True North Commercial REIT Reports Q4-2024 Results

REIT to reinstate distribution of approximately $0.0575 per Unit per month effective record date of March 31, 2025 at an inferred distribution yield of approximately 8%

REIT achieves Q4-2024 normalized same property NOI growth of 2.3%, stable occupancy and strong progress on 2024 and 2025 debt maturities

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TORONTO, ON – March 18, 2025 – True North Commercial Real Estate Investment Trust (TSX: TNT.UN) (the "REIT") today announced its financial results for the three months ended December 31, 2024 ("Q4-2024") and year ended December 31, 2024 ("YTD-2024").

"Q4-2024 saw continued strength in leasing activity by the REIT highlighting its commitment to maintaining strong relationships with tenants which translated into reported occupancy within it's core portfolio of 93% and normalized same property net operating income growth of 2.3% for the quarter," stated Daniel Drimmer, the REIT's Chief Executive Officer. "The REIT also made significant progress on its near term debt maturities having completed the refinancing of all 2024 debt maturities and 70% of its 2025 debt maturities which along with the sale of non-core assets, continued to strengthen the REIT's financial position. The REIT is pleased to announce the reinstatement of the monthly distribution to Unitholders, which will commence with a record date of March 31, 2025, payable on April 15, 2025, amounting to $0.0575(1) per Unit per month."

Q4-2024 highlights

- The REIT's core portfolio occupancy(2) excluding assets held for sale at the end of Q4-2024 was approximately 93% which remained above average occupancy for the markets in which the REIT operates. The REIT also had a weighted average lease term ("WALT")(2) of 4.2 years excluding investment properties held for sale.
- The REIT contractually leased and renewed approximately 66,100 square feet with a WALT of 4.22 years with positive leasing spreads on renewals reported at 3.1% for the quarter.
- The REIT's Q4-2024 revenue and Net Operating Income ("NOI")(2) decreased relative to the same period in 2023 by 4% and 11% (YTD-2024 - 4% and 9%) respectively, primarily due to the disposition activity in 2024 (the "Primary Variance Driver"), which was partially offset by Q4-2024 normalized same property NOI ("Same Property NOI")(2) growth of 2.3%. The normalized Same Property NOI growth was primarily due to the increase in occupancy to approximately 93% for Q4-2024 relative to approximately 92% in three months ended December 31, 2023 ("Q4-2023") (excluding held for sale properties) as well as contractual rent increases.
- The REIT's Q4-2024 funds from operations ("FFO")(2) and adjusted funds from operations ("AFFO")(2) decreased by $760 and $315, respectively when compared to the same period in 2023 primarily due to the Primary Variance Driver and reduction in occupancy for the REIT's held for sale properties which was partially offset by normalized Same Property NOI growth.
- Q4-2024 FFO basic and diluted per Unit(2) increased from $0.59 in Q4-2023 to $0.61 and $0.60 for the quarter, respectively, whereas AFFO basic and diluted per Unit(2) increased from $0.58 to $0.63 and $0.62 respectively relative to Q4-2023.
- The REIT had $57.2 million of available funds ("Available Funds")(1) at the end of Q4-2024 representing an increase of $11,815 from December 31, 2023, primarily due to the disposition of non-core assets during YTD-2024 as well as the amendment of the REIT's credit facility (the "Credit Facility").

(1) At an inferred distribution yield of approximately 8% based on the trading price of the REIT's Units as at March 17, 2025.

(2) This is a non-IFRS financial measure, refer to "Non-IFRS Financial Measures".

- From the commencement of the normal course issuer bid ("NCIB") on April 18, 2024 (the "2024 NCIB") to the date of this filing, the REIT had repurchased and cancelled 815,126 Units for $8,290 at a weighted average price of $10.17 per Unit under the 2024 NCIB which represented an inferred distribution yield of approximately 16.8%[(2)].

