



Q3 REPORT

2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2022



Centurion Apartment Real Estate Investment Trust (“REIT” or the “Trust”) is an income-producing, diversified real estate investment trust investing in multi-residential apartments, student housing, and mortgage investments in Canada and the United States.



Q3 2022 HIGHLIGHTS

- Total Assets increased by 3.8% to \$5.5 billion during the quarter.
- Property Operating Revenues increased by 54.6% over the same quarter last year.
- Net Operating Income (“NOI”) increased by 71.8% to \$46.9 million from \$27.3 million over the same quarter last year.
- Acquired a brand-new Multi-Family apartment property with 145 rental units in Montreal, Quebec.
- Acquired a 75% interest in a Medical Office portfolio consisting of 9 operating buildings located in Ontario and Alberta.
- Trailing 12-Month Class A Return of 17.12%.
- Trailing 12-Month Class F Return of 18.10%.

OBJECTIVES

- To provide investors with cash distributions, payable monthly; tax-deferred, where reasonably possible, with the opportunity for long-term growth and a focus on the preservation of capital
- To maintain and grow a diversified investment portfolio of income-producing multi-unit residential apartments, student housing properties and mortgage and equity investments in Canada and the U.S.
- To maximize unit value through the active management of the portfolio
- To leverage the strategic relationships within Centurion Asset Management Inc.'s network to increase investment opportunities and manage risk

FINANCIAL HIGHLIGHTS



(expressed in thousands of Canadian dollars, except per unit amounts)

	Notes	Three Months Ending September 30		Nine Months Ending September 30	
		2022	2021	2022	2021
OPERATING PERFORMANCE					
Overall Portfolio Occupancy		93.2%	87.9%	92.8%	88.7%
Stabilized Property Occupancy		95.5%	93.3%	94.5%	92.4%
Property Operating Revenues		\$73,771	\$47,721	\$200,882	\$126,761
NOI		\$46,891	\$27,320	\$126,271	\$76,328
NOI Margin		63.6%	57.2%	62.9%	60.2%
Net Income and Comprehensive Income		\$145,296	\$109,231	\$349,703	\$221,067
Net Income and Comprehensive Income per Unit		\$0.98	\$0.88	\$2.46	\$1.85
Funds From Operations per Unit		\$0.20	\$0.19	\$0.67	\$0.54
Normalized Funds From Operations per Unit		\$0.32	\$0.31	\$0.79	\$0.83
Weighted Average Number of Units (Adjusted)		148,071,728	123,567,430	142,109,379	119,608,349
Distributions per Class "A" Unit		\$0.21	\$0.21	\$0.63	\$0.62
Distributions per Class "F" Unit		\$0.26	\$0.23	\$0.78	\$0.70
Total Return - Class A		2.29%	3.10%	10.97%	5.43%
Total Return - Class F		2.52%	3.25%	11.76%	5.89%
12 Month Trailing Return - Class A		17.12%	7.11%	17.12%	7.11%
12 Month Trailing Return - Class F		18.10%	7.73%	18.10%	7.73%
ACTIVITY					
Number of Properties Acquired and Created		10	5	44	14
Number of Rental Units Acquired and Created		145	1,150	4,764	2,063
Number of Rental Units Acquired and Created (undiluted)		145	1,761	4,838	2,674
New Investments in the Lending Portfolio		\$91,083	\$156,108	\$191,917	\$202,477
Repayments of Investments in the Lending Portfolio		\$77,280	\$54,165	\$300,769	\$200,544
			Sep 30,	Dec 31,	Sep 30,
			2022	2021	2021
RENT TO MARKET GAP					
Gap to Market (Annualized)	1		\$23,303	\$13,467	\$13,015
Rent to Market Gap %	1		6.49%	5.51%	5.52%
LIQUIDITY AND LEVERAGE					
Total Debt to Gross Book Value			43.68%	38.85%	39.00%
Net Debt to Adjusted Gross Book Value	2		42.54%	36.60%	35.28%
Weighted Average Mortgage Liability Interest Rate			2.76%	2.62%	2.59%
Weighted Average Mortgage Liability Term (years)			6.04 years	6.40 years	6.15 years
Weighted Average Mortgage Investment Interest Rate			11.79%	9.27%	9.81%
Weighted Average Mortgage Investment Term (years)			1.10	0.55	0.60
Gross Interest Expense Coverage Ratio (times)	3		2.92	3.44	3.47
Available Liquidity - Acquisition and Operating Facility			\$256,974	\$519,421	\$174,651

NOTES

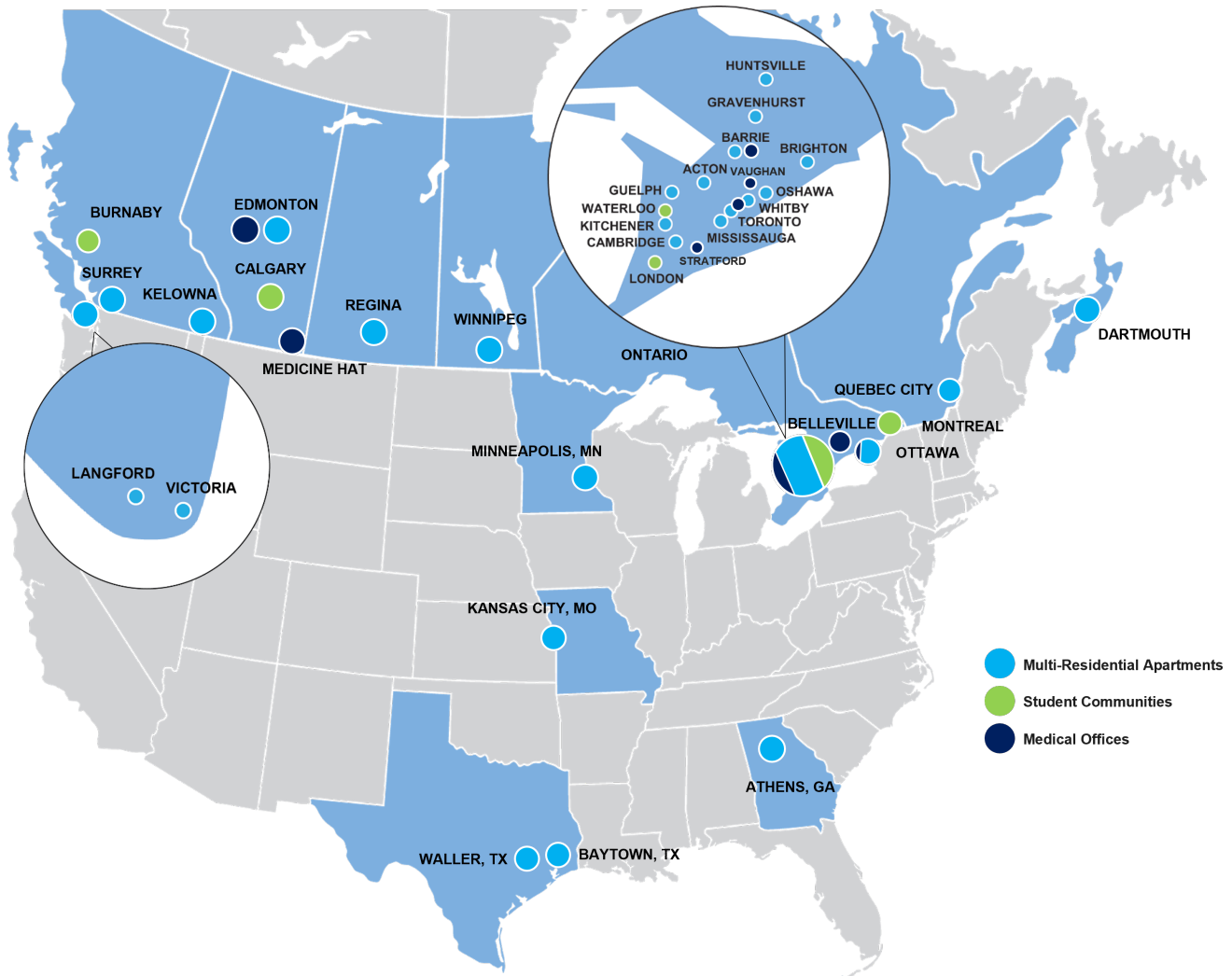
1. Refer to the Operating Results section on Page 26 for an additional discussion on the Gap to Market figure.
2. Calculated by taking (Mortgage Liabilities less Mortgage Assets) and divided by (Total Unrestricted Assets less Mortgage Investments)
3. Calculated by taking NOI plus Interest Income divided by Finance Costs.

FINANCIAL HIGHLIGHTS



FUND FACTS	Sep 30, 2022	Dec 31, 2021	Sep 30, 2021
Closing Price of Trust Units	\$22.222	\$20.628	\$19.745
Total Number of Undiluted Rental Units	19,729	15,067	14,090
Total Number of Buildings	145	102	96
Investment Properties	\$5,319,665	\$3,677,140	\$3,416,617
Total Assets	\$5,481,774	\$4,073,306	\$3,895,970
Market Capitalization	\$3,306,671	\$2,672,653	\$2,451,273

PORTFOLIO DIVERSIFICATION



INCLUDES PROPERTIES AND MORTGAGE INVESTMENTS

PORTFOLIO DIVERSIFICATION



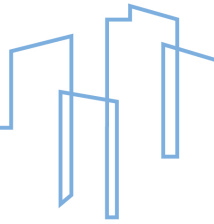
47 CITIES | 145 PROPERTIES | 19,729 UNITS*

APARTMENTS

CITIES	RENTAL UNITS	CITIES	RENTAL UNITS
ALBERTA		NOVA SCOTIA	
Edmonton	9 1,539	Dartmouth	1 114
Calgary	1 122		
BRITISH COLUMBIA		SASKATCHEWAN	
Langford	11 636	Regina	5 571
Surrey	2 379		
Victoria	2 229	MANITOBA	
Kelowna	1 175	Winnipeg	5 1,341
ONTARIO		U.S.A.	
Acton	1 33	Athens	1 204
Barrie	2 43	Waller	1 224
Brighton	2 59	Minneapolis	1 307
Cambridge	5 679	Baytown	1 228
Gravenhurst	1 39	Kansas City	1 283
Guelph	1 66		
Huntsville	1 25	QUEBEC	
Kitchener	6 668	Quebec City	1 684
Mississauga	3 269	Montreal	5 667
Oshawa	4 231	Blainville	1 133
Toronto	13 1,498	Brossard	5 541
Whitby	1 36	Châteauguay	3 379
Ottawa	1 171	Delson	3 332
		Longueuil	7 654
		Saint-Constant	2 328
		Sainte-Julie	1 286
		Sainte-Thérèse	3 430
		Saint-Lambert	1 210
		Terrebonne	3 208
		Gatineau	1 345
		TOTAL RENTAL UNITS	15,366

*Owned properties only

PORTFOLIO DIVERSIFICATION



STUDENT HOUSING

CITIES	PROPERTIES	RENTAL UNITS	CITIES	PROPERTIES	RENTAL UNITS
ALBERTA			QUEBEC		
Calgary	1	486	Montreal	1	440
			Quebec City	1	289
ONTARIO			BRITISH COLUMBIA		
London	4	955	Burnaby	1	482
Waterloo	7	1711			
TOTAL RENTAL UNITS					4,363

MEDICAL OFFICES

CITIES	PROPERTIES	LEASABLE SQ. FT.	CITIES	PROPERTIES	LEASABLE SQ. FT.
ONTARIO			ALBERTA		
Toronto	1	129,518	Medicine Hat	1	30,280
Barrie	1	112,120	Edmonton	1	45,845
Vaughan	1	57,976			
Ottawa	4	167,204			
Stratford	1	34,285			
Belleville	1	22,438			

LETTER FROM THE PRESIDENT



We are very pleased with our financial and operational performance in the third quarter of 2022. Same Store Occupancies continued to increase to 95.9% as at September 30, 2022, up from 90.3% at the same time last year. In addition, our average monthly rents for the stabilized portfolio increased 4.9% compared to last year. The Balance Sheet and financial position remained strong and resilient with a significant liquidity position of \$257.0 million.

The Trust's returns continue to be very positive especially in relation to the overall global equity markets which have taken a significant downturn in 2022. The nine-month total returns for the Class A and Class F Units were 10.97% and 11.76% respectively. The twelve-month trailing returns for the Class A and Class F Units were 17.12% and 18.10% respectively.

Total assets of the Trust are \$5.5 billion as at September 30th, 2022.

For the nine months ended September 30, 2022, Property Operating Revenues increased 58.5% driven by the contribution of acquisitions over the last twelve months, increased occupancies, and higher average rents. This led to an increase in Net Operating Income ("NOI") of 65.4%.

In the third quarter, we acquired a brand-new multi-family apartment property located in the heart of Old Montreal with 145 rental units. In addition, we acquired a 75% interest in a medical office portfolio, consisting of 9 operating buildings located in Ontario and Alberta. Furthermore, in early October we closed a multi-family apartment property in Ottawa, Ontario consisting of a 15-storey high rise tower and adjoining 3 and 6-storey mid-rise buildings with a total of 276 rental units.

We were very honored to be the recipient of the following awards during the quarter. We continue to be a leader in employee innovation and strive to maintain a positive and rewarding culture.

- University of Waterloo Award for Next Generation Employment Innovation
- Best workplace for Mental Wellness
- 5-Star Benefits Program - HRDC
- Best Place to Work – Canadian HR Reporter
- Best Workplace in Real Estate, Property development and Construction

As we look forward to the remaining months of 2022 and into 2023, we see very positive tailwinds, including portfolio growth and stabilization, higher rents and increased immigration, that will continue to generate strong and growing returns for Unitholders over the long term.

A handwritten signature in black ink, appearing to read 'Greg Romundt'.

GREG ROMUNDT

President, CEO, and Trustee

Q3 2022: MANAGEMENT'S DISCUSSION AND ANALYSIS



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Forward-Looking Statements

CAUTION REGARDING FORWARD-LOOKING STATEMENTS



The Management's Discussion and Analysis ("MD&A") of Centurion Apartment Real Estate Investment Trust ("Centurion", "Centurion REIT", "Centurion Apartment REIT", the "Trust" or the "REIT") contains "forward-looking statements" within the meaning of applicable securities legislation. This document should be read in conjunction with the material contained in the Trust's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2022, along with Centurion REIT's other documents available on the Trust's website. Forward-looking statements appear in this MD&A under the heading "Outlook" and generally include, but are not limited to, statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations, including but not limited to financial performance, equity or debt offerings, new markets for growth, financial position, comparable multi-residential REITs and proposed acquisitions. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be", "taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Centurion REIT to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: the risks related to the market for Centurion REIT's trust Units, the general risks associated with real property ownership and acquisition, that future accretive acquisition opportunities will be identified and/or completed by Centurion REIT, risk management, liquidity, debt financing, credit risk, competition, general uninsured losses, interest rate fluctuations, environmental matters, restrictions on redemptions of outstanding Centurion REIT's trust Units, lack of availability of growth opportunities, diversification, potential unitholders' liability, potential conflicts of interest, the availability of sufficient cash flow, fluctuations in cash distributions, the unit price of Centurion REIT's trust Units, the failure to obtain additional financing, dilution, reliance on key personnel, changes in legislation, failure to obtain or maintain mutual fund trust status and delays in obtaining governmental approvals or financing as well as those additional factors discussed in Appendix E "Risks and Uncertainties" and in other sections of the MD&A.

In addition, certain material assumptions are applied by the Trust in making forward-looking statements including, without limitation, factors and assumptions regarding;

- Overall national economic activity
- Regional economic factors, such as employment rates
- Inflationary/deflationary factors
- Long, medium, and short-term interest rates
- Legislated requirements
- Availability of financing
- Vacancy rates

Although the forward-looking information contained herein is based upon what Management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Centurion REIT has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, however, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Centurion REIT does not intend to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Certain statements included herein may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this MD&A.



CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST

The REIT is a private real estate investment trust focused on apartment buildings, student housing, and mortgage investments in Canada. It is organized as an unincorporated open-ended investment trust created by a declaration of trust made as of August 31, 2009, and as amended and restated, (the “Declaration of Trust”) is governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. See “Declaration of Trust” and “Description of Units”.

The objectives of the REIT are: (i) to provide Unitholders with stable cash distributions, payable monthly and, to the extent reasonably possible, tax-deferred, from investments in a diversified portfolio of income-producing multi-unit residential properties located in Canada; and (ii) to maximize REIT Unit value through the ongoing management of the REIT's assets and through the future acquisition of additional multi-unit residential properties.

DECLARATION OF TRUST

The policies of the Trust are outlined in the amended and restated Declaration of Trust (the “DOT”) dated January 13, 2022. The DOT can be found at:

<https://www.centurion.ca/investment-solutions/centurion-apartment-reit>

The investment guidelines and operating policies set out in the DOT.

ACCOUNTING POLICIES



The REIT's significant accounting policies are described in Note 3 of the unaudited condensed consolidated interim financial statements (see “Appendix F”) for the three and nine months ended September 30, 2022. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

In applying these policies, in certain cases, it is necessary to use estimates, which Management determines using information available to the Trust at the time. Management reviews key estimates quarterly to determine their appropriateness and any change to these estimates is applied prospectively in compliance with IFRS. Significant estimates are made with respect to the fair values of investment properties and the fair values of financial instruments.



Notre Dame, Quebec



Le Bacc, Quebec



Le Central, Gatineau

NON-IFRS MEASURES



Centurion Apartment REIT prepares its unaudited condensed consolidated interim financial statements in accordance with IFRS. In this MD&A, as a complement to the financial results provided in accordance with IFRS, Centurion Apartment REIT also discloses and discusses certain financial measures not recognized by IFRS including Net Operating Income (“NOI”), Normalized Net Operating Income (“NNOI”) and Funds From Operations (“FFO”).

These metrics (or, in each case, substantially similar terms) are measures used by Canadian real estate investment trusts as indicators of financial performance, however they do not have standardized meanings prescribed and these measures may differ from similar computations as reported by other real estate investment trusts and, accordingly, may not be comparable to similarly-termed measures reported by other such issuers.

Net Operating Income (“NOI”) is a key measure of operating performance used in the real estate industry and includes all rental revenues generated at the property level, less related direct costs such as utilities, realty taxes, insurance and on-site maintenance wages and salaries. As one of the factors that may be considered relevant by readers, Management believes that NOI is a useful supplemental measure that may assist prospective investors in assessing the Trust.

NNOI is a key measure of potential operating performance used in the real estate industry and differs from NOI mainly in that certain long-term stabilizing assumptions are made in the calculation of NNOI. Such assumptions may reflect a stabilized (normalized) view of key inputs in the calculation of NNOI such as forward-looking rents, vacancy ratios, property taxes, wages, repairs and maintenance, and other costs. NNOI is often used by property appraisers in valuing a property. NNOIs have been used, among other things for evaluating potential property acquisitions, to determine fair values of the investment properties held by the Trust, and to estimate the capacity to make distributions and the level of distributions. Management believes that given the rapid rate of growth of the portfolio, that new acquisitions often require stabilization and repositioning periods and that many in the real estate industry use NNOI when purchasing or selling a property, NNOI is a useful tool in evaluating the portfolio.

FFO is a financial measure used by some REITs to define their operating performance to provide an idea of the REIT's cash performance, which is a better indicator of a REIT's performance than earnings which includes large non-cash items. As a rapidly growing REIT with a number of properties that are currently unstabilized or in a period of repositioning, Management does not look at FFO to be a very useful indicator of stabilized cash flow or earnings but calculates and presents FFO as an input into the calculation of the measures such as NFFO.

NFFO is a financial measure that adjusts Funds From Operations for non-recurring items. Some of these items Management considers to be capital in nature but for accounting purposes are expensed under IFRS (e.g. portfolio stabilization costs). Adjustments may include things such as portfolio stabilization costs (e.g. extra vacancy costs, rental promotions costs and non-normalized collections and evictions costs) that are not expected to be ongoing once stabilization is achieved, adjustments for the difference between underwritten Internal Rates of Return on participating mortgage type investments and minimum coupon rates on those investments to show the impact of timing differences on earnings related to these investments, leakage costs on excess capital (for undeployed capital) that has dragged on current period earnings, nonrecurring and new recurring measures such as internalization of the asset and property management teams and their influence on earnings capacity. Management looks at NFFO as a better measure of the REIT's current cash-generating capacity than FFO as it takes a stabilized view of the portfolio and adjusts for items that are not expected to influence earnings capacity over the medium to long term. It excludes identified opportunities and costs that Management has identified and believes may be realized over time.

Readers are cautioned that these metrics and calculations are not alternatives to measures under IFRS and should not, on their own, be construed as indicators of the Trust's performance, cash flows, measures of liquidity or as measures of actual returns on Units of the Trust. These non-IFRS measures, as presented, should only be used in conjunction with the unaudited condensed consolidated interim financial statements of the Trust. In addition, these measures may be calculated differently by other similar organizations and may not be comparable.

NON-IFRS MEASURES



The Trust currently has six classes of units, the Class “A” Units, Class “F” Units, Class “I” Units, Class “M” Units, Class “R” units, and Exchangeable “B” and “C” LP Units. Under IFRS, the REIT has no instrument qualifying for equity classification on its unaudited condensed consolidated interim financial statements and as such, all units are classified as financial liabilities. The classification of all units as financial liabilities with the presentation as net assets attributable to Unitholders does not alter the underlying economic interest of the Unitholders in the net assets and net operating results attributable to Unitholders.

NON-IFRS MEASURES RECONCILIATION



Management has elected to reclassify certain portfolio investments that are presented as either participating loan interests and/or equity accounted investments in accordance with IFRS to a management reporting method that classifies these investments based on their underlying nature and expected returns. This method provides Management with a platform to evaluate investments with similar characteristics and actively manage risk.

Management believe that certain operational investment properties which are classified as equity accounted investments in accordance with IFRS, include characteristics that are consistent with our directly held investment properties. The table below outlines the adjustments for property operating revenue and net operating income for investment properties held within equity accounted investments that impact Management's evaluation of net operating margin.

Reconciliation of IFRS to Management Reporting - Portfolio Performance

Expressed in Thousands of Canadian Dollars

For the period ended	September 30, 2022		September 30, 2021
Property Operating Revenue, per IFRS	\$	178,822	\$ 110,728
Property Operating Revenue associated with Equity Accounted Investments reclassified as Investment Properties		22,060	16,033
Property operating revenue, per Management		200,882	126,761
Net operating income, per IFRS		116,227	69,671
Net Operating Income associated with Equity Accounted Investments reclassified as Investment Properties		10,044	6,657
Net Operating Income per Management	\$	126,271	\$ 76,328

Reconciliation of IFRS to Management Reporting - Investment Properties

Expressed in Thousands of Canadian Dollars

	September 30, 2022		December 31, 2021
Total Investment Properties, per IFRS	\$	4,720,129	\$ 3,110,516
Add: Equity Accounted Investments reclassified as Investment Properties and presented at proportionate ownership		599,536	566,624
Investment Properties, per Management	\$	5,319,665	\$ 3,677,140

Reconciliation of IFRS to Management Reporting - Mortgage Payable

Expressed in Thousands of Canadian Dollars

	September 30, 2022		December 31, 2021
Total Mortgage Payable and Credit Lines, per IFRS	\$	2,390,283	\$ 1,578,261
Add: Equity Accounted Investments reclassified as Investment Properties and presented at Proportionate Ownership		301,926	260,053
Mortgage Payable and Credit Lines, per Management	\$	2,692,209	\$ 1,838,314

NON-IFRS MEASURES RECONCILIATION



Reconciliation of IFRS to Management Reporting

Expressed in Thousands of Canadian Dollars

	September 30, 2022	December 31, 2021
Total Mortgage Investments, per IFRS	\$ 108,653	\$ 143,887
Add: Allowance for ECL	428	314
Add: Mortgage Investments syndicated with CFIT	1,138	11,091
Add: Participating Loan Interests reclassified as Mortgage Investments	6,130	52,987
Total Gross Mortgage Investments, per Management	116,349	208,279
Total Participating Loan Interests, per IFRS	30,441	110,972
Less: Participating Loan Interests reclassified as Mortgage Investments	(6,130)	(52,987)
Add: Participating Investments syndicated with CFIT	2,409	2,661
Add: Equity Accounted Investments reclassified as Participating Loan Interests	—	930
Total Participating Loan Interests, per Management	26,720	61,576
Total Equity Accounted Investments, per IFRS	385,441	341,428
Less: Equity Accounted Investments reclassified as Participating Loan Interests	—	(930)
Less: Equity Accounted Investments classified as Investment Properties	(254,684)	(283,760)
Equity Accounted Investments, per Management Reporting	\$ 130,757	\$ 56,738

Management reporting of investments is an alternative reporting method used to present the composition of investments held by the Trust in alignment with the business.

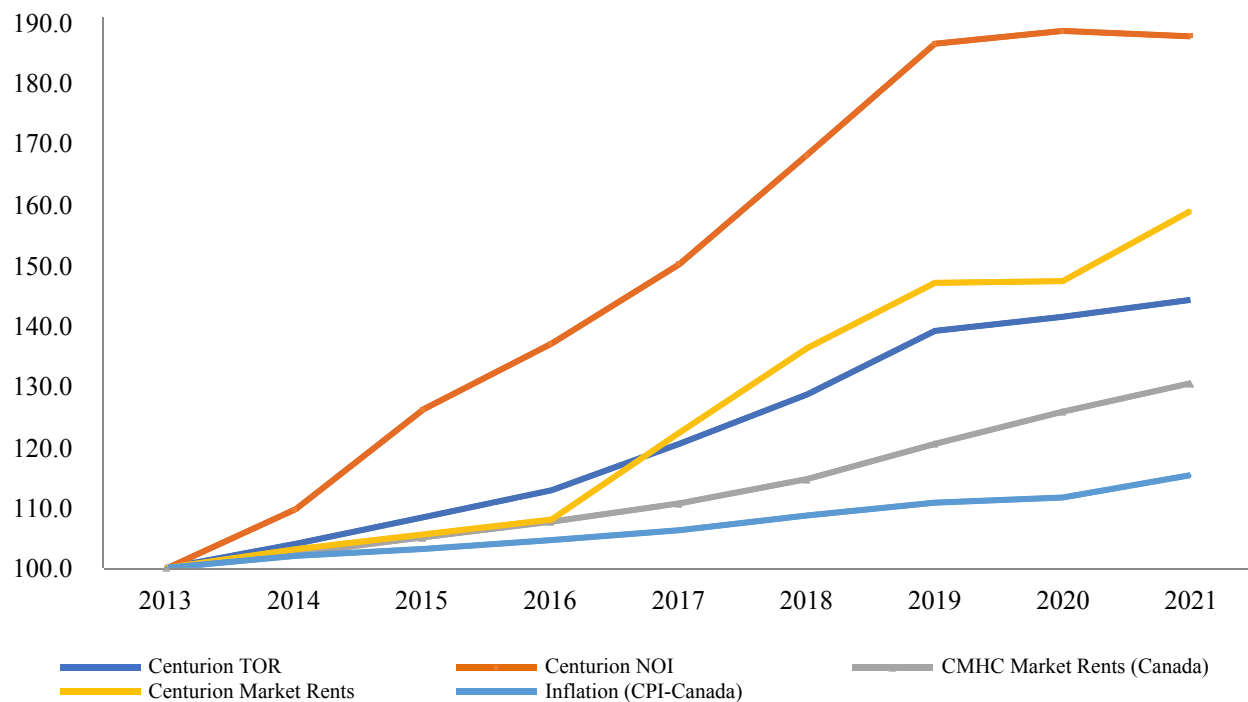
Specifically, Management believes this method better reflects the underlying nature of the risk profile and expected returns of these investments when compared to the reporting requirements in accordance with IFRS, and consequently, this method provides Management with a platform to evaluate investments with similar characteristics and actively manage risk.

Management believes the Trust holds certain investments that include the characteristics of participating loan interests, which are classified as equity accounted investments in accordance with IFRS. Furthermore, Management believes the Trust holds certain investments that include the characteristics of mortgage investments, which are classified as participating loan interests in accordance with IFRS.

OUTLOOK AND BUSINESS STRATEGY

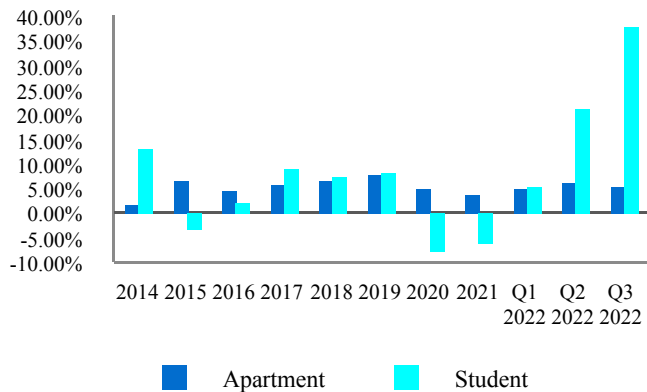


Centurion Performance vs. Inflation and Market Rents (1)

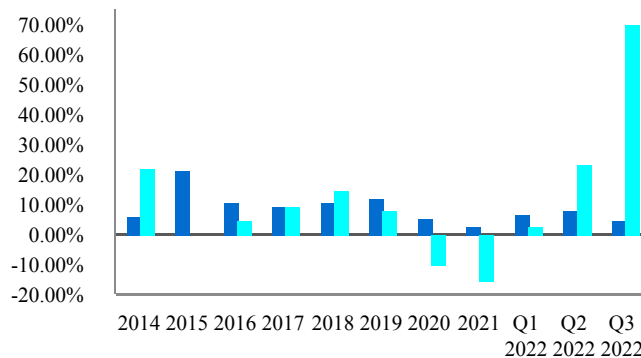


⁽¹⁾ The REIT has grown its Same Store NOI, Total Operating Revenues and Market rents significantly faster than market averages and inflation benchmarks.

Same Store Operating Revenues Growth Rate (2)



Same Store NOI Growth Rate (3)



⁽²⁾ Since 2014, Same Store Operating Revenue has grown on average by 4.69% per annum.

⁽³⁾ Since 2014, Same Store NOI has grown at an average of 8.20% per annum.



2022 PROPERTY ACQUISITIONS:



The View at Charlesworth*

Location: Edmonton, AB
Address: 5207 4 Ave SW
Type of Building: Apartment (elevator)
Number of Suites: 149
(39 one-bdrm, 96 two-bdrm and 14 three-bdrm)

*Completed development.



