

Minto Apartments Real Estate Investment Trust

Second Quarter Financial Results Conference Call

Event Date/Time: August 14, 2025 — 10:00 a.m. E.T.

Length: 35 minutes

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CORPORATE PARTICIPANTS

Jonathan Li

Minto Apartments Real Estate Investment Trust — President and Chief Executive Officer

Eddie Fu

Minto Apartments Real Estate Investment Trust — Chief Financial Officer

CONFERENCE CALL PARTICIPANTS

Jonathan Kelcher

TD Cowen — Analyst

Sairam Srinivas

Cormark Securities — Analyst

Matt Kornack

National Bank Financial — Analyst

Kyle Stanley

Desjardins — Analyst

Mario Saric

Scotiabank — Analyst

Brad Sturges

Raymond James — Analyst

PRESENTATION

Operator

Good morning. My name is Regina, and I will be your conference coordinator today. At this time, I would like to welcome everyone to the Minto Apartment REIT 2025 Second Quarter Financial Results Conference Call. All lines have been placed on mute to prevent any background noise.

After the speakers' remarks, there will be a question-and-answer session.

If you'd like to ask a question during this time, simply press *, then the number 1 on your telephone keypad. If you would like to withdraw your question, press *, then 1 again.

Before we begin, I want to remind listeners that certain statements about future events made on this conference call are forward-looking in nature.

Any such information is subject to risks, uncertainties, and assumptions that could cause actual results to differ materially.

Please refer to the cautionary statements on forward-looking information in the REIT's news release and MD&A, dated August 13, 2025, for more information.

During the call, management will also reference certain non-IFRS financial measures. Although the REIT believes these measures provide useful supplemental information about its financial performance, they're not recognized measures and do not have standardized meanings under IFRS.

Please see the REIT's MD&A for additional information regarding non-IFRS financial measures, including reconciliation to the nearest IFRS measures. Thank you.

Mr. Li, you may begin your conference.

Jonathan Li — President and Chief Executive Officer, Minto Apartments Real Estate Investment Trust

Thank you, Operator, and good morning.

With me today are Eddie Fu, Chief Financial Officer; and Michelle Calloway, Senior Vice President of Property Operations.

We had solid operating performance in the second quarter.

Starting on Slide 3, on a Same Property basis, we generated stable year-over-year revenue growth of 3.3 percent from our unfurnished suite portfolio, driven by a 5.2 percent increase in average market rent, partially offset by lower occupancy.

Decreased furnished suite and commercial revenue resulted in total Same Property revenue growth of 2.3 percent.

Same Property NOI increased 1.6 percent compared to Q2 of last year, as the growth in revenue exceeded the increase in operating expenses.

Normalized FFO and AFFO per unit decreased by 2.5 percent and 3.2 percent respectively, stemming from the loss of NOI from the Castleview disposition, coupled with decreased capitalized interest from a lower average outstanding balance on the revolving credit facility, and lower interest income following the repayment of two outstanding convertible development loans.

These decreases were partially offset by accretive unit buybacks and Same Property NOI growth.

During the quarter, we were able to execute on a number of important leasing objectives. As I highlighted on our last call, we executed a 25-year lease for the entire 10,000-square-foot vacant commercial space at Minto Yorkville in Toronto, with the lease commencing in January of 2026.

We also executed a lease agreement for the vacant commercial space at Kaleidoscope in Calgary, with lease payments scheduled to commence in November of this year.

And in June, a new tenant took occupancy at the Carlisle in Ottawa, with rent payments beginning in September of this year.

In total, gross annual rent from these new commercial leases is expected to exceed \$1 million, representing over \$0.015 per unit on an annualized basis.

We have remained very active with our NCIB program. And in Q2 2025, we've purchased \$20.5 million of units at a weighted average price of \$13.17 per unit. To date, we have purchased approximately 3.2 million units and deployed over \$43 million towards the NCIB program.

