square feet and $2.42 per square foot respectively, compared to 722 square feet and $3.27 per square foot for the average condo rental[3].

Value Creation

Repositionings

In order to take advantage of market demand for repositioned properties, the REIT’s asset management strategy targets improvements to suites, common areas and amenities. As part of an asset management plan for each building, Management will renovate test suites in order to gauge market demand for different improvements or combinations of improvements. Test suites also assist Management in mitigating capital risk by confirming and refining cost estimates, value engineering and uncovering potential construction and design issues prior to a broader roll-out of the program. Once an optimal combination of suite improvements is determined, a repositioning plan is executed for all of the suites in the building as suites turn over. The rate at which Management can complete the repositioning plan depends on the rate of turnover of unrenovated suites.

The REIT has active repositioning programs at: Minto Yorkville, Leslie York Mills, High Park Village, Roehampton and Martin Grove in Toronto; Castle Hill and Carlisle in Ottawa; and Rockhill, Le 4300, Haddon Hall and Le Hill-Park in Montreal. The repositioning of suites at the Edmonton properties remains on hold as lower market rental rates are negatively impacting returns on repositioning activities.

[1] Excludes 195 furnished suites, 327 vacant suites, 64 suites offline for repositioning and 2 suites offline for enhanced turns.
[2] For co-owned properties, reflects the REIT's co-ownership interest only.
[3] Source: Urbanation *Q1 2022 UrbanRental Greater Toronto Area Rental Market Report*.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

A summary of the repositioning activities for Q1 2022 is set out below[1].

Property	Ownership Interest	Suites Repositioned and Leased	Remaining Suites to Reposition	Total Suites in the Program	Proportion Complete
Minto Yorkville	100%	1	34	99	66%
Leslie York Mills	50%	14	231	409	44%
High Park Village	40%	8	284	407	30%
Edmonton properties[2]	100%	—	73	171	57%
Carlisle	100%	5	89	191	53%
Castle Hill	100%	1	78	176	56%
Rockhill	50%	7	799	934	14%
Le 4300	100%	5	226	261	13%
Haddon Hall	100%	3	159	191	17%
Roehampton	100%	16	76	148	49%
Martin Grove	100%	—	26	32	19%
Le Hill-Park	100%	—	180	261	31%
Total		**60**	**2,255**	**3,280**	**31%**

Leslie York Mills Fixtures Before

Leslie York Mills Fixtures After

The REIT continues to evaluate repositioning opportunities at two other wholly-owned properties in the portfolio, with a combined count of nearly 418 suites with repositioning potential.

The following table summarizes costs and average annualized returns from repositioning activities for the past four quarters:

Fiscal Quarter	Suites Renovated	Average Cost per Suite	Average Annual Rental Increase per Suite	Average Un-Levered Return[3]
Q2 2021	88	$51,223	$4,279	8.4%
Q3 2021	120	48,432	4,298	8.9%
Q4 2021	113	47,362	4,475	9.4%
Q1 2022	60	53,380	4,468	8.4%
Total/Average	**381**	**$49,539**	**$4,373**	**8.8%**

Management targets an average un-levered return on investment in the range of 8% to 15% on suites renovated and leased.

The REIT's repositioning program presents the best risk-to-return profile of all capital investment opportunities, generating NAV growth with only modest, near-term earnings dilution. Repositioning programs are flexible, with relatively small, discrete capital commitments and short project durations that are easily accelerated or slowed as market conditions dictate. The REIT's high volume of repositioning programs generates a number of efficiencies through volume purchasing, repeatable design concepts and material selection, and transferable lessons learned from other projects.

[1] All suite counts, including co-owned properties, are presented at 100% rather than the REIT's ownership share.
[2] Edmonton repositioning program is currently on hold due to market conditions.
[3] Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

Environmental, Social and Governance Initiatives

As approved by the Board of Trustees for implementation beginning in 2021, the Environmental, Social, and Governance ("ESG") Strategy is comprised of three strategic pillars (environmental impact, community impact, and business resilience), including eighteen initiatives with milestones and/or measurable targets to be achieved within a five-year horizon, enhanced governance measures for oversight of the ESG strategy, and reporting and disclosure commitments. Implementation of the strategy is underway. Progress highlights are provided below:

Environmental Impact

- Implementation of capital projects to reduce portfolio energy and water use is underway including completion of toilet renewals and project planning for installation of thermostatic shut-off valves for showerheads, building automation system upgrades, duct sealing and boiler replacements;
- Potential pilot projects are being explored including toilet sensors to detect leaks or stuck valves to reduce water consumption and projects to reduce the amount of energy required for heating and cooling such as over-glazing to upgrade glass facades without window replacements and window film to reduce solar load;
- Completed an internal review of energy efficiency and emissions performance metrics recommended for new developments and planned additional work to examine wall assembly options that could deliver the performance required to achieve net zero carbon;
- Analysis of embodied carbon in the planned structure, building envelope and demising walls of the Richgrove Village development project was completed and the results were reviewed with internal teams. The purpose of the project was to understand the processes and inputs required to undertake an embodied carbon study, assess the embodied carbon in the building and assess the impact of potential embodied carbon reduction measures; additional embodied carbon studies will be completed from 2022 to 2024 to inform future design and material selection decisions;
- A request for proposals has been issued to engage a consultant to review the feasibility of installing rooftop solar photovoltaic systems to produce renewable energy at selected buildings;
- The initial phases of construction at the Richgrove development have achieved an overall waste diversion rate of 89.9%;
- Received the first diversion report from the new waste management partner for our stabilized properties and the preliminary data shows increasing diversion rates at the four participating properties from December 2021 to February 2022; and
- Quotes for waste diversion, data collection and reporting are being collected for selected major renovation projects; data collected through our waste management partners in 2022 and 2023 will be used to determine the baseline waste intensity for renovation projects.

Community Impact

- Existing staff training courses that are ESG-related have been identified and identification of additional training needs and areas of focus is underway;
- ESG topics are regularly included in staff communications to support expansion of employee ESG competency and engagement;
- Results of our first diversity and inclusion survey were shared internally in February 2022, the first steps in our path to improvement have been defined in a concrete action plan and implementation of the plan is underway;
- Job profiles and job titles have been reviewed to ensure gender-neutrality and these reviews will continue going forward;
- We are continuing to expand our recruitment sourcing channels, broaden our networks and create new partnerships, including partnerships with organizations that are assisting Ukrainians fleeing their home country with finding jobs in Canada, and working with different job opportunity agencies, like a Government of Canada program that helps Ukrainian refugees find suitable jobs through a specialized job bank.;
- Certification of One80five to the Fitwel standard is in the project review phase; lessons from this process will inform development of a health and well-being framework for the REIT’s new developments and operated properties; and
- Planning began for third-party resident surveys to be conducted in 2022.

Business Resilience

- A new resilience strategy template was circulated to design teams and asset managers to use to ensure new property developments are planned to adapt and thrive in the face of environmental stresses and emergencies;
- Work to identify best practices for defining ESG requirements for procurement partners continued;
- Work with the external partner selected to support business continuity planning began in January 2022; planning and implementation activities will continue throughout the year; and
- An endpoint detection and response solution and multi-factor authentication for network access were implemented, an IT asset management solution was deployed and a new cyber security strategy and three-year road map were finalized.

Governance Framework

The Board receives quarterly updates on ESG and an ESG Steering Committee with senior executive representation continues to meet quarterly. An ESG education session for the Board has been scheduled for Q4 2022. REIT employee incentive pay continues to be linked, in part, to ESG performance targets. Half of the annual incentive targets are ESG-linked.

Reporting and Disclosure Commitments

The REIT will participate in the 2022 Global Real Estate Sustainability Benchmark ("GRESB") Assessment. The GRESB submission deadline is July 1 and assessment results are expected in October 2022. The REIT’s standalone ESG Report for the 2021 reporting year will be aligned with the Global Reporting Initiative ("GRI") and Sustainability Accounting Standards Board ("SASB") Real Estate disclosure standards. Release of the REIT's standalone ESG Report for 2022 is anticipated in Q3 2022.

Outlook

In the current operating environment, Management remains focused on the health and safety of its residents, employees and business partners and on limiting the spread of COVID-19. Notwithstanding the challenges resulting from COVID-19, Management also focused on growing the REIT in a strategic and disciplined manner. The growth is expected to come from:

- Organic growth opportunities including realization of gain-to-lease potential;
- Value creation from the repositioning of existing assets by investing in in-suite and common area improvements to drive higher revenue;
- Strategic acquisitions in major urban centres across Canada;
- Development of purpose-built rental properties and intensification of existing properties which have the capacity for additional density; and
- Capitalizing on our strategic alliance with MPI and its affiliates by accessing its pipeline of assets and deal flow.

In the face of soaring COVID-19 cases from the Omicron variant towards the end of Q4 2021, some restrictions were re-introduced, including putting a limit on indoor gatherings and capacity limits in restaurants and stores. However, these measures were temporary and lifted as the case count started to decline at the end of January 2022. Despite the high number of cases, they are less severe given the high vaccination rate. As such the Government of Canada has continued to scale down pandemic related restrictions and people are adapting to live with COVID-19 indicating a slow return to normal.

The federal government remains committed to immigration targets proposed in 2021. These targets, along with natural growth, should push net population growth to more than 500,000 people per year for the next three years, returning to historically high population growth that was last reached in 2019 before the onset of the pandemic. According to Statistics Canada, 405,970 and 72,510 permanent residents were admitted into Canada for 2021 and the first two months of 2022 respectively.

Overall, Management believes that the favourable supply and demand fundamentals that existed prior to the pandemic remain. To control inflation and speculative buying, the Bank of Canada raised its benchmark policy interest rate to 1% and is forecast to increase this further to a "neutral" rate by the end of 2022. The increase in the interest rates along with the rising cost of home ownership will further result in an increase in the affordability gap between rental housing and home ownership in most Canadian cities. The supply of new housing remains constrained and inelastic to housing demand and population growth. Rental housing demand continues to strengthen and occupancy rates are gradually improving. Management is optimistic and anticipates the recovery will further accelerate in the coming quarters, with the REIT operating at pre-pandemic levels by mid-2022.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Management also expects rising inflation and higher interest rates to put an upward pressure on operating costs specifically energy costs. Management is looking at opportunities to manage these costs so as to limit its impact on NOI.

