INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS
ENDED JUNE 30, 2026
(UNAUDITED)

MAINSTREET EQUITY CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

UNAUDITED

(000s of Canadian dollars)

As at	June 30, 2026	September 30, 2025
Assets		
Non-current assets		
Investment properties [Note 3]	$ 3,874,072	$ 3,730,534
Property held for sale [Note 4]	9,793	9,728
Property and equipment	6,513	6,696
Intangible assets	565	489
	3,890,943	3,747,447
Current assets		
Prepaid assets	6,642	4,814
Trade and other receivables	1,529	5,482
Restricted cash	7,335	6,834
Inventory	2,775	2,083
Cash and cash equivalents	135,213	314,550
	153,494	333,763
Total Assets	$ 4,044,437	$ 4,081,210
Liabilities		
Non-current liabilities		
Mortgages payable [Note 5]	$ 1,575,409	$ 1,647,577
Deferred tax liabilities	351,577	336,575
	1,926,986	1,984,152
Current liabilities		
Mortgages payable [Note 5]	221,149	269,282
Trade and other payables	11,814	14,265
Income tax payable	490	2,065
Refundable security deposits	9,737	9,197
	243,190	294,809
Total Liabilities	2,170,176	2,278,961
Equity		
Share capital [Note 7]	26,258	26,393
Retained earnings	1,848,003	1,775,856
Total Equity	1,874,261	1,802,249
Total Liabilities and Equity	$ 4,044,437	$ 4,081,210

See accompanying notes to these interim condensed consolidated financial statements

Bob Dhillon, Director   Joe Amantea, Director   August 5, 2026

MAINSTREET EQUITY CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF NET PROFIT AND TOTAL COMPREHENSIVE INCOME

UNAUDITED

(000s of Canadian dollars, except per share amounts)

	Three months ended June 30, 2026	Three months ended June 30, 2025	Nine months ended June 30, 2026	Nine months ended June 30, 2025
Rental revenue [Note 8]	$ 71,828	$ 68,431	$ 212,377	$ 202,292
Ancillary revenue	1,344	1,235	3,916	3,548
Total rental and ancillary revenue	73,172	69,666	216,293	205,840
Property operating expenses [Note 9]	22,563	22,637	71,886	72,372
Net operating income	50,609	47,029	144,407	133,468
Financing costs [Note 10]	16,920	16,820	51,408	47,966
General and administrative expenses [Note 9]	5,263	4,591	15,859	13,778
Depreciation	140	158	426	460
Interest income	(1,118)	(1,963)	(4,774)	(4,929)
Profit before change in fair value, gain from disposal, and income tax	29,404	27,423	81,488	76,193
Change in fair value [Note 3]	13,182	29,608	23,211	154,274
Gain from disposal of assets	-	130	-	515
Profit before income tax	42,586	57,161	104,699	230,982
Current income tax expense	3,071	3,200	7,555	7,183
Deferred income tax expense	5,774	7,400	15,001	29,537
Net profit and total comprehensive income	$ 33,741	$ 46,561	$ 82,143	$ 194,262
Profit per share				
– basic and fully diluted [Note 11]	$ 3.64	$ 5.00	$ 8.84	$ 20.85

See accompanying notes to these interim condensed consolidated financial statements

MAINSTREET EQUITY CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

UNAUDITED

(000s of Canadian dollars)

	Share Capital	Retained Earnings	Total Shareholders' Equity
Balance , October 1, 2024	$ 26,419	$ 1,491,934	$ 1,518,353
Dividend paid [Note 7]	-	(1,002)	(1,002)
Profit for the period	-	194,262	$ 194,262
Balance , June 30, 2025	$ 26,419	$ 1,685,194	$ 1,711,613
Balance , October 1, 2025	$ 26,393	$ 1,775,856	$ 1,802,249
Dividend paid [Note 7]	-	(1,859)	(1,859)
Shares purchased for cancellation	(135)	(8,137)	(8,272)
Profit for the period	-	82,143	82,143
Balance , June 30, 2026	$ 26,258	$ 1,848,003	$ 1,874,261

See accompanying notes to these interim condensed consolidated financial statements

MAINSTREET EQUITY CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

(000s of Canadian dollars)

