Dream Impact Trust

Annual Report 2025

Zibi
Ottawa, ON / Gatineau, QC

dream impact trust

Dream Impact Trust (TSX: MPCT.UN) is an open-ended trust dedicated to impact investing.

Impact investing is the intention of creating measurable positive social, or environmental change in our communities and for our stakeholders. Dream Impact's underlying portfolio is comprised of exceptional real estate assets reported under two operating segments: development and recurring income, that would not be otherwise available in a public and fully transparent vehicle, managed by an experienced team with a successful track record in these areas.

Letter to Unitholders

Over 2025, we have made significant progress in advancing our milestone development projects, reducing risk and enhancing liquidity.

Demolition at 49 Ontario commenced in November 2025, and the Trust has since secured 20-year government affiliated financing, with favourable terms that significantly de-risk the project. Upon completion, 49 Ontario will be a 1,226-unit, two-tower purpose-built rental development, including 308 affordable units.

We are advancing our development at Quayside, including obtaining various approvals and completing final negotiations. We are also progressing on securing long term government affiliated financing. Together, 49 Ontario and Quayside are expected to contribute meaningfully to recurring income and add value to the Trust, over time.

Across our stabilized and recently completed multi-family assets, we have made significant leasing progress. Maple House and Birch House at Canary Landing are both over 90% occupied and each of the Zibi rental assets are over 80% occupied. Overall occupancy across our multi-residential assets reached 94% at the end of December and are expected to continue to contribute to growth in recurring income.

During the year, we sold our interest in Zibi Block 204 and 76 Stafford for gross proceeds of approximately $14 million. We are working through exiting our commercial assets as part of our strategic plan.

We continue to prudently manage our liquidity. In 2025 and early 2026, we reduced our land loan exposure by $95 million and extended an additional $94 million of loans without any required paydowns. We expect to further de-risk our debt profile and reduce our land loan exposure by an additional $56 million in 2026, which we believe will result in an improved cash flow and liquidity position.

Our asset manager, Dream Unlimited Corp. ("Dream") continues to demonstrate its alignment with the Trust, by taking management fees in units at a significant discount instead of cash and by providing a $50 million facility.

These measures further support our financial flexibility and long-term execution of our strategy.

Looking forward, we are focused on executing and achieving our five-year strategic plan, including progressing on key development projects and crystalizing value on certain commercial assets and passive investments to strengthen our liquidity. The Trust plans to own ~2,300 residential rental units (at share) in Toronto and the National Capital Region by 2030. Our multi-family segment is expected to represent approximately 90% of the Trust's fair value with over 80% of our debt being long-term, government-affiliated financing.

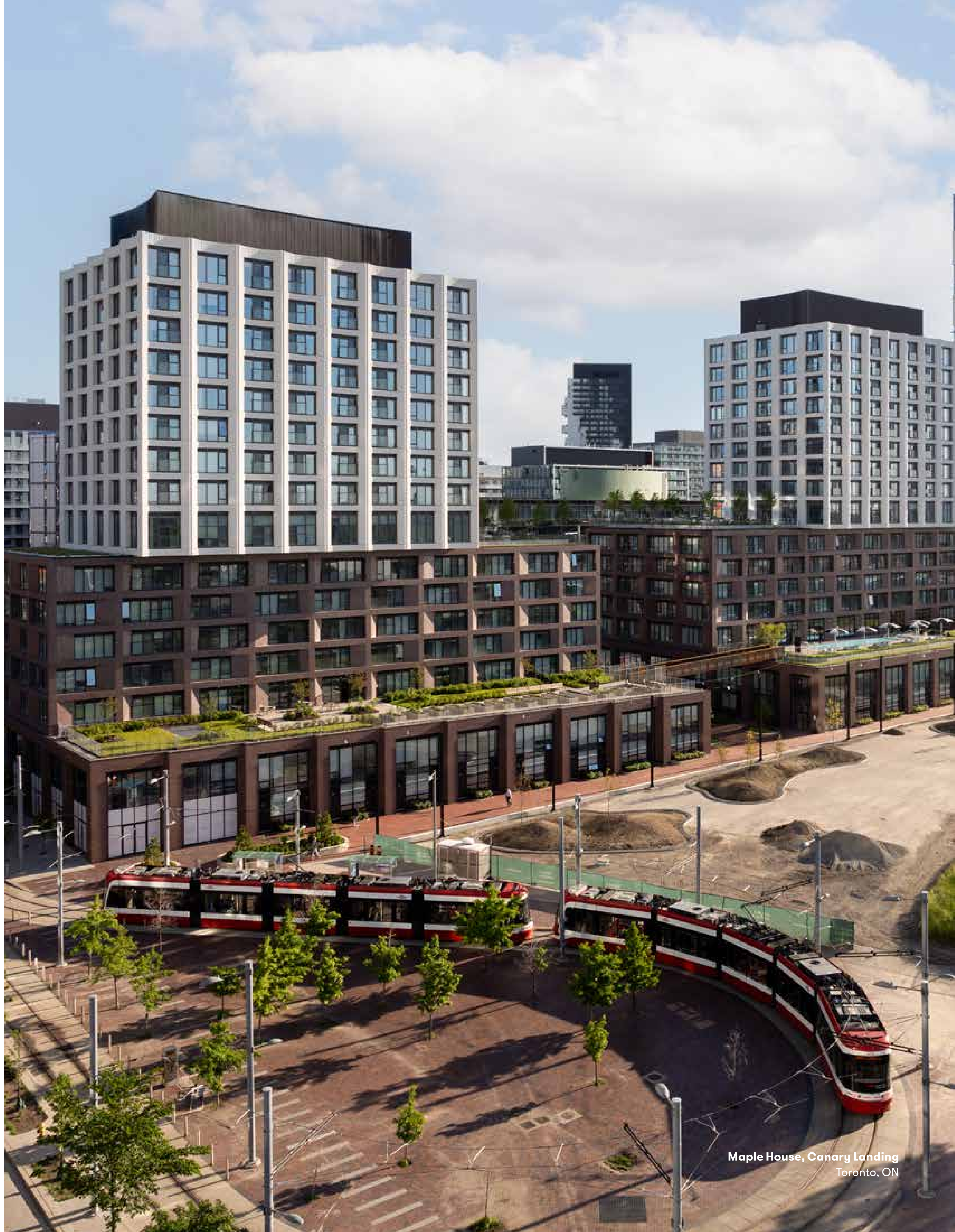
Although we are pleased with the progress achieved this year, we acknowledge that our unit price has underperformed and that significant work remains to advance our plan. The housing sector remains challenging and broader economic risks persist. However, as we enter 2026, we are better positioned to navigate these conditions as the Trust continues to reduce risk and execute on initiatives that support and enhance value.

We thank you for your continued support and will continue to provide updates on our progress throughout the year.

Sincerely,

Michael J. Cooper
Portfolio Manager

February 17, 2026



Maple House, Canary Landing
Toronto, ON

Dream Impact Trust

At a Glance[1]

Dream Impact Trust has a portfolio of high-quality real estate assets concentrated in core geographic markets.

$646 million

total assets

$50+ million

of available liquidity ($24.8 million of cash and $29.0 million available under the Dream loan)[2]

2,689

purpose-built, multi-family units in our development pipeline

$10.5 million

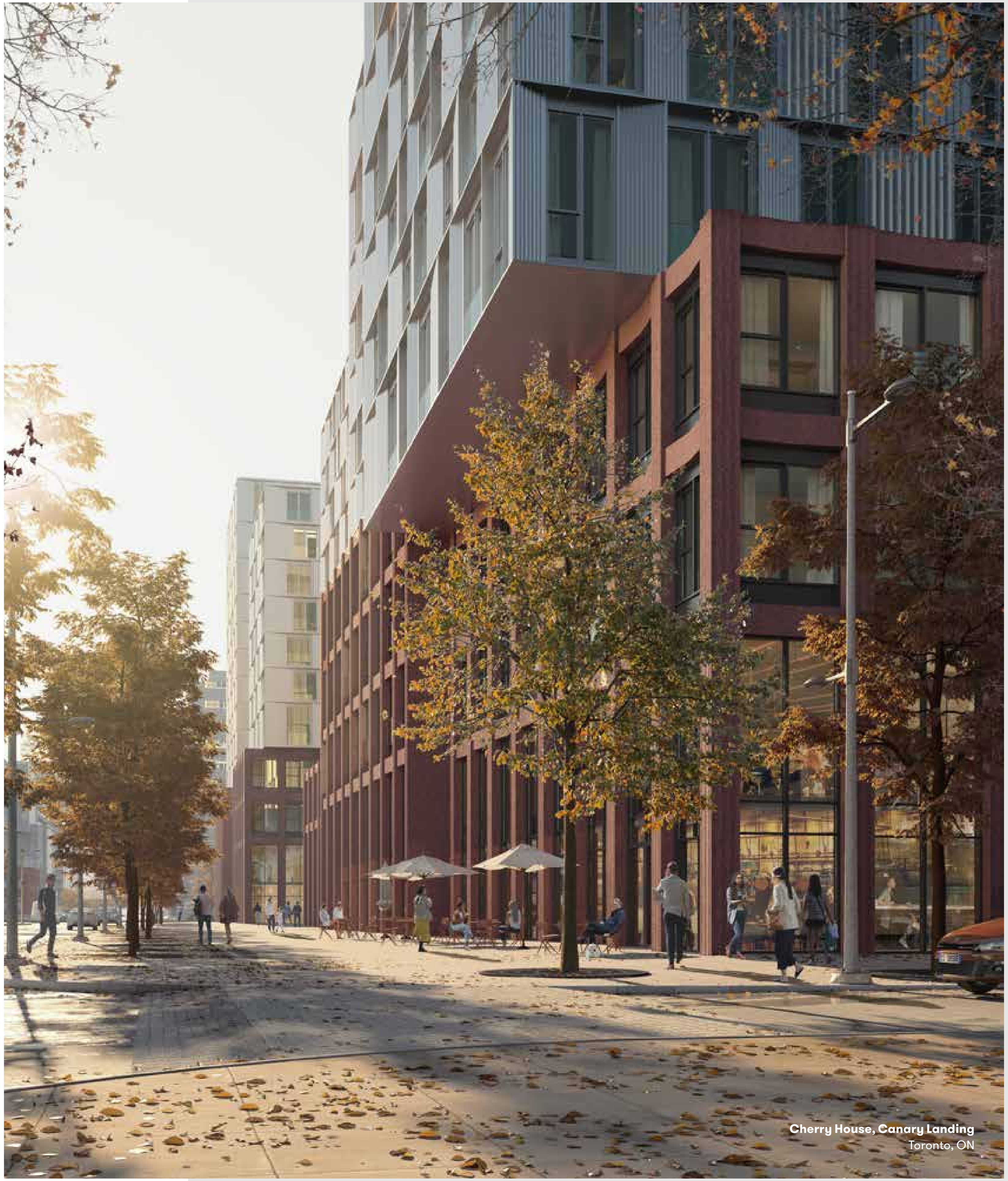
in NOI from multi family residential assets in 2025. This is a 36% increase compared to 2024. (NOI was $10.5 million in 2025 and $7.7 million in 2024)[3]

