

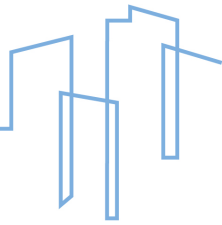


Q3 REPORT

2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2023



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 2023 HIGHLIGHTS

- Total Assets increased by 11.5% to \$6.4 billion during the year.
- Property Operating Revenues increased by 21.4% over the same quarter last year.
- Net Operating Income (“NOI”) increased by 20.8% to \$56.6 million from \$46.9 million over the same quarter last year.
- Overall Portfolio Occupancy increased to 94.96% as compared to 93.20% over the same quarter last year.
- Stabilized Property Occupancy increased to 98.92% as compared to 98.18% over the same quarter last year.
- Acquired the second phase of a three-phase, multi-residential apartment portfolio in Gatineau, Quebec, featuring two building comprising of 158 rental units.
- Acquired a brand new, multi-residential apartment with 125 rental units in Calgary, Alberta
- Trailing 12-Month Class A Return of 7.34%.
- Trailing 12-Month Class F Return of 8.30%.

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,	
		2023	2022	2023	2022
OPERATING PERFORMANCE					
Overall Portfolio Occupancy		94.96%	93.20%	94.22%	92.80%
Stabilized Property Occupancy - as at Sept. 30, 2023		98.92%	98.18%	98.92%	98.18%
Property Operating Revenues		\$89,590	\$73,771	\$259,103	\$200,882
NOI		\$56,621	\$46,891	\$162,085	\$126,271
NOI Margin		63.20%	63.60%	62.56%	62.90%
Net Income and Comprehensive Income		\$75,888	\$145,296	\$185,924	\$349,703
Net Income and Comprehensive Income per Unit		\$0.46	\$0.98	\$1.16	\$2.46
Funds From Operations per Unit		\$0.21	\$0.22	\$0.58	\$0.69
Normalized Funds From Operations per Unit		\$0.33	\$0.36	\$0.95	\$0.82
Weighted Average Number of Units (Adjusted)		165,714,398	148,071,728	160,635,110	142,109,379
Distributions per Class "A" Unit		\$0.21	\$0.21	\$0.63	\$0.63
Distributions per Class "F" Unit		\$0.26	\$0.26	\$0.78	\$0.78
12 Month Trailing Return - Class A		7.34%	17.12%	7.34%	17.12%
12 Month Trailing Return - Class F		8.30%	18.10%	8.30%	18.10%

ACTIVITY

Number of Properties Acquired and Created	2	10	7	44
Number of Rental Units Acquired and Created	283	145	1,398	4,764
Number of Rental Units Acquired and Created (undiluted)	283	145	1,276	4,838
New Investments in the Lending Portfolio	\$52,792	\$91,083	\$170,335	\$191,917
Repayments of Investments in the Lending Portfolio	\$4,377	\$77,280	\$26,125	\$300,769

		September 30, 2023	December 31, 2022	September 30, 2022
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RENT TO MARKET GAP

Gap to Market (annualized)	1	\$34,879	\$21,971	\$23,303
Rent to Market Gap %	1	8.12%	5.78%	6.49%

LIQUIDITY AND LEVERAGE

Total Debt to Gross Book Value		46.06%	45.70%	43.68%
Net Debt to Adjusted Gross Book Value	2	44.31%	44.53%	42.54%
Weighted Average Mortgage Liability Interest Rate		3.16%	2.91%	2.76%
Weighted Average Mortgage Liability Term (years)		6.3 years	6.13 years	6.04 years
Weighted Average Mortgage Investment Interest Rate		12.90%	12.23%	11.79%
Weighted Average Mortgage Investment Term (years)		1.04 years	1.12 years	1.10 years
Gross Interest Expense Coverage Ratio (times)	3	2.65	2.55	2.92
Available Liquidity - Acquisition and Operating Facility		\$166,800	\$156,998	\$256,974

NOTES

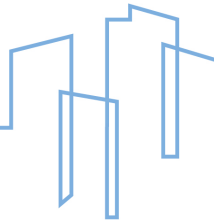
1. Refer to the Operating Results section on Page 22 for an additional discussion on the Gap to Market figure.
2. Calculated by taking (Mortgage Liabilities less Mortgage Assets) and divided by (Total Unrestricted Assets less Mortgage Investments).
3. Calculated by taking NOI plus Interest Income divided by Finance Costs.

FINANCIAL HIGHLIGHTS



FUND FACTS	September 30, 2023	December 31, 2022	September 30, 2022
Closing Price of Trust Units	\$22.978	\$22.592	\$22.222
Total Number of Undiluted Rental Units	21,862	20,457	19,729
Total Number of Buildings	155	148	145
Investment Properties	\$6,212,043	\$5,654,465	\$5,319,665
Total Assets	\$6,381,801	\$5,721,447	\$5,481,774
Total Market Capitalization	\$3,851,030	\$3,457,197	\$3,306,671

PORTFOLIO DIVERSIFICATION



INCLUDES PROPERTIES AND MORTGAGE INVESTMENTS

PORTFOLIO DIVERSIFICATION



46 CITIES | 155 PROPERTIES | 21,862 UNITS*

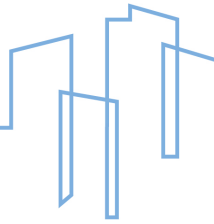
APARTMENTS

CITIES	RENTAL UNITS	CITIES	RENTAL UNITS
ALBERTA		NOVA SCOTIA	
Calgary	2 247	Dartmouth	1 114
Edmonton	9 1,539		
BRITISH COLUMBIA		SASKATCHEWAN	
Kelowna	3 339	Regina	6 697
Langford	11 636		
Surrey	3 660	MANITOBA	
Victoria	2 229	Winnipeg	6 1,611
ONTARIO		U.S.A.	
Acton	1 33	Baytown	1 228
Barrie	2 43	Kansas City	1 283
Brighton	2 59	Minneapolis	1 307
Cambridge	5 679	Waller	1 224
Gravenhurst	1 39	QUEBEC	
Guelph	1 66	Blainville	1 133
Huntsville	1 25	Brossard	5 541
Kitchener	6 668	Châteauguay	3 379
Mississauga	3 269	Delson	3 332
Oshawa	4 231	Gatineau	3 780
Ottawa	2 448	Laval	1 240
Toronto	13 1,498	Longueuil	7 654
Whitby	1 36	Montreal	5 667
		Quebec City	1 684
		Saint-Constant	2 328
		Sainte-Julie	1 286
		Sainte-Thérèse	4 514
		Saint-Lambert	1 210
		Terrebonne	3 208

*Owned properties only

TOTAL RENTAL UNITS 17,164

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	958	Burnaby	1	482
Toronto	1	332			
Waterloo	7	1711			
TOTAL RENTAL UNITS					4,698

MEDICAL OFFICES

CITIES	PROPERTIES	LEASABLE SQ. FT.	CITIES	PROPERTIES	LEASABLE SQ. FT.
ONTARIO			ALBERTA		
Barrie	1	112,164	Edmonton	1	45,668
Ottawa	1	38,785	Medicine Hat	1	30,280
Ottawa	1	40,988			
Ottawa	1	47,818			
Ottawa	1	40,098			
Stratford	1	34,499			
Toronto	1	127,110			
Vaughan	1	58,093			

LETTER FROM THE PRESIDENT



The current housing market in Canada has been making headlines in the past few months along with inflation and high interest rates. We are currently in the most unaffordable housing market that we have faced in many years and the country is planning on bringing in over 500,000 immigrants in the coming year. Robust population growth creates the need for more housing, which has been underbuilt for years due to the regulatory environment and high building costs. This raises significant concerns as to where these new immigrants will live and combined with high interest rates the country is facing a serious housing supply issue.

Policymakers are increasingly recognizing the situation and taking action, but it will take years to achieve the balance needed to meet demand. Though the federal and provincial governments plan to encourage development include subsidies to incentivize projects and speeding up the entitlement process, such as removing the HST on new rental buildings, these incentives are simply not enough to meet the demands of housing required.

In addition, in recent news, investment in residential construction is plummeting. There have been numerous stories in the press about condominium developments going bankrupt and projects getting cancelled due to high interest rates.

Though this news is concerning at a macro level, the multi-family residential market performance remains solid, as demand exceeds supply and is likely to remain that way for the foreseeable future.

Centurion Apartment Real Estate Investment Trust had another positive quarter experiencing continued benefits from multi-year rental highs, while vacancy and turnover are low. Total assets increased to \$6.4 billion from \$5.7 billion as at December 31, 2022; a 7.6% increase. The Trust's same-store metrics continue to be positive. Total same-store Operating Revenues and Net Operating Income ("NOI") grew by 7.69% and 10.74% respectively, in addition, the NOI margin increased by 1.79%.

Occupancy continues to remain high throughout our entire portfolio. Overall Portfolio Occupancy was at 95.0%, while the Stabilized Property Occupancy was at 98.9% during the quarter. The Gap to Market remains strong.

During the quarter, the Trust completed two acquisitions representing 283 rental units added to our portfolio.

	Property	City	Total Rental Units	
1	NOX Phase II	Gatineau, QC	158	Units
2	Credo Apartments	Calgary, AB	125	Units

The lending portfolio continues to be well-diversified with 46 funded investments. Of these 46 investments, 5 are participating and 13 are equity. All of the investments in the lending portfolio are performing well except for two that are in default. We do not anticipate any losses from these two investments.

The trailing 12- month returns for the Class A and Class F units were 7.34% and 8.30%, respectively.

The Trust raised \$110.0 million during the quarter which was good considering the overall market conditions. The Trust's balance sheet and financial position remains strong. Liquidity was \$166.8 million as of September 30th, 2023, and we believe there will be a number of opportunities in the coming months.

GREG ROMUNDT
President, CEO, and Trustee

Q3 2023: 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, 2023, 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, 2023. 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.



NOX, Quebec



Credo, Alberta



Knox Village, British Columbia

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 five classes of units, the Class “A” Units, Class “F” Units, Class “I” Units, Class “M” 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			
<i>Expressed in Thousands of Canadian Dollars</i>			
For the period ended		September 30, 2023	September 30, 2022
Property Operating Revenue, per IFRS	\$	230,540	\$ 178,822
Property Operating Revenue associated with Equity Accounted Investments reclassified as Investment Properties		28,563	22,060
Property Operating Revenue, per Management		259,103	200,882
Net Operating Income, per IFRS		147,385	116,227
Net Operating Income associated with Equity Accounted Investments reclassified as Investment Properties		14,700	10,044
Net Operating Income, per Management	\$	162,085	\$ 126,271

Reconciliation of IFRS to Management Reporting - Investment Properties			
<i>Expressed in Thousands of Canadian Dollars</i>			
		September 30, 2023	December 31, 2022
Total Investment Properties, per IFRS	\$	5,633,261	\$ 5,106,772
Add: Equity Accounted Investments reclassified as Investment Properties and presented at proportionate ownership		528,190	547,693
Add: Other Investments reclassified as Investment Properties		50,592	—
Investment Properties, per Management	\$	6,212,043	\$ 5,654,465

NON-IFRS MEASURES RECONCILIATION



Reconciliation of IFRS to Management Reporting - Mortgage Payable

Expressed in Thousands of Canadian Dollars

	September 30, 2023	December 31, 2022
Total Mortgage Payable and Credit Lines, per IFRS	\$ 2,937,944	\$ 2,612,857
Add: Equity Accounted Investments reclassified as Investment Properties and presented at proportionate ownership	358,009	358,065
Add: Other Investments reclassified as Investment Properties	37,370	—
Mortgage Payables and Credit Lines, per Management	\$ 3,333,323	\$ 2,970,922

Reconciliation of IFRS to Management Reporting - Lending Portfolio

Expressed in Thousands of Canadian Dollars

	September 30, 2023	December 31, 2022
Total Mortgage Investments, per IFRS	\$ 201,287	\$ 120,599
Add: Allowance for ECL	1,113	997
Add: Mortgage Investments syndicated with CFIT	1,138	1,138
Add: Participating Loan Interests reclassified as Mortgage Investments	5,630	6,282
Total Gross Mortgage Investments, per Management	209,168	129,016
Total Participating Loan Interests, per IFRS	39,389	37,387
Less: Participating Loan Interests reclassified as Mortgage Investments	(5,630)	(6,282)
Add: Participating Investments syndicated with CFIT	2,212	2,435
Total Participating Loan Interests, per Management	35,971	33,540
Total Equity Accounted Investments, per IFRS	367,823	311,312
Less: Equity Accounted Investments classified as Investment Properties	(221,393)	(210,301)
Equity Accounted Investments, per Management Reporting	146,430	101,011

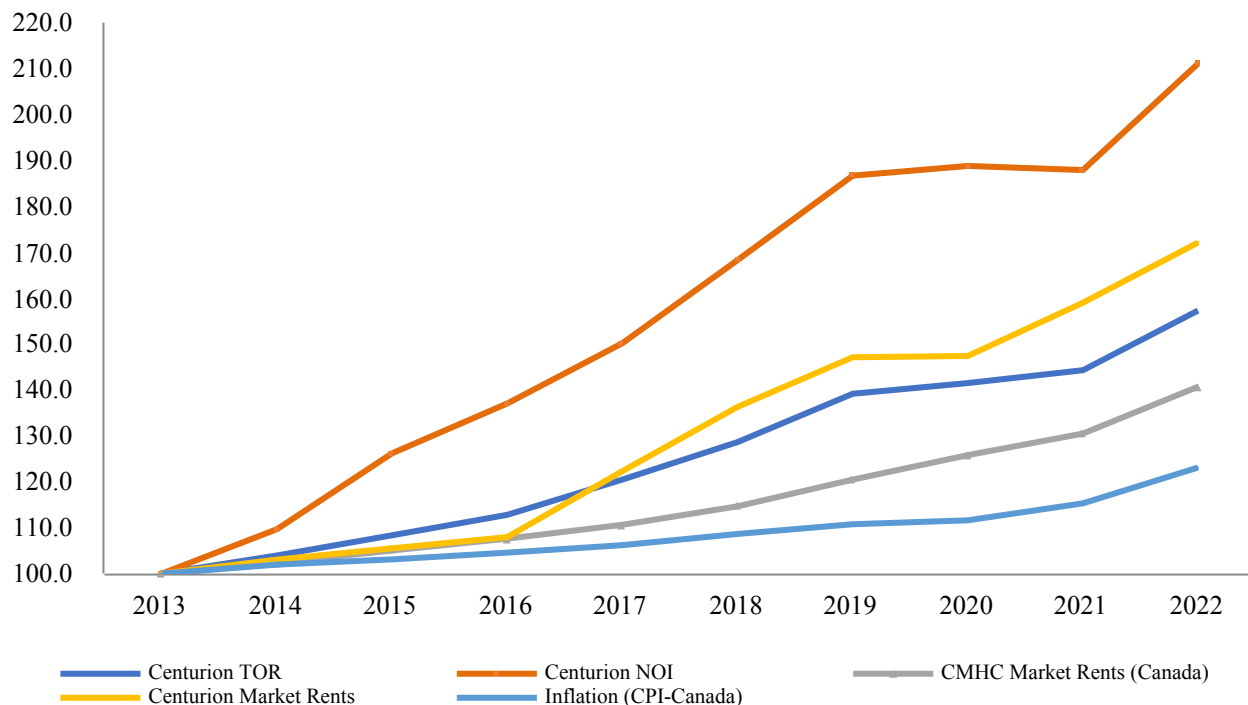
Management reporting of investments is an alternative reporting method used to present the composition of investments held by the Trust in alignment with the business. Specifically, Management believes this method better reflects the underlying nature of the risk profile and expected returns of these 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

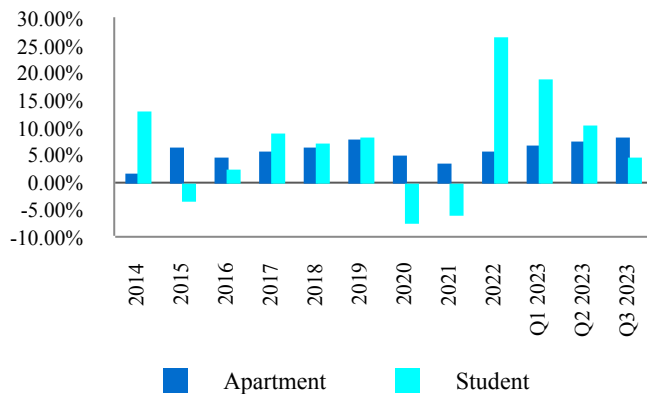


Centurion Performance vs. Inflation and Market Rents (1)



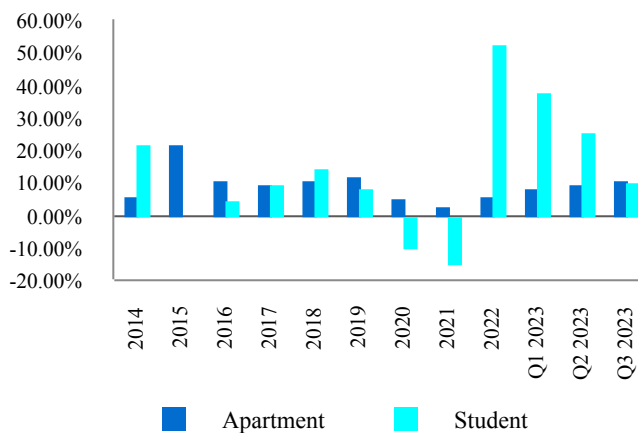
⁽¹⁾ The REIT has grown its Same Store NOI, Total Operating Revenues and Market rents significantly faster than market averages and inflation benchmarks.

Same Store Operating Revenues Growth Rate (2)

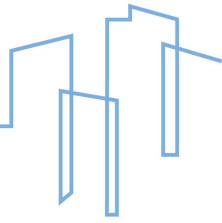


⁽²⁾ Q3 2023 same store Canadian Apartment and Student Rents increased by 8.4% and 4.6% over the same period last year, respectively.

Same Store NOI Growth Rate (3)



⁽³⁾ Q3 2023 same store Canadian Apartment and Student NOI increased by 10.9% and 10.1% over the same period last year, respectively.