YTD highlights

- Contractually leased and renewed approximately 498,200 square feet with a WALT of 5.5 years and a 0.7% decrease over expiring base rents. The lower leasing spread in YTD-2024 relative to the year ended December 31, 2023 ("YTD-2023") was primarily due to a specific tenant lease entered into at 6925 Century Avenue in three months ended September 30, 2024. Excluding the impact of one tenant renewal at 6925 Century Avenue, the REIT had positive renewal spreads of 3.2% for YTD-2024.
- Continued the NCIB with YTD-2024 completing the repurchase of 784,420 Units for $7,220 under the 2023 NCIB and 815,126 Units for cash of $8,290 under 2024 NCIB at a weighted average price of $10.17 per Unit and representing a combined inferred distribution yield of 17.6%[(2)].
- The REIT has completed the renewal or refinancing of all debt previously maturing in 2024 and as at December 31, 2024, the REIT had approximately $257,000 of principal mortgage debt maturing in 2025. Subsequent to December 31, 2024, the REIT successfully completed the refinancing of approximately $127,500 or approximately 50% of the 2025 maturities at a weighted average interest rate of approximately 4.80% and weighted average term to maturity of approximately 3.5 years. Furthermore, the REIT has substantially finalized terms on an additional approximately $88,600 or 35% of 2025 debt maturities which are expected to be finalized by Q2-2025 at a weighted average interest rate of approximately 5.40% whereby such amounts include approximately $41,000 of principal debt maturing on properties in Alberta (excluding Alberta assets, the refinancing rate on these maturities is expected to be approximately 4.42%). The debt maturities completed or expected to be completed were primarily with existing lender relationships. The REIT continues to focus on extending its 2025 debt maturities amounting to approximately $41,000, which are with lenders that the REIT has longstanding and strong relationships with. Subsequent to the anticipated refinancing of the 2025 debt maturities outlined above, the REIT has no further principal debt maturities until late Q3-2026 and onwards. The REIT continues to proactively focus on managing its debt maturity profile to strengthen the REIT's financial position.

Subsequent events

- Subsequent to December 31, 2024, the REIT successfully completed the refinancing of approximately $127,500 or approximately 50% of such 2025 maturities at a weighted average interest rate of approximately 4.80% and weighted average term of approximately 3.5 years.
- On February 28, 2025, the REIT amended the Credit Facility by modifying the pool of secured properties against such facility and extended the maturity date to December 1, 2026 with no changes to other terms.
- The REIT is pleased to announce the reinstatement of a monthly distribution to Unitholders, which will commence with a record date of March 31, 2025, payable on April 15, 2025, amounting to $0.0575 per Unit per month. Assuming the payment of distributions at this level throughout 2024, the REIT's AFFO payout ratio would have been approximately 37% for YTD-2024 and based on the trading price of the REIT's Units as at March 17, 2025, the distribution yield would be approximately 8%.

[(1)] This is a non-IFRS financial measure, refer to “Non-IFRS Financial Measures”.
[(2)] Estimated using the $1.70775 per Unit distribution prior to reallocating funds used for distributions to the NCIB and the average market price the REIT repurchased Units at under the NCIB up to the date of this filing.

Key performance indicators

	Q4-2024	Q4-2023	YTD-2024	YTD-2023
Number of properties[1]			40	44
Portfolio gross leasable area ("GLA")[1]			4,618,800 sf	4,792,200 sf
Occupancy[1][2]			93 %	89 %
Remaining WALT[1][2]			4.2 years	4.6 years
Revenue from government and credit rated tenants[1]			75 %	77 %
Revenue	$ 31,682	$ 32,867	$ 126,908	$ 132,204
NOI	15,457	17,346	65,821	72,548
Net loss and comprehensive loss	(15,160)	(5,937)	(20,953)	(40,621)
Same Property NOI	18,886	18,730	78,180	75,926
FFO	$ 8,882	$ 9,642	$ 36,776	$ 41,412
FFO per Unit - basic	0.61	0.59	2.42	2.52
FFO per Unit - diluted	0.60	0.59	2.42	2.52
AFFO	$ 9,156	$ 9,471	$ 37,827	$ 40,619
AFFO per Unit - basic	0.63	0.58	2.49	2.47
AFFO per Unit - diluted	0.62	0.58	2.48	2.47
AFFO payout ratio - diluted[3]	— %	25 %	— %	69 %
Distributions declared	$ —	$ 2,337	$ —	$ 28,068

[1] This is presented as at the end of the applicable reporting period, rather than for the quarter.
[2] Excluding assets held for sale.
[3] This is a non-IFRS financial measure, refer to "Non-IFRS Financial Measures".

Operating results

The REIT's Q4-2024 revenue and NOI decreased relative to the same period in 2023 by 4% and 11% (YTD-2024 - 4% and 9%) respectively, primarily due to the Primary Variance Driver, which was partially offset by Q4-2024 normalized Same Property NOI growth of 2.3%. The normalized Same Property NOI growth was primarily due to the increase in occupancy to approximately 93% for Q4-2024 relative to approximately 92% in Q4-2023 (excluding held for sale properties) as well as contractual rent increases.