Organic Growth Opportunities

The REIT expects to realize on the gap between market rent and average sitting rent on new leases as suites turnover and rent is adjusted to current market rates. The average gain-to-lease potential for the portfolio is 10.7% (as set out in the detailed gain-to-lease table in the previous section).

Value Creation from Repositioning Existing Assets

The REIT has been able to drive higher revenue by investing in in-suite and common area improvements. Management continuously evaluates the existing properties and the need for repositioning. The REIT has an extensive repositioning program with more than 2,200 suites eligible for repositioning. The REIT's ability to execute its repositioning program is highly dependent on the turnover of unrenovated suites and market conditions at the time suite renovations are completed. Subject to unrenovated suites becoming available, the REIT expects to reposition approximately 180 to 250 suites in the remainder of 2022.

Development of Purpose-Built Rental Properties and Intensification on Existing Sites

Management evaluates and prioritizes potential development projects that can generate NAV and long-term earnings growth for its Unitholders. Development and construction entails some risk, however Management believes the REIT can effectively mitigate this risk through its strategic alliance with MPI tapping into its extensive experience and track record of successful developments and construction.

The REIT is in the process of developing additional rental suites on available excess land at the following properties:

Location and Property Name	Ownership	Estimated Suites[1]	Estimated Project Costs[1]	Construction Start Date	Estimated Stabilization	Anticipated Yield
Toronto, ON						
Richgrove	100%	225	$ 114,000	Q4 2021	Q1 2026	4.25% - 4.75%
Leslie York Mills	50%	192	172,000	Q4 2021	Q4 2025	3.75% - 4.25%
High Park Village	40%	650	455,000	Q4 2024	Q3 2029	4.25% - 4.75%

The existing Richgrove community comprises two mid-rise residential apartment buildings with a total of 258 suites and a high-rise residential apartment building with a total of 237 suites. The intensification involves the addition of a new tower consisting of approximately 225 suites, including 100 affordable housing suites, and 213 parking stalls. The REIT has negotiated a contribution agreement with the City of Toronto under which the City has already exempted or waived development charges and other fees amounting to $3,794 and agreed to advance future funding of $4,500 and provide exemption from property tax and municipal and school taxes for a period of 25 years after first occupancy. On November 30, 2021, a construction financing agreement was executed with CMHC for a maximum financing of $93,745. On March 1, 2022, the initial draw was made on the construction financing which has an interest rate of 2.39% for a 10-year term. Below-grade construction began in January 2022.

Leslie York Mills comprises three existing 18-storey towers with a total of 409 suites. The intensification entails the development of 192 new rental terrace homes in four blocks, creating an indoor pool, gym and recreational area and replacing the existing parking structure with a new two-level underground parking garage. The land was fully-zoned in 2021 and demolition and site mobilization began in Q4 2021 following the issuance of the site servicing permit.

High Park Village consists of three buildings comprising 750 rental suites. The REIT is finalizing planning approvals with the City of Toronto to develop two new towers comprising an estimated 650 suites and 335 underground parking stalls. The development remains subject to municipal as well as investment partner approval. The planning process timing is uncertain owing to the City of Toronto's municipal planning processes.

The construction of the three development projects would add approximately 1,067 suites[1] to the REIT's portfolio at an estimated total cost of $741,000[1], generating an expected average yield between 3.75% and 4.75%.

[1] Presented at 100% rather than the REIT's ownership share.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Exploring Strategic Acquisitions in Major Canadian Urban Centres and Capitalizing on our Relationship with MPI and Affiliates

The REIT is continuously exploring opportunities to acquire additional properties or to dispose of existing properties if the proceeds can be deployed more productively in other investments. Although the REIT will pursue any opportunity that fits its strategic mandate, it is devoting time and resources in key markets, with an emphasis on high-quality properties that present opportunities with embedded gain-to-lease potential, repositioning potential, intensification potential, cash flow growth potential or a combination of all these opportunities.

In addition to third party acquisitions, the REIT is also focused on capitalizing on its strategic partnership with MPI and its affiliates. MPI holds interests in a variety of investment vehicles with institutional investors and some of these interests may be candidates for transfer to the REIT over time.

The REIT has entered into agreements to extend convertible development loans for the following developments:

Location and Project Name	Estimated Suites[1]	Estimated Project Costs	Status	Construction Start Date	Estimated Stabilization	Maximum Loan Amount[2]
Ottawa, ON						
Fifth + Bank	163	$91,000	Leasing	Q3 2020	Q2 2022	$30,000
Beechwood	227	123,000	Under construction	Q4 2021	Q4 2024	51,400
North Vancouver, BC						
Lonsdale Square	113	83,000	Under construction	Q2 2021	Q4 2023	14,000
Vancouver, BC						
810 Kingsway	108	77,000	Pre-construction	Q1 2022	Q3 2024	19,650
Victoria, BC						
University Heights	593	334,000	Pre-development	Q4 2022	Q2 2026	51,700

Fifth + Bank involves the redevelopment of a commercial property located at 99 Fifth Avenue in Ottawa, Ontario into a mixed-used multi-residential rental and retail property. Construction of 163 rental suites commenced in Q3 2020 and the property saw its first occupants take residence in Q4 2021. The property is approximately 76% leased-up and is expected to be stabilized in the first half of 2022.

Beechwood involves the development of a nine-storey property comprising 227 suites and 6,039 square feet of retail space on a land assembly located at 78-88 Beechwood Avenue and 69-93 Barrette Street in Ottawa. Rezoning approval was received in July 2021. Construction on the project commenced in Q4 2021, with stabilization expected by Q4 2024.

Lonsdale Square is part of a large master-planned community on a 99-year land lease with the City of North Vancouver. The building will comprise 113 rental suites and approximately 8,000 square feet of retail space. The excavation of the site is complete and shoring and formation of the garage is underway. Construction completion is expected by Q2 2023 and the property is expected to be stabilized in Q4 2023.

810 Kingsway involves the development of a six-storey mixed-used building comprising 108 unfurnished suites and approximately 11,500 square feet of at-grade retail space. Site mobilization and demolition commenced in February 2022.

University Heights involves the development of 593 rental suites and 113,485 square feet of grocery-anchored retail on an 11.5 acres parcel currently containing the University Heights Shopping Center. The site has proximity to two post-secondary institutions: The University of Victoria and Camosun College’s Lansdowne Campus, with a combined 46,000+ students and 6,500+ faculty members.

In connection with these financings, the REIT will have the exclusive option to purchase the property at Fifth + Bank, Lonsdale Square and Beechwood, MPI's 85% ownership interest in 810 Kingsway and MPI's 45% ownership interest in University Heights, upon project stabilization at 95% of its then-appraised fair market value as determined by independent and qualified third-party appraisers. If all of the purchase options are exercised, these projects will add approximately 1,204 suites[1] to the REIT's portfolio.

[1] Estimated suite counts are presented at 100% rather than the REIT's ownership share.
[2] Maximum loan amounts include amounts to fund interest costs.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Section II - Financial Highlights and Performance

Key Performance Indicators

The REIT's operating results are affected by seasonal variations and other factors, including the impacts of COVID-19. As a result, the operating performance and metrics in one quarter may not be indicative of future quarters. The following tables highlight certain key IFRS and non-IFRS financial and operating measures used by the REIT. The information in the table below and throughout this Management's Discussion and Analysis is on a Total Portfolio basis, except where specifically stated otherwise:

Three months ended	March 31, 2022	March 31, 2021	Change
Operating			
Number of properties	**30**	29	1
Total suites[1]	**7,538**	7,277	261
Average monthly rent per suite[2]	**$ 1,655**	$ 1,630	1.5 %
Occupancy - end of the period[2]	**94.64 %**	92.22 %	242 bps
Occupancy - average for the period[2]	**94.22 %**	91.12 %	310 bps
Average monthly rent per suite[2] - Same Property Portfolio	**$ 1,677**	$ 1,630	2.9 %
Occupancy - average for the period[2] - Same Property Portfolio	**94.26 %**	91.12 %	314 bps
Financial			
Revenue	**$ 32,526**	$ 29,999	8.4 %
NOI[2]	**$ 18,786**	$ 17,884	5.0 %
NOI margin[2]	**57.8 %**	59.6 %	(180) bps
Net income (loss) and comprehensive income (loss)	**$ 34,640**	$ (20,427)	
Revenue - Same Property Portfolio	**$ 31,665**	$ 29,999	5.6 %
NOI[2] - Same Property Portfolio	**$ 18,355**	$ 17,884	2.6 %
NOI margin[2] - Same Property Portfolio	**58.0 %**	59.6 %	(160) bps
FFO[2]	**$ 11,979**	$ 10,891	10.0 %
FFO per unit[2]	**$ 0.1906**	$ 0.1845	3.3 %
AFFO[2]	**$ 10,348**	$ 9,322	11.0 %
AFFO per unit[2]	**$ 0.1647**	$ 0.1579	4.3 %
AFFO Payout Ratio[2]	**72.1 %**	72.0 %	10 bps
Distribution per unit	**$ 0.1187**	$ 0.1138	4.3 %
Distribution yield[2] based on Unit closing price	**2.21 %**	2.10 %	11 bps

As at	March 31, 2022	December 31, 2021	Change
Leverage			
Debt-to-Gross Book Value ratio[2]	**36.80 %**	36.54 %	(26) bps
Debt Service Coverage ratio[2]	**1.68 x**	1.76 x	(0.08)x
Debt-to-Adjusted EBITDA ratio[2]	**12.45 x**	12.25 x	(0.20)x
Weighted average term to maturity on fixed rate debt[2]	**4.77**	4.69	0.08 years
Weighted average interest rate on fixed rate debt[2]	**2.81 %**	2.82 %	1 bps
Valuation			
NAV[2]	**$ 1,528,735**	$ 1,508,416	1.3 %
NAV per unit[2]	**$ 24.33**	$ 24.00	1.4 %

[1] At March 31, 2022, includes 2,163 (March 31, 2021 - 2,163) suites co-owned with institutional partners.
[2] Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Review of Financial Performance

The following tables highlight selected financial information for the REIT's Same Property Portfolio and Total Portfolio for the three months ended March 31, 2022 and 2021.