managed by

dream

an experienced asset manager with a successful track record

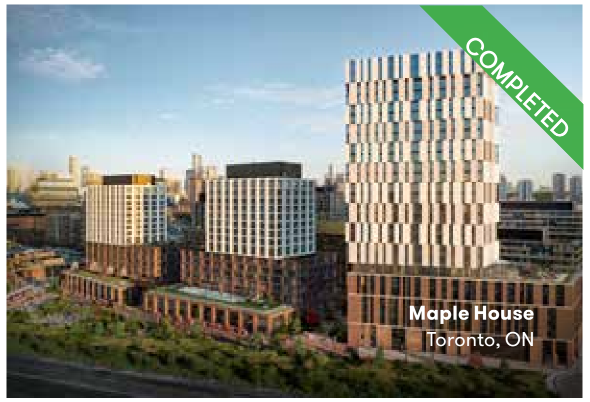
(1) As at December 31, 2025.
(2) As at February 13, 2026.
(3) NOI – multi-family rentals is a supplementary financial measures. Please refer to the "Specified Financial Measures and Other Disclosures" section of the MD&A. NOI – multi-family rental is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar measures disclosed by other issuers.



Cherry House, Canary Landing
Toronto, ON

Dream Impact Trust

Multi-Family Development Pipeline Highlights[1]



2023/2024

Maple House

770 units | 25% ownership

Maple House, at Canary Landing, consists of 770 units and commenced occupancy during the fourth quarter of 2023.

Aalto II

148 units | 50% ownership

Aalto II is the second multi-family rental building at Zibi located in Gatineau, Quebec.

Birch House

444 units | 25% ownership[2]

Birch House, at Canary Landing, includes a 238-unit multi-family rental building, and a 206-unit condo building.

Block 206 (co-living)

188 units | 50% ownership

Block 206 at Zibi is a multi-family rental building, which includes co-living space.

2025

Cherry House

855 units | 25% ownership

Cherry House at Canary Landing will feature 855 units across Blocks 3, 4, and 7. Block 7 reached completion in 2025, with more than 90% of its 68 units leased. Leasing activity for the remaining blocks began in 2026.

2026/2027

Odenak

608 units | 33.3% ownership

Odenak, formerly known as Dream LeBreton, will deliver 608 new residential rental units, with approximately 40% designated as affordable.

2028

49 Ontario Street

1,226 units | 90% ownership[3]

49 Ontario Street is an 800,000-square-foot purpose-built rental development in downtown Toronto that will deliver 1,226 residential units, including 308 affordable units across two towers.

2029

Quayside

Quayside is located on Toronto's waterfront, nearby to the Distillery District.

(1) The timeline above illustrates select assets in the Trust's development pipeline.
(2) This figure includes 238 rental units, in which the Trust is invested, as well as a 206-unit condo building invested in by Dream.
(3) Subsequent to December 31, 2026, the Trust owns 90% of the 49 Ontario development.

Milestone Project - 49 Ontario Street

49 Ontario Street is a two-tower, purpose-built rental development that will deliver 1,226 residential units, including 308 affordable, in downtown Toronto. Demolition on the site commenced in November, 2025 and the Trust has now closed on the previously announced government affiliated financing, locking in a 20-year term.

On January 5, 2026, we completed the sale of a 10% interest in the project to our co-developer and long-term partner, CentreCourt, which will also act as construction manager. CentreCourt's proven track record of delivering quality residential projects in a cost-efficient and timely manner strengthens execution certainty and aligns long-term interests across the partnership. Supported by long-term, low-cost financing and development-charge and HST relief received earlier in the year, the project is well-positioned to generate meaningful recurring income upon completion.

1,226

total units

308

affordable units

90%

ownership interest[1]

49 Ontario Street
Toronto, ON

(1) 90% ownership subsequent to December 31, 2025

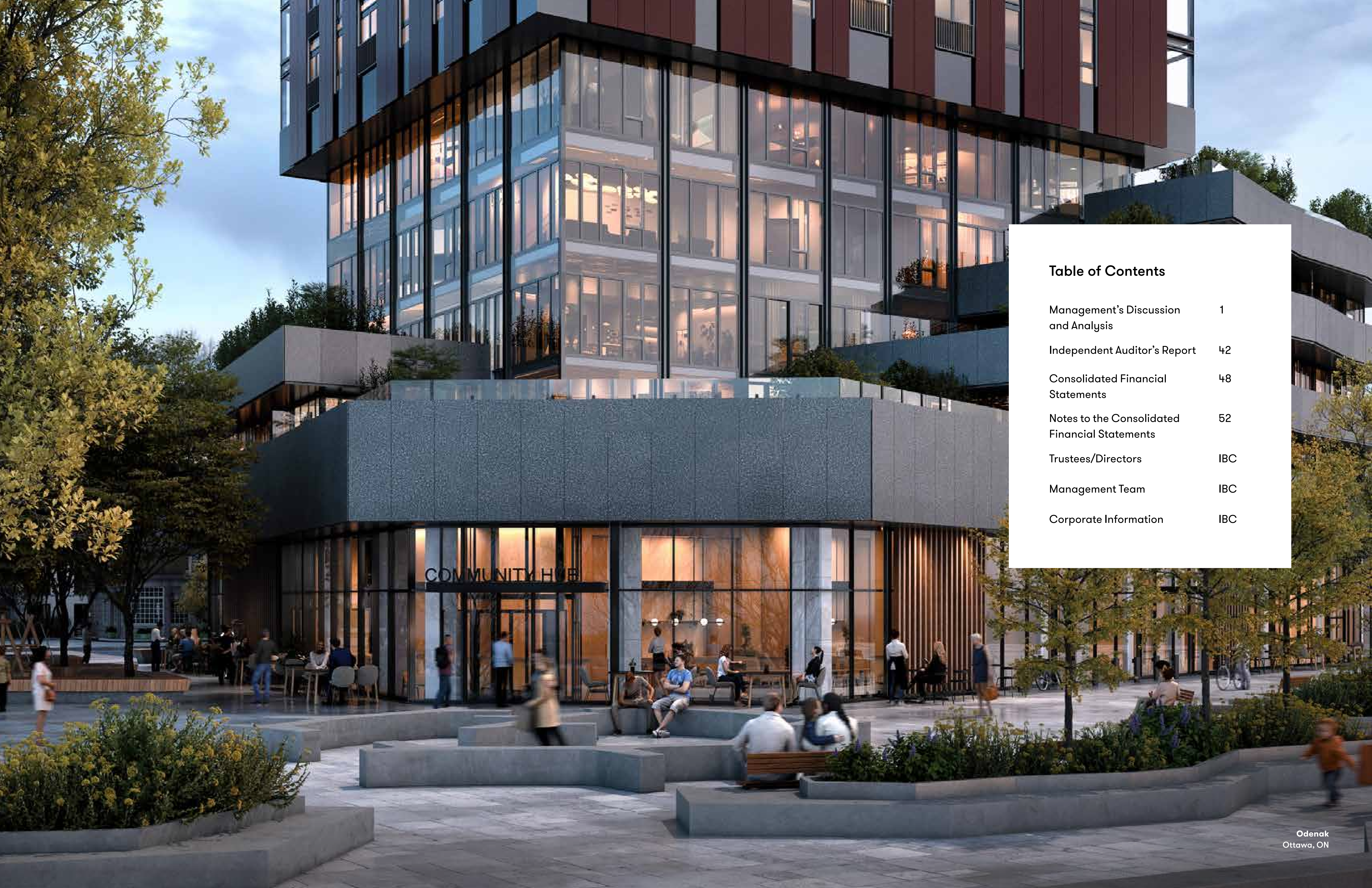


Table of Contents

Odenak
Ottawa, ON

MANAGEMENT'S DISCUSSION AND ANALYSIS

(All dollar amounts in our tables are presented in thousands of Canadian dollars, except unit and per unit amounts, unless otherwise stated)

This Management's Discussion and Analysis ("MD&A") is intended to assist readers in understanding Dream Impact Trust ("Dream Impact" or the "Trust") and its business environment, strategies, performance and risk factors. This MD&A should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the years ended December 31, 2025 and December 31, 2024, which can be found under the Trust's profile on the System for Electronic Document Analysis and Retrieval+ ("SEDAR+") (www.sedarplus.ca). The financial statements underlying this MD&A, including 2024 comparative information, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Certain disclosures herein are specified financial measures, including non-GAAP measures and supplementary or other specified financial measures. Refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A for further details.

All dollar amounts in our tables are presented in thousands of Canadian dollars, except unit and per unit amounts, unless otherwise stated. This MD&A is dated as of, and reflects all material events up to, February 17, 2026, the date on which this MD&A was approved by the Board of Trustees of the Trust ("Board of Trustees").

Certain comparative results have been reclassified to conform to the presentation adopted in the current period.

When we refer to terms such as "we", "us" and "our", we are referring to Dream Impact Trust (the "Trust"), Dream Impact Master LP ("MPCT LP") and its subsidiaries. When we refer to the term "units" we are referring to the units of the Trust. When we refer to "unitholders" we are referring to holders of the units of the Trust.