The REIT's Q4-2024 FFO and AFFO decreased by $760 and $315, respectively when compared to the same period in 2023 primarily due to the Primary Variance Driver and reduction in occupancy for the REIT's held for sale properties which was partially offset by normalized Same Property NOI growth. The REIT's YTD-2024 FFO and AFFO decreased by $4,636 and $2,792, respectively due to the same factors as outlined for Q4-2024. Same property interest costs (excluding the impact of properties' disposed during 2023 and 2024) remained relatively stable primarily as a result of the REIT's weighted average interest rate remaining relatively consistent with Q4-2023 at approximately 3.94% for Q4-2024.

Q4-2024 FFO basic and diluted per Unit increased from $0.59 in Q4-2023 to $0.61 and $0.60 respectively, whereas AFFO basic per Unit increased from $0.58 to $0.63 and $0.62 respectively over the comparable period. YTD-2024 FFO basic and diluted per Unit decreased $0.10 to $2.42 and AFFO basic and diluted per Unit increased $0.02 to $2.49 and $0.01 to $2.48 respectively, compared to YTD-2023 with variance driven by reasons noted above for FFO and AFFO positively impacted by a reduction in the number of Units as a result of the REIT's NCIB program.

Same Property NOI

Occupancy[1]	As at December 31 2024	2023
Alberta	88.1 %	93.1 %
British Columbia	100.0 %	100.0 %
New Brunswick	88.3 %	86.7 %
Nova Scotia	85.7 %	76.5 %
Ontario	95.3 %	94.6 %
Total	92.9 %	91.9 %

[1] Excluding assets held for sale.

NOI	Q4-2024	Q4-2023	Variance	Variance %
Alberta	$ 2,941	$ 3,044	$ (103)	(3.4)%
British Columbia	817	791	26	3.3 %
New Brunswick	1,344	1,342	2	0.1 %
Nova Scotia	1,302	1,331	(29)	(2.2)%
Ontario	12,454	11,382	1,072	9.4 %
	$ 18,858	$ 17,890	$ 968	5.4 %

Q4-2024 Same Property NOI excluding assets held for sale increased by 5% (YTD-2024 - 7%) compared to the same period in 2023 which normalized to exclude the impact of termination income, free rent credits and one-time accounting adjustments in both periods would have been approximately 2.3% primarily as a result of contractual rent increases and increases in same property occupancy. Q4-2024 Same Property NOI included termination income of approximately $31 (Q4-2023 - $404), free rent credits of $75 (Q4-2023 - $926) and one time charge included in Q4-2024 for uncollectible rents of $355 (Q4-2023 - $nil) related to a past tenant at one of the REIT's Ontario properties.

Q4-2024 Alberta Same Property NOI decreased by 3% primarily attributable to downsizing of a certain tenant offset by contractual rent increases at certain properties. Q4-2024 British Columbia Same Property NOI increased by 3% primarily as a result of contractual rent increases.

Q4-2024 New Brunswick Same Property NOI remained consistent compared to Q4-2023. Q4-2024 Nova Scotia Same Property NOI decreased as certain tenants not renewing upon lease maturity, though this was partially offset by contractual rent increases and new lease commencements.

Q4-2024 Ontario Same Property NOI increased by 9% relative to Q4-2023 primarily due to new leases that commenced throughout 2023 and 2024 on previously vacant space in the GTA, higher rental revenue resulting from free rent that was provided to a tenant in the Ottawa portfolio expired in 2024, partially offset by lower income in the rest of Ontario resulting from the early termination of a tenant in 2023. Normalized Q4-2024 Ontario Same Property NOI growth (excluding the impact of termination income and free rent in both periods) would have been 4.7%.

Debt and Liquidity

	December 31, 2024	December 31, 2023
Indebtedness to GBV ratio[1]	61.8 %	61.9 %
Interest coverage ratio[1]	2.21 x	2.30 x
Indebtedness[1] - weighted average fixed interest rate	3.94 %	3.90 %
Indebtedness - weighted average term to maturity	2.16 years	3.01 years

[1] This is a non-IFRS financial measure, refer to "Non-IFRS Financial Measures".