2023 PROPERTY ACQUISITIONS:



Axcès Ste-Thérèse

Location: Sainte-Thérèse, QC
Address: 301 Claude-Dagenais
Type of Building: Apartment (elevator)
Number of Suites: 84
(55 one-bdrm, 24 two-bdrm and 5 three-bdrm)



NOX - Phase I

Location: Gatineau, QC
Address: 350-380 Boulevard de l'Amérique-Française
Type of Building: Apartment (elevator)
Number of Suites: 277
(7 bachelor, 210 one-bdrm and 60 two-bdrm)



Evolution

Location: Laval, QC
Address: 1355 Le Corbusier Boulevard
Type of Building: Apartment (elevator)
Number of Suites: 240
(10 bachelor, 160 one-bdrm, 62 two-bdrm and 8 three-bdrm)



Toronto Metropolitan University

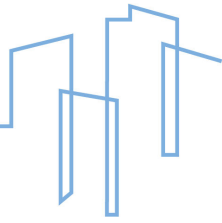
Location: Toronto, ON
Address: 288 Church Street
Type of Building: Student Housing
Number of Suites: 100 (10 one-bdrm, 19 two-bdrm and 71 four-bdrm)
Number of Rental Units: 332



Knox Village

Location: Kelowna, BC
Address: 1450 Cara Glen Court
Type of Building: Apartment (elevator)
Number of Suites: 60 (7 bachelor, 23 one-bdrm, 26 two-bdrm and 4 three-bdrm)

ACQUISITIONS AND DISPOSITIONS



NOX - Phase II

Location: Gatineau, QC

Address: 40-60 Marguerite Maille

Type of Building: Apartment (elevator)

Number of Suites: 158

(4 bachelor, 122 one-bdrm and 32 two-bdrm)



Credo

Location: Calgary, AB

Address: 1820 26 Ave SW

Type of Building: Apartment (elevator)

Number of Suites: 125

(17 bachelor, 74 one-bdrm and 34 two-bdrm)

ACQUISITIONS AND DISPOSITIONS



2023 PROPERTY DISPOSITIONS:



Belleville Medical Arts Building*

Location: Belleville, ON

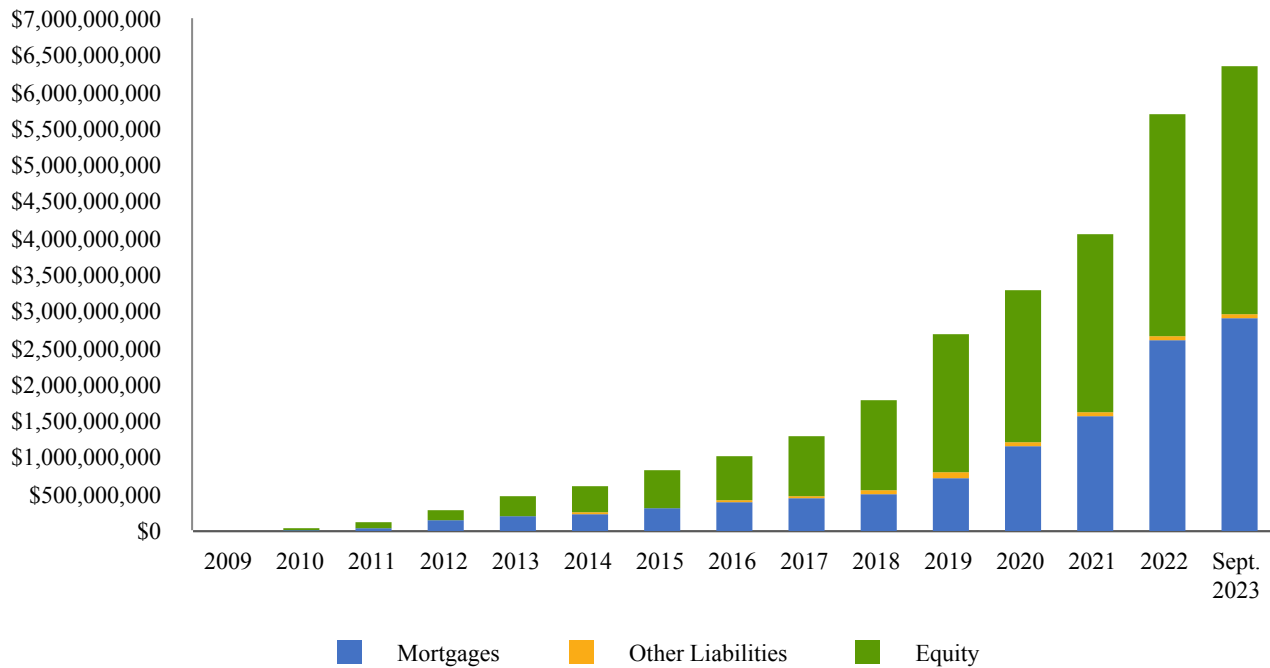
Address: 210 Dundas Street East

Type of Building: Medical Office

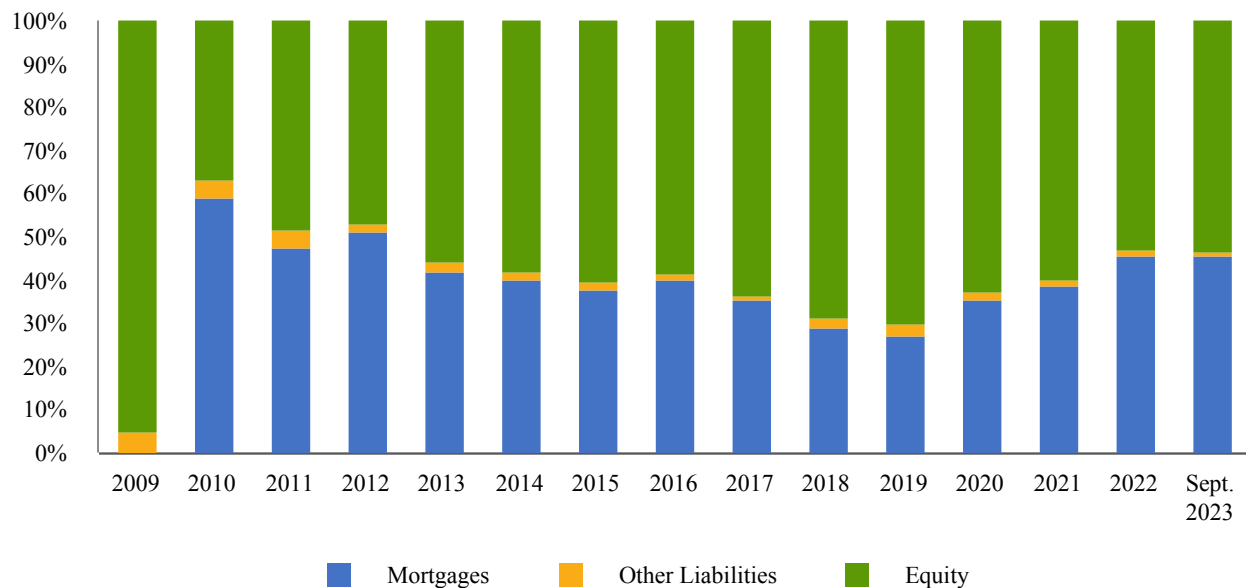
*Centurion owned 75% of this medical building in joint venture with other investors.



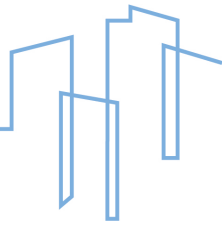
Assets Debt/Equity Mix



Debt/Equity Mix



Q3 2023 OPERATING RESULTS



Since its last fiscal year-end, the total assets of the Trust increased 11.5% from \$5.7 billion as at December 31, 2022, to \$6.4 billion as at September 30, 2023. During the quarter, the total number of buildings and undiluted rental units owned by the Trust increased to 155 and 21,862 respectively (December 31, 2022 - the total number of buildings and undiluted rental units owned were 148 and 20,457).

During the quarter, the Trust completed the acquisition of Phase II of a three-phase, multi-residential apartment portfolio called NOX, located at 40-60 Marguerite Maille in Gatineau, Québec. The NOX portfolio consists of seven newly constructed, mid-rise, multi-residential apartment buildings, developed in three phases. Phase I, totaling 277 units, was acquired in January 2023. Phase II, totaling 158 units, was acquired in July 2023. Phase III, scheduled for completion later this Fall, features one building offering 99 rental units. Each building is 7-storeys high and offers a variety of suite types including studio, one-bedroom, one-bedroom with a den, one-bedroom with a den plus mezzanine, two-bedroom, and two-bedroom plus mezzanine units.

In addition, the Trust acquired a brand new, multi-residential apartment called Credo, located at 1820 26 Ave SW, Calgary, Alberta. The 5-storey building was recently completed in August 2023 and consists of 125 high-end suites offering a mix of studio, one-bedroom, one-bedroom with a den and two-bedroom units.

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

Rental revenue increased by 21.4% in the quarter when compared to the same quarter in the prior year from \$73.8 million to \$89.6 million. This was the result of increasing market rents, the number of acquisitions made in 2022 and 2023, and the continuing stabilization of the properties acquired in 2021 and 2022. The overall portfolio occupancy during the quarter increased from 93.2% to 95.0% in the same quarter last year. As portfolio occupancy continues to increase, the Trust will experience additional future revenues.

Stabilized Canadian Apartment Rents and Stabilized Student Rents increased by 11.7% and 5.5% over the same period last year, respectively driven by significant increases in market rents across the industry.

The Trust's Same Store Metrics were very strong. Total same store twelve month trailing Operating Revenues and NOI grew by 7.7% and 10.7% respectively, in addition to NOI margin increasing by 1.8%. Furthermore, the same store average rent per unit increased by 5.1%. Same store Apartment twelve month trailing Operating Revenues and NOI grew by 8.4% and 10.9%, in addition to NOI margin increasing by 1.45%. Also, same store average rent per unit for Apartment properties increased by 5.6% as compared to the same quarter in the prior year. The same store Student twelve month trailing Operating Revenues and NOI grew by 4.6% and 10.1% respectively. NOI Margin also increased by 3.6%, and the same store average rent per unit for Student properties increased by 3.5% as compared to the same quarter in the prior year.

For the three and nine months ended September 30, 2023, NOI increased by 20.8% and 28.4% to \$56.6 million and \$162.1 million as compared to the same period in the prior year (three and nine months ended September 30, 2022: \$46.9 million and \$126.3 million).

The Trust recognized fair market value gains on Investment properties, Participating loan interests and Equity accounts investments of \$54.4 million for the three months ended September 30, 2023, (\$123.2 million fair value gains for the three months ended September 30, 2022). This quarter's fair value gains were driven by updated market rents, rent growth and NOI growth outpacing the negative effects of cap rate increases.

On a year to date basis, the Trust recognized fair market value gains on Investment properties, participating loan interests and equity accounts investments of \$114.5 million (September 30, 2022; \$292.0 million fair value gains).

Q3 2023 OPERATING RESULTS



The following table reflects Gap to Market variance analysis since the previous quarter:

CAD + USD REIT (Currency: CAD)*		
Q2 2023 Gap to Market	34,614	100 %
Market rent Growth in Q3	6,520	19 %
Realizations	(6,322)	(18)%
Gap to Market - New Acquisitions	67	— %
Q3 2023 Gap to Market	34,879	101 %

*All numbers are annualized

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 \$22.0 million at December 31, 2022 to \$34.9 million at September 30, 2023. The gap to market figure in percentage terms increased from 5.8% at December 31, 2022 to 8.1% at September 30, 2023. Furthermore, the market rent gap of properties owned for three or more years has a 17% 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 \$16.5 million and \$50.3 million during the three and nine months ended September 30, 2023 (\$12.0 million and \$28.5 million for the three and nine months ended September 30, 2022).

During the quarter, the lending portfolio continued to perform well. Lending fundings of \$170.3 million occurred and repayments during the quarter totaled \$26.1 million. The loan portfolio consisted of net mortgage investments of \$209.2 million (December 31, 2022: \$129.0 million), participating loan interests of \$36.0 million (December 31, 2022: \$33.5 million) and equity account investments of \$146.4 million (December 31, 2022: \$101.0 million).

The lending portfolio continues to be well-diversified with 46 funded investments. Of these 46 investments, 5 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 12.90%, with a term to maturity of 1.04 years. 80% of these investments are in first position and 20% are in second position. The total provision for expected credit losses related to mortgage investments as at September 30, 2023, was \$1.1 million (December 31, 2022: \$1.0 million). This is an allowance against future potential credit-related losses not identified and does not reflect an actual loss incurred.

All of the investments in the lending portfolio are performing well except for two that are in default. We do not anticipate any losses from these two investments. Please see Appendix B for details of the lending portfolio.

The Trust continues to maintain a strong liquidity position of \$166.8 million as at September 30, 2023, consisting of \$21.8 million in cash and cash equivalents and \$145.0 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.

Effective September 1, 2023, Centurion Asset Management Inc. (the "Asset Manager"), has updated the Asset Management Agreement of the Trust. The Trust will be charged a 1.0% per annum asset management fee based on Net Asset Value and bear a carry of 15% based on the units producing a return in excess of a 7.25% hurdle, subject to a full catch-up and high-water mark. Under this updated Asset Management Agreement, the Trust will earn borrower-paid lending fees and the Asset Manager will assume the cost of all asset management staff.

MORTGAGES, DEBT, AND CAPITAL STRUCTURE



The Trust is limited in its Declaration of Trust to a leverage ratio of up to 75%. This is comparable to most of its multi-residential peers and would generally be considered very conservative in the multi-residential space. Leverage is at approximately 46.06% of total assets as at September 30, 2023, up 0.37% from December 31, 2022 (see the table “Ratio of Debt to Gross Book Value” below).

REIT capital (see table “REIT Capital Structure” below) was \$6.3 billion as at September 30, 2023.

Ratio of Debt to GBV <i>(expressed in thousands of Canadian dollars)</i>			REIT Capital Structure <i>(expressed in thousands of Canadian dollars)</i>		
	September 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Total unrestricted assets	\$ 6,377,910	\$ 5,717,936	Mortgages payable and Credit Facilities	\$ 2,937,944	\$ 2,612,857
Mortgages payable and Credit Facilities	\$ 2,937,944	\$ 2,612,857	Net assets attributable to unitholders	\$ 3,389,932	\$ 3,038,080
Ratio of Debt to GBV	46.06 %	45.70 %	Total	6,327,876	5,650,937

The Trust’s debt strategy is to ladder its mortgage maturities across a diverse array of lenders and maturity dates. The mortgage liabilities associated with the property portfolio had a weighted-average interest rate of 3.16%. The weighted-average term-to-maturity is 6.30 years as at September 30, 2023 and 6.13 years as at December 31, 2022. The Trust’s debt schedule, contained in Note 10 of the unaudited condensed consolidated interim financial statements (see Appendix “F”) is summarized below.

Mortgages payable at September 30, 2023 are due as follows:

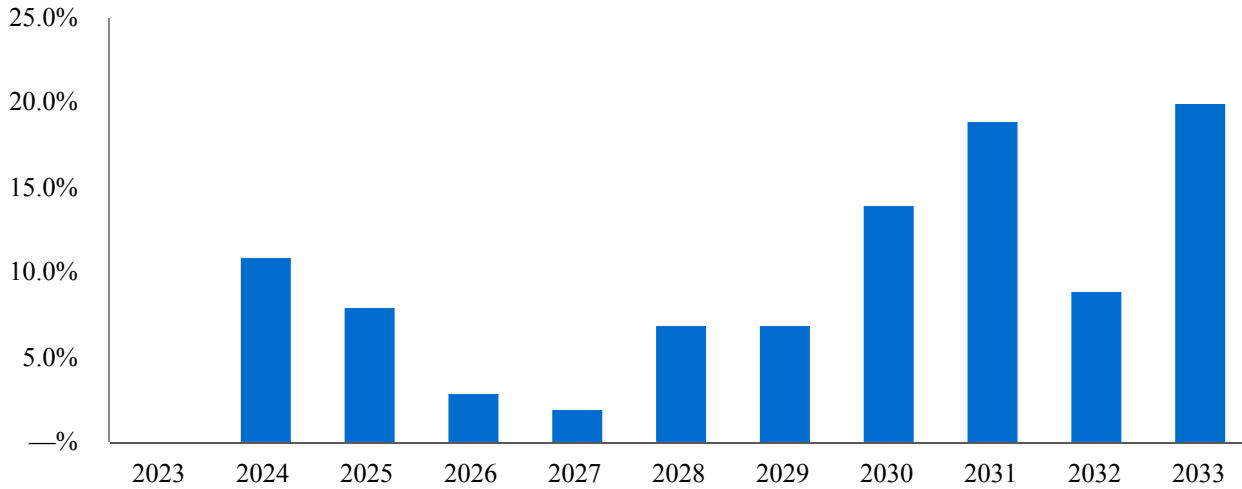
<i>(expressed in thousands of Canadian dollars)</i>	Principal Repayments	Balance due at Maturity	Total
Period ended September 30 2024	\$ 62,620	\$ 291,977	354,597
Period ended September 30 2025	\$ 59,339	\$ 176,932	236,271
Period ended September 30 2026	\$ 57,435	\$ 32,830	90,265
Period ended September 30 2027	\$ 55,829	\$ 101,617	157,446
Period ended September 30 2028	\$ 53,884	\$ 125,779	179,663
Thereafter	\$ 144,736	\$ 1,789,354	1,934,090
	433,843	2,518,489	2,952,332
Less: Unamortized portion of financing fees		\$	(14,388)
Total Mortgage Payable			2,937,944

As of September 30, 2023, 95.8% of the Trust's mortgages have fixed interest rates, while the remaining 4.2% have variable interest rates.

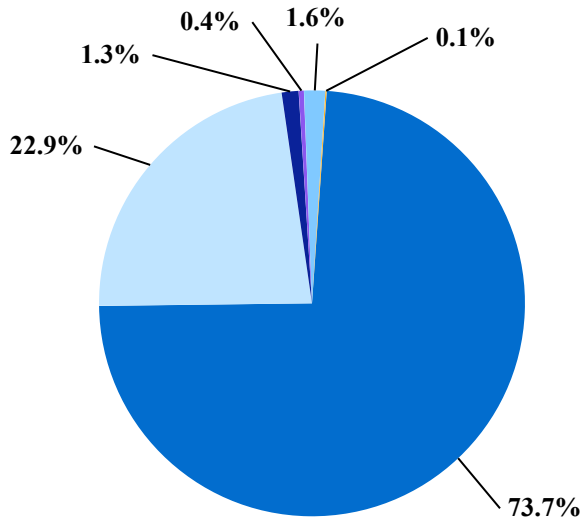
MORTGAGES, DEBT, AND CAPITAL STRUCTURE



Mortgage Balances by Maturity Year

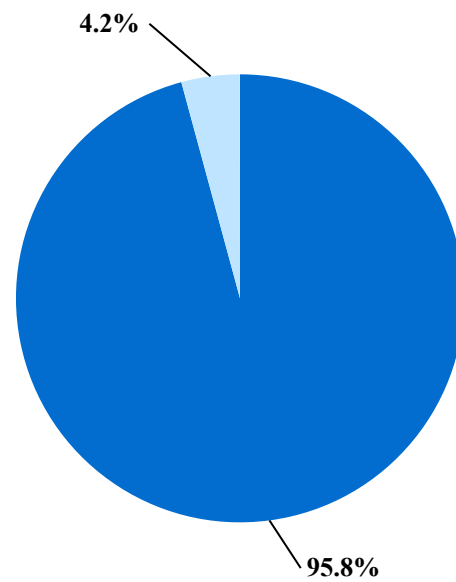


Mortgage Balances by Loan Type



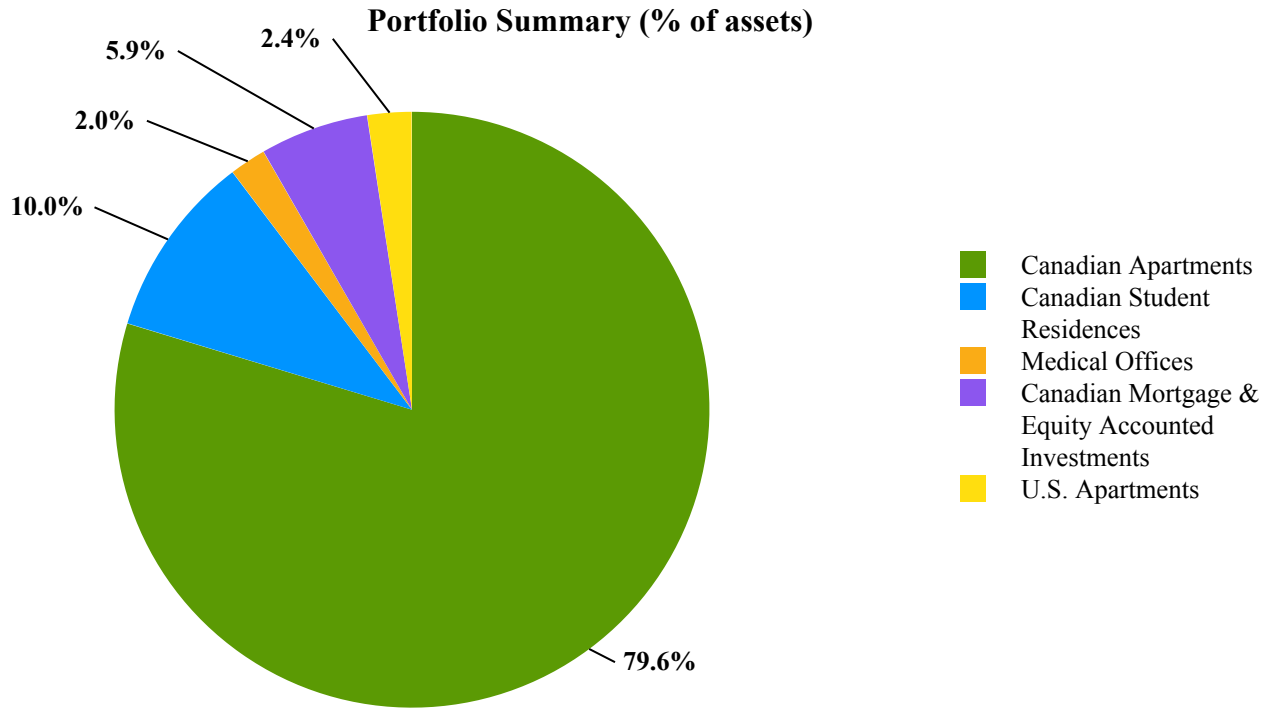
- CMHC
- Conventional
- Construction Loan
- Vendor Take Back Mortgage
- Bridge Loan
- Other