Same Property Portfolio

Three months ended	March 31, 2022	March 31, 2021	% Change
Revenue from investment properties	**$ 31,665**	$ 29,999	5.6 %
Property operating costs	**6,257**	5,771	(8.4)%
Property taxes	**3,578**	3,508	(2.0)%
Utilities	**3,475**	2,836	(22.5)%
Operating expenses	**13,310**	12,115	(9.9)%
NOI[1]	**$ 18,355**	$ 17,884	2.6 %
NOI margin[1]	**58.0 %**	**59.6 %**	(160) bps

Total Portfolio

Three months ended	March 31, 2022	March 31, 2021	% Change
Revenue from investment properties	**$ 32,526**	$ 29,999	8.4 %
Property operating costs	**6,480**	5,771	(12.3)%
Property taxes	**3,665**	3,508	(4.5)%
Utilities	**3,595**	2,836	(26.8)%
Operating expenses	**13,740**	12,115	(13.4)%
NOI[1]	**18,786**	17,884	5.0 %
NOI margin[1]	**57.8 %**	59.6 %	(180) bps
General and administrative expenses	**1,981**	1,902	(4.2)%
Finance costs - operations	**8,913**	8,732	(2.1)%
Finance income	**(988)**	(655)	50.8 %
Fair value loss (gain) on:			
Investment properties	**(14,395)**	(914)	(1,474.9)%
Class B LP Units	**(9,563)**	30,511	
Interest rate swap	**(1,307)**	(1,062)	(23.1)%
Unit-based compensation	**(100)**	193	
Fees and other income	**(395)**	(396)	(0.3)%
Net income (loss) and comprehensive income (loss)	**$ 34,640**	$ (20,427)	

Net Operating Income

For Q1 2022, NOI for the Same Property Portfolio increased by 2.6% compared to Q1 2021 mainly as a result of improvement in occupancy and average monthly rent resulting in higher revenue. This was partially offset by an increase in utilities primarily from higher gas rates as well as higher property operating costs due to an increase in salaries and insurance.

For Q1 2022, the NOI variance between Same Property Portfolio results and Total Portfolio results is due to Le Hill-Park which was acquired in Q4 2021. As such, the discussion for items associated with determining NOI will only be in the context of Same Property Portfolio results, unless otherwise noted.

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

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Revenue from Investment Properties

	Same Property Portfolio			Total Portfolio		
Three months ended March 31,	**2022**	**2021**	**% Change**	**2022**	**2021**	**% Change**
Rental revenue						
Unfurnished suites	**$ 27,386**	$ 26,001	5.3 %	**$ 28,183**	$ 26,001	8.4 %
Furnished suites	**1,637**	1,531	6.9 %	**1,637**	1,531	6.9 %
Commercial leases	**479**	517	(7.4)%	**479**	517	(7.4)%
Parking revenue	**1,210**	1,071	13.0 %	**1,240**	1,071	15.8 %
Other property income	**953**	879	8.4 %	**987**	879	12.3 %
	$ 31,665	$ 29,999	5.6 %	**$ 32,526**	$ 29,999	8.4 %

Revenue from investment properties consists of rental revenue from residential lease agreements relating to unfurnished suites and furnished suites, commercial lease agreements, parking revenue and other property income. Other property income consists of ancillary revenue from laundry facilities, telecommunication commission revenue, membership fee revenue, other fee income from tenants and recoveries of utility charges, operating costs and property taxes.

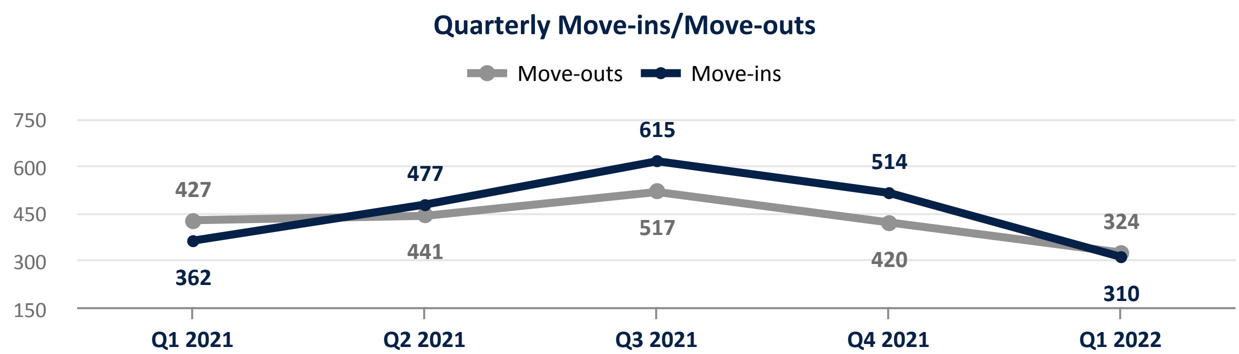
Rental Revenue from Unfurnished Suites

For Q1 2022, rental revenue from unfurnished suites for the Same Property Portfolio increased 5.3% from Q1 2021, primarily due to improved occupancy and higher average rents partially offset by the amortization of promotions offered. Same Property Portfolio average occupancy for Q1 2022 was 94.26% compared to 91.12% for Q1 2021 while average monthly rent per suite of $1,677 as at March 31, 2022 was $47 per month higher than Q1 2021.

Earlier in the pandemic, Management opted to preserve rents by leveraging promotions and spot pricing to manage conversion and occupancy. With discounts being offered by competitors and potential tenants' tendency to favour discounts over promotions, Management had to adapt its strategy in Q2 2021. The promotions offered peaked in Q2 2021 and have been on a decline since then, with only $214 promotions offered in Q1 2022 compared to $988 in Q1 2021. Despite the decline in the promotions offered, rental revenue from unfurnished suites continue to be impacted by the amortization of promotions which are recorded over the lease term.

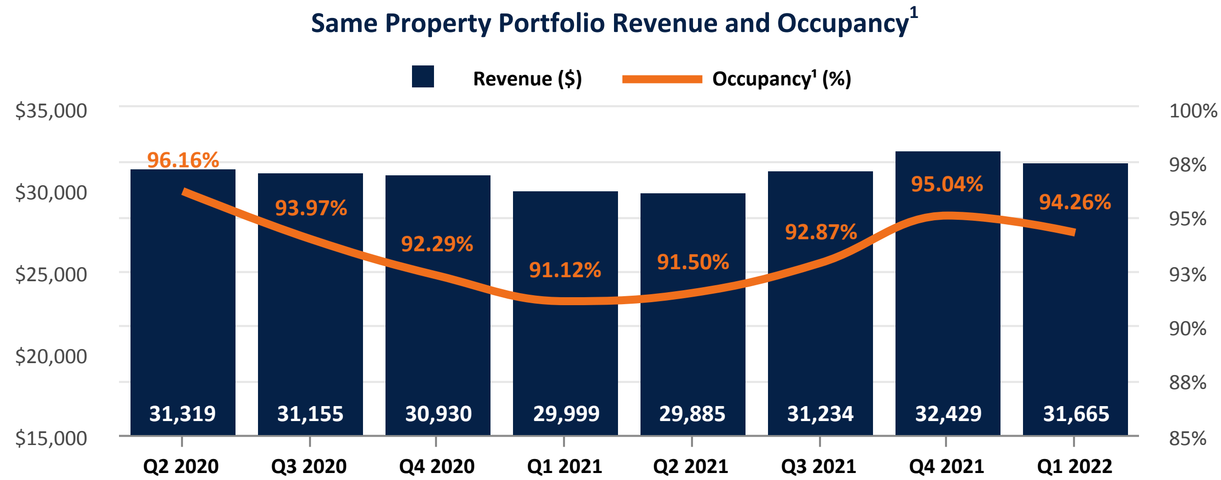
In Q1 2022, the REIT realized a higher gain-to-lease of 10.8% on 401 new leases signed, compared to a 7.6% gain-to-lease on 470 new leases signed in Q1 2021.

In Q1 2022, there were 324 move-outs and 310 move-ins, compared to 427 move-outs and 362 move-ins for Q1 2021. The graph below sets out the REIT's quarterly move-in/move-out metrics for the past five quarters (100% basis):



In Q1 2022, move-outs marginally outpaced move-ins, contributing to the decrease in occupancy as compared to Q4 2021. As the impacts of the pandemic subsides, the markets are expected to return to a more seasonal pattern of higher leasing activity in Q2 and Q3 with reduced activity in the late fall and winter months.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)



Rental Revenue from Furnished Suites

For Q1 2022, rental revenue from furnished suites for the Same Property Portfolio was 6.9% higher than Q1 2021. Average rents improved from $3,540 in Q1 2021 to $4,219 in Q1 2022 while occupancy of 62.79% was relatively flat compared to Q1 2021. The improvement in occupancy and average rent comes as a result of the recovery in demand from business travel, corporate relocations and easing restrictions on non-essential travel. Rental revenue from furnished suites was higher despite the reduction in number of furnished suites in the portfolio, down from 216 suites in Q1 2021 to 195 suites for Q1 2022.

Rental Revenue from Commercial Leases

For Q1 2022, revenue from commercial leases for the Same Property Portfolio was 7.4% lower as compared to Q1 2021. This decrease was due to lower revenue and expense recoveries at properties in Ottawa and Toronto. The REIT has approximately 43,000 square feet of under-performing commercial space at its Carlisle property in Ottawa and is investigating the potential to convert this area into residential suites. The REIT has allowed approximately 8,000 square feet to become vacant and has negotiated new month-to-month lease terms with a tenant that occupies the remaining 35,000 square feet, pending completion of a detailed feasibility study. Adjusting for this vacancy and amended lease terms, NOI for the Same Property Portfolio would have increased by 3.4% in Q1 2022 compared to Q1 2021.

Parking Revenue

For Q1 2022, parking revenue for the Same Property Portfolio increased by 13.0% compared to Q1 2021, mainly as a result of increases in parking use and rates charged to tenants together with higher visitor parking revenue.

Other Property Income

For Q1 2022, other property income for the Same Property Portfolio increased by 8.4% primarily as a result of increase in utility recoveries and higher revenue from guest suites, party rooms, storage, telecommunication commission and fitness centres.

Property Operating Costs

	Same Property Portfolio			Total Portfolio		
Three months ended March 31,	**2022**	**2021**	**% Change**	**2022**	**2021**	**% Change**
Property operating costs	**$ 6,257**	$ 5,771	(8.4)%	**$ 6,480**	$ 5,771	(12.3)%

Property operating costs relate to direct costs associated with operating the properties and providing services to tenants, including repairs and maintenance, insurance, site staff salaries, cleaning costs, leasing costs, supplies, and waste removal.