At the end of Q4-2024, the REIT had access to Available Funds of approximately $57,161, and a weighted average term to maturity of 2.16 years in its mortgage portfolio with a weighted average fixed interest rate of 3.94%. Subsequent to December 31, 2024, the REIT completed the refinancing of $127,500 of mortgage debt at a weighted average interest rate of 4.80% and weighted average term to maturity of 3.5 years.

About the REIT

The REIT is an unincorporated, open-ended real estate investment trust established under the laws of the Province of Ontario. The REIT currently owns and operates a portfolio of 40 commercial properties consisting of approximately 4.6 million square feet in urban and select strategic secondary markets across Canada focusing on long term leases with government and credit rated tenants.

On November 24, 2023 the REIT executed a consolidation of its trust units ("Units"), special voting Units of the REIT and the class B Limited Partnership Units of the REIT ("Class B LP Units") on the basis of 5.75:1 ("Unit Consolidation"). All Unit and per Unit amounts noted within have been retroactively adjusted to reflect the Unit Consolidation. The REIT's presentation currency is the Canadian dollar. Unless otherwise stated, dollar amounts expressed in this press release are in thousands of dollars.

The REIT is focused on growing its portfolio principally through acquisitions across Canada and such other jurisdictions where opportunities exist. Additional information concerning the REIT is available at www.sedarplus.ca or the REIT's website at www.truenorthreit.com.

Non-IFRS measures

Certain terms used in this press release such as FFO, AFFO, FFO and AFFO payout ratios, NOI, Same Property NOI, indebtedness ("Indebtedness"), gross book value ("GBV"), Indebtedness to GBV ratio, net earnings before interest, tax, depreciation and amortization and fair value gain (loss) on financial instruments and investment properties ("Adjusted EBITDA"), interest coverage ratio, net asset value ("NAV") per Unit, Available Funds, occupancy and WALT are not measures defined by IFRS Accounting Standards ("IFRS") as prescribed by the International Accounting Standards Board, do not have standardized meanings prescribed by IFRS and should not be compared to or construed as alternatives to profit/loss, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. FFO, AFFO, FFO and AFFO payout ratios, NOI, Same Property NOI, Indebtedness, GBV, Indebtedness to GBV ratio, Adjusted EBITDA, interest coverage ratio, adjusted cash provided by operating activities, NAV per Unit, Available Funds, occupancy and WALT as computed by the REIT may not be comparable to similar measures presented by other issuers. The REIT uses these measures to better assess the REIT's underlying performance and provides these additional measures so that investors may do the same. Details on non-IFRS measures are set out in the REIT's Management's Discussion and Analysis for Q4-2024 and YTD-2024 and the Annual Information Form are available on the REIT's profile at www.sedarplus.ca.

Reconciliation of Non-IFRS financial measures

The following tables reconcile the non-IFRS financial measures to the comparable IFRS measures for Q4-2024, Q4-2023, YTD-2024 and YTD-2023. These non-IFRS financial measures do not have any standardized meanings prescribed by IFRS and may not be comparable to similar measures presented by other issuers.

NOI

The following table calculates the REIT's NOI, a non-IFRS financial measure:

	Q4-2024	Q4-2023	YTD-2024	YTD-2023
Revenue	$ 31,682	$ 32,867	$ 126,908	$ 132,204
Expenses:				
Property operating	(11,470)	(10,692)	(41,511)	(39,492)
Realty taxes	(4,755)	(4,829)	(19,576)	(20,164)
NOI	$ 15,457	$ 17,346	$ 65,821	$ 72,548

Same Property NOI

Same Property NOI is measured as the NOI for the properties owned and operated by the REIT for the current and comparative period. The following table reconciles the REIT's Same Property NOI to NOI:

	Q4-2024	Q4-2023	YTD-2024	YTD-2023
Number of properties	40	40	40	40
Revenue	$ 31,604	$ 31,281	$ 124,367	$ 124,015
Expenses:				
Property operating	(11,558)	(10,045)	(40,766)	(36,987)
Realty taxes	(4,753)	(4,818)	(19,277)	(19,228)
	$ 15,293	$ 16,418	$ 64,324	$ 67,800
Add:				
Amortization of leasing costs and tenant inducements	2,631	2,483	10,017	9,071
Straight-line rent	962	(171)	3,839	(945)
Same Property NOI	$ 18,886	$ 18,730	$ 78,180	$ 75,926
Less: properties held for sale included in the above	28	840	1,183	4,198
Same Property NOI excluding investment properties held for sale	$ 18,858	$ 17,890	$ 76,997	$ 71,728
Reconciliation to consolidated financial statements:				
Acquisition, dispositions and investment properties held for sale	192	1,826	2,722	9,215
Amortization of leasing costs and tenant inducements	(2,631)	(2,526)	(10,033)	(9,261)
Straight-line rent	(962)	156	(3,865)	866
NOI	$ 15,457	$ 17,346	$ 65,821	$ 72,548