Metro Scott Road

Location: Surrey, BC
Address: 12685 110 Ave and 11018 126A Street
Type of Building: Apartment (elevator)
Number of Suites: 233
(24 bachelor, 150 one-bdrm and 59 two-bdrm)



Le Namur

Location: Montreal, QC
Address: 4974 de la Savane Place
Type of Building: Apartment (elevator)
Number of Suites: 176
(23 bachelor, 102 one-bdrm and 51 two-bdrm)



Axcès Trigone Blainville

Location: Blainville, QC
Address: 21 Simon-Lussier
Type of Building: Apartment (elevator)
Number of Suites: 133
(8 bachelor, 87 one-bdrm, 30 two-bdrm and 8 three-bdrm)



Viva-Cité Sainte-Thérèse

Location: Sainte-Thérèse, QC
Address: 290 Place Claude-Dagenais
Type of Building: Apartment (elevator)
Number of Suites: 262
(25 bachelor, 137 one-bdrm, 83 two-bdrm and 17 three-bdrm)



Axcès Sainte-Thérèse I

Location: Sainte-Thérèse, QC
Address: 281 Place Claude-Dagenais
Type of Building: Apartment (elevator)
Number of Suites: 84
(55 one-bdrm, 23 two-bdrm and 6 three-bdrm)



Axcès Sainte-Thérèse II

Location: Sainte-Thérèse, QC
Address: 291 Place Claude-Dagenais
Type of Building: Apartment (elevator)
Number of Suites: 84
(56 one-bdrm, 24 two-bdrm and 4 three-bdrm)



Viva-Cité Lachenaie I

Location: Terrebonne, QC
Address: 1250 Boulevard Lucille-Teasdale
Type of Building: Apartment (elevator)
Number of Suites: 78
(55 one-bdrm and 23 two-bdrm)



Viva-Cité Lachenaie II

Location: Terrebonne, QC
Address: 1280 Boulevard Lucille-Teasdale
Type of Building: Apartment (elevator)
Number of Suites: 78
(51 one-bdrm and 27 two-bdrm)



8 Axcès Trigone Lachenaie

Location: Terrebonne, QC
Address: 1270 Boulevard Lucille-Teasdale
Type of Building: Apartment (elevator)
Number of Suites: 52
(32 one-bdrm and 20 two-bdrm)

ACQUISITIONS AND DISPOSITIONS



Viva-Cité Sainte-Julie

Location: Sainte-Julie, QC
Address: 173 Boulevard Armand-Frappier
Type of Building: Apartment (elevator)
Number of Suites: 286
(21 bachelor, 172 one-bdrm and 93 two-bdrm)



Viva-Cité Espace Nature I

Location: Longueuil, QC
Address: 2500 Rue Maurice-Savoie
Type of Building: Apartment (elevator)
Number of Suites: 120
(12 bachelor, 64 one-bdrm, 37 two-bdrm and 7 three-bdrm)



Viva-Cité Espace Nature II

Location: Longueuil, QC
Address: 2570 Rue Maurice-Savoie
Type of Building: Apartment (elevator)
Number of Suites: 120
(12 bachelor, 64 one-bdrm, 37 two-bdrm and 7 three-bdrm)



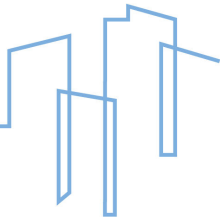
Viva-Cité Longueuil I

Location: Longueuil, QC
Address: 235 Rue Cuvillier Ouest
Type of Building: Apartment (elevator)
Number of Suites: 86
(48 one-bdrm and 38 two-bdrm)



Viva-Cité Longueuil II

Location: Longueuil, QC
Address: 245 Rue Cuvillier Ouest
Type of Building: Apartment (elevator)
Number of Suites: 146
(86 one-bdrm, 58 two-bdrm and 2 three-bdrm)



Axcès Trigone Octa I

Location: Longueuil, QC
Address: 4175 Rue Legault
Type of Building: Apartment (elevator)
Number of Suites: 44
(4 bachelor, 26 one-bdrm and 14 two-bdrm)



Axcès Trigone Octa II

Location: Longueuil, QC
Address: 4155 Rue Legault
Type of Building: Apartment (elevator)
Number of Suites: 44
(4 bachelor, 26 one-bdrm and 14 two-bdrm)



Viva-Cité Saint-Hubert

Location: Longueuil, QC
Address: 6000 Rue de La Tourbière
Type of Building: Apartment (elevator)
Number of Suites: 94
(69 one-bdrm, 21 two-bdrm and 4 three-bdrm)



Viva-Cité Saint-Lambert

Location: Saint-Lambert, QC
Address: 60 Rue Cartier
Type of Building: Apartment (elevator)
Number of Suites: 210
(152 one-bdrm and 58 two-bdrm)



Axcès Trigone Brossard I

Location: Brossard, QC
Address: 7215-7235 Rue de Lunan
Type of Building: Apartment (elevator)
Number of Suites: 96
(44 one-bdrm and 52 two-bdrm)

ACQUISITIONS AND DISPOSITIONS



Axcès Trigone Brossard II

Location: Brossard, QC
Address: 7165-7195 Rue de Lunan
Type of Building: Apartment (elevator)
Number of Suites: 146
(80 one-bdrm and 66 two-bdrm)



Viva-Cité Brossard I

Location: Brossard, QC
Address: 9145 Rue Lennon
Type of Building: Apartment (elevator)
Number of Suites: 83
(38 one-bdrm and 45 two-bdrm)



Viva-Cité Brossard II

Location: Brossard, QC
Address: 9155 Rue Lennon
Type of Building: Apartment (elevator)
Number of Suites: 97
(49 one-bdrm and 48 two-bdrm)



Viva-Cité Brossard III

Location: Brossard, QC
Address: 9165 Rue Lennon
Type of Building: Apartment (elevator)
Number of Suites: 119
(74 one-bdrm and 45 two-bdrm)



Viva-Cité Delson I

Location: Delson, QC
Address: 170 Rue de l'Harmonie
Type of Building: Apartment (elevator)
Number of Suites: 191
(34 bachelor, 96 one-bdrm, 56 two-bdrm and 5 three-bdrm)



Viva-Cité Delson II

Location: Delson, QC
Address: 160 Rue de l'Harmonie
Type of Building: Apartment (elevator)
Number of Suites: 91
(1 bachelor, 57 one-bdrm and 33 two-bdrm)



Axcès Trigone Delson

Location: Delson, QC
Address: 165 Rue de l'Harmonie
Type of Building: Apartment (elevator)
Number of Suites: 50
(11 one-bdrm, 20 two-bdrm and 19 three-bdrm)



Viva-Cité Saint-Constant

Location: Saint-Constant, QC
Address: 11 Rue de Ronsard
Type of Building: Apartment (elevator)
Number of Suites: 154
(8 bachelor, 118 one-bdrm and 28 two-bdrm)



Viva-Cité Saint-Constant II

Location: Saint-Constant, QC
Address: 21 Rue de Ronsard
Type of Building: Apartment (elevator)
Number of Suites: 174
(6 bachelor, 119 one-bdrm and 49 two-bdrm)



Axcès Trigone Châteauguay

Location: Châteauguay, QC
Address: 430 Boulevard Saint-Francis
Type of Building: Apartment (elevator)
Number of Suites: 59
(17 one-bdrm, 23 two-bdrm, 17 three-bdrm and 2 four-bdrm)

ACQUISITIONS AND DISPOSITIONS



Viva-Cité Châteauguay

Location: Châteauguay, QC
Address: 390 Boulevard Saint-Francis
Type of Building: Apartment (elevator)
Number of Suites: 154
(20 bachelor, 81 one-bdrm and 53 two-bdrm)



30 Viva-Cité Châteauguay II

Location: Châteauguay, QC
Address: 400 Boulevard Saint-Francis
Type of Building: Apartment (elevator)
Number of Suites: 166
(8 bachelor, 129 one-bdrm and 29 two-bdrm)



Le Central

Location: Gatineau, QC
Address: 400, 410, 420, 430, 440, 450, 460 & 500 Rue de l'Atmosphere
Type of Building: Apartment (elevator)
Number of Suites: 345
(14 bachelor, 219 one-bdrm and 112 two-bdrm)



Le Bacc

Location: Quebec City, QC
Address: 2400 Sainte-Foy Road
Type of Building: Student Housing
Number of Suites: 170
(15 bachelor, 50 one-bdrm, 91 two-bdrm and 14 three-bdrm)



688 Notre-Dame

Location: Montreal, QC
Address: 686-690 Notre-Dame Street West
Type of Building: Apartment (elevator)
Number of Suites: 145
(91 one-bdrm, 52 two-bdrm and 2 three-bdrm)

ACQUISITIONS AND DISPOSITIONS



Columbus Medical Arts Building

Location: Vaughan, ON
Address: 8333 Weston Road
Type of Building: Medical Office



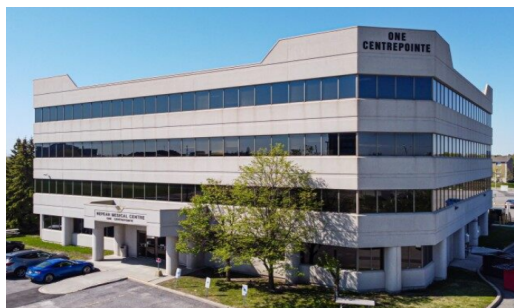
Kanata Medical Arts Building

Location: Ottawa, ON
Address: 99 Kakulu Road
Type of Building: Medical Office



Phenix Professional Building

Location: Ottawa, ON
Address: 595 Montreal Road
Type of Building: Medical Office



Nepean Medical Centre

Location: Ottawa, ON
Address: 1 Centrepointe Drive
Type of Building: Medical Office



Carling Broadview Medical Building

Location: Ottawa, ON
Address: 770 Broadview Avenue
Type of Building: Medical Office

ACQUISITIONS AND DISPOSITIONS



The Jenny Trout Centre

Location: Stratford, ON
Address: 342 Erie Street
Type of Building: Medical Office



Belleville Medical Arts Building

Location: Belleville, ON
Address: 210 Dundas Street East
Type of Building: Medical Office



The Medical Arts Centre

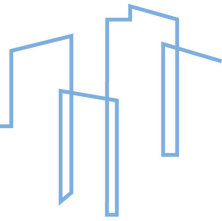
Location: Medicine Hat, Alberta
Address: 770 6th Street SW
Type of Building: Medical Office



Glenwood Health Centre - North

Location: Edmonton, Alberta
Address: 16028 100A Avenue NW
16114 100A Avenue NW
Type of Building: Medical Office

ACQUISITIONS AND DISPOSITIONS



2022 PROPERTY DISPOSITIONS:



Warehouse District Flats LLC

Location: West Palm Beach, FL

Address: 1701 Clare Avenue

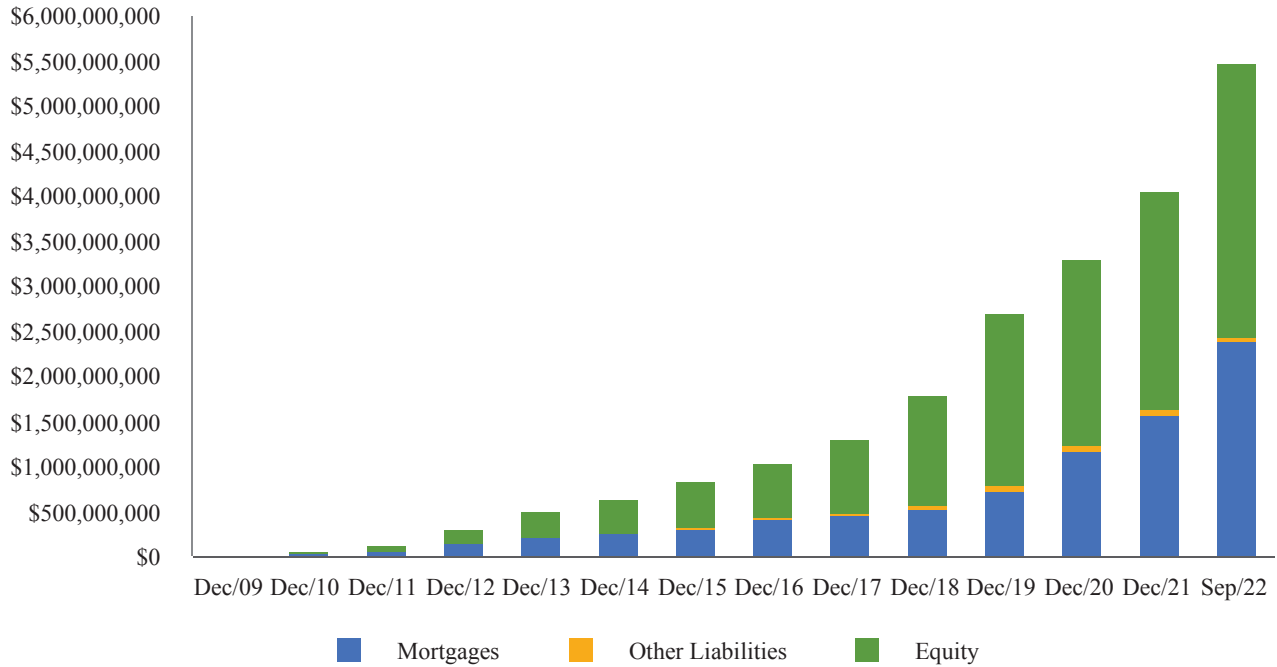
Type of Building: Apartments (elevator)

Number of Suites: 178 Suites

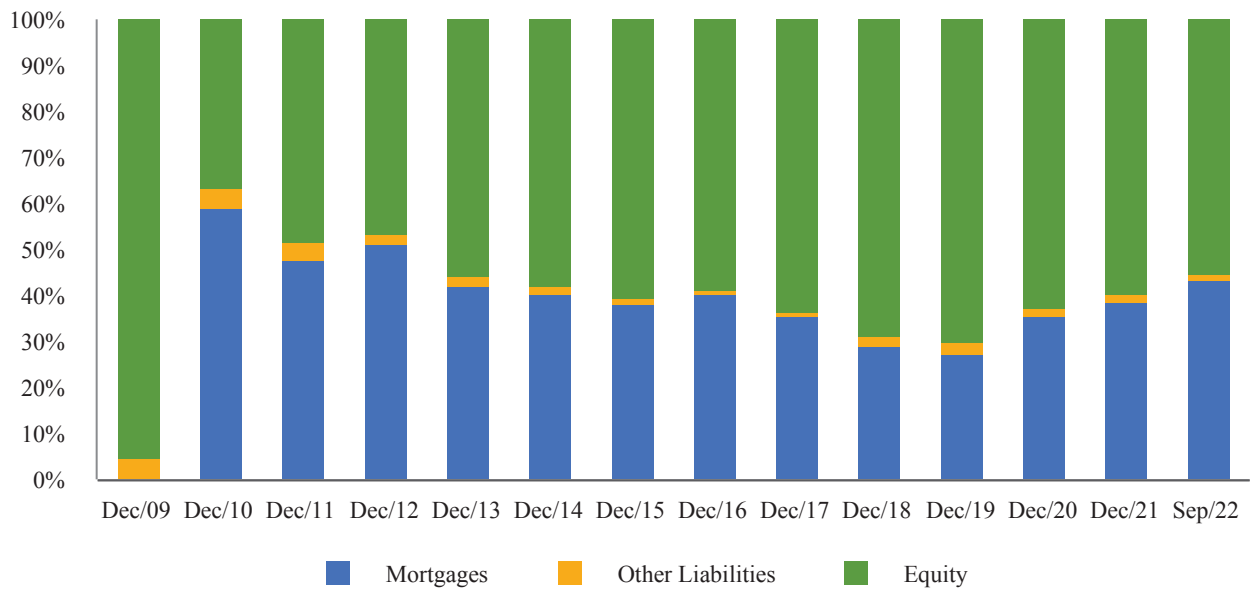
(25 bachelor, 106 one-bdrm and 47 two-bdrm)



Assets Debt/Equity Mix



Debt/Equity Mix



Q3 2022 OPERATING RESULTS



Since its last fiscal year-end, the total assets of the Trust increased 34.1% from \$4.1 billion as at December 31, 2021, to \$5.5 billion as at September 30, 2022. During the year, total number of buildings and undiluted rental units owned by the Trust increased to 145 and 19,729 respectively (December 31, 2021 - total number of buildings and undiluted rental units owned were 102 and 15,067).

For the three and nine months ended September 30, 2022, the Trust recognized fair market value gains of \$120.4 million and \$288.0 million (three and nine months ended September 30, 2021, \$91.0 million and \$171.0 million).

During the quarter, the Trust completed the acquisition of a brand-new multi-family apartment property located in the heart of old Montreal at 688 Notre Dame West. This new property represents Centurion's fifth acquisition on the island of Montreal and the 38th acquisition within the province of Quebec, resulting in a total of 5,781 rental units located throughout Montreal and Quebec City. This 16-storey luxury apartment building offers a total of 145 rental apartment units with a variety of suite types – ranging from one-to-three-bedroom suites. This state-of-the-art apartment building also offers its tenants various amenities and features including a roof-top terrace, fitness room, keyless entry system, modern security system, and a full-time concierge.

The Trust also acquired a 75% interest in a medical office portfolio during the quarter, consisting of 9 operating buildings located in Ontario and Alberta. This results in Centurion maintaining a 75% interest in a total of 11 operating buildings within its medical office portfolio.

Newly acquired properties initially generate lower net operating income due to initial lease-up costs and rent concessions. However, once these properties are leased up and stabilized they generate higher rents, attract stronger residents, and require much less ongoing maintenance and capital spending. We will continue to focus on purchasing newer properties that further enhance our asset base.

Rental revenue increased by 54.7% in Q3 2022 when compared to the same quarter in the prior year from \$47.7 million to \$73.8 million. This was the result of the number of acquisitions made in 2021 and 2022, and the continuing stabilization of the properties acquired in 2020 and 2021. The overall portfolio occupancy during the quarter increased from 87.9% to 93.2% in the same quarter last year. As portfolio occupancy continues to increase, the Trust will experience additional future revenues.

For the three and nine months ended September 30, 2022, NOI increased by 71.8% and 65.5% to \$46.9 million and \$126.3 million as compared to the same period in the prior year (three and nine months ended September 30, 2021: \$27.3 million and \$76.3 million). NOI Margin also increased to 63.6% and 62.9% for the three and nine months ended September 30, 2022 (three and nine months ended September 30, 2021: 57.2% and 60.2%).

Stabilized Canadian Apartment Rents and Stabilized Student Rents increased by 9.7% and 2.3% over the same period last year, respectively.

The Trust's Same Store Metrics were very strong. Total same store twelve month trailing Operating Revenues and NOI grew by 10.0% and 12.8% respectively, in addition to NOI margin increasing by 1.6%. Furthermore, the same store average rent per unit increased by 4.5%. Same store Apartment twelve month trailing Operating Revenues and NOI grew by 5.6% and 5.0%. Also, same store average rent per unit for Apartment properties increased by 5.3% compared to the same quarter in the prior year. The same store Student twelve month trailing Operating Revenues and NOI grew by 37.8% and 70.3% respectively. NOI Margin also increased by 12.9%, and the same store average rent per unit for Student properties increased by 1.2% compared to the same quarter in the prior year.

As seen on Page 17, The REIT has grown its Same Store NOI, Total Operating Revenues and Market rents significantly faster than market averages and inflation benchmarks.

Q3 2022 OPERATING RESULTS



Gap to Market represents the difference between currently achieved rental income and potentially achievable rental income. A large gap to market signifies an opportunity to increase rents going forward. The gap to market figure in dollar terms increased from \$13.0 million at September 30, 2021, to \$23.3 million at September 30, 2022. The gap to market figure in percentage terms increased from 5.5% at September 30, 2021, to 6.5% at September 30, 2022. Furthermore, the market rent gap of properties owned for three or more years has a 22% gap in comparison to properties owned for less than three years which has a market rent gap of less than 3%. It is our experience that rents generally grow faster and create market rent gaps once new properties are stabilized, which could be 12-24 months after closing depending on the market and the degree of capital improvements required. As such, we expect that both the dollar and percentage market rent gaps to continue increasing, as more properties become stabilized.

Total Capital Expenditures were \$12.0 million and \$28.5 million during the three and nine months ended September 30, 2022 (\$11.8 million and \$44.1 million for the three and nine months ended September 30, 2021).

During the quarter, the lending portfolio continued to perform well. Fundings of \$191.9 million occurred and repayments during the quarter totaled \$300.8 million. The loan portfolio consisted of net mortgage investments of \$116.3 million (December 31, 2021: \$208.3 million), participating loan interests of \$26.7 million (December 31, 2021: \$61.6 million) and equity account investments of \$130.8 million (December 31, 2021: \$56.7 million).

The lending portfolio continues to be well-diversified with 35 funded investments. Of these 35 investments, 4 are participating and 13 are equity. Participating means that the Trust has an equity-type risk position in these projects resulting in the potential for upside beyond the return from the mortgage investment side of the projects. This is in alignment with the strategic goals of the Trust.

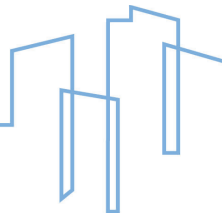
Of the investments categorized as mortgage investments (non-participating), the weighted average interest rate is 11.79%, with a term to maturity of 1.10 years. 71% of these investments are in first position and 29% are in second position. The total provision for expected credit losses related to mortgage investments as at September 30, 2022, was \$0.4 million (December 31, 2021: \$0.3 million). This is an allowance against future potential credit-related losses not identified and does not reflect an actual loss incurred.

All investments in the lending portfolio are performing well with no investments in default as at September 30, 2022.

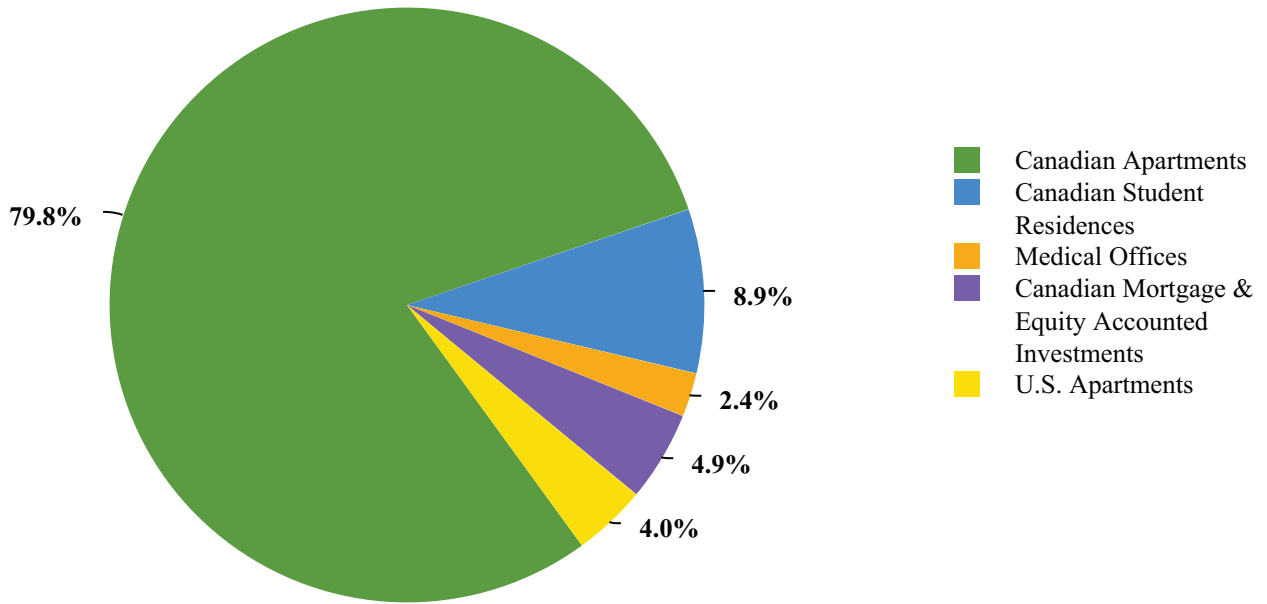
The Trust continues to maintain a strong liquidity position of \$257.0 million as at September 30, 2022, consisting of \$109.7 million in cash and cash equivalents and \$147.3 million available on its credit facilities. This strong liquidity position combined with our capital raising activities will continue to support the Trust's ongoing acquisition activities.

Please see Appendix B for details of the lending portfolio.

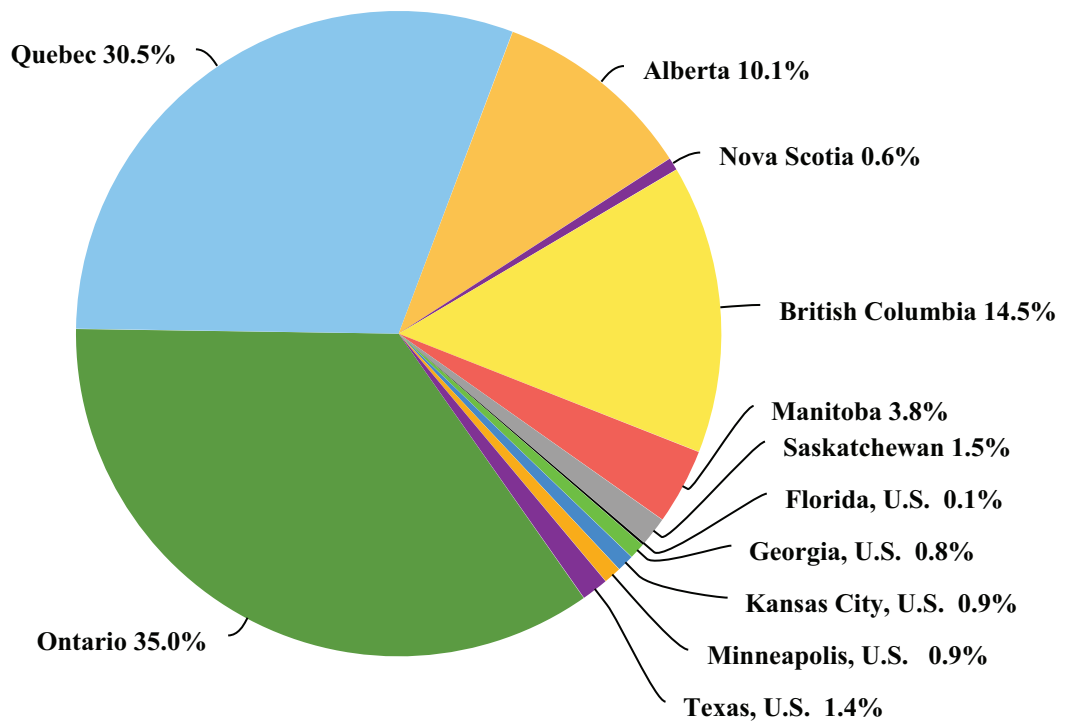
PORTFOLIO SUMMARY



Portfolio Summary (% of assets)



Geographic Exposure by \$ Value of Assets



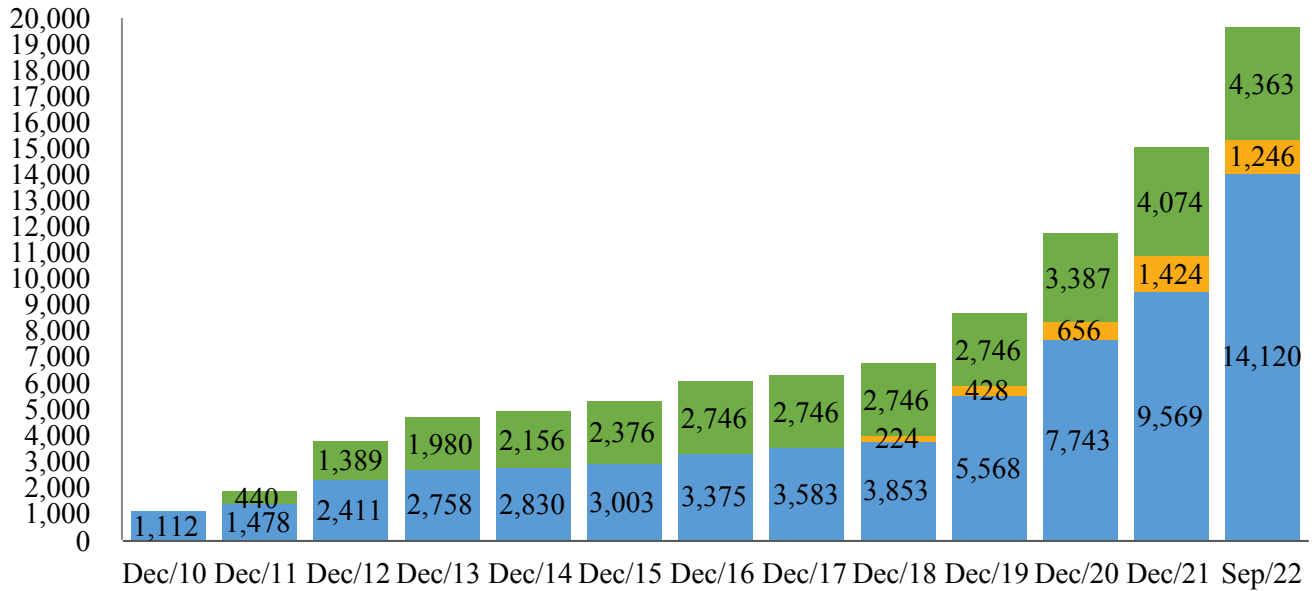
PROPERTY METRICS



As at September 30, 2022, the Trust owned 145 properties. The charts below provide additional details of the property portfolio:

Number of Rental Units (undiluted)

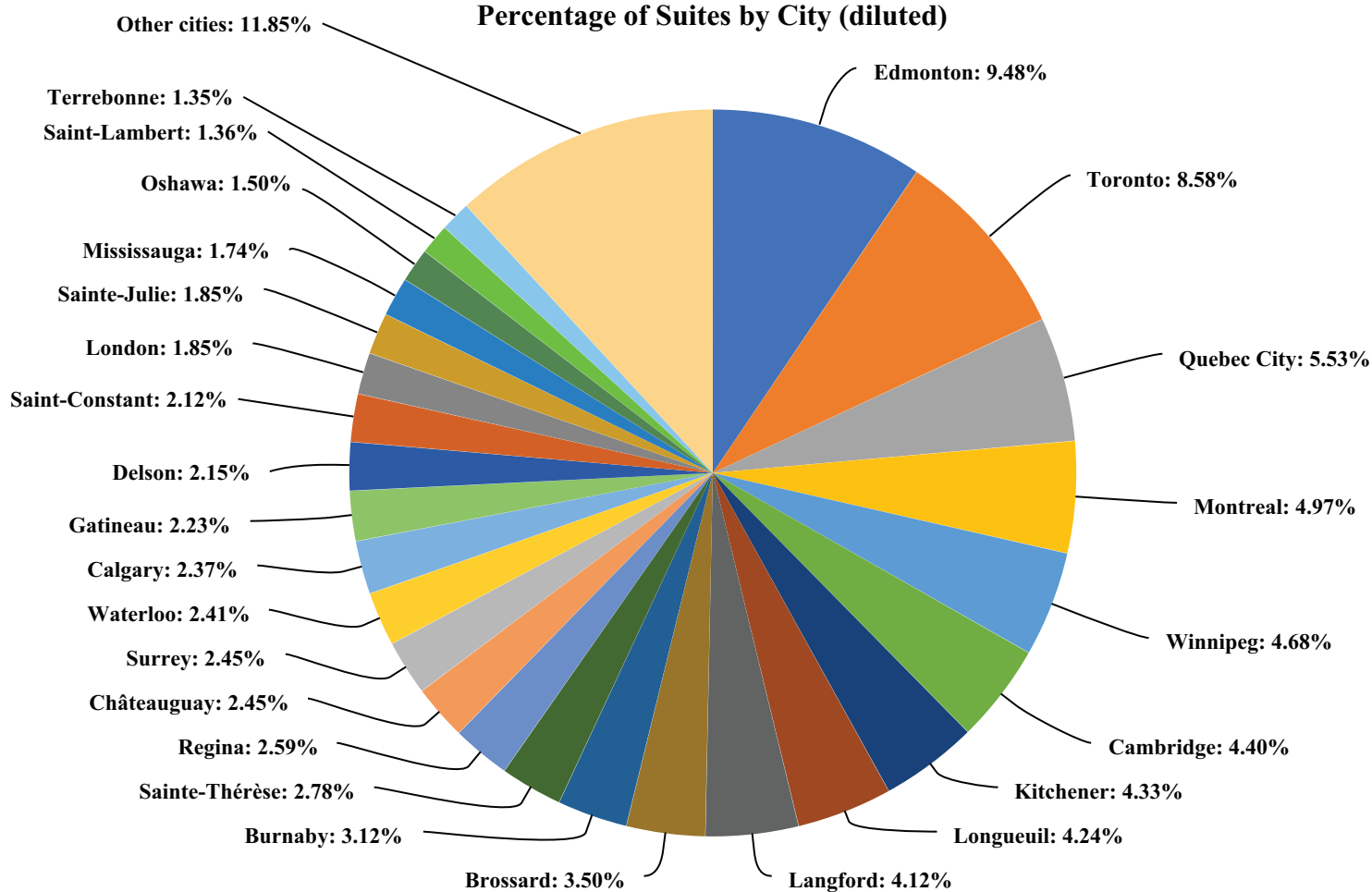
■ Student Residences ■ U.S. Apartments ■ Canadian Apartments