Nine months ended June 30,	2026	2025
Cash obtained from (used in) operating activities		
Net profit	$ 82,143	$ 194,262
Adjustments for:		
Depreciation	426	460
Change in fair value	(23,211)	(154,274)
Deferred income tax expense	15,001	29,537
Gain from disposal of assets	-	(515)
Financing costs [Note 10]	51,408	47,966
Deferred financing costs incurred	(395)	(10,294)
Interest paid on mortgages [Note 10]	(43,764)	(41,226)
Fair value adjustment on mortgage assumption	392	-
Interest accrual on mortgages	(241)	-
Capitalisation of financing costs	6	-
Cash from operating activities before changes in non-cash working capital	81,765	65,916
Change in working capital		
Prepaid assets	(1,828)	(1,657)
Trade and other receivables	3,953	(584)
Inventory	(692)	(265)
Restricted cash	(501)	(817)
Trade and other payables	(2,179)	(1,029)
Current income tax payable	(1,575)	(6,566)
Refundable security deposits	540	790
Cash from operating activities	79,483	55,788
Financing activities		
Financing of investment properties	-	248,381
Mortgage principal repayments	(21,401)	(20,340)
Mortgage payments on maturity	(116,084)	(61,905)
Mortgage payments upon disposal of investment properties	-	(521)
Dividend paid	(1,859)	(1,002)
Repurchase of shares	(8,272)	-
Cash (used in)/from financing activities	(147,616)	164,613
Investing activities		
Additions to investment properties	(110,820)	(54,919)
Additions to property and equipment	(209)	(200)
Additions to intangible assets	(110)	(115)
Proceeds from disposal	-	2,069
Additions to property held for sale	(65)	(81)
Cash used in investing activities	(111,204)	(53,246)
Net (decrease)/ increase in cash and cash equivalents	(179,337)	167,155
Cash and cash equivalents, beginning of period	314,550	48,826
Cash and cash equivalents, end of period	$ 135,213	$ 215,981
Cash and cash equivalents are comprised of:		
Cash	$ 2,568	$ 7,467
Short-term deposits	132,645	208,514
	$ 135,213	$ 215,981

See accompanying notes to these interim condensed consolidated financial statements

MAINSTREET EQUITY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended June 30, 2026 and 2025

(Thousands of Canadian dollars, except share and per share amounts and amounts within narrative)

1. GENERAL

Mainstreet Equity Corp. (the "Corporation") is a Canadian real estate corporation, incorporated under the Business Corporations Act (Alberta), focused on acquiring and managing mid-market residential rental apartment buildings in major markets primarily in Western Canada. The registered office and head office of the Corporation are located at 600, 1331 Macleod Trail SE Calgary, Alberta T2R 0W7 and 305 10th Avenue SE Calgary, Alberta T2G 0W2, respectively. Navjeet (Bob) Dhillon, President and Chief Executive Officer of the Corporation, owns approximately 46% of the outstanding common shares of the Corporation.

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) Statement of compliance

The interim condensed consolidated financial statements of the Corporation have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting. Accordingly, certain information and footnote disclosure normally included in the annual financial statements prepared in accordance with IFRS Accounting Standards have been omitted or condensed and, therefore, these financial statements should be read in conjunction with the annual audited consolidated financial statements for the fiscal year ended September 30, 2025.

b) Basis of presentation

These interim condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties, which are measured at fair value. The interim condensed consolidated financial statements are prepared on a going concern basis and have been prepared in Canadian dollars which is the functional currency rounded to the nearest thousand. The material accounting policies and critical accounting estimates and judgements as disclosed in the 2025 audited annual consolidated financial statements have been applied consistently in the preparation of these interim condensed consolidated financial statements.

3. INVESTMENT PROPERTIES

(000s of dollars)

	Nine months ended Jun. 30, 2026	Year ended Sep. 30 2025
Balance, beginning of period	**$ 3,730,534**	$ 3,407,493
Additions related to acquisitions	**91,086**	53,707
Building improvements	**29,241**	36,035
Disposal of investment properties	**-**	(1,136)
Change in fair value	**23,211**	234,435
Balance, end of period	**$ 3,874,072**	$ 3,730,534

The Corporation performs internal valuations of its investment properties by grouping properties in each city based on property type and geographic location. Selected representative samples from each group are subject to independent appraisal by external valuation professionals quarterly and annually. The fair value of the sampled investment properties held by the Corporation were determined through external valuations obtained from independent qualified real estate appraisers who are members of the Appraisal Institute of Canada and have appropriate qualifications and experience in the valuation of the Corporation's investment properties in the relevant locations. The appraised values of the samples selected are compared with their appraised values of the previous corresponding financial quarters. The percentage changes in values of those samples selected were applied to the whole population of each group in the determination of the fair value of investment properties of the Corporation. Properties are selected on a rotational basis and approximately 40% of the Corporation's portfolio is externally valued on an annual basis. For the nine months ended June 30, 2026, a fair value gain of $ 23 million was recorded as a result of changes in the fair value of investment properties based on the most recent market conditions in the reporting periods.