The "Forward-Looking Information" section of this MD&A includes important information concerning certain information found in this MD&A that contains or incorporates statements that constitute forward-looking information within the meaning of applicable securities laws. Readers are encouraged to read the "Forward-Looking Information" and "Risks and Risk Management" sections of this MD&A for a discussion of the risks and uncertainties regarding this forward-looking information as there are a number of factors that could cause actual results to differ materially from those disclosed or implied by such forward-looking information.

1. OVERVIEW AND OVERALL FINANCIAL PERFORMANCE

1.1 OVERVIEW OF THE TRUST

Dream Impact Trust is an open-ended trust dedicated to impact investing. Impact investing is the intention of creating measurable positive, social or environmental change in our communities and for our stakeholders, while generating attractive financial returns. The Trust's underlying portfolio is comprised of real estate assets reported under two operating segments: development and recurring income. The units of the Trust are listed on the Toronto Stock Exchange ("TSX") under the symbol "MPCT.UN".

The Trust is managed by Dream Asset Management Corporation ("DAM" or the "Asset Manager"), a subsidiary of Dream Unlimited Corp. ("Dream Unlimited" or "Dream") (TSX: DRM), which is one of Canada's leading real estate companies, with $28 billion of assets under management. On January 1, 2018, Dream acquired control of the Trust, for accounting purposes, based on Dream's increased exposure to variable returns resulting from increased ownership through units held in the Trust and from new real estate joint venture agreements. The ultimate controlling party of the Trust is Michael Cooper, President and Chief Responsible Officer of DAM and Dream. As of December 31, 2025, Dream has a 38.7% ownership interest in the Trust.

1.2 OUR STRATEGY AND OPERATING SEGMENTS

Our fundamental objectives are to:

- Create positive and lasting impacts for our stakeholders through our three impact verticals: environmental sustainability and resilience, attainable and affordable housing, and inclusive communities.
- Balance the growth and stability of the portfolio, increasing cash flow and unitholders' equity over time.
- Provide investors with a portfolio of high-quality real estate assets, concentrated in core geographic markets, leveraging an experienced management team.

We work towards these objectives by operating our business under two distinct segments:

- **Recurring income** — comprised of a portfolio of multi-family rental assets and commercial real estate income properties in the Greater Toronto Area ("GTA") and Ottawa/Gatineau, and a utility asset.(1)
- **Development** — comprised of investments in residential and mixed-use developments.

(1) Relates to Zibi Community Utility. For further details, refer to Section 10.1, "Summary of Impact Investments", of this MD&A.

Recurring income is important to our business as it provides stable returns in order to fund our ongoing fixed operating costs and interest costs. We believe the Trust's development segment represents a portfolio of high-quality assets located in core geographic markets that would not otherwise be accessible in a public vehicle. These assets represent a significant source of growth for the Trust, which we expect will generate future income and cash flows over time as the projects are developed. Assets may be built for sale or built to hold for the long term.

Due to the nature of development, the Trust expects fluctuations in earnings from period to period from this segment. Typically, assets may be acquired and held for a number of years before development commences or contribution to net income is realized. However, depending on a variety of factors, including location, market conditions, density, and asset class, the value of these projects may fluctuate as we progress through the rezoning and pre-development process.

In line with our overarching strategy to be a dedicated impact investment vehicle, we utilize assets in our segments to generate positive impact across our verticals. These verticals are aligned with the widely recognized and accepted United Nations Sustainable Development Goals ("UN SDG") and are:

- Environmental sustainability and resilience – develop real estate that optimizes energy use, limits greenhouse gas emissions, and reduces water and waste usage with objectives and targets aligned with internationally recognized methodologies (UN SDG 7, 11, 12 and 13).
- Attainable and affordable housing – invest in and develop mixed-income communities that are transit-oriented, located close to employment opportunities, and support an overall lower relative cost of living with a high quality of life.
- Inclusive communities – intentionally design and build communities that are inclusive for everyone. This includes creating spaces that encourage mental and physical well-being, foster social connections, and support economic growth.

As of December 31, 2025, substantially all of our portfolio qualified under the Trust's definition of an impact investment or in the impact planning stage. We intend to wind down or exit non-core investments over time.

1.3 BUSINESS UPDATE — FOURTH QUARTER AND YEAR ENDED 2025

Demolition at 49 Ontario Street ("49 Ontario"), commenced during the three months ending December 31, 2025, and the project has since secured 20-year government affiliated financing at an attractive rate. Proceeds from this financing were used to repay the existing $80 million mortgage. As previously announced, the Trust also completed the sale of a 10% project interest to our co-developer CentreCourt who is also serving as the construction manager. As at December 31, 2025, the Trust temporarily presented 49 Ontario as an asset held for sale as a result of its sale to a new partnership. In the first quarter of 2026, 49 Ontario will be transferred to equity accounted investments.

The Trust continues to advance progress on the Quayside development and are working on securing long-term government affiliated financing for this project. Similar to 49 Ontario, the Quayside development is expected to benefit from HST waivers, development charge relief and construction cost savings received earlier in the year. Construction is expected to commence by the end of 2026, subject to financing milestones. Collectively, these are two milestone projects for the Trust that will comprise over 1,500 multi-residential units, including over 400 affordable units (at the Trust's share) which will make up a significant portion of the Trust's core assets.

As of December 31, 2025, our multi-family portfolio comprised 2,973 units (at 100% asset level or 1,037 units at share) across the GTA and Ottawa/Gatineau region and were 94% leased. This includes 426 units in the lease-up phase, including Birch House at Canary Landing and Voda at Zibi, which are expected to increase their contribution to NOI over time. During the year ended December 31, 2025, Birch House was transferred to the recurring income segment as substantial construction completion was achieved.

At Brightwater, condo closings continued throughout the year, with four phases, including over 500 units, now closed. These closings included the Mason, which comprises 158 units, with proceeds used to repay $14.9 million of the construction loan during the three months ended December 31, 2025.

Construction progressed at Cherry House at Canary Landing in downtown Toronto and Odenak in Ottawa. Cherry House will comprise 855 units across Blocks 3, 4 and 7 (213 units at the Trust's share). Block 7 was completed with over 90% of its 68 units leased. Leasing for the remaining blocks commenced in 2026. In Ottawa, Odenak, located adjacent to the Zibi community, is expected to deliver 608 multi-family units upon completion in 2027.

The Trust completed several initiatives to support its liquidity objectives during the year. The Trust entered into a senior secured term facility with DAM, as amended, for up to $23.5 million, bearing interest at a rate equal to 10% per annum, maturing in 2030 and secured by general and continuing collateral over certain of the Trust's assets. Subsequent to year end, the Trust amended and restated the facility to, among other things, upsize the capacity of the loan to $50.0 million, of which $21.0 million was drawn as of February 13, 2026. During the three months ending December 31, 2025, the Trust reduced its exposure to commercial assets through the sale of 76 Stafford, using the proceeds towards the repayment of the $13.0 million mortgage payable. In addition, the Trust amended and restated the terms of its $30.0 million, 5.50% convertible unsecured subordinated debentures (the "2021 Debentures"), to, among other things, extend the maturity date from July 31, 2026 to July 31, 2031 and revise the interest rate to 6.5% as of February 2, 2026 and the conversion price to $2.75 per unit (the "2025 Debentures").

FINANCIAL HIGHLIGHTS OF THE TRUST

(in thousands of Canadian dollars, except for number of units)	Three months ended December 31, **2025**	2024	Year ended December 31, **2025**	2024
Consolidated results of operations				
Net loss	**$ (23,463)**	$ (8,305)	**$ (54,045)**	$ (26,033)
NOI – recurring income[1]	**4,203**	4,560	**17,145**	18,972
NOI – multi-family rental[1]	**2,826**	2,503	**10,494**	7,705
Cash generated from (utilized in) operating activities[2]	**(237)**	2,244	**3,344**	2,646
Net loss per unit[1]	**(1.26)**	(0.46)	**(2.93)**	(1.45)
Units outstanding – end of period	**18,866,970**	18,248,440	**18,866,970**	18,248,440
Units outstanding – weighted average	**18,617,513**	18,245,451	**18,458,186**	17,980,399

As at	**December 31, 2025**	September 30, 2025	December 31, 2024
Consolidated financial position			
Total unitholders' equity	**$ 349,949**	$ 370,206	$ 401,241
Total unitholders' equity per unit[1]	**18.55**	20.10	21.99
Total debt[3]	**283,983**	273,045	272,664
Total debt payable[3][4]	**282,432**	274,537	274,847
Total assets	**646,004**	656,890	684,421
Debt-to-asset value[5]	**43.7%**	41.8%	40.2%
Cash	**5,369**	7,593	16,217

(1) Net operating income ("NOI"), NOI – recurring income, NOI – multi-family rental, net income (loss) per unit and total unitholders' equity per unit are supplementary financial measures. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A.

(2) The Trust has elected to present interest expense on debt as a cash flow arising from financing activities where it was previously included in cash flows from operating activities, including cash generated from (utilized) in operating activities for the year ended December 31, 2024. For further details, refer to section 9.2, "Current Accounting Policy Changes".

(3) Includes liabilities related to assets held for sale.

(4) Total debt payable is a non-GAAP financial measure. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A. Total debt payable is not a standardized financial measure under IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and might not be comparable to similar measures disclosed by other issuers.

(5) Debt-to-asset value is a non-GAAP ratio. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A. Debt-to-asset value is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar measures disclosed by other issuers.

During the three months ended December 31, 2025, the Trust reported a net loss of $23.5 million compared to a net loss of $8.3 million in the prior year. The change was primarily driven by fair value adjustments, including on commercial assets at Zibi, a reduction in the carrying value of a development property, and within the multi-family portfolio due to a slower leasing environment. The change in year-over-year earnings also reflects the absence of condo occupancy activity at Brightwater, which contributed to earnings in 2024, a lower deferred tax recovery, higher shared service fees, a fair value loss on the modification of the convertible debentures and several non-recurring expenses. The non-recurring expenses during the fourth quarter of 2025 included transaction costs related to the sale of a commercial property, a property tax catch-up on a recently completed multi-family asset at Zibi, and the settlement of the 49 Ontario interest rate swap ahead of repayment of the associated land loan. This was partially offset by continued NOI growth from the multi-family rental portfolio.