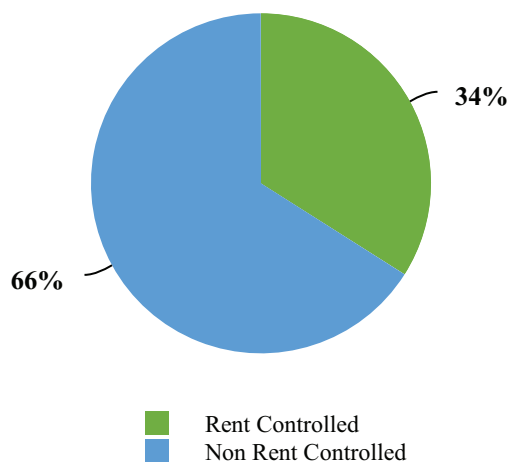
OTHER PROPERTY METRICS



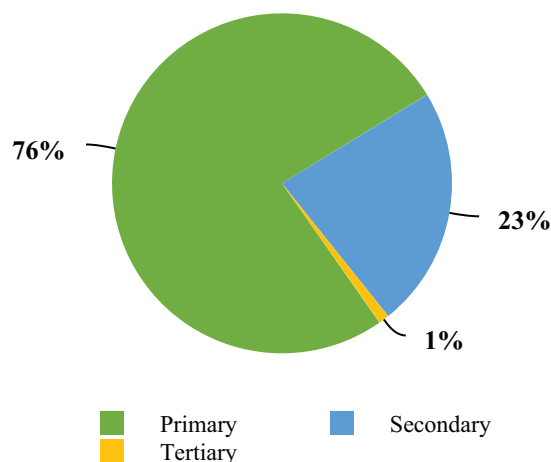
Percentage of Suites by City (diluted)



Property Summary by Rent Control Status
(by rent unit count - diluted)



Property Summary by Market Size Type
(by rent unit count - diluted)



PROPERTY STABILIZATION AND REPOSITIONING PROGRESS



The following charts breakdown the Trust's portfolio into three categories as at September 30, 2022:

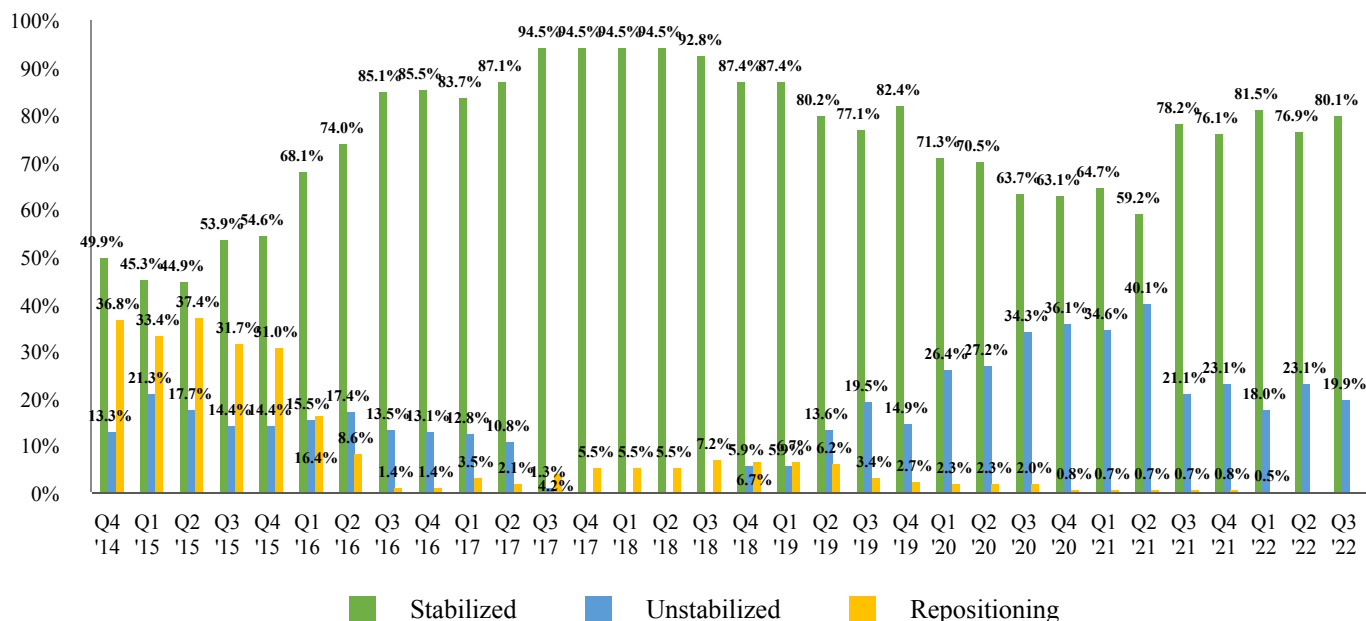
(1) Stabilized

(2) Unstabilized

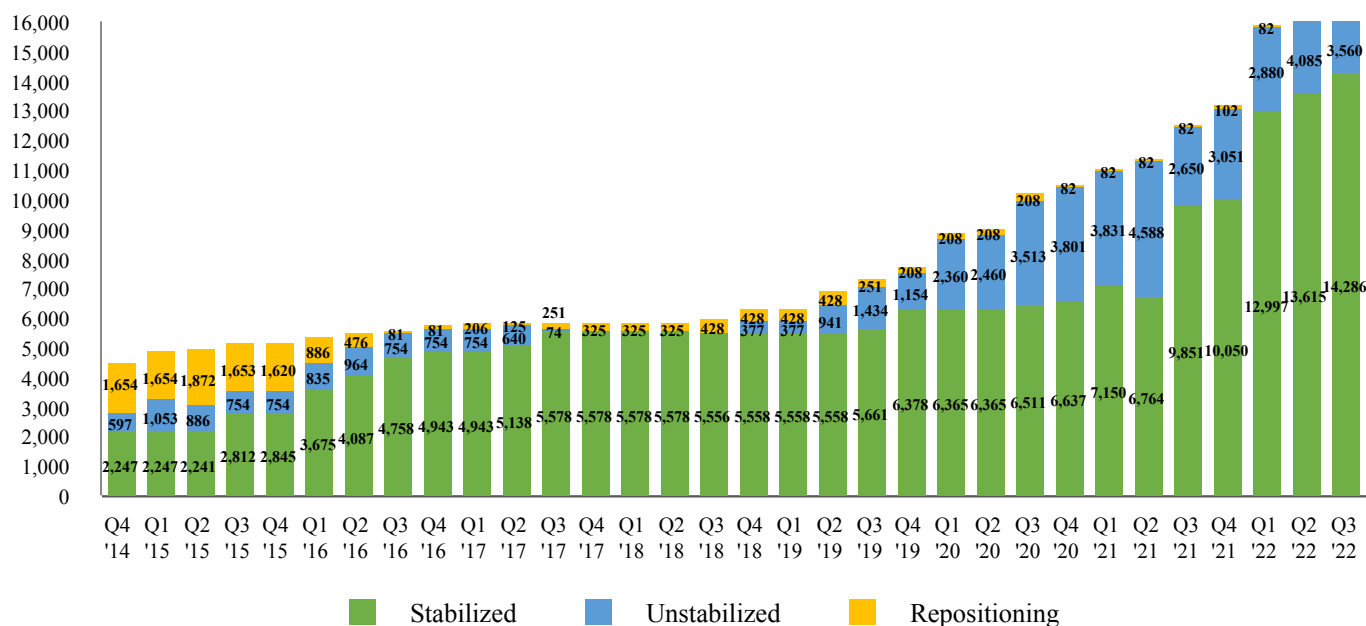
(3) Repositioning

There has been significant improvement in stabilizing the Trust's properties over the years.

Portfolio Stabilization by Percentage (weighted)



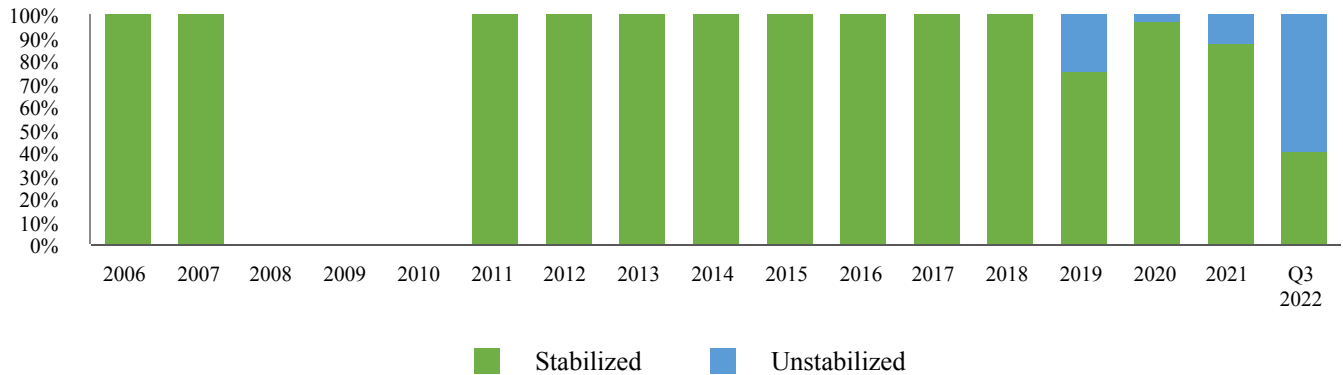
Portfolio Stabilization by Units (Diluted)



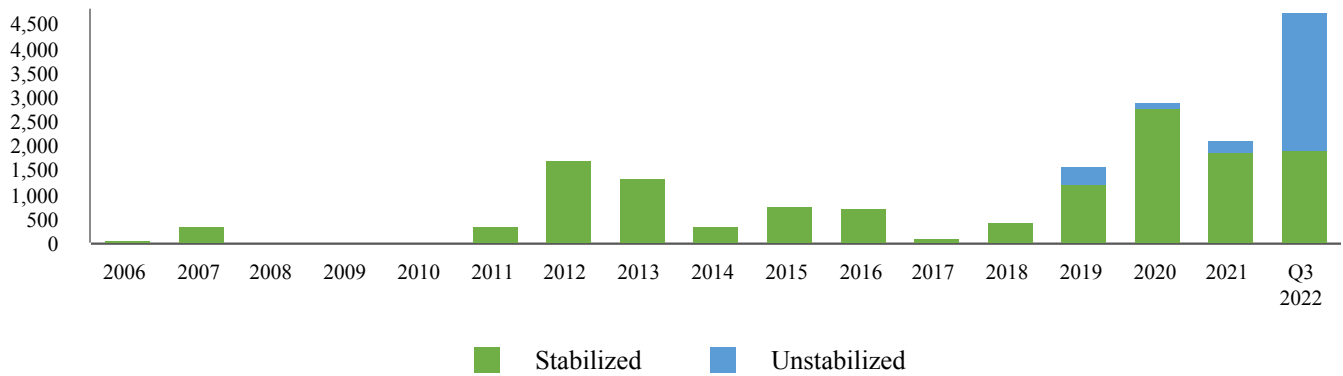
PROPERTY STABILIZATION AND REPOSITIONING PROGRESS



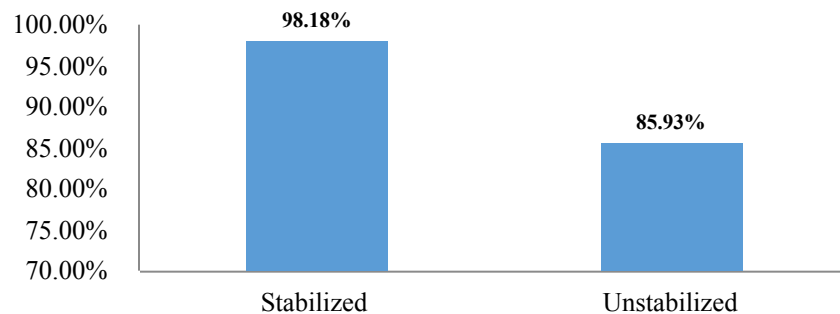
Stabilization by Year of Acquisition (percentage)



Stabilization by Year of Acquisition (rental units)



Summary of Property Occupancy by Stabilization Status (1)



⁽¹⁾ This chart is based on the occupancy levels by Stabilization status and differs from the above graphs which is based on the weighted rental units of the portfolio.

PROPERTY STABILIZATION AND REPOSITIONING PROGRESS



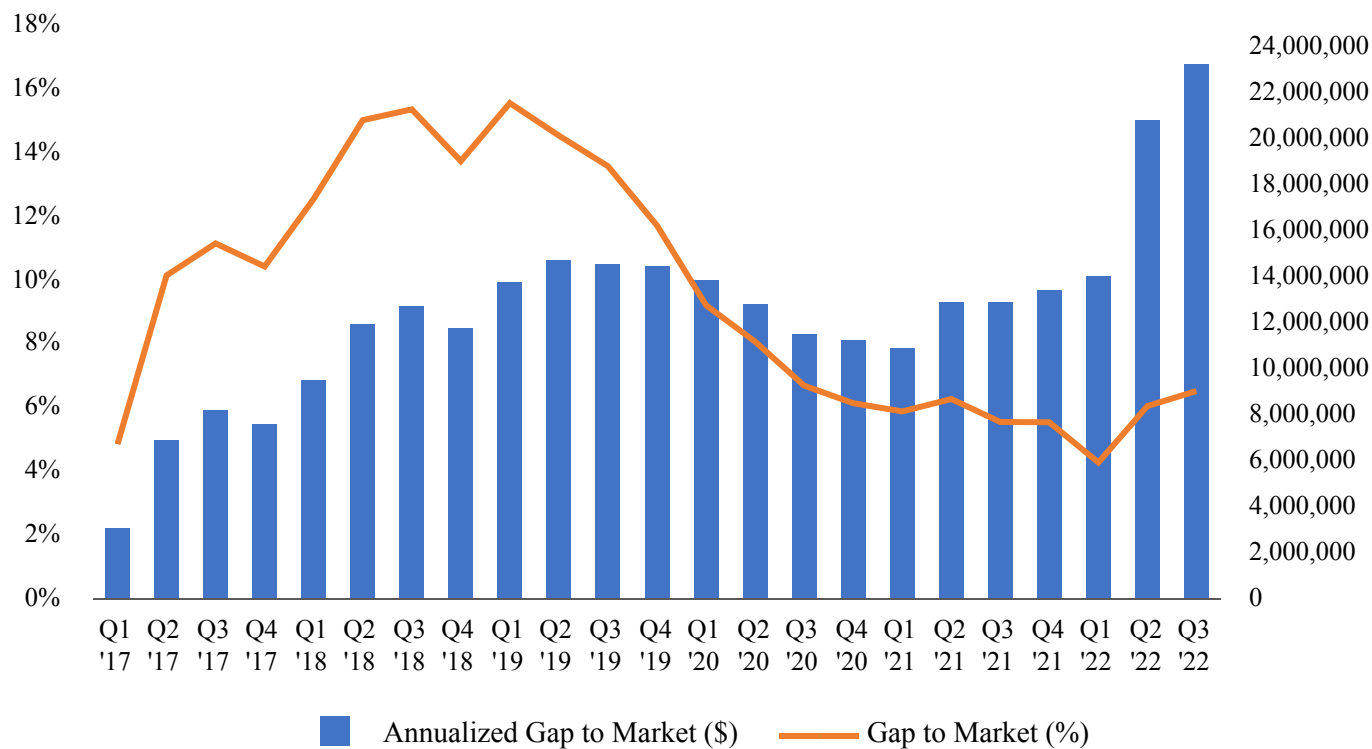
Q3 2022 vs Q3 2021 Renewal and Turnover Analysis

By Stabilization - Canadian Apartments			
Status	Market Rent Increase (Decrease)	Renewals	New Tenants (Including Unit Transfers)
Stabilized	9.27 %	2.09 %	9.66 %
Repositioning	— %	— %	— %
Unstabilized	(7.62)%	0.55 %	(7.00)%

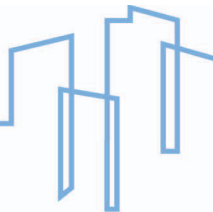
By Stabilization - Student			
Status	Market Rent Increase (Decrease)	Renewals	New Tenants (Including Unit Transfers)
Stabilized	0.32 %	0.43 %	2.26 %
Repositioning	— %	— %	— %
Unstabilized	— %	— %	— %

By Stabilization - US Apartments			
Status	Market Rent Increase	Renewals	New Tenants (Including Unit Transfers)
Stabilized	8.17 %	5.60 %	6.36 %
Repositioning	— %	— %	— %
Unstabilized	— %	— %	— %

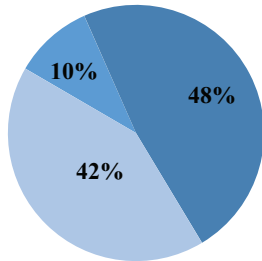
Gap to Market



LENDING PORTFOLIO STRATEGY

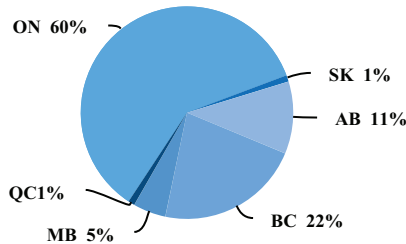


BY PARTICIPATION

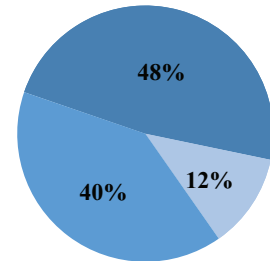


- Mortgage Investment
- Participating Loan Interests
- Equity Accounted Investments

BY PROVINCE/ STATE

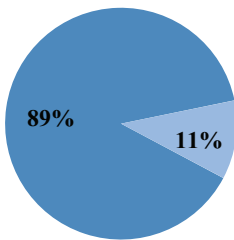


BY PURCHASE OPTIONS



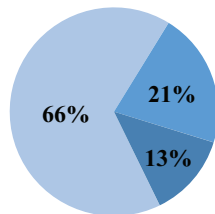
- With
- Without
- Equity Accounted Investments

BY LOAN TYPE



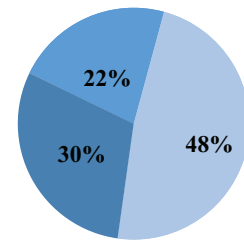
- Commercial/Industrial
- Residential

BY DEVELOPMENT STAGE



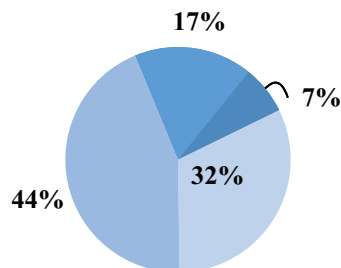
- Construction
- Pre-Construction
- Term

BY RANK



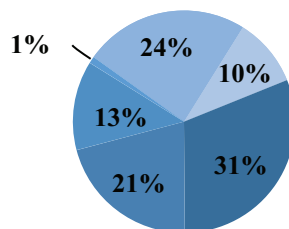
- 1st
- 2nd
- Equity Accounted Investment

BY MATURITY



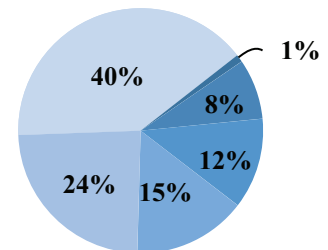
- 2021
- 2022
- 2023
- 2024
- 2025

BY UNDERLYING SECURITY



- Multi Family Apartments
- Land
- Low Rise Residential
- Industrial
- High-Rise Condominium
- Commercial

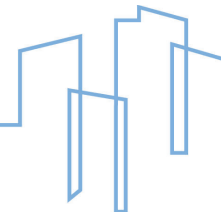
BY INVESTMENT SIZE



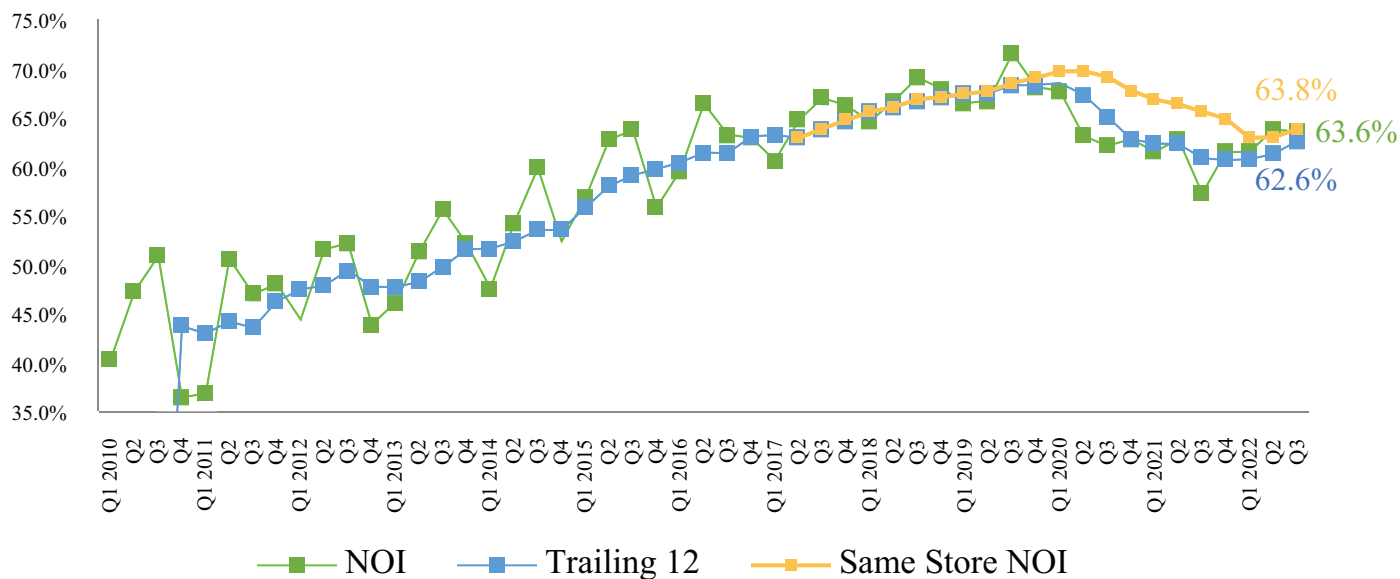
- \$1m or less
- >\$1m - \$3m
- >\$3m - \$5m
- >\$5m - \$10m
- >\$10m - \$15m
- >\$15m

Please refer to Appendix B for Summary Information on the Mortgage Investment Portfolio.

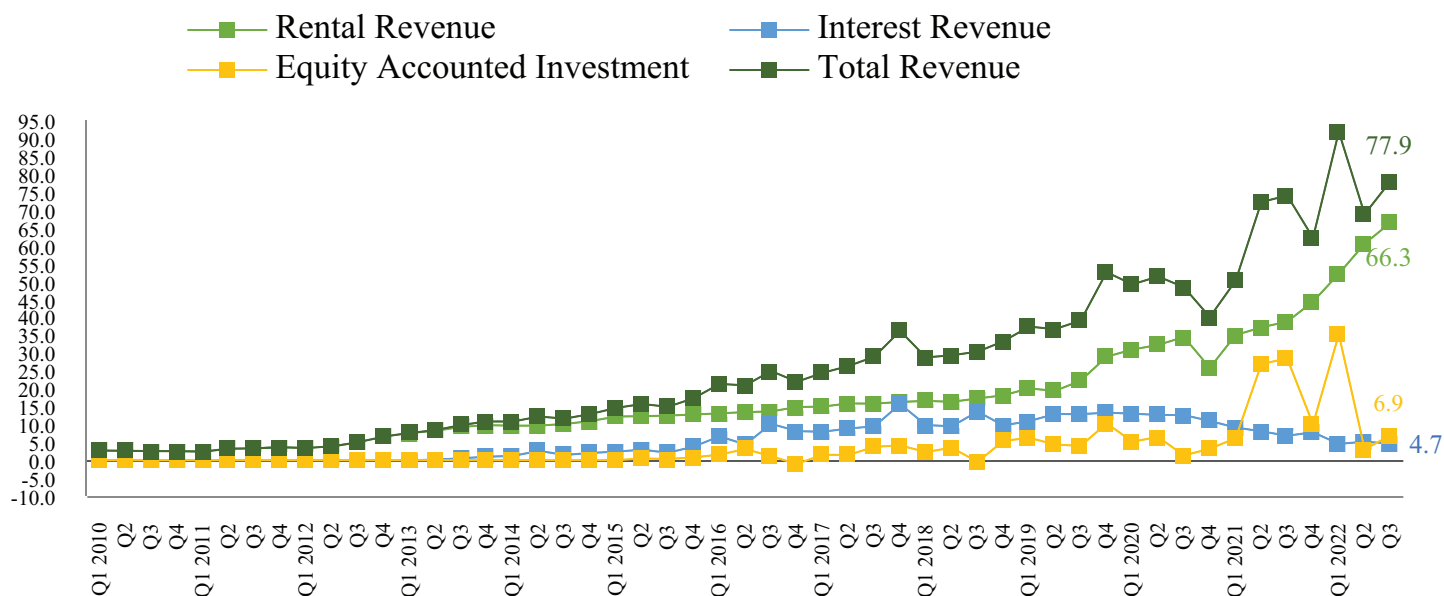
NOI AND REVENUE GROWTH



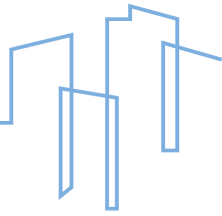
Quarterly NOI Growth Trend



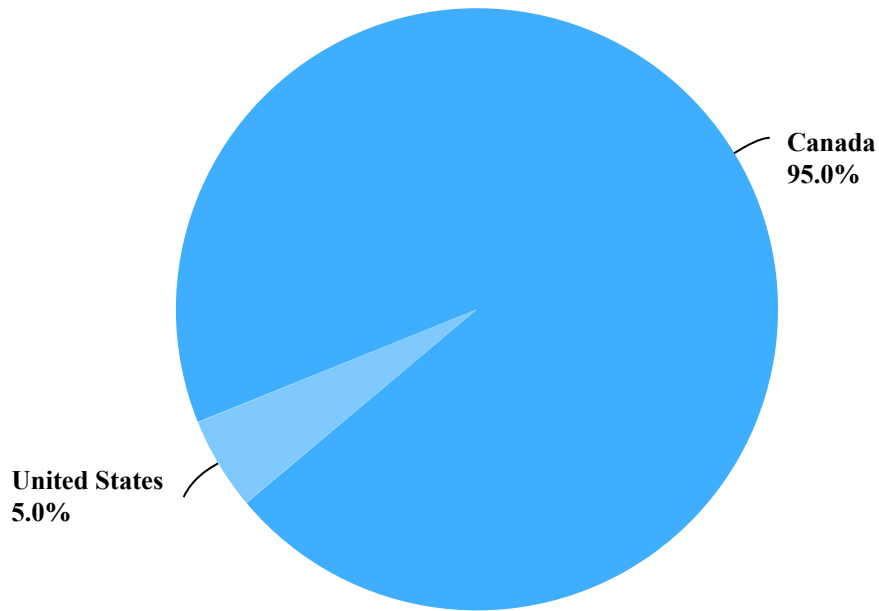
Quarterly Revenue Growth (in millions)



NOI AND REVENUE GROWTH



Net Operating Income (NOI) by Country



SAME STORE ANALYSIS¹



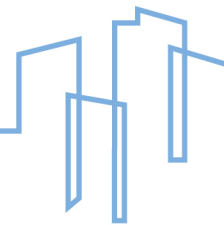
Asset Type	Apartment <i>(expressed in thousands of Canadian dollars)</i>			Student <i>(expressed in thousands of Canadian dollars)</i>		
	Q3 2022	Q3 2021	Change	Q3 2022	Q3 2021	Change
Income						
Total Operating Revenue	\$132,576	\$125,545	5.60%	\$27,053	\$19,632	37.80%
Total NOI	\$83,500	\$79,516	5.01%	\$18,327	\$10,760	70.33%
NOI Ratio	62.98%	63.34%	(0.35)%	67.75%	54.81%	12.94%
Average Rent/unit as per End of Period Rent Roll	\$1,462	\$1,389	5.28%	\$797	\$788	1.18%
Expense Ratio (%)						
Taxes	11.24%	11.33%	(0.09)%	11.07%	14.08%	(3.01)%
R&M	6.62%	6.48%	0.15%	5.32%	6.96%	(1.64)%
Wages	4.65%	4.15%	0.50%	0.14%	0.25%	(0.11)%
Insurance	1.99%	1.80%	0.18%	1.20%	2.76%	(1.56)%
Utilities	7.68%	7.35%	0.33%	4.56%	5.76%	(1.20)%
G&A	3.73%	4.39%	(0.66)%	8.58%	13.62%	(5.04)%
Expense Dollars (\$)						
Taxes	(14,900)	(14,228)	671	(2,995)	(2,764)	231
R&M	(8,781)	(8,133)	648	(1,439)	(1,366)	74
Wages	(6,161)	(5,211)	950	(39)	(49)	(10)
Insurance	(2,636)	(2,265)	371	(325)	(542)	(217)
Utilities	(10,178)	(9,222)	956	(1,233)	(1,130)	103
G&A	(4,951)	(5,515)	(563)	(2,321)	(2,673)	(353)

Asset Type	Total - Same Store <i>(expressed in thousands of Canadian dollars)</i>		
	Q3 2022	Q3 2021	Change
Income			
Total Operating Revenue	\$159,629	\$145,177	9.95%
Total NOI	\$101,828	\$90,275	12.80%
NOI Ratio	63.79%	62.18%	1.61%
Average Rent/unit as per End of Period Rent Roll	\$1,283	\$1,227	4.51%
Expense Ratio (%)			
Taxes	11.21%	11.70%	(0.49)%
R&M	6.40%	6.54%	(0.14)%
Wages	3.88%	3.62%	0.26 %
Insurance	1.86%	1.93%	(0.08)%
Utilities	7.15%	7.13%	0.02 %
G&A	4.56%	5.64%	(1.08)%
Expense Dollars (\$)			
Taxes	(17,895)	(16,992)	903
R&M	(10,221)	(9,499)	722
Wages	(6,200)	(5,260)	940
Insurance	(2,961)	(2,807)	154
Utilities	(11,411)	(10,352)	1,059
G&A	(7,272)	(8,188)	(916)

¹ Same store analysis includes the results for all properties that were owned throughout the period from September 30, 2021 to September 30, 2022.