The weighted average capitalization rates used in determining the fair value of investment properties are set out below:

	Jun. 30, 2026	Sep. 30, 2025
Lower Mainland, BC	**3.99%**	3.97%
BC excluding Lower Mainland	**5.37%**	5.48%
Calgary, Alberta	**5.40%**	5.84%
Edmonton, Alberta	**5.48%**	5.79%
Saskatoon, Saskatchewan	**5.86%**	5.70%
Regina, Saskatchewan	**5.92%**	5.99%
Winnipeg, Manitoba	**5.06%**	5.50%
Investment properties-weighted average capitalization rate	**5.11%**	5.29%

The Corporation uses the direct capitalization method to determine a fair value, which requires that an estimated forecasted net operating income ("NOI") be divided by a capitalization rate ("Cap Rate"). As such, changes in both NOI and Cap Rate would significantly alter the fair value of investment properties. The tables below set out the impact of changes in both NOI and Cap Rate on the Corporation's fair values of investment properties.

As at June 30, 2026

Net operating income		-3%	-1%	As estimated	+1%	+3%
(000s of dollars)		$ 191,927	$ 195,884	$ 197,863	$ 199,842	$ 203,799
Capitalization rate						
-0.25%	4.86%	$ 75,045	$ 156,471	$ 197,183	$ 237,896	$ 319,321
Cap rate used	5.11%	$ (118,160)	$ (40,718)	$3,874,072	36,723	$ 114,165
+0.25%	5.36%	$ (293,342)	$ (219,513)	$ (182,598)	$ (145,683)	$ (71,854)

As at September 30, 2025

Net operating income		-3%	-1%	As estimated	+1%	+3%
(000s of dollars)		$ 191,386	$ 195,332	$ 197,305	$ 199,278	$ 203,224
Capitalization rate						
-0.25%	5.04%	$ 66,804	$ 145,100	$ 184,248	$ 223,396	$ 301,691
Cap rate used	5.29%	$ (112,654)	$ (38,059)	$3,730,534	$ 36,537	$ 111,132
+0.25%	5.54%	$ (275,916)	$ (204,687)	$ (169,072)	$ (133,457)	$ (62,228)

The portfolio includes 1,437 (September 30, 2025: 2,253) unstabilized units with an aggregate fair value of $235 million (September 30, 2025: $331 million). These properties are initially measured at cost, and subsequently measured at cost plus capital expenditures as a proxy to fair value until stabilized. In Q3 2026, the Corporation acquired 63 investment property units with an aggregate value of $9 million in the Province of British Columbia and Saskatchewan, which have been recorded at their purchase price plus acquisition costs.

4. PROPERTY HELD FOR SALE

During the year ended September 30, 2021, the Corporation acquired a property in Calgary, Alberta, comprising 136 units for resale purposes. As at June 30, 2026, 86 units have been sold. The uncertainty of current market conditions and sales activity indicates that the timing of full disposal may extend beyond the short term.

5. MORTGAGES PAYABLE

Mortgages payable bear interest at a weighted average interest rate of 3.12% (September 30, 2025 – 3.07%) per annum and are payable in monthly principal and interest installments totaling $7.0 million (September 30, 2025 - $7.5 million), maturing from 2026 to 2032 and are secured by specific charges against specific investment properties, having a fair value of $3,214 million (September 30, 2025 - $3,267 million).