During the year ended December 31, 2025, the Trust reported a net loss of $54.0 million compared to a net loss of $26.0 million in the prior year. In addition to the aforementioned, the prior year results included the sale of two commercial assets, which contributed to reduced earnings year-over-year within the recurring income segment, and the exit from legacy investments that generated a gain of $5.5 million.

At December 31, 2025, the Trust had total cash on hand of $5.4 million and a debt-to-asset value[5] of 43.7%, compared to 41.8% at September 30, 2025. The increase was primarily driven by drawings on the Dream loan, settlement of the interest rate swap at 49 Ontario, a fair value loss on the modification of the 2025 Debentures and fair value adjustments across the portfolio. This was partially offset by the repayment of the Stafford loan upon the asset sale. Refer to the "Capital Resources and Liquidity" section of this MD&A. Subsequent to December 31, 2025, the Trust received $6.5 million from the sale of its 10% interest in 49 Ontario. In addition, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50.0 million bearing interest at a rate equal to the higher of 10% or 6% above CORRA. As of February 13, 2026, the Trust has $24.8 million of cash and $29.0 million of availability under the Dream loan.

SEGMENTED RESULTS OF OPERATIONS – THREE MONTHS ENDED DECEMBER 31, 2025

	Development	Recurring income	Total of reportable segments	Other(1)	Total
INCOME					
Income properties revenue	$ —	$ 2,720	**$ 2,720**	$ —	**$ 2,720**
Share of losses from equity accounted investments	(5,390)	(6,278)	**(11,668)**	—	**(11,668)**
TOTAL LOSS	**(5,390)**	**(3,558)**	**(8,948)**	**—**	**(8,948)**
EXPENSES					
Income properties, operating	—	(1,590)	**(1,590)**	—	**(1,590)**
Interest expense	(524)	(1,913)	**(2,437)**	(1,529)	**(3,966)**
General and administrative	—	—	**—**	(2,194)	**(2,194)**
TOTAL EXPENSES	**(524)**	**(3,503)**	**(4,027)**	**(3,723)**	**(7,750)**
Fair value adjustments to income properties	—	(2,469)	**(2,469)**	—	**(2,469)**
OPERATING LOSS	**(5,914)**	**(9,530)**	**(15,444)**	**(3,723)**	**(19,167)**
Interest and other income	—	25	**25**	83	**108**
Transaction costs on sale of properties	—	(437)	**(437)**	—	**(437)**
Fair value adjustments to financial instruments	—	—	**—**	(4,554)	**(4,554)**
EARNINGS BEFORE INCOME TAX RECOVERY	**(5,914)**	**(9,942)**	**(15,856)**	**(8,194)**	**(24,050)**
INCOME TAX RECOVERY					
Deferred income tax recovery	—	—	**—**	587	**587**
TOTAL INCOME TAX RECOVERY	**—**	**—**	**—**	**587**	**587**
NET LOSS	**$ (5,914)**	**$ (9,942)**	**$ (15,856)**	**$ (7,607)**	**$ (23,463)**
OTHER COMPREHENSIVE INCOME					
Share of other comprehensive income from equity accounted investments, net of tax	389	390	**779**	—	**779**
Fair value adjustments to derivative financial liabilities hedge, net of tax	—	1,865	**1,865**	—	**1,865**
TOTAL OTHER COMPREHENSIVE INCOME	**389**	**2,255**	**2,644**	**—**	**2,644**
TOTAL COMPREHENSIVE LOSS	**$ (5,525)**	**$ (7,687)**	**$ (13,212)**	**$ (7,607)**	**$ (20,819)**

(1) Includes other Trust amounts not specifically related to the reportable segments.

SEGMENTED RESULTS OF OPERATIONS – THREE MONTHS ENDED DECEMBER 31, 2024

	Development	Recurring income	Total of reportable segments	Other(1)	Total
INCOME					
Income properties revenue	$ —	$ 3,386	**$ 3,386**	$ —	**$ 3,386**
Share of loss from equity accounted investments	(5,454)	(968)	**(6,422)**	—	**(6,422)**
TOTAL INCOME (LOSS)	**(5,454)**	**2,418**	**(3,036)**	**—**	**(3,036)**
EXPENSES					
Income properties, operating	—	(1,999)	**(1,999)**	—	**(1,999)**
Interest expense	(520)	(2,358)	**(2,878)**	(1,329)	**(4,207)**
General and administrative	—	—	**—**	(1,707)	**(1,707)**
TOTAL EXPENSES	**(520)**	**(4,357)**	**(4,877)**	**(3,036)**	**(7,913)**
Fair value adjustments to income properties	—	(537)	**(537)**	—	**(537)**
OPERATING LOSS	**(5,974)**	**(2,476)**	**(8,450)**	**(3,036)**	**(11,486)**
Interest and other income	—	26	**26**	308	**334**
LOSS BEFORE INCOME TAX RECOVERY	**(5,974)**	**(2,450)**	**(8,424)**	**(2,728)**	**(11,152)**
INCOME TAX RECOVERY					
Deferred income tax recovery	—	—	**—**	2,847	**2,847**
TOTAL INCOME TAX RECOVERY	**—**	**—**	**—**	**2,847**	**2,847**
NET INCOME (LOSS)	**$ (5,974)**	**$ (2,450)**	**$ (8,424)**	**$ 119**	**$ (8,305)**
OTHER COMPREHENSIVE INCOME					
Share of other comprehensive income from equity accounted investments, net of tax	167	69	**236**	—	**236**
Fair value adjustments to derivative financial liabilities hedge, net of tax	—	229	**229**	—	**229**
TOTAL OTHER COMPREHENSIVE INCOME	**167**	**298**	**465**	**—**	**465**
TOTAL COMPREHENSIVE INCOME (LOSS)	**$ (5,807)**	**$ (2,152)**	**$ (7,959)**	**$ 119**	**$ (7,840)**

(1) Includes other Trust amounts not specifically related to the reportable segments.

SEGMENTED RESULTS OF OPERATIONS – YEAR ENDED DECEMBER 31, 2025

	Development	Recurring income	Total of reportable segments	Other[(1)]	Total
INCOME					
Income properties revenue	$ —	$ 13,035	**$ 13,035**	$ —	**$ 13,035**
Share of losses from equity accounted investments	(4,946)	(17,823)	**(22,769)**	—	**(22,769)**
TOTAL LOSS	**(4,946)**	**(4,788)**	**(9,734)**	**—**	**(9,734)**
EXPENSES					
Income properties, operating	—	(7,519)	**(7,519)**	—	**(7,519)**
Interest expense	(2,078)	(8,965)	**(11,043)**	(5,376)	**(16,419)**
General and administrative	—	—	**—**	(7,028)	**(7,028)**
TOTAL EXPENSES	**(2,078)**	**(16,484)**	**(18,562)**	**(12,404)**	**(30,966)**
Fair value adjustments to income properties	—	(9,911)	**(9,911)**	—	**(9,911)**
OPERATING LOSS	**(7,024)**	**(31,183)**	**(38,207)**	**(12,404)**	**(50,611)**
Interest and other income	—	93	**93**	877	**970**
Transaction costs on sale of properties	—	(437)	**(437)**	—	**(437)**
Fair value adjustments to financial instruments	—	—	**—**	(4,554)	**(4,554)**
LOSS BEFORE INCOME TAX RECOVERY	**(7,024)**	**(31,527)**	**(38,551)**	**(16,081)**	**(54,632)**
INCOME TAX RECOVERY					
Deferred income tax recovery	—	—	**—**	587	**587**
TOTAL INCOME TAX RECOVERY	**—**	**—**	**—**	**587**	**587**
NET LOSS	**$ (7,024)**	**$ (31,527)**	**$ (38,551)**	**$ (15,494)**	**$ (54,045)**
OTHER COMPREHENSIVE INCOME (LOSS)					
Share of other comprehensive income (loss) from equity accounted investments, net of tax	413	(158)	**255**	—	**255**
Fair value adjustments to derivative financial liabilities hedge, net of tax	—	1,373	**1,373**	—	**1,373**
TOTAL OTHER COMPREHENSIVE INCOME	**413**	**1,215**	**1,628**	**—**	**1,628**
TOTAL COMPREHENSIVE LOSS	**$ (6,611)**	**$ (30,312)**	**$ (36,923)**	**$ (15,494)**	**$ (52,417)**

(1) Includes other Trust amounts not specifically related to the reportable segments.

SEGMENTED RESULTS OF OPERATIONS – YEAR ENDED DECEMBER 31, 2024

	Development	Recurring income	Total of reportable segments	Other[(1)]	Total
INCOME					
Income properties revenue	$ —	$ 17,757	**$ 17,757**	$ —	**$ 17,757**
Share of loss from equity accounted investments	(8,968)	(13,456)	**(22,424)**	—	**(22,424)**
TOTAL INCOME (LOSS)	**(8,968)**	**4,301**	**(4,667)**	**—**	**(4,667)**
EXPENSES					
Income properties, operating	—	(9,205)	**(9,205)**	—	**(9,205)**
Interest expense	(2,003)	(9,466)	**(11,469)**	(5,288)	**(16,757)**
General and administrative	—	—	**—**	(6,382)	**(6,382)**
TOTAL EXPENSES	**(2,003)**	**(18,671)**	**(20,674)**	**(11,670)**	**(32,344)**
Fair value adjustments to income properties	—	(4,403)	**(4,403)**	—	**(4,403)**
OPERATING LOSS	**(10,971)**	**(18,773)**	**(29,744)**	**(11,670)**	**(41,414)**
Interest and other income	2,747	164	**2,911**	3,460	**6,371**
Transaction costs	—	(920)	**(920)**	—	**(920)**
Fair value adjustments to financial instruments	—	—	**—**	7	**7**
LOSS BEFORE INCOME TAX RECOVERY	**(8,224)**	**(19,529)**	**(27,753)**	**(8,203)**	**(35,956)**
INCOME TAX RECOVERY					
Deferred income tax recovery	—	—	**—**	9,923	**9,923**
TOTAL INCOME TAX RECOVERY	**—**	**—**	**—**	**9,923**	**9,923**
NET INCOME (LOSS)	**$ (8,224)**	**$ (19,529)**	**$ (27,753)**	**$ 1,720**	**$ (26,033)**
OTHER COMPREHENSIVE LOSS					
Share of other comprehensive loss from equity accounted investments, net of tax	(1,092)	(614)	**(1,706)**	—	**(1,706)**
Fair value adjustment to derivative financial liabilities hedge, net of tax	—	(1,758)	**(1,758)**	—	**(1,758)**
TOTAL OTHER COMPREHENSIVE LOSS	**(1,092)**	**(2,372)**	**(3,464)**	**—**	**(3,464)**
TOTAL COMPREHENSIVE INCOME (LOSS)	**$ (9,316)**	**$ (21,901)**	**$ (31,217)**	**$ 1,720**	**$ (29,497)**

(1) Includes other Trust amounts not specifically related to the reportable segments.