Finally, we extended the CDL maturity and purchase option for 88 Beachwood in Ottawa and, in return, the coupon was amended from a fixed rate to a floating rate structure, and the coupon was increased by approximately 200 basis points, from 6 percent to 8 percent, based on current interest rates.

I'll now turn it over to Eddie to review our second quarter financial and operating performance in greater detail.

Eddie?

Eddie Fu — Chief Financial Officer, Minto Apartments Real Estate Investment Trust

Thank you, Jon.

Slide 4 provides some key details about our operating performance.

Same Property revenue was \$38.5 million, reflecting a 2.3 percent increase compared to Q2 of last year.

This growth was primarily driven by a 3.3 percent rise in unfurnished suite revenue, supported by a 5.2 percent increase in average monthly rent for the Same Property occupied unfurnished suite portfolio, which reached \$2,048.

However, this was partially offset by lower average occupancy, reduced revenue from furnished suites, and decreased commercial revenue due to the temporary retail vacancy at Minto Yorkville.

Same Property NOI was \$24.4 million in Q2 2025, an increase of 1.6 percent compared to Q2 2024. The increase reflects the Same Property revenue growth, partially offset by a 3.5 percent increase in operating expenses, which reflected higher repairs and maintenance expenses and elevated marketing costs incurred to support leasing activity.

Normalized FFO and AFFO per unit decreased by 2.5 percent and 3.2 percent respectively, compared to Q2 of last year. Normalized AFFO payout ratio was 60.9 percent, an increase of 370 basis points from Q2 last year.

I'll move now to Slide 5.

This chart highlights the REIT's consistent quarter-over-quarter growth in average monthly rent. Our realized gain-on-lease of 4.7 percent in Q2 was down slightly from Q1, as market rents have flattened, and turnover remains lower for suites with tenants whose sitting rents are substantially below current market rents, reducing an inclination to move out.

Moving to Slide 6.

We signed 469 new leases in the second quarter, generating realized gain-on-lease of 4.7 percent, down from 5.4 percent in the previous quarter.

We generated increases of 8.3 percent in Ottawa, 4.7 percent in Toronto, and 4.2 percent in Montreal, but Calgary and Vancouver continued to experience competitive pressure from new supply.

As indicated in the lower table, the embedded gain-to-lease potential at the end of the second quarter remained solid at 10.4 percent, or \$14.5 million.

Moving to Slide 7.

The Same Property annualized turnover was 24 percent in the second quarter, up from 20 percent last year.

Overall, Same Property closing occupancy remained consistent with the first quarter at 96 percent, as we leveraged a combination of tactical promotion, marketing campaigns, and a targeted renewal program across the portfolio.

Calgary experienced higher annualized turnover compared to Q2 2024, as the continued delivery of new supply created alternative living options. As a result, closing occupancy declined from Q1 2025 by 40 basis points to 95.2 percent.

Ottawa also experienced higher annualized turnover compared to Q2 2024, reflecting competitive pressures from newly completed rental apartments. As a result, closing occupancy declined by 60 basis points from Q1 2025, to 95.8 percent.

Toronto also experienced an increase in annualized turnover compared to Q2 2024, driven by the continued delivery of new supply in the market.

However, the REIT's leasing team successfully leveraged targeted promotions and marketing campaigns to support leasing activity, resulting in closing occupancy of 95.6 percent, an increase of 60 basis points from Q1 2025.

In Montreal, turnover was consistent at 19 percent and demand remained strong, resulting in stable closing occupancy of 97.1 percent.

On Slide 8, we provide an update on our commercial and furnished suite portfolios.

Revenue from commercial leases decreased by 12.1 percent from Q2 last year, driven by the temporary vacancy at Minto Yorkville.

As mentioned, we have leased vacant commercial space in the portfolio, representing estimated combined gross annual rent of approximately \$1 million. This will bring our remaining vacant commercial space to less than 2,500 square feet, representing approximately 2 percent of the commercial portfolio.

With respect to the furnished suite portfolio, revenue decreased by 19.1 percent from Q2 last year due to a lower average number of occupied suites, coupled with a decrease in average monthly rent.