[1] Occupancy - average for the period.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

For Q1 2022, Same Property Portfolio property operating costs were 8.4% higher compared to Q1 2021, mainly as a result of an increase in salaries and wages, insurance premiums and repairs and maintenance. The increase in salaries was mainly a result of filling staffing vacancies at certain properties and annual salary increases. Higher insurance expense is due to increase in insurance rates across the portfolio. The increase in repairs and maintenance expense is primarily driven by the timing of repairs and maintenance work in Q1 2021 that were at reduced levels due to restrictions relating to the pandemic.

For Q1 2022, Total Portfolio property operating costs were 19.9% of revenue, compared to 19.2% for Q1 2021. Same Property Portfolio property operating costs were 19.8% of revenue for Q1 2022, compared to 19.2% for Q1 2021.

Property Taxes

	Same Property Portfolio			Total Portfolio		
Three months ended March 31,	**2022**	**2021**	**% Change**	**2022**	**2021**	**% Change**
Property taxes	**$ 3,578**	$ 3,508	(2.0)%	**$ 3,665**	$ 3,508	(4.5)%

Property taxes for the Same Property Portfolio for Q1 2022 were higher than Q1 2022, mainly as a result of estimated changes in assessed values and changes in tax rates across the portfolio.

Total Portfolio property taxes were 11.3% of revenue for Q1 2022, compared to 11.7% for Q1 2021. Same Property Portfolio property taxes were 11.3% of revenue for Q1 2022, compared to 11.7% for Q1 2021.

Utilities

	Same Property Portfolio			Total Portfolio		
Three months ended March 31,	**2022**	**2021**	**% Change**	**2022**	**2021**	**% Change**
Electricity	**$ 984**	$ 922	(6.7)%	**$ 1,003**	$ 922	(8.8)%
Natural gas	**1,822**	1,249	(45.9)%	**1,924**	1,249	(54.0)%
Water	**669**	665	(0.6)%	**668**	665	(0.5)%
	$ 3,475	$ 2,836	(22.5)%	**$ 3,595**	$ 2,836	(26.8)%

Utilities consist of electricity, natural gas and water for the rental properties. Utility costs are seasonal and can be highly variable from one period to the next. In addition to seasonality-driven usage, utility rates and commodity prices impact costs.
Same Property Portfolio utilities for Q1 2022 were 22.5% higher compared to Q1 2021 primarily due to an increase in natural gas and electricity expense. The increase in natural gas expense is a combination of higher rates, increased carbon levies and increased usage. A cold winter (total heating degree days in Q1 2022 were 13% higher than Q1 2021) combined with higher natural gas prices (unit rates in Q1 2022 were 34% higher than Q1 2021) resulted in a large unfavourable year-over-year variance in natural gas costs. The increased electricity expense is primarily due to higher rates.

The natural gas rates are expected to remain higher for 2022 and further increases in the electricity rates are expected in Q2 2022.

Total Portfolio utilities for Q1 2022 represent 11.1% of revenue, compared to 9.5% for Q1 2021. Same Property Portfolio utilities represent 11.0% of revenue, compared to 9.5% for Q1 2021.

General and Administrative Expenses

General and administrative expenses relate to the administration of the REIT, including: audit fees, legal fees, salaries and benefits for REIT employees, Trustee fees and costs associated with support services provided under the Administrative Support Agreement ("ASA") between the REIT and MPI.

The general and administrative expenses of $1,981 for Q1 2022 were 4.2% higher compared to Q1 2021, primarily due to an increase in Unit-based compensation for Trustees due to the increased number of Trustee meetings in Q1 2022, higher professional fees, directors' and officers' insurance, as well as costs related to deals that did not materialize, partially offset by lower salaries and benefits and Unit-based compensation for executives.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Finance Costs - Operations

Three months ended	March 31, 2022	March 31, 2021	% Change
Interest expense on mortgages and construction loan	**$ 4,268**	$ 4,153	(2.8)%
Interest expense and standby fees on credit facility	**438**	332	(31.9)%
Amortization of financing charges	**147**	160	8.1 %
Amortization of mark-to-market adjustments	**(195)**	(193)	(1.0)%
Capitalized interest expense	**(97)**	—	100.0 %
Interest expense and other financing charges	**4,561**	4,452	(2.4)%
Distributions on Class B LP Units	**2,704**	2,590	(4.4)%
Distributions on Class C LP Units	**1,648**	1,690	2.5 %
	$ 8,913	$ 8,732	(2.1)%

Finance costs comprises interest expense on mortgages and construction loans, interest expense and standby fees on the revolving credit facility, amortization of financing charges and mark-to-market adjustments on debt and distributions on Class B LP Units and Class C LP Units ("Class C LP Units") of the Partnership, offset by capitalized interest expense.

Finance costs for Q1 2022 were higher by $181 compared to Q1 2021, primarily as a result of additional interest expense from mortgages and the credit facility and an increase in distributions on Class B LP Units. Additional mortgage interest expense relates primarily to the mortgage on Le Hill-Park which was acquired in Q4 2021. Higher interest expense on the credit facility is a result of increased usage and higher variable interest rates. The increase Class B LP Unit distributions arose as a result of the distribution increase approved in November 2021, increasing the monthly distribution from $0.03792 in Q1 2021 to $0.03958 for Q1 2022.

Finance Income

Finance income comprises interest income on convertible development loans and interest on bank deposits. Finance income for Q1 2022 was higher by $333 compared to Q1 2021, primarily as a result of higher interest income earned on convertible development loans. The REIT entered into three additional convertible development loans since March 31, 2021, resulting in an increase of $27,041 in loan amounts receivable as at March 31, 2022, thus driving higher interest income from these commitments.

Fair Value Gain (Loss) on Investment Properties

Fair value of residential investment properties is generally determined using the direct capitalization approach, by applying an appropriate capitalization rate which reflects the characteristics, location and market conditions to the estimated 12-month forecasted stabilized NOI for each property, reduced by an estimate of five-year future capital expenditures.

At the onset of COVID-19, a valuation reserve was taken for potential near-term income impacts from the pandemic including changes in occupancy and furnished suite operations. With the vast majority of the Canadian population vaccinated, border restrictions eased and businesses, offices and in-class learning at post-secondary institutions resuming operations, the COVID valuation reserve was eliminated in Q2 2021.

The fair value gain on investment properties was a result of movement in the following:

Three months ended	March 31, 2022	March 31, 2021
Forecast NOI	**$ 20,212**	$ 8,296
Capital expenditure reserve	**(5,817)**	(8,022)
COVID-19 reserve	**—**	640
	$ 14,395	$ 914

The fair value gain for Q1 2022 was due to higher forecast NOI as a result of higher revenues primarily on properties in Toronto and Ottawa, partially offset by increased capital expenditure reserve primarily due to ongoing capital expenditure requirements and the advancement of various repositioning programs.

The increase in capital expenditure reserve of $5,817 primarily represents the capital expenditures incurred for Q1 2022 of $7,593 offset by the change in the discounted estimated five-year future capital expenditures. The discounted five-year estimated future capital expenditures as of March 31, 2022 was $81,924 representing a decrease of $1,928 from Q4 2021 with the majority of the decrease relating to Le 4300 in Montreal.

Fair Value Loss (Gain) on Class B LP Units

The Class B LP Units are economically equivalent to Units, in that they receive distributions equal to the distributions paid on Units and are exchangeable into Units at the holder's option. The Class B LP Units are classified as financial liabilities and measured at fair value with any changes in fair value recorded in net income. The fair value gain or loss on Class B LP Units is measured every period by reference to the closing trading price of the Units. An increase in the Unit closing price over the period results in a fair value loss, whereas a decrease in the Unit closing price over the period results in a fair value gain.

For Q1 2022, the Unit price decreased from $21.89 to $21.47, resulting in a fair value gain of $9,563. For Q1 2021, the Unit price increased from $20.37 to $21.71, resulting in a fair value loss of $30,511.

Fair Value Loss (Gain) on Interest Rate Swap

The REIT has an interest rate swap to receive variable interest based on one-month bankers' acceptance plus 185 bps and pay fixed interest at 3.38%. The swap is remeasured at each reporting date using discounted cash flow analysis.

For Q1 2022 the REIT recognized a fair value gain of $1,307 compared to a fair value gain of $1,062 for Q1 2021. The fair value gains were primarily a result of an increase in variable interest rates.

Fair Value Loss (Gain) on Unit-Based Compensation

The REIT has issued Deferred Units to its Trustees and executives. The liability is remeasured at each reporting date based on the closing Unit price with changes in the value recorded in net income.

For Q1 2022, the REIT recognized a fair value gain of $100 from changes in the Unit price for Deferred Units outstanding at March 31, 2022 and Deferred Units issued during the quarter. For the three months ended March 31, 2022, the Unit price decreased from $21.89 to $21.47. For Q1 2021, the increase in Unit price from $20.37 to $21.71resulted in a fair value loss of $193.