Mortgage Balances by Rate Type

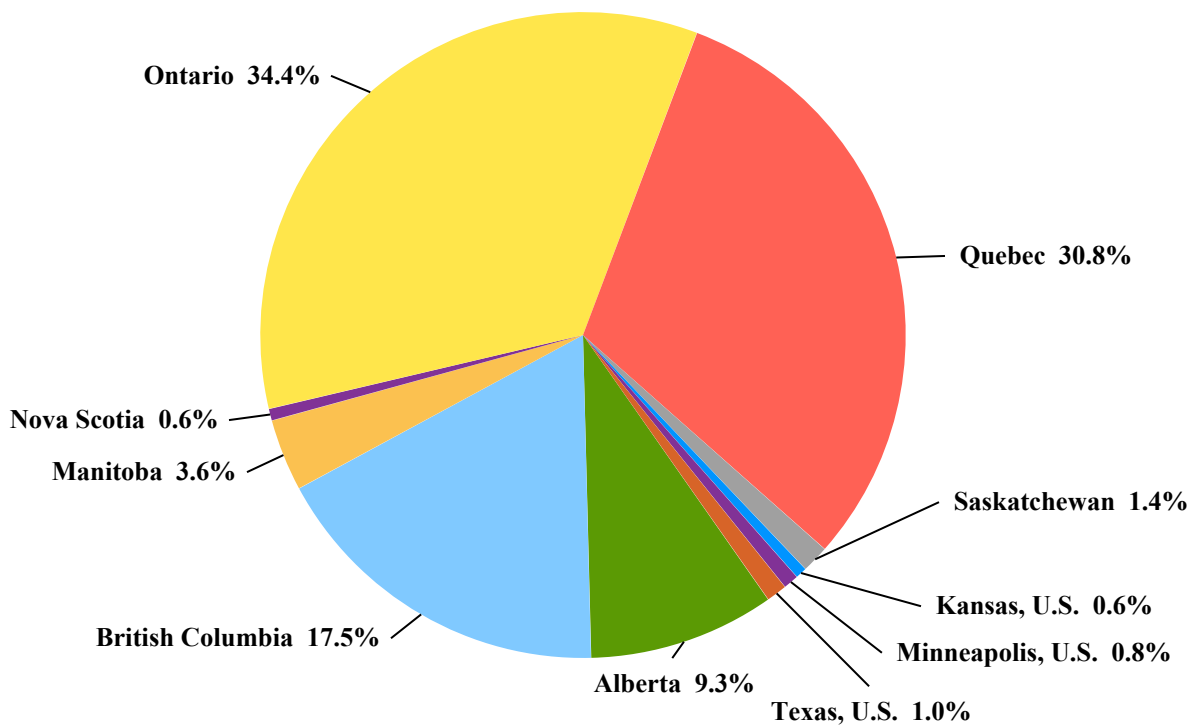


- Fixed
- Float

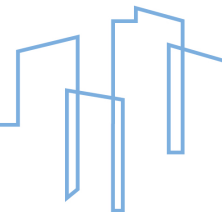
PORTFOLIO SUMMARY



Geographic Exposure by \$ Value of Assets

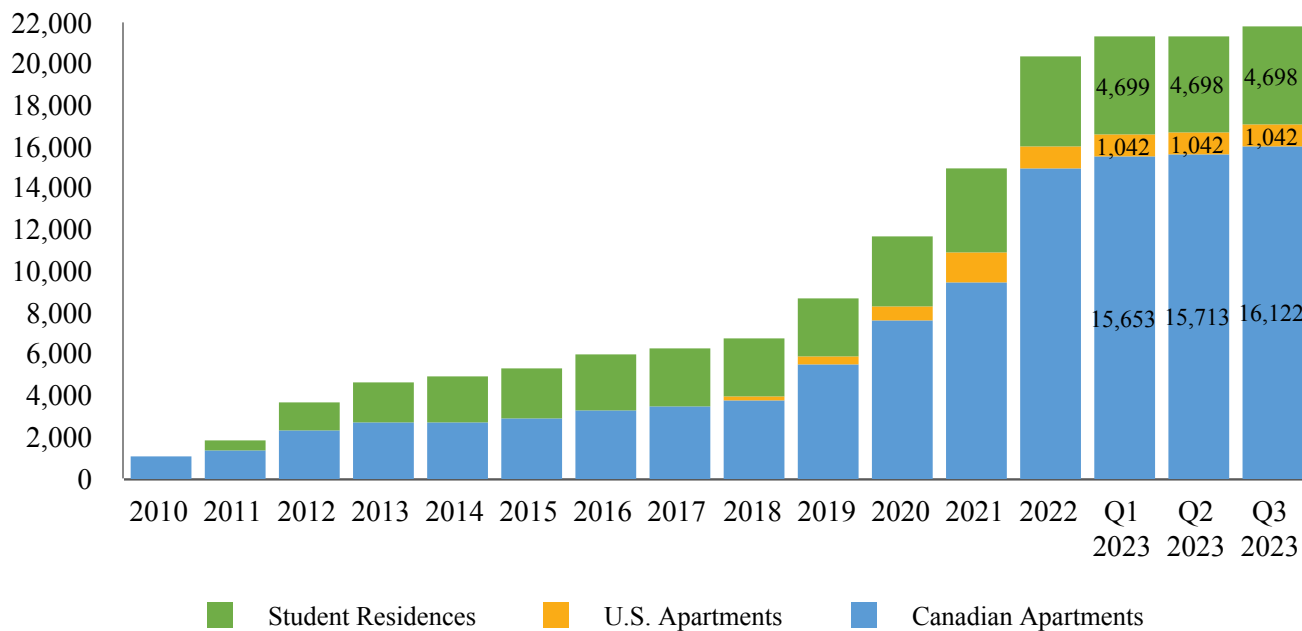


PROPERTY METRICS

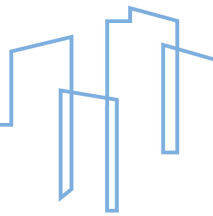


As at September 30, 2023, the Trust owned 155 properties. The charts below provide additional details of the property portfolio:

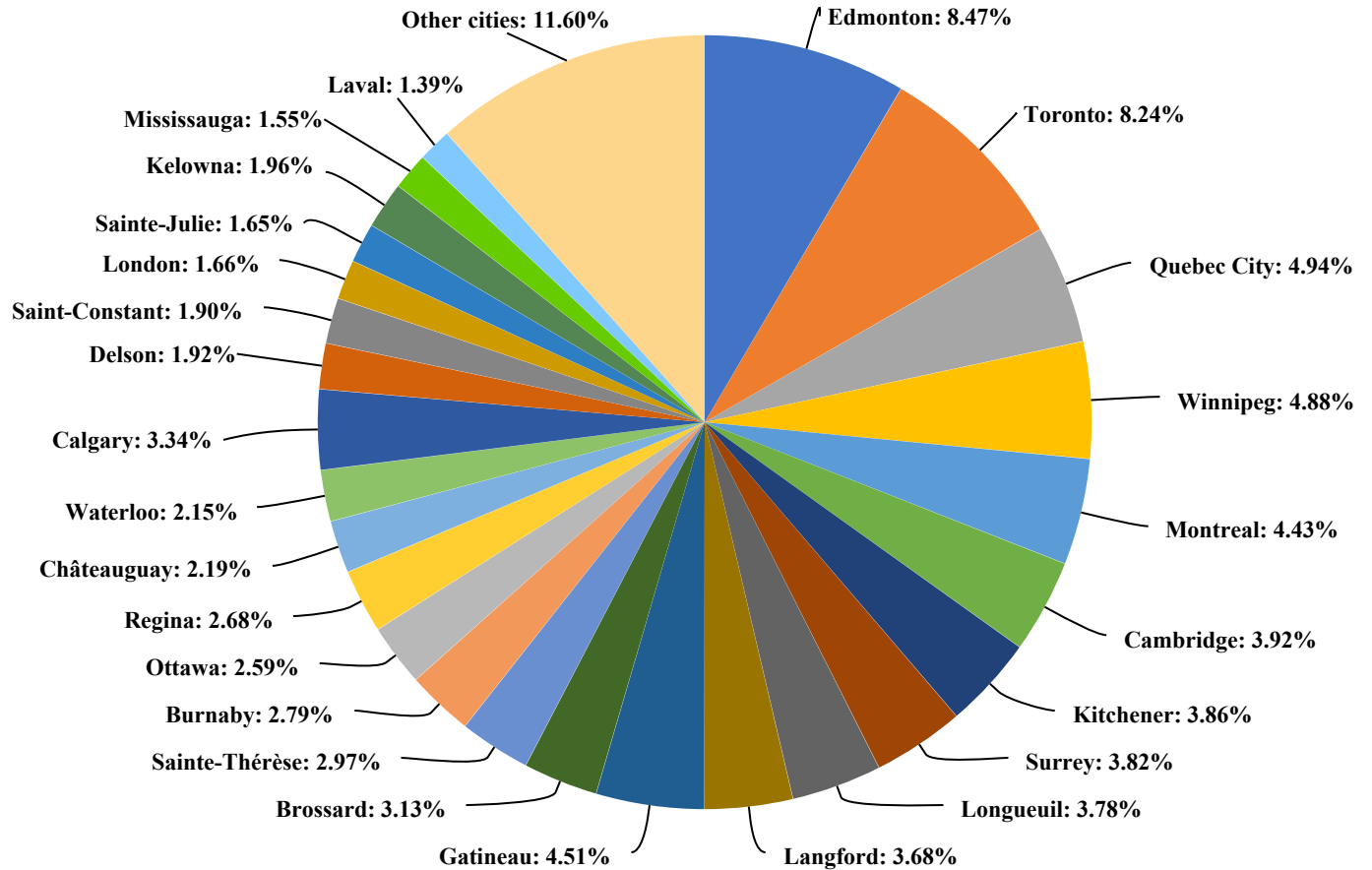
Number of Rental Units (undiluted)



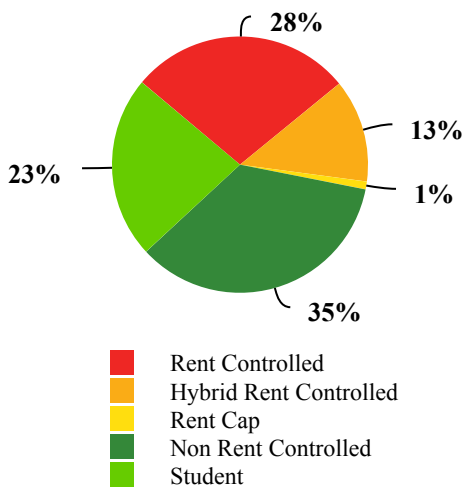
OTHER PROPERTY METRICS



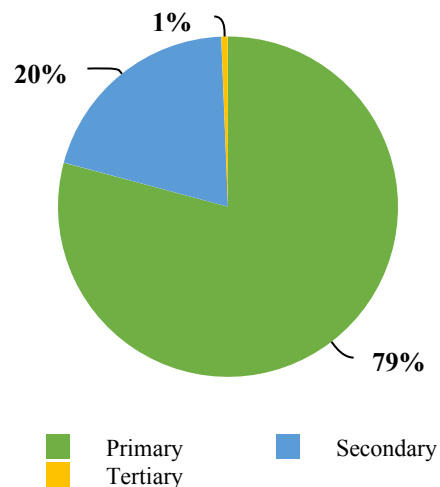
Percentage of Suites by City (diluted)



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, 2023:

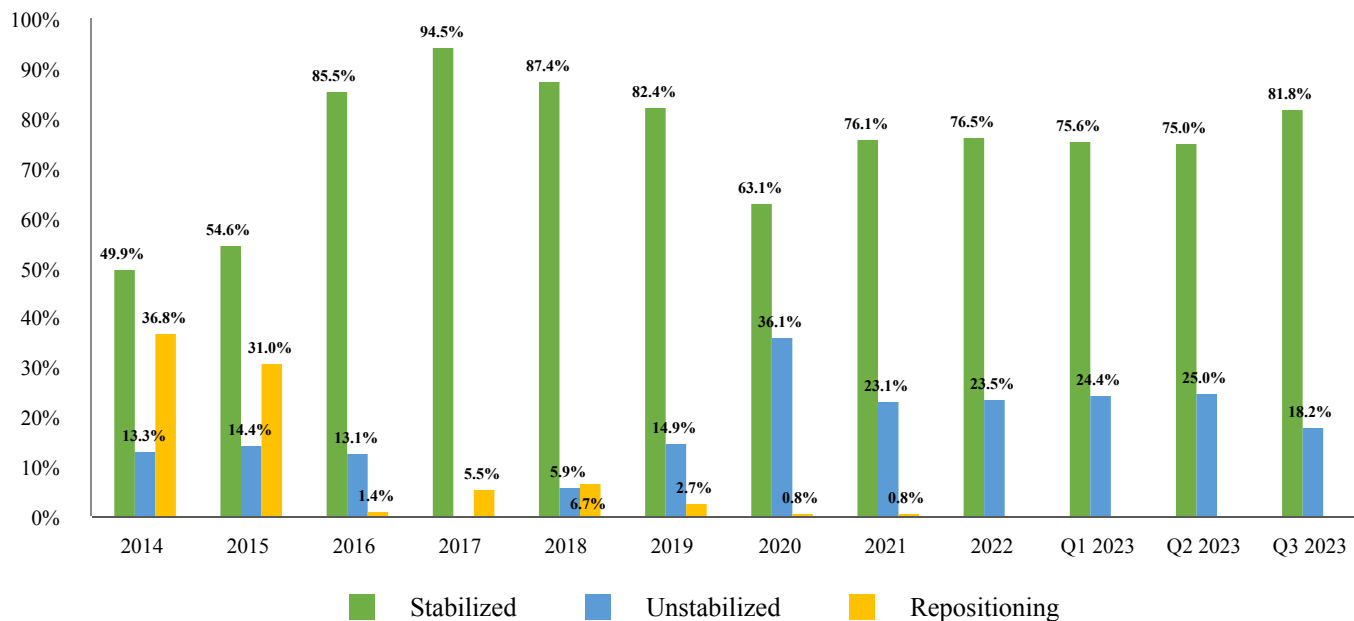
(1) Stabilized

(2) Unstabilized

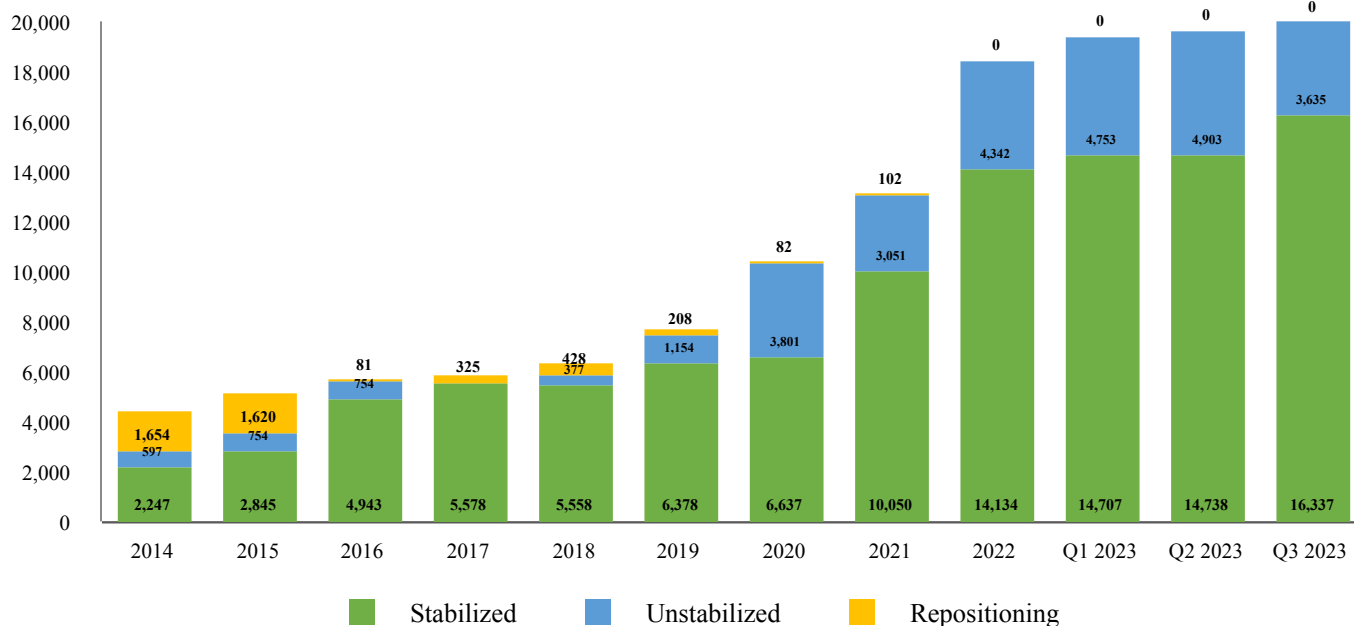
(3) Repositioning

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

Portfolio Stabilization by Percentage (weighted)



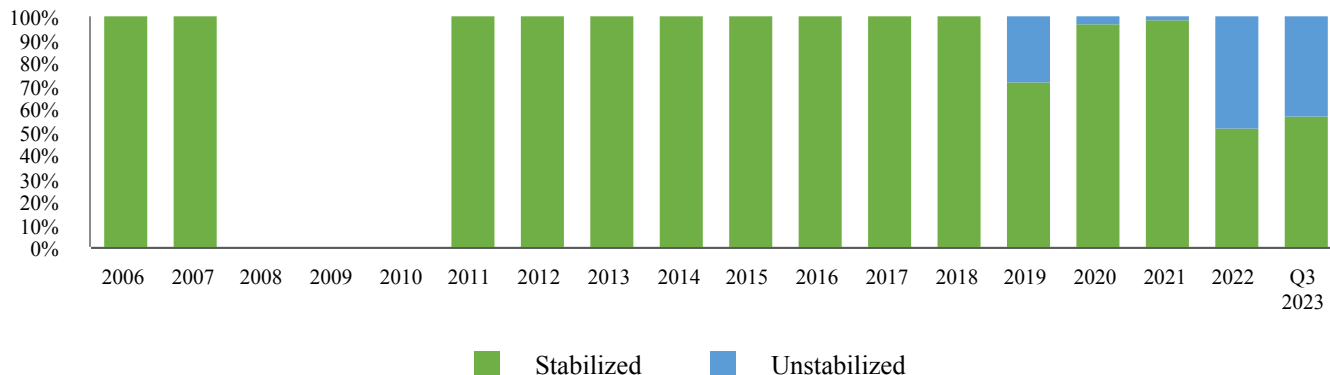
Portfolio Stabilization by Units (Diluted)



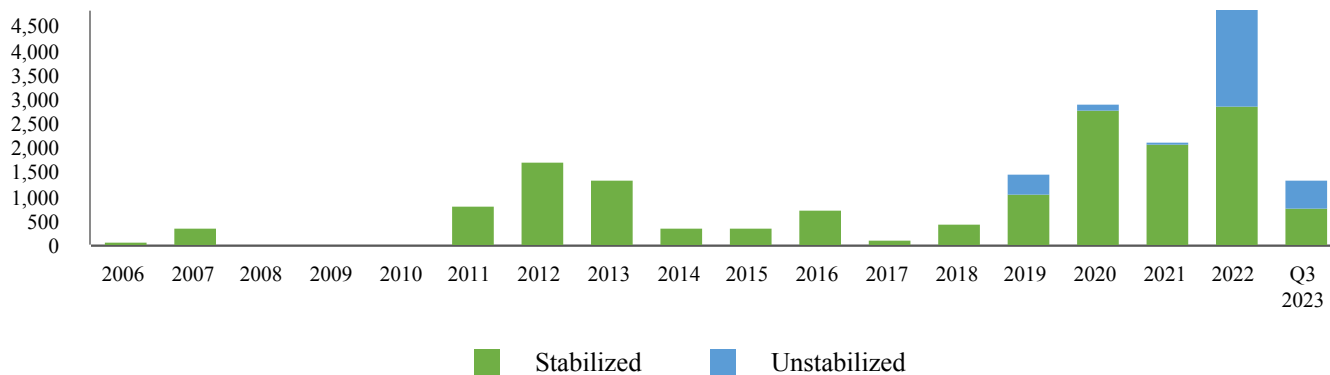
PROPERTY STABILIZATION AND REPOSITIONING PROGRESS



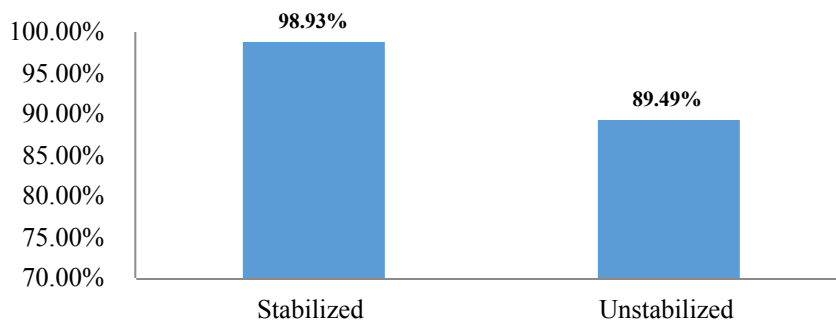
Stabilization by Year of Acquisition (percentage)