Since Q2 2024, we have converted 31 furnished suites to the unfurnished portfolio, including 20 at Minto One80five.

We expect to continue winding down the furnished suite business over time by converting furnished suites to unfurnished suites. However, the pace of conversions in each building will be subject to local market leasing conditions in order to optimize yield and cash flow.

Turning to the operating expense breakdown on Slide 9.

Same Property operating expenses increased 3.5 percent due to the higher property operating costs that were primarily the result of increased repairs and maintenance expenses and marketing cost.

Same Property property taxes decreased due to lower assessed values and rates in Calgary, partially offset by the increased rates in Montreal, Toronto, and Ottawa.

Same Property utility costs decreased compared to Q2 2024, primarily due to lower electricity expense resulting from a reduction in consumption, partially offset by rate increases in Ontario and Montreal, while the cancellation of the carbon tax contributed to the decrease in gas costs.

Moving to suite repositioning on Slide 10.

We repositioned 18 suites in the second quarter, generating an ROI of 8.1 percent. We experienced elevated costs this quarter due to the renovation of two penthouse suites at Minto Yorkville, which required higher capital investment due to their larger relative size and premium finishings.

Over the past four quarters, we repositioned 58 suites and generated an average ROI of 8.7 percent. We expect to reposition a total of 50 to 70 suites this year.

Slide 11 highlights our key debt statistics on a proportionate share basis.

Our maturity schedule remains well balanced. As of June 30, 2025, the weighted average term to maturity on our term debt was approximately 5.3 years, with a weighted average effective interest rate of 3.6 percent. As of the end of Q2, 98 percent of our total debt was fixed rate.

Total liquidity at quarter-end was approximately \$137 million.

I'll now turn it back over to Jon.

Jonathan Li

Thanks, Eddie.

On Slide 12, we provide the current status of our development pipeline.

As we indicated last quarter, we allowed the purchase option on the Highland in Vancouver to lapse and, in April, we received repayment of \$19.4 million for its related CDL.

The intensifications at Richgrove and Leslie/York Mills continue to progress, with stabilization of the projects expected in Q4 2026 and Q4 2027 respectively. First occupancy at both developments is anticipated to occur later this year.

As I highlighted earlier, in Q2, we agreed to amend the CDL associated with 88 Beechwood to extend the maturity date and the purchase option to December 31, 2026.

Effective January 1, 2026, the coupon will be amended from a fixed rate to a floating rate structure, and the coupon will increase from 6 percent to approximately 8 percent calculated as a 500 basis point fixed spread over the base variable rate of our revolving credit facility, resulting in additional FFO on a per unit basis.

I'll conclude with our business outlook on Slide 13.

Despite the near-term uncertainty facing our industry, such as elevated supply in certain markets, immigration policy changes, and affordability pressures, the long-term fundamentals supporting

Canadian rental housing demand remain intact, driven by an acute housing shortage and the relative affordability of rental housing.

However, due to the high-quality and urban locations of some of our assets, we do compete with new supply that is currently offering a variety of incentives and promotion.

Our team has been actively managing the portfolio on a building-by-building basis to increase occupancy and optimize rents, and we are pleased with the progress so far in our fiscal Q3.

The majority of expected supply in Toronto and Calgary is expected to be delivered throughout 2026, with fewer new starts to follow.

As these new suites continue to be absorbed, we expect to see a more balanced supply and demand dynamic in both markets.

In addition, we have made significant progress in leasing up the commercial portfolio, which will provide some tailwinds in 2026.

At the same time, we continue the measured wind down of our furnished suite portfolio, subject to local market leasing conditions and cash flow optimization.

Lastly, we expect to continue returning capital to unitholders through unit purchases, as it remains an attractive use of capital at current trading levels.

We have undertaken many initiatives over the past two years to strengthen the REIT, including improving the balance sheet, effectively allocating capital, and high-grading the portfolio.

As near-term headwinds abate over the coming quarters, we believe the REIT is well positioned to generate strong returns for unitholders.