(000s of dollars)

	Jun. 30, 2026	Sep. 30, 2025
Non-current	**$ 1,575,409**	$ 1,647,577
Current	**221,149**	269,282
	$ 1,796,558	$ 1,916,859

The following table reconciles the changes in cash flows from financing activities for long-term debt:

(000s of dollars)

	Jun. 30, 2026	Sep. 30, 2025
Opening balance	$ 1,916,859	$ 1,649,665
Financing of investment properties	-	358,380
Mortgage assumed to purchase investment properties	9,777	4,532
Mortgage principal repayments	(21,401)	(28,423)
Mortgage payments upon refinancing	-	(62,426)
Mortgage payments on maturity	(116,084)	-
Deferred financing cost	7,256	(6,135)
Fair value adjustment on mortgage assumption	392	404
Interest accrual on mortgages	(241)	862
Closing balance	$ 1,796,558	$ 1,916,859

The contractual principal payments required to retire the mortgage obligations as of June 30, 2026 are as follows:

(000s of dollars)

Years ending September 30,	Amount
2026	$ 143,680
2027	95,580
2028	143,808
2029	485,560
2030	519,057
Subsequent	444,957
	1,832,642
Deferred financing cost	(36,084)
	$ 1,796,558

6. BANK INDEBTEDNESS

Effective January 2014, the Corporation entered into a banking facility to a maximum of $85 million with a syndicate of chartered financial institutions. The facility is secured by a floating charge against the Corporation's assets and carries an interest rate of prime plus 0.95%. The facility requires monthly interest payments and is renewable every three years subject to the mutual agreement of the lenders and the Corporation. The Corporation has extended the maturity date to December 1, 2028, and the available borrowing capacity increased from $85 million to $90 million. As at June 30, 2026, the Corporation has drawn $Nil (September 30, 2025 - $Nil) against this credit facility.

Additionally, in 2022, the Corporation entered a $45 million revolving credit facility with a third-party financial institution, which carries an interest rate equal to the prime rate. As at June 30, 2026, the Corporation has drawn $Nil (September 30, 2025 - $Nil) against this credit facility.

Both facilities contain financial covenants to maintain an overall funded debt to gross book value ratio of not more than 65% and debt service ratio of not less than 1.2. As of June 30, 2026, the Corporation's overall funded debt to gross book value ratio and debt service coverage ratio are 43% and 2.06, respectively.

7. SHARE CAPITAL

Authorized:

Unlimited number of common voting shares with no par value

Unlimited number of preferred shares with no par value

There are no preferred shares outstanding or issued.

The issued, outstanding and fully paid shares are:

	Nine months ended June 30, 2026		Year ended September 30, 2025	
	Number of common shares	Amount	Number of common shares	Amount
Issued and outstanding, -beginning of the period	**9,309,718**	**$ 26,393**	9,318,818	$ 26,419
Shares purchased for cancellation	**(47,488)**	**(135)**	(9,100)	(26)
Issued and outstanding, -end of the period	**9,262,230**	**$ 26,258**	$ 9,309,718	$ 26,393

All common shares have an equal right to dividends.

On June 4, 2026, Mainstreet announced that it had obtained approval from the Toronto Stock Exchange ("TSX") to repurchase up to 471,066 common shares of the Corporation under a Normal Course Issuer Bid ("NCIB") commencing June 8, 2026. The current NCIB expires on June 7, 2027. The Corporation's previous NCIB expired on June 2, 2026. On April 30, 2026, Mainstreet also announced that it had entered into an automatic share purchase plan ("ASPP") with its designated broker, which will terminate upon the expiry of the NCIB unless terminated earlier in accordance with the terms of the ASPP. The ASPP is intended to allow for the purchase of Shares under the NCIB during predetermined times when Mainstreet would ordinarily not be permitted to purchase Shares due to customary blackout periods.

During the three and nine months ended June 30, 2026, the Corporation purchased and cancelled 27,388 (2025 – Nil) and 47,488 (2025 – Nil) common shares at an average price of $169.83 (2025 – Nil) and $174.18 (2025 – Nil) respectively, per common share under its NCIB.

8. REVENUE FROM INVESTMENT PROPERTIES

The components of revenue from investments properties are as follows:

(000s of dollars)

	Three months ended June 30,		Nine months ended June 30,	
	2026	2025	**2026**	2025
Rental revenue	**$ 70,218**	$ 66,824	**$ 207,460**	$ 197,657
Other rental revenue (1)	**1,610**	1,607	**4,917**	4,635
	71,828	68,431	**212,377**	202,292
Ancillary revenue (2)	**1,344**	1,235	**3,916**	3,548
Total rental and ancillary revenue	**$ 73,172**	$ 69,666	**$ 216,293**	$ 205,840

(1) Consists of revenues from parking and recovery of certain operating costs.