TOTAL INCOME (LOSS)

Total loss for the three months ended December 31, 2025 was $8.9 million compared to $3.0 million in the prior year. The year-over-year decrease in total income was primarily attributable to the timing of condo sales, lower NOI from commercial asset sales and softer commercial leasing activity, non-recurring property tax assessments on recently completed Zibi multi-family assets and the magnitude of fair value adjustments in each period. This was partially offset by improved leasing performance and resulting NOI growth from recently completed multi-family assets.

Total loss for the year ended December 31, 2025 was $9.7 million compared to $4.7 million in the prior year. In addition to the factors noted above, the prior year included a fair value gain on the disposition of a passive investment.

TOTAL EXPENSES

Total expenses for the three months and year ended December 31, 2025 were $7.8 million and $31.0 million, respectively, compared to $7.9 million and $32.3 million, respectively, in the prior year. The decrease in expenses was primarily driven by lower asset management and deferred compensation expenses resulting from fluctuations in the unit price, and reduced operating expenses from asset sales in the prior year. This was partially offset by higher shared service fees allocated to the Trust in the period.

1.4 SUMMARY OF PORTFOLIO ASSETS

The following table includes supplementary information on certain assets in our portfolio as at December 31, 2025. Please refer to Section 10.1, "Summary of Impact Investments" of this MD&A for additional information on certain of these investments in our development and recurring income segments.

RECURRING INCOME SEGMENT

Project/property	Dream Impact Trust ownership	Accounting treatment	Total residential units	Residential GFA[1] (at 100%)	In-place/ committed residential occupancy	Total commercial and retail GLA[2] (at 100%)	In-place/ committed commercial occupancy
Downtown Toronto & GTA:							
Commercial:							
Sussex Centre[3]	50.1%	Joint operation	—	—	—	655,000	66.5%
68-70 Claremont Street	100.0%	Consolidated	—	—	—	30,000	100.0%
Brightwater retail	23.3%	Equity accounted	—	—	—	110,000	75.5%
34 Madison	40.0%	Equity accounted	—	—	—	8,000	100.0%
Plaza Bathurst and Imperial	40.0%	Equity accounted	—	—	—	59,000	67.3%
Multi-Family Rental:							
Weston Common	33.3%	Equity accounted	841	692,000	95.5%	52,000	100.0%
Robinwood Portfolio	33.3%	Equity accounted	286	156,000	93.0%	—	—
70 Park	50.0%	Equity accounted	210	257,000	97.1%	—	—
262 Jarvis	33.3%	Equity accounted	71	35,000	95.8%	—	—
786 Southwood	50.0%	Equity accounted	24	37,000	100.0%	—	—
111 Cosburn	50.0%	Equity accounted	23	14,000	95.7%	—	—
Maple House at Canary Landing	25.0%	Equity accounted	770	624,000	96.5%	4,000	84.8%
Birch House at Canary Landing	25.0%	Equity accounted	238	182,000	94.5%	—	
IVY Rentals	75.0%	Equity accounted	12	10,000	100.0%	—	—
Total Downtown Toronto & GTA			**2,475**	**2,007,000**	**95.6%**	**918,000**	**70.6%**
Zibi (Ottawa/Gatineau):							
Commercial:							
Natural Sciences Building	50.0%	Equity accounted	—	—	—	186,000	93.4%
15 Rue Jos-Montferrand	50.0%	Equity accounted	—	—	—	53,000	81.2%
310 Miwate Private	50.0%	Equity accounted	—	—	—	33,000	100.0%
Zibi Block 207	50.0%	Equity accounted	—	—	—	76,000	7.7%
Zibi commercial properties[4]	50.0%	Equity accounted	—	—	—	15,000	45.5%
Multi-Family Rental:							
Aalto Suites	50.0%	Equity accounted	162	135,000	87.7%	1,000	100.0%
Aalto II	50.0%	Equity accounted	148	127,000	87.2%	4,000	35.0%
Voda	50.0%	Equity accounted	188	192,000	81.3%	11,000	—%
Other:							
Zibi Community Utility	20.0%	Equity accounted	—	—	—	—	—
Total Zibi (Ottawa/Gatineau)			**498**	**454,000**	**85.1%**	**379,000**	**70.1%**
Total projects in the recurring income segment			**2,973**	**2,461,000**	**93.9%**	**1,297,000**	**70.4%**

(1) Residential gross floor area ("GFA").
(2) Gross leasable area ("GLA").
(3) Sussex Centre is located in Mississauga, Ontario.
(4) The other Zibi commercial properties include the Kanaal condo (Zibi Block 205A) and the O condo (Zibi Block 13), which was previously sold and included 15,000 sf, in aggregate, of retail space.

DEVELOPMENT SEGMENT

Project/property	Property type	Dream Impact Trust ownership	Status/type	Total residential units at completion (at 100%)[1]	Residential GFA[2] (at 100%)	Total commercial and retail GLA[2] (at 100%)	Occupancy date
Development segment							
Downtown Toronto & GTA:							
Cherry House at Canary Landing	Build to hold	25.0%	In occupancy/under construction	855	811,000	32,000	2025
Bridge House (Brightwater)	Build to sell	23.3%	Planning	440	362,000	—	2030
Brightwater future blocks	Build to sell	23.3%	Planning	2,800	3,000,000	257,000	2029–2034
49 Ontario[3]	Build to hold	100.0%	Under construction	1,226	800,000	6,000	2028
Forma – East Tower	Build to sell	25.0%	Under construction	855	590,000	1,000	2028
Quayside	TBD	12.5%	Planning	4,600	3,220,000	240,000	2031–2035
Forma – West Tower	Build to sell	25.0%	Planning	1,404	1,080,000	8,000	TBD
Victory Silos	TBD	37.5%	Planning	1,500	1,200,000	100,000	TBD
West Don Lands Block 20	Build to hold	25.0%	Planning	653	571,000	255,000	TBD
Scarborough Junction	Build to sell	29.4%	Planning	6,619	5,270,000	165,000	TBD
673 Warden	Build to sell	2.5%	Planning	TBD	TBD	TBD	TBD
Seaton[4]	Build to sell	7.0%	Planning/under construction	TBD	TBD	TBD	TBD
Total Downtown Toronto & GTA				**20,952**	**16,904,000**	**1,064,000**	
Ottawa/Gatineau:							
Odenak[5]	Build to hold	33.3%	Under construction	608	410,000	29,000	2027
Zibi future blocks[6]	Various	50.0%	Planning	3,567	2,977,000	285,000	TBD
Total Ottawa/Gatineau				**4,175**	**3,387,000**	**314,000**	
Total projects in the development and investment holdings segment				**25,127**	**20,291,000**	**1,378,000**	

(1) Residential units and GLA are at 100% project level and include planned units and GLA, which are subject to change pending various development approvals. Planned residential units may be developed as condominium units or purpose-built rentals as supported by market demand, targeted studies and return objectives. For projects currently in occupancy, residential units reflect remaining units in inventory to be occupied in future periods.
(2) Total commercial and retail GLA and residential GFA include planned GLA and GFA, which are subject to change pending various development approvals.
(3) The Trust transferred 49 Ontario to the development segment in the three months ending December 31, 2025 upon commencement of demolition. As at December 31, 2025, the Trust temporarily presented 49 Ontario as an asset held for sale as a result of its sale to a new partnership. Subsequent to December 31, 2025, the Trust completed the sale to the new partnership and 49 Ontario will be transferred to equity accounted investments at a 90% ownership interest.
(4) Includes 49 units that are part of Phase 1A of the development.
(5) Of the 608 units, 133 units are expected to be owned by a not-for-profit.
(6) Zibi future blocks units at completion, residential GFA and commercial and retail GLA reflects a shift in the segment's asset mix from commercial and retail properties toward residential assets during the three months ended December 31, 2025.

2. REPORTABLE OPERATING SEGMENTS RESULTS OF OPERATIONS

2.1 RECURRING INCOME

The Trust holds investments in multi-family, commercial and retail properties across the GTA and Ottawa/Gatineau, including joint venture interests and two directly owned income properties in the GTA. In aggregate, the Trust's portfolio is comprised of 1.3 million square feet ("sf") of commercial and retail GLA, and 2,973 multi-family rental units (at 100% asset level ownership). Of these rental units, approximately 25% were designated as affordable as at December 31, 2025.

A summary of the recurring income segment results is as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Net loss – income properties[1]	**$ (3,664)**	$ (1,482)	**$ (13,704)**	$ (6,073)
Share of loss from equity accounted investments ("EAI") – recurring income	**(6,278)**	(968)	**(17,823)**	(13,456)
Net loss – recurring income	**$ (9,942)**	$ (2,450)	**$ (31,527)**	$ (19,529)

[1] Net income (loss) – income properties is a supplementary financial measure. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A. Net income (loss) – income properties is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar measures disclosed by other issuers.

During the three months ended December 31, 2025, the Trust's recurring income segment generated a net loss of $9.9 million compared to $2.5 million in the comparative period. The change in earnings was driven by fair value adjustments in each period, timing of interest expense recognized between segments on recently completed multi-family assets, and reduced earnings contribution from the commercial assets as demolition on 49 Ontario commenced in the period. This was partially offset by the higher NOI contribution from the Trust's multi-family assets with overall improvement in leasing on buildings that have reached or are nearing stabilization.