That concludes our prepared remarks.

Operator, please open the line for questions.

Q&A

Operator

We will now begin the question-and-answer session. In order to ask a question, press *, followed by the number 1 on your telephone keypad.

Our first question will come from the line of Jonathan Kelcher with TD Cowen. Please go ahead.

Jonathan Kelcher — TD Cowen

Thanks. Good morning. First question, just on the occupancy. It held flat versus Q1. Do you think the sort of 95 percent, 96 percent level is one that you can hold over, I guess, over the balance the next 18 months while the new supply kind of works its way through?

Jonathan Li

Hey. Good morning, Jonathan, and thanks for the question.

Yeah. We have been extremely, extremely active managing the portfolio in an attempt to increase occupancy. Turnover is higher, and the tenants who are turning do tend to be those who have a shorter length of stay. We have invested in many marketing and leasing strategies to try to backfill that higher turnover. And as I said in those remarks, we are pleased with how it's going so far in Q3.

And I think, unfortunately, like, flat is kind of the new up in this market. At least that's kind of how we're approaching it. And we are optimistic that we can maintain current occupancy levels through Q3. And what we're seeing in July and August to date kind of supports that.

Jonathan Kelcher

Okay. That's helpful. And I guess, along the same lines, a lot of the turnover is from tenants that have been there the shortest. How should we think about the uplifts going forward on turnover? Like, the sort of 4 percent to 5 percent range?

Jonathan Li

I mean, look, I think the numbers that you're seeing in our gain-to-lease charts, they are on a gross basis. On a net basis, i.e. including promotion and incentive, it's a little lower than that. So I think, in terms of driving the model and your numbers, anywhere between 0 percent and 5 percent gain-to-lease is probably reasonable.

We're seeing that kind of actual gain-to-lease in all of our markets, and that's kind of what we're forecasting in our internal models as well. And so when you add that to the renewals, which is 80 percent of our portfolio or so, those are still growing at 3 percent and 3.5 percent. And so you can kind of take the weighted average of those two and get your growth for the rest of the year.

Jonathan Kelcher

Okay. So if you did—I forget the exact number, 4.7 percent or something this quarter—what would that have been on a net basis? Do you have that number?

Jonathan Li

It's about flat.

Jonathan Kelcher

Okay. And what would that translate into in terms of average instead of, like, a month, 3 percent? Or month and a half? Like, how should we think about that?

Jonathan Li

Yeah. It's somewhere between a month and a month and a half on average. Right? It's zero somewhere. It's two months other places. And so, on average, it's a month to a month and a half.

Jonathan Kelcher

Okay. Thanks. I'll turn it back.

Jonathan Li

Thank you.

Operator

Our next question comes from the line of Sairam Srinivas with Cormark Securities. Please go ahead.

Sairam Srinivas — Cormark Securities

Good morning, guys. I just realized my questions have been answered. I'll turn it back.

Thanks.

Jonathan Li

Thanks, Sai.

Operator

Again, for any questions, press *, followed by the number 1 on your telephone keypad.

Our next question comes from the line of Matt Kornack with National Bank Financial. Please go ahead.

Matt Kornack — National Bank Financial

Hey, guys. Good morning. Just with regards to the incentives question, are you providing incentives on renewals as well? Or should we think about the renewal spreads as being as a cleaner number?

Jonathan Li

So renewals tend to be a cleaner number. And generally, though, we're aiming to be flat on renewals in many markets, up a little bit, obviously, when there's some embedded rent in there. And so it varies.

But on the renewal side, our strategy really is to just get really far ahead of those renewals with the tenants and have our teams have one-on-one discussions with them. And look, we're finding that the tenants are very sophisticated and open to discussion, and so are we.

And so it's bearing a little bit of fruit, but there is a lot of backfilling, as we mentioned before. So we're working hard.