Fees and Other Income

Fees and other income represent revenue from asset, project and property management services provided by the REIT in connection with three properties co-owned with institutional partners. For Q1 2022, the REIT recognized $395 in fees and other income consistent with $396 in Q1 2021.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Summary of Quarterly Results

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Total assets	**$ 2,474,897**	$ 2,440,714	$ 2,326,515	$ 2,286,697	$ 2,211,191	$ 2,203,284	$ 2,123,708	$ 2,085,271
Investment properties	**$ 2,384,753**	$ 2,360,565	$ 2,252,643	$ 2,206,078	$ 2,145,174	$ 2,138,101	$ 2,063,520	$ 2,036,213
Total liabilities	**$ 1,435,014**	$ 1,430,713	$ 1,419,443	$ 1,456,426	$ 1,385,520	$ 1,353,060	$ 1,292,367	$ 1,306,479
Total non-current liabilities	**$ 1,273,661**	$ 1,248,071	$ 1,331,990	$ 1,394,275	$ 1,273,525	$ 1,243,761	$ 1,202,911	$ 1,141,192
Revenue from investment properties	**$ 32,526**	$ 32,429	$ 31,234	$ 29,885	$ 29,999	$ 30,930	$ 31,155	$ 31,319
NOI[1]	**$ 18,786**	$ 19,940	$ 19,405	$ 19,018	$ 17,884	$ 18,946	$ 20,161	$ 20,024
NOI margin[1]	**57.8%**	61.5%	62.1%	63.6%	59.6%	61.3%	64.7%	63.9%
Net income (loss) and comprehensive income (loss)	**$ 34,640**	$ 24,933	$ 80,928	$ 8,727	$ (20,427)	$ 23,010	$ 56,630	$ 12,054
FFO[1]	**$ 11,979**	$ 13,245	$ 12,453	$ 11,941	$ 10,891	$ 12,022	$ 13,183	$ 12,659
FFO per unit[1]	**$ 0.1906**	$ 0.2147	$ 0.2109	$ 0.2022	$ 0.1845	$ 0.2036	$ 0.2233	$ 0.2144
AFFO[1]	**$ 10,348**	$ 11,656	$ 10,883	$ 10,373	$ 9,322	$ 10,459	$ 11,619	$ 11,097
AFFO per unit[1]	**$ 0.1647**	$ 0.1890	$ 0.1842	$ 0.1757	$ 0.1579	$ 0.1771	$ 0.1968	$ 0.1879
Distributions declared[2]	**$ 7,462**	$ 7,356	$ 6,718	$ 6,717	$ 6,716	$ 6,718	$ 6,642	$ 6,496
AFFO Payout Ratio[1]	**72.11%**	63.11%	61.73%	64.75%	72.04%	64.23%	57.16%	58.54%
Distribution per unit	**$ 0.1187**	$ 0.1171	$ 0.1138	$ 0.1138	$ 0.1138	$ 0.1138	$ 0.1125	$ 0.1100

The REIT's operating results are affected by seasonal variations and other factors, including the impacts of the COVID-19 pandemic. As a result, the operating performance and metrics in one quarter may not be indicative of future quarters. The winter months typically tend to generate weaker performance due to higher energy consumption and snow clearing costs. The best performing quarters in any given year are typically the second and third quarters, where stronger leasing demand and higher turnovers provide an opportunity to realize the gain-to-lease potential.

With the COVID-19 outbreak in early 2020, conditions in the REIT's markets began to be impacted by reduced immigration and travel, government restrictions and uncertain market and economic conditions. The social and economic realities of the pandemic led to reduced demand for rentals in urban centres, thus reducing occupancy and resulting in lower revenue and NOI for the REIT with the full impact to the REIT's operating results beginning in Q4 2020. In addition to the reduced occupancy for the unfurnished suite portfolio, furnished suites which have historically enhanced yield and property returns were negatively impacted by business and travel restrictions and contributed to the decrease in revenue and NOI. Management further implemented targeted marketing efforts and initiatives in an effort to turn suites, including incentives and focused leasing promotions, which also contributed to reduced revenues and NOI.

Market conditions bottomed out in late Q1 2021 and early Q2 2021. The REIT's operating performance began to slowly improve in Q2 2021 as reflected in the sequential quarterly improvement in NOI, with a more pronounced improvement noted in Q3 and Q4 2021 as reflected by higher revenues and NOI from improved occupancy and average rents both on the furnished and unfurnished suite portfolio. The REIT also added Le Hill-Park in Montreal to its portfolio in Q4 2021.

In Q1 2022, the REIT continued to build on the performance of the last few quarters as people and governments adapt to living with the virus. Leasing promotions and discounts were removed from almost all locations in Ottawa and Toronto. Average rents continued their upward trajectory. A slight decline in occupancy in Q1 2022 was noted as the REIT returned to a more normal seasonal leasing cycle.

[1] Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"
[2] Includes distributions on Units and Class B LP Units.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Section III - Assessment of Financial Position

Investment Properties

The following table summarizes the changes in investment properties:

	Residential properties	Commercial properties	Land under development	Total
Balance, December 31, 2021	$ 2,306,493	$ 18,850	$ 35,222	**$ 2,360,565**
Additions				
Capital expenditures	7,580	13	—	**7,593**
Development expenditures	—	—	2,200	**2,200**
Fair value gain (loss)	14,579	(33)	(151)	**14,395**
Balance, March 31, 2022	$ 2,328,652	$ 18,830	$ 37,271	**$ 2,384,753**

Capital Expenditures

The REIT has a capital improvement program in place that is designed to extend the useful life of its investment properties, improve operating efficiency, increase curb appeal, enhance and maintain earnings capacity and meet the expectations of its tenants. The REIT's capital expenditures are classified into two main categories: value-enhancing capital expenditures and maintenance capital expenditures.

Three months ended	March 31, 2022	March 31, 2021
Total capital expenditures	**$ 7,593**	$ 5,673
Value-enhancing capital expenditures		
Building improvements	**3,844**	2,266
Suite upgrades	**2,684**	2,590
	6,528	4,856
Maintenance capital expenditures	**1,065**	817
Maintenance capital expenditures per suite	**$ 167**	$ 133

Value-enhancing capital expenditures consist of either building improvements or suite upgrades. Building improvements include common area and amenity space upgrades, energy conservation projects, building envelope enhancements and suite enhancements performed, when necessary, as suites turn over. Suite upgrades represent capital expenditures incurred on larger repositioning programs that are designed to generate incremental returns. The repositioning programs include full-scale suite renovations that strategically target certain properties or certain geographic locations, as discussed previously in this Management's Discussion and Analysis under Section I, "Overview - Financial and Operating Highlights - Value Creation - Repositioning" and Section I, "Overview - Outlook". The REIT's active repositioning programs for Q1 2022 included Minto Yorkville, Roehampton, Leslie York Mills, Martin Grove and High Park Village in Toronto, Castle Hill and Carlisle in Ottawa, and Rockhill, Le 4300, Haddon Hall and Le Hill-Park in Montreal. The repositioning of suites at its Edmonton properties remains on hold as lower rental rates are negatively impacting returns on repositioning activities.

Value-enhancing renovations are intended to generate NAV accretion, long term AFFO accretion and increase tenant satisfaction, however they tend to be AFFO dilutive in the short term owing to vacancy during renovation.

Maintenance capital expenditures include expenditures that are incurred in order to maintain the existing earning capacity of the REIT's investment properties. Any exterior work is highly dependent on favourable weather conditions and as a result, a significant portion of the exterior work is performed between the months of May and September and therefore actual maintenance capital expenditures in a given quarter may not be indicative of future quarters.

The actual maintenance capital expenditures for Q1 2022 were $1,065 or $167 per suite, and primarily related to maintenance of plumbing, electrical and mechanical systems, parking garages, fire-life safety systems and common areas at various buildings.

Management expects to spend approximately $900 per suite on average for maintenance capital expenditures on an annual basis, subject to costing pressures from inflation, availability of trades and supply chain.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Development Expenditures

Development expenditures are a component of the REIT's growth and value-creation strategy. These include projects which add to the REIT's existing suite count through intensification or redevelopment of existing assets. Development expenditures are intended to generate NAV accretion, long term AFFO accretion and increase tenant satisfaction. The REIT is currently developing two projects on excess land available at these properties, and is pursuing the development of a third, as discussed under Section I, "Outlook - Development of Purpose-Built Rental Properties and Intensification on Existing Sites". The REIT incurred $2,200 of development expenditures on these properties during Q1 2022.

Valuation

Fair value for residential properties is generally determined using the direct capitalization approach. Estimated 12 month stabilized forecasted net operating income is based on the respective property’s forecasted results, less estimated aggregate future capital expenditures. Capitalization rates reflect the characteristics, location and market of each property. Fair value is determined based on internal valuation models incorporating market data and valuations performed by external appraisers.

Capitalization rates fluctuate depending on market conditions. The capitalization rates of the portfolio for each of the REIT's residential rental markets were as follows:

As at	March 31, 2022		December 31, 2021	
	Low	High	Low	High
Ottawa, Ontario	3.63%	4.00%	3.63%	4.00%
Toronto, Ontario	3.13%	3.25%	3.13%	3.25%
Edmonton, Alberta	4.25%	4.25%	4.25%	4.25%
Calgary, Alberta	4.15%	4.50%	4.15%	4.50%
Montreal, Quebec	3.50%	3.75%	3.50%	3.75%
Weighted-average capitalization rate		3.60%		3.60%

Class B LP Units

The Class B LP Units receive distributions equivalent to the distributions paid on Units and are exchangeable at the holder’s option into Units. One Special Voting Unit in the REIT is issued to the holder of Class B LP Units for each Class B LP Unit held. The limited IAS 32 exception for presentation as equity does not extend to Class B LP Units. As a result, the Class B LP Units are classified as financial liabilities.

As at March 31, 2022 and December 31, 2021, there were 22,769,073 Class B LP Units outstanding.

Class C LP Units

The Class C LP Units provide for monthly distributions to the holder of such Class C LP Units to be paid in priority to distributions to holders of the Units and Class B LP Units. Due to the nature of such distributions, the Class C LP Units are classified as financial liabilities.

As at March 31, 2022 and December 31, 2021, there were 22,978,700 Class C LP Units outstanding.

The mortgages of investment properties to which the distributions on the Class C LP Units relate bear a weighted average contractual interest rate of 3.16% (December 31, 2021 - 3.16%) and mature at various dates between 2023 and 2030.

Secured Debt

Secured debt includes mortgages, a construction loan and the REIT's revolving credit facility.

The REIT maintains mortgages with both fixed and variable interest rates that are secured by investment properties. The fixed rate mortgages bear interest at a weighted average contractual interest rate of 2.70% (December 31, 2021 - 2.71%) and mature at various dates between 2022 and 2032. The REIT's fixed rate mortgages include a variable rate mortgage that is fixed at 3.38% through an interest rate swap.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

On February 10, 2022, the REIT obtained CMHC-insured mortgages for each of its three Edmonton properties for a total of $32,975. Proceeds from the new mortgages were used to repay the existing mortgages of $16,300. The new mortgages bear interest at 2.85% and mature on September 1, 2032.

The REIT has a fixed rate non-revolving construction loan to finance its Richgrove development. The $93,745 construction loan bears interest at 2.39% and matures on March 1, 2032. As at March 31, 2022, $749 (December 31, 2021 - $nil) was drawn. Payments are made monthly on an interest-only basis.

The REIT has a committed revolving credit facility of $200,000 (December 31, 2021 - $200,000) that is secured by several investment properties, matures on July 3, 2024 and is used to fund working capital requirements, acquisitions, letters of credit and for general corporate purposes. The credit facility bears interest at bankers' acceptance rate plus 175 bps or prime plus 75 bps and as at March 31, 2022, the weighted average variable interest rate was 2.28% (December 31, 2021 - 2.19%).