FFO and AFFO

The following table reconciles the REIT's FFO and AFFO to net loss and comprehensive loss, for Q4-2024, Q4-2023, YTD-2024 and YTD-2023:

	Q4-2024	Q4-2023	YTD-2024	YTD-2023
Net loss and comprehensive loss	$ (15,160)	$ (5,937)	$ (20,953)	$ (40,621)
Add (deduct):				
Fair value adjustment of Unit-based compensation	(103)	(85)	197	(571)
Fair value adjustment of investment properties and investment properties held for sale	22,371	11,814	43,208	80,205
Fair value adjustment of Class B LP Units	(1,144)	(956)	214	(10,135)
Transaction costs on sale of investment properties	—	1	1,969	1,376
Distributions on Class B LP Units	—	60	—	739
Unrealized loss on change in fair value of derivative instruments	287	2,219	2,108	1,158
Amortization of leasing costs and tenant inducements	2,631	2,526	10,033	9,261
FFO	$ 8,882	$ 9,642	$ 36,776	$ 41,412
Add (deduct):				
Unit-based compensation expense	76	117	200	563
Amortization of financing costs	395	328	1,661	1,399
Rent supplement	—	742	—	2,970
Amortization of mortgage discounts	(8)	(9)	(31)	(34)
Instalment note receipts	11	13	47	54
Straight-line rent	961	(156)	3,865	(866)
Capital reserve	(1,161)	(1,206)	(4,691)	(4,879)
AFFO	$ 9,156	$ 9,471	$ 37,827	$ 40,619
FFO per Unit:				
Basic	$0.61	$0.59	$2.42	$2.52
Diluted	0.60	0.59	2.42	2.52
AFFO per Unit:				
Basic	$ 0.63	$ 0.58	$ 2.49	$ 2.47
Diluted	0.62	0.58	2.48	2.47
AFFO payout ratio:				
Basic	— %	25 %	— %	69 %
Diluted	— %	25 %	— %	69 %
Distributions declared	$ —	$ 2,337	$ —	$ 28,068
Weighted average Units outstanding (000s):				
Basic	14,636	16,378	15,169	16,424
Add:				
Unit options and incentive Units	71	8	59	5
Diluted	14,707	16,386	15,228	16,429

Indebtedness to GBV Ratio

The table below calculates the REIT's Indebtedness to GBV ratio as at December 31, 2024 and December 31, 2023. The Indebtedness to GBV ratio is calculated by dividing the Indebtedness by GBV:

	December 31, 2024	December 31, 2023
Total assets	$ 1,240,231	$ 1,323,672
Deferred financing costs	6,308	6,976
GBV[1]	1,246,539	1,330,648
Mortgages payable	737,574	797,393
Credit Facility	30,170	23,600
Unamortized financing costs and mark to market mortgage adjustments	2,264	3,289
Indebtedness	$ 770,008	$ 824,282
Indebtedness to GBV ratio	**61.8 %**	**61.9 %**

[1] This is a non-IFRS financial measure, refer to "Non-IFRS Financial Measures".

Adjusted EBITDA

The table below reconciles the REIT's Adjusted EBITDA[1] to net loss and comprehensive loss for YTD-2024 and YTD-2023:

	YTD-2024	YTD-2023
Net loss and comprehensive loss	$ (20,953)	$ (40,621)
Add (deduct):		
Interest expense	31,814	32,821
Fair value adjustment of Unit-based compensation	197	(571)
Transaction costs on sale of investment properties	1,969	1,376
Fair value adjustment of investment properties and investment properties held for sale	43,208	80,205
Fair value adjustment of Class B LP Units	214	(10,135)
Distributions on Class B LP Units	—	739
Unrealized loss on change in fair value of derivative instruments	2,108	1,158
Amortization of leasing costs, tenant inducements, mortgage premium and financing costs	11,663	10,626
Adjusted EBITDA	$ 70,220	$ 75,598

Interest Coverage Ratio

The table below calculates the REIT's interest coverage ratio for YTD-2024 and YTD-2023. The interest coverage ratio is calculated by dividing Adjusted EBITDA by interest expense.