Matt Kornack

Okay. Fair enough. And then, like, how should we think of how far we are into this process in terms of timing? I mean, you had a bit higher turnover in this quarter, but are we going to work through it, call it, in the next 12 months? Or is this a multiple-year issue in terms of the higher leases coming to maturity?

Jonathan Li

I mean, it's a good question and something that we try to analyze a lot. I think, based on some of the questions we're getting and based on some of the information that we show our board and we analyze, we do have a decent view on what the supply is coming up in each of our markets, and that's relative to historical averages as well.

So I think we're going to consider kind of putting these supply slides into our investor presentations, and so people can just see the same data that we're looking at. And you can kind of see

that in Toronto, Calgary, Ottawa, Vancouver, in 2024 and 2025, the deliveries are significantly higher than what the 10-year averages have been, and that's what we're dealing with.

But you can see in some of these charts where the additional supply is forecasted to be, based on current estimates. And this can obviously change. And I suspect, if it changes, it'll actually decrease relative to these numbers, as some condos and purpose-built rentals just don't get finished. But I think we're going to put some of these graphs up in our materials, and folks can just take a look and come to their own conclusions.

Matt Kornack

That's fair enough. And then maybe last one for me. How's the transition on the furnished suites to kind of the long-term rentals going?

And then also, did I read correctly, is the incremental contribution from the commercial portfolio as a result of leasing is about \$250,000 a quarter? Or I'm just interested in how we should model that going forward as well.

Jonathan Li

Okay. Well, I'll start with the commercial. It's the easier one. So starting in, effectively, 2026, going here, I mean, the lion's share of the incremental commercial is Minto Yorkville, like the stock lease, and that's, call it, \$800,000, and that's going to start Jan 1, 2026.

The other two, the Carlisle and Kaleidoscope, basically take that remaining \$200,000 or so, and half of it will start at the Carlisle paying in September 2025 and half of it will start in March 2026.

Matt Kornack

Okay. That's helpful.

Jonathan Li

And then furnished suites, I mean, look, I think, as is evident by some of our comments, the original strategy was set out in a market there was a lot more of—a lot hotter than it is today.

I think, with the vacancy that's in the Toronto market here in Yorkville, and also in Ottawa at One80five Lyon, I think we're being pretty prudent and strategic in terms of, look, there's no point converting a unit from furnished to unfurnished, spending a little money on it, and then have it sit vacant.

So I think we are going unit by unit, analyzing which ones we think are rentable. Right now, the rental market in Ottawa—or sorry, our building in Ottawa is absorbing some of those conversions a little better than in Toronto. And so I think what you're going to see from us is a bit of a slowdown in the wind-down, just to try to optimize cash flow and yields as we run through the piece.

But we are analyzing it every single day to see like, okay, should we just rip the Band-Aid off? Or should we continue this? And so we're trying to be nimble, we're trying to be adaptive, and that's kind of how we're managing it.

Matt Kornack

Makes sense. And then, sorry, I know that I said that was my last question, but maybe one quick one on relative performance of geographies.

It seems like Montreal's pretty good. Ottawa, it's new supply of purpose-built rental, whereas Toronto's condo. Is there any thought as to which you'd rather have as a competitor, condo or purpose-built rental at this point, in terms of how the market reacts to the new supply?

Jonathan Li

I think our kind of short- and mid-term forecasts for each of the markets aren't that different. We kind of feel like our occupancy in Ottawa is, again, kind of flat I think would be a reasonable

expectation. Toronto, same thing, flat, reasonable expectation. Montreal, like, flat to up a tick a little bit through the course of Q3.

And then Calgary, we're fighting hard to keep it level. The deliveries in 2020—the deliveries in Calgary in 2024 were like 3 times higher than the 10-year average, and so we're working through that right now. And so there's obviously a bit more volatility there. So I'd say it's kind of splitting hairs.

We're working hard everywhere, and that's kind of how we're seeing it.

Matt Kornack

Okay. Perfect. Thanks for those details.

Jonathan Li

No problem.

Operator

Our next question will come from the line of Kyle Stanley with Desjardins. Please go ahead.