“FFO” AND “NFFO”

Funds From Operations and Normalized Funds From Operations



	Trailing 12-Months		Three Months Ending		Nine Months Ending	
<i>(expressed in thousands of Canadian dollars except per unit amounts)</i>	2022	2021	2022	2021	2022	2021
FFO (Funds From Operations)						
Net Income and Comprehensive Income	\$375,661	\$218,605	\$145,296	\$109,231	\$349,703	\$221,067
Less: FV gains	(311,230)	(165,701)	(120,369)	(91,034)	(288,049)	(171,003)
Less: Minority Interest ¹	(2,009)	(1,573)	(246)	—	(777)	—
Less: Recovery of expected credit losses	(671)	(727)	126	(585)	113	(318)
Plus: Realized gains on sale of Equity Accounted Investments	52,582	—	—	—	25,162	—
Plus: Distributions from Equity Accounted Investments	5,780	—	—	—	4,876	—
Plus: Amortizations	7,256	3,955	3,549	901	6,191	2,930
Plus: Capital raising costs expensed through G&A	2,383	405	291	178	1,249	527
Plus: Deferred Income Tax Expenses	(2,244)	12,207	1,074	5,068	(3,740)	11,018
FFO	\$127,508	\$67,171	\$29,721	\$23,759	\$94,728	\$64,221
NFFO (Normalized Funds From Operations)						
FFO	\$127,508	\$67,171	\$29,721	\$23,759	\$94,728	\$64,221
Plus: Unlevered cash	15,819	10,088	5,147	4,756	8,957	7,993
Plus: Gap to market rents	21,183	12,438	7,024	3,288	17,477	9,761
Plus: Vacancy and Portfolio Stabilization	25,165	21,247	5,919	6,835	16,951	17,079
Less: Non-recurring realized gains on sale of Equity Accounted Investments	(52,582)	—	—	—	(25,162)	—
NFFO	\$137,093	\$110,944	\$47,811	\$38,638	\$112,951	\$99,054
Average Number of Outstanding Units	138,447,440	89,542,863	148,071,728	123,567,430	142,109,379	119,608,349
Per Unit Statistics (Per Adjusted Number of Outstanding Units)						
Net Income and Comprehensive Income	\$2.71	\$2.44	\$0.98	\$0.88	\$2.46	\$1.85
FFO	\$0.92	\$0.75	\$0.20	\$0.19	\$0.67	\$0.54
NFFO	\$0.99	\$1.24	\$0.32	\$0.31	\$0.79	\$0.83

Notes:

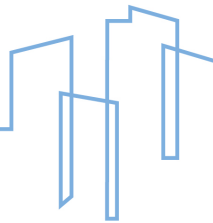
¹ Represents the Non-Controlling Interest

Net income and comprehensive income per unit for the nine months ending September 30, 2022, increased to \$2.46/unit in Q3 2022 from \$1.85/unit in Q3 2021. This was the result of new acquisitions producing higher NOI and higher fair value gains on investment properties recognized in over the same period in prior year. The increase in fair value was as a result of improved residential apartment properties operational results.

FFO per unit increased to \$0.20/unit in Q3 2022 from \$0.19/unit in Q3 2021, and NFFO to \$0.32/unit in Q3 2022 from \$0.31/unit in Q3 2021. These increases are mainly due to the operational revenue growth from new acquisitions and continued stabilization of newly acquired and developed buildings exceeding capital raises.

The Trust anticipates that the trend of FFO in 2022 outperforming 2021 to continue as a result of previous acquisitions becoming stabilized producing higher rental revenues and net operating margins.

TOTAL RETURNS

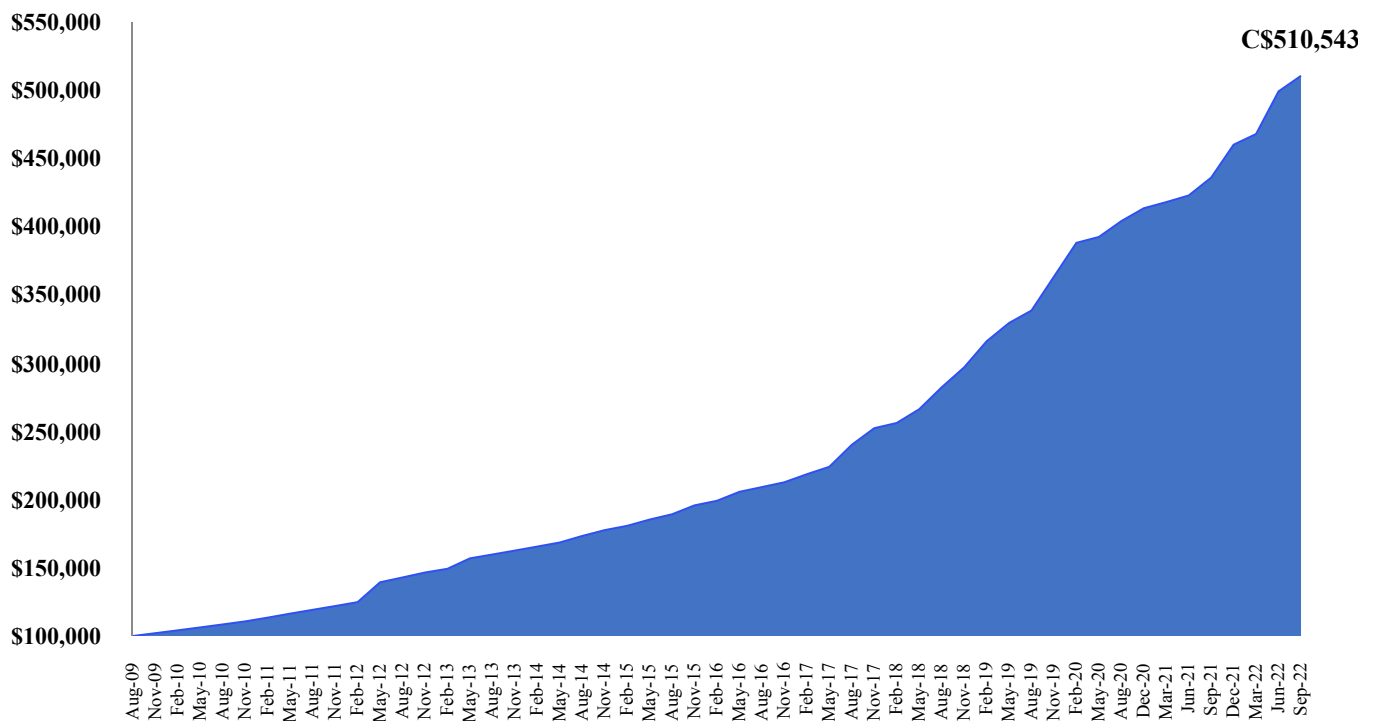


REIT Returns for Class A Units (excluding history of CAPLP)

Calendar Returns	2009 ¹	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Centurion CAPLP/REIT TR	2.75%	8.48%	10.21%	20.01%	10.95%	9.21%	10.82%	9.80%	17.24%	23.44%	21.79%	7.93%	11.27%	10.97%

Compound Returns	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	Since Inception
Centurion CAPLP/REIT TR	17.12%	12.00%	14.36%	15.70%	16.05%	15.82%	15.14%	14.38%	13.71%	13.27%

Centurion Apartment REIT Growth of \$100,000 Invested ²



Notes:

¹For partial year from 31 Aug 09 to 31 Dec 09

²Class "A" Units

TOTAL RETURNS

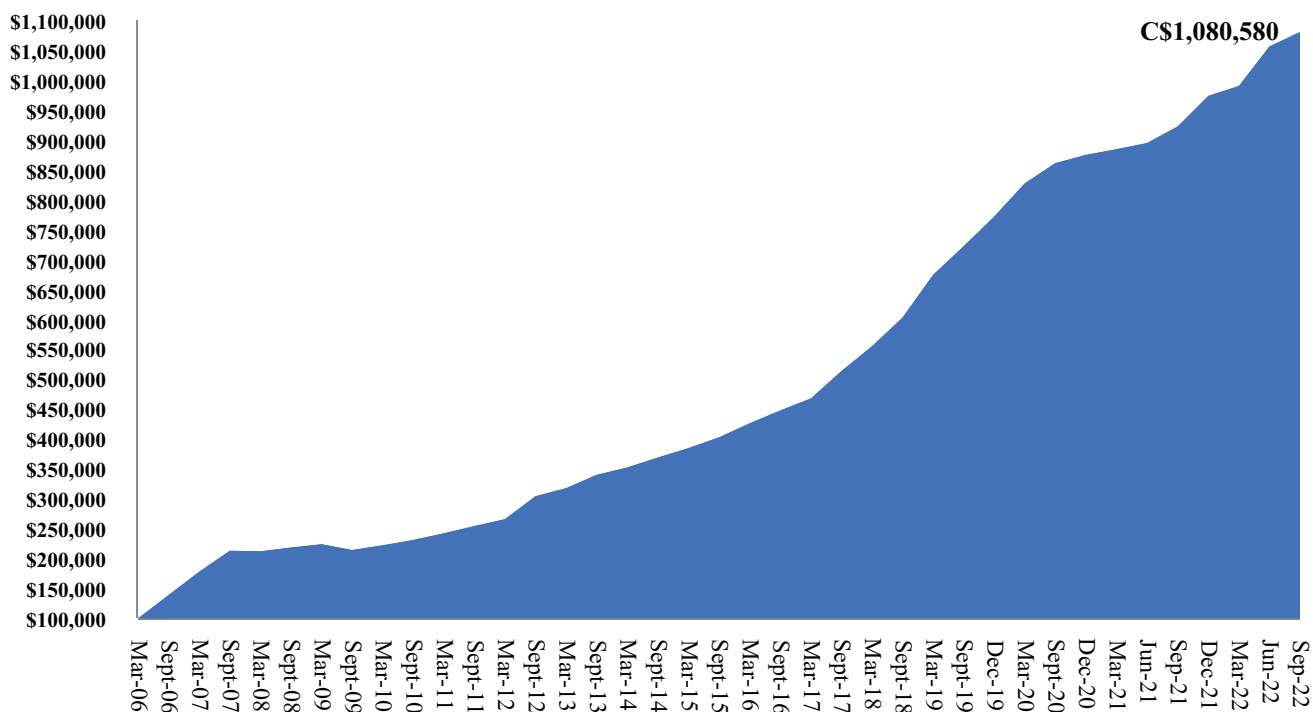


REIT Returns for Class A Units (including history of CAPLP)

Calendar Returns	2006 ¹	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
CAPLP	55.80%	41.92%	(0.67)%	(0.78)%	8.25%	10.21%	20.01%	10.95%	9.21%	10.20%	9.80%	17.24%	23.44%	21.79%	7.93%	11.27%	10.97%

Compound Returns	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	Since Inception
Centurion CAPLP/ REIT TR	17.12%	12.00%	14.36%	15.70%	16.05%	15.82%	15.14%	14.38%	13.71%	15.43%

CAPLP Growth of \$100,000 Invested



Notes:

¹For partial year from Mar 06 to 31 Dec 09

TOTAL RETURNS

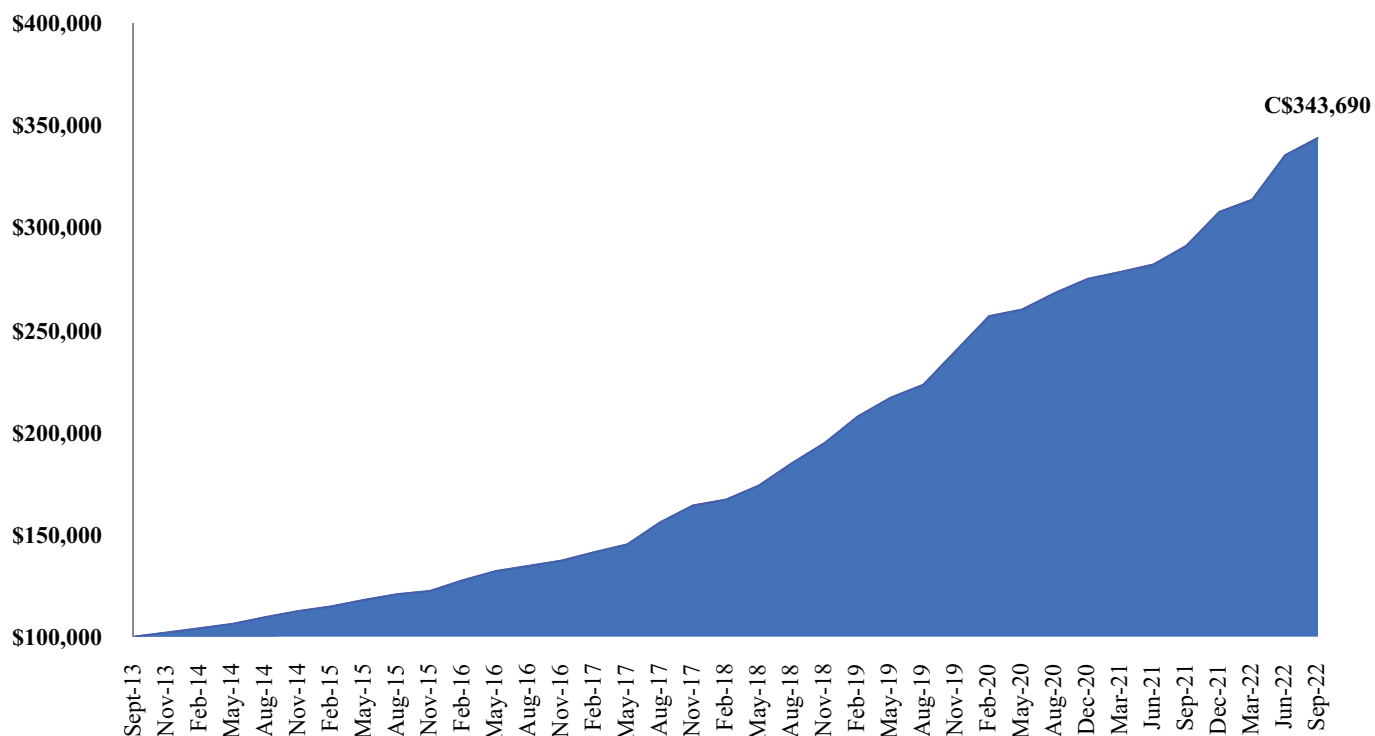


REIT Returns for Class F Units

Calendar Returns	2013 ¹	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Centurion Apartment REIT Class F TR	2.73%	10.26%	11.17%	10.79%	18.24%	24.39%	22.59%	8.57%	11.90%	11.76%

Compound Returns (%)	1-Year	2-year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	Since Inception of REIT
Centurion Apartment REIT Class F TR	18.10%	12.80%	15.13%	16.48%	16.86%	16.67%	16.01%	15.17%	14.56%

Centurion Apartment REIT Growth of \$100,000 Invested ²



Notes:

¹For partial year from 30 Sept 2013 to 31 Dec 2013

²Class "F" Units

APPENDIX A

Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suite Count (Undiluted) ^{2,4}	Total Suit Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
262-320 Kingswood Dr	Apt	100%		92	268				360	360	360	360
286 Kingswood Dr	Apt	100%		30	50				80	80	80	80
15, 19, 25 Hugo Cres	Apt	100%		7	46				53	53	53	53
196 Churchill Rd S	Apt	100%	3	12	18				33	33	33	33
21/31 Jean Ave	Apt	100%		20	12				32	32	32	32
1631 Victoria Park Avenue	Apt	100%	4	19	12				35	35	35	35
4 & 8 Rannock St, and 880 Pharmacy Ave.	Apt	100%		34	51				85	85	85	85
60 Prince Edward St	Apt	100%		3	27				30	30	30	30
707 & 711 Dundas St W	Apt	100%			24	12			36	36	36	36
165 Old Muskoka Rd	Apt	100%	1	4	33	1			39	39	39	39
2 & 4 Yonge St	Apt	100%		6	13	6			25	25	25	25
167 Morgan Ave	Apt	100%	2	10	20	15			47	47	47	47
362 Shanty Bay Rd	Apt	100%		4	11				15	15	15	15
275 North Service Road	Apt	100%		36	40	7			83	83	83	83
356 & 360 Hoffman	Apt	100%		36	60				96	96	96	96
173 King Street North	SH	100%		1	1		54		56	56	219	219
133-143 Woodside Avenue	Apt	100%		125	206	2			333	333	333	333
83,87,89,91,93,95,97,99 St. George Street & 149,151,163,165 Ann Street	SH	100%					24		24	24	96	96
25 & 45 Brierdale Road	Apt	100%		14	76				90	90	90	90
1,2,3,5, and 7 Biggin Court	Apt	100%	11	179	108	10			308	308	308	308
505-521 St. Catherine Street West & 1430 City Councillors Street	SH	100%				10	40	50	100	100	440	440
6 Grand Stand Place	Apt	100%		21	33	6			60	60	60	60
219 St. Andrews Street	Apt	100%	2	14	12				28	28	28	28
252 & 256 St. Andrews Street	Apt	100%		3	129				132	132	132	132
1175 Dundas Street West	Apt	100%	1	53	50				104	104	104	104
277 Anderson Ave	Apt	100%			47				47	47	47	47
122 Elizabeth St	Apt	100%	1		26	2			29	29	29	29
36 & 70 Orchard View	Apt	100%		6	18				24	24	24	24
255 Dunlop St West	Apt	100%			2	26			28	28	28	28
26 Thorncliffe Park Drive	Apt	100%		35	25	2			62	62	62	62
27 Thorncliffe Park Drive	Apt	100%	2	45	39				86	86	86	86
50 Thorncliffe Park Drive	Apt	100%	1	10	34	12			57	57	57	57
1594 Victoria Park Avenue	Apt	100%	1	13	14				28	28	28	28
5 Dufresne Court	Apt	100%		108	82	28			218	218	218	218

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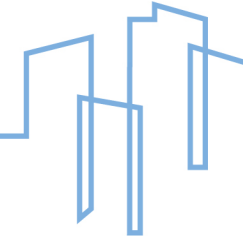
Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suite Count (Undiluted) ^{2,4}	Total Suit Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
1 Beaufort Street	SH	75%						27	27	20	135	101
75 Ann Street	SH	75%			2	45	90		137	103	499	374
167 King Street North	SH	100%						41	41	41	205	205
345 King Street North	SH	100%				28	28	38	94	94	386	386
4 Antrim Crescent	Apt	100%		44	26				70	70	70	70
168 King St North	SH	100%		1				35	36	36	176	176
58 Holtwood Court	Apt	100%		9	99	6			114	114	114	114
3707-3711 Whitelaw Lane NW	Apt	100%		3	123				126	126	126	126
205 Oxford St	SH	100%		53	86				139	139	225	225
11 Wendy Court	Apt	100%		5	91				96	96	96	96
285 North Service Road	Apt	100%		35	47				82	82	82	82
1731-1735-1739 Victoria Park Avenue	Apt	100%	15	78	36				129	129	129	129
5 Schroder Cres	Apt	100%		7	50	9			66	66	66	66
1 Columbia St W	SH	100%						74	74	74	370	370
5501, 5549, 5601, 5649 Prefontaine Ave	Apt	60%		64	144				208	125	208	125
5960 Little Pine Loop (Sky Pointe)	Apt	100%		42	33				75	75	75	75
1291 North McEachern Drive (Madison Manor)	Apt	100%		16	48				64	64	64	64
1251, 1261, 1271, 1281 North McEachern Drive (Madison Ridge)	Apt	100%			8	40			48	48	48	48
31200 FM 2920 Road	Apt	85%		140	60	24			224	190	224	190
772 Hockley Avenue	Apt	100%			20				20	20	20	20
777 Hockley Avenue	Apt	100%		10	20				30	30	30	30
778 Hockley Avenue	Apt	100%		13	10	10			33	33	33	33
784 Hockley Avenue	Apt	100%		9	20				29	29	29	29
790 Hockley Avenue	Apt	100%		8	16				24	24	24	24
2035 Timothy Road	Apt	75%		88	76	40			204	153	204	153
1488 Cook Street	Apt	50%	19	47	58	10			134	67	134	67
701-721 Sterling Lyon Parkway	Apt	50%	6	160	236	14			416	208	416	208
9930 Bellamy Hill Road NW	Apt	100%	27	36	18	1			82	82	82	82
345 - 375 Bridge Lake Drive	Apt	45%		64	112				176	79	176	79
433 Boleskine Road	Apt	100%	57	9	29				95	95	95	95
2770 Claude Road	Apt	100%		40	29	21			90	90	90	90
13555 96th Avenue	Apt	100%		125	21				146	146	146	146
344 - 370 Bridge Lake Drive	Apt	45%		74	134				208	94	208	94
765 Hockley Avenue	Apt	100%		42	21				63	63	63	63

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Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suite Count (Undiluted) ^{2,4}	Total Suit Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
10803 Jasper Avenue NW	Apt	100%		118	120				238	238	238	238
10130 117 Street NW	Apt	100%	26	156	52				234	234	234	234
8610 & 8620 Jasper Avenue	Apt	100%	41	127	80	44			292	292	292	292
10903 103 Avenue NW	Apt	100%		90	60				150	150	150	150
10904 102 Avenue NW	Apt	100%		92	64				156	156	156	156
5000 Green Jewel Blvd (Apex)	Apt	50%		88	88				176	88	176	88
2416 16 Avenue NW	SH	70%		212	134	2			348	243	486	340
2849 Bryn Maur Road	Apt	100%		65	23	5			93	93	93	93
333-337 Drysdale Boulevard	Apt	100%	15	38	122				175	175	175	175
10054 79 Ave NW	Apt	100%	42	39	31				112	112	112	112
2800 West Baker Road	Apt	85%		134	90	4			228	194	228	194
2551 Chemin des Quatre-Bourgeois, 931 and 941 Samuel-King Street	Apt	100%	301	228	131	24			684	684	684	684
1437-1441 René-Lévesque Boulevard West	Apt	100%	5	99	29	5			138	138	138	138
18 James Street North	SH	100%						30	30	30	150	150
5885 Cavendish Boulevard	Apt	100%	8	36	50				94	94	94	94
1060 Goldstream Avenue	Apt	100%	6	42	59	12			119	119	119	119
1140 Mary Street North	Apt	100%	2	22	67	26			117	117	117	117
333 Simcoe Street North	Apt	100%		7	31	5			43	43	43	43
550 Lang's Road	Apt	100%	18	105	48				171	171	171	171
3280 Cavendish Boulevard	Apt	100%	4	62	48				114	114	114	114
2854 Peatt Road	Apt	100%		32	30	1			63	63	63	63
821 Hockley Avenue	Apt	100%		15	57				72	72	72	72
918 McPherson Square NE	Apt	100%	7	34	70	11			122	122	122	122
5249 Dundas Street West	Apt	50%	37	148	148				333	167	333	167
8888 University Drive	SH	100%	482						482	482	482	482
230 Good Street	Apt	100%	5	35	86	17			143	143	143	143
5207 4 Ave SW	Apt	50%		39	96	14			149	75	149	75
105, 115, 125 and 145 Sage Creek Boulevard & 40, 50, 60, 70 Des Hivernants Boulevard North	Apt	50%		189	174	35			398	199	398	199
21 Columbia St W	SH	100%						41	41	41	205	205
12685 110 Ave and 11018 126A Street	Apt	100%	24	150	59				233	233	233	233
133 Erskine Avenue	Apt	75%		2	25				27	20	27	20
520-524 Ellesmere Road	Medical Office	75%							0	0	0	0

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Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suite Count (Undiluted) ^{2,4}	Total Suit Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
1 & 5 Quarry Ridge Road & 15 Gallie Court	Medical Office	75%							0	0	0	0
95 South 10th Street	Apt	45%	178	73	56				307	137	307	137
1989 Main Street	Apt	34%	88	122	67	6			283	97	283	97
4974 de la Savane Place	Apt	100%	23	102	51				176	176	176	176
21 Simon-Lussier	Apt	100%	8	87	30	8			133	133	133	133
290 Place Claude-Dagenais & 305 Boulevard du Curé-Labelle	Apt	100%	25	137	83	17			262	262	262	262
281 Place Claude-Dagenais	Apt	100%		55	23	6			84	84	84	84
291 Place Claude-Dagenais	Apt	100%		56	24	4			84	84	84	84
1250 Boulevard Lucille-Teasdale	Apt	100%		55	23				78	78	78	78
1280 Boulevard Lucille-Teasdale	Apt	100%		51	27				78	78	78	78
1270 Boulevard Lucille-Teasdale	Apt	100%		32	20				52	52	52	52
173 Boulevard Armand-Frappier	Apt	100%	21	172	93				286	286	286	286
2500 Rue Maurice-Savoie	Apt	100%	12	64	37	7			120	120	120	120
2570 Rue Maurice-Savoie	Apt	100%	12	64	37	7			120	120	120	120
235 Rue Cuvillier Ouest	Apt	100%		48	38				86	86	86	86
245 Rue Cuvillier Ouest	Apt	100%		86	58	2			146	146	146	146
4175 Rue Legault	Apt	100%	4	26	14				44	44	44	44
4155 Rue Legault	Apt	100%	4	26	14				44	44	44	44
6000 Rue de La Tourbière	Apt	100%		69	21	4			94	94	94	94
60 Rue Cartier	Apt	100%		152	58				210	210	210	210
7215-7235 Rue de Lunan	Apt	100%		44	52				96	96	96	96
7165-7195 Rue de Lunan	Apt	100%		80	66				146	146	146	146
9145 Rue Lennon	Apt	100%		38	45				83	83	83	83
9155 Rue Lennon	Apt	100%		49	48				97	97	97	97
9165 Rue Lennon	Apt	100%		74	45				119	119	119	119
170 Rue de l'Harmonie	Apt	100%	34	96	56	5			191	191	191	191
160 Rue de l'Harmonie & 45 Boulevard Georges-Gagné Sud	Apt	100%	1	57	33				91	91	91	91
165 Rue de l'Harmonie	Apt	100%		11	20	19			50	50	50	50

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Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suite Count (Undiluted) ^{2,4}	Total Suit Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
11 Rue de Ronsard	Apt	100%	8	118	28				154	154	154	154
21 Rue de Ronsard	Apt	100%	6	119	49				174	174	174	174
430 Boulevard Saint-Francis	Apt	100%		17	23	17	2		59	59	59	59
390 Boulevard Saint-Francis	Apt	100%	20	81	53				154	154	154	154
400 Boulevard Saint-Francis	Apt	100%	8	129	29				166	166	166	166
400, 410, 420, 430, 440, 450, 460 & 500 Rue de l'Atmosphere	Apt	100%	14	219	112				345	345	345	345
2400 Sainte-Foy Road	SH	100%	15	50	91	14			170	170	289	289
686-690 Notre-Dame Street West	Apt	100%		91	52	2			145	145	145	145
8333 Weston Road	Medical Office	75%										
99 Kakulu Road	Medical Office	75%										
595 Montreal Road	Medical Office	75%										
1 Centrepointe Drive	Medical Office	75%										
770 Broadview Avenue	Medical Office	75%										
342 Erie Street	Medical Office	75%										
210 Dundas St	Medical Office	75%										
770 6 Street SW	Medical Office	75%										
16028 & 16114 100A Avenue NW	Medical Office	75%										
Total			1,657	7,316	6,908	710	238	336	17,165	15,441	19,729	17,846

Notes:

1 "Apt" is short for Apartment and "SH" is short for Student Housing.

2 "Suites" means a rental suite, irrespective of the number of bedrooms or rental units in that suite. E.g., a 3-bedroom apartment that rents as a whole would be considered a single suite.

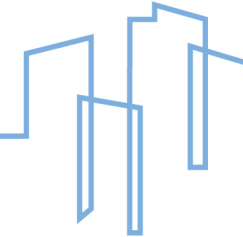
3 "Rental Units/Beds" adjusts for the number of student tenants renting individual units inside a suite. For example, a 5-bedroom student unit, would show as 1 suite, but 5 rental units as there may be 5 separate leases, each pertaining to a bed. This distinction only applies to properties classified as Student Residences. Thus, an apartment that had a 2-bedroom suite that had roommates sharing the apartment and was not classified as a "student residence" would be 1 Suite and 1 Rental Unit only. We make no distinction in "Rental Units" between individual leases on bedrooms and multi-tenant leases with all residents in the suite on a single lease (the two forms of lease in the student rental business).

4 "Undiluted" means that the number doesn't factor in any portion of the building that may be owned by partners. E.g., a 100-suite building owned 50/50 with a partner would show above as 100 suites on an undiluted basis and 50 suites on a diluted basis.

5 "Diluted" means that portions of the property owned by partners has been subtracted from the total. E.g., a 100-suite building owned with a partner would show above as 50 diluted suites.