During the year ended December 31, 2025, the Trust's recurring income segment generated a net loss of $31.5 million compared to $19.5 million in the prior year. In addition to the factors noted above, the Trust had reduced earnings from the disposition of 76 Stafford in 2025 and two commercial properties in 2024. The prior year results also included proceeds from a lease termination fee.

The Trust recognized fair value losses of $7.7 million and $23.8 million for the three months and year ended December 31, 2025, respectively. Year-to-date, within the multi-family portfolio, the Trust recognized net fair value losses of $10.5 million, primarily driven by cap rate expansion and capital spend. In addition, the Trust recognized a fair value loss of $5.3 million earlier in the year to align to the sale price of 76 Stafford. The Trust also recognized fair value adjustments reflecting general leasing softness and additional costs on a Zibi commercial property.

MULTI-FAMILY RENTAL

The Trust's multi-family rental portfolio is comprised of 2,973 market and affordable rental units across the GTA and Ottawa/Gatineau. Operating statistics for the multi-family rental properties are as follows:

As at	**December 31, 2025**	September 30, 2025	December 31, 2024
Total multi-family rental portfolio			
Total number of units (at 100% project level)[1]	**2,973**	2,973	2,735
Number of affordable units (at 100% project level)[1][2]	**689**	689	689
Occupied average monthly rent – total[1][3]	**$ 2,144**	$ 2,154	$ 2,063
Same property			
Same property occupancy rate (period-end) – in-place and committed[3][4]	**94.7%**	93.8%	88.3%
Number of units (at 100% project level)[4]	**2,547**	2,547	2,547
Occupied average monthly rent – total[3][4]	**$ 2,026**	$ 2,034	$ 2,009
Multi-family rental in lease-up			
Multi-family in lease-up occupancy rate (period-end) – in-place and committed[3][5]	**88.7%**	81.8%	53.3%
Number of units (at 100% project level)[5]	**426**	426	188
Occupied average monthly rent – total[3][5]	**$ 2,852**	$ 2,869	$ 2,791

[1] This includes multi-family rental buildings in the lease-up period.
[2] Affordable unit definition may vary for each asset depending on the project's respective government program definition.
[3] Calculated based on actual rent for units occupied at period-end.
[4] Excludes properties acquired or transferred into the recurring income segment in 2025 and 2024, and multi-family assets that have not reached initial occupancy of 85% (post construction completion).
[5] Multi-family rental assets in lease-up are comprised of the Trust's investments in Voda and Birch House at Canary Landing.

During the year ended December 31, 2025, the Trust transferred Birch House at Canary Landing to the recurring income segment as construction was substantially complete. As of February 13, 2026, Birch House had 96% committed occupancy.

Based on the Trust's current development pipeline, we have an additional 2,689 residential units that are expected to be completed over the next five-year period, which will contribute to recurring income as they come online, as summarized below:

	Location	Market units	Affordable units[1]	Total units	GFA (sf)	Initial occupancy date
Cherry House at Canary Landing	Toronto	598	257	855	811,000	2025
Odenak	Ottawa	357	251	608	410,000	2027
49 Ontario	Toronto	918	308	1,226	800,000	2028
Total units added over five years (at 100%)		**1,873**	**816**	**2,689**	**2,021,000**	

(1) Affordable unit definition may vary for each asset depending on the project's respective government program definition.

The results of the Trust's multi-family rental portfolio are as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Same property NOI[1][2]	**$ 2,825**	$ 2,476	**$ 10,325**	$ 7,678
NOI – multi-family rental in lease-up[1][3]	**1**	27	**169**	27
NOI – multi-family rental[1]	**$ 2,826**	$ 2,503	**$ 10,494**	$ 7,705

(1) NOI – multi-family rental, same property NOI, and NOI – multi-family rental in lease-up are supplementary financial measures. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A. NOI – multi-family rental, same property NOI, and NOI – multi-family rental in lease-up, are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar measures disclosed by other issuers.

(2) Excludes properties acquired or transferred into the recurring income segment in 2025 and 2024, and multi-family assets that have not reached initial occupancy of 85% (post construction completion). Comparative periods reflect the same property classification in the current period.

(3) Multi-family rental assets in lease-up are comprised of the Trust's investment in Birch House at Canary Landing and Voda.

During the three months and year ended December 31, 2025, same property NOI was $2.8 million and $10.3 million, respectively, compared to $2.5 million and $7.7 million in the prior year, respectively. The growth in NOI was driven by increased occupancy at Maple House (96% leased) and Aalto II (87% leased) as both assets approached stabilization, partially offset by non-recurring operating expenses. Higher rents on the turnover of units also contributed to the year-to-date increase, partially offset by initial property tax assessments on recently completed buildings.

During the three months and year ended December 31, 2025, NOI growth from multi-family rentals in lease-up was nominal. The Trust experienced improved leasing with occupancy increasing from 53.3% to 88.7% though this was largely offset by initial property taxes on the newly constructed buildings and non-recurring operating expenses.

As of December 31, 2025, our multi-family portfolio comprised 2,973 units (at 100% asset level or 1,037 units at share) across the GTA and Ottawa/Gatineau region and were 94% leased. This includes 426 units in the lease-up phase, including Birch House at Canary Landing and Voda at Zibi, which are expected to increase their contribution to NOI over time. During the year ended December 31, 2025, Birch House was transferred to the recurring income segment as substantial construction completion was achieved.

Debt from the Trust's multi-family portfolio presented within this segment carries a weighted average term of 3.6 years at a weighted average interest rate of 2.7%.

COMMERCIAL

The Trust's commercial portfolio is composed of 1.3 million sf of GLA across the GTA and Ottawa/Gatineau.

The results of the Trust's commercial properties are as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
NOI – income properties[1]	**$ 1,130**	$ 1,387	**$ 5,516**	$ 8,552
NOI – commercial income properties included in equity accounted investments ("EAI")[1]	**247**	670	**1,135**	2,715
NOI – commercial properties[1]	**$ 1,377**	$ 2,057	**$ 6,651**	$ 11,267

(1) NOI – income properties is a non-GAAP financial measure, NOI – commercial income properties included in EAI and NOI – commercial properties are supplementary financial measures. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A. NOI – income properties, NOI – commercial income properties included in EAI, and NOI – commercial properties are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar measures disclosed by other issuers.

During the three months ended December 31, 2025, NOI from commercial properties was $1.4 million compared to $2.1 million in the prior year. The decrease was largely due to the transfer of 49 Ontario to the development segment once demolition began for the redevelopment. At Zibi, lower NOI was a result of leasing softness and tenant support measures for a co-working tenant. This was partially offset by improved leasing across the GTA portfolio, including 34 Madison and Brightwater Retail, as well as timing of recoverable expenses recognized in the period.

During the year ended December 31, 2025, NOI from commercial properties was $6.7 million compared to $11.3 million in the prior year. The year-over-year change was primarily driven by the commercial asset dispositions completed including: 76 Stafford sale in 2025 and, 349 Carlaw and 10 Lower Spadina in 2024, in addition to the aforementioned.

Operating statistics for the commercial income properties portfolio are as follows:

As at	**December 31, 2025**	September 30, 2025	December 31, 2024
Total commercial income properties portfolio, including those held as equity accounted investments			
Number of properties	**11**	17	16
Owned GLA (in millions of sf)	**0.6**	0.7	0.7
Occupancy rate (period-end) – including committed	**70.4%**	69.7%	73.9%
Occupancy rate (period-end) – in-place	**67.8%**	67.8%	70.6%
Average tenant size (in sf)	**9,836**	9,670	10,556
Average in-place and committed base rent per sf (period-end)	**$ 22.21**	$ 22.65	$ 21.52
Weighted average remaining lease term (years)	**7.6**	7.2	6.9

As at December 31, 2025, in-place and committed occupancy rates were 70.4% compared to 69.7% at September 30, 2025, and 73.9% at December 31, 2024. Since September 30, 2025, the 49 Ontario and five Berkeley properties, which together comprise the 49 Ontario redevelopment, were transferred to the development segment.

During the year, 8,500 sf of retail and commercial leasing was completed at Zibi, which will be complementary to the nearly 500 multi-family units and 0.4 million sf of GLA space completed in the waterfront community.

2.2 DEVELOPMENT

As of December 31, 2025, the Trust's development segment was comprised of over 25,000 residential units and approximately 1.4 million sf of commercial and retail GLA (approximately 8,000 units and 0.4 million sf at the Trust's share) upon full build-out.

The Trust's development assets are located in the GTA and Ottawa/Gatineau, are in various planning and construction phases, and are classified as equity accounted investments. The carrying value of these investments as at December 31, 2025 was $205.3 million (December 31, 2024 – $218.2 million). These equity accounted investments generally hold inventory or properties under development at cost, and are expected to contribute meaningfully to the Trust's earnings in future periods as properties are developed and completed. Fair value adjustments may be recorded on an individual investment level as a result of certain factors, such as terms of a construction contract, stage of completion, location, type and quality of the property, current market rents for similar properties, reliability of cash inflows after completion, development risks specific to the property, past experience with similar constructions, status of approvals and/or permits, estimated costs to complete, and market conditions.

Our developments are expected to provide returns upon their respective completion dates and are expected to contribute to increased value for unitholders over the longer term.

A summary of the development segment results is below:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Net income (loss) – development[(1)]	**$ (524)**	$ (520)	**$ (2,078)**	$ 744
Share of income (loss) from equity accounted investments – development	**(5,390)**	(5,454)	**(4,946)**	(8,968)
Total net loss – development	**$ (5,914)**	$ (5,974)	**$ (7,024)**	$ (8,224)

(1) Includes interest expense on developments.

During the three months ended December 31, 2025, the development segment recognized a net loss of $5.9 million compared to $6.0 million in the prior year. The improvement was primarily driven by a prior year fair value loss recognized on a commercial asset with slower leasing activity and the timing of interest expense recognized on completed multi-family assets in the development segment prior to their transfer to the recurring income segment. This was partially offset by a reduction in carrying value of a development asset and lower condo occupancy activity at Brightwater that was completed in 2024 in line with the scheduled delivery of the completed blocks.