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



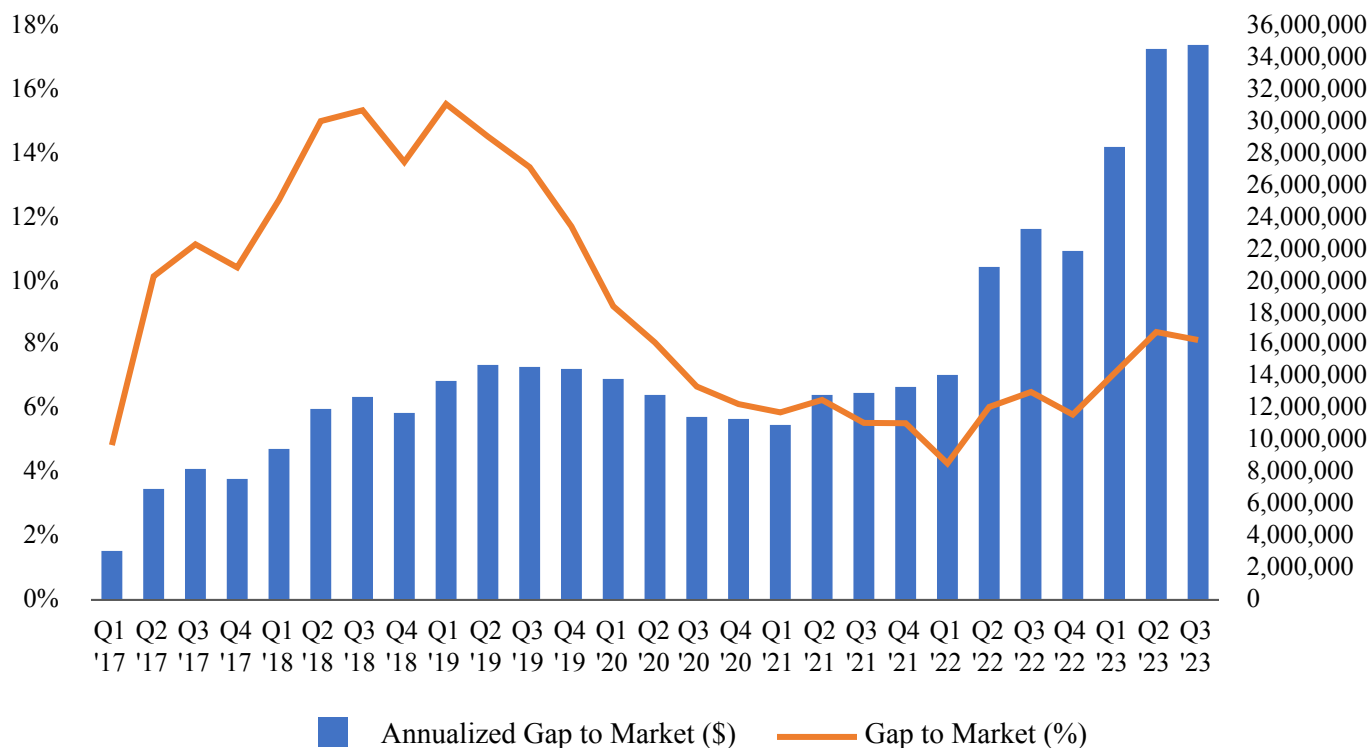
Q3 2023 vs Q3 2022 Renewal and Turnover Analysis

By Stabilization - Canadian Apartments			
Status	Market Rent Increase (Decrease)	Renewals	New Tenants (Including Unit Transfers)
Stabilized	8.03 %	3.87 %	11.72 %
Repositioning	— %	— %	— %
Unstabilized	3.09 %	3.15 %	4.55 %

By Stabilization - Student			
Status	Market Rent Increase (Decrease)	Renewals	New Tenants (Including Unit Transfers)
Stabilized	16.17 %	0.08 %	5.46 %
Repositioning	— %	— %	— %
Unstabilized	— %	— %	— %

By Stabilization - US Apartments			
Status	Market Rent Increase	Renewals	New Tenants (Including Unit Transfers)
Stabilized	6.23 %	4.91 %	6.79 %
Repositioning	— %	— %	— %
Unstabilized	(2.53)%	(3.32)%	(0.15)%

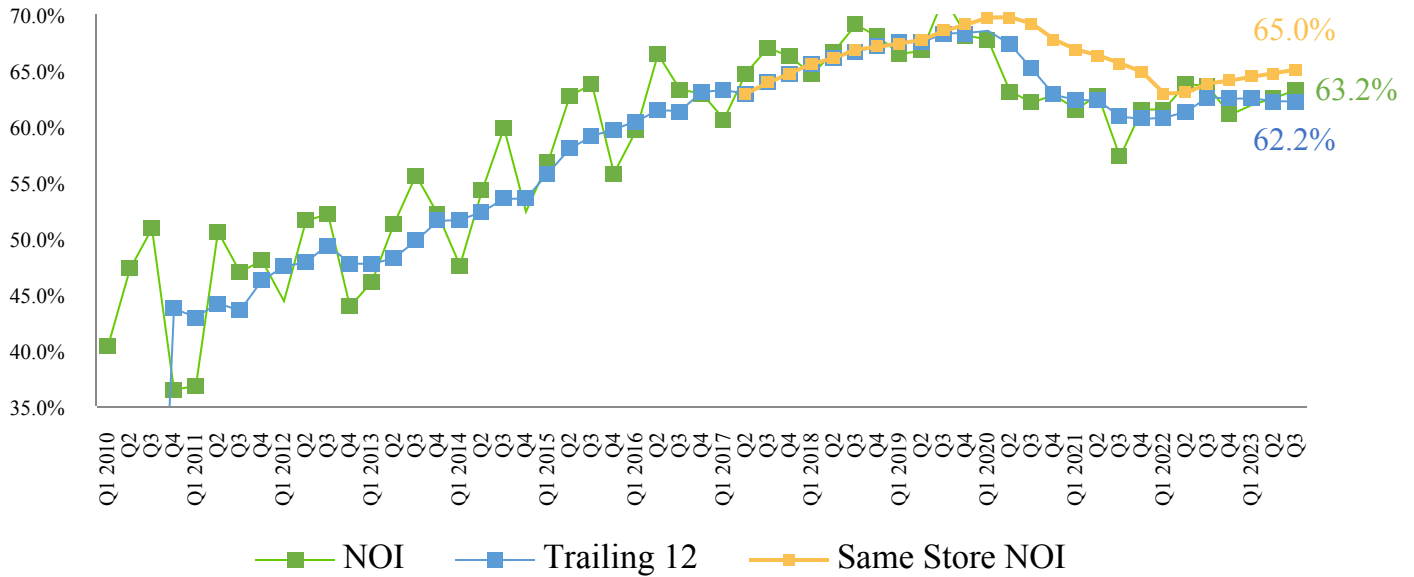
Gap to Market



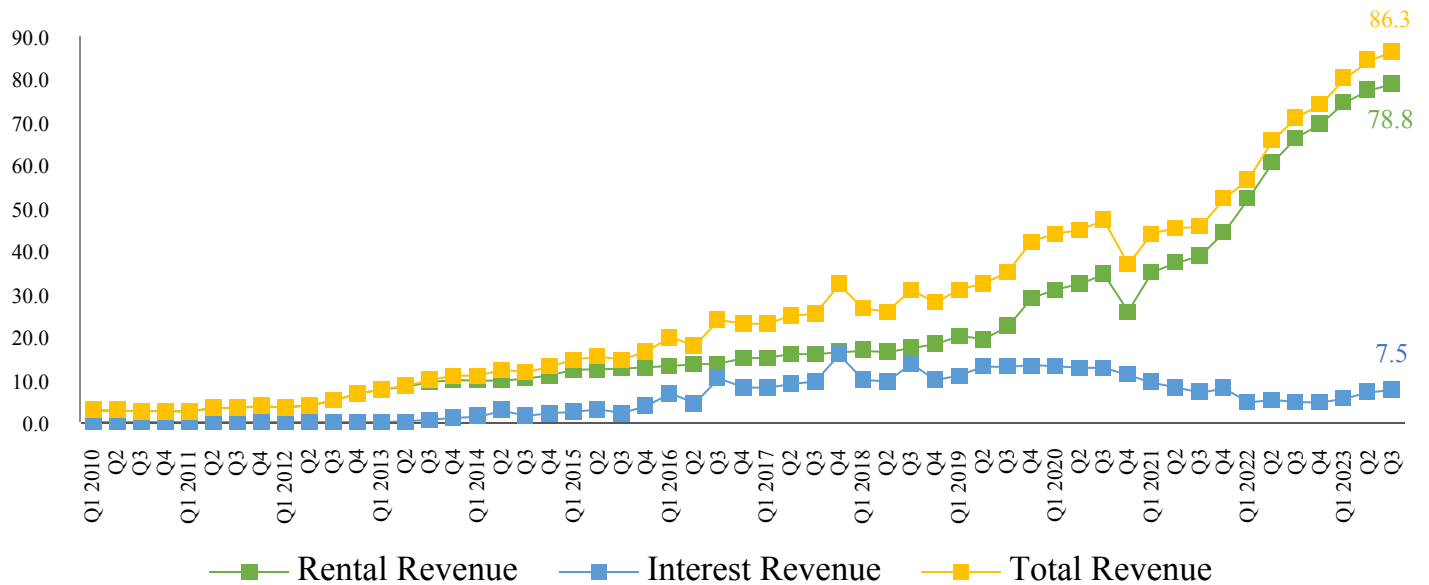
NOI AND REVENUE GROWTH



Quarterly NOI Growth Trend



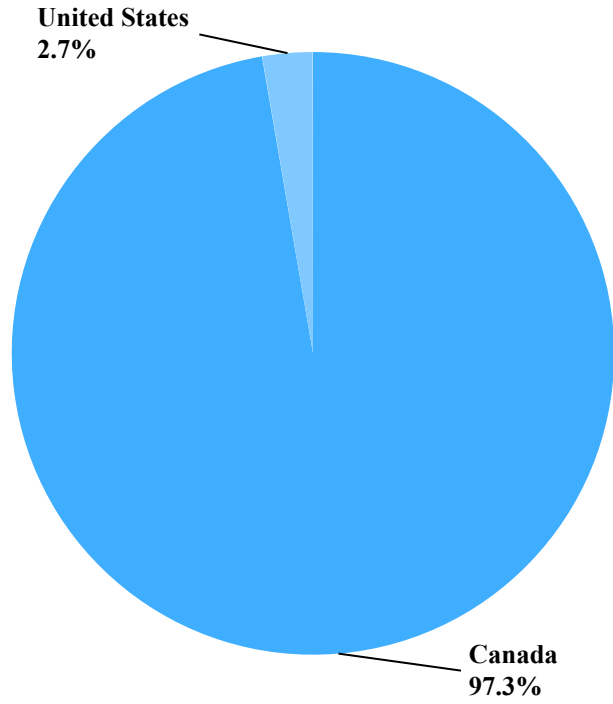
Quarterly Revenue Growth (in millions)



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 2023	Q3 2022	Change	Q3 2023	Q3 2022	Change
Income						
Total Operating Revenue	\$170,071	\$156,919	8.38%	\$36,079	\$34,501	4.57%
Total NOI	\$108,059	\$97,429	10.91%	\$25,996	\$23,623	10.05%
NOI Ratio	63.54%	62.09%	1.45%	72.05%	68.47%	3.58%
Average Rent/unit as per End of Period Rent Roll	\$1,582	\$1,498	5.61 %	\$841	\$812	3.53%
Expense Ratio (%)						
Taxes	11.02%	11.50%	(0.48)%	9.40%	9.62%	(0.22)%
R&M	5.54%	6.48%	(0.94)%	6.65%	5.70%	0.94%
Wages	4.62%	4.50%	0.13%	0.87%	1.32%	(0.45)%
Insurance	2.81%	2.36%	0.46%	1.36%	1.12%	0.24%
Utilities	8.13%	7.55%	0.59%	5.46%	5.18%	0.28%
G&A	3.31%	4.31%	(1.00)%	3.17%	7.09%	(3.92)%
Expense Dollars (\$)						
Taxes	(18,742)	(18,052)	690	(3,391)	(3,318)	73
R&M	(9,421)	(10,166)	(746)	(2,398)	(1,968)	430
Wages	(7,863)	(7,057)	805	(314)	(455)	(141)
Insurance	(4,786)	(3,699)	1,087	(490)	(386)	104
Utilities	(13,834)	(11,843)	1,991	(1,969)	(1,787)	181
G&A	(5,626)	(6,768)	(1,142)	(1,142)	(2,446)	(1,304)

Asset Type	Total - Same Store <i>(expressed in thousands of Canadian dollars)</i>		
	Q3 2023	Q3 2022	Change
Income			
Total Operating Revenue	\$206,149	\$191,420	7.69%
Total NOI	\$134,055	\$121,052	10.74%
NOI Ratio	65.03%	63.24%	1.79%
Average Rent/unit as per End of Period Rent Roll	\$1,365	\$1,299	5.13%
Expense Ratio (%)			
Taxes	10.74%	11.16%	(0.43)%
R&M	5.73%	6.34%	(0.61)%
Wages	3.97%	3.92%	0.04 %
Insurance	2.56%	2.13%	0.43 %
Utilities	7.67%	7.12%	0.54 %
G&A	3.28%	4.81%	(1.53)%
Expense Dollars (\$)			
Taxes	(22,133)	(21,370)	764
R&M	(11,818)	(12,134)	(316)
Wages	(8,177)	(7,513)	665
Insurance	(5,276)	(4,085)	1,191
Utilities	(15,802)	(13,630)	2,172
G&A	(6,769)	(9,214)	(2,446)

¹ Same store analysis includes the results for all properties that were owned throughout the period from September 30, 2022 to September 30, 2023.

“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>	2023	2022	2023	2022	2023	2022
FFO (Funds From Operations)						
Net Income and Comprehensive Income	\$132,662	\$375,661	\$75,888	\$145,296	\$185,924	349,703
Less: FV losses (gains)	(55,595)	(311,230)	(52,551)	(120,369)	(114,475)	(288,049)
Less: Minority Interest ⁽¹⁾	424	(2,009)	191	(246)	207	(777)
Less: Recovery of (Allowance of) expected credit losses	686	(671)	200	126	117	113
Plus: Realized gains on sale of Investment Properties	15,205	52,582	—	—	649	25,162
Plus: Equity Accounted Investments Preferred Returns and Operational Net Income	16,844	9,919	6,197	2,732	12,504	7,567
Plus: Amortizations	4,973	7,256	1,546	3,549	3,454	6,191
Plus: Trailer fees	21,792	—	3,249	—	10,323	—
Plus: Capital raising costs expensed through G&A	2,338	2,383	1,053	291	1,842	1,249
Plus: Deferred income tax recovery	(10,533)	(2,244)	(1,308)	1,074	(7,296)	(3,740)
FFO	\$128,796	\$131,647	\$34,464	\$32,453	\$93,248	\$97,419
NFFO (Normalized Funds From Operations)						
FFO	128,796	131,647	34,464	32,453	93,248	97,419
Plus: Unlevered cash	7,177	15,819	688	5,147	3,076	8,957
Plus: Gap to market rents	30,653	21,183	8,852	7,024	26,159	17,477
Plus: One-time non-recurring expenses	2,062	540	620	186	1,855	471
Plus: Vacancy and Stabilization	36,438	34,223	9,476	7,970	28,480	23,415
Less: Non-recurring realized gains on sale of Investment Properties	(15,205)	(52,582)	—	—	(649)	(25,162)
NFFO	\$189,921	\$150,830	\$54,101	\$52,781	\$152,169	\$122,577
Average Number of Outstanding Units	158,362,348	138,447,440	165,714,398	148,071,728	160,635,110	142,109,379
Per Unit Statistics (Per Adjusted Number of Outstanding Units)						
Net Income and Comprehensive Income	0.84	2.71	0.46	0.98	1.16	2.46
FFO	0.81	0.95	0.21	0.22	0.58	0.69
NFFO	1.20	1.09	0.33	0.36	0.95	0.86

Notes:

¹ Represents the Non-Controlling Interest

Net income and comprehensive income decreased from \$0.98/unit Q3 2022 to 0.46/unit in Q3 2023. This was primarily a result of higher fair value gains recognized in Q3 2022 as compared to Q3 2023 due to capitalization rates previously decreasing between periods of 2018 - 2021, increasing again in 2023.

“FFO” AND “NFFO”

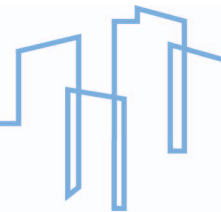
Funds From Operations and Normalized Funds From Operations



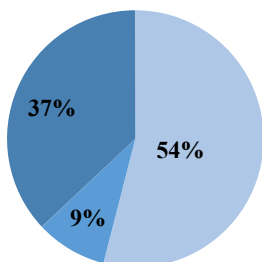
For the nine months ending September 30, 2023, FFO decreased to \$0.58/unit from \$0.69/unit in the same period in prior year due to the sale of two US Investment Properties in 2022 that realized significant gains on these transactions. Excluding the sale of these US Investment Properties the FFO would have increased by 13.8% over the same period in prior year. For the nine months ending September 30, 2023, NFFO increased by 10.4% to \$0.95/unit from \$0.86/unit.

The acquisitions from 2022 & 2023 have not been fully realized within the Net Income, FFO and NFFO figures. This is due to the time it takes to acquire, lease-up and stabilize newly acquired properties. These newer properties initially generate lower FFO due to the up front costs associated with lease up, rent concessions, hiring of site staff and overall stabilization of the buildings. However, in the long term these newer and more modern properties generate higher rents, attract stronger residents, require much less ongoing maintenance and capital spending, and serve to further strengthen and diversify our overall portfolio.

LENDING PORTFOLIO STRATEGY

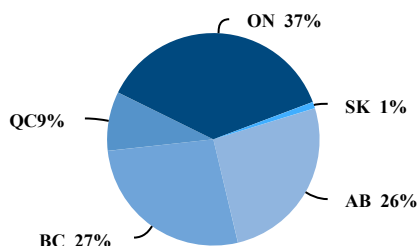


BY PARTICIPATION

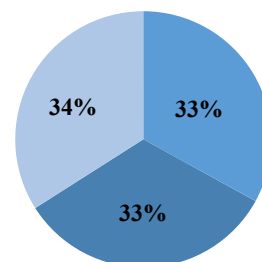


- Mortgage Investment
- Participating Loan Interests
- Equity Accounted Investments

BY PROVINCE/ STATE

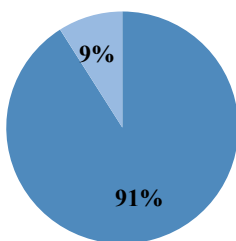


BY PURCHASE OPTIONS



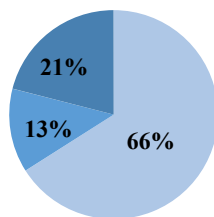
- With
- Without
- Equity Accounted Investments

BY LOAN TYPE



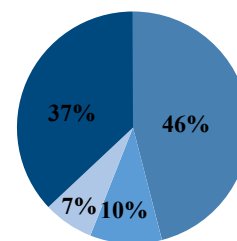
- Commercial/Industrial
- Residential

BY DEVELOPMENT STAGE



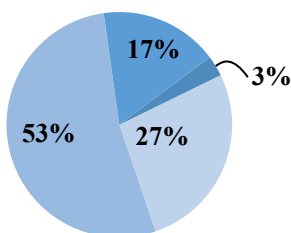
- Construction
- Pre-Construction
- Term

BY RANK



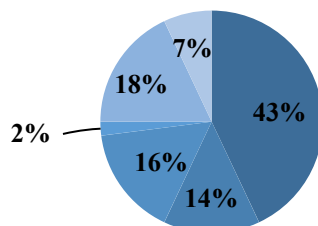
- 1st
- 2nd
- 3rd
- Equity Accounted Investment

BY MATURITY



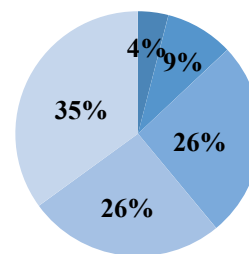
- 2023
- 2024
- 2025
- 2026

BY UNDERLYING SECURITY



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

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.