Kyle Stanley — Desjardins

Thanks. Good morning, everyone. Just as we look forward over the next 12 to 18 months, where do you see Same Property OpEx inflation trending? Like, what kind of avenues do you have to maybe enhance the margin? Obviously, there's been a bit of elevated year-to-date spending, so potentially, that starts to roll off.

I'd just love your thoughts on the OpEx.

Jonathan Li

Yeah. I think the way we're thinking about the rest of the year for OpEx is probably pretty consistent with what this quarter was. Our operating expenses, unfortunately, are elevated a little bit

from an R&M perspective. I mean, look, we're investing more in our marketing and leasing teams and strategies. And so that's, I think, going to stay.

We do have some headcount vacancies that we had in 2024 that we filled in 2025. And so that's kind of going to be there to stay for the rest of the year.

Where we have had some pickup, actually, is some of our utilities. And then also, the property taxes—sorry, not property taxes, the insurance going forward appears to be a—will be a bit of a tailwind as well. But those operating expenses, in that 3.5 percent to 5 percent zone, is kind of how we're thinking about the future.

Kyle Stanley

Okay. Thank you for that. And just one more, more kind of on the rental market as a whole. As we look at the supply curve, you're seeing a shift in dynamic of what is coming to be delivered, going away from condo, trending more towards purpose-built rental.

Over the longer term, what kind of impact do you think that potentially has on the rental market with more actual purpose-built rental stock being delivered versus historical?

Jonathan Li

I mean, not a lot. Like, look, we're competing with the shadow condo market, and we're competing with the purpose-built rental market. And so the math works for purpose-built rental today for developers and it doesn't for condos.

I think, look, professionally, we compete with everything: professionally managed purpose-built rental, individual investors who own condos. And so I'm not going to say every single unit of supply is the same. But the way we're thinking about the future, we're not really differentiating between condo deliveries and purpose-built rental deliveries.

Once you apply a rental assumption on those condos, it's kind of we're competing with all of it.

Kyle Stanley

Okay. Nope. Fair enough. Thanks for that. I will turn it back.

Jonathan Li

Thanks.

Operator

Our next question comes from the line of Mario Saric with Scotiabank. Please go ahead.

Mario Saric — Scotiabank

Hi. Good morning. My first question, Jon, just I want to clarify your commentary on the new lease spreads and the renewal spreads. So on the new lease side, it was fairly clear. But on the renewals, you kind of you're targeting gross 3 percent to 3.5 percent. But you mentioned that you're aiming for flat on renewals as well.

So are you suggesting that on a net effective basis renewals are expected to be flat as well?

Jonathan Li

No. I mean, the flat had more to do, actually, with kind of the new lease-up buildings, like an example in Vancouver. But I think, overall, we do expect our renewals to be, on a net basis, that 3 percent to 3.5 percent.

Mario Saric

Okay. Okay. That's awesome. And then more of a broader question, just on the dynamic between occupancy and asking rent growth. You mentioned 95 percent to 96 percent. You're pretty comfortable with where you are in Q3 thus far.

Is there a specific occupancy level that is required for you to kind of really taper off the incentives and start kind of pushing that asking rents up? Or are we in a situation where going into a seasonally slow second half of the year you have to wait until kind of the spring of next year to really start to ramp that up?

Jonathan Li

I mean, I think it's more to do with what you first said. I mean, we've always operated our portfolio based on optimal vacancy is probably in that 3 percent range. That's where we can really optimize our yields and push rents. And I think that hasn't changed.

So we're really fighting hard to get back to that kind of 3 percent vacancy number. And hopefully, when we do—and I don't know if it's going to be this year, I don't know if it's going to be next year, based on supply—but that's the goal. And I think that's when we can start seeing a bit more pricing power for us.

Mario Saric

Got it. And how have you—just last question on the incentives. How have you seen the dynamic change between the effectiveness of offering incentives versus cutting base rates?