During the year ended December 31, 2025, the development segment reported a net loss of $7.0 million compared to $8.2 million in the prior year. The year-over-year variance was driven primarily by the gain on sale of the Trust's investment in Zibi Block 204 and earnings associated with the timing of completed Zibi blocks transferred to the recurring income segment, in addition to the factors noted above. This was partially offset by the gain on sale of a passive investment recognized in 2024.

At Brightwater, condo closings continued throughout the year, with four phases, including over 500 units, now closed. These closings included the Mason, which comprises 158 units, with proceeds used to repay $14.9 million of the construction loan during the three months ended December 31, 2025.

Construction continued to progress at Cherry House at Canary Landing in downtown Toronto and Odenak in Ottawa. Cherry House will comprise 855 units across three blocks (Blocks 3, 4 and 7), 213 units at the Trust's share. In 2025, Block 7 was completed with over 94% of its 68 units leased. Leasing on the remaining blocks commenced in early 2026. In Ottawa, Odenak, which is adjacent to the Zibi community, is expected to comprise 608 multi-family units upon completion in 2027.

During the year ended December 31, 2025, Windmill Dream Ontario Holdings LP sold Zibi Block 204 to DAM. The sale generated cash proceeds of $6.2 million. By DAM advancing vertical construction of this block, the project also repaid $5.4 million (at the Trust's share) of in-place infrastructure debt, reducing the Trust's land loan exposure at Zibi.

In November 2025, demolition commenced at 49 Ontario, the Trust's 800,000 sf purpose-built rental development in downtown Toronto, which will deliver 1,226 residential units across two towers, including 308 affordable units. With this major milestone achieved, the Trust transferred the property from recurring income to the development segment in the three months ended December 31, 2025.

Subsequent to December 31, 2025, the 49 Ontario redevelopment completed its first draw on a government-affiliated construction loan for a 20-year term, and the Trust completed the sale of its 10% interest in 49 Ontario to CentreCourt, who is the co-developer and construction manager for the development. Upon closing, the Trust received $6.5 million in cash proceeds. Upon first draw of the construction loan at the project level, the Trust repaid the existing $80 million land loan. The project is well positioned to contribute to recurring income upon completion, supported by long-term and low cost financing, and the receipt of development charge waivers from the City of Toronto, and HST waivers, earlier in the year.

The Trust classified its interest in 49 Ontario as assets held for sale in the fourth quarter, as the sale to the new partnership with CentreCourt – of which the Trust holds a 90% interest – closed shortly after year-end. Under the new partnership structure, the Trust will retain significant influence and will therefore account for its interest as an equity accounted investment. As a result, the assets held for sale presentation is temporary and will transfer to equity accounted investments in the first quarter of 2026.

Income from this segment will fluctuate period-to-period and not contribute meaningfully to earnings until development milestones are achieved and/or project inventory is available for occupancy.

DEVELOPMENT PIPELINE

As our development projects progress towards completion and achieve various milestones, the Trust expects an increase in income and cash flows from this segment over time. Additionally, certain projects that are held by the Trust for the longer term, such as commercial or multi-family rental buildings, will be transferred to the recurring income segment, generating income for the Trust. For additional details, refer to Section 1.4, "Summary of Portfolio Assets".

Over the next five-year period, an additional 3,900 residential units and 0.3 million sf of retail and commercial space is expected to be completed (at the 100% project level). This includes over 2,600 rental units expected to be completed from Cherry House at Canary Landing, Odenak and 49 Ontario, as well as build-to-sell residential assets from our active development blocks.

SUMMARY OF DEVELOPMENT PARTNERS

As a result of our partners and relationships, the Trust has access to unparalleled investment opportunities across North America. The table below provides an overview of some of the Trust's key partners within its development/ redevelopment investments:

Project	Partners	Partner since
49 Ontario[(1)]	CentreCourt	2025
Quayside	Dream Impact Fund, Great Gulf	2023
Odenak	Dream Unlimited, Dream Impact Fund	2022
BlackTusk Partnership	Dream Impact Fund, BlackTusk Group	2021
Scarborough Junction	Harlo Capital, Republic Developments	2020
Birch House at Canary Landing[(2)]	Dream Unlimited, Kilmer Van Nostrand Co. Ltd., Tricon Residential Inc.	2019
Canary Landing[(2)(3)]	Dream Unlimited, Kilmer Van Nostrand Co. Ltd., Tricon Residential Inc.	2018
Seaton	Fieldgate Homes, Mattamy Homes, Paradise Developments, TACC Construction Ltd.	2018
Forma	Dream Unlimited, Great Gulf, Westdale Construction Co. Ltd.	2017
Zibi[(2)]	Dream Unlimited	2017
Brightwater	Dream Unlimited, Kilmer Van Nostrand Co. Ltd., Diamond Corp., FRAM + Slokker	2017
Victory Silos	Dream Unlimited, Great Gulf	2016

(1) During the year ended December 31, 2025, the Trust entered into a partnership with CentreCourt for the co-development of 49 Ontario. Subsequent to December 31, 2025, the partnership with CentreCourt, in which the Trust has a 90% ownership interest, acquired the 49 Ontario property.

(2) Dream Unlimited's share of Birch House, Cherry House and Maple House at Canary Landing, and the Natural Sciences Building at Zibi was acquired by Dream Impact Fund. Dream Unlimited has a 32.1% interest in Dream Impact Fund as at December 31, 2025, with the residual interests held by third parties.

(3) The Canary Landing investment includes Maple House and Cherry House at Canary Landing and West Don Lands Block 20.

2.3 OTHER

GENERAL AND ADMINISTRATIVE EXPENSES

During the three months and year ended December 31, 2025, general and administrative expenses were $2.2 million and $7.0 million, respectively, compared to $1.7 million and $6.4 million, respectively, in the prior year. The increase in general and administrative expenses were primarily attributable to higher shared service fees and the composition of non-recurring expenses year-over-year. This was partially offset by a decrease in the asset management fee and the deferred compensation expense, as a result of the fluctuations in the unit price (December 31, 2025 – $1.48, December 31, 2024 – $3.79).

INTEREST AND OTHER INCOME

During the three months and year ended December 31, 2025, interest and other income was $0.1 million and $1.0 million, respectively, compared to $0.3 million and $6.4 million, respectively, in the prior year. The prior year included the sale of the Trust's interest in certain passive investments, which included Queen and Mutual and the Virgin Hotel.

INCOME TAX EXPENSE (RECOVERY)

During the three months and year ended December 31, 2025, the Trust recognized an income tax recovery of $0.6 million (three months and year ended December 31, 2024 – income tax recovery of $2.8 million and $9.9 million). As of December 31, 2025, the Trust recognized a $20.8 million deferred income tax asset which is expected to be utilized against taxable profits in the future.

Due to the Trust’s diversified asset mix and active asset management strategy, we expect some degree of variability in current and deferred income tax expense recognized in each period through the consolidated statements of comprehensive income (loss) resulting in an income tax expense (recovery) position. The Trust intends to actively manage the portfolio in a tax-efficient manner.

We are subject to income taxes both federally and provincially in Canada. Judgments and estimates are required in the determination of the Trust's tax balances. Our income tax expense/recovery and deferred tax liabilities/assets reflect management's best estimate of current and future taxes to be paid/recovered. The Trust is subject to tax audits from various government and regulatory agencies on an ongoing basis. As a result, from time to time, taxing authorities may disagree with the interpretation and application of tax laws taken by the Trust in its tax filings.

TAX ATTRIBUTES

INCOME PROPERTIES

We deduct mortgage interest and available tax depreciation on our buildings from our Canadian income properties that generate taxable net operating income. These deductions contribute to the overall tax efficiency of our structure and the tax depreciation helps provide the Trust with tax-sheltered cash flow. Any change in the fair value of income properties is not recognized in the determination of current taxes until the sale of the asset.

2.4 RELATED PARTY TRANSACTIONS

From time to time, the Trust and its subsidiaries enter into transactions with related parties that are contracted under commercial terms. DAM, which is a wholly owned subsidiary of Dream Unlimited Corp. (TSX: DRM), is the Trust’s Asset Manager and is a related party that provides management personnel services to the Trust under the terms of the Management Agreement, as defined below.

DREAM ASSET MANAGEMENT

ASSET MANAGEMENT AGREEMENT

On July 8, 2014, the Trust entered into a management agreement (as amended from time to time, the "Management Agreement") with DAM, pursuant to which DAM provides a broad range of asset management services to the Trust for a base annual management fee, acquisition/origination fee and disposition fees:

- Base annual management fee calculated and payable on a monthly basis, equal to 1.00% of the Gross Asset Value of the total assets of MPCT LP under management. "Gross Asset Value" means the gross fair market value of the initial assets at July 8, 2014, plus the gross cost of any asset acquired by MPCT LP on the date of such acquisition, plus the gross amount invested in any assets of MPCT LP following acquisition, less the gross amount previously included in the calculation of this amount in respect of any asset disposed of or repaid to MPCT LP;
- Acquisition/origination fee equal to:

(a) 0.40% of the principal amount of any loan originated by MPCT LP or any subsidiary having an expected term of less than five years;
(b) 1.00% of the principal amount of any loan originated by MPCT LP or any subsidiary having an expected term of five years or more; and
(c) 1.00% of the gross cost of any asset acquired or originated by MPCT LP or any subsidiary provided that in connection with the acquisition of an asset that will be a development or redevelopment project for MPCT LP or any subsidiary of MPCT LP, excluding those for which DAM earns a development management fee; and

- Disposition fee equal to 0.25% of the gross sale proceeds of any asset (including all indebtedness) sold by MPCT LP or any subsidiary represented by loans, investments, assets or projects disposed of during the fiscal year, excluding the repayment of loans; provided that the fee is not payable, provided, however that the disposition will be payable in connection with the disposition of a portfolio of loans notwithstanding that certain loans contained in such portfolio may have a term to maturity of 12 months or less.