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Summary Information About The Properties



Property Summary by City									
City	Number of Complexes	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RUs	Diluted Rental Units	Diluted Rental Units % of Total RUs
Acton	1	33	—%	33	—%	33	—%	33	—%
Barrie	3	43	—%	43	—%	43	—%	43	—%
Blainville	1	133	1%	133	1%	133	1%	133	1%
Belleville	1	—	—%	—	—%	—	—%	—	—%
Brighton	2	59	—%	59	—%	59	—%	59	—%
Brossard	5	541	3%	541	4%	541	3%	541	3%
Burnaby	1	482	3%	482	3%	482	2%	482	3%
Calgary	2	470	3%	365	2%	608	3%	462	3%
Cambridge	5	679	4%	679	4%	679	3%	679	4%
Châteauguay	3	379	2%	379	2%	379	2%	379	2%
Dartmouth	1	114	1%	114	1%	114	1%	114	1%
Delson	3	332	2%	332	2%	332	2%	332	2%
Edmonton	10	1,539	9%	1,465	9%	1,539	8%	1,465	8%
Gatineau	1	345	2%	345	2%	345	2%	345	2%
Gravenhurst	1	39	—%	39	—%	39	—%	39	—%
Guelph	1	66	—%	66	—%	66	—%	66	—%
Huntsville	1	25	—%	25	—%	25	—%	25	—%
Kelowna	1	175	1%	175	1%	175	1%	175	1%
Kitchener	6	668	4%	668	4%	668	3%	668	4%
Langford	11	636	4%	636	4%	636	3%	636	4%
London	4	327	2%	286	2%	955	5%	797	4%
Longueuil	7	654	4%	654	4%	654	3%	654	4%
Medicine Hat	1	—	—%	—	—%	—	—%	—	—%
Mississauga	3	269	2%	269	2%	269	1%	269	2%
Montreal	6	767	4%	767	5%	1,107	6%	1,107	6%
Oshawa	4	231	1%	231	1%	231	1%	231	1%
Ottawa	5	171	1%	171	1%	171	1%	171	1%
Quebec City	2	854	5%	854	6%	973	5%	973	5%
Regina	5	571	3%	400	3%	571	3%	400	2%
Saint-Constant	2	328	2%	328	2%	328	2%	328	2%
Sainte-Julie	1	286	2%	286	2%	286	1%	286	2%
Sainte-Thérèse	3	430	3%	430	3%	430	2%	430	2%
Saint-Lambert	1	210	1%	210	1%	210	1%	210	1%
Stratford	1	—	—%	—	—%	—	—%	—	—%
Surrey	2	379	2%	379	2%	379	2%	379	2%
Terrebonne	3	208	1%	208	1%	208	1%	208	1%
Toronto	14	1,498	9%	1,325	9%	1,498	8%	1,325	7%
Vaughan	1	—	—%	—	—%	—	—%	—	—%
Waterloo	7	372	2%	372	2%	1,711	9%	1,711	10%
Victoria	2	229	1%	162	1%	229	1%	162	1%
Whitby	1	36	—%	36	—%	36	—%	36	—%

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Summary Information About The Properties

Winnipeg	5	1,341	8%	723	5%	1,341	7%	723	4%
Athens (USA)	1	204	1%	153	1%	204	1%	153	1%
Minneapolis (USA)	1	307	2%	137	1%	307	2%	137	1%
Kansas City (USA)	1	283	2%	97	1%	283	1%	97	1%
Waller (USA)	1	224	1%	190	1%	224	1%	190	1%
Baytown (USA)	1	228	1%	194	1%	228	1%	194	1%
43 Cities	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

Property Summary by Province/State									
Province/State	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RUs	Diluted Rental Units	Diluted Rental Units % of Total RUs
Ontario	61	4,516	26%	4,302	28%	6,483	33%	6,151	34%
Nova Scotia	1	114	1%	114	1%	114	1%	114	1%
Alberta	13	2,009	12%	1,830	12%	2,147	11%	1,926	11%
British Columbia	17	1,901	11%	1,834	12%	1,901	10%	1,834	10%
Manitoba	5	1,341	8%	723	5%	1,341	7%	723	4%
Saskatchewan	5	571	3%	400	3%	571	3%	400	2%
Quebec	38	5,467	32%	5,467	35%	5,926	30%	5,926	33%
USA Georgia	1	204	1%	153	1%	204	1%	153	1%
USA Minnesota	1	307	2%	137	1%	307	2%	137	1%
USA Missouri	1	283	2%	97	1%	283	1%	97	1%
USA Texas	2	452	3%	384	2%	452	2%	384	2%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

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Summary Information About The Properties



Property Summary by Region/State									
Region/State	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RUs
Central ON	5	107	1%	107	1%	107	1%	107	1%
Central Okanagan	1	175	1%	175	1%	175	1%	175	1%
Calgary Metropolitan Region	2	470	3%	365	2%	608	3%	462	3%
Eastern ON	8	230	1%	230	1%	230	1%	230	1%
Greater Toronto Area	24	2,067	12%	1,894	12%	2,067	10%	1,894	11%
Montreal Metropolitan Area	35	4,268	25%	4,268	28%	4,608	23%	4,608	26%
Quebec City	2	854	5%	854	6%	973	5%	973	5%
Kitchener-Waterloo-Cambridge	19	1,785	10%	1,785	12%	3,124	16%	3,124	18%
London Area	4	327	2%	286	2%	955	5%	797	4%
Halifax Regional Municipality	1	114	1%	114	1%	114	1%	114	1%
Greater Edmonton Area	10	1,539	8%	1,465	9%	1,539	8%	1,465	8%
Greater Regina Area	5	571	3%	400	3%	571	3%	400	2%
Greater Vancouver Area	16	1,726	10%	1,659	10%	1,726	8%	1,658	8%
Southern ON	1	0	0%	0	0%	0	0%	0	0%
Southern AB	1	0	0%	0	0%	0	0%	0	0%
Western Quebec	1	345	2%	345	2%	345	2%	345	2%
Winnipeg Capital Region	5	1,341	8%	723	5%	1,341	7%	723	4%
USA Georgia	1	204	1%	153	1%	204	1%	153	1%
USA Minnesota	1	307	2%	137	1%	307	2%	137	1%
USA Missouri	1	283	2%	97	1%	283	1%	97	1%
USA Texas	2	452	3%	384	2%	452	2%	384	2%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

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Summary Information About The Properties



Summary by Market Type									
	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RUs
Primary	112	14,683	85%	13,051	85%	15,280	77%	13,606	76%
Secondary	29	2,359	14%	2,267	14%	4,326	22%	4,117	23%
Tertiary	4	123	1%	123	1%	123	1%	123	1%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

Summary Asset by Type									
Property Type	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RUs
Canadian Apartments	114	14,120	83%	13,016	84%	14,120	72%	13,016	73%
U.S. Apartments	5	1,246	7%	772	5%	1,246	6%	772	4%
Student Housing	15	1,799	10%	1,653	11%	4,363	22%	4,058	23%
Medical Office	11	—	—%	—	—%	—	—%	—	—%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

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Summary Information About The Properties



City	Type of Building	Student Housing by City					Average Rents (undiluted basis)		
		# of Complexes	# of Suites (Undiluted)	# of Suites (Diluted)	# of Beds (Undiluted)	# of Beds (Diluted)	Total Rental Units	Revenue/Unit/Month	
Burnaby	Student Housing	1	482	482	482	482			
Calgary	Student Housing	1	348	243	486	340			
London	Student Housing	4	327	286	955	797			
Montreal	Student Housing	1	100	100	440	440			
Quebec City	Student Housing	1	170	170	289	289			
Waterloo	Student Housing	7	372	372	1,711	1,711			
Total		15	1,799	1,653	4,363	4,058			

	Total Rental Units	Revenue/Unit/Month
Apartment	15,366	\$1,532.60
Student Residences	4,363	\$822.54
Total	19,729	

Rent Controlled vs Non Rent Controlled ¹ Properties									
	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
Rent Controlled	60	5,957	35%	5,717	37%	6,383	32%	6,143	34%
Non Rent Controlled	85	11,208	65%	9,724	63%	13,346	68%	11,703	66%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

¹ For the purpose of this table, "Rent Controlled", means that the rent is controlled by regulation, but excludes purpose-built student properties which, although they may have formal rent controls in some cases, because of the nature of assured student turnover upon graduation, the property may be considered "Non-Rent Controlled".

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Summary Information About The Properties



Property Summary By Affordability Type									
Property Type	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
Apartment									
Mid-Tier	51	5,086	30%	4,954	32%	5,086	26%	4,954	28%
Luxury	68	10,280	60%	8,834	57%	10,280	52%	8,834	50%
Apartment Subtotal	119	15,366	90%	13,787	89%	15,366	78%	13,787	77%
Student Housing									
Mid-Tier	2	233	1%	233	2%	611	3%	611	3%
Luxury	13	1,566	9%	1,420	9%	3,752	19%	3,447	19%
Student Housing Subtotal	15	1,799	10%	1,653	11%	4,363	22%	4,058	23%
Medical Office									
Other	11	—	—	—	—	—	—	—	—
Medical Office Subtotal	11	—	—%	—	—%	—	—%	—	—%
Summary By Affordability									
Mid-Tier	53	5,319	31%	5,187	34%	5,697	29%	5,565	31%
Luxury	81	11,846	69%	10,254	66%	14,032	71%	12,281	69%
Other	11	—	—%	—	—%	—	—%	—	—%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

Property Portfolio by Year of Construction									
	Number of Buildings	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
After 2019	24	4,614	27%	3,714	24%	4,871	25%	3,929	22%
2010-2019	61	7,424	43%	6,699	43%	8,308	42%	7,583	42%
2000-2009	6	588	3%	547	4%	1,422	7%	1,264	7%
1990-1999	3	260	2%	209	1%	423	2%	372	2%
1980-1989	15	1,188	7%	1,188	8%	1,274	6%	1,274	7%
1970-1979	14	1,231	7%	1,231	8%	1,571	8%	1,571	9%
1960-1969	15	1,215	7%	1,208	8%	1,215	6%	1,208	7%
1950-1959	6	645	4%	645	4%	645	3%	645	4%
Pre 1950	1	—	—%	—	—%	—	—%	—	—%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

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Summary Information About The Properties



Property Type	Property Summary By Affordability Type								
	Number of Complexes	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
Apartment									
Townhouses	3	79	—%	79	1%	79	—%	79	—%
Garden Style	26	2,801	16%	2,682	17%	2,801	14%	2,682	15%
Mid-Rise	58	6,546	38%	5,675	37%	6,546	33%	5,675	32%
High-Rise	32	5,940	35%	5,351	35%	5,940	30%	5,351	30%
Apartment Subtotal	119	15,366	90%	13,787	89%	15,366	78%	13,787	77%
Student Housing									
Townhouses	2	51	—%	44	—%	231	1%	197	1%
Mid-Rise	2	211	1%	211	1%	494	3%	494	3%
High-Rise	11	1,537	9%	1,398	9%	3,638	18%	3,367	19%
Student Housing Subtotal	15	1,799	10%	1,653	11%	4,363	22%	4,058	23%
Medical Office									
Garden Style	1	—	—%	—	—%	—	—%	—	—%
Low-Rise	9	—	—%	—	—%	—	—%	—	—%
Mid-Rise	1	—	—%	—	—%	—	—%	—	—%
Medical Office Subtotal	11	—	—%	—	—%	—	—%	—	—%
Summary by Building Style									
Townhouses	5	130	1%	123	1%	310	2%	276	2%
Garden Style	27	2,801	16%	2,682	17%	2,801	14%	2,682	15%
Low-Rise	9	—	—%	—	—%	—	—%	—	—%
Mid-Rise	61	6,757	39%	5,886	38%	7,040	36%	6,169	35%
High-Rise	43	7,477	44%	6,749	44%	9,578	49%	8,718	49%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

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Summary Information About The Properties



Property Summary By Construction Material									
	Number of Complexes	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
Wood	44	4,205	24%	3,711	24%	4,385	22%	3,864	22%
Steel and Wood	2	814	5%	407	3%	814	4%	407	2%
Steel and Concrete	1	—	—%	—	—%	—	—%	—	—%
Steel	3	—	—%	—	—%	—	—%	—	—%
Concrete	94	11,913	69%	11,090	72%	14,297	72%	13,342	75%
Concrete and Wood	1	233	1%	233	2%	233	1%	233	1%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

Property Summary By Unit Access									
	Number of Complexes	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
Walk Up	28	2,553	15%	2,428	16%	2,733	14%	2,581	14%
Elevated	117	14,612	85%	13,013	84%	16,996	86%	15,265	86%
Total	145	17,165	100%	15,441	100%	19,729	100%	17,846	100%

APPENDIX B

Management Summary Information of the Lending Portfolio



The following charts provide additional information relating to the mortgage investments and equity accounted investments in the REIT.

Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated							
	Funded				Committed			
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)	
By Participation								
Mortgage Investments	\$ 116,349	18	42%	11.79%	\$ 222,474	18	55%	
Participating Loan Interests	\$ 26,720	4	10%	11.99%	\$ 24,596	4	6%	
Equity Accounted Investments	\$ 130,757	13	48%	—%	\$ 158,615	13	39%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	
By Rank								
1st	\$ 82,098	12	30%	11.44%	\$ 150,484	12	37%	
2nd	\$ 60,971	10	22%	12.35%	\$ 96,586	10	24%	
Equity Accounted Investments	\$ 130,757	13	48%	0.00%	\$ 158,615	13	39%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	
By Loan Type								
Commercial/Industrial	\$ 28,853	5	11%	10.76%	\$ 35,333	5	9%	
Residential	\$ 244,973	30	89%	11.90%	\$ 370,352	30	91%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	
By Province/State								
Canada								
AB	\$ 30,197	7	11%	9.82%	\$ 88,576	7	22%	
BC	\$ 59,415	6	22%	11.05%	\$ 91,018	6	22%	
MB	\$ 12,884	1	5%	0.00%	\$ 7,227	1	2%	
ON	\$ 164,934	19	60%	12.59%	\$ 213,189	19	52%	
QC	\$ 2,797	1	1%	0.00%	\$ 2,797	1	1%	
SK	\$ 3,600	1	1%	0.00%	\$ 2,878	1	1%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	

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Management Summary Information of the Lending Portfolio



Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated							
	Funded				Committed			
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)	
By City								
Greater Toronto Area								
Ajax	\$ 2,527	1	0.92%	13.25%	\$ 2,527	1	0.62%	
Clarington	\$ 283	0	0.10%	0.00%	\$ 0	0	0.00%	
Etobicoke	\$ 16,282	1	5.95%	13.00%	\$ 16,282	1	4.01%	
Markham	\$ 18,976	1	6.93%	0.00%	\$ 25,000	1	6.16%	
Mississauga	\$ 1,027	1	0.38%	12.00%	\$ 1,027	1	0.25%	
Scarborough	\$ 24,376	2	8.90%	10.00%	\$ 19,214	2	4.74%	
Toronto	\$ 4,391	3	1.60%	12.25%	\$ 11,257	3	2.79%	
Subtotal (A)	\$ 67,861	9	24.80%	12.56%	\$ 75,307	9	18.57%	
Greater Vancouver Area								
Delta	\$ 16	—	0.01%	—%	\$ —	—	—%	
Vancouver	\$ 4,474	1	1.63%	8.60%	\$ 14,750	1	3.64%	
Surrey	\$ 33,908	2	12.38%	11.25%	\$ 39,752	2	9.80%	
Subtotal (B)	\$ 38,398	3	14.02%	10.82%	\$ 54,502	3	13.44%	
Vancouver Island								
Victoria	\$ 1,873	—	0.68%	—%	\$ —	—	—%	
Subtotal (C)	\$ 1,873	—	0.68%	—%	\$ —	—	—%	
Guelph-Waterloo Area								
Waterloo	\$ 6,210	2	2.27%	10.00%	\$ 6,258	2	1.54%	
Subtotal (D)	\$ 6,210	2	2.27%	10.00%	\$ 6,258	2	1.54%	
By City (cont'd)								
Other Canadian Cities								

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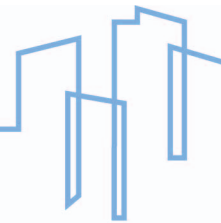
Management Summary Information of the Lending Portfolio



Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated							
	Funded				Committed			
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)	
Barrie	\$ 2,955	1	1.08%	10.00%	\$ 2,955	1	0.73%	
Calgary	\$ 22,821	4	8.33%	10.00%	\$ 39,592	4	9.76%	
Darlington	\$ 10,103	1	3.69%	12.75%	\$ 16,000	1	3.94%	
Edmonton	\$ 6,663	2	2.43%	9.69%	\$ 47,800	2	11.78%	
Gatineau	\$ 9,580	1	3.50%	13.00%	\$ 9,580	1	2.36%	
Kanata	\$ 9,141	2	3.34%	15.00%	\$ 40,120	2	9.89%	
Kelowna	\$ 19,144	3	6.99%	11.48%	\$ 36,515	3	9.00%	
Lachenaie	\$ 2,797	1	1.02%	0.00%	\$ 2,797	1	0.69%	
Minett	\$ 22,151	1	8.09%	13.00%	\$ 26,500	1	6.53%	
Ottawa	\$ 31,945	1	11.67%	0.00%	\$ 31,944	1	7.87%	
Regina	\$ 3,600	1	1.31%	0.00%	\$ 2,878	1	0.71%	
St. Albert	\$ 713	1	0.26%	9.00%	\$ 1,185	1	0.29%	
Winnipeg	\$ 17,872	2	6.53%	0.00%	\$ 11,752	2	2.90%	
Subtotal (E)	\$ 159,484	21	58.24%	12.00%	\$ 269,618	21	66.45%	
Grand Total (SUM A to E)	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100.00%	
<u>By Purchase Options</u>								
With	\$ 33,863	5	12.00%	11.40%	\$ 65,669	5	16.00%	
Without	\$ 109,206	17	40.00%	11.96%	\$ 181,400	17	45.00%	
Equity Accounted Investments	\$ 130,757	13	48.00%	0.00%	\$ 158,616	13	39.00%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	
<u>By Development Stage</u>								
Construction	\$ 181,472	22	66.00%	11.39%	\$ 294,269	22	73.00%	
Pre-Construction	\$ 57,411	4	21.00%	12.29%	\$ 57,411	4	14.00%	
Term	\$ 34,943	9	13.00%	11.76%	\$ 54,005	9	13.00%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	
<u>By Underlying Security</u>								
Multi Family Apartments	\$ 85,108	16	31.00%	11.42%	\$ 199,512	16	49.00%	
Land	\$ 57,934	4	21.00%	12.25%	\$ 63,830	4	16.00%	
Low-Rise Residential	\$ 36,548	5	13.00%	11.82%	\$ 40,944	5	10.00%	
Industrial	\$ 2,543	1	1.00%	13.25%	\$ 2,527	1	1.00%	
High-Rise Condominium	\$ 65,383	5	24.00%	12.00%	\$ 66,066	5	16.00%	
Commercial	\$ 26,310	4	10.00%	9.90%	\$ 32,806	4	8.00%	
Total	\$ 273,826	35	100%	11.82%	\$ 405,685	35	100%	

APPENDIX B

Management Summary Information of the Lending Portfolio



Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated								
	Funded					Committed			
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)		
By Investment Size									
\$1m or less	\$	2,610	3	1.00%	10.33%	\$	9,168	3	2.00%
> \$1m - \$3m	\$	20,542	9	8.00%	11.05%	\$	28,529	9	7.00%
> \$3m - \$5m	\$	32,595	7	12.00%	9.45%	\$	63,173	7	16.00%
> \$5m - \$10m	\$	40,666	6	15.00%	11.84%	\$	109,601	6	27.00%
> \$10m - \$15m	\$	64,798	5	24.00%	12.75%	\$	72,226	5	18.00%
> \$15m	\$	112,616	5	40.00%	12.34%	\$	122,988	5	30.00%
Total	\$	273,826	35	100%	11.82%	\$	405,685	35	100%
By Maturity (excl. Equity & FV Adj.)									
2022	\$	36,812	6	26.00%	12.16%	\$	36,812	6	15.00%
2023	\$	69,550	9	50.00%	11.83%	\$	83,703	9	34.00%
2024	\$	24,270	5	17.00%	11.06%	\$	59,475	5	24.00%
2025	\$	10,313	2	7.00%	12.36%	\$	67,080	2	27.00%
Total	\$	140,945	22	100%	11.82%	\$	247,070	22	100%
By Interest/Pref Rate (excl. Equity & FV Adj.)									
> 8.5% - 9.0%	\$	5,188	2	4.00%	8.65%	\$	15,935	2	6.00%
> 9.0% - 9.5%	\$	7,826	2	6.00%	9.50%	\$	29,325	2	12.00%
> 9.5% - 10.0%	\$	26,258	7	19.00%	9.95%	\$	58,065	7	24.00%
> 11.0% - 11.5%	\$	23,262	1	17.00%	11.25%	\$	23,262	1	9.00%
> 11.5% - 12.0%	\$	1,027	1	1.00%	12.00%	\$	1,027	1	0.00%
> 12.0% - 12.5%	\$	3,335	2	2.00%	12.25%	\$	10,200	2	4.00%
> 12.5% - 13.0%	\$	66,403	5	45.00%	12.96%	\$	76,649	5	32.00%
> 13.0% - 13.5%	\$	2,527	1	2.00%	13.25%	\$	2,527	1	1.00%
> 14.5% - 15.0%	\$	5,119	1	4.00%	15.00%	\$	30,080	1	12.00%
Total	\$	140,945	22	100%	11.82%	\$	247,070	22	100%
By Committed LTV - Mortgage Investments									
50% or less	\$	41,706	5	35.00%	11.73%	\$	42,236	5	19.00%
> 50% - 60%	\$	23,179	2	20.00%	12.96%	\$	27,527	2	12.00%
> 60% - 70%	\$	21,846	4	19.00%	10.85%	\$	32,121	4	14.00%
> 80% - 90%	\$	28,955	6	25.00%	11.64%	\$	113,590	6	52.00%
> 90%	\$	663	1	1.00%	12.25%	\$	7,000	1	3.00%
Total	\$	116,349	18	100%	11.79%	\$	222,474	18	100%
By Payment Method - Mortgage Investments									
Interest Accrue	\$	44,112	11	48.00%	11.22%	\$	107,713	11	48.00%
Pre Authorized Payment	\$	72,237	7	52.00%	12.14%	\$	114,761	7	52.00%
Total	\$	116,349	18	100%	11.79%	\$	222,474	18	100%
Estimated Built Out Value of Purchase Options									
		Undiluted				Diluted			
Mortgage Investments	\$	86,946	2	6.00%		\$	86,946	2	9.00%
Participating Loan Interests	\$	181,808	3	12.00%		\$	181,808	3	18.00%
Equity Accounted Investments	\$	1,219,108	13	82.00%		\$	733,262	13	73.00%
Total	\$	1,487,862	18	100%		\$	1,002,016	18	100%

APPENDIX C

Properties Under Development

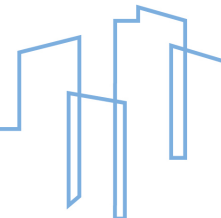


The following discloses the properties that are currently under development and shows, the location, the number of units/commercial unit square footage, Centurion's ownership interest, the Centurion vehicle supporting the development and the year in which the property is expected to be completed.

Property Name	Property Location	Number of Units	Commercial Sq ft.	Ownership Interest	Expected Date of Completion
Madison Avenue	Calgary, Alberta	28	—	50%	2023
Scott Road - Phase II	Surrey, BC	281	7,139	100%	2022
Bridgewater 3	Winnipeg, Manitoba	270	—	45%	2022
ME Condo PH 2 & 3	Scarborough, Ontario	443	6,148	72%	2024
Acre 21 Regina	Regina, SK	126	—	50%	2023
Pandora Phase 2	Victoria, BC	37	1,000	75%	2024
Kanata (Huntmar Road)	Kanata, Ontario	420	—	67%	2024
350 Doyle	Kelowna, BC	299	38,243	75%	2025
Trinity Hill	Calgary, AB	540	25,000	50%	2025
Winnipeg Westport	Winnipeg, MB	169	—	50%	2024
400 Albert St (Main & Main)	Ottawa, ON	559	29,557	50%	2027
Knox Village Phase 1, 2 and 3	Kelowna, BC	238	—	100%	2024
Trigone JV Lachenaie Phase 1	Lachenaie, BC	161	—	50%	2025
9525 King George Blvd (Innovation Village)	Surrey, BC	396	—	75%	2027
9526 King George Blvd - Medical Office & Retail	Surrey, BC	—	68,327	75%	2027
Deveraux Icon	Calgary, AB	687	—	50%	TBD
TOTAL		4,654	175,414		

APPENDIX D

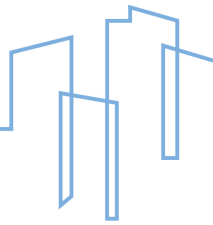
Properties Under Contract



The following discloses the properties that are currently under contract and shows the location, the number of units, Centurion's ownership interest, and the year of the estimated closing date.

Property Name	Property Location	Number of Units	Commercial Sq ft.	Ownership %	Estimated Year of Closing
Scott Road Weststone Phase II	Surrey, British Columbia	281	11,867	100%	2023
Ironclad Aurora	Kelowna, BC	104	—	100%	2022
Terrasses Francesca	Ottawa, ON	276	—	100%	2022
Knox Village Forward Sale	Kelowna, BC	238	—	100%	2023/2024
TOTAL		899	11,867		

Risks and Uncertainties



There are certain risk factors inherent in an investment in the REIT Units and in the activities of Centurion Apartment REIT, including the following, which Subscribers should carefully consider before subscribing for the REIT Units.

Risks Related to the Novel Coronavirus Disease (COVID-19)

There has been and continues to be a global pandemic related to an outbreak of the novel coronavirus disease (COVID-19). This outbreak (and any future outbreaks) of COVID-19 has led (and may continue to lead) to disruptions in global economic activity, resulting in, among other things, a general decline in equity prices and lower interest rates. These circumstances are likely to have an adverse effect on levels of employment, which may adversely impact the ability of tenants, borrowers and other counterparties to make timely payments on their rents, mortgages and other loans. An increase in delinquent payments by tenants, borrowers and other counterparties may negatively affect the Trust's financial position. While governments are closely monitoring the rapidly evolving situation, no assurance can be made regarding the policies that may be adopted by the Bank of Canada, the Canadian federal, provincial or municipal governments, their agencies, the United States government or any other foreign or sub-national government to address the effects of COVID-19 or any resulting market volatility. Following multiple interest rate cuts by the Bank of Canada in March 2020, which were announced in an attempt to curb the economic effects of COVID-19, it is possible that the Bank of Canada may make further interest rate cuts or that it may in the future resume interest rate increases. Any such increases or decreases may occur at a faster rate than expected. To the extent that interest rates increase as a result of the Bank of Canada's actions or otherwise, the availability of refinancing alternatives for credit facilities, mortgages and other loans may be reduced. No assurance can be made regarding such matters or their effect on real estate markets generally and on the value and performance of mortgage loans. The Trust actively monitors regulatory developments and will adjust to any regulatory changes that may arise as a result of the COVID19 outbreak.

The COVID-19 outbreak may lead to disruptions of the Trust's normal business activity and a sustained outbreak may have a negative impact on the Trust and its financial performance. The Trust has business continuity policies in place and is developing additional strategies to address potential disruptions in its operations. However, no assurance can be made that such strategies will successfully mitigate the adverse impacts related to the COVID-19 outbreak. A prolonged outbreak of COVID-19 could adversely impact the health of the Trust's employees, borrowers, counterparties and other stakeholders.

The full extent of the duration and impact that COVID-19, including any regulatory responses to the outbreak, will have on the Canadian, United States and global economies and the Trust's business is highly uncertain and difficult to predict at this time.

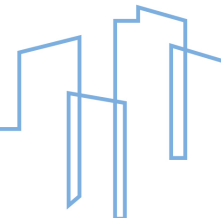
Real Property Ownership

All real property investments are subject to elements of risk. Such investments are affected by general economic conditions, local real estate markets, demand for multi-unit residential premises, competition from other available residential premises and various other factors.

Certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing any income. If Centurion Apartment REIT is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit Centurion Apartment

Risks and Uncertainties



REIT's ability to vary its portfolio promptly in response to changing economic or investment conditions. If Centurion Apartment REIT was required to liquidate its real property investments, the proceeds to Centurion Apartment REIT might be significantly less than the aggregate value of its properties on a going-concern basis.

Centurion Apartment REIT will be subject to the risks associated with debt financing, including the risk that existing mortgage indebtedness secured by the Properties will not be able to be refinanced or that the terms of such refinancing will not be as favourable as the terms of existing indebtedness.

Development Risks

Centurion Apartment REIT may, directly or indirectly, invest in real estate development projects. Any existing or future development investments of the REIT will entail certain risks, including the expenditure of funds on and devotion of management's time to evaluating projects that may not come to fruition; the risk that development costs of a project may exceed original estimates, possibly making the project uneconomical; the risk of construction overrun or other unforeseeable delays, during which the interest rate and leasing risk may fluctuate; the risk that occupancy rates and rents at a completed project will be less than anticipated or that there will be vacant space at the project; the risk that expenses at a completed development will be higher than anticipated; and the risk that permits and other governmental approvals will not be obtained. In addition, the REIT's future real estate development investments may require a significant investment of capital. The REIT may be required to obtain funds for its capital expenditures and operating activities, if any, through cash flow from operations, property sales or financings. If the REIT is unable to obtain such funds, it may have to defer or otherwise limit certain development activities.

Future Property Acquisitions

While Centurion Apartment REIT may enter into non-binding letters of intent with respect to properties under review, there can be no assurance that such properties will be acquired. Accordingly, there can be no assurance that Centurion Apartment REIT will be able to acquire Properties at the rates of return that the REIT Management is targeting. No forecast has been made for the acquisition of properties under review.

Revenue Producing Properties

The Properties generate income through rental payments made by the tenants thereof. Upon the expiry of any lease, there can be no assurance that such lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favorable to Centurion Apartment REIT than the existing lease. Unlike commercial leases which generally are "net" leases and allow a landlord to recover expenditures, residential leases are generally "gross" leases and the landlord is not able to pass on costs to its tenants.

No Guarantees or Insurance on Mortgage Investments

A Mortgage borrower's obligations to the Centurion Apartment REIT or any other person are not guaranteed by the Government of Canada, the government of any province or any agency thereof nor are they insured under the National Housing Act (Canada). In the event that additional security is given by the borrower or a third party or that a private guarantor guarantees the Mortgage borrower's obligations, there is no assurance that such additional security or guarantee will be available or sufficient to make Centurion Apartment REIT whole if and when resort is to be had thereto.

Risks and Uncertainties



Risks Related to Mortgage Extensions and Mortgage Defaults

The REIT Management may from time to time deem it appropriate to extend or renew the term of a Mortgage past its maturity, or to accrue the interest on a Mortgage, in order to provide the borrower with increased repayment flexibility. The REIT Management generally will do so if it believes that there is a very low risk to Centurion Apartment REIT of not being repaid the full principal and interest owing on the Mortgage. In these circumstances, however, Centurion Apartment REIT is subject to the risk that the principal and/or accrued interest of such Mortgage may not be repaid in a timely manner or at all, which could impact the cash flows of Centurion Apartment REIT during and after the period in which it is granting this accommodation. Further, in the event that the valuation of the asset has fluctuated substantially due to market conditions, there is a risk that Centurion Apartment REIT may not recover all or substantially all of the principal and interest owed to it in respect of such Mortgage.

When a Mortgage is extended past its maturity, the loan can either be held over on a month-to-month basis, or renewed for an additional term at the time of its maturity. Notwithstanding any such extension or renewal, if the borrower subsequently defaults under any terms of the loan, the Mortgage Servicer has the ability to exercise its Mortgage enforcement remedies in respect of the extended or renewed Mortgage. Exercising Mortgage enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact the cash flows of Centurion Apartment REIT during the period of enforcement. In addition, as a result of potential declines in Real Property values, the priority ranking of the Mortgage and other factors, there is no assurance that Centurion Apartment REIT will be able to recover all or substantially all of the outstanding principal and interest owed to it in respect of such Mortgages by the Mortgage Service Provider's exercise of Mortgage enforcement remedies for the benefit of Centurion Apartment REIT. Should Centurion Apartment REIT be unable to recover all or substantially all of the principal and interest owed to it in respect of such Mortgage loans, the assets of Centurion Apartment REIT would be reduced, and the returns, financial condition and results of operations of Centurion Apartment REIT could be adversely impacted.

Foreclosure or Power of Sale and Related Costs on Mortgage Investments

One or more borrowers could fail to make payments according to the terms of their loan, and Centurion Apartment REIT could therefore be forced to exercise its rights as mortgagee. The recovery of a portion of Centurion Apartment REIT's assets may not be possible for an extended period of time during this process and there are circumstances where there may be complications in the enforcement of Centurion Apartments REIT's rights as mortgagee. Legal fees and expenses and other costs incurred by Centurion Apartment REIT in enforcing its rights as mortgagee against a defaulting borrower are usually recoverable from the borrower directly or through the sale of the mortgaged property by power of sale or otherwise, although there is no assurance that they will actually be recovered. In the event that these expenses are not recoverable they will be borne by Centurion Apartment REIT.

Furthermore, certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, Mortgage payments to prior charge holders, insurance costs and related charges must be made through the period of ownership of real property regardless of whether Mortgage payments are being made. Centurion Apartment REIT may therefore be required to incur such expenditures to protect its investment, even if the borrower is not honouring its contractual obligations.