Jonathan Li

Well, I mean, the strategy is different whether or not it's a rent-control building or not a rent-control building. I mean, that's pretty self-evident, right, because you can—we're trying to maintain the face rate for all of our rent-control buildings so we can eliminate promotion and get right back to rack rate. With the non rent-control buildings, obviously, it's dynamic, and we can move rents up and down with more ease.

But I think the limiting factor now is, at the end of the day, offering more than two months rent is just it becomes kind of a mug's game. So if we do find that we have to move the rent more than two months, then we'll consider changing the face rate. But that hasn't really happened at all, really, to date, so.

But I think that's how we think about it, Mario.

Mario Saric

Great. Okay. That's helpful. Thank you.

Jonathan Li

Thanks.

Operator

Our next question comes from the line of Brad Sturges with Raymond James. Please go ahead.

Brad Sturges — Raymond James

Hey, guys. Just couple quick questions. Just looking at the development projects that are going to start lease-up towards the end of the year, just I'm sorry if I missed it in your opening comments. But just in terms of the FFO drag from those projects, is there any guidance at this stage you can provide on that? Or how to think about what, I guess, the impact would be through lease-up?

Eddie Fu

Good morning, Brad. It's Eddie. Thanks for the question. Yeah. We're pleased with the progress on these developments; excited that first occupancy for Phase 1 of our L/YM development and Richgrove are anticipated for Q4. So with that, we do expect some FFO dilution into Q4 and into 2026.

Yeah. We're going to continue with our lease-up but, as a result, we're going to have to stop capitalizing interest on these projects. With the L/YM project, it's actually two phases, and it's really the

Phase 1 that's going to be substantially completed in Q4, coinciding with our first occupancy. And it's at that point we're going to stop capitalizing interest on that portion of the project.

So we think it's a small FFO dilutive impact in 2025, obviously more significant in 2026 as we lease up those 96 townhomes.

With Richgrove, as you know, that's a high-rise concrete over in Etobicoke; it's 100 affordable units in that development. That's going to achieve substantial completion in Q1 2026, based on our timelines right now, and it's at that point we're going to stop capitalizing interest for that development.

So I'm not necessarily going to give the specific numbers, but you can see in our disclosures we give numbers on what our leverage is on these properties, what the interest rates are on the Richgrove, so that you should be able to use that to kind of model out on there.

Brad Sturges

Okay.

Eddie Fu

Yeah. And in terms of our Richgrove, I mentioned about the affordable. It's really those units are going to lease up first in that development.

Brad Sturges

Right. And for both projects, is there a target timeline to lease up and stabilize?

Eddie Fu

Right now, it's still early. We're marketing right now. We haven't started the pre-leasing process just yet, but that will start shortly. But we think that lease-up, it could be a year for each of these projects.

Brad Sturges

Yeah. Okay. Sounds good. Thank you.

Operator

And that will conclude our question-and-answer session.

I'll turn the call back now for any closing comments.

Jonathan Li

Thanks very much, Operator. It's Jonathan Li here. There are a couple of things I just wanted to make sure people understood and the questions weren't asked.

One was on the Beechwood extension. I just want to be clear. The extension is not necessarily a signal that we're going to buy the asset. I think we simply didn't want to give up our free option, and we were able to increase the coupon pretty materially, which is a better outcome than simply paying back debt or other alternatives.

And we will continue to buy back units as well. So it's not like it was one for the other. I think that's comment number one.

And comment number two, I think, when it comes to our asset sales, we aren't marketing anything actively now. However, we do continue to receive inbounds, given the high quality of our assets and their desirability. And I can share that the values that we're seeing are very attractive.

It supports what we've been saying for a while now, in that we would be able to sell all of our assets for NAV or higher. And this really does provide us with a lot of confidence that the true value of our portfolio, and it really confirms how large and unwarranted the current trading discount is. And I think that's a key point for some people to understand.

So anyways, wanted to just get that out there.

And we thank everyone for their time, and we'll talk to you next quarter.

Operator

This will conclude today's meeting. Thank you, all, for joining. You may now disconnect.