(2) The Corporation recognized a government grant for the three and nine months ended June 30, 2026 of $165,310 (2025: $165,096) and $493,209 (2025: $465,096) for rental supplement purposes from the Manitoba Housing and Renewal Corporation. The rental supplement is recognized as ancillary revenue on a consistent basis and recognized evenly over the periods.

9. EXPENSES BY NATURE

The components of property operating expenses and general and administrative expenses are as follows:

(000s of dollars)

		Three months ended June 30,			Nine months ended June 30,
		2026	2025		**2026**	2025

		2026		2025		**2026**		2025
Salaries, wages and employee benefits	**$**	**10,664**	$	9,468	**$**	**31,530**	$	27,922
Utilities		**6,554**		7,253		**23,441**		26,095
Property tax		**5,587**		5,567		**16,967**		16,628
Repair and maintenance		**2,146**		2,394		**7,335**		7,132
Insurance		**732**		565		**2,158**		2,430
Others		**966**		885		**2,987**		2,779
Legal and other professional expenses		**714**		690		**1,947**		2,124
Advertising and Marketing		**463**		406		**1,380**		1,040
Total Operating and G&A expenses	**$**	**27,826**	$	27,228	**$**	**87,745**	$	86,150

10. FINANCING COSTS

The components of financing costs are as follows:

(000s of dollars)

	Three months ended June 30,				Nine months ended June 30,			
		2026		2025		**2026**		2025
Mortgage interest	**$**	**14,402**	$	14,150	**$**	**43,764**	$	41,226
Amortization of deferred financing cost		**2,518**		2,670		**7,644**		6,740
Financing costs	**$**	**16,920**	$	16,820	**$**	**51,408**	$	47,966

11. PROFIT PER SHARE

Basic profit per share is calculated using the weighted average number of common shares outstanding during the period.

The treasury stock method of calculating the diluted profit per share is used.

The following table sets forth the computation of basic and diluted profit per share:

(000s of dollars, except share and per share amounts)

	Three months ended June 30,				Nine months ended June 30,			
		2026		2025		**2026**		2025
Numerator								
Net profit	**$**	**33,741**	$	46,561	**$**	**82,143**	$	194,262
Denominator								
Weighted average shares		**9,280,836**		9,318,818		**9,293,772**		9,318,818
For basic and diluted profit per share		**9,280,836**		9,318,818		**9,293,772**		9,318,818
Profit per share								
-basic and -diluted	**$**	**3.64**	$	5.00	**$**	**8.84**	$	20.85

12. FINANCIAL INSTRUMENT AND RISK MANAGEMENT

Fair value of financial assets and liabilities

The Corporation's financial assets and liabilities comprise restricted cash, cash and cash equivalents, trade and other receivables, mortgages payable, trade and other payables, and refundable security deposits. Fair values of financial assets and liabilities, summarized information related to risk management positions, and discussion of risks associated with financial assets and liabilities are presented as follows.

The fair values of restricted cash, cash and cash equivalents, trade and other receivables, trade and other payables, and refundable security deposits approximate their carrying amounts due to the short-term maturity of those instruments.

The fair values of mortgage payable are determined using the future cash flows over the terms of mortgages discounted by current market interest rates as discount rates. In identifying the appropriate level of fair value, the Corporation performs a detailed analysis of the financial assets and liabilities.

The inputs used to measure fair value determine different levels of the fair value hierarchy categorized as follows:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability; and
- Level 3: Values based on valuation techniques for which any significant input is not based on observable market data.

The fair values of financial assets and liabilities were as follows:

(000s of dollars)

		June 30, 2026		September 30, 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Restricted cash	Level 2	$ 7,335	$ 7,335	$ 6,834	$ 6,834
Cash and cash equivalents	Level 2	135,213	135,213	314,550	314,550
Trade and other receivables	Level 2	1,529	1,529	5,482	5,482
Financial liabilities:					
Mortgages payable	Level 2	1,796,558	1,775,216	1,916,859	1,893,230
Trade and other payables	Level 2	11,814	11,814	14,265	14,265
Refundable security deposits	Level 2	$ 9,737	$ 9,737	$ 9,197	$ 9,197

The Corporation's non-financial assets comprise investment properties. The fair values of non-financial assets were as follows:

(000s of dollars)

		June 30, 2026		September 30, 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Non-financial assets:					
Investment properties	Level 3	$ 3,874,072	$3,874,072	$3,730,534	$3,730,534

13.RISK ASSOCIATED WITH FINANCIAL ASSETS AND LIABILITIES

The Corporation is exposed to financial risks arising from its financial assets and liabilities. The financial risks include market risk relating to interest rates, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value or future cash flows of financial assets or liabilities will fluctuate due to movements in market prices.