Risks and Uncertainties



Litigation Risks

Centurion Apartment REIT may, from time to time, become involved in legal proceedings in the course of its business. The costs of litigation and settlement can be substantial and there is no assurance that such costs will be recovered in whole or at all. During litigation involving a borrower in respect of a Mortgage, Centurion Apartment REIT may not be receiving payments of interest on a Mortgage that is the subject of litigation, thereby impacting cash flows. The unfavorable resolution of any legal proceedings could have an adverse effect on the Centurion Apartment REIT and its financial position and results of operations that could be material.

Competition for Real Property Investments

Centurion Apartment REIT competes for suitable real property investments with individuals, corporations and institutions (both Canadian and foreign) and other real estate investment trusts which are presently seeking, or which may seek in the future, real property investments similar to those desired by Centurion Apartment REIT. A number of these investors may have greater financial resources than those of Centurion Apartment REIT, or operate without the investment or operating guidelines of Centurion Apartment REIT or according to more flexible conditions. An increase in the availability of investment funds, and an increase in interest in real property investments, may tend to increase competition for real property investments, thereby increasing purchase prices and/or reducing the yield on them.

Competition for Tenants

The real estate business is competitive. Numerous other developers, managers and owners of properties compete with Centurion Apartment REIT in seeking tenants. The existence of competing developers, managers and owners for Centurion Apartment REIT's tenants could have an adverse effect on Centurion Apartment REIT's ability to lease suites in its properties and on the rents charged.

Interest Rates

It is anticipated that the market price for the REIT Units at any given time may be affected by the level of interest rates prevailing at that time. A rise in interest rates may have a negative effect on the market price of the REIT Units. A decrease in interest rates may encourage tenants to purchase condominiums or other types of housing, which could result in a reduction in demand for rental properties. Changes in interest rates may also have effects on vacancy rates, rent levels, refurbishing costs and other factors affecting Centurion Apartment REIT's business and profitability.

Debt Financing

Centurion Apartment REIT is subject to the risks associated with debt financing, including the risk that Centurion Apartment REIT may be unable to make interest or principal payments or meet loan covenants, the risk that defaults under a loan could result in cross defaults or other lender rights or remedies under other loans, and the risk that existing indebtedness may not be able to be refinanced or that the terms of such refinancing may not be as favourable as the terms of existing indebtedness. A portion of Centurion's Acquisition and Operating Facilities are at floating interest rates, and accordingly, changes in short-term borrowing will affect Centurion Apartment REIT's costs of borrowing.

APPENDIX E

Risks and Uncertainties



General Economic Conditions

Centurion Apartment REIT is affected by general economic conditions, local real estate markets, competition from other available rental premises, including new developments, and various other factors. The competition for tenants also comes from opportunities for individual home ownership, including condominiums, which can be particularly attractive when home mortgage loans are available at relatively low interest rates. The existence of competing developers, managers and owners for Centurion Apartment REIT's tenants could have an adverse effect on Centurion Apartment REIT's ability to lease suites in its properties and on the rents charged, increased leasing and marketing costs and increased refurbishing costs necessary to lease and re-lease suites, all of which could adversely affect Centurion Apartment REIT's revenues and, consequently, its ability to meet its obligations. In addition, any increase in the supply of available space in the markets in which Centurion Apartment REIT operates or may operate could have an adverse effect on Centurion Apartment REIT.

General Uninsured Losses

Centurion Apartment REIT carries comprehensive general liability, fire, flood, extended coverage, rental loss and pollution insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (generally of a catastrophic nature such as from wars) which are either uninsurable or not insurable on an economically viable basis. Centurion Apartment REIT has insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if economical to do so. Should an uninsured or underinsured loss occur, Centurion Apartment REIT could lose its investment in, and anticipated profits and cash flows from, one or more of its Properties, but Centurion Apartment REIT would continue to be obligated to repay any recourse mortgage indebtedness on such Properties.

Availability of Cash for Distributions

Distributable income is calculated before deducting items such as principal repayments and capital expenditures and, accordingly, may exceed actual cash available to Centurion Apartment REIT from time to time. Centurion Apartment REIT may be required to use part of its debt capacity or raise additional equity in order to accommodate such items, and there can be no assurance that funds from such sources will be available on favourable terms or at all. In such circumstances, distributions may be reduced or suspended, which may therefore also have an adverse impact on the market price of the REIT Units. Accordingly, cash distributions are not guaranteed and cannot be assured. Further, Distributable Income can exceed net income and have the result of an erosion of Adjusted Unitholder's Equity. See "Distribution Policy".

Distributable Income is calculated in accordance with Centurion Apartment REIT's Declaration of Trust. Distributable Income is not a measure recognized under Canadian generally accepted accounting principles and does not have a standardized meaning prescribed by IFRS. Distributable income is presented herein because management of Centurion Apartment REIT believes this non-IFRS measure is a relevant measure of the ability of Centurion Apartment REIT to earn and distribute cash returns to REIT Unitholders. Distributable Income as computed by Centurion Apartment REIT may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to distributable income as reported by such organizations. Distributable income is calculated by reference to the net income of Centurion Apartment REIT on a consolidated basis, as determined in accordance with IFRS, subject to certain adjustments as set out in the constating documents of Centurion Apartment REIT.



Government Regulation

Centurion Apartment REIT currently has interests in properties located in the provinces of Ontario and Quebec. The nature of apartment construction and operation is such that refurbishment and structural repairs are required periodically, in addition to regular ongoing maintenance. In addition, legislation relating to, among other things, environmental and fire safety standards is continually evolving and changes thereto may give rise to ongoing financial and other obligations of Centurion Apartment REIT, the costs of which may not be fully recoverable from tenants.

Multi-unit residential rental properties are subject to rent control legislation in most provinces in Canada. Each province in which the Trust operates maintains distinct regulations with respect to tenants' and landlords' rights and obligations. The legislation in various degrees provides restrictions on the ability of a landlord to increase rents above an annually prescribed guideline or require the landlord to give tenants sufficient notice prior to an increase in rent or restricts the frequency of rent increases permitted during the year. The annual rent increase guidelines as per applicable legislation attempts to link the annual rent increases to some measure of changes in the cost of living index over the previous year. The legislation also, in most cases, provides for a mechanism to ensure rents can be increased above the guideline increases for extraordinary costs. As a result of rent controls, the Trust may incur property capital investments in the future that will not be fully recoverable from rents charged to the tenants.

Applicable legislation may be further amended in a manner that may adversely affect the ability of the Trust to maintain the historical level of cash flow from its properties. In addition, applicable legislation provides for compliance with several regulatory matters involving tenant evictions, work orders, health and safety issues, fire and maintenance standards, etc.

Environmental Matters

Environmental and ecological legislation and policies have become increasingly important, and generally restrictive. Under various laws, Centurion Apartment REIT could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in its properties or disposed of at other locations. The failure to remove or remediate such substances, if any, may adversely affect an owner's ability to sell such real estate or to borrow using such real estate as collateral, and could potentially also result in claims against the owner by private plaintiffs. Where a property is purchased and new financing is obtained, Phase I Environmental Assessments are performed by an independent and experienced environmental consultant. In the case of mortgage assumption, the vendor will be asked to provide a satisfactory Phase I and/or Phase II Environmental Assessment that the REIT Management will rely upon and/or determine whether an update is necessary.

Risks and Uncertainties



Unitholder Liability

The Declaration of Trust provides that no Unitholder will be subject to any liability whatsoever to any person in connection with the holding of a Unit. In addition, legislation has been enacted in the Province of Ontario and certain other provinces and territories that is intended to provide Unitholders in those provinces and territories with limited liability. However because of uncertainties in the law relating to investment trusts, there is a risk, which is considered by counsel to be remote in the circumstance, that a REIT Unitholder could be held personally liable for obligations of Centurion Apartment REIT (to the extent that claims are not satisfied by Centurion Apartment REIT) in respect of contracts which Centurion Apartment REIT enters into and for certain liabilities arising other than out of contracts including claims in tort, claims for taxes and possibly certain other statutory liabilities. The Trustees intend to cause Centurion Apartment REIT's operations to be conducted in such a way as to minimize any such risk including by obtaining appropriate insurance and, where feasible, attempting to have every material written contract or commitment of Centurion Apartment REIT contain an express disavowal of liability against Unitholders.

Dependence on Key Personnel

In assessing the risk of an investment in the Units offered hereby, potential investors should be aware that they will be relying on the good faith, experience and judgment of the directors and officers of the Asset Manager to manage the business and affairs of the Trust. The management of the Trust depends on the services of certain key personnel. The termination of employment by the Asset Manager or the Property Manager of any of these key personnel could have a materially adverse effect on the Trust.

There is no guarantee that the directors and officers of the Asset Manager or the Board of Trustees will remain unchanged. It is contemplated that the directors, officers and employees of the Asset Manager will devote to the Trust's affairs only such time as may be reasonably necessary to conduct its business.

Failure or Unavailability of Computer and Data Processing Systems and Software

The REIT is dependent upon the successful and uninterrupted functioning of its computer and data processing systems and software. The failure or unavailability of these systems could interrupt operations or materially impact the REIT's ability to collect revenues and make payments. If sustained or repeated, a system failure or loss of data could negatively and materially adversely affect the ability of the REIT to discharge its duties and the impact on Centurion Apartment REIT may be material.

Potential Conflicts of Interest

Centurion Apartment REIT may be subject to various conflicts of interest because of the fact that the Trustees and senior officers of Centurion Apartment REIT, the Asset Manager, the Mortgage Manager and the Mortgage Servicer are engaged in a wide range of real estate and other business activities. Centurion Apartment REIT may become involved in transactions which conflict with the interests of the foregoing.

The Trustees may from time to time deal with persons, firms, institutions or corporations with which Centurion Apartment REIT may be dealing, or which may be seeking investments similar to those desired by Centurion Apartment REIT. The interests of these persons could conflict with those of Centurion Apartment REIT. In addition, from time to time, these persons may be competing with Centurion Apartment REIT for available investment opportunities.

Risks and Uncertainties



The Asset Manager, the Mortgage Manager, and the Mortgage Servicer (collectively, the “Service Providers”) are not owned by Centurion Apartment REIT but are related by common management and personnel to Centurion Apartment REIT. This could create conflicts of interest between the Asset Manager, the Mortgage Manager and the Mortgage Servicer and Centurion Apartment REIT.

The Service Providers’ services are not exclusive to the Trust, as each Service Provider provides services to several other clients. In particular, each Service Provider also provides similar services to CFIT, an investment trust with overlapping investment objectives to those of the REIT. Centurion Apartment REIT and CFIT operate independently from one another and have separate boards of trustees, with Gregory Romundt and Stephen Stewart serving as trustees for both Centurion Apartment REIT and CFIT.

Additionally, the Warehouse Agreement among the Trust, Centurion Apartment REIT and the Asset Manager and the arrangements thereunder may give rise to certain conflicts of interest, including with respect to (i) any Property Purchase Options or Property Offer Options (and the valuation and transfer thereof), (ii) the valuation and transfer of Warehoused Mortgages and/or Warehoused Other Investments between the Trust and Centurion Apartment REIT and (iii) the allocation of risk as between the Trust and Centurion Apartment REIT. The Asset Manager will follow procedures established by the Board of Trustees that are designed to ensure an appropriate allocation of risk under the Warehouse Agreement and related arrangements.

Centurion Apartment REIT is a connected issuer, and may be considered to be a related issuer, of Centurion Asset Management Inc. (the “Asset Manager”), its asset manager and an exempt market dealer, investment fund manager, and restricted portfolio manager in certain jurisdictions, in connection with the distribution of the REIT’s securities hereunder, which may result in potential conflicts of interest. Centurion Apartment REIT is a connected issuer of the Asset Manager due to the factors described in this Offering Memorandum under “Relationship between Centurion Apartment REIT, The Asset Manager and Affiliates of The Asset Manager” as a result of the fact that the President of Centurion Apartment REIT and the Asset Manager are the same and Mr. Gregory Romundt and his family beneficially own all of the shares of the Asset Manager, the Mortgage Manager and the Mortgage Servicer. Centurion Apartment REIT may be considered to be a related issuer of the Asset Manager by virtue of the Asset Manager’s right to appoint a prescribed number of nominees to the board of trustees of Centurion Apartment REIT.

The Centurion Apartment REIT Declaration of Trust contains “conflict of interest” provisions requiring Trustees to disclose material interests in Material Contracts and transactions and to refrain from voting thereon.

Allocation of Investment Opportunities

While Centurion Apartment REIT and CFIT are not naturally competing for the same investments as their primary investment portfolios will generally have different time horizons, there may be instances in which CFIT and Centurion Apartment REIT both have an interest in the same investment opportunity. For example, CFIT may invest in long-term real-estate properties and Centurion Apartment REIT may from time to time invest in Mortgage Assets. In the event that CFIT and Centurion Apartment REIT are both interested in pursuing the same investment opportunity, the Asset Manager will seek to allocate investment opportunities on a basis which it determines to be fair and reasonable. However, there is no requirement that the Asset Manager allocate investment opportunities on a pro rata basis between CFIT and Centurion Apartment REIT. Additionally, there may be situations where an investment opportunity is allocated to CFIT despite Centurion Apartment REIT having an interest in such investment opportunity.

APPENDIX E

Risks and Uncertainties



Tax-Related Risks

There can be no assurance that income tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Centurion Apartment REIT or the Unitholders.

If Centurion Apartment REIT fails or ceases to qualify as a mutual fund trust for the purposes of the Tax Act, the tax consequences described under “Canadian Federal Income Tax Considerations” and “Eligibility for Investment” would in some respects be materially and adversely different. In addition, REIT Unitholders may become subject to provincial taxes, such as Ontario Land Transfer Tax, in respect of their REIT Units.

If investments in Centurion Apartment REIT become publicly listed or traded, there can be no assurances that Centurion Apartment REIT will not be subject to the SIFT Rules, as described under “Canadian Federal Income Tax Considerations – SIFT Rules”, at that time. Centurion Apartment REIT or its subsidiaries may be reassessed for taxes from time to time. Such reassessments together with associated interest and penalties could adversely affect Centurion Apartment REIT.

Critical Estimates, Assumptions and Judgements

The preparation of financial statements as per IFRS requires management to make judgments, assumptions and estimates that affect the reported amounts in the unaudited condensed consolidated interim financial statements. Actual results could differ from these estimates. Financial statement carrying values, in addition to other factors (See “VALUATION POLICY”), serve as the basis for the calculation of the Fair Market Value of REIT Units. If such carrying values should prove to be incorrect, the Fair Market Value of the REIT Units could be different. To the extent that the carrying values or critical estimates, assumptions and judgements are inaccurate, and given that property portfolio values, which comprise the vast majority of the REITs assets, are calculated quarterly on a lagging basis, the Posted Price per REIT Unit in any given month may be understated or overstated as the case may be. In light of the foregoing, there is a risk that a Unitholder who redeems all or part of its Units will be paid an amount less than it would otherwise be paid if the critical estimates, assumptions and judgements were different and that the calculation of property values wasn't calculated on a quarterly basis and thus potentially lagging the market. Similarly, there is a risk that such Unitholder might, in effect, be overpaid if the actual Fair Market Value is lower than the calculated Fair Market Value. In addition, there is a risk than an investment in the REIT by a new Unitholder (or an additional investment by an existing Unitholder) could dilute the value of such investments for the other Unitholders if the Posted Price of the REIT Units is higher than the actual Fair Market Value of the REIT Units. Further, there is a risk that a new Unitholder (or an existing Unitholder than makes an additional investment) could pay more than it might otherwise if the actual Fair Market Value of the REIT Units is lower than the Posted Price. Centurion Apartment REIT does not intend to adjust the Fair Market Value of the REIT retroactively.

As set forth in the definitions of “Fair Market Value”, the value of the REIT Units is determined by the Trustees, in their sole discretion, using reasonable methods of determining fair market value. Fair Market Value may or may not be equal to the net asset value of the Units. The description of the methodology of investment property valuations and the calculation of Fair Market Value and Post Prices of REIT Units reflects the methodology used by the Trustees as at the date hereof in calculating Fair Market Value. The Trustees may, in their discretion, adopt alternative methodologies to calculate investment property values and Fair Market Value from time to time, without notice to, or approval by, REIT Unitholders.

APPENDIX E

Risks and Uncertainties



Lack of Independent Experts Representing Unitholders

Each of Centurion Apartment REIT and the Asset Manager has consulted with legal counsel regarding the formation and terms of the REIT and the offering of Units. Unitholders have not, however, been independently represented. Therefore, to the extent that the REIT, Unitholders or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing Units and the suitability of investing in the REIT.

Joint Arrangements

Centurion Apartment REIT may invest in, or be a participant in, joint arrangements and partnerships with third parties in respect of the mortgage investments and/or other real estate investments. A joint arrangement or partnership involves certain additional risks which could result in additional financial demands, increased liability and a reduction in the Asset Manager's control over the mortgage investments and/or the other real estate investments and its ability to sell the REIT's interests in a mortgage investment and/or other real estate investments within a reasonable time frame.

Dilution

The number of REIT Units Centurion Apartment REIT is authorized to issue is unlimited. The Centurion Apartment REIT Trustees have the discretion to issue additional REIT Units in other circumstances, pursuant to Centurion Apartment REIT's various incentive plans. Any issuance of additional REIT Units may have a dilutive effect on the holders of REIT Units.

Restrictions on Potential Growth and Reliance on Credit Facilities

The payout by Centurion Apartment REIT of a substantial part of its operating cash flow could adversely affect Centurion Apartment REIT's ability to grow unless it can obtain additional financing. Such financing may not be available, or renewable, on attractive terms or at all. In addition, if current credit facilities were to be cancelled or could not be renewed at maturity on similar terms, Centurion Apartment REIT could be materially and adversely affected.

Potential Inability to Fund Investments

Centurion Apartment REIT may commit to making future investments in anticipation of repayment of principal outstanding and/or the payment of interest under existing Mortgage investments and/or in reliance on its credit facilities. In the event that such repayments of principal or payments of interest are not made, or where credit facilities aren't available, Centurion Apartment REIT may be unable to advance some or all of the funds required to be advanced pursuant to the terms of its commitments and may be required to obtain interim financing and to fund such commitments or face liability in connection with its failure to make such advances.

Liquidity of REIT Units and Redemption Risk

The REIT Units are not listed on an exchange. There is currently no secondary market through which the REIT Units may be sold, there can be no assurance that any such market will develop and the REIT has no current plans to develop such a market. Accordingly, the sole method of liquidation of an investment in REIT Units is by way of a redemption of the REIT Units. Aggregate redemptions are limited to \$50,000 per month unless approved by the Board

Risks and Uncertainties



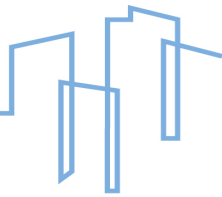
of Trustees. Accordingly, in the event that the REIT experiences a large number of redemptions, the REIT may not be able to satisfy all of the redemption requests. Depending upon the Purchase Option selected and the amount of time the REIT Units have been held, there may be a Deferred Sales Charge or Short-Term Trading Fee associated with an early redemption (see “Redemption of REIT Units”).

Nature of REIT Units

The REIT Units are not the same as shares of a corporation. As a result, the Unitholders will not have the statutory rights and remedies normally associated with share ownership, such as the right to bring “oppression” or “derivative” actions.

APPENDIX F

Unaudited Condensed Consolidated Interim Financial Statements





**CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
Condensed Consolidated Interim Financial Statements (Unaudited)
For the Three and Nine Months Ended September 30, 2022**

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CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

	Note	September 30, 2022	December 31, 2021
Assets			
Investment properties	4	\$ 4,720,129	\$ 3,110,516
Equity accounted investments	5	385,441	341,428
Participating loan interests	7	30,441	110,972
Mortgage investments	6	108,653	143,887
Receivable and other assets	8	118,240	110,497
Restricted cash	9	9,210	10,395
Cash and cash equivalents		109,660	245,611
Total Assets		\$ 5,481,774	\$ 4,073,306
Liabilities			
Mortgages payable and credit facilities	10	\$ 2,390,283	\$ 1,578,261
Current income tax liabilities	20	2,748	5,264
Deferred income tax liabilities	20	15,381	19,121
Accounts payable and other liabilities	11	30,410	34,454
Unit subscriptions held in trust	9	9,210	10,395
Total Liabilities excluding net assets attributable to Unitholders		2,448,032	1,647,495
Net assets attributable to Unitholders		\$ 3,033,742	\$ 2,425,811
Represented by:			
Net assets attributable to unitholders of the Trust		\$ 3,029,791	\$ 2,422,254
Net assets attributable to non-controlling interests		\$ 3,951	\$ 3,557

Commitments and contingencies (Notes 6, 9, 12, 17 and 18)

Subsequent events (Note 26)

See accompanying notes to the unaudited condensed consolidated interim financial statements.

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM STATEMENT OF NET INCOME AND COMPREHENSIVE INCOME (UNAUDITED)
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

For the period ended	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2022	2021	2022	2021
Revenue from investment properties	13	\$ 66,325	\$ 38,697	\$ 178,822	\$ 110,728
Property operating costs		(23,307)	(15,145)	(62,595)	(41,057)
Net rental income		43,018	23,552	116,227	69,671
Interest income, net of interest expense from syndicated investment liabilities	6	4,661	6,822	14,372	24,020
Recovery of (allowance for) expected credit losses	6	(126)	585	(113)	318
Income from operations		47,553	30,959	130,486	94,009
Net fair value gains	4,5,7	120,369	91,034	288,049	171,003
Finance costs	14	(17,298)	(8,706)	(44,728)	(26,969)
Other income and expenses	5,15	(373)	4,622	(4,871)	14,165
General and administrative expenses	16	(8,776)	(7,084)	(23,912)	(20,209)
Foreign currency gain		167	3,714	2,430	459
Income before taxes		141,642	114,539	347,454	232,458
Current and deferred income tax recovery (expense)	20	3,654	(5,308)	2,249	(11,391)
Net Income and Comprehensive Income		\$ 145,296	\$ 109,231	\$ 349,703	\$ 221,067
Attributable to:					
Unitholders of the Trust		\$ 145,050	\$ 109,231	\$ 348,926	\$ 221,067
Non-controlling interest		\$ 246	\$ —	\$ 777	\$ —

See accompanying notes to the unaudited condensed consolidated interim financial statements.

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

For the period ended September 30, 2022	Net assets attributable to Unitholders of the REIT	Net assets attributable to non-controlling interests	Net assets attributable to Unitholders
Net assets attributable to Unitholders at beginning of the year	\$ 2,422,254	\$ 3,557	\$ 2,425,811
Net Income and Comprehensive Income	348,926	777	349,703
Redeemable unit transactions			
Proceeds from Units issued (net of issuance costs)	497,211	—	497,211
Reinvestments of distributions by Unitholders	57,146	—	57,146
Redemption of Units	(193,252)	—	(193,252)
Distributions to Unitholders	(102,494)	(383)	(102,877)
Net increase from Unit transactions	258,611	(383)	258,228
Net increase in net assets attributable to Unitholders	607,537	394	607,931
Net assets attributable to Unitholders at end of the year	\$ 3,029,791	\$ 3,951	\$ 3,033,742
For the period ended September 30, 2021	Net assets attributable to Unitholders of the REIT	Net assets attributable to non-controlling interests	Net assets attributable to Unitholders
Net assets attributable to Unitholders at beginning of the year	\$ 1,835,170	\$ 234,307	\$ 2,069,477
Net Income and Comprehensive Income	221,067	—	221,067
Redeemable unitholder transactions			
Proceeds from Units issued (net of issuance costs)	324,147	—	324,147
Units issued for non-controlling Interest	144,307	(144,307)	—
Adjustment to non-controlling Interest on Merger	(12,745)	12,745	—
Reinvestments of distributions by Unitholders	42,200	3,138	45,338
Redemption of Units	(161,945)	(101,919)	(263,864)
Distributions to Unitholders	(76,791)	(3,964)	(80,755)
Net increase from Unitholder transactions	259,173	(234,307)	24,866
Net increase in net assets attributable to Unitholders	480,240	(234,307)	245,933
Net assets attributable to Unitholders at end of the year	\$ 2,315,410	\$ —	\$ 2,315,410

See accompanying notes to the unaudited condensed consolidated interim financial statements.

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

For the period ended	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2022	2021	2022	2021
Operating activities					
Net income		\$ 145,296	\$ 109,231	\$ 349,703	\$ 221,067
Adjustments for:					
Interest income, net of interest expense from syndicated mortgage liabilities	6	(4,661)	(6,822)	(14,372)	(24,020)
Interest received, net of interest paid on syndication		2,865	10,060	29,928	23,108
Recovery of expected credit losses	6	126	50	114	317
Net fair value gains	4,5 & 7	(118,016)	(91,034)	(285,740)	(171,003)
Income from equity accounted investments	15	(2,871)	(770)	(3,901)	(1,368)
Finance costs	14	17,298	6,471	44,728	24,734
Amortization of property and equipment	16	214	231	655	688
Foreign exchange (gains) losses		(167)	(3,159)	(2,430)	96
Current and deferred income tax (recovery) expense	20	(4,594)	4,931	(6,256)	11,014
Changes in non-cash operating account balances		(29,435)	(9,412)	(25,790)	(3,589)
Net cash from operating activities		6,055	19,777	86,639	81,044
Financing activities					
Proceeds from Units issued		112,289	84,000	500,037	326,661
Unit issue costs		(890)	(765)	(2,826)	(2,514)
Cash distributions to Unitholders		(16,944)	(11,225)	(45,731)	(35,417)
Redemption of Units		(66,883)	(98,071)	(193,252)	(263,864)
Capitalized financing fees		(1,164)	(3,383)	(10,875)	(14,106)
Mortgage advances and refinancing	24	107,987	55,915	226,304	375,082
Mortgage and Loan repayments and discharges	24	(42,884)	(9,351)	(145,527)	(100,153)
Credit facility advances (repayments)	24	—	69,949	—	68,674
Finance costs paid		(13,963)	(7,896)	(39,192)	(24,727)
Net cash from financing activities		77,548	79,173	288,938	329,636
Investing activities					
Investment property acquisitions	4	(91,201)	(86,070)	(528,177)	(332,070)
Investment property acquisition costs	4	(586)	(7,290)	(49,873)	(17,637)
Investment property improvements	4	(12,033)	(11,792)	(28,548)	(44,112)
Investment property acquisition deposits	8	(7,250)	762	(13,750)	(38,746)
Acquisition of property and equipment	8	(1)	(272)	(32)	(531)
Participating loan interests funded	7	—	(812)	—	(6,011)
Participating loan interests repaid	7	3,319	5,179	59,765	10,224
Equity accounted investment funded	5	(67,817)	(130,809)	(112,835)	(140,259)
Equity accounted investment distributions	5	489	251	122,268	26,373
Mortgage investments principal repaid, net of syndication	6	73,472	48,735	118,736	163,947
Mortgage investments principal funded, net of syndication	6	(23,266)	(24,487)	(79,082)	(56,207)
Net cash used in investing activities		(124,874)	(206,605)	(511,528)	(435,029)
Net increase in cash		(41,271)	(107,655)	(135,951)	(24,349)
Cash, beginning of period		150,931	224,835	245,611	141,529
Cash, end of period		\$ 109,660	\$ 117,180	\$ 109,660	\$ 117,180

See accompanying notes to the unaudited condensed consolidated interim financial statements.

1. Trust Information

Centurion Apartment Real Estate Investment Trust (“REIT” or the “Trust”) is an unincorporated, open-ended real estate private investment trust which was created pursuant to a Declaration of Trust initially dated August 31, 2009, as further amended from time to time and most recently amended on January 13, 2022 (“Declaration of Trust”) and is governed by the laws of the Province of Ontario. The registered office of the Trust is located at 25 Sheppard Avenue West, Suite 1800, Toronto, Ontario, M2N 6S8. The Trust invests primarily in multi-suite residential properties, student residence properties, mortgages and other opportunistic real estate investments in Canada and the United States.

2. Basis of Presentation

a) Statement of Compliance

These unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2022, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These unaudited condensed consolidated interim financial statements have been approved for issue by the Board of Trustees on December 1, 2022.

The unaudited condensed consolidated interim financial statements have been prepared considering the impact of the ongoing COVID-19 pandemic on local, national, and worldwide economies. Canadian and global stock markets have also experienced great volatility. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The Trust has considered the negative economic outlook and cash flow difficulties that may be experienced as a result of this virus, on its suppliers and lenders. Despite the impact of the ongoing COVID-19 pandemic, the Trust has used the best information available as at September 30, 2022, in determining its estimates and the assumptions that affect the carrying amounts of assets and liabilities, and earnings for the year. Actual results could differ from those estimates.

b) Basis of Measurement

The unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for investment properties, real estate held in equity accounted investments, participating loan interests, and foreign currency forward contracts each of which have been measured at fair value through profit or loss (“FVTPL”) as determined at each reporting date.

c) Principles of Consolidation

The unaudited condensed consolidated interim financial statements reflect the operations of the Trust, its subsidiaries and its proportionate share of joint arrangements which are classified as joint operations. Entities subject to joint arrangements that have been separately characterized as joint ventures are accounted for using the equity method.

The financial statements of the subsidiaries included in the unaudited condensed consolidated interim financial statements are from the date that control commences until the date that control ceases.

The accounting policies of the subsidiaries are consistent with the accounting policies of the Trust and their financial statements have been prepared for the same reporting period as the Trust. All intercompany transactions and balances have been eliminated upon consolidation.

d) Functional and Presentation Currency

The unaudited condensed consolidated interim financial statements are presented in Canadian dollars (unless otherwise stated), which is the functional currency of the REIT.

e) Critical Accounting Estimates, Assumptions and Judgments

The preparation of the unaudited condensed consolidated interim financial statements requires management to make estimates, assumptions, and judgments that affect accounting policies and the reported amounts of assets, liabilities at the date of the unaudited condensed consolidated interim financial statements, and income and expenses during the reporting period. Estimates, assumptions, and judgments have been applied in a manner consistent with the prior year and there are no known trends, commitments, events or uncertainties that management believes will materially affect the methodology or assumptions utilized in making those estimates and judgments. While management makes its best estimates and assumptions, actual results could differ from these and other estimates.

The significant estimates, assumptions, and judgments used in the preparation of the unaudited condensed consolidated interim financial statements are as follows:

Business Combinations

The Trust exercised judgment in determining whether the acquisition of a property should be accounted for as an asset purchase or business combination. This assessment impacts the treatment of transaction costs (including commissions, land transfer tax, appraisals, and legal fees associated with an acquisition), and whether or not goodwill is recognized. A business generally consists of inputs, processes applied to these inputs and resulting outputs that are, or will be, used to generate revenues. In the absence of such criteria, a group of assets is deemed to have been acquired. The Trust generally accounts for its investment property acquisitions as asset acquisitions.

Classification of Co-Investments

The Trust makes judgments as to whether its co-investments provide it with control, joint control, significant influence or little to no influence. The Trust has determined that it has a direct interest in all its co-ownerships and therefore has accounted for its investment in these co-ownerships as joint operations and applied the proportionate consolidation method to account for the share of net assets, liabilities, revenues and expenses method to account for these arrangements. Co-investments structured through entities require the Trust to assess joint control and apply judgment in determining the appropriate accounting treatment based on the terms of the governing documents.