TOTAL RETURNS

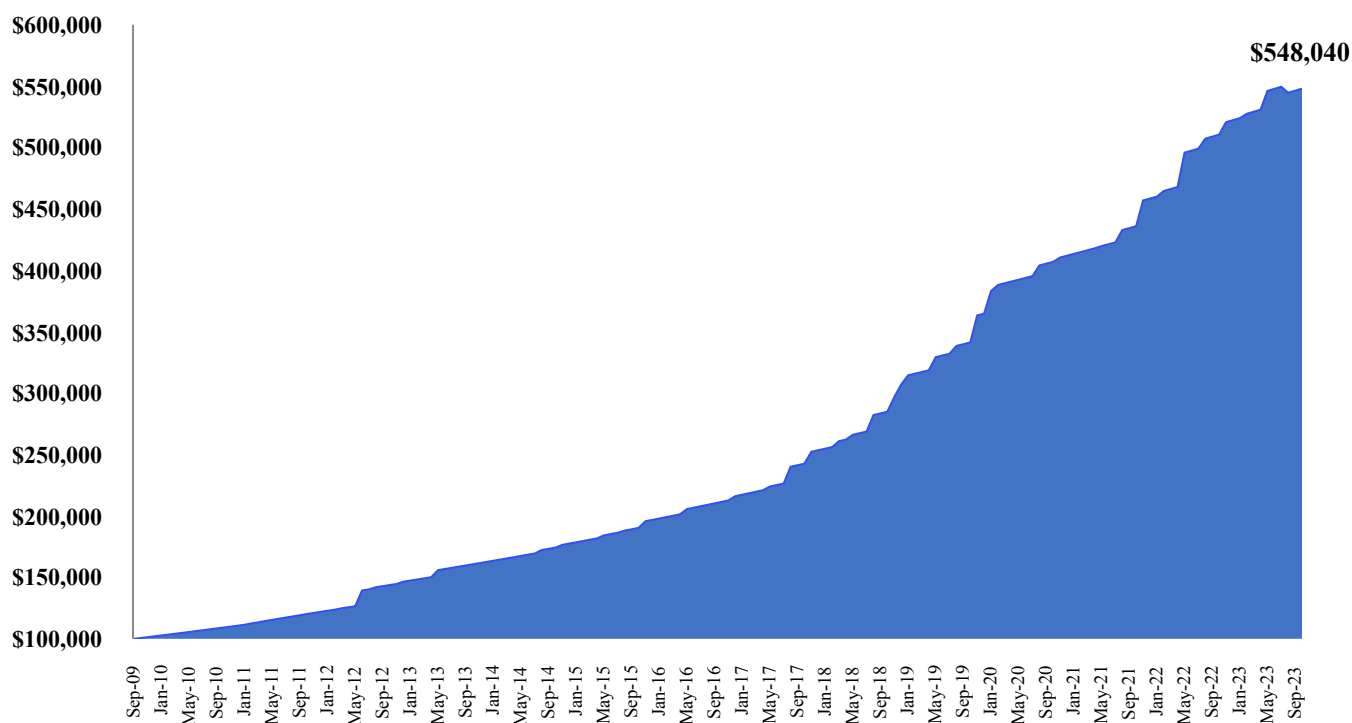


REIT Returns for Class A Units (excluding history of CAPLP)

Calendar Returns	2009 ¹	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD 2023
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%	13.89%	4.59%

Compound Returns	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	10-Year	Since Inception
Centurion CAPLP/REIT TR	7.34%	12.12%	10.43%	12.57%	13.98%	14.55%	14.57%	14.14%	13.57%	13.05%	12.84%

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

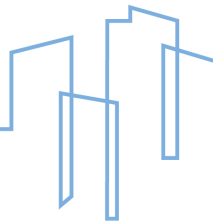


Notes:

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

²Class "A" Units

TOTAL RETURNS

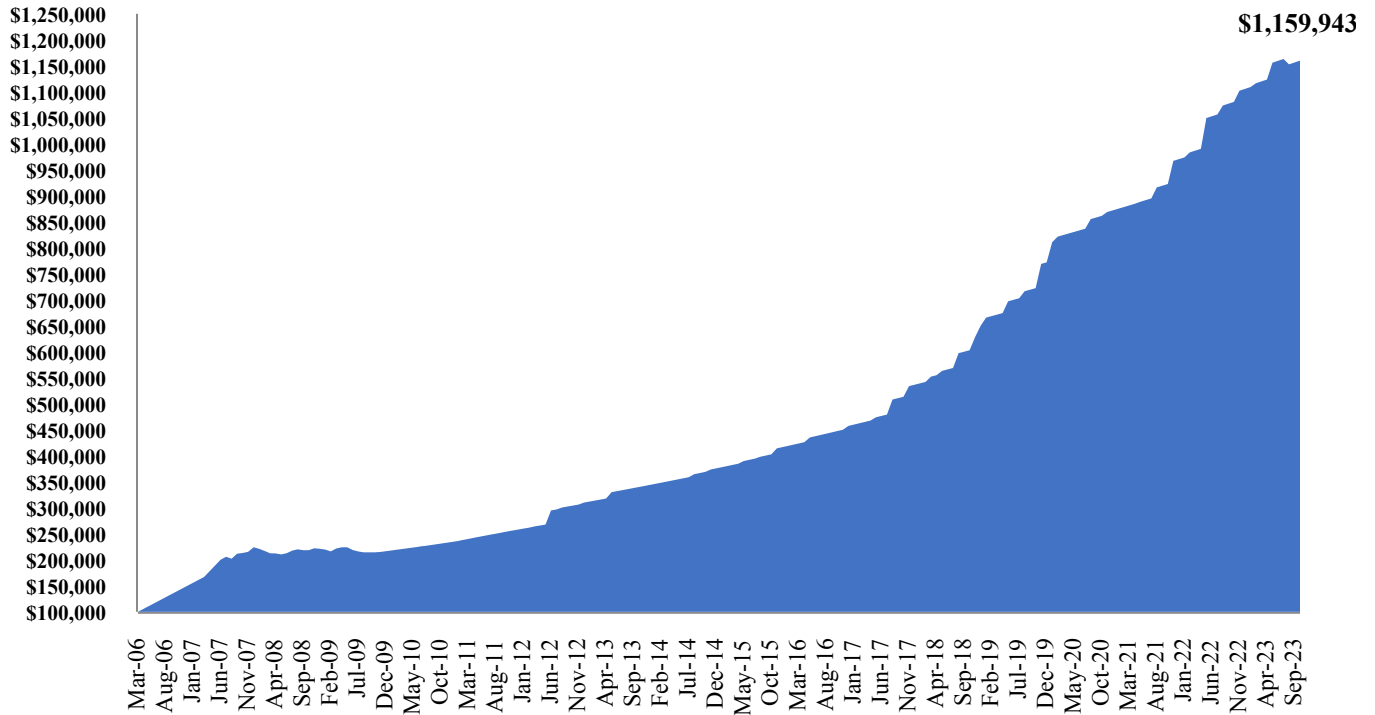


REIT Returns for Class A Units (including history of CAPLP)

Calendar Returns	2006 ¹	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD 2023
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%	13.89%	4.59%

Compound Returns	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	10-Year	Since Inception
Centurion CAPLP/REIT TR	7.34%	12.12%	10.43%	12.57%	13.98%	14.55%	14.57%	14.14%	13.57%	13.05%	14.96%

CAPLP Growth of \$100,000 Invested



Notes:

¹For partial year from Mar 06 to 31 Dec 09

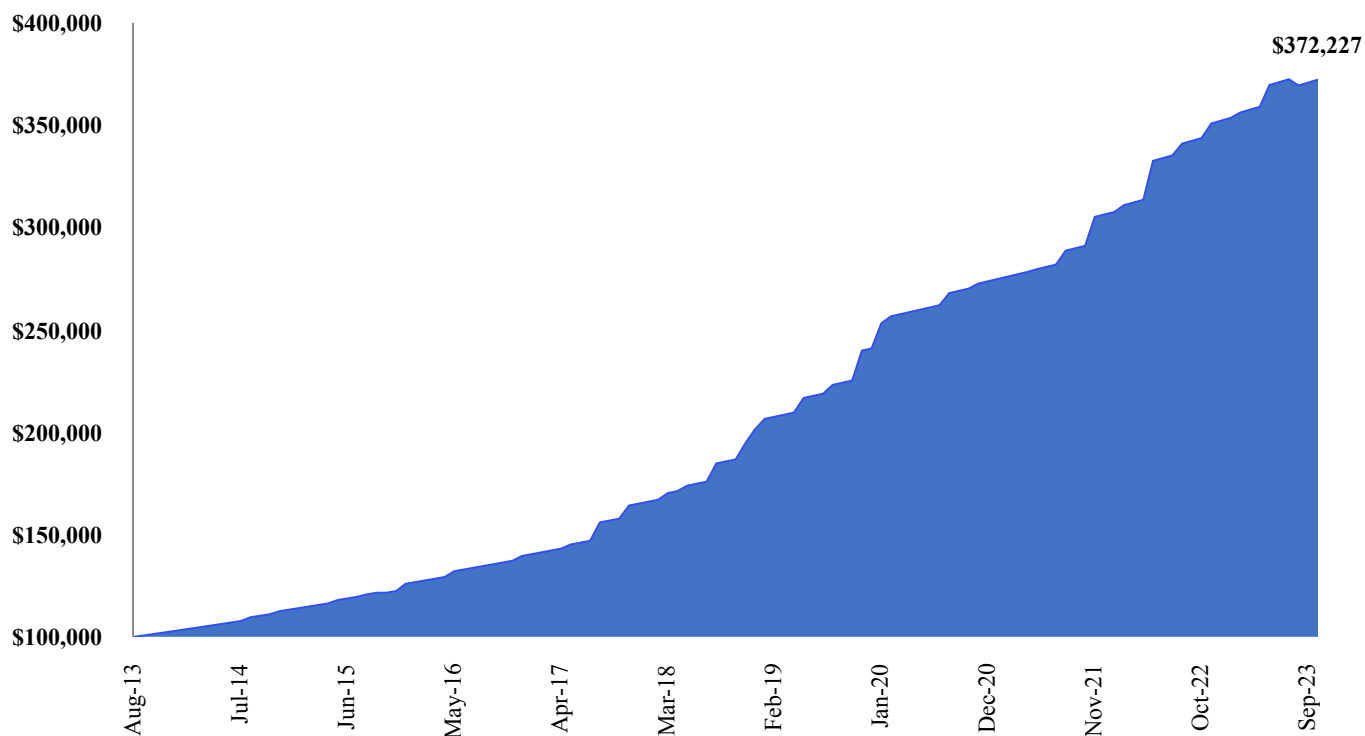
TOTAL RETURNS



REIT Returns for Class F Units

Calendar Returns	2013 ¹	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD 2023
Centurion Apartment REIT Class F TR	2.73%	10.26%	11.17%	10.79%	18.24%	24.39%	22.59%	8.57%	11.90%	14.96%	5.29%
Compound Returns	1-Year	2-year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	Since Inception of REIT	
Centurion Apartment REIT Class F TR	8.30%	13.10%	11.28%	13.39%	14.80%	15.38%	15.43%	15.02%	14.39%	13.92%	

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



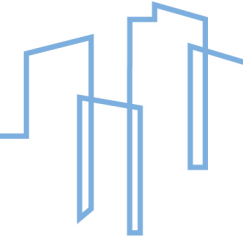
Notes:

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

²Class "F" Units

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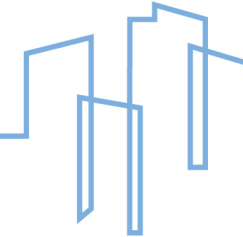
Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suites Count (Undiluted) ^{2,4}	Total Suites 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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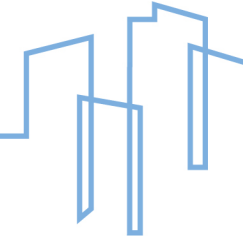
Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suites Count (Undiluted) ^{2,4}	Total Suites 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%		54	87				141	141	228	228
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
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, 355, 365 & 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, 350, 360, 366 & 370 Bridge Lake Drive	Apt	45%		74	134				208	94	208	94
765 Hockley Avenue	Apt	100%		42	21				63	63	63	63
10803 Jasper Avenue NW	Apt	100%		118	120				238	238	238	238

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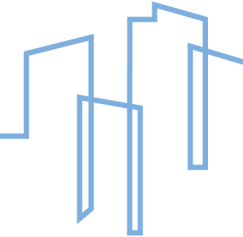
Summary Information About The Properties



Property Address	Type of Building ¹	Ownership (%)	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom	Total Suites Count (Undiluted) ^{2,4}	Total Suites Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
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	95%		212	134	2			348	331	486	462
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	106	48				172	172	172	172
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, 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
11088 126A Street and 12667 110th Avenue	Apt	100%	38	168	75				281	281	281	281
133 Erskine Avenue	Apt	75%		2	25				27	20	27	20
520-524 Ellesmere Road	Medical Office	85%							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 Suites Count (Undiluted) ^{2,4}	Total Suites 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	60%	178	73	56				307	184	307	184
1989 Main Street	Apt	29%	88	122	67	6			283	83	283	83
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
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

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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 Suites Count (Undiluted) ^{2,4}	Total Suites Count (Diluted) ^{2,5}	Total Rental Units (Undiluted) ^{3,4}	Total Rental Units (Diluted) ^{3,5}
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
127 & 145 Presland Road and 1425 Vanier Parkway	Apt	100%		110	166				276	276	276	276
220 & 230 Aurora Cres	Apt	100%		45	53	6			104	104	104	104
8333 Weston Road	Medical Office	75%							0	0	0	0
99 Kakulu Road	Medical Office	75%							0	0	0	0
595 Montreal Road	Medical Office	75%							0	0	0	0
1 Centrepointe Drive	Medical Office	75%							0	0	0	0
770 Broadview Avenue	Medical Office	75%							0	0	0	0
342 Erie Street	Medical Office	75%							0	0	0	0
770 6 Street SW	Medical Office	75%							0	0	0	0
16028 & 16114 100A Avenue NW	Medical Office	75%							0	0	0	0
150, 160, 170, 176, 180, 186, 190, 196 and 200 Appleford Gate	Apt	45%		99	104	67			270	122	270	122
288 Church Street	SH	100%		10	19		71		100	100	332	332
350-380 Boul de L'Amerique-Francaise	Apt	100%	7	210	60				277	277	277	277
40 & 60 Rue Marguerite-Maillé	Apt	100%	4	122	32				158	158	158	158
1355 Le Corbusier Boulevard	Apt	100%	10	160	62	8			240	240	240	240
301 Place Claude-Dagenais	Apt	100%		55	24	5			84	84	84	84
1450 Cara Glen Court	Apt	100%	7	23	26	4			60	60	60	60
1820 26 Avenue SW	Apt	100%	17	74	34				125	125	125	125
3971-3991 Spring Street	Apt	50%	58	20	48				126	63	126	63
Total			1,798	8,326	7,536	760	309	336	19,065	17,300	21,862	19,972

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" 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.

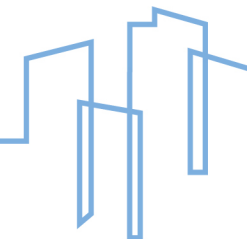
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Summary Information About The Properties

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%
Brighton	2	59	—%	59	—%	59	—%	59	—%
Brossard	5	541	3%	541	3%	541	3%	541	3%
Burnaby	1	482	3%	482	3%	482	2%	482	2%
Calgary	3	595	3%	578	3%	733	3%	709	4%
Cambridge	5	679	4%	679	4%	679	3%	679	3%
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	8%	1,464	9%	1,539	7%	1,464	7%
Gatineau	3	780	4%	780	5%	780	4%	780	4%
Gravenhurst	1	39	—%	39	—%	39	—%	39	—%
Guelph	1	66	—%	66	—%	66	—%	66	—%
Huntsville	1	25	—%	25	—%	25	—%	25	—%
Kelowna	3	339	2%	339	2%	339	2%	339	2%
Kitchener	6	668	4%	668	4%	668	3%	668	3%
Langford	11	636	3%	636	4%	636	3%	636	3%
Laval	1	240	1%	240	1%	240	1%	240	1%
London	4	329	2%	288	2%	958	4%	799	4%
Longueuil	7	654	3%	654	4%	654	3%	654	3%
Medicine Hat	1	—	—%	—	—%	—	—%	—	—%
Mississauga	3	269	1%	269	2%	269	1%	269	1%
Montreal	6	767	4%	767	4%	1,107	5%	1,107	6%
Oshawa	4	231	1%	231	1%	231	1%	231	1%
Ottawa	6	448	2%	448	3%	448	2%	448	2%
Quebec City	2	854	5%	854	5%	973	5%	973	5%
Regina	6	697	4%	463	3%	697	3%	463	2%
Saint-Constant	2	328	2%	328	2%	328	2%	328	2%
Sainte-Julie	1	286	2%	286	2%	286	2%	286	2%
Sainte-Thérèse	4	514	3%	514	3%	514	2%	514	3%
Saint-Lambert	1	210	1%	210	1%	210	1%	210	1%
Stratford	1	—	—%	—	—%	—	—%	—	—%
Surrey	3	660	4%	660	4%	660	3%	660	3%
Terrebonne	3	208	1%	208	1%	208	1%	208	1%
Toronto	15	1,598	8%	1,425	8%	1,830	8%	1,657	8%
Vaughan	1	—	—%	—	—%	—	—%	—	—%
Waterloo	7	372	2%	372	2%	1,711	8%	1,711	9%
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

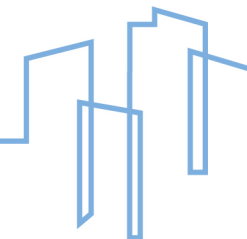


Winnipeg	6	1,611	8%	844	5%	1,611	7%	844	4%
Minneapolis (USA)	1	307	2%	184	1%	307	1%	184	1%
Kansas City (USA)	1	283	1%	83	—%	283	1%	83	1%
Waller (USA)	1	224	1%	190	1%	224	1%	190	1%
Baytown (USA)	1	228	1%	194	1%	228	1%	194	1%
46 Cities	155	19,065	100%	17,300	100%	21,862	100%	19,972	100%

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	62	4,895	26%	4,681	27%	7,095	33%	6,763	34%
Nova Scotia	1	114	1%	114	1%	114	1%	114	1%
Alberta	14	2,134	11%	2,042	12%	2,272	10%	2,173	11%
British Columbia	20	2,346	12%	2,279	13%	2,346	11%	2,279	11%
Manitoba	6	1,611	8%	844	5%	1,611	7%	844	4%
Saskatchewan	6	697	4%	463	3%	697	3%	463	2%
Quebec	42	6,226	33%	6,226	36%	6,685	31%	6,685	34%
USA Minnesota	1	307	2%	184	1%	307	1%	184	1%
USA Missouri	1	283	1%	83	—%	283	1%	83	—%
USA Texas	2	452	2%	384	2%	452	2%	384	2%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	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	3	339	2%	339	2%	339	2%	339	2%
Calgary Metropolitan Region	3	595	3%	578	3%	733	3%	709	3%
Eastern ON	8	507	3%	507	3%	507	2%	507	3%
Greater Toronto Area	25	2,167	11%	1,994	12%	2,399	11%	2,226	11%
Montreal Metropolitan Area	36	4,352	23%	4,352	25%	4,692	22%	4,692	23%
Quebec City	3	1,094	6%	1,094	6%	1,213	6%	1,213	6%
Kitchener-Waterloo-Cambridge	19	1,785	9%	1,785	10%	3,124	14%	3,124	16%
London Area	4	329	2%	288	2%	958	4%	800	4%
Halifax Regional Municipality	1	114	1%	114	1%	114	1%	114	1%
Greater Edmonton Area	10	1,539	8%	1,464	8%	1,539	7%	1,465	7%
Greater Regina Area	6	697	4%	463	3%	697	3%	463	2%
Greater Vancouver Area	17	2,007	10%	1,940	11%	2,007	9%	1,940	10%
Southern ON	1	0	0%	0	0%	0	0%	0	0%
Southern AB	1	0	0%	0	0%	0	0%	0	0%
Western Quebec	3	780	4%	780	5%	780	4%	780	4%
Winnipeg Capital Region	6	1,611	8%	844	5%	1,611	7%	844	4%
USA Minnesota	1	307	2%	184	1%	307	1%	184	1%
USA Missouri	1	283	1%	83	0%	283	1%	83	0%
USA Texas	2	452	2%	384	2%	452	2%	384	2%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,974	100%

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Summary Information About The Properties



Summary by Market Type									
Market	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	124	16,785	88%	15,061	87%	17,614	80%	15,883	80%
Secondary	27	2,157	11%	2,116	12%	4,125	19%	3,966	20%
Tertiary	4	123	1%	123	1%	123	1%	123	1%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	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	125	16,122	85%	14,806	85%	16,122	74%	14,806	74%
U.S. Apartments	4	1,042	5%	651	4%	1,042	5%	650	3%
Student Housing	16	1,901	10%	1,843	11%	4,698	21%	4,515	23%
Medical Office	10	—	—%	—	—%	—	—%	—	—%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	100%

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Summary Information About The Properties



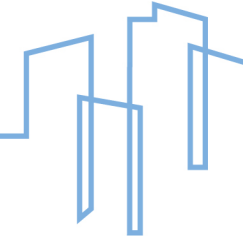
City	Type of Building	Student Housing by City					Average Rents (undiluted basis)		
		# of Complexes	# of Suites (Undiluted)	# of Suites (Diluted)	# of Beds (Undiluted)	# of Beds (Diluted)	Total Rental Units	Revenue/Unit/Month	
Burnaby	Student Housing	1	482	482	482	482			
Calgary	Student Housing	1	348	331	486	462			
London	Student Housing	4	329	288	958	800			
Montreal	Student Housing	1	100	100	440	440			
Quebec City	Student Housing	1	170	170	289	289			
Toronto	Student Housing	1	100	100	332	332			
Waterloo	Student Housing	7	372	372	1711	1711			
Total		16	1,901	1,843	4,698	4,515			
							Apartment	17,164	\$1,648.64
							Student Residences	4,698	\$838.75
Total							Total	21,862	