Interest rate risk

The Corporation is exposed to interest rate risk to the extent of any upward or downward revision in prime lending rates. Increases in interest rates and sustained higher interest rates have the potential to adversely affect the profitability of the Corporation. The Corporation attempts to mitigate this risk by staggering the maturity dates for its mortgages. The majority of Mainstreet's mortgages and fixed-rate mortgage financings are insured by Canada Mortgage and Housing Corporation ("CMHC") under the National Housing Association ("NHA") mortgage program. This added level of insurance offered to lenders allows the Corporation to receive the best possible financing and interest rates.

Credit risk

Credit risk is the risk that the counterparty to a financial asset will default resulting in a financial loss for the Corporation. The Corporation is exposed to credit risk as some tenants may experience financial difficulty and may default in payment of rent. However, the Corporation attempts to minimize possible risks by conducting in-depth credit assessments of all tenants and collecting security deposits from tenants. The Corporation's tenants are numerous which also reduces the concentration of credit risk. Further, the Corporation does not have material financial exposure to any single tenant or group of tenants. As tenants' rent is due at the beginning of the month, all amounts in accounts receivable are considered overdue by the Corporation. As of June 30, 2026, rents due from current tenants amounted to $515,000 (September 30, 2025 - $608,000). The possibility of not receiving payment of rent due from current tenants was covered by security deposits of $9.7 million (September 30, 2025 - $9.2 million) and provisions for bad debts of $160,000 (September 30, 2025 - $160,000).

The aging bands of rents due from current tenants as at June 30, 2026 and September 30, 2025 are outlined in the table below:

(000s of dollars)

	June 30, 2026	September 30, 2025
0-30 days	**$ 349**	$ 452
31-60 days	**91**	99
61-90 days	**34**	12
Over 90 days	**41**	45
Total rents due from current tenants	**$ 515**	$ 608

In relation to cash, cash equivalents and restricted cash, the Corporation believes that its exposure to credit risk is low. The Corporation only places its cash, cash equivalents, and restricted cash with Canadian chartered financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulties in meeting its financial obligations. The Corporation manages its liquidity risk by monitoring forecast and cash flows on a regular basis to meet expected operational expenses, by maintaining adequate banking facilities, by managing mortgage debt secured by its investment properties, and by matching the maturity profiles of financial assets and liabilities.

The timing of cash outflows relating to financial liabilities as at June 30, 2026 are outlined in the table below:

(000s of dollars)

	1 year	2 years	3 years	4 years	Beyond 4 years	Total
Mortgages payable	$ 231,034	141,472	419,178	592,464	448,494	$1,832,642
Mortgage interest payable	57,199	51,208	46,257	28,774	17,788	$ 201,226
Trade and other payables	11,814					11,814
Refundable security deposits	$ 9,737					$ 9,737

The timing of cash outflows relating to financial liabilities as at September 30, 2025 are outlined in the table below:

(000s of dollars)

	1 year	2 years	3 years	4 years	Beyond 4 years	Total
Mortgages payable	$ 279,190	94,789	142,891	477,141	966,187	$1,960,198
Mortgage interest payable	60,200	53,538	50,632	45,613	43,374	253,357
Trade and other payables	14,265	-	-	-	-	14,265
Refundable security deposits	$ 9,197	-	-	-	-	$ 9,197

14. GUARANTEES, CONTINGENCIES AND COMMITMENTS

In the normal course of business, the Corporation may enter into various agreements that may contain features that meet the definition of guarantees, contingencies or commitments in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets ("IAS 37") that contingently require the Corporation to make payments to the guaranteed party based on: (i) changes in an underlying interest rate, foreign exchange rate, equity or commodity instrument, index or other variable, that is related to an asset, a liability or an equity security of the counterparty; (ii) failure of another party to perform under an obligating agreement; or (iii) failure of a third party to pay its indebtedness when due.

In the ordinary course of business, the Corporation provides indemnification commitments to counterparties in transactions such as credit facilities, leasing transactions, service arrangements, director and officer indemnification agreements and sales of assets. These indemnification agreements require the Corporation to compensate the counterparties for costs incurred as a result of changes in laws and regulations (including tax legislation) or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnification agreements will vary based on the contract and do not provide any limit on the maximum potential liability. Historically, the Corporation has not made any significant payments under such indemnifications and no amount has been accrued in these interim condensed consolidated financial statements with respect to these indemnification commitments.