Measurement of Fair Value

Fair value measurements are recognized in financial and non-financial assets and liabilities categorized using a fair value hierarchy that reflects the significance of inputs used in determining their fair values:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Quoted prices in active markets for similar assets or liabilities or valuation techniques where significant inputs are based on observable market data.
- Level 3: Valuation techniques for which any significant input is not based on observable market data.

Each type of fair value is categorized based on the lowest level input that is significant to the fair value measurement in its entirety. The information about assumptions made in the determination of fair value is included in the following notes:

- Note 4: Investment properties
- Note 5: Equity accounted investments
- Note 7: Participating loan interests
- Note 15: Other income and expenses
- Note 21: Fair value measurement disclosures
- Note 23: Financial Instruments

Measurement of Expected Credit Loss (“ECL”)

The ECL model requires evaluation and recognition of an allowance for expected credit losses over the next 12 months for investments without significant deterioration in credit risk and an allowance of lifetime losses on investments that have experienced a significant increase in credit risk since origination.

Management assesses financial assets for objective evidence of significant changes in credit risk at each reporting period by specifically considering, but not limited to, the following:

- Payment default by a borrower is not cured within a reasonable period
- Whether the security of the mortgage is significantly negatively impacted by recent events
- Financial difficulty experienced by a borrower
- Changes in assumptions about local economic and other real estate market conditions in the geographic area in which a borrower’s project is located
- Management’s judgment as to whether current economic and credit conditions are such that potential losses at the reporting date are likely to be higher or lower than the amounts suggested by historic experience

The calculation of expected credit losses requires judgment to determine whether there has been significant credit risk deterioration since origination, and the variables that are relevant for each mortgage investment and the probability weights that should be applied. Management exercises expert credit judgment in determining the amount of ECLs at each reporting date by considering reasonable and supportable information that is not already incorporated in the quantitative modelling process. Changes in these inputs, assumptions, models, and judgments directly impact the measurement of ECLs.

3. Significant Accounting Policies

a) Investment Properties

The Trust accounts for its investment properties using the fair value model in accordance with IAS 40 - Investment Properties ("IAS 40"). Investment property is defined as property held to earn rentals or for capital appreciation or both. Investment properties are initially recorded at cost, including related transaction costs if the transaction is deemed to be an asset acquisition. Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date.

Any changes in the fair value are included in the statement of net income and comprehensive income. Fair value is supported by independent external valuations or detailed internal valuations using market-based assumptions, each in accordance with recognized valuation techniques.

Investment properties are derecognized when they have either been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognized in the statement of net income and comprehensive income in the year of retirement or disposal.

b) Financial Instruments

Recognition and measurement

Financial instruments are classified as one of the following: (i) FVTPL, (ii) fair value through other comprehensive income ("FVOCI") or (iii) amortized cost. Initially, all financial instruments are recorded in the statement of financial position at fair value. After initial recognition, the income is recognized at the effective interest rate related to financial instruments measured at amortized cost and the gain or loss arising from the change in the fair value of the financial instruments classified as FVTPL are included in net income for the year in which they arise. The classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Trust's designation of such instruments. The Trust has no financial instruments classified as FVOCI. Interest income from financial assets, not classified as FVTPL, is determined using the effective interest rate method.

Derecognition of financial assets and liabilities

The Trust derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss. The Trust derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expires.

c) Mortgage Investments

Mortgage investments are classified and measured at amortized cost using the effective interest method, less any impairment losses. Mortgage investments are assessed at each reporting date to determine whether there is objective evidence of significant changes in credit risk. A mortgage investment's credit risk increases when objective evidence indicates that factors have occurred after the initial recognition of an investment and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. The Trust's internal credit risk rating process involves judgment and combines multiple factors to arrive at a specific score to assess each mortgage investment the probability of default. These factors include the loan to value ratio, borrower's net worth and ability to service debt, project location, experience with the borrower and credit assessment. Significant changes in the internal credit risk rating have resulted in reclassifications of mortgage investments into Stage 2 and Stage 3.

Allowance for ECL on Mortgage Investments

The Trust maintains an allowance to cover impairment in the existing portfolio for loans that have not yet been individually identified as impaired. Under IFRS 9, an allowance is recorded for ECL on financial assets according to the following stages:

Stage 1	When mortgage investments are recognized they are classified into Stage 1. The Trust recognizes an allowance based on 12 months ECL, which represent ECLs related to default events that are expected to occur within 12 months after the reporting date. Stage 1 mortgage investments also include investments where the credit risk has subsequently improved such that the increase in credit risk since initial recognition is no longer significant and the mortgage investments have been reclassified from Stage 2.
Stage 2	When a mortgage investment has shown a significant increase in credit risk since origination, the Trust reclassifies the mortgage investment to Stage 2 and an allowance is recognized at an amount equal to ECL over the remaining life. Stage 2 mortgage investments also include investments where the credit risk has improved and the mortgage has been reclassified from Stage 3.
Stage 3	The Trust classifies mortgage investments to Stage 3 when payment defaults by the borrower are not cured within a reasonable period. In certain other cases, where qualitative thresholds indicate unlikelihood to pay as a result of a credit event, the Trust carefully considers whether the event should result in an assessment at Stage 2 or Stage 3 for ECL calculations. Allowances required for impaired loans are recorded for individually identified impaired investments to reduce their carrying value to the expected recoverable amount. The Trust reviews investments on an ongoing basis to assess whether any loans should be classified as impaired and whether an allowance or write-off should be recorded.

An impairment loss is calculated as the difference between the carrying amount of the mortgage investment and the present value of the probability weighted estimated future cash flows discounted at the original effective interest rate. Losses are charged to the statement of net income and comprehensive income and are reflected in the allowance for expected credit losses. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of net income and comprehensive income.

If there is no significant deterioration in credit risk for a specific debt investment, the allowance for ECL for a particular debt investment is calculated based on management's estimated deterioration in the probability weighted value of the underlying security.

d) Joint Arrangements

The Trust enters into joint arrangements through joint operations and joint ventures. A joint arrangement is a contractual arrangement pursuant to which the Trust and other parties undertake an economic activity that is subject to joint control, whereby the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint arrangements that involve the establishment of a separate entity in which each party to the venture has rights to the net assets of the arrangement are referred to as joint ventures.

The Trust accounts for its interest in joint ventures using the equity method. The Trust's investments in joint ventures are initially accounted for at cost, and the carrying amount is increased or decreased to recognize the Trust's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition. If an arrangement is considered a joint operation, the Trust will recognize its proportionate share of assets, liabilities, income, and expenses on a line-by-line basis.

e) Leased Assets

A contract contains a lease if it conveys the right to control the use of a specified asset for a time period in exchange for consideration. To identify a lease, the Trust determines whether it has the right to direct the use of the specified underlying asset and also to obtain substantially all the economic benefits from its use. The Trust does not apply the provisions of IFRS 16 to intangible assets.

When assessing the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or to not exercise a termination option. This judgment is based on factors such as contract rates compared to market rates, the significance of other assets such as leasehold improvements, termination and relocation costs, location characteristics, and any sublease term.

The Trust has elected not to recognize lease assets and lease liabilities for low-value assets or short-term leases with a term of 12 months or less. Fixed lease payments on such leases are recognized in administrative or operating expenses, as applicable, on a straight-line basis over the lease term.

The lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Trust's incremental borrowing rate. The Trust estimates the incremental borrowing rate based on the lease term, collateral, and the applicable economic environment. The lease liability is subsequently measured at amortized cost using the effective interest method. The lease liability is remeasured when the expected lease payments change as a result of certain modifications, changes in payments based on an index or rate, or changes in the lease term.

The lease asset is recognized at the present value of the liability at the commencement date of the lease. The lease asset is subsequently depreciated on a straight-line basis from the commencement date to the end of the lease term. The lease asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

f) Property, Plant, and Equipment

Property, plant, and equipment are stated at historical cost less accumulated depreciation and mainly comprise head office and regional offices leasehold improvements, corporate and information technology systems. These items are amortized on a straight-line basis over their estimated useful lives ranging from three to five years, or, in the case of leasehold improvements, are amortized over the shorter of the lease term and their estimated useful lives.

g) Participating Loan Interests

The Trust enters into debt investments that comprise a combination of contractual interest and potentially enhanced returns such as profit participation. Participating loan interests are measured at FVTPL due to the characteristics of the instrument not being solely for the payment of principal and interest. The Trust recognizes interest income on participating loan interests based on the contractual terms of the agreement and is included as part of interest income on the statement of net income and comprehensive income. At the end of each reporting period, the Trust determines the fair value of the entire instrument with the corresponding gain or loss recorded as fair value gain/loss in the statement of net income and comprehensive income.

h) Foreign Currency Forward Contracts

The Trust may enter into foreign currency forward contracts to economically hedge the foreign currency risk exposure of its mortgage and other investments that are denominated in foreign currencies. The value of foreign currency forward contracts entered into by the Trust is recorded as the difference between the value of the contract on the reporting period and the value on the date the contract originated. Any resulting gain or loss is recognized in the statement of net income and comprehensive income unless the foreign currency contract is effective as a hedging instrument and designated as such under IFRS. The Trust has elected to not account for the foreign currency contracts as an accounting hedge.

i) Revenue Recognition

Revenue from investment properties includes rents from tenants under leases and ancillary income (such as utilities, parking, and laundry) paid by the tenants under the terms of their existing leases which is treated as one overall performance obligation. Revenue recognition under a lease commences when a tenant has a right to use the leased asset, and revenue is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the REIT expects to be entitled in exchange for those goods or services. The REIT has not transferred substantially all of the risks and benefits of ownership of its income-producing properties and, therefore, accounts for leases with its tenants as operating leases.

Rental income is accounted for on a straight-line basis over the lease terms. Ancillary income is considered non-lease components and is within the scope of IFRS 15 – Revenue from Contracts with Customers. The performance obligation for property management and ancillary services is satisfied over the period the related services are performed.

j) Provisions

Provisions are recognized when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses.

The amount of a provision is based on management's best estimate of the expenditure that is required to settle the obligation at the end of the reporting year. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance expense.

k) Borrowing Costs and Interest on Mortgages Payable

Mortgage expenses include mortgage interest, which is expensed at the effective interest rate and all transaction costs incurred in connection with obtaining mortgages and credit facilities are amortized over the associated debt term.

Fees and insurance premiums paid to Canada Mortgage and Housing Corporation (“CMHC”) are capitalized to Other Assets and are amortized over the amortization period of the underlying mortgage loans when incurred (initial amortization period is typically 25 to 35 years). Amortization expenses are included in finance costs in the consolidated statements of net income and comprehensive income. If the Trust fully refinances an existing mortgage, any unamortized prepaid CMHC premiums and fees associated with the existing mortgages on that property will be written off through finance costs in the period in which full refinancing occurs. Any premium credits received upon refinancing will be capitalized and amortized over the new amortization period. Similarly, if the Trust discharges an existing mortgage, any unamortized prepaid CMHC premiums and fees associated with that mortgage will be written off through finance costs in the period in which the discharge occurs. If the Trust renews a mortgage, it will continue to amortize the existing prepaid CMHC premiums and fees associated with the existing mortgage over the remaining amortization period.

l) Employee Benefits

Short-term employee benefit obligations, including vacation and bonus payments, are measured on an undiscounted basis and are expensed as the related service is provided. Liabilities are recognized for the amounts expected to be paid within 12 months as the Trust has an obligation to pay this amount as a result of a past service provided by the employee, and the obligation can be estimated reliably. Short-term employee benefits are recorded in Accounts payable and accrued liabilities.

The Trust maintains a deferred trust unit plan for some of its employees. This plan is considered cash-settled and the fair value of the amount payable is recognized as an expense with a corresponding increase in liabilities, over the vesting period of the units issued. The liability is remeasured at each reporting date and settlement date. Any changes in the fair value of the liability are recognized in the consolidated statement of net income and comprehensive income.

m) Distribution Reinvestment and Unit Purchase Plan (“DRIP”)

The Trust has instituted a Dividend Reinvestment Plan (“DRIP”) in accordance with Article 5.8 of the Declaration of Trust which provides that the Trustees may in their sole discretion establish a distribution reinvestment plan at any time providing for the voluntary reinvestment of distributions by some or all the Trust Unitholders as the Trustees determine. Currently, Unitholders receive a 2% discount on Units purchased through DRIP. No commissions, service charges or brokerage fees are payable by participants in connection with the DRIP.

n) Income Taxes

The Trust qualifies as a Mutual Fund Trust for Canadian income tax purposes. In accordance with the terms of the Declaration of Trust, the Trust intends to distribute its income for income tax purposes each year to such an extent that it will not be liable for income taxes under Part I of the Income Tax Act (Canada). The Trust is eligible to claim a tax deduction for distributions paid and, intends to continue to meet the requirements under the Income Tax Act (Canada). Accordingly, no provision for income taxes payable has been made related to Canadian domiciled investments. Income tax obligations relating to distributions of the Trust are the obligations of the Unitholders.

The Trust's U.S. investment properties and certain equity accounted investments are held by U.S. subsidiaries are taxable legal entities. The Trust uses the liability method of accounting for U.S. income taxes. Under the liability method of tax allocation, current income tax assets and liabilities are based on the amount expected to be paid to tax authorities, net of recoveries, based on the tax rates and laws enacted or substantively enacted as at each reporting date.

Deferred income tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused tax losses to the extent that it is probable that deductions, tax credits and tax losses can be utilized. The carrying amounts of deferred income tax assets are reviewed as at each reporting date and reduced to the extent it is no longer probable that the income tax asset will be recovered.

o) Net Assets Attributable to Unitholders

In accordance with *IAS 32 - Financial Instruments: Presentation* ("IAS 32"), puttable instruments are generally classified as financial liabilities. The Trust's units are puttable instruments, meeting the definition of financial liabilities in IAS 32. There are exception tests within IAS 32 that could result in a classification as equity; however, the Trust's units do not meet these exception requirements. Therefore, the Trust has no instrument that qualifies for equity classification on its Statement of Financial Position pursuant to IFRS. The classification of all units as financial liabilities with the presentation as net assets attributable to Unitholders does not alter the underlying economic interest of the Unitholders in the net assets and net operating results attributable to Unitholders.

The Trust's units are carried on the Statement of Financial Position at net asset value. Although puttable instruments classified as financial liabilities are generally required to be remeasured to fair value at each reporting year, the alternative presentation as net assets attributable to Unitholders reflects that, in total, the interests of the Unitholders are limited to the net assets of the Trust.

p) Changes in Accounting Policies

The accounting policies used in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those of the prior year.

4. Investment Properties

Investment properties are measured at fair value as at each reporting date. Any changes in the fair value are included in the statement of net income and comprehensive income.

The Trust investment properties consist of the following:

	September 30, 2022	December 31, 2021
Balance, beginning of period	\$ 3,110,516	\$ 2,445,550
Property acquisitions	1,286,959	380,637
Property acquisitions Right-Of-Use	—	60,061
Increase in property valuation	324,121	221,430
Transfers and other adjustments	(1,467)	2,838
Balance, end of period	\$ 4,720,129	\$ 3,110,516

	Note	September 30, 2022	December 31, 2021
Increase in property valuation		\$ 324,121	\$ 221,430
Less: Acquisition costs		(49,873)	(27,649)
Less: Property improvements		(28,548)	(61,384)
Less: Other adjustments		—	(82)
Fair value adjustment on investment properties		245,700	132,315
Fair value adjustments on participating loan interests and equity accounted investments	5,7	42,349	63,845
Total fair value gains, net		\$ 288,049	\$ 196,160

The following valuation techniques were considered in determining the fair value which are all considered a level 3 valuation technique in the fair value hierarchy:

1. Consideration of recent prices of similar properties within similar market areas;
2. The direct capitalization method, which is based on the conversion of estimated future normalized earnings potential directly into an expression of market value. The Normalized Net Operating Income (“NNOI”) for the period is divided by an overall capitalization rate (inverse of an earnings multiplier) to arrive at the estimate of fair value.

At each reporting date, the Trust assembles the property specific data used in the valuation model based on the process outlined in the valuation framework, reviews the valuation framework to determine whether any changes or updates are required, inputs the capitalization rates, set-offs and normalization assumptions provided by the valuers, and delivers the completed valuation framework to the external appraiser for review.

The external appraiser determines the capitalization rates that should be used in valuing the properties, provide charts of comparable sales and supporting relevant market information, determining the appropriate industry standard. Set off amounts and normalization assumptions used in the calculation of NOI, and supplying a fair value report for the Trust to reflect in the unaudited condensed consolidated interim financial statements.

Capitalization Rate Sensitivity Analysis

As at September 30, 2022, the Trust conducted a valuation of its investment properties on an individual basis, with no portfolio effect considered, to determine the estimated fair value of its investment properties.

Capitalization rates used to generate estimated fair values for the investment properties ranged from 3.00% to 5.38% at September 30, 2022 (December 31, 2021 – 3.00% to 5.38%) with a weighted average capitalization rate across the total portfolio of 4.04% (December 31, 2021 – 4.08%).

The table below presents the sensitivity of the fair valuation of investment properties to the changes in capitalization rate.

Capitalization rate sensitivity increase (decrease)	Weighted average capitalization rate	Fair value of investment property	Fair value variance	% change
(0.75)%	3.29%	\$ 5,797,554	\$ 1,077,425	22.8%
(0.50)%	3.54%	5,387,625	667,496	14.1%
(0.25)%	3.79%	5,031,837	311,708	6.6%
—	4.04%	4,720,129	—	—
0.25%	4.29%	4,444,787	(275,342)	5.8%
0.50%	4.54%	4,199,798	(520,331)	11.0%
0.75%	4.79%	3,980,405	(739,724)	15.7%

Acquisitions

During the nine months ended September 30, 2022, the Trust completed the following investment property asset acquisitions, which contributed to the operating results effective from the acquisition date.

Acquisition Date	Rental Units	% Holding	Purchase Price	Assumed Mortgage Funding	Assumed Mortgage Interest Rate	Assumed Mortgage Maturity Date
February 4, 2022	233	100%	\$ 82,543	61,260	2.50%	September 1, 2032
April 25, 2022	—	100%	6,100	3,940	4.20%	April 25, 2024
April 26, 2022	3,677	100%	965,000	603,789	1.65% - 4.20%	June 3, 2022 - November 10, 2031
April 28, 2022	345	100%	115,000	81,629	1.96% - 2.92%	September 3, 2024 - June 1, 2025
May 13, 2022	289	100%	50,816	—	—%	—
August 31, 2022	145	100%	67,500	33,754	3.54%	August 1, 2025
			\$ 1,286,959	\$ 784,372		

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During the year ended December 31, 2021, the Trust completed the following investment property asset acquisitions, which contributed to the operating results effective from the acquisition date.

Acquisition Date	Rental Units	% Holding	Purchase Price	Assumed Mortgage Funding	Assumed Mortgage Interest Rate	Assumed Mortgage Maturity Date
January 27, 2021	94	100%	\$ 34,000	21,573 ⁽⁵⁾	3.70%	April 1, 2022
February 18, 2021	119	100%	40,000	31,209	2.43%	March 1, 2031
March 26, 2021	117	100%	33,000	22,665	2.38%	March 1, 2031
March 26, 2021	41	100%	15,000	7,918	2.78% ⁽¹⁾	June 1, 2023
March 26, 2021	171	100%	44,000	30,573	2.38%	March 1, 2031
April 30, 2021	114	100%	38,000	24,500 ⁽⁵⁾	3.70%	April 1, 2022
May 3, 2021	63	100%	20,000	13,957	3.39%	December 1, 2028
May 3, 2021	72	100%	22,000	20,000	1.62%	June 1, 2029
June 14, 2021 ⁽²⁾	9	25%	772	—	—%	
September 1, 2021 ⁽³⁾	185	100%	23,340	8,974	4.20%	April 1, 2022
September 29, 2021	482	100%	60,061	44,425	3.05%	January 1, 2032
October 7, 2021	143	100%	38,700	28,544 ⁽⁵⁾	3.70%	July 1, 2022
October 15, 2021 ⁽⁴⁾	199	50%	49,650	36,476	2.28%	November 1, 2031
December 8, 2021	205	100%	22,175	16,600	3.17%	December 1, 2026
			\$ 440,698	\$ 307,414		

⁽¹⁾ Upon acquisition of the property the Trust assumed a first mortgage of \$6,026 with an interest rate of 2.78% and a second mortgage of \$1,893 and an interest rate of 6.00%

⁽²⁾ In addition to \$772, the Trust discharged a Participating Investment loan in the amount of \$1,938 for the acquisition of the property.

⁽³⁾ Represents the additional 50% interest acquired with the property.

⁽⁴⁾ The Trust transferred the 50% interest from Equity Accounted Investments to Investment Properties.

⁽⁵⁾ Represents the Bridge Loan financings obtained by the Trust.

Investment in Joint Arrangements

Included within investment properties are the following joint operations at the REIT's proportionate share, which are governed by co-ownership arrangements:

	September 30, 2022	December 31, 2021
75 Ann & 1 Beaufort Co-ownership	75%	75%
Harbourview Estates LP	60%	60%
Pandora	50%	50%
Pandora - Phase 2	75%	75%
The Residence of Seasons LP	50%	50%
Bridgewater Apartments	45%	45%
Bridgewater Apartments II	45%	45%
No. 21 Apartments LP	50%	50%
Sage Apartments LP	50%	50%

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The Trust's share of assets, liabilities, revenues, expenses and net income and cash flows from investments in joint operations that are reflected in the unaudited condensed consolidated interim financial statements are as follows:

For the three months ended	September 30, 2022		December 31, 2021	
Non-current assets	\$	305,491	\$	290,669
Current assets		14,421		17,493
Total assets	\$	319,912	\$	308,162
Non-current liabilities	\$	178,646	\$	185,454
Current liabilities		7,511		8,603
Total liabilities	\$	186,157	\$	194,057
Revenues	\$	14,951	\$	15,936
Expenses		(9,447)		(9,801)
Fair value adjustment on investment properties		13,586		18,088
Net income	\$	19,090	\$	24,223

Dispositions

The Trust did not make any investment property dispositions during the nine months ended September 30, 2022 and the year ended December 31, 2021.

5. Equity Accounted Investments

Investment properties held within equity accounted investments mainly consist of income producing assets and are measured at fair value as at the consolidated statement of financial position dates. Any changes in the fair value are included in the consolidated statement of net income and comprehensive income. Fair value is supported by independent external valuations or detailed internal valuations using market-based assumptions, each in accordance with recognized valuation techniques. The techniques used comprise the capitalized net operating income method less cost to complete and include estimating, among other things, future stabilized net operating income, capitalization rates and other future cash flows applicable to investment properties. Fair values for investment properties are classified as Level 3 in the fair value hierarchy.

The following table details the principal activities of the Canadian ("CDN") and United States ("USA") entities in which the Trust owns an ownership interest:

Principal Activity	September 30, 2022		December 31, 2021	
	Number of Entities	Equity Balance	Number of Entities	Equity Balance
CDN Development	13	130,757	8	51,866
CDN Income Producing	8	150,838	7	183,148
USA Development	—	—	1	930
USA Income Producing	6	103,846	6	105,484
Total	27	\$ 385,441	22	\$ 341,428

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The carrying value of equity accounted investments consist of the following entities with greater than 10% of the balances or activities:

Entity	Ownership	January 1, 2022	Net Contributions/ (Distributions)	Income and Fair Value Adjustment	FX Currency Translation	Dispositions and Transfer	September 30, 2022
The View At Charlesworth	50%	\$ 4,872	\$ —	\$ 15,008	\$ —	\$ —	\$ 19,880
CCA CBD Minneapolis LLC	45%	8,449	7,435	1,054	1,603	—	18,541
400 Albert Street	50%	—	31,944	—	—	—	31,944
Station Place	50%	115,721	(74,736)	856	—	—	41,841
4Square LP	70%	21,197	1,874	(7,402)	—	—	15,669
Warehouse District Flats LLC	66%	38,694	—	6,450	960	(39,462)	6,642
Centurion Appelt LP	75%	—	19,238	3,686	—	—	22,924
Shops of Steels LP	34%	—	18,750	226	—	—	18,976
Other		152,495	25,524	25,233	5,772	—	209,024
Total		\$ 341,428	\$ 30,029	\$ 45,111	\$ 8,335	\$ (39,462)	\$ 385,441

Entity	Ownership	January 1, 2021	Net Contributions/ (Distributions)	Income and Fair Value Adjustment	FX Currency Translation	Dispositions and Transfer	December 31, 2021
ACRON ARG Belterra Austin LLC	71%	\$ 18,889	\$ —	\$ 8,880	\$ 1	\$ (27,770)	\$ —
ACRON ARG Lake Carolyn Residential LLC	75%	27,920	—	(71)	(797)	(26,122)	930
Lee-Tamiami LLC	75%	15,773	—	7,467	(125)	(23,115)	—
Station Place	50%	—	117,723	(2,002)	—	—	115,721
4Square LP	70%	21,930	3,227	(3,960)	—	—	21,197
Warehouse District Flats LLC	66%	16,476	(435)	22,671	(18)	—	38,694
Other ⁽¹⁾		116,551	25,484	38,448	30	(15,627)	164,886
Total		\$ 217,539	\$ 145,999	\$ 71,433	\$ (909)	\$ (92,634)	\$ 341,428

⁽¹⁾On January 1st, 2021, the Trust sold a minority position in select holding entities to Centurion Financial Trust which hold interests in real estate development projects at the Trust's carrying value. As a result, no gain or loss was recognized. For financial statement reporting purposes, the Trust continues to consolidate the holding entities but has recognized a non-controlling interest of \$3,557 on the statement of net assets as at December 31, 2021.

As at September 30, 2022, the Trust has additional commitments for equity accounted investments that are in their development phase that are due on request of \$41,573 (December 31, 2021: \$29,560).

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The following is the summarized financial information of the above investments at 100%:

As at September 30, 2022	The View At Charlesworth	CCA CBD Minneapolis LLC	400 Albert Street	Station Place Inc.	4Square LP	Warehouse District Flats	Centurion Appelt LP	Shops of Steels LP	Other	Total
Ownership	50%	45%	50%	50%	70%	66%	75%	34%		
Non-current assets	\$ 58,276	\$ 111,753	\$ 63,888	\$ 233,074	\$ 91,589	\$ 48,585	\$ 25,651	\$ 55,147	\$ 625,922	1,319,464
Current assets	968	1,889	—	1,439	1,166	—	—	—	19,924	25,385
Total assets	\$ 59,244	\$ 113,642	\$ 63,888	\$ 234,513	\$ 92,754	\$ 48,585	\$ 25,651	\$ 55,147	\$ 645,846	\$1,344,850
Non-current liabilities	\$ (17,929)	\$ (79,775)	\$ —	\$ (149,399)	\$ (63,751)	\$ —	\$ —	\$ —	\$ (310,199)	(621,053)
Current liabilities	(2,015)	(1,624)	—	(2,188)	(5,206)	—	—	—	(55,194)	(66,227)
Total liabilities	\$ (19,944)	\$ (81,398)	\$ —	\$ (151,587)	\$ (68,958)	\$ —	\$ —	\$ —	\$ (365,393)	\$ (687,280)
Total revenue	\$ —	\$ 4,168	\$ —	\$ 4,835	\$ 4,277	\$ —	\$ —	\$ —	\$ 20,024	33,303
Total expenses	—	(5,773)	—	(5,321)	(5,599)	—	—	—	(15,438)	(32,132)
Total fair value gains (losses)	30,015	2,291	—	1,713	(9,268)	9,773	—	—	45,152	85,256
Net income	\$ 30,015	\$ 685	\$ —	\$ 1,226	\$ (10,590)	\$ 9,773	\$ —	\$ —	\$ 49,739	\$ 86,428

As at December 31, 2021	ACRON ARG Belterra Austin LLC	ACRON ARG Lake Carolyn Residential LLC	Lee-Tamiami LLC	Station Place Inc.	4Square LP	Warehouse District Flats (US)	Other	Total
Ownership	71%	75%	75%	50%	70%	66%		
Non-current assets	\$ —	\$ —	\$ —	\$ 231,026	\$ 101,513	\$ 87,967	\$ 684,876	1,105,381
Current assets	—	1,240	—	735	1,697	452	26,412	30,537
Total assets	\$ —	\$ 1,240	\$ —	\$ 231,761	\$ 103,210	\$ 88,419	\$ 711,288	\$ 1,135,918
Non-current liabilities	\$ —	\$ —	\$ —	\$ —	\$ (62,992)	\$ (37,615)	\$ (413,270)	(513,876)
Current liabilities	—	—	—	(804)	(7,683)	(290)	(54,767)	(63,544)
Total liabilities	\$ —	\$ —	\$ —	\$ (804)	\$ (70,676)	\$ (37,905)	\$ (468,036)	\$ (577,420)
Total revenue	\$ —	\$ —	\$ —	\$ 891	\$ 4,718	\$ 3,006	\$ 27,062	35,676
Total expenses	—	—	—	(1,154)	(6,011)	(2,714)	(26,828)	(36,707)
Total fair value gains	12,507	(94)	9,127	(4,003)	(4,372)	33,900	61,478	108,543
Net income	\$ 12,507	\$ (94)	\$ 9,127	\$ (4,266)	\$ (5,665)	\$ 34,192	\$ 61,712	\$ 107,512

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6. Mortgage Investments

Mortgage investments represent amounts under loan arrangements with third party borrowers. The weighted average effective interest rate on mortgage investments maturing between 2022 and 2025 is 11.89% (December 31, 2021: 9.02%).

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2022	2021	2022	2021
Interest income from mortgage investments		\$ 3,830	\$ 4,393	\$ 10,461	\$ 17,058
Interest expense on syndicated mortgage liabilities		—	—	—	(36)
Interest income from participating loan interests	7	831	2,429	3,911	6,998
Total interest income		\$ 4,661	\$ 6,822	\$ 14,372	\$ 24,020
Recovery of expected credit losses (ECL)		(126)	585	(113)	318

Total cash interest received, net of interest paid to syndicate participants, is as follows:

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2022	2021	2022	2021
Interest received on mortgage investments		2,439	10,118	6,421	24,042
Interest received on participating loan interests	7	426	1,059	23,507	1,489
Interest paid to syndicate participants		—	(1,117)	—	(2,423)
Total cash interest received		\$ 2,865	\$ 10,060	\$ 29,928	\$ 23,108

As at September 30, 2022, the Trust has additional mortgage investment commitments of approximately \$106,125 (December 31, 2021: \$71,643).