	March 31, 2022	December 31, 2021
Committed	$ **200,000**	$ 200,000
Utilized		
Amounts drawn	**58,567**	51,754
Letter of credit	**442**	442
	59,009	52,196
Amount available	$ **140,991**	$ 147,804

On May 2, 2022, the REIT obtained a commitment from its lenders to increase the total commitment on the REIT's revolving credit facility from $200,000 to $300,000, enabling the REIT to maintain financial flexibility and continue to capitalize on opportunities to drive long term NAV growth.

Units

The REIT's DOT authorizes the issue of an unlimited number of Units. As at March 31, 2022 and December 31, 2021, there were 40,069,839 Units outstanding with a carrying value of $714,121.

Distributions

Distributions are paid monthly, to Unitholders of record at the close of business on the last day of a month, on or about the 15th day of the following month. Distributions must be approved by the Board of Trustees and are subject to change depending on the general economic outlook and financial performance of the REIT.

For Q1 2022, distributions to Unitholders of $4,758 (March 31, 2021 - $4,126) were declared based on approved monthly distributions of $0.03958 for the months of January to March (March 31, 2021 - $0.03792 per Unit for the months of January to March).

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Section IV - Liquidity, Capital Resources and Contractual Commitments

Liquidity and Capital Resources

The REIT's capital structure, shown in the table below, is Class B LP Units, Class C LP Units, mortgages, a construction loan, a credit facility and Unitholders' equity.

As at		March 31, 2022		December 31, 2021
Liabilities (principal amounts outstanding):				
Class B LP Units	$	488,852	$	498,415
Class C LP Units		210,810		212,183
Mortgages		640,746		627,534
Construction loan		749		—
Credit facility		58,567		51,754
		1,399,724		1,389,886
Unitholders' equity		1,039,883		1,010,001
	$	**2,439,607**	**$**	**2,399,887**

Class B LP Units are economically equivalent to Units and are exchangeable for Units at the Class B LP unitholder's option. Due to their exchange feature, IAS 32 requires Class B LP Units to be accounted for as a financial liability. Class B LP Units are not indebtedness for borrowed money and are not included in the determination of Debt-to-Gross Book Value ratio.

The objective of the REIT's capital strategy is to arrange capital at the lowest possible cost while maintaining diversity in its lending base, balance in its maturity schedule and sufficient liquidity to fund the ongoing operations of the REIT and pay distributions. At March 31, 2022, 70% (December 31, 2021 - 72%) of the REIT's total debt is CMHC insured and approximately 94% (December 31, 2021 - 94%) is fixed rate including variable rate debt fixed through an interest rate swap.

The REIT uses a prudent amount of debt financing in its capital structure. Pursuant to the REIT's DOT, overall indebtedness, as measured by the Debt-to-Gross Book Value ratio, is not to exceed 65% (or 70% of Gross Book Value including convertible debentures). Notwithstanding this limit, it is Management's current intention to maintain a more conservative Debt-to-Gross Book Value ratio. The REIT's Debt-to-Gross Book Value ratio and liquidity as a percentage of total debt are calculated as follows:

As at		March 31, 2022		December 31, 2021
Class C LP Units	$	212,578	$	214,069
Mortgages		638,854		626,120
Construction loan		749		—
Credit facility		58,567		51,754
Total debt		910,748		891,943
Total assets		2,474,897		2,440,714
Debt-to-Gross Book Value ratio[1]		**36.8%**		**36.5%**
Total liquidity		144,379		150,655
Liquidity as a percentage of total debt		**15.9%**		**16.9%**

The REIT continues to maintain a conservative overall leverage position with a Debt-to-Gross Book Value ratio of 36.8% at March 31, 2022.

The REIT has sufficient liquidity and is well positioned to capture potential growth opportunities. The REIT's liquidity ratio (total liquidity as a percentage of total debt) was 15.9% at March 31, 2022, compared to 16.9% at December 31, 2021.

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

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Management measures the Debt-to-Adjusted EBITDA ratio as a measure of the REIT's financial health and liquidity. Generally, the lower the ratio, the lower the credit risk. The REIT's Debt-to-Adjusted EBITDA ratio is calculated as follows:

For the twelve months ended	March 31, 2022	December 31, 2021
Trailing 12-month NOI[1]	$ 77,149	$ 76,247
Trailing 12-month general and administrative expenses	(7,681)	(7,602)
Trailing 12-month fees and other income	1,629	1,630
	71,097	70,275
Impact on NOI of stabilized earnings from acquisitions	1,756	2,286
Adjusted EBITDA[1]	**72,853**	**72,561**
Total debt	910,748	891,943
Cash	3,388	2,851
Total debt, net of cash	907,360	889,092
Debt-to-Adjusted EBITDA ratio[1]	**12.45x**	**12.25x**

The REIT's Debt-to-Adjusted EBITDA ratio increased by 0.20x compared to December 31, 2021. The primary reason for the increase is the new financing obtained on the Edmonton properties as the existing mortgages matured. In addition, the REIT uses a combination of equity and debt to finance the intensification of existing sites and the issuance of convertible development loans (refer to Section I - "Overview - Outlook"). Any increased debt arising from these transactions is not immediately matched by increased NOI until the properties stabilize, resulting in temporary increase to the Debt-to-Adjusted EBITDA ratio.

The REIT has staggered the maturities of its debt financings, including distributions payable on the Class C LP Units, to reduce interest rate risk and its risk related to refinancing. As at March 31, 2022, the weighted average term to maturity on the REIT's fixed rate debt was 4.77 years (December 31, 2021 - 4.69) and the weighted average interest rate on fixed rate debt was 2.81% (December 31, 2021 - 2.82%). The contractual payments under the REIT's debt financing is summarized in the table below.

	Principal Repayments		Principal at Maturity						
Year	**Mortgages**	**Class C LP Units**	**Mortgages**	**Credit facility**	**Construction loan**	**Class C LP Units**	**Total**	**% of Total**	**Interest Rate[2]**
2022	$ 9,882	$ 4,137	$ 111,530	$ —	$ —	$ —	$ 125,549	13.8 %	2.47 %
2023	11,986	5,271	47,620	—	—	44,963	109,840	12.1 %	3.05 %
2024	10,431	4,321	48,182	58,567	—	46,178	167,679	18.4 %	2.75 %
2025	9,435	3,067	41,016	—	—	60,474	113,992	12.5 %	2.91 %
2026	8,324	1,283	32,651	—	—	—	42,258	4.6 %	3.38 %
2027	8,153	1,327	—	—	—	21,425	30,905	3.4 %	3.31 %
Thereafter	22,751	1,596	278,785	—	749	16,768	320,649	35.2 %	2.67 %
	$ 80,962	**$ 21,002**	**$ 559,784**	**$ 58,567**	**$ 749**	**$ 189,808**	**$ 910,872**	**100 %**	

As of March 31, 2022, current liabilities of $161,353 (December 31, 2021 - $182,642) exceeded current assets of $41,439 (December 31, 2021 - $38,909), resulting in a net working capital deficit of $119,914 (December 31, 2021 - $143,733). The REIT's immediate liquidity needs are met through cash-on-hand, cash flow from operations, refinancing of maturing mortgages and availability on its credit facility. As of March 31, 2022, liquidity was $144,379 (December 31, 2021 - $150,655) consisting of cash of $3,388 (December 31, 2021 - $2,851) and $140,991 (December 31, 2021 - $147,804) of available borrowing capacity under the credit facility. Management believes that there is sufficient liquidity to meet the REIT's financial obligations for the foreseeable future.

[1] Refer to "Section VI - Supplemental Information - Non-IFRS and Other Financial Measures"
[2] Weighted average interest rates for maturing mortgages, construction loan, credit facility and Class C LP Units.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

The REIT has a short form base shelf prospectus, allowing for the issuance, from time to time, of Units, debt securities and subscription receipts, or any combination thereof, for an aggregate amount of up to $800,000. This prospectus is effective for a 25-month period from the date of issuance on December 8, 2020. The net proceeds from the sale of securities for cash may be used for potential future acquisitions, capital expenditures, to repay indebtedness and general working capital purposes. On October 29, 2021, the REIT raised gross proceeds of $86,716 from the issuance of Units under the short form base shelf prospectus. As at March 31, 2022, the amount available to be raised pursuant to the short form base shelf prospectus is $713,284.

Cash Flows

The REIT held a cash balance of $3,388 as at March 31, 2022 (March 31, 2021 - $1,910). The sources and use of cash flow for the three months ended March 31, 2022 and 2021 are as follows:

Three months ended		March 31, 2022		March 31, 2021
Operating activities	**$**	**14,490**	$	15,573
Financing activities		**4,598**		(6,458)
Investing activities		**(18,551)**		(9,812)

Cash provided by operating activities and cash distributions

The following table outlines the differences between cash from operating activities, net income and cash distributions in accordance with National Policy 41-201, *Income Trusts and Other Indirect Offerings*:

Three months ended		March 31, 2022		March 31, 2021
Net income (loss) and comprehensive income (loss)	**$**	**34,640**	$	(20,427)
Add: distributions on Class B LP Units		**2,704**		2,590
		37,344		(17,837)
Less: distributions paid		**(7,462)**		(6,716)
Excess (shortfall) of net income (loss) and comprehensive income (loss) over total distributions paid	**$**	**29,882**	$	(24,553)
Cash provided by operating activities	**$**	**14,490**	$	15,573
Add: interest received		**445**		447
Less: interest paid		**(6,280)**		(6,229)
		8,655		9,791
Less: distributions paid		**(7,462)**		(6,716)
Excess of cash provided by operating activities over total distributions and interest paid		**1,193**		3,075
Distributions declared	**$**	**7,462**	$	6,716

For Q1 2022, net income and comprehensive income was in excess of total distributions paid. Distributions are better evaluated in the context of operating cash flows rather than net income as it is impacted by several non-cash items, including fair value gains or losses on investment properties, Class B LP Units, Unit-based compensation and an interest rate swap.