In the normal course of operations, the Corporation will become subject to a variety of legal and other claims against the Corporation. Management and the Corporation's legal counsel evaluate all claims on their apparent merits and accrue management's best estimate of the estimated costs to satisfy such claims. Management believes that the outcome of legal and other claims filed against the Corporation will not be material.

As of June 30, 2026, and September 30, 2025, no amounts have been recorded and none are required to be disclosed in the interim condensed consolidated financial statements with respect to guarantees, contingencies and commitments.

15. RELATED PARTY TRANSACTIONS

a) The Corporation's President and Chief Executive Officer (the "CEO") is paid a commission at commercial rates in his capacity as a licensed broker for certain property transactions conducted by the Corporation in its normal course of business. Commissions are determined on an exchange value basis. Except in very limited circumstances, these commissions are paid by the selling third party or third parties to the transaction. The commissions received by the President and Chief Executive Officer during the three and nine months ended June 30, 2026, amounted to $75,750 (2025 – Nil) and $267,088 (2025 - $11,188).

   These commissions form part of the CEO's annual compensation. Each year, the CEO is entitled to receive an annual performance bonus based upon pre-determined performance goals and discretionary bonus amounts determined by the Corporation's Board of Directors. In making such determination, the Board of Directors takes in consideration the amount of commissions paid to the CEO during each year, such that once determined, that portion of the annual performance bonus paid in cash to the CEO by the Corporation amounts to the difference between the amount of the CEO's annual performance bonus determined by the Board of Directors, if any, less the amount of commissions paid to the CEO during that year.

   As a result, the actual portion of the discretionary bonus, if any, paid by the Corporation each year to the CEO will be reduced by the amount of third-party paid commissions to the CEO during that year.

b) The Corporation paid legal and professional fees and reimbursements for the three and nine months ended June 30, 2026, amounting to $21,149 (2025 - $132,612) and $196,019 (2025 - $431,534) to a law firm of which a director and officer of the Corporation is a Senior Associate. As at June 30, 2026, the amounts payable to the law firm were $Nil (September 30, 2025 – $Nil). These fees were incurred at amounts which in management's opinion, approximate the fair market value that would be incurred by a third-party law firm.

16. SEGMENTED INFORMATION

The Corporation specializes in multi-family residential housing and operates primarily within one business segment in four provinces located in Canada. The following summary presents segmented financial information for the Corporation's continuing operations by geographic location:

RENTAL OPERATIONS

(000s of dollars)

	Three months ended June 30,		Nine months ended June 30,	
	2026	2025	2026	2025
BRITISH COLUMBIA				
Rental revenue	$ $17,337	$ 15,822	$ 50,827	$ 46,851
Other rental revenue	178	178	532	534
Ancillary revenue	396	338	1,082	911
Property operating expenses	3,933	4,417	13,738	13,772
Net operating income	13,978	11,921	38,703	34,524
Financing Costs	2,869	3,206	8,901	9,578
Change in fair value	177	(1,539)	4,899	13,737
ALBERTA				
Rental revenue	$ 40,268	$ 38,505	$ 119,343	$ 113,812
Other rental revenue	386	394	1,154	1,121
Ancillary revenue	570	532	1,689	1,609
Property operating expenses	13,514	13,420	42,077	42,318
Net operating income	27,710	26,011	80,109	74,224
Financing Costs	11,082	10,863	33,589	30,114
Change in fair value	1,914	39,362	22,792	139,879
SASKATCHEWAN				
Rental revenue	$ 12,445	$ 12,377	$ 36,938	$ 36,632
Other rental revenue	83	56	246	148
Ancillary revenue	202	188	619	533
Property operating expenses	4,637	4,298	14,305	14,488
Net operating income	8,093	8,323	23,498	22,825
Financing Costs	2,969	2,751	8,918	8,273
Change in fair value	9,358	(8,059)	(5,827)	1,126
MANITOBA				
Rental revenue	$ 1,123	$ 1,093	$ 3,315	$ 3,176
Other rental revenue	8	6	22	18
Ancillary revenue	176	177	526	495
Property operating expenses	479	502	1,766	1,794
Net operating income	828	774	2,097	1,895
Change in fair value	1,733	(156)	1,347	(468)
TOTAL				
Rental revenue	$ 71,173	$ 67,797	$ 210,423	$ 200,471
Other rental revenue	655	634	1,954	1,821
Ancillary revenue	1,344	1,235	3,916	3,548
Property operating expenses	22,563	22,637	71,886	72,372
Net operating income	50,609	47,029	144,407	133,468
Financing Costs	16,920	16,820	51,408	47,965
Change in fair value	13,182	29,608	23,211	154,274
Gain from disposal of assets	-	130	-	515
Unallocated revenue*	1,118	1,963	4,774	4,929
Unallocated expenses**	14,248	15,349	38,841	50,959
Profit for the period	$ 33,741	$ 46,561	$ 82,143	$ 194,262