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	5,625	29%	5,551	32%	5,625	26%	5,551	28%
Hybrid Rent Controlled	17	2,678	14%	2,678	15%	2,678	12%	2,678	13%
Rent Cap	1	114	1%	114	1%	114	1%	114	1%
Non Rent Controlled	61	8,747	46%	7,114	41%	8,747	40%	7,114	35%
Student	16	1,901	10%	1,843	11%	4,698	21%	4,515	23%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	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	50	4,883	26%	4,802	28%	4,883	22%	4,802	24%
Luxury	79	12,281	64%	10,655	62%	12,281	56%	10,655	53%
Apartment Subtotal	129	17,164	90%	15,457	89%	17,164	79%	15,457	77%
Student Housing									
Mid-Tier	2	235	1%	235	1%	614	3%	614	3%
Luxury	14	1,666	9%	1,608	9%	4,084	19%	3,901	20%
Student Housing Subtotal	16	1,901	10%	1,843	11%	4,698	21%	4,515	23%
Medical Office									
Other	10	—	—	—	—	—	—	—	—
Medical Office Subtotal	10	—	—%	—	—%	—	—%	—	—%
Summary By Affordability									
Mid-Tier	52	5,118	27%	5,037	29%	5,497	25%	5,416	27%
Luxury	93	13,947	73%	12,263	71%	16,365	75%	14,557	73%
Other	10	—	—%	—	—%	—	—%	—	—%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	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	34	6,339	33%	5,347	31%	6,596	30%	5,597	28%
2010-2019	63	7,800	41%	7,075	41%	8,916	41%	8,191	41%
2000-2009	6	588	3%	547	3%	1,422	6%	1,263	6%
1990-1999	2	56	—%	56	—%	219	1%	219	1%
1980-1989	15	1,190	6%	1,190	7%	1,277	6%	1,277	7%
1970-1979	13	1,232	7%	1,232	7%	1,572	7%	1,572	8%
1960-1969	15	1,215	7%	1,208	7%	1,215	6%	1,208	6%
1950-1959	6	645	3%	645	4%	645	3%	645	3%
Pre 1950	1	—	—%	—	—%	—	—%	—	—%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	100%

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Summary Information About The Properties



Property Type	Property Summary By Building Style								
	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	—%	79	—%	79	—%
Garden Style	25	2,597	14%	2,529	15%	2,597	12%	2,529	13%
Low-Rise	2	396	2%	185	1%	396	2%	185	1%
Mid-Rise	65	7,635	40%	6,764	39%	7,635	35%	6,764	34%
High-Rise	34	6,457	34%	5,900	34%	6,457	30%	5,900	30%
Apartment Subtotal	129	17,164	90%	15,457	89%	17,164	79%	15,457	77%
Student Housing									
Townhouses	2	51	—%	44	—%	231	1%	197	1%
Mid-Rise	2	211	1%	211	1%	494	2%	494	2%
High-Rise	12	1,639	9%	1,587	9%	3,973	18%	3,824	19%
Student Housing Subtotal	16	1,901	10%	1,843	11%	4,698	21%	4,515	23%
Medical Office									
Garden Style	1	—	—%	—	—%	—	—%	—	—%
Low-Rise	8	—	—%	—	—%	—	—%	—	—%
Mid-Rise	1	—	—%	—	—%	—	—%	—	—%
Medical Office Subtotal	10	—	—%	—	—%	—	—%	—	—%
Summary by Building Style									
Townhouses	5	130	1%	123	1%	310	1%	276	1%
Garden Style	26	2,597	14%	2,529	15%	2,597	12%	2,529	13%
Low-Rise	10	396	2%	185	1%	396	2%	185	1%
Mid-Rise	68	7,846	41%	6,975	40%	8,129	37%	7,258	36%
High-Rise	46	8,096	42%	7,487	43%	10,430	48%	9,724	49%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	100%

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Summary Information About The Properties

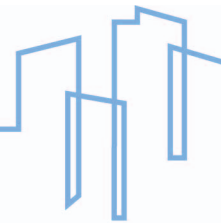


Property Summary By Construction Material									
	Number of Complexes	Undiluted # of Suites	Undiluted % of Suites	Diluted # of Suites	Diluted % of Suites	Undiluted Rental Units	Undiluted Rental Units % of Total RU's	Diluted Rental Units	Diluted Rental Units % of Total RU's
Wood	48	4,725	25%	4,282	25%	4,905	22%	4,435	22%
Masonry and Wood	2	396	2%	184	1%	396	2%	184	1%
Steel and Wood	2	814	4%	407	2%	814	4%	407	2%
Steel	3	—	—%	—	—%	—	—%	—	—%
Concrete	98	12,616	66%	11,913	69%	15,233	70%	14,432	72%
Concrete and Wood	2	514	3%	514	3%	514	2%	514	3%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	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	27	2,349	12%	2,275	13%	2,529	12%	2,427	12%
Elevated	128	16,716	88%	15,025	87%	19,333	88%	17,545	88%
Total	155	19,065	100%	17,300	100%	21,862	100%	19,972	100%

APPENDIX B

Management Summary Information of the Lending Portfolio

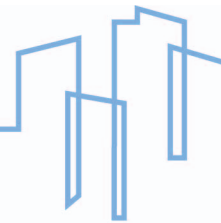


The following charts provide additional information relating to the mortgage investments and equity accounted investments in the REIT.

Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated								
	Funded				Committed				
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)		
By Participation									
Mortgage Investments	\$	209,168	28	54%	12.90%	\$	304,861	28	62%
Participating Loan Interests	\$	35,971	5	9%	15.42%	\$	36,955	5	8%
Equity Accounted Investments	\$	146,430	13	37%	—%	\$	149,143	13	30%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Rank									
1st	\$	175,600	24	46%	12.13%	\$	244,961	24	50%
2nd	\$	40,396	7	10%	12.69%	\$	67,612	7	14%
3rd	\$	29,143	2	7%	20.97%	\$	29,243	2	6%
Equity Accounted Investments	\$	146,430	13	37%	0.00%	\$	149,143	13	30%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Loan Type									
Commercial/Industrial	\$	33,733	5	9%	10.13%	\$	41,732	5	9%
Residential	\$	357,836	41	91%	13.46%	\$	449,227	41	91%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Province/State									
Canada									
AB	\$	100,156	10	26%	11.52%	\$	117,269	10	24%
BC	\$	105,547	11	27%	12.24%	\$	140,004	11	29%
ON	\$	145,950	17	37%	15.59%	\$	193,303	17	39%
QC	\$	34,736	7	9%	11.79%	\$	36,262	7	7%
SK	\$	5,180	1	1%	0.00%	\$	4,121	1	1%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	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									
Etobicoke	\$	17,280	1	4.41%	19.75%	\$	17,380	1	3.54%
Markham	\$	20,002	1	5.11%	0.00%	\$	25,000	1	5.09%
Scarborough	\$	27,924	2	7.13%	10.00%	\$	20,094	2	4.09%
Toronto	\$	15,255	5	3.90%	12.32%	\$	21,165	5	4.31%
Subtotal (A)	\$	80,461	9	20.55%	14.68%	\$	83,639	9	17.03%
Greater Vancouver Area									
Delta	\$	2	—	0.00%	—%	\$	—	—	—%
Langley	\$	2,041	1	0.52%	15.03%	\$	9,800	1	2.00%
New Westminster	\$	9,844	2	2.51%	11.70%	\$	9,844	2	2.01%
Vancouver	\$	8,547	1	2.18%	10.55%	\$	14,750	1	3.30%
Surrey	\$	36,628	2	9.35%	13.00%	\$	39,730	2	8.89%
Subtotal (B)	\$	57,062	6	14.56%	12.32%	\$	74,124	6	16.20%
Vancouver Island									
Victoria	\$	1,823	—	0.47%	—%	\$	—	—	—%
Subtotal (C)	\$	1,823	—	0.47%	—%	\$	—	—	—%
Guelph-Waterloo Area									
Waterloo	\$	6,166	1	1.57%	13.25%	\$	6,166	1	1.26%
Subtotal (D)	\$	6,166	1	1.57%	—%	\$	6,166	1	1.26%

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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 (cont'd)									
Other Canadian Cities									
Barrie	\$	3,265	1	0.83%	10.00%	\$	3,265	1	0.67%
Calgary	\$	57,941	6	14.80%	10.00%	\$	59,433	6	11.64%
Darlington	\$	16,164	1	4.13%	12.50%	\$	16,164	1	3.29%
Edmonton	\$	42,215	4	10.78%	11.92%	\$	57,836	4	11.52%
Gatineau	\$	11,863	1	3.03%	22.75%	\$	11,863	1	2.42%
Kanata	\$	9,536	2	2.44%	16.75%	\$	40,123	2	8.17%
Kelowna	\$	46,663	5	11.92%	12.11%	\$	65,874	5	12.92%
Lachenaie	\$	2,970	1	0.76%	0.00%	\$	2,970	1	0.61%
Longueuil	\$	6,198	2	1.58%	11.50%	\$	6,217	2	1.27%
Minett	\$	12,289	1	3.14%	14.75%	\$	26,503	1	5.40%
Regina	\$	5,180	1	1.32%	0.00%	\$	4,121	1	0.84%
Sainte-Julie	\$	16,413	2	4.19%	11.50%	\$	17,385	2	3.54%
Terrebonne	\$	9,155	2	2.34%	12.50%	\$	9,691	2	1.97%
Winnipeg	\$	6,205	1	1.58%	0.00%	\$	5,585	1	1.25%
Subtotal (E)	\$	246,057	30	62.84%	13.05%	\$	327,030	30	65.51%
Grand Total (SUM A to E)	\$	391,569	46	100%	13.27%	\$	490,959	46	100.00%

APPENDIX B

Management Summary Information of the Lending Portfolio



Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated								
	Funded				Committed				
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)		
By Purchase Options									
With	\$	131,553	15	34.00%	12.90%	\$	159,316	15	32.00%
Without	\$	128,175	19	33.00%	13.60%	\$	194,780	19	40.00%
Equity Accounted Investments	\$	131,841	12	33.00%	0.00%	\$	136,863	12	28.00%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Development Stage									
Construction	\$	257,749	30	66.00%	12.05%	\$	348,421	30	71.00%
Pre-Construction	\$	52,389	3	13.00%	17.44%	\$	52,489	3	11.00%
Term	\$	81,431	13	21.00%	12.32%	\$	90,049	13	18.00%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Underlying Security									
Multi Family Apartments	\$	164,945	20	43.00%	14.66%	\$	222,232	20	46.00%
Land	\$	56,690	3	14.00%	14.92%	\$	56,790	3	12.00%
Low-Rise Residential	\$	64,105	12	16.00%	11.87%	\$	89,281	12	18.00%
Industrial	\$	6,907	2	2.00%	10.25%	\$	9,908	2	2.00%
High-Rise Condominium	\$	72,096	6	18.00%	11.56%	\$	80,924	6	16.00%
Commercial	\$	26,826	3	7.00%	10.00%	\$	31,824	3	6.00%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Investment Size									
\$1m or less	\$	(2,962)	1	0.00%	0.00%	\$	1,056	1	0.00%
> \$1m - \$3m	\$	15,968	7	4.00%	11.60%	\$	22,430	7	5.00%
> \$3m - \$5m	\$	33,851	9	9.00%	11.46%	\$	43,607	9	9.00%
> \$5m - \$10m	\$	101,421	15	26.00%	12.16%	\$	154,102	15	31.00%
> \$10m - \$15m	\$	100,479	7	26.00%	15.50%	\$	116,192	7	24.00%
> \$15m	\$	142,812	7	35.00%	13.89%	\$	153,572	7	31.00%
Total	\$	391,569	46	100%	13.27%	\$	490,959	46	100%
By Maturity (excl. Equity & FV Adj.)									
2023	\$	65,786	5	27.00%	16.83%	\$	79,997	5	23.00%
2024	\$	131,339	22	53.00%	11.74%	\$	152,829	22	45.00%
2025	\$	41,374	5	17.00%	12.51%	\$	89,216	5	26.00%
2026	\$	7,623	1	3.00%	13.25%	\$	19,775	1	6.00%
Total	\$	246,122	33	100%	13.27%	\$	341,817	33	100%

APPENDIX B

Management Summary Information of the Lending Portfolio



Investments Segregation (excl. Foreclosed Properties)	REIT Consolidated								
	Funded				Committed				
	\$	#	% (\$)	Wt.-Avg. Rate	\$	#	% (\$)		
By Interest/Pref Rate (excl. Equity & FV Adj.)									
> 9.5% - 10.0%	\$	17,788	5	7.00%	10.00%	\$	20,896	5	6.00%
> 10.0% - 10.5%	\$	6,905	2	3.00%	10.25%	\$	9,908	2	3.00%
> 10.5% - 11.0%	\$	14,857	3	6.00%	10.63%	\$	21,586	3	6.00%
> 11.0% - 11.5%	\$	60,016	6	25.00%	11.45%	\$	79,127	6	23.00%
> 11.5% - 12.0%	\$	9,844	2	4.00%	11.70%	\$	9,844	2	3.00%
> 12.0% - 12.5%	\$	30,910	4	13.00%	12.50%	\$	31,446	4	9.00%
> 12.5% - 13.0%	\$	23,246	1	9.00%	13.00%	\$	23,246	1	7.00%
> 13.0% - 13.5%	\$	25,033	3	10.00%	13.36%	\$	39,941	3	12.00%
> 13.5% - 14.0%	\$	8,506	2	3.00%	14.00%	\$	10,200	2	3.00%
> 14.5% - 15.0%	\$	12,289	1	5.00%	14.75%	\$	26,500	1	8.00%
> 15.0%	\$	36,728	4	15.00%	20.01%	\$	69,123	4	20.00%
Total	\$	246,122	33	100%	13.27%	\$	341,817	33	100%
By Committed LTV - Mortgage Investments									
50% or less	\$	66,031	11	32.00%	12.20%	\$	93,171	11	31.00%
> 50% - 60%	\$	12,289	1	6.00%	14.75%	\$	26,500	1	9.00%
> 60% - 70%	\$	40,549	5	19.00%	14.82%	\$	49,509	5	16.00%
> 70% - 80%	\$	4,236	1	2.00%	12.50%	\$	4,772	1	2.00%
> 80% - 90%	\$	62,274	7	30.00%	12.32%	\$	99,793	7	32.00%
> 90%	\$	23,789	3	11.00%	12.17%	\$	31,116	3	10.00%
Total	\$	209,168	28	100%	12.90%	\$	304,861	28	100%
By Payment Method - Mortgage Investments									
Interest Accrue	\$	79,229	16	40.00%	13.84%	\$	121,132	16	40.00%
Interest Reserve Payment	\$	7,623	1	6.00%	13.25%	\$	19,775	1	6.00%
Pre Authorized Payment	\$	122,316	11	54.00%	12.26%	\$	163,954	11	54.00%
Total	\$	209,168	28	100%	12.90%	\$	304,861	28	100%
Estimated Built Out Value of Purchase Options									
				Undiluted				Diluted	
Mortgage Investments	\$	452,593	10	29.00%		\$	21	10	0.00%
Participating Loan Interests	\$	162,843	4	10.00%		\$	133,268	4	20.00%
Equity Accounted Investments	\$	949,429	12	61.00%		\$	533,471	12	80.00%
Total	\$	1,564,865	26	100%		\$	666,760	26	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, AB	22		50%	2024
ME Condo PH 2 & 3	Scarborough, ON	443	6,148	66%	2024
Pandora Phase 2	Victoria, BC	37	1,460	75%	2024
Winnipeg Westport	Winnipeg, MB	169		50%	2024
Knox Village PH 2 & 3	Kelowna, BC	178		100%	2024
Espace Nature IV	Vieux-Longueuil, QC	78		50%	2024
Ste Julie	Sainte-Julie, QC	214		50%	2024
400 Albert St (Main & Main)	Ottawa, ON	567	21,062	50%	2027
Trinity Hill	Calgary, AB	541	25,000	50%	2026
Icon Trinity - Phase I	Calgary, AB	340		50%	2025
Arbour Lake	Calgary, AB	303		50%	2025
Viva-Cite (Rivea RO1)	Terrebonne, QC	153		50%	2024
Springfield	Kelowna, BC	401		67%	2025
TOTAL		3,446	53,670		

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
NOX - Phase III	Gatineau, QC	99	—	100%	2023
TOTAL		99	—		

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 COVID-19 and Other Public Health Crises

Public health crises, including the ongoing health crisis related to the novel coronavirus disease (“COVID-19”) pandemic, or relating to any other virus, flu, epidemic, pandemic or any other similar disease or illness (each a “Health Crisis”) could adversely impact the Trust.

There has been and continues to be a global pandemic Health Crisis related to an outbreak of the novel coronavirus disease (COVID-19). This Health Crisis, and any future Health Crisis, has led, and could in the future lead, to disruptions in global economic activity, resulting in, among other things, a general decline in equity prices and lower interest rates. These circumstances could 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 rent, credit facilities, 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 and have implemented policies in an attempt to address COVID-19, and may in the future implement policies to address other Health Crises, no assurance can be made regarding the effectiveness of 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 subnational government to address the effects of COVID-19, any future Health Crisis or any resulting market volatility.

The current Health Crisis relating to COVID-19 has also resulted in general economic slowdown, supply chain disruptions and increased volatility in financial markets. This may create difficulty in the Trust raising capital, which could in turn adversely impact the Trust’s strategy. While various governments and central banks have announced or implemented a range of measures targeted to alleviate these impacts and encourage economic growth, the impact of these measures remains uncertain, particularly in the short term. In the medium to long term, government debt accumulated as a result of relief measures may lead to tax increases for consumers and businesses and create transitory or sustained inflationary pressure. The duration and impact of the current COVID-19 pandemic on the Trust remains unknown at this time. As such, it is not possible to reliably estimate the length and severity of COVID-19-related impacts on the financial results and operations of the Trust.

The Trust has a Health Crisis response plan and 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 or another Health Crisis. A prolonged outbreak of COVID-19 or other Health Crises 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.

Real Property Ownership

Risks and Uncertainties



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 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 Asset Manager 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

Risks and Uncertainties



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 Related to Mortgage Extensions and Mortgage Defaults

The Asset Manager 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 Asset Manager 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 REITs 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

APPENDIX E

Risks and Uncertainties



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.

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

Risks and Uncertainties



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.

General Economic and Political 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.

The success of the Trust's activities may also be affected by other general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances including wars, public health crises, such as epidemics and pandemics, natural disasters, terrorist acts or security operations. The macroeconomic environment is complex stemming from the evolving COVID-19 pandemic, characterized with high headline inflation, supply chain pressures, social unrest, and uncertainty over the pace and timing of future central bank rate hikes.

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".

Risks and Uncertainties



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 Asset Manager 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.

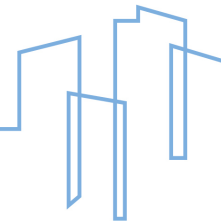
Cyber-Security

The Trust maintains confidential information regarding its tenants, borrowers, business plans, strategy and potential origination opportunities in its computer systems. The Trust also maintains an Internet website. Despite the implementation of network security measures, this infrastructure may be subject to physical break-ins, computer viruses, malware, programming errors, cyber-attacks by third parties (such as ransomware) and other similar disruptions. A security breach of computer systems could disrupt operations, damage reputation, result in legal or regulatory liability, and/or have a material adverse effect on the Trust. If the Trust's network security is penetrated or its sensitive data is misappropriated, the Trust could be subject to liability or its business could be interrupted, and any of these developments could have a material adverse effect on the Trust's business, results of operations and financial condition. Since the start of the COVID-19 pandemic, the Trust's operations have been largely conducted remotely, which may impact the physical security of the Trust's devices, and create an increased risk of unauthorized access to, or disclosure of, confidential and personal information. Cyber-security risk has increased since the onset of the COVID-19 pandemic through various forms of attacks, such as phishing emails. The Trust expects to continue with a hybrid work environment following the pandemic.

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

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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.

The Asset Manager, the Mortgage Manager, and the Mortgage Servicer (collectively, the “**Service Providers**”) are not owned by Centurion Apartment REIT. Employees of Asset Manger serve as senior management of Centurion Apartment REIT. This could create conflicts of interest between the Asset Manager, the Mortgage Manager and the Mortgage Servicer and Centurion Apartment REIT.

Additionally, the Warehouse Agreement between the Trust, and Centurion Financial Trust 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.

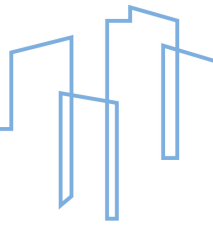
Centurion Apartment REIT is a connected issuer, and may be considered to be a related issuer, of Centurion Asset Management Inc. (the “Asset Manager”), its asset manager and an exempt market dealer, investment fund manager, and restricted portfolio manager in certain jurisdictions, in connection with 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 indirectly owns 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

There may be instances in which Centurion Apartment REIT and CFIT have an interest in the same investment opportunity. For example, Centurion Apartment REIT may invest in long term real-estate properties and CFIT may from time to time invest in Mortgage Assets. In the event that Centurion Apartment REIT and CFIT are interested in

Risks and Uncertainties



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 among Centurion Apartment REIT and CFIT. Additionally, there may be situations where an investment opportunity is allocated to CFIT despite Centurion Apartment REIT having an interest in such an investment opportunity.

Tax-Related Risks

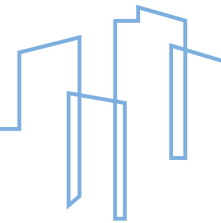
There can be no assurance that income tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Centurion Apartment REIT or the Unitholders.

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.