	YTD-2024	YTD-2023
Adjusted EBITDA	$ 70,220	$ 75,598
Interest expense	31,814	32,821
Interest coverage ratio	2.21 x	2.30 x

Available Funds

The table below calculates the REIT's Available Funds as at December 31, 2024 and December 31, 2023:

	December 31, 2024	December 31, 2023
Cash	$ 12,331	$ 8,946
Undrawn Credit Facility	44,830	36,400
Available Funds	$ 57,161	$ 45,346

Forward-looking statements

Certain statements contained in this press release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking statements are provided for the purposes of assisting the reader in understanding the REIT’s financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management’s current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking information may relate to future results, performance, debt financing, achievements, events, prospects or opportunities for the REIT or the real estate industry and may include statements regarding the financial position, business strategy, budgets, projected costs, capital expenditures, financial results, taxes, distributions, plans, the benefits and renewal of the NCIB, or through other capital programs, the impact of the Unit Consolidation and objectives of or involving the REIT. In some cases, forward-looking information can be identified by such terms as “may”, “might”, “will”, “could”, “should”, “would”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “seek”, “aim”, “estimate”, “target”, “goal”, “project”, “predict”, “forecast”, “potential”, “continue”, “likely”, or the negative thereof or other similar expressions suggesting future outcomes or events.

[1] This is a non-IFRS financial measure, refer to “Non-IFRS Financial Measures”.

Forward-looking statements involve known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond the REIT's control, affect the operations, performance and results of the REIT and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: risks and uncertainties related to the Units and trading value of the Units; risks related to the REIT and its business; fluctuating interest rates and general economic conditions, including potential higher levels of inflation; the impact of any tariffs and retaliatory tariffs on the economy, credit, market, operational and liquidity risks generally; occupancy levels and defaults, including the failure to fulfill contractual obligations by tenants; lease renewals and rental increases; the ability to re-lease and secure new tenants for vacant space; the timing and ability of the REIT to acquire or sell certain properties; work-from-home flexibility initiatives on the business, operations and financial condition of the REIT and its tenants, as well as on consumer behavior and the economy in general; the ability to enforce leases, perform capital expenditure work, increase rents or raise capital through the issuance of Units or other securities of the REIT; the benefits of the NCIB, or through other capital programs; the impact of the Unit Consolidation; the ability of the REIT to resume distributions in future periods; and obtain mortgage financing on the REIT's properties and for potential acquisitions or to refinance debt at maturity on similar terms. The foregoing is not an exhaustive list of factors that may affect the REIT's forward-looking statements. Other risks and uncertainties not presently known to the REIT could also cause actual results or events to differ materially from those expressed in its forward-looking statements. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements as there can be no assurance actual results will be consistent with such forward-looking statements.

Information contained in forward-looking statements is based upon certain material assumptions applied in drawing a conclusion or making a forecast or projection, including management's perception of historical trends, current conditions and expected future developments, as well as other considerations believed to be appropriate in the circumstances. There can be no assurance regarding: (a) work-from-home initiatives on the REIT's business, operations and performance, including the performance of its Units; (b) the REIT's ability to mitigate any impacts related to fluctuating interest rates, potential higher levels of inflation and the shift to hybrid working; (c) the factors, risks and uncertainties expressed above in regards to the hybrid work environment on the commercial real estate industry and property occupancy levels; (d) credit, market, operational, and liquidity risks generally; (e) the availability of investment opportunities for growth in Canada and the timing and ability of the REIT to acquire or sell certain properties; (f) repurchasing Units under the NCIB; (g) Starlight Group Property Holdings Inc., or any of its affiliates, continuing as asset manager of the REIT in accordance with its current asset management agreement; (h) the benefits of the NCIB, or through other capital programs; (i) the impact of the Unit Consolidation; (j) the availability of debt financing for potential acquisitions or refinancing loans at maturity on similar terms; (k) the ability of the REIT to resume distributions in future periods; and (l) other risks inherent to the REIT's business and/or factors beyond its control which could have a material adverse effect on the REIT.

The forward-looking statements made relate only to events or information as of the date on which the statements are made. Except as specifically required by applicable Canadian law, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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