While cash flows provided by operating activities are generally sufficient to cover distribution requirements, the timing of expenses and fluctuations in non-cash working capital may result in a temporary shortfall. In these cases, some portion of distributions may come from the REIT's capital or financing sources other than cash flows provided by operating activities. For Q1 2022 and Q1 2021, cash provided by operating activities and interest received by the REIT were in excess of total distributions and interest paid.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Cash provided by (used in) financing activities

Three months ended		March 31, 2022		March 31, 2021
Proceeds from mortgage financing	$	32,975	$	—
Net proceeds on credit facility		6,813		11,052
Proceeds from construction loan		749		—
CMHC premiums and financing costs		(1,061)		(23)
Principal repayments on mortgages		(19,763)		(3,211)
Distributions paid on various classes of units		(8,835)		(8,047)
Interest paid		(6,280)		(6,229)
	$	4,598	$	(6,458)

For Q1 2022, cash flows from financing activities included proceeds from new mortgages associated with the Edmonton properties, net proceeds on the credit facility and draws on the construction loan. These were partially offset by payments of CMHC premiums and financing costs, principal and interest on mortgages, distributions on various classes of units and interest on the credit facility.

Cash used in investing activities

Three months ended		March 31, 2022		March 31, 2021
Capital additions to investment properties	$	(11,660)	$	(9,773)
Development expenditures		(1,954)		(486)
Convertible development loans advanced to related parties		(5,382)		—
Interest received		445		447
	$	(18,551)	$	(9,812)

Cash flows used in investing activities for Q1 2022 include capital expenditures on investment properties, development expenditures on the three ongoing intensification projects at Richgrove, Leslie York Mills and High Park Village in Toronto and advances on the convertible development loans for the Beechwood and University Heights developments, partially offset by interest received primarily from the convertible development loans advanced to related parties.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Reconciliation of Non-IFRS Financial Measures and Ratios

The following section includes reconciliations of Non-IFRS Financial Measures and Ratios used by the REIT. Refer to Section VI, "Supplemental Information - Non-IFRS and Other Financial Measures" for definitions of each of these measures.

FFO and AFFO

FFO and AFFO are non-IFRS Financial Measures. The REIT's method of calculating FFO and AFFO are in accordance with REALPAC's recommendations, but may differ from other issuers' methods and, accordingly, may not be comparable to FFO and AFFO reported by other issuers. FFO and AFFO are used for evaluating operating performance and are calculated as follows:

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Net income and comprehensive income	$ 34,640	$ 24,933	$ 80,928	$ 8,727	$ (20,427)	$ 23,010	$ 56,630	$ 12,054
Distributions on Class B LP Units	2,704	2,665	2,591	2,590	2,590	2,591	2,561	2,505
Fair value loss (gain) on:								
Investment properties	(14,395)	(3,133)	(34,663)	(50,478)	(914)	(61,231)	(8,831)	(11,402)
Class B LP Units	(9,563)	(10,701)	(35,976)	50,775	30,511	47,587	(36,886)	9,108
Interest rate swap	(1,307)	(421)	(145)	3	(1,062)	(174)	(57)	361
Unit-based compensation	(100)	(98)	(282)	324	193	239	(234)	33
Funds from operations (FFO)	**$ 11,979**	**$ 13,245**	**$ 12,453**	**$ 11,941**	**$ 10,891**	**$ 12,022**	**$ 13,183**	**$ 12,659**
Maintenance capital expenditure reserve	(1,436)	(1,397)	(1,377)	(1,377)	(1,376)	(1,369)	(1,370)	(1,369)
Amortization of mark-to-market adjustments	(195)	(192)	(193)	(191)	(193)	(194)	(194)	(193)
Adjusted funds from operations (AFFO)	**$ 10,348**	**$ 11,656**	**$ 10,883**	**$ 10,373**	**$ 9,322**	**$ 10,459**	**$ 11,619**	**$ 11,097**
Distributions on Class B LP Units	2,704	2,665	2,591	2,590	2,590	2,591	2,561	2,505
Distributions on Units	4,758	4,691	4,127	4,127	4,126	4,127	4,081	3,991
	7,462	7,356	6,718	6,717	6,716	6,718	6,642	6,496
AFFO Payout Ratio	**72.1%**	**63.1%**	**61.7%**	**64.8%**	**72.0%**	**64.2%**	**57.2%**	**58.5%**
Weighted average number of Units and Class B LP Units issued and outstanding	62,838,912	61,683,912	59,043,912	59,043,912	59,043,912	59,043,912	59,043,912	59,043,912
FFO per unit	**$ 0.1906**	**$ 0.2147**	**$ 0.2109**	**$ 0.2022**	**$ 0.1845**	**$ 0.2036**	**$ 0.2233**	**$ 0.2144**
AFFO per unit	**$ 0.1647**	**$ 0.1890**	**$ 0.1843**	**$ 0.1757**	**$ 0.1579**	**$ 0.1771**	**$ 0.1968**	**$ 0.1879**

For Q1 2022, FFO was higher as compared to Q1 2021, reflecting a 5.0% increase in NOI driven mainly by an improvement in occupancy and average monthly rent and the additional revenues from the acquisition of Le Hill-Park. AFFO was higher as compared to the same period in the previous year, primarily as a result of higher FFO, partially offset by an increase in maintenance capital expenditure reserve from the acquisition of Le Hill-Park which added $308 and $249 to the FFO and AFFO for Q1 2022.

NOI and NOI Margin

	Same Property Portfolio		Total Portfolio	
Three months ended March 31,	**2022**	**2021**	**2022**	**2021**
Revenue from investment properties	$ 31,665	$ 29,999	$ 32,526	$ 29,999
Property operating costs	13,310	12,115	13,740	12,115
NOI	**$ 18,355**	$ 17,884	**$ 18,786**	$ 17,884
NOI margin	**58.0%**	59.6%	**57.8%**	59.6%

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Debt-to-Gross Book Value Ratio

Refer to Section IV, "Liquidity, Capital Resources and Contractual Commitments - Liquidity and Capital Resources" for a reconciliation of Debt-to-Gross Book Value ratio.

Debt Service Coverage Ratio

The Debt Service Coverage ratio is calculated as follows:

	Three months ended March 31, 2022	Year ended December 31, 2021
NOI	**$ 18,786**	$ 76,247
Interest expense and standby fees on credit facility	**438**	1,750
Distributions on Class C LP Units:		
Principal repayments	**1,373**	5,341
Finance costs	**1,648**	6,743
Mortgages and construction loan:		
Principal repayments	**3,463**	12,879
Finance costs	**4,266**	16,605
Total debt service	**$ 11,188**	$ 43,318
Debt Service Coverage ratio	**1.68x**	1.76x

The decline in Debt Service Coverage ratio for Q1 2022 from FY 2021 was primarily a result of relatively lower NOI and higher debt service costs from mortgages. The lower NOI was partially due to seasonal expenses such as higher energy costs driven by higher consumption and commodity rates, snow removal and snow clearing, and also due to year over year increases in insurance and property taxes.

Debt-to-Adjusted EBITDA Ratio

Refer to Section IV, "Liquidity, Capital Resources and Contractual Commitments - Liquidity and Capital Resources" for a reconciliation of Debt-to-Adjusted EBITDA ratio.

NAV and NAV per unit

As at	March 31, 2022	December 31, 2021
Net assets (Unitholders' equity)	$ 1,039,883	$ 1,010,001
Add: Class B LP Units	488,852	498,415
NAV	$ 1,528,735	$ 1,508,416
Number of Units and Class B LP Units	62,838,912	62,838,912
NAV per unit	**$ 24.33**	**$ 24.00**

Section V - Accounting Estimates and Policies, Controls and Procedures and Risk Analysis

Critical Judgments in Applying Accounting Policies and Critical Accounting Estimates and Assumptions

Significant areas of judgment, estimates and assumptions are set out in Note 2 to the annual audited consolidated financial statements for years ended December 31, 2021 and 2020.

The REIT has used the best information available as at March 31, 2022, in determining the potential impact of the COVID-19 outbreak on the carrying amounts of assets and liabilities, earnings for the period and risks disclosed in the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 and 2021. The estimates that could be most significantly impacted by COVID-19 include those underlying the valuation of investment properties and the estimated credit losses on accounts receivable. Actual results may differ from those estimates.

Risks and Uncertainties

The REIT faces a variety of diverse risks, many of which are inherent in the business conducted by the REIT. These are described in detail under the heading "Risks and Uncertainties" in the REIT's Management's Discussion and Analysis for the years ended December 31, 2021 and 2020, filed on SEDAR (www.sedar.com). These factors still exist at the end of this quarter and remain relatively unchanged.

Financial Risk Management

The REIT's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. A summary of these risks and how the REIT managers them are set out in Note 17 of the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 and 2021.

Related Party Transactions

In the normal course of operations, the REIT enters into various transactions with related parties. A summary of the related party transactions of the REIT are set out in Note 10 of the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 and 2021.

Contingencies and Commitments

The REIT is subject to claims and legal actions that arise in the ordinary course of business. It is the opinion of Management that any ultimate liability that may arise from such matters would not have a significant adverse effect on the unaudited condensed consolidated interim financial statements of the REIT. The contingencies and commitments of the REIT are set out in Note 16 of the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 and 2021.

Disclosure Controls and Internal Controls Over Financial Reporting

Management is responsible for establishing and maintaining a system of disclosure controls and procedures ("DC&P") to provide reasonable assurance that all material information relating to the REIT that is required to be publicly disclosed is recorded, processed, summarized and reported on a timely basis and within the time period specified in securities legislation.

Management is also responsible for establishing and maintaining adequate internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reports for external purposes in accordance with IFRS.

In designing such controls, it should be recognized that due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives and may not prevent or detect misstatements. Additionally, Management is required to use judgment in evaluating controls and procedures.

The Chief Executive Officer and the Chief Financial Officer have evaluated, or caused an evaluation under their direct supervision of, the design of disclosure controls and procedures and internal controls over financial reporting (as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*) as at March 31, 2022.

In accordance with the provisions of National Instrument 52-109 Certification of Disclosures in Issuers' Annual and Interim Filings, the REIT's Management, including the Chief Executive Officer and the Chief Financial Officer, have limited the scope of their assessment of the REIT's DC&P and ICFR to exclude controls, policies and procedures of Le Hill-Park acquired on December 7, 2021. For the three months ended and as at March 31, 2022, Le Hill-Park accounts for approximately 2.6% of revenue and 3.3% of investment properties. The scope limitation is primarily based on the time required to integrate the acquired business into the REIT's existing DC&P and ICFR effectiveness. The assessment of the design effectiveness of DC&P and ICFR of the acquired business, and the implementation of any changes determined by Management to be desirable, is expected to be completed by the fourth quarter of 2022. Further details related to the acquisition are disclosed in Note 5, "Acquisition of Investment Properties", in the REIT's consolidated financial statements for the year ended December 31, 2021.