The Tax Act contains loss restriction rules that could result in unintended tax consequences for unitholders, including an unscheduled allocation of income or capital gains that must be included in a unitholder’s income for Canadian income tax purposes. If Centurion Apartment REIT experiences a “loss restriction event”, it will: (i) be deemed to have a year-end for Canadian tax purposes whether or not Centurion Apartment REIT has losses (which would trigger an allocation of Centurion Apartment REIT’s net income and net realized capital gains to unitholders to ensure that Centurion Apartment REIT itself is not subject to tax on such amounts); and (ii) Centurion Apartment REIT will become subject to the Canadian loss restriction rules that generally apply to corporations, including a deemed realization of any unrealized capital losses and disallowance of its ability to carry forward capital losses. Generally, Centurion Apartment REIT will be subject to a loss restriction event if a person becomes a “majority-interest beneficiary”, or a group of persons becomes a “majority-interest group of beneficiaries”, of Centurion Apartment REIT, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of Centurion Apartment REIT is a beneficiary in the income or capital, as the case may be, of Centurion Apartment REIT who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of Centurion Apartment REIT. A loss restriction event could occur because a particular unitholder or an affiliate acquires REIT Units of Centurion Apartment REIT or because another person redeems REIT Units of Centurion Apartment REIT. Pursuant to paragraph 251.2(3)(f) of the Tax Act, Centurion Apartment REIT will not be subject to the loss restriction event rules where a person becomes a “majority-interest beneficiary” or group of persons becomes a “majority-interest group of beneficiaries” from the acquisition or disposition of units of Centurion Apartment REIT at any time if (i) Centurion Apartment REIT is an “investment fund” immediately before that time, and (ii) the acquisition or disposition, as the case may be, is not part of a series of transactions or events that includes Centurion Apartment REIT ceasing to be an “investment fund”. An “investment fund” generally includes a trust that is (i) a “mutual fund trust” throughout the period that begins the later of March 21, 2013 and the end of the calendar in which the trust is created, and (ii) at all times throughout the period that begins at the later of March 21, 2013 and the time of its creation, the trust (A) is resident in Canada, (B), all the beneficiaries under the trust hold fixed interests described by reference to units of the trust, (C) follows a reasonable policy of investment diversification, (D) limits its undertaking to the investing of its funds in property, (E) does not alone, or as

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a member of a group of persons, control a corporation, and (F) does not hold certain property (as detailed in the Tax Act).

Under U.S. withholding tax and reporting requirements, commonly referred to as the Foreign Account Tax Compliance Act (“FATCA”), Centurion Apartment REIT is required to collect information from all of its Unitholders and directly or indirectly provide that information to the U.S. Internal Revenue Service (the “IRS”) in order to avoid a 30% U.S. withholding tax on the receipt of certain payments of : (1) U.S. source income (such as interest, dividends and other passive income) and (2) gross proceeds from the sale or disposition of property that can produce U.S. source interest or dividends made to Centurion Apartment REIT. To achieve the U.S. objectives of FATCA in a manner that is consistent with Canada’s privacy and other laws, Canada enacted Part XVIII (“Part XVIII”) of the Tax Act and signed an Intergovernmental Agreement with the U.S. for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention (the “Canada-U.S. IGA”) and accordingly, Centurion Apartment REIT is generally required to conduct due diligence regarding its Unitholders and (where applicable) their beneficial owners, and to annually report to the CRA certain information regarding their U.S. Unitholders, including information regarding their name, address, and Taxpayer Identification Number. The CRA has agreed to provide this information to the IRS. In addition, Canada has signed the Organisation for Economic Co-operation and Development (“OECD”) Multilateral Competent Authority Agreement and Common Reporting Standard (“CRS”). The CRS is a global model for the automatic exchange of information on certain financial accounts that is similar in many ways to FATCA. More than 95 countries, including Canada, have agreed to implement the CRS (referred to as “CRS participating countries”). Canada has enacted legislation under Part XIX (“Part XIX”) of the Tax Act, which requires the annual reporting of information to the CRA since May 2018. In addition, the CRA will then proceed to exchange information with those CRS participating countries with which Canada has a tax exchange agreement. Generally, the CRS will require Centurion Apartment REIT to identify the tax residency status of, and other information relating to, their REIT Unitholders who are resident for tax purposes in any country other than Canada or the U.S.

If a REIT Unitholder does not provide the information required to comply with these obligations under Part XVIII and/or Part XIX, as the case may be, the REIT Unitholder’s Units may be redeemed at the sole discretion of Centurion Apartment REIT without prior notice to such REIT Unitholder. Notwithstanding the foregoing, Centurion Apartment REIT’s due diligence and reporting obligations under FATCA and CRS will not apply with respect to the following type of accounts, namely: registered retirement savings plans, registered retirement income funds, pooled registered pension plans, registered pension plans, tax-free savings accounts, and deferred profit-sharing plans. If Centurion Apartment REIT fails to meet its obligations under Part XVIII and/or Part XIX, as the case may be, it may be subject to the offences and punishment of the Tax Act. The administrative costs arising from compliance with FATCA and CRS may cause an increase in the operating expenses of Centurion Apartment REIT or other underlying fund(s) in which Centurion Apartment REIT has invested, directly or indirectly, thereby reducing returns to REIT Unitholders. Investors should consult their own tax advisors regarding the possible implications of FATCA, Part XVIII, the Canada-U.S. IGA and CRS and Part XIX on their investment and the entities through which they hold their investment.

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 consolidated 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

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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.

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.

Risks and Uncertainties



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

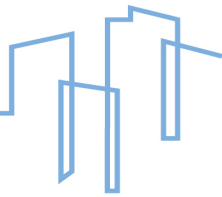
The REIT Units are not listed on an exchange. There is currently no secondary market through which the REIT Units may be sold, there can be no assurance that any such market will develop, and the REIT has no current plans to develop such a market. Accordingly, the sole method of liquidation of an investment 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 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, 2023**

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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, 2023	December 31, 2022
Assets			
Investment properties	4	\$ 5,633,261	\$ 5,106,772
Equity accounted investments	5	367,823	311,312
Participating loan interests	7	39,389	37,387
Mortgage investments	6	201,287	120,599
Receivable and other assets	8	114,354	104,532
Restricted cash	9	3,891	3,511
Cash and cash equivalents		21,796	37,334
Total Assets		\$ 6,381,801	\$ 5,721,447
Liabilities			
Mortgages payable and credit facilities	10	\$ 2,937,944	\$ 2,612,857
Deferred income tax liabilities	20	6,071	13,391
Current income tax liabilities	20	(1,555)	9,326
Accounts payable and other liabilities	11	45,516	44,282
Unit subscriptions held in trust	9	3,891	3,511
Total Liabilities excluding net assets attributable to Unitholders		2,991,867	2,683,367
Net assets attributable to Unitholders		\$ 3,389,932	\$ 3,038,080
Represented by:			
Net assets attributable to unitholders of the Trust		\$ 3,386,315	\$ 3,034,346
Net assets attributable to non-controlling interests		\$ 3,617	\$ 3,734

Commitments and contingencies (Notes 5, 6, 7, 9, 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	
		2023	2022	2023	2022
Revenue from investment properties	13	\$ 78,765	\$ 66,325	\$ 230,540	\$ 178,822
Property operating costs		(27,584)	(23,307)	(83,155)	(62,595)
Net rental income		51,181	43,018	147,385	116,227
Interest income, net of interest expense from syndicated investment liabilities	6	7,471	4,661	19,855	14,372
Allowance for expected credit losses	6	(200)	(126)	(117)	(113)
Income from operations		58,452	47,553	167,123	130,486
Net fair value gains	4	47,894	117,367	110,548	246,839
Fair value gains and income from equity accounted investments	5	6,543	5,873	3,927	45,111
Finance costs	14	(22,859)	(17,298)	(63,128)	(44,728)
Other income and expenses	15	(2,309)	(3,244)	(7,148)	(8,772)
General and administrative expenses	16	(14,483)	(9,416)	(33,876)	(25,832)
Foreign currency gain (loss)		(140)	167	2,732	2,430
Income before taxes		73,098	141,002	180,178	345,534
Current and deferred income tax recovery	20	2,790	3,654	5,746	2,249
Net Income and Comprehensive Income		\$ 75,888	\$ 144,656	\$ 185,924	\$ 347,783
Attributable to:					
Unitholders of the Trust		\$ 76,079	\$ 144,410	\$ 186,131	\$ 347,006
Non-controlling interest		\$ (191)	\$ 246	\$ (207)	\$ 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, 2023	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 period	\$ 3,034,346	\$ 3,734	\$ 3,038,080
Net Income and Comprehensive Income	186,131	(207)	185,924
Redeemable unit transactions			
Units issued (net of issuance costs)	438,354	90	438,444
Reinvestments of distributions by Unitholders	66,574	—	66,574
Redemption of Units	(226,267)	—	(226,267)
Distributions to Unitholders	(112,823)	—	(112,823)
Net increase from Unit transactions	165,838	90	165,928
Net increase in net assets attributable to Unitholders	351,969	(117)	351,852
Net assets attributable to Unitholders at end of the period	\$ 3,386,315	\$ 3,617	\$ 3,389,932
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 period	\$ 2,422,254	\$ 3,557	\$ 2,425,811
Net Income and Comprehensive Income	348,926	777	349,703
Redeemable unit transactions			
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 period	\$ 3,029,791	\$ 3,951	\$ 3,033,742

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

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED INTERIM 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	
		2023	2022	2023	2022
Operating activities					
Net income		\$ 75,888	\$ 144,656	\$ 185,924	\$ 347,783
Adjustments for:					
Interest income, net of interest expense from syndicated mortgage liabilities	6	(7,683)	(4,661)	(19,251)	(14,372)
Interest received, net of interest paid on syndication	6	5,706	2,865	16,868	29,928
Allowance of expected credit losses	6	201	126	117	114
Net fair value gains	4	(47,894)	(118,016)	(110,548)	(285,740)
Fair value gains and income from equity accounted investments	5	(6,543)	(2,871)	(3,927)	(3,901)
Finance costs	14	22,859	17,298	63,128	44,728
Amortization of property and equipment	16	197	214	605	655
Unrealized foreign exchange gains	5	(982)	(167)	(41)	(2,430)
Current and deferred income tax recovery	20	(2,609)	(4,594)	(18,201)	(6,256)
Changes in non-cash operating account balances		8,994	(28,795)	(5,892)	(23,870)
Net cash from operating activities		48,134	6,055	108,782	86,639
Financing activities					
Units issued		109,988	112,289	368,528	500,037
Unit issue costs		(616)	(890)	(2,200)	(2,826)
Cash distributions to Unitholders		(16,449)	(16,944)	(46,249)	(45,731)
Redemption of Units		(61,745)	(66,883)	(201,017)	(193,252)
Capitalized financing fees		(1,295)	(1,164)	(14,136)	(10,875)
Mortgage advances and refinancing	24	3,697	107,987	303,541	226,304
Mortgage and Loan repayments and discharges	24	(15,547)	(42,884)	(271,958)	(145,527)
Credit facility advances	24	79,000	—	74,500	—
Finance costs paid		(21,510)	(13,963)	(60,279)	(39,192)
Net cash from financing activities		75,523	77,548	150,730	288,938
Investing activities					
Investment property acquisitions	4	(37,541)	(91,201)	(48,494)	(528,177)
Investment property acquisition costs	4	(2,041)	(586)	(10,671)	(49,873)
Investment property improvements	4	(16,451)	(12,033)	(50,310)	(28,548)
Investment property acquisition deposits	8	(7,000)	(7,250)	(8,250)	(13,750)
Investment in leased assets		—	—	(13,092)	—
Additions of property and equipment	8	(14)	(1)	(25)	(32)
Participating loan interests funded	7	(4,787)	—	(10,204)	—
Participating loan interests repaid	7	1	3,319	4,169	59,765
Equity accounted investment funded	5	(15,624)	(67,817)	(65,379)	(112,835)
Equity accounted investment distributions	5	—	489	4,035	122,268
Mortgage investments principal repaid, net of syndication	6	4,377	73,472	17,921	118,736
Mortgage investments principal funded, net of syndication	6	(32,380)	(23,266)	(94,752)	(79,082)
Net cash used in investing activities		(111,460)	(124,874)	(275,052)	(511,528)
Net increase in cash		12,197	(41,271)	(15,540)	(135,951)
Cash, beginning of period		9,597	150,931	37,334	245,611
Cash, end of period		\$ 21,794	\$ 109,660	\$ 21,794	\$ 109,660

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

The unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2023, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The unaudited condensed consolidated interim financial statements have been approved for issue by the Board of Trustees on December 7, 2023.

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 period 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 period 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 period 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 period. 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 period 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 period, 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 period.

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, 2023	December 31, 2022
Balance, beginning of period	\$ 5,106,772	\$ 3,110,516
Property acquisitions	332,763	1,653,916
Increase in property valuation	173,973	343,809
Other adjustments	19,753	(1,469)
Balance, end of period	\$ 5,633,261	\$ 5,106,772

	Note	September 30, 2023	December 31, 2022
Increase in property valuation		\$ 173,973	\$ 343,809
Less: Acquisition costs		(10,671)	(66,528)
Less: Property improvements		(50,310)	(61,109)
Less: Other adjustments		—	2,361
Fair value adjustment on investment properties		112,992	218,533
Fair value adjustment on participating loan interests	7	(2,444)	(1,514)
Total fair value gains, net		\$ 110,548	\$ 217,019

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, 2023, 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 3.26% to 5.63% at September 30, 2023 (December 31, 2022 – 3.13% to 5.50%) with a weighted average capitalization rate across the total portfolio of 4.19% (December 31, 2022 – 4.06%).

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
(0.15)%	4.04%	\$ 5,842,417	\$ 209,156	3.7%
(0.10)%	4.09%	5,770,994	137,733	2.4%
(0.05)%	4.14%	5,701,296	68,035	1.2%
—	4.19%	5,633,261	—	—
0.05%	4.24%	5,566,831	(66,430)	1.2%
0.10%	4.29%	5,501,950	(131,311)	2.3%
0.15%	4.34%	5,438,563	(194,698)	3.5%

Acquisitions

During the nine months ended September 30, 2023, 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 25, 2023	84	100%	\$25,800 ⁽¹⁾	\$ 15,351	3.82%	June 1, 2033
January 31, 2023	277	100%	103,000 ⁽¹⁾	71,135	3.82%	June 1, 2033
February 1, 2023	240	100%	84,500	81,500	2.93%	October 9, 2032
June 20, 2023	60	100%	21,463	16,710	4.25%	June 1, 2033
July 27, 2023	158	100%	58,000	(33,852)	4.34%	June 1, 2033
August 31, 2023	125	100%	40,000	—	—%	—
			\$ 332,763	\$ 150,844		

⁽¹⁾ The acquisition included the issuance of Class C LP units, the value of the total units issued during the nine months ended September 30, 2023 was \$28,120.

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)
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(Expressed in thousands of Canadian dollars)

During the year ended December 31, 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
January 18, 2022	— ⁽¹⁾	50%	\$ 17,500	\$ 11,375	6.95%	February 1, 2023
February 4, 2022	233	100%	82,543	61,260	2.50%	September 1, 2032
April 25, 2022	— ⁽¹⁾	100%	6,100	3,940	4.20%	April 25, 2024
April 26, 2022	3677	100%	965,000	603,789	1.65% - 6.95%	August 1, 2023 - June 1, 2033
April 28, 2022	345	100%	115,000	81,629	1.96% - 2.92%	May 1, 2023 - June 1, 2025
May 13, 2022	289	100%	50,816	—	—%	—
August 31, 2022	145	100%	67,500	33,754	3.54%	August 1, 2025
October 12, 2022	276	100%	207,000	102,044	3.19%	December 1, 2029
December 8, 2022	104	100%	44,000	—	—%	—
December 21, 2022	281	100%	98,457	57,479	3.68%	September 1, 2032
			\$1,653,916	\$ 955,270		

⁽¹⁾The Trust acquired the investment property prior to rental units being operational.

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, 2023	December 31, 2022
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%
400 Albert & Main	50%	50%
View at Charlesworth	50%	—%

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
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(Expressed in thousands of Canadian dollars)

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

For the period ended	September 30, 2023		December 31, 2022	
Non-current assets	\$	407,173	\$	350,155
Current assets		18,679		15,378
Total assets	\$	425,852	\$	365,533
Non-current liabilities	\$	211,274	\$	185,481
Current liabilities		12,193		3,354
Total liabilities	\$	223,467	\$	188,835
Revenues	\$	17,385	\$	20,204
Expenses		(10,046)		(13,327)
Fair value adjustment on investment properties		9,834		22,797
Net income	\$	17,173	\$	29,674

Dispositions

The Trust did not make any investment property dispositions during the nine months ended September 30, 2023 and the year ended December 31, 2022.

5. Equity Accounted Investments

Investment properties held within equity accounted investments mainly consist of income producing assets that 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.

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)
For the three and nine months ended September 30, 2023, with comparative information for 2022
(Expressed in thousands of Canadian dollars)

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, 2023		December 31, 2022	
	Number of Entities	Equity Balance	Number of Entities	Equity Balance
CDN Development	13	146,430	12	101,011
CDN Income Producing	8 ⁽¹⁾	180,363	9	149,108
USA Development	—	—	—	—
USA Income Producing	4	41,030	4	61,193
Total	25	\$ 367,823	25	\$ 311,312

⁽¹⁾The Trust transitioned an Equity Accounted Investment for the year ended December 31, 2022 to a co-ownership property being recorded within Investment Properties at September 30, 2023.

The carrying value of equity accounted investments consist of the following entities with greater than 10% of the balances or activities as at September 30, 2023:

Entity	Ownership	January 1, 2023	Net Contributions/ (Distributions)	Income and Fair Value Adjustment	FX Currency Translation	Dispositions and Transfer	September 30, 2023
The View At Charlesworth	50%	\$ 8,442	\$ —	\$ 359	\$ —	\$ (8,801)	\$ —
Station Place	50%	41,893	775	11,001	—	—	53,670
4Square LP ⁽¹⁾	95%	14,258	27,898	2,295	—	—	44,451
CCA CBD Minneapolis LLC	46%	16,145	4,733	(14,803)	43	—	6,118
Centurion Appelt LP ⁽²⁾	75%	22,592	960	(244)	—	—	23,308
Shops of Steels LP	32%	19,375	641	(14)	—	—	20,002
Other		188,606	26,338	5,333	(2)	—	220,275
Total		\$ 311,312	\$ 61,344	\$ 3,927	\$ 41	\$ (8,801)	\$ 367,823

⁽¹⁾During the nine months ended September 30, 2023, the Trust acquired an additional 25% interest in the property located in Calgary, Alberta. This increased the Trust's ownership to 95%.

⁽²⁾During the nine months ended September 30, 2023, the partnership sold an asset within the medical portfolio for a gain of \$634 which was used to pay the mortgage on the asset.

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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 as at December 31, 2022:

Entity	Ownership	January 1, 2022	Net Contributions/ (Distributions)	Income and Fair Value Adjustment	FX Currency Translation	Dispositions and Transfer	December 31, 2022
The View At Charlesworth	50%	\$ 4,872	\$ (400)	\$ 3,970	\$ —	\$ —	\$ 8,442
Station Place	50%	115,721	(74,736)	909	—	—	41,894
4Square LP	70%	21,197	1,874	(8,813)	—	—	14,258
Warehouse District Flats LLC	66%	38,694	—	(145)	913	(39,462)	—
Centurion Appelt LP	75%	—	19,238	3,354	—	—	22,592
Shops of Steels LP	32%	—	18,750	625	—	—	19,375
Other		160,944	46,519	13,344	6,366	(22,422)	204,751
Total		\$ 341,428	\$ 11,245	\$ 13,244	\$ 7,279	\$ (61,884)	\$ 311,312

As at September 30, 2023, the Trust has additional commitments for equity accounted investments that are in their development phase that are due on request of \$26,351 (December 31, 2022: \$44,411).

The following is the summarized financial information of the above investments at 100% as at September 30, 2023:

As at September 30, 2023	Centurion Rise (520 Ellesmere) LP	Station Place	4Square LP	CCA CBD Minneapolis LLC	Centurion Appelt LP	Shops of Steels LP	Other	Total
Ownership⁽¹⁾	85%	50%	95%	85%	75%	32%		
Non-current assets	\$ 53,823	\$ 242,005	\$ 71,003	\$ 69,914	\$ 101,446	\$ 122,864	\$ 717,520	1,378,576
Current assets	1,718	2,061	3,232	3,931	1,563	4,779	25,398	42,683
Total assets	\$ 55,542	\$ 244,067	\$ 74,235	\$ 73,845	\$ 103,009	\$ 127,643	\$ 742,918	\$ 1,421,259
Non-current liabilities	\$ (149)	\$ (149,733)	\$ (47,068)	\$ (78,686)	\$ (70,049)	\$ (63,199)	\$ (373,644)	(782,528)
Current liabilities	(36,714)	(2,606)	(1,669)	(9,993)	(2,261)	(437)	(71,704)	(125,384)
Total liabilities	\$ (36,863)	\$ (152,339)	\$ (48,737)	\$ (88,679)	\$ (72,311)	\$ (63,635)	\$ (445,348)	\$ (907,912)
Total revenue	\$ 2,560	\$ 8,729	\$ 4,383	\$ 4,124	\$ 6,887	\$ 737	\$ 18,266	45,685
Total expenses	(3,570)	(8,678)	(4,873)	(8,234)	(9,048)	(2,013)	(19,147)	(55,564)
Total fair value gains (losses)	1,692	22,002	3,279	(32,896)	(326)	(44)	(1,915)	(8,207)
Net income (loss)⁽¹⁾	\$ 682	\$ 22,053	\$ 2,789	\$ (37,007)	\$ (2,487)	\$ (1,319)	\$ (2,796)	\$ (18,086)

⁽¹⁾ Allocation of net income (loss) is based on distribution agreements between the partners, rather than ownership percentage.