* Unallocated revenue represents interest income and other income.

** Unallocated expenses include general and administrative expenses, mortgage interest, depreciation, current income tax and deferred income taxes.

IDENTIFIABLE ASSETS AND LIABILITIES

(000s of dollars)

	June 30, 2026	September 30, 2025
BRITISH COLUMBIA		
Investment properties	$ 1,217,918	$ 1,180,660
Property and equipment	47	59
Mortgages payable	341,368	385,890
Refundable security deposits	2,452	2,414
ALBERTA		
Investment properties	$ 2,074,346	$ 1,972,649
Property and equipment	5,667	5,815
Mortgages payable	1,139,094	1,212,568
Refundable security deposits	5,684	5,260
SASKATCHEWAN		
Investment properties	$ 531,078	$ 528,365
Property and equipment	798	821
Mortgages payable	316,096	318,401
Refundable security deposits	1,427	1,354
MANITOBA		
Investment properties	$ 50,730	$ 48,860
Property and equipment	1	1
Refundable security deposits	174	169
TOTAL		
Investment properties	$ 3,874,072	$ 3,730,534
Property and equipment	6,513	6,696
Mortgages payable	1,796,558	1,916,859
Refundable security deposits	9,737	9,197

IDENTIFIABLE ACQUISITION AND CAPITAL EXPENDITURES

(000s of dollars)

	Nine months ended June 30, 2026	Year ended September 30, 2025
BRITISH COLUMBIA	$ 32,364	$ 31,215
ALBERTA	79,101	52,908
MANITOBA	117	693
SASKATCHEWAN	8,546	5,352
TOTAL	$ 120,128	$ 90,168

17. CAPITAL MANAGEMENT

The Corporation defines capital that it manages as the aggregate of its shareholders' equity and mortgages payable and, on occasion, bank loans or lines of credit when drawn on. The Corporation's total capital resources as at June 30, 2026 amounted to $3,671 million (September 30, 2025 - $3,719 million).

The Corporation aims to manage its capital resources to maintain financial strength and to maximize its financial flexibility by maintaining strong liquidity and by utilizing alternative sources of capital including equity and mortgages.

The Corporation sets the amount of capital in proportion to risk. The Corporation manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The total managed capital for the Corporation is summarized below:

(000s of dollars)

	Jun. 30, 2026	Sept. 30 2025
Mortgages payable	$ 1,796,558	$ 1,916,859
Total equity	1,874,261	1,802,249
Total capital	$ 3,670,819	$ 3,719,108

The Corporation's policy for capital risk management is to maintain a debt to fair value of investment properties ratio, as defined below, of no greater than 70%. The ratio as at June 30, 2026 is approximately 43% (September 30, 2025 – 43%).

The debt to fair value ratios were as follows:

(000s of dollars)

	Jun. 30, 2026	Sep. 30, 2025
Mortgages payable	$ 1,796,558	$ 1,916,859
Cash and cash equivalents	135,213	314,550
Total debts	$ 1,661,345	$ 1,602,309
Investment properties	$ 3,874,072	$ 3,730,534
Debt to fair value ratio	43%	43%

In managing the capital requirements of the Corporation, management makes assessments of the capital and liquid resources required to ensure the going concern status of the Corporation. Management believes that the existing liquid resources, funds to be generated from operations, and funds to be raised through the financing and refinancing of debt will be sufficient to support the Corporation's operations on a going concern basis.

18. SUBSEQUENT EVENTS

Subsequent to the quarter-ended June 30, 2026, the Corporation purchased and cancelled 9,032 common shares at an average price of $173.86 per common share under its NCIB.

19. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issue on August 5, 2026.