Without contradiction of the scope limitation of Management's assessment and based on this evaluation, the CEO and CFO have concluded that they have:

(a) designed disclosure controls and procedures to provide reasonable assurance that:

  (i) material information relating to the REIT is made known to the Chief Executive Officer and the Chief Financial Officer by others, particularly during the period in which the interim filings are being prepared; and,

  (ii) information required to be disclosed by the REIT in its various reports filed or submitted under securities legislation is recorded, processed, summarized and reported within time periods specified in securities legislation.

(b) designed internal controls over financial reporting designed in accordance with the 2013 COSO framework as published by the Committee of Sponsoring Organizations of the Treadway Commission to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There were no significant changes for the three months ended March 31, 2022 to the design of the REIT's ICFR that have materially affected, or are reasonably likely to materially affect, the REIT's ICFR.

Subsequent Events

A summary of the subsequent events are set out in Note 21 of the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 and 2021.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Section VI - Supplemental Information

Property Portfolio

	Property	Total Suites	REIT Ownership Interest	Effective Ownership Interest (Suites)
Toronto				
1	High Park Village	750	40%	300
2	Leslie York Mills	409	50%	205
3	Richgrove	258	100%	258
4	Martin Grove	237	100%	237
5	Minto Yorkville[1]	181	100%	181
6	Roehampton[1]	148	100%	148
		1,983		1,329
Ottawa				
7	Minto one80five[1]	417	100%	417
8	Parkwood Hills Garden Homes & Townhomes	393	100%	393
9	Aventura	354	100%	354
10	Huron	251	100%	251
11	Seneca	251	100%	251
12	Castleview	241	100%	241
13	Skyline Garden Homes, Maisonettes & Walkups	259	100%	259
14	The Carlisle	193	100%	193
15	Castle Hill	176	100%	176
16	Grenadier	158	100%	158
17	Tanglewood	122	100%	122
18	Eleanor	117	100%	117
19	Frontenac	104	100%	104
20	Stratford	59	100%	59
		3,095		3,095
Montreal				
21	Rockhill	1,004	50%	502
22	Le 4300	318	100%	318
23	Haddon Hall	210	100%	210
24	Le Hill-Park	261	100%	261
		1,793		1,291
Edmonton				
25	The Lancaster House	98	100%	98
26	York House	92	100%	92
27	Hi-Level Place	64	100%	64
		254		254
Calgary				
28	The Quarters	199	100%	199
29	The Laurier[1]	144	100%	144
30	Kaleidoscope	70	100%	70
		413		413
Portfolio Total		**7,538**		**6,382**

[1] Suite counts for Minto Yorkville, Roehampton, Minto one80five and The Laurier include furnished suites, representing approximately 22% of the total suites at these properties.

(in thousands of Canadian dollars, except Unit and per Unit amounts, per suite amounts and other non-financial data)

Average Rent Per Square Foot

Geographic Node	Average monthly rent per suite	Average sq. ft. per suite	Average rent per sq. ft per suite
Toronto	$ 1,930	798	$ 2.42
Ottawa	1,561	837	1.86
Alberta	1,271	713	1.78
Montreal	1,808	977	1.85
Average	**$ 1,655**	**844**	**$ 1.96**

Non-IFRS and Other Financial Measures

The REIT's financial statements are prepared in accordance with IFRS. Management's Discussion and Analysis also contains certain non-IFRS and other financial measures which are measures commonly used by publicly traded entities in the real estate industry. Management believes that these metrics are useful for measuring different aspects of performance and assessing the underlying operating and financial performance on a consistent basis. However, these measures do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should strictly be considered supplemental in nature and not a substitute for financial information prepared in accordance with IFRS. The REIT has adopted the guidance under NI 52-112 Non-GAAP and Other Financial Measures Disclosure for the purpose of this Management's Discussion and Analysis. These measures and ratios are defined below:

Non-IFRS Financial Measures and Ratios

- "FFO" is defined as IFRS consolidated net income adjusted for items such as unrealized changes in the fair value of investment properties, effects of puttable instruments classified as financial liabilities and changes in fair value of financial instruments and derivatives. FFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The REIT's method of calculating FFO is in accordance with REALPAC's recommendations under the revised publication titled ''REALPAC Funds from Operations (FFO) & Adjusted Funds from Operations (AFFO) for IFRS'' published in January 2022, but may differ from other issuers' methods and, accordingly, may not be comparable to FFO reported by other issuers. The REIT regards FFO as a key measure of operating performance. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "FFO per unit" is calculated as FFO divided by the weighted average number of Units of the REIT and Class B LP Units of the Partnership outstanding over the period. The REIT regards FFO per unit as a key measure of operating performance. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "AFFO" is defined as FFO adjusted for items such as maintenance capital expenditures and straight-line rental revenue differences. AFFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The REIT's method of calculating AFFO is in accordance with REALPAC's recommendations under the revised publication titled ''REALPAC Funds from Operations (FFO) & Adjusted Funds from Operations (AFFO) for IFRS'' published in January 2022, except that it adjusts for certain non-cash items (such as adjustments for the amortization of mark-to-market adjustments related to debt), but may differ from other issuers' methods and, accordingly, may not be comparable to AFFO reported by other issuers. The REIT regards AFFO as a key measure of operating performance. The REIT also uses AFFO in assessing its capacity to make distributions. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "AFFO per unit" is calculated as AFFO divided by the weighted average number of Units of the REIT and Class B LP Units of the Partnership outstanding over the period. The REIT regards AFFO per unit as a key measure of operating performance. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".
- "AFFO Payout Ratio" is the proportion of the total distributions on Units and Class B LP Units to AFFO. The REIT uses AFFO Payout Ratio in assessing its capacity to make distributions. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Reconciliation of Non-IFRS Financial Measures and Ratios".

- "Debt-to-Adjusted EBITDA ratio" is calculated by dividing interest-bearing debt (net of cash) by Adjusted EBITDA. Adjusted EBITDA is a non-IFRS Financial Measure and used for evaluation of the REIT's financial health and liquidity. Adjusted EBITDA is calculated as the trailing twelve-month NOI adjusted for a full year of stabilized earnings, fees and other income and general and administrative expenses from recently completed acquisitions, but excluding fair value adjustments. The REIT regards Debt-to-Adjusted EBITDA ratio as a measure of financial health and liquidity. For reconciliation refer to Section IV – "Liquidity, Capital Resources and Contractual Commitments – Liquidity and Capital Resources".

Capital Management Measures

- "Weighted average term to maturity on fixed rate debt" - Calculated as the weighted average of the term to maturity on the outstanding fixed rate mortgages, a variable rate mortgage fixed through an interest rate swap and Class C LP Units.
- "Weighted average interest rate on fixed rate debt" - Calculated as the weighted average of the stated interest rates on the outstanding balances of fixed rate mortgages, a variable rate mortgage fixed through an interest rate swap and Class C LP Units.
- "Weighted average contractual interest rate" - Calculated as the weighted average contractual interest rate on mortgages.
- "Weighted average variable interest rate" - Calculated as the weighted average interest rate on the revolving credit facility for the period.

Supplementary Financial Measures

- "NOI" is defined as revenue from investment properties less property operating costs, property taxes and utilities (collectively referred to as "property operating expenses") prepared in accordance with IFRS. NOI should not be construed as an alternative to net income determined in accordance with IFRS. The REIT's method of calculating NOI may differ from other issuers' methods and, accordingly, may not be comparable to NOI reported by other issuers. The REIT regards NOI as an important measure of the income generated from income-producing properties and is used by Management in evaluating the performance of the REIT's properties. It is also a key input in determining the value of the REIT's properties.
- "NOI margin" is defined as NOI divided by revenue.
- "Gross Book Value" is defined as the total assets of the REIT as at the balance sheet date.
- "Debt-to-Gross Book Value ratio" is calculated by dividing total interest-bearing debt consisting of mortgages, credit facility and Class C LP Units of the Partnership by Gross Book Value and is used as the REIT's primary measure of its leverage.
- "Total debt service" is calculated as the sum of interest expense recorded as finance costs and principal payments on mortgages, credit facility and distributions on Class C LP Units.
- "Debt Service Coverage ratio" is the ratio of NOI to total debt service.
- "NAV" is calculated as the sum of the value of Unitholders' equity and Class B LP Units as at the balance sheet date.
- "NAV per unit" is calculated by dividing NAV by the number of Units and Class B LP Units outstanding as at the balance sheet date.
- "Property operating costs as a percentage of revenue" is calculated as property operating costs for the period, divided by revenue from investment properties for the period.
- "Property taxes as a percentage of revenue" is calculated as property taxes for the period, divided by revenue from investment properties for the period.
- "Utilities as a percentage of revenue" is calculated as Utilities expense for the period, divided by revenue from investment properties for the period.
- "Total debt" is calculated as the sum of value of interest bearing debt consisting of mortgages, credit facility and Class C LP Units.
- "Total debt, net of cash" is calculated as Total debt, reduced by cash balance.
- "Total liquidity" is calculated as the sum of the undrawn balance under the revolving credit facility and cash.
- "Distribution yield per unit" is calculated as the annualized distribution per Unit and Class B LP Units, divided by the Unit closing price.

- "Gain-to-lease" refers to the gap between rents achieved on new leases as compared to expiring leases.
- "Gain to lease potential" refers to the gap between Management's estimate of monthly market rent and average monthly in-place rent per suite.
- "Average annual unlevered return" refers to the return on repositioning activities, and is calculated by dividing the average annual rental increase per suite after repositioning by the average repositioning cost per suite, excluding the impact of financing costs.

Operating Performance Measures

- "Average monthly rent per suite for unfurnished suites" - Represents the average monthly rent for occupied unfurnished suites at the end of the period.
- "Occupancy for unfurnished suites, end of the period" - Defined as the ratio of occupied unfurnished suites to the total unfurnished suites in the portfolio at the end of the period. Occupancy at end of the period is a useful indicator to evaluate the unfurnished rental performance.
- "Occupancy for unfurnished suites, average of the period" - Defined as the ratio of occupied unfurnished suites to the total unfurnished suites in the portfolio for the period. Occupancy as an average for the period is a useful indicator to evaluate the unfurnished rental performance.
- "Average monthly rent per suite for furnished suites" - Represents the average daily rent for furnished suites for the period multiplied by 30.
- "Occupancy for furnished suites" - The ratio of occupied furnished suites to the total furnished suites in the portfolio for the period.