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The following is the summarized financial information of the above investments at 100% as at December 31, 2022:

As at December 31, 2022	The View At Charlesworth	Station Place Inc.	4Square LP	Warehouse District Flats	Centurion Appelt LP	Shops of Steels LP	Other	Total
Ownership⁽¹⁾	50%	50%	70%	66%	75%	32%		
Non-current assets	\$ 41,343	\$ 233,336	\$ 72,042	\$ —	\$ 101,062	\$ 126,121	\$ 841,257	\$ 1,415,161
Current assets	193	921	1,097	—	4,214	4,019	27,418	37,862
Total assets	\$ 41,536	\$ 234,257	\$ 73,139	\$ —	\$ 105,276	\$ 130,140	\$ 868,675	\$ 1,453,023
Non-current liabilities	\$ (23,574)	\$ (149,505)	\$ (63,810)	\$ —	\$ (75,159)	\$ (65,000)	\$ (439,725)	\$ (816,773)
Current liabilities	(275)	(2,876)	(5,287)	—	(1,693)	(136)	(103,935)	(114,202)
Total liabilities	\$ (23,849)	\$ (152,381)	\$ (69,097)	\$ —	\$ (76,852)	\$ (65,136)	\$ (543,660)	\$ (930,975)
Total revenue	\$ 2,010	\$ 7,568	\$ 5,740	\$ —	\$ 4,656	\$ 769	\$ 30,139	\$ 50,882
Total expenses	(1,103)	(8,933)	(6,859)	—	(6,356)	(1,260)	(36,410)	(60,921)
Total fair value gains	7,939	1,817	(12,589)	(220)	4,473	1,954	22,046	25,420
Net income (loss)⁽¹⁾	\$ 8,846	\$ 452	\$ (13,708)	\$ (220)	\$ 2,773	\$ 1,463	\$ 15,775	\$ 15,381

⁽¹⁾ Allocation of net income (loss) is based on distribution agreements between the partners, rather than ownership percentage.

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 2023 and 2025 is 12.98% (December 31, 2022: 12.35%).

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2023	2022	2023	2022
Interest income from mortgage investments		\$ 6,041	\$ 3,830	\$ 15,955	\$ 10,461
Interest income from participating loan interests	7	1,430	831	3,900	3,911
Total interest income		\$ 7,471	\$ 4,661	\$ 19,855	\$ 14,372
Recovery of expected credit losses (ECL)		(200)	(126)	(117)	(113)

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	
		2023	2022	2023	2022
Interest received on mortgage investments		4,932	2,439	11,378	6,421
Interest received on participating loan interests	7	774	426	5,489	23,507
Total cash interest received		\$ 5,706	\$ 2,865	\$ 16,867	\$ 29,928

As at September 30, 2023, the Trust has additional mortgage investment commitments of approximately \$95,694 (December 31, 2022: \$143,867).

As at September 30, 2023, mortgage investments and syndicated mortgage investment liability are as follows:

Mortgage Investments		September 30, 2023		December 31, 2022
Non-current mortgage investments	\$	93,124	\$	57,062
Current mortgage investments		109,276		64,534
		202,400		121,596
Allowance for ECL		(1,113)		(997)
Total mortgage investments	\$	201,287	\$	120,599

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As at September 30, 2023, continuity of mortgage investments, including the allowance for ECL, is allocated between the internal credit risk stages as follows:

As at September 30, 2023	Stage 1	Stage 2	Stage 3	Total
Gross mortgage investments, beginning of the period	\$ 110,953	\$ 695	\$ 9,948	\$ 121,596
Principal funded	95,290	—	108	95,398
Interest accrued	13,511	33	1,807	15,351
Interest repaid	(11,986)	(38)	—	(12,024)
Principal repaid	(17,231)	(690)	—	(17,921)
Gross mortgage investments, end of the period	\$ 190,537	\$ —	\$ 11,863	\$ 202,400
Allowance for ECL, beginning of the period	\$ 892	\$ 5	\$ 100	\$ 997
Remeasurement	190	(5)	—	185
Repayment	(69)	—	—	(69)
Allowance for ECL, end of the period	1,013	—	100	1,113
Total mortgage investments	\$ 189,524	\$ —	\$ 11,763	\$ 201,287

As at September 30, 2022, 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

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

	September 30, 2023	December 31, 2022
Within 1 year	\$ 109,276	\$ 64,534
1 to 2 years	82,440	41,448
2 to 3 years	10,684	15,614
Total repayments	\$ 202,400	\$ 121,596

The nature of the underlying assets for the Trust's mortgage investments are as follows:

	September 30, 2023	December 31, 2022
Low-Rise Residential	20 %	18 %
Land	19 %	34 %
Commercial/Mixed Use	3 %	6 %
High-Rise Condominium	18 %	12 %
Multi Family Apartments	37 %	28 %
Industrial	3 %	2 %
	100 %	100 %

As at September 30, 2023, the Trust's mortgage investments are comprised of a 83% interest in first mortgages (December 31, 2022: 80%) and a 17% interest in second mortgages (December 31, 2022: 20%).

7. Participating Loan Interests

As at September 30, 2023, 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, 2023, interest income was \$3,900 (September 30, 2022: \$3,911) and a fair value loss was recognized of \$(2,444) (September 30, 2022: fair value loss of \$1,170). 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 capitalization 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.

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

	September 30, 2023	September 30, 2022
Balance, beginning of period	\$ 37,387	\$ 110,972
Advances	10,204	323
Interest income	3,900	3,911
Fair value losses	(2,444)	(1,170)
Repayment of principal	(4,169)	(59,765)
Repayment of interest	(5,489)	(23,830)
Balance, end of period	\$ 39,389	\$ 30,441

As at September 30, 2023, the Trust has no additional contractual commitments for participating loan interests (December 31, 2022: \$586).

The Trust did not dispose of any Participating Loan interests during the nine months ended September 30, 2023 and the year ended December 31, 2022.

8. Receivables and Other Assets

Receivables and other assets consist of the following:

	Note	September 30, 2023	December 31, 2022
Acquisition deposits		3,415	14,020
Prepaid CMHC premiums		54,280	42,537
Other current assets		36,716	24,647
Warehouse receivable	17	1,393	13,087
Prepaid expenses		14,074	4,025
Property and equipment		1,933	2,254
Leased assets		959	2,222
Net rent receivables		1,584	1,740
		\$ 114,354	\$ 104,532

Prepaid CMHC premiums, represents CMHC premiums on mortgages payable, net of accumulated amortization of \$6,896 (December 31, 2022: \$5,675).

Total capitalized financing costs during the three and nine months ended September 30, 2023 amounted to \$1,293 and \$14,564 (three and nine months ended September 30, 2022: \$1,164 and \$10,875) and total amortization of financing costs during the year amounted to \$1,349 and \$2,849 (three and nine months ended September 30, 2022: \$3,335 and \$5,536).

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9. Restricted Cash / Unit Subscriptions in Trust

As at September 30, 2023, restricted cash consists of cash not available for use of \$3,891 (December 31, 2022: \$3,511). 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, 2023, is current in nature. Subsequent to quarter 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, 2023	December 31, 2022
Current	\$ 354,597	\$ 331,657
Non-current	2,583,347	2,281,200
	\$ 2,937,944	\$ 2,612,857

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

	September 30, 2023	December 31, 2022
First mortgages on investment properties, bearing interest between 1.62% and 4.35% (December 31, 2022: 1.62% and 4.35%), with a weighted average interest rate of 2.83% (December 31, 2022: 2.64%), and a weighted average maturity of 6.65 years (December 31, 2022: 6.47 years), secured by related investment properties	\$ 2,594,228	\$ 2,282,310
Second mortgages on investment properties, bearing interest rate of 4.03% (December 31, 2022: 4.03% and 6.00%), with a weighted average interest rate of 4.03% (December 31, 2022: 5.37%), and weighted average maturity of 1.09 years (December 31, 2022: 0.87 years), secured by related investment properties	821	2,664
Construction financing and Land loan facility, bearing interest rate of 7.26% (December 31, 2022: 6.95%), secured by related properties	32,671	89,426
Line of credit facility, bearing interest rate of 8.20% (December 31, 2022: 7.45%) secured by assets of REIT and its subsidiaries	154,500	80,000
REIT proportion of mortgages held through joint arrangements, bearing interest between 0% and 5.37% (December 31, 2022: 0% and 5.37%), with a weighted average interest rate of 2.79% (December 31, 2022: 2.78%) and a weighted average maturity of 6.46 years (December 31, 2022: 7.21 years), secured by related investment properties in the joint venture arrangement	170,112	173,301
	\$ 2,952,332	\$ 2,627,701
Less: Unamortized portion of financing fees	(14,388)	(14,844)
	\$ 2,937,944	\$ 2,612,857

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, 2023, was 3.16% (December 31, 2022: 2.91%).

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Mortgages payable at September 30, 2023, are due as follows:

	Principal Repayments	Balance due at Maturity	Total
Period ended September 30 2024	\$ 62,620	\$ 291,977	\$ 354,597
Period ended September 30 2025	59,339	176,932	236,271
Period ended September 30 2026	57,435	32,830	90,265
Period ended September 30 2027	55,829	101,617	157,446
Period ended September 30 2028	53,884	125,779	179,663
Thereafter	144,736	1,789,354	1,934,090
	\$ 433,843	\$ 2,518,489	\$ 2,952,332
Less: Unamortized portion of financing fees			(14,388)
			\$ 2,937,944

11. Accounts Payable and Other Liabilities

Accounts payable and other liabilities consist of the following:

	September 30, 2023	December 31, 2022
Accrued expenses	\$ 14,303	\$ 18,519
Prepaid rent	4,573	3,091
Tenant deposits	12,980	11,940
Accounts payable	7,389	4,680
Lease liability	2,224	2,455
Deferred long term incentive plan	4,047	3,597
	\$ 45,516	\$ 44,282

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. The remaining Class M units have been converted to Class A units as at September 1st, 2023, no further Class M units will be issued going forward.

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, 2023	December 31, 2022
Class A Trust Units		
Units as at January 1,	76,872	71,572
New units issued	6,573	8,078
Distribution reinvestment plan	1,306	1,698
Redemption of units	(3,871)	(4,476)
	80,880	76,872
Class F Trust Units		
Units as at January 1,	55,721	46,806
New units issued	8,819	12,315
Distribution reinvestment plan	1,224	1,562
Redemption of units	(4,798)	(4,962)
	60,966	55,721
Exchangeable LP units		
Units as at January 1,	6,991	468
New units issued	2,051	6,321
Distribution reinvestment plan	239	206
Redemption of units	(26)	(4)
	9,255	6,991
Class M Trust Units		
Units as at January 1,	4	13
Redemption of units	(4)	(9)
	—	4
Class I Trust Units		
Units as at January 1,	13,439	10,705
New units issued	3,685	3,968
Distribution reinvestment plan	193	182
Redemption of units	(822)	(1,416)
	16,495	13,439

13. Revenue Recognition

Revenue from investment properties is comprised of the following:

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Rental income	\$ 74,730	\$ 62,667	\$ 218,289	\$ 169,358
Ancillary income	3,582	3,285	10,900	8,514
Expense recoveries	453	373	1,351	950
	\$ 78,765	\$ 66,325	\$ 230,540	\$ 178,822

14. Finance Costs

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Interest on mortgages payable and credit facilities	\$ 21,510	\$ 13,963	\$ 60,279	\$ 39,192
Amortization of financing fees	908	1,473	1,628	3,068
Amortization of CMHC Insurance	441	1,862	1,221	2,468
	\$ 22,859	\$ 17,298	\$ 63,128	\$ 44,728

15. Other Income and Expenses

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Trailer Fees	(3,249)	(3,244)	(10,323)	(8,772)
Interest and Miscellaneous	846	—	3,081	—
Income from Equity Accounted Investments	94	—	94	—
	\$ (2,309)	\$ (3,244)	\$ (7,148)	\$ (8,772)

16. General and Administrative Expenses

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Salaries and wages	\$ 5,956	\$ 5,246	\$ 17,734	\$ 15,577
Communications & IT	1,201	1,296	3,144	2,302
Asset management fees	3,626	—	3,626	—
Office expenses	508	783	2,121	1,807
Fund administration costs	1,053	291	1,842	1,249
Professional fees	1,017	808	2,564	2,406
Advertising	925	778	2,240	1,836
Amortization of property and equipment	197	214	605	655
	\$ 14,483	\$ 9,416	\$ 33,876	\$ 25,832

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. The asset management agreement was revised on September 1, 2023. The initial term of the Asset Management Agreement is five years and will be renewed automatically annually thereafter unless cancelled. The contract will be terminable by the REIT (i) for cause, (ii) for poor performance by the Asset Manager at the end of the initial term, subject to a cure period and unitholder approval, or (iii) for other strategic purposes after seven years, subject to unitholder approval and a 36-month make-whole payment. The Asset Manager may terminate the contract at any time after the initial term on 180 days' notice. The Trust is required to pay a 1.0% per annum asset management fee based on Net Asset Value and bear a carry of 15% based on the units producing a return in excess of a 7.25% hurdle, subject to a full catch-up and high water mark.

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. The warehouse agreement bears interest at 10.25% (December 31, 2022: range between 10.0% and 12.25% with a weighted average rate of 10.3%). As at September 30, 2023, the Trust has a warehouse receivable balance of \$1,393 (December 31, 2022: \$13,087). The warehouse agreement is secured by the underlying investment assets with a carrying value of \$2,278 as at September 30, 2023 (December 31, 2022: \$18,895). All outstanding principal and interest under the warehouse loan shall be due and payable on maturity of the underlying loan.

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, 2023, the Trust has co-invested with CFIT on \$1,138 of debt investments and \$2,213 of participating loan interests on a pari passu basis (December 31, 2022: \$1,138 of debt investments and \$2,435 of participating loan interests).

During the nine months ended September 30, 2023, a total of 2,383 Class M units were redeemed for \$26,414 (December 31, 2022: 46,254 Class M units were redeemed for \$130,000). The distributions in cash for these units were \$270 and \$842 for the three and nine months ended September 30, 2023 (three and nine months ended September 30, 2022: \$290 and \$1,334).

As at September 1st, 2023, the Class M balance of 1,363 units, held by a related party of the Asset Manager, was converted to 1,098,873 Class A units with a value of \$25,249.

During the nine months ended September 30, 2023, the Trust was charged asset management fees under the agreement described in Note 17 of \$3,626. A related party of the Asset Manager earned commitment fees of \$978 and \$2,123 for the three and nine months ended September 30, 2023, payable by the borrower on debt investments made by the Trust (three and nine months ended September 30, 2022: \$3,167 and \$4,876).

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	
	2023	2022	2023	2022
Current income tax expense (recovery)	\$ (1,482)	\$ (4,728)	\$ 1,550	\$ 1,491
Deferred income tax expense (recovery)	(1,308)	1,074	(7,296)	(3,740)
Income tax recovery	\$ (2,790)	\$ (3,654)	\$ (5,746)	\$ (2,249)

During the three months ended September 30, 2023, the Trust did not make any tax installments on its current income tax liabilities.

During the three months ended September 30, 2023, the Trust did not make any income tax payments.

d) Deferred Income Tax Liabilities

As at September 30, 2023, total net deferred income tax liabilities is \$6,071, which is predominantly due to the unrealized fair value gains recognized on the underlying real estate held within Equity Accounted Investments (December 31, 2022: \$13,391).

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, 2023, is \$2,619,695 (December 31, 2022: \$2,223,715). Carrying value at September 30, 2023 is \$2,937,944 (December 31, 2022: \$2,612,857).
- 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 long term 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, 2023	Level 1	Level 2	Level 3	Total
Assets				
Investment properties	\$ —	\$ —	\$ 5,633,261	\$ 5,633,261
Participating loan interests	—	—	39,389	39,389
Liabilities				
Long term Incentive Plan Trust Units	—	—	(4,047)	(4,047)
Currency Derivative	—	—	60	60
Measured at fair value through profit and loss	\$ —	\$ —	\$ 5,668,663	\$ 5,668,663

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Investment properties	\$ —	\$ —	\$ 5,106,772	\$ 5,106,772
Participating loan interests	—	—	37,387	37,387
Liabilities				
Long term Incentive Plan Trust Units	—	—	(3,597)	(3,597)
Currency Derivative	—	—	269	269
Measured at fair value through profit and loss	\$ —	\$ —	\$ 5,140,831	\$ 5,140,831

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 period. 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, 2023	December 31, 2022
Total unrestricted assets	\$ 6,377,910	\$ 5,717,936
Mortgages payable and credit facilities	2,937,944	2,612,857
Ratio of Debt to GBV	46.06 %	45.70 %

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

	September 30, 2023	December 31, 2022
Mortgages payable and credit facilities	\$ 2,937,944	\$ 2,612,857
Net assets attributable to Unitholders	3,389,932	3,038,080
Total Capital Structure	\$ 6,327,876	\$ 5,650,937

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.

CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
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For the three and nine months ended September 30, 2023, with comparative information for 2022
(Expressed in thousands of Canadian dollars)

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, 2023, the Trust had cash of \$21,796 (December 31, 2022: \$37,344) and credit facilities as follows:

	September 30, 2023	December 31, 2022
Credit facilities agreed	\$300,000	\$200,000
Available for use	\$300,000	\$200,000
Available as undrawn	\$145,004	\$119,664

As at September 30, 2023, the Trust has contractual obligations totaling \$518,659 (December 31, 2022: \$572,014) 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, 2023, the Trust had mortgage investments and participating loans of \$123,638 (December 31, 2022: \$72,068) and a credit facility with a balance of \$154,500 (December 31, 2022: \$80,000) 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	\$ 123,638	\$ (1,236)	(1,236)	\$ 1,236	1,236
Financial liabilities					
Variable rate debt due to mature in a year	\$ 154,500	\$ 1,545	1,545	\$ (1,545)	(1,545)

As of September 30, 2023, 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, 2023, 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, 2023, the Trust has USD currency derivatives with an aggregate notional value of \$37,015 USD (December 31, 2022: \$76,950 USD) at a rate of \$0.74 and a weighted average maturity of December 14, 2023. As at September 30, 2023, the Trust estimates the fair value of the currency derivative to be in an asset position of \$56 CAD. During the nine months ended September 30, 2023, the Trust recognized a cumulative fair value gain of \$158 CAD (September 30, 2022: cumulative fair value loss of \$6,196 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:

	September 30, 2023	December 31, 2022
Cash	\$ 5,793	\$ 16,956
Equity accounted investments	30,348	45,181
Total assets held in USD	36,141	62,137
USD currency derivatives (notional value)	(37,015)	(76,950)
Net exposure	\$ (874)	\$ (14,813)

For the period-end September 30, 2023, a 1% change in the United States to Canadian Dollar exchange rate would have the following impact on net income and equity:

		-1%		1%	
	Carrying Amount	Income	Equity	Income	Equity
Net US dollar exposure	\$ (874)	\$ 9	9	\$ (9)	(9)

24. Supplemental Cash Flow Information

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

	September 30, 2023		September 30, 2022	
Long-Term Debt				
Balance, beginning of period	\$	2,532,857	\$	1,578,261
New or Refinanced Mortgages and Loans		303,541		226,304
Assumed Mortgages and Loans upon acquisition		218,548		732,694
Mortgage repayments		(45,418)		(36,879)
Mortgages and Loans discharged		(226,540)		(108,648)
Capitalized Financing Fees		(1,172)		(4,517)
Amortization of financing fees		1,628		3,068
Balance, end of period		2,783,444		2,390,283
Credit Facilities				
Balance, beginning of period	\$	80,000	\$	—
Credit Facility advances (repayments)		74,500		—
Net, Credit Facilities		154,500		—
Balance, end of period	\$	2,937,944	\$	2,390,283

The following table summarizes the changes in non-cash operating assets and liabilities:

	September 30, 2023	December 31, 2022
Receivable and other assets	(8,221)	(10,732)
Accounts payable and other liabilities	2,329	10,411
Current income tax liabilities	—	(3,155)
Net decrease in non-cash operating assets and liabilities	\$ (5,892)	\$ (3,476)

26. Subsequent Events

- a) On November 15, 2023, the Trust completed the acquisition of Phase III of a three-phase, multi-residential apartment portfolio called NOX for \$36,000. The property is located in Gatineau, Québec with a total of 99 rental units. As part of this acquisition, the Trust assumed a mortgage of \$25,644 and the remaining portion was funded by cash.
- b) On December 7, 2023, the Trust completed the acquisition of Phase II of a three-phase multi-residential apartment portfolio, called Knox Village for \$22,023. The property is located in Kelowna, BC with a total of 61 rental units. As part of this acquisition, the Trust assumed a mortgage of \$18,877 and the remaining portion was funded by cash.
- c) The Trust declared total distributions of approximately \$27,256, out of which \$12,051 were paid in cash.
- d) The Trust had redemptions of \$87,863.
- e) The Trust raised \$63,103 in capital.



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