As at September 30, 2022, mortgage investments and syndicated mortgage investment liabilities are as follows:

As at September 30, 2022	Gross Mortgage Investments	Syndicated Mortgage Investments	Net Mortgage Investments
Non-current mortgage investments	\$ 59,312	\$ —	\$ 59,312
Current mortgage investments	49,769	—	49,769
	109,081	—	109,081
Allowance for ECL	(428)	—	(428)
Total mortgage investments	\$ 108,653	\$ —	\$ 108,653

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As at December 31, 2021	Gross Mortgage Investments	Syndicated Mortgage Investments	Net Mortgage Investments
Non-Current mortgage investments	\$ 12,166	\$ —	\$ 12,166
Current mortgage investments	132,035	—	132,035
	<u>144,201</u>	<u>—</u>	<u>144,201</u>
Allowance for ECL	(314)	—	(314)
Total mortgage investments	\$ 143,887	\$ —	\$ 143,887

As at September 30, 2022, continuity of mortgage investments, including the allowance for ECL, is allocated between the internal credit risk stages as follows:

As at September 30, 2022	Stage 1	Stage 2	Stage 3	Total
Gross mortgage investments, beginning of the period	\$ 143,341	\$ 860	\$ —	\$ 144,201
Principal funded	82,250	—	23,449	105,699
Interest accrued	9,024	52	1,385	10,461
Interest repaid	(8,057)	(53)	(1,760)	(9,870)
Principal repaid	(99,590)	(146)	(41,674)	(141,410)
Transfers to (from)	(19,627)	—	19,627	—
Gross mortgage investments, end of the period	\$ 107,341	\$ 713	\$ 1,027	\$ 109,081
Allowance for ECL, beginning of the period	\$ 309	\$ 5	\$ —	\$ 314
Remeasurement	264	—	60	324
Repayment	(160)	—	(50)	(210)
Transfers to (from)	10	—	(10)	—
Allowance for ECL, end of the period	423	5	—	428
Total mortgage investments	\$ 106,918	\$ 708	\$ 1,027	\$ 108,653

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As at September 30, 2021, mortgage investments, including the allowance for ECL, is allocated between the internal credit risk stages as follows:

As at September 30, 2021	Stage 1	Stage 2	Stage 3	Total
Gross mortgage investments, beginning of the period	\$ 269,289	\$ 10,520	\$ 37,344	\$ 317,153
Principal funded	76,275	15,200	(18,718)	72,757
Interest accrued	17,488	870	1,068	19,426
Interest repaid	(20,893)	(849)	(2,300)	(24,042)
Principal repaid	(145,825)	(11,633)	(10,589)	(168,047)
Gross mortgage investments, end of the period	\$ 196,334	\$ 14,108	\$ 6,805	\$ 217,247
Allowance for ECL, beginning of the period	\$ 385	\$ 281	\$ 750	\$ 1,416
Funding / remeasurement	313	(270)	278	321
Repayment	(110)	—	(528)	(638)
Allowance for ECL, end of the period	588	11	500	1,099
Total mortgage investments	\$ 195,746	\$ 14,097	\$ 6,305	\$ 216,148

Future repayments for gross mortgage investments excluding the allowance for ECL are as follows:

	September 30, 2022	December 31, 2021
Within 1 year	\$ 49,769	\$ 132,035
1 to 2 years	38,168	4,746
2 to 3 years	21,144	2,776
3 to 4 years	—	4,644
Total repayments	\$ 109,081	\$ 144,201

The nature of the underlying assets for the Trust's mortgage investments as at September 30, 2022, is as follows:

	September 30, 2022	December 31, 2021
Low-Rise Residential	20 %	10 %
Land	38 %	30 %
Commercial/Mixed Use	7 %	20 %
High-Rise Condominium	1 %	18 %
Multi Family Apartments	32 %	12 %
Industrial	2 %	10 %
	100 %	100 %

As at September 30, 2022, the Trust's mortgage investments are comprised of a 74% interest (December 31, 2021: 78%) in first mortgages and a 26% interest (December 31, 2021: 22%) in second mortgages.

7. Participating Loan Interests

As at September 30, 2022, the Trust holds mortgage investments that contain participation agreements with third-party lenders, whereby the Trust retains residual interests subordinate to the interests syndicated to these third-party lenders. All interest and fee income earned by the Trust recognized is included in the consolidated statement of net income and comprehensive income.

During the nine months ended September 30, 2022, interest income was \$3,911 (September 30, 2021: \$6,998) and a fair value loss was recognized of \$1,170 (September 30, 2021: fair value gain of \$837). The fair value of the underlying real estate assets was determined using a detailed valuation framework, and the techniques considered in this framework are as follows:

The following valuation techniques were considered in determining the fair value:

1. Consideration of recent prices of similar properties within similar market areas;
2. The direct capitalized method for the underlying real estate security is based on an "as if" completed basis, which is based on the conversion of future normalized earnings directly into an expression of market value less cost to complete.

As a result, the fair value of participating loan interests is based on Level 3 of the fair value hierarchy.

	September 30, 2022	September 30, 2021
Balance, beginning of period	\$ 110,972	\$ 112,968
Advances	323	6,011
Interest income	3,911	6,998
Fair value loss (gain)	(1,170)	837
Repayment of principal	(59,765)	(10,224)
Repayment of interest	(23,830)	(1,489)
Balance, end of period	\$ 30,441	\$ 115,101

As at September 30, 2022, the Trust has no additional contractual commitments for participating loan interests (December 31, 2021: \$533).

The Trust did not dispose of any Participating Loan interests during the three and nine months ended September 30, 2022 and the year ended December 31, 2021.

8. Receivables and Other Assets

Receivable and other assets consist of the following:

	Note	September 30, 2022	December 31, 2021
Acquisition deposits		26,270	38,608
Prepaid CMHC premiums		38,896	35,006
Other current assets		26,848	15,206
Warehouse receivable	17	12,443	13,225
Prepaid expenses		7,726	1,830
Property and equipment		2,379	2,743
Leased assets		2,309	2,568
Net rent receivables		1,369	1,311
		\$ 118,240	\$ 110,497

Prepaid CMHC premiums, represents CMHC premiums on mortgages payable net of accumulated amortization of \$5,275 (December 31, 2021: \$2,807).

Total capitalized financing costs during the three and nine months ended September 30, 2022 amounted to \$1,164 and \$10,875 (three and nine months ended September 30, 2021: \$3,383 and \$14,106) and total amortization of financing costs during the three and nine months ended September 30, 2022 amounted to \$3,335 and \$5,536 (three and nine months ended September 30, 2021: \$340 and 994).

9. Restricted Cash / Unit Subscriptions in Trust

As at September 30, 2022, restricted cash consists of cash not available for use of \$9,210 (December 31, 2021: \$10,395). This restricted cash represents Unitholder subscriptions held in trust until the trade settlement date. These amounts will be returned to investors if the proposed Unitholder subscriptions do not successfully proceed. All restricted cash as at September 30, 2022, is current in nature. Subsequent to year end, the restricted cash was released as units were issued to investors.

10. Mortgages Payable and Credit Facilities

Mortgages payable and credit facilities consist of the following:

	September 30, 2022	December 31, 2021
Current	\$ 341,681	\$ 198,170
Non-current	2,048,602	1,380,091
	\$ 2,390,283	\$ 1,578,261

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Mortgages payable and credit facilities are secured by respective investment properties and are summarized as follows:

	September 30, 2022	December 31, 2021
First mortgages on investment properties, bearing interest between 1.62% and 5.95% (December 31, 2021: 1.62% and 5.53%), with a weighted average interest rate of 2.54% (December 31, 2021: 2.53%), and a weighted average maturity of 6.4 years (December 31, 2021: 6.84 years), secured by related investment properties	\$ 2,057,992	\$ 1,314,853
Second mortgages on investment properties, bearing interest between 4.03% and 6.00% (December 31, 2021: 4.03% and 6.00%), with a weighted average interest rate of 5.37% (December 31, 2021: 5.37%), and weighted average maturity of 1.12 years (December 31, 2021: 1.87 years), secured by related investment properties	2,684	2,743
Construction financing facility, bearing interest rate of 5.95% (December 31, 2021: 3.70%), secured by related properties	118,708	32,291
Bridge financing facility, bearing interest rate of 3.84% (December 31, 2021: 3.70%), secured by related properties	50,117	74,617
REIT proportion of mortgages held through joint arrangements, bearing interest between 0% and 5.37% (December 31, 2021: 0% and 3.00%), with a weighted average interest rate of 2.78% (December 31, 2021: 2.61%) and a weighted average maturity of 7.46 years (December 31, 2021: 6.83 years), secured by related investment properties in the joint venture arrangement	174,334	165,860
	\$ 2,403,835	\$ 1,590,364
Less: Unamortized portion of financing fees	(13,552)	(12,103)
	\$ 2,390,283	\$ 1,578,261

Substantially all the Trust's assets have been pledged as security under the related mortgages and other security agreements. Overall, the weighted average mortgage interest rate at September 30, 2022, was 2.76% (December 31, 2021: 2.62%).

Mortgages payable at September 30, 2022, are due as follows:

	Principal Repayments	Balance due at Maturity	Total
Year ended September 30 2023	\$ 222,193	\$ 119,490	\$ 341,681
Year ended September 30 2024	52,235	133,512	185,747
Year ended September 30 2025	48,650	176,932	225,582
Year ended September 30 2026	46,256	32,830	79,086
Year ended September 30 2027	44,239	101,617	145,856
Thereafter	134,090	1,291,793	1,425,883
	\$ 547,663	\$ 1,856,174	\$ 2,403,835
Less: Unamortized portion of financing fees			(13,552)
			\$ 2,390,283

11. Accounts Payable and Other Liabilities

Accounts payable and other liabilities consist of the following:

	September 30, 2022	December 31, 2021
Accrued expenses	\$ 8,140	\$ 16,347
Prepaid rent	3,707	2,208
Tenant deposits	11,228	9,413
Accounts payable	1,536	1,024
Lease liability	2,530	2,750
Deferred trust units	3,269	2,712
	\$ 30,410	\$ 34,454

12. Classification of Units

In accordance with the Declaration of Trust (“DOT”), the Trust may issue an unlimited number of units of various classes, with each unit representing an equal undivided interest in any distributions from the Trust, and in the net assets in the event of termination or wind-up of the Trust.

Authorized

i. Unlimited number of Class A Trust Units

Class A Trust Units are participating, with one vote per unit, no par value.

ii. Unlimited number of Class F Trust Units

Class F Trust Units are participating, with one vote per unit, no par value.

iii. Unlimited number of Class I Trust Units

Class I Trust Units are participating, with one vote per unit, no par value.

iv. Unlimited number of Class M Trust Units

Class M Trust Units are participating, reserved for Centurion Asset Management Inc., and represent a beneficial interest set as the ratio of the number of investor units, such that the amount of Class M Units will equal the number of investor units, subject to a high-water mark, divided by 0.95 less the number of Investor Trust Units and the cumulative amount of Class M Trust Units previously redeemed. Investor Trust Units are defined as the Class A Trust Units, the Class F Trust Units, the Class I Units and any new class of Trust Units. Apart from certain voting restrictions, the Class M unitholders are entitled to vote to that percentage of all Unitholder votes equal to the Class M unit percentage interest. At any time, the holder of a Class M Trust Unit may convert into Class A Trust Units.

v. Unlimited number of Special Voting Units of the Trust and Exchangeable LP Units

Special Voting Units are non-participating, with one vote per share, issued on a one-for-one basis to holders of Exchangeable Securities of the original CAP LP II Partnership (the “Partnership”) which rolled into the Trust. The Exchangeable Securities of the Partnership are participating along with the Class A, F, I and M Trust Units, non-voting and exchangeable by the holder into an equivalent number of Class A Trust Units.

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Issued (in thousands of units)

	September 30, 2022	December 31, 2021
Class A Trust Units		
Units as at January 1,	71,572	62,989
New units issued	6,181	11,237
Distribution reinvestment plan	1,271	1,617
Redemption of units	(3,643)	(4,271)
	75,381	71,572
Class F Trust Units		
Units as at January 1,	46,806	35,694
New units issued	9,437	14,225
Distribution reinvestment plan	1,167	1,254
Redemption of units	(3,824)	(4,367)
	53,586	46,806
Exchangeable LP units		
Units as at January 1,	468	807
New units issued	6,322	—
Distribution reinvestment plan	129	8
Redemption of units	(4)	(347)
	6,915	468
Class M Trust Units		
Units as at January 1,	13	19
Redemption of units	(6)	(6)
	7	13
Class I Trust Units		
Units as at January 1,	10,705	4,918
New units issued	3,461	5,784
Distribution reinvestment plan	147	97
Redemption of units	(1,399)	(94)
	12,914	10,705

13. Revenue Recognition

Revenue from investment properties is comprised of the following:

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Rental income	\$ 62,667	\$ 36,292	\$ 169,358	\$ 104,707
Ancillary income	3,285	2,130	8,514	5,249
Expense recoveries	373	275	950	772
	\$ 66,325	\$ 38,697	\$ 178,822	\$ 110,728

14. Finance Costs

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Interest on mortgages payable and credit facilities	\$ 13,963	\$ 8,036	\$ 39,192	\$ 24,727
Amortization of financing fees	1,473	340	3,068	994
Amortization of CMHC Insurance	1,862	330	2,468	1,248
	\$ 17,298	\$ 8,706	\$ 44,728	\$ 26,969

15. Other Income and Expenses

	Note	Three Months Ended September		Nine Months Ended September 30	
		2022	2021	2022	2021
Gain on Bond Futures		\$ —	\$ —	\$ —	\$ 13,346
Fair value gain on Options		—	5,628	—	5,997
Income from Equity Accounted Investments	5	2,871	770	3,901	1,368
Trailer Fees and Other		(3,244)	(1,776)	(8,772)	(6,546)
		\$ (373)	\$ 4,622	\$ (4,871)	\$ 14,165

16. General and Administrative Expenses

	Three Months Ended September		Nine Months Ended September	
	2022	2021	2022	2021
Salaries and wages	\$ 4,606	\$ 4,098	\$ 13,657	\$ 11,792
Communications & IT	1,296	743	2,302	1,715
Office expenses	783	315	1,807	1,560
Fund administration costs	291	178	1,249	527
Professional fees	808	1,006	2,406	2,657
Advertising	778	513	1,836	1,270
Amortization of property and equipment	214	231	655	688
	\$ 8,776	\$ 7,084	\$ 23,912	\$ 20,209

17. Commitments

The Trust is committed to asset management services under an asset management agreement with Centurion Asset Management Inc. ("CAMI" or the "Asset Manager"), a company controlled by the President and Trustee of the Trust, for a five-year term ending December 31, 2024, with a renewal term for an additional five year unless terminated by either of the parties or at any time, upon 180 days prior written notice by the Asset Manager to the Trust. Under the agreement, the Trust is required to pay an acquisition fee to CAMI or its affiliate equal to 1.0% of the gross purchase price of each investment property and certain equity accounted investments acquired.

The Trust has entered into a warehouse agreement ("the agreement") with a related party, Centurion Financial Trust ("CFIT"). This agreement allows the Trust, at its sole discretion to fund investments originated by the CFIT. As at September 30, 2022, the REIT has a warehouse receivable balance of \$12,443 (December 31, 2021: \$13,225) from CFIT. The warehouse loan bears interest at rates ranging between 10.00% and 11.75%, with a weighted average interest rate of 10.40%. The warehouse loans are secured by the underlying investment assets with CFIT's carrying value of \$19,031 as at September 30, 2022.

18. Contingencies

The Trust is currently not engaged in any material legal matters and management is not aware of any such matters that could have a material impact on these unaudited condensed consolidated interim financial statements.

19. Related Party Transactions

Except as disclosed elsewhere in the unaudited condensed consolidated interim financial statements, related party balances and transactions include the following:

As at September 30, 2022, the Trust has co-invested with the CFIT on \$1,138 of debt investments and \$2,409 of participating loan interests on a pari passu basis.

As at September 30, 2022, a related party of the Asset Manager holds 7,150 Class M Trust units of REIT. On June 15, 2022, 5,854 Class M units were redeemed for \$40,000 (December 31, 2021: \$90,000 - 36,996 Class M Trust Units which represents the cumulative Class M Trust Unit redemptions). The distributions in cash for these units were \$290 and \$1,334 for the three and nine months ended September 30, 2022 (three and nine months ended September 30, 2021: \$390 and \$2,103).

During the nine months ended September 30, 2022, the Trust was charged acquisition fees under the agreement described in Note 17 of \$13,369 (nine months ended September 30, 2021: \$5,573). A related party of the Asset Manager earned commitment fees of \$3,167 and \$4,876 for the three and nine months ended September 30, 2022, payable by the borrower on debt investments made by the Trust (three and nine months ended September 30, 2021: \$1,163 and \$4,132).

20. Income Taxes

a) Canadian Status

The REIT is a “mutual fund trust” pursuant to the Act. Under current tax legislation, a mutual fund trust that is not a Specified Investment Flow-Through (“SIFT”) Trust pursuant to the Act is entitled to deduct distributions of taxable income such that it is not liable to pay income taxes provided that its taxable income is fully distributed to Unitholders. The REIT intends to continue to qualify as a mutual fund trust that is not a SIFT Trust and to make distributions not less than the amount necessary to ensure that the REIT will not be liable to pay income taxes.

b) U.S. Status

Certain of the REIT’s operations or a portion thereof are conducted through its taxable U.S. subsidiaries, which are subject to U.S. federal and state corporate income taxes.

c) Income Tax Expense

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Current income tax expense	\$ (4,728)	\$ 240	\$ 1,491	\$ 373
Deferred income tax expense	1,074	5,068	(3,740)	11,018
Income tax expense	\$ (3,654)	\$ 5,308	\$ (2,249)	\$ 11,391

The Trust did not make any tax installments during the year on its current income tax liabilities.

d) Deferred Income Tax Liabilities

As at September 30, 2022, total net deferred income tax liabilities is predominantly due to the unrealized fair value gains of \$15,381 recognized on the underlying real estate held within Equity Accounted Investments (December 31, 2021: \$19,121).

21. Fair Value Measurement

Fair value is the price that market participants would be willing to pay for an asset or liability in an orderly transaction under current market conditions at the measurement date.

The fair values of the Trust's financial assets and liabilities were determined as follows:

- The carrying amounts of cash, restricted cash, unit subscriptions in trust, rents receivables, accounts payable and other liabilities, other assets and tenant deposits approximate their fair values based on the short-term maturities of these financial instruments.
- Management determines fair value of mortgage investments based on its assessment of the current lending market of the same or similar terms since there are no quoted prices in an active market for these investments. Management has determined that the fair value of mortgage investments approximates their carrying value.
- Fair values of mortgages payable and credit facilities are estimated by discounting the future cash flows associated with the debt at current market interest rates. The fair value at September 30, 2022, is \$2,182,254 (December 31, 2021: \$1,618,557). Carrying value at September 30, 2022 is \$2,390,283 (December 31, 2021: \$1,578,261).
- Management determines the fair value of participating loan interests, as detailed in Note 7, based on the fair value of the underlying asset which uses either the direct capitalization approach or the direct comparison approach.
- The structured incentive plan trust units is valued based on the Trust's Net asset value
- The fair value of the foreign currency futures and forward contracts was determined using Level 2 inputs which include spot and futures and forward foreign exchange rates.

The table below analyzes assets and liabilities carried at fair value in the consolidated statement of financial position, by the levels in the fair value hierarchy, which are defined as follows:

September 30, 2022	Level 1	Level 2	Level 3	Total
Assets				
Investment properties	\$ —	\$ —	\$ 4,720,129	\$ 4,720,129
Participating loan interests	—	—	30,441	30,441
Liabilities				
Structured Incentive Plan Trust Units	—	—	(3,269)	(3,269)
Currency Derivative	—	—	(5,496)	(5,496)
Measured at fair value through profit and loss	\$ —	\$ —	\$ 4,741,805	\$ 4,741,805

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Investment properties	\$ —	\$ —	\$ 3,110,516	\$ 3,110,516
Participating loan interests	—	—	110,972	110,972
Liabilities				
Structured Incentive Plan Trust Units	—	—	(2,712)	(2,712)
Currency Derivative	—	—	(569)	(569)
Measured at fair value through profit and loss	\$ —	\$ —	\$ 3,218,207	\$ 3,218,207

22. Capital Management

The Trust defines capital as net assets attributable to Unitholders, debt (including mortgages), and lines of credit. The Trust's objectives in managing capital are to ensure adequate operating funds are available to maintain consistent and sustainable Unitholder distributions, to fund leasing costs and capital expenditure requirements, and to provide for resources needed to acquire new investment properties and fund real estate, equity investments or mortgage investments as identified.

Various debt and earnings distribution ratios are used to ensure capital adequacy and monitor capital requirements. The primary ratios used for assessing capital management are the interest coverage ratio and net debt-to-gross carrying value. Other indicators include weighted average interest rate, average term to maturity of debt, and variable debt as a portion of total debt.

These indicators assist the Trust in assessing that the debt level maintained is sufficient to provide adequate cash flows for Unitholder distributions and capital expenditures, and for evaluating the need to raise funds for further expansion.

Various mortgages have debt covenant requirements that are monitored by the Trust to ensure there are no defaults. The Trust's credit facilities also (see Note 10) require compliance with certain financial covenants, throughout the year. These include loan-to-value ratios, cash flow coverage ratios, interest coverage ratios, and debt service coverage ratios.

The carrying value of the units is impacted by earnings and Unitholder distributions. The Trust endeavors to make annual distributions. Amounts retained are used to fund new investments and working capital requirements. Management monitors distributions through various ratios to ensure adequate resources are available. These include the proportion of distributions paid in cash, DRIP participation ratio, and total distributions as a percent of distributable income and distributable income per unit.

The Declaration of Trust provides for a maximum total indebtedness level of up to 75% of Gross Book Value (GBV). GBV means the book value of the assets. Indebtedness includes obligations incurred in connection with acquisitions. The following table highlights the Trust's existing leverage ratio, excluding any syndicated assets or liabilities, in accordance with the Declaration of Trust:

	September 30, 2022	December 31, 2021
Total unrestricted assets	\$ 5,472,564	\$ 4,062,911
Mortgages payable and credit facilities	2,390,283	1,578,261
Ratio of Debt to GBV	43.68 %	38.85 %

The following schedule details the components of the Trust's capital structure:

	September 30, 2022	December 31, 2021
Mortgages payable and credit facilities	\$ 2,390,283	\$ 1,578,261
Net assets attributable to Unitholders	3,033,742	2,425,811
Total Capital Structure	\$ 5,424,025	\$ 4,004,072

23. Financial Instruments

Risk Management

The main risks that arise from the Trust's financial instruments are liquidity, interest, credit and currency risk. The Trust's approach to managing these risks is summarized below.

Management's risk management policies are typically performed as a part of the overall management of the Trust's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. In the normal course of its business, the Trust is exposed to several risks that can affect its operating performance. Management's close involvement in operations helps to identify risks and variations from expectations. As a part of the overall operation of the Trust, management considers the avoidance of undue concentrations of risk.

These risks include, and the actions taken to manage them, are as follows:

i) Liquidity Risk

Liquidity risk is the risk that the Trust may not be able to meet its financial obligations as they fall due. The Trust's principal liquidity needs arise from working capital, debt servicing and repayment obligations, planned funding of maintenance, mortgage funding commitments, leasing costs and distributions to Unitholders, and possible property acquisition funding requirements. The Trust manages its liquidity risk by ensuring its projected financial obligations can be met through its cash flows from operations, credit facilities, new capital issuances and projected repayments under the existing mortgage investment portfolio.

There is a risk that lenders will not refinance maturing debt on terms and conditions acceptable to the Trust. Management's strategy is to mitigate the Trust's exposure to excessive amounts of debt maturing in any one year. The features and quality of the underlying assets being financed and the debt market parameters existing at the time will affect the success of debt refinancing.

Management prepares cash forecasts and budgets on an ongoing basis to manage liquidity risks, ensure efficient use of resources and monitor the ongoing timing of liquidity events.

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The success of new capital issuances is subject to the capital markets being receptive to a unit issue with financial terms favorable to the Trust. As at September 30, 2022, the Trust had cash of \$109,660 (December 31, 2021: \$245,611) and credit facilities as follows:

	September 30, 2022	December 31, 2021
Credit facilities agreed	\$200,000	\$309,500
Available for use	\$147,650	\$307,291
Available as undrawn	\$147,314	\$273,810

As at September 30, 2022, the Trust has contractual obligations totaling \$526,374 (December 31, 2021: \$339,719) due in less than one year, which includes all current liabilities noted within the statement of financial position and the unfunded mortgage, equity accounted and participating interests commitments (Notes 5, 6 and 7). For purposes of contractual obligations, no interest on the credit facility has been included as it is not practical to forecast the outstanding balance on the credit facility.

ii) Interest Rate Risk

The Trust's objective of managing interest rate risk is to minimize the volatility of earnings. Management establishes floor rates for all variable rate mortgage investments to limit their exposure to interest rate risk. Management monitors the Trust's variable interest rates on an ongoing basis and assesses the impact of any changes on earnings. Management also routinely assesses the suitability of the Trust's current credit facilities, mortgage liabilities and terms. As at September 30, 2022, the Trust had mortgage investments, participating loans and warehouse agreements of \$128,869 (December 31, 2021: \$138,875) and a credit facility with a balance of \$nil (December 31, 2021: \$nil) that bore interest at variables rates.

The Trust is subject to the risks associated with mortgage financing, including the risk that the interest rate on floating debt may rise before the long-term fixed-rate debt is arranged and that the mortgages and credit facilities will not be able to be refinanced on terms similar to those of the existing indebtedness.

	Carrying Amount	-1%		+1%	
		Income	Equity	Income	Equity
Financial assets					
Variable rate mortgage investments due to mature in a year	\$ 128,869	\$ —	—	\$ 1,289	1,289
Financial liabilities					
Variable rate debt due to mature in a year	\$ —	\$ —	—	\$ —	—

As of September 30, 2022, variable rate mortgage investments were at their floor rate, a 1% decline in interest rates would have no impact on the Trust.

iii) Credit Risk

Tenant credit risk arises from the possibility that tenants and mortgage borrowers may default on their rent and mortgage obligations respectively to the Trust. The risk of credit loss is mitigated by leasing and credit policies. The Trust monitors its collection experience every month and ensures that a stringent policy is adopted to provide for all past due amounts that are doubtful of being collected. All residential accounts receivable balances written off are recognized in the consolidated statement of comprehensive income and subsequent recoveries of amounts previously written off are credited in the consolidated statement of comprehensive income. The Trust has considered the cash flow difficulties that may be experienced by tenants due to the impact of COVID-19 and the probability of default. The Trust continues to assist tenants on a case-by-case basis dependent upon need.

Investment credit risk is the possibility that a borrower under one of the mortgages comprising the investment portfolio, may be unable to honor their debt commitment as a result of a negative change in the borrower's financial position or market conditions that could result in a loss to the Trust. Any instability in the real estate sector or an adverse change in economic conditions in Canada could result in declines in the value of investment property securing the Corporation's investments. The Trust's maximum exposure to credit risk is represented by the mortgage investments, profit participation and warehouse loans. The Trust mitigates this risk by rigorously vetting all borrowers during the underwriting process, ensuring all new mortgage, participating investments and equity investments are approved by the investment committee before funding and actively monitoring the mortgage and other investments and initiating recovery procedures, in a timely manner, where required.

iv) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Trust is exposed to currency risk from investment properties, equity accounted investments and mortgage investments that is denominated in US Dollars ("USD"). The Trust uses foreign currency futures contracts to economically hedge the variability of future earnings and cash flows caused by movements in foreign exchange rates. Under the terms of the foreign currency futures contracts, the Trust buys or sells a currency against another currency at a set price on a future date.

As at September 30, 2022, the Trust has a portion of its assets denominated in USD and has entered into currency derivatives to sell USD and reduce its exposure to foreign currency risk. As at September 30, 2022, the Trust has USD currency derivatives with an aggregate notional value of \$76,950 USD (December 31, 2021: \$54,950 USD) at a rate of \$0.77 and a weighted average maturity of October 12, 2022. As at September 30, 2022, the Trust estimates the fair value of the currency derivative to be in a liability position of \$5,496 CAD. During the nine months ended September 30, 2022, the Trust recognized a cumulative fair value loss of \$6,196 CAD (nine months ended September 30, 2021: cumulative fair value gain of \$2,641 CAD) on currency derivatives, included in foreign currency gain on the statement of net income and comprehensive income.

The following schedule outlines the Trust's net exposure to USD:

For the period ended	September 30, 2022	December 31, 2021
Cash	\$ 1,736	\$ 951
Equity accounted investments	75,762	82,964
Total assets held in USD	<u>77,498</u>	<u>83,915</u>
USD currency derivatives (notional value)	<u>(76,950)</u>	<u>(54,950)</u>
Net exposure	\$ 548	\$ 28,965

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)
For the three and nine months ended September 30, 2022, with comparative information for 2021
(Expressed in thousands of Canadian dollars)

For the period-end September 30, 2022, a 1% change in the United States to Canadian Dollar exchange rate would have the following impact on net income and equity:

	Carrying Amount	-1%		1%	
		Income	Equity	Income	Equity
Net US dollar exposure	\$ 548	\$ (5)	(5)	\$ 5	5

24. Supplemental Cash Flow Information

The following table summarizes the movement in mortgages payable and credit facilities during the period:

	September 30, 2022		September 30, 2021	
Long-Term Debt				
Balance, beginning of period	\$	1,578,261	\$	1,181,833
New or Refinanced Mortgages and Loans		226,304		375,082
Assumed Mortgages and Loans upon acquisition		732,694		—
Mortgage repayments		(36,879)		(23,338)
Mortgages and Loans discharged		(108,648)		(76,815)
Capitalized Financing Fees		(4,517)		(4,394)
Amortization of financing fees		3,068		994
Balance, end of period		2,390,283		1,453,362
Credit Facilities				
Balance, beginning of period	\$	—	\$	1,275
Credit Facility advances/(repayments)		—		57,975
Net, Credit Facilities		—		59,250
Balance, end of period	\$	2,390,283	\$	1,512,612

25. Segmented Information

Management of the Trust monitors and operates its rental real estate properties and its mortgage investment operations separately. The Trust applies accounting policies consistently to both segments. The results for these segments are as follows:

Nine Months Ended September 30, 2022	Investment properties	Other Investments	Total
Revenue / Interest income on mortgage investments, net of syndicated mortgage liabilities	\$ 178,822	\$ 14,372	\$ 193,194
Property operating costs	(62,595)	—	(62,595)
Recovery of (allowance for) expected credit losses	—	(113)	(113)
Income from operations	116,227	14,259	130,486
Fair value gains/(losses)	245,700	42,349	288,049
Finance costs	(44,428)	(300)	(44,728)
Other income and expenses	(8,838)	3,967	(4,871)
General and administrative expenses	(21,801)	(2,111)	(23,912)
Foreign exchange adjustment	—	2,430	2,430
Income before taxes	\$ 286,860	\$ 60,594	\$ 347,454

Nine Months Ended September 30, 2021	Investment properties	Other Investments	Total
Revenue / Interest income on mortgage investments, net of syndicated mortgage liabilities	\$ 110,728	\$ 24,020	\$ 134,748
Property operating costs	(41,057)	—	(41,057)
Recovery of (allowance for) expected credit losses	—	318	318
Income from operations	69,671	24,338	94,009
Fair value gains/(losses)	110,144	60,859	171,003
Finance costs	(26,584)	(385)	(26,969)
Other income and expenses	12,537	1,628	14,165
General and administrative expenses	(17,247)	(2,962)	(20,209)
Foreign exchange adjustment	—	459	459
Income before tax	\$ 148,521	\$ 83,937	\$ 232,458

26. Subsequent Events

- a) On October 12, 2022, the Trust completed the acquisition of a multi-family apartment property in Ottawa, Ontario for \$207,000. With a total of 276 rental units, this property consists of a 15-storey high rise tower and adjoining 3 and 6-storey mid-rise buildings. As part of this acquisition, the Trust assumed a mortgage of \$102,044, and the remaining portion was funded by cash.
- b) The Trust declared total distributions of approximately \$22,197, out of which \$9,747 were paid in cash.
- c) The Trust had redemptions of \$28,965.
- d) The Trust raised \$34,087 in capital through new units issued as of November 30th, 2022.



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