In addition, the Trust will compensate DAM for reasonable out-of-pocket costs and expenses incurred in connection with the performance of the management services described in the Management Agreement and the costs and expenses incurred in providing such other services that the Trust and DAM agree to in writing that are to be provided from time to time by DAM.

For the year ended		**December 31, 2025**		December 31, 2024
Fees paid/payable by the Trust under the Management Agreement with DAM:				
Base annual management fee	**$**	**926**	$	1,685
Acquisition/origination fee and disposition fees		**38**		95
Expense recoveries relating to financing arrangements and other		**2,962**		2,023
Total fees under Management Agreement	**$**	**3,926**	$	3,803

As at		**December 31, 2025**		December 31, 2024
Total payable to DAM	**$**	**3,624**	$	1,275

During the year ended December 31, 2025, the Trust issued 587,500 units in satisfaction of the management fees payable to DAM under the Management Agreement (year ended December 31, 2024 – 536,383 units). The Trust and DAM entered into an agreement in 2024 to settle the 2024 management fee for a fixed number of units, with the option to extend the arrangement for 2025 and 2026. During the year ended December 31, 2025, the option to settle the 2025 management fee for a fixed number of units was executed to cover the 2025 asset management fee for the issuance of 600,000 units. Subsequent to December 31, 2025, the Trust issued 150,000 units in settlement of the remaining 2025 management fee. The Trust expects to settle the 2026 management fee through the issuance of approximately $3.6 million of unsecured convertible debentures upon similar terms as the Trust's 2022 Debentures, subject to regulatory and unitholder approval and customary closing conditions.

Subsequent to December 31, 2025, the Trust settled cost recoveries owing to DAM for $1.6 million paid in cash.

DEVELOPMENT FEES

The Trust has entered into various project-level development management agreements with DAM, and its third-party co-developers where applicable, in which the Trust has equity ownership interests. Pursuant to these agreements, DAM provides development management services to the project. The corresponding development management fees are shared among the partners within each development. During the year ended December 31, 2025, certain subsidiaries of the Trust entered into project-level development management agreements in relation to 70 Park and the 49 Ontario redevelopment.

Under these agreements, during the year ended December 31, 2025, fees of $3.6 million were incurred by the projects at the Trust's share (year ended December 31, 2024 – $3.8 million) of which $2.1 million was owed to DAM as of December 31, 2025 (December 31, 2024 – $1.7 million).

Additionally, effective January 1, 2018, the Trust entered into a framework agreement (the "Framework Agreement") with DAM with respect to their management of development investments. Pursuant to the Framework Agreement, DAM will manage certain development investments that are co-owned by the Trust and DAM. The Framework Agreement can be terminated by either party upon 60 days' prior written notice. On a project-by-project basis, the development fee that the Trust will pay to DAM in respect of projects exclusive to the Trust and DAM will be equal to 3.75% of total net revenues of the development investment projects. For projects involving third parties, the development fee will be negotiated on a case-by-case basis with the parties involved. For rental properties, the development fee is expected to be based on the fair value of the project at substantial completion rather than net revenues. The commencement of such fees will vary depending on certain milestones being met, such as construction or sales commencement. During the year ended December 31, 2025, $0.1 million in development fees were paid or incurred in accordance with the Framework Agreement (year ended December 31, 2024 – $0.7 million).

OTHER TRANSACTIONS

During the year ended December 31, 2025, the Trust entered into the Dream loan for up to $23.5 million, bearing interest at a rate equal to 10% per annum. The Dream loan matures in 2030 and is secured by general and continuing collateral over certain of the Trust's assets. Subsequent to December 31, 2025, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50.0 million bearing interest at a rate equal to the higher of 10% or 6% above CORRA. As of February 13, 2026, $21.0 million had been drawn.

During the year ended December 31, 2025, Windmill Dream Ontario Holdings LP (in which the Trust has a 50% ownership) sold Zibi Block 204 to DAM. The sale generated cash proceeds of $6.2 million and was received as a distribution from the equity accounted investment.

During the year ended December 31, 2024, the Trust sold its 9% interest in the Queen and Mutual Street development to DAM for cash proceeds of $3.7 million. The Trust recognized a gain on the sale of $2.8 million, excluding transaction costs, which is included in interest and other income.

DREAM OFFICE REAL ESTATE INVESTMENT TRUST ("DREAM OFFICE REIT")

PROPERTY MANAGEMENT AGREEMENTS

The Trust's wholly owned and co-owned office properties are managed by Dream Office Management Corporation ("DOMC"). DOMC is owned by Dream Office REIT. Pursuant to a property management agreement, DOMC performs property management services, including tenant administration, leasing services, accounting, etc., for a fee of 3.5% of income property revenues.

SERVICES AGREEMENT

The Trust entered into a services agreement ("Service Agreement") with DOMC on July 8, 2014. Pursuant to the Service Agreement, DOMC provides administrative and support services, including the use of office space, office equipment, communication services and computer systems, and the provision of personnel in connection with accounts payable, human resources, taxation and other services. DOMC receives a monthly fee sufficient to reimburse it for the expenses incurred in providing these services. Certain costs are capitalized to respective projects.

For the year ended	**December 31, 2025**	December 31, 2024
Fees incurred pursuant to the property management agreements	**$ 1,923**	$ 2,427
Fees incurred pursuant to the Service Agreement	**1,175**	1,027
Total fees incurred to DOMC	**$ 3,098**	$ 3,454

	December 31, 2025	December 31, 2024
Total (receivable) payable to DOMC for property management agreements	**$ (154)**	$ 97
Total payable to DOMC for Service Agreement	**$ 771**	$ 82

Subsequent to December 31, 2025, the Trust paid $0.4 million for amounts payable to DOMC within amounts payable and accrued liabilities.

3. DISTRIBUTION MEASURES

Over the last few years, the Trust's actual distributions paid and payable differed from cash generated from (utilized in) operating activities. This difference was driven by a number of factors, including the impact of leasing incentives and initial direct leasing costs, which can fluctuate with lease maturities, renewal terms and the type of asset being leased; changes in non-cash working capital; and the longer-term nature and investment return profile of our developments, which are held as equity accounted investments.

The distributions over operating cash flows and/or net income are considered a return of capital. These cash flows are relevant in the determination of distributions, as cash flows relating to a development project will ultimately be received upon project completion. The Trust considers these factors among others in evaluating its distribution policy as well as its assessment of cash generated from operating activities over the longer term.

As required by National Policy 41-201, "Income Trusts and Other Indirect Offerings", the following tables outline the differences between cash generated from (utilized in) operating activities and total distributions paid and payable and cash distributions paid and payable in accordance with the guidelines:

	Three months ended December 31,		For the year ended December 31,	
	2025	2024	**2025**	2024
Cash generated from (utilized in) operating activities[1]	**$ (237)**	$ 2,244	**$ 3,344**	$ 2,646
Total distributions paid and payable	**—**	—	**—**	944
Cash distributions paid and payable[2]	**—**	—	**—**	586
Shortfall of cash utilized over total distributions paid and payable	**n/a**	n/a	**n/a**	$ 1,702
Shortfall of cash utilized over cash distributions paid and payable	**n/a**	n/a	**n/a**	$ 2,060

(1) The Trust has elected to present interest expense on debt as a cash flow arising from financing activities where it was previously included in cash flows from operating activities, including cash generated from (utilized) in operating activities for the year ended December 31, 2024. For further details, refer to section 9.2, "Current Accounting Policy Changes".
(2) Excludes distributions reinvested in the Trust's distribution reinvestment and unit purchase plan ("DRIP").

Effective February 12, 2024, the Board suspended the Trust's monthly distributions and distribution reinvestment and purchase plan. The last distribution declared prior to the suspension was paid on February 15, 2024.

Over the longer term, once development assets are completed and contribute to our recurring income segment, we would expect cash generated from (utilized in) operations to increase and stabilize, at which time, subject to debt service and other obligations, the Trust may reassess its distribution policy.

The following table summarizes net income and total distributions paid and payable and cash distributions paid for the periods indicated:

	Three months ended December 31,		For the year ended December 31,	
	2025	2024	**2025**	2024
Net loss	**$ (23,463)**	$ (8,305)	**$ (54,045)**	$ (26,033)
Total distributions paid and payable	**—**	—	**—**	944
Cash distributions paid and payable[1]	**—**	—	**—**	586
Shortfall of net loss over total distributions paid and payable	**n/a**	n/a	**n/a**	$ (26,977)
Shortfall of net loss over cash distributions paid and payable	**n/a**	n/a	**n/a**	$ (26,619)

(1) Excludes distributions reinvested in the Trust's DRIP.

Certain assets and liabilities are recognized at fair value in the consolidated financial statements. Unrealized fair value adjustments and other non-cash items are included in net income and can fluctuate from period to period. The total unrealized fair value adjustments and other non-cash items included in net income in the consolidated financial statements for the periods indicated are summarized in the following table:

	Three months ended December 31,		For the year ended December 31,	
	2025	2024	**2025**	2024
Total adjustments to fair values and other non-cash items included in net loss[1]	**$ 18,006**	$ 4,673	**$ 37,047**	$ 17,819

(1) Total adjustments to fair values and other non-cash items included in net income (loss) is a supplementary financial measure. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A. Total adjustments to fair values and other non-cash items included in net income (loss) is a supplementary financial measure, is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar measures disclosed by other issuers.

Our distribution reinvestment and unit purchase plan ("DRIP") entitled unitholders to reinvest all cash distributions into additional units. On February 12, 2024, the DRIP was suspended in conjunction with the suspension of distributions.

4. CAPITAL RESOURCES AND LIQUIDITY

The Trust's primary sources of financing are cash generated from operating activities, debt financing and refinancing. Our primary uses of capital include: investments in developments, commercial properties and multi-family rental buildings, debt principal repayments, interest payments, costs of attracting and retaining tenants, recurring property maintenance, and major property improvements. It is the Trust's objective to meet all our ongoing obligations with current cash, cash flows generated from operating activities, including profit from build-for-sale assets, cash from the maturing lending portfolio investments, cash from financing and refinancing activities, and proceeds from asset sales.

SUMMARY OF TOTAL DEBT

Total debt relates to mortgages payable on the Trust's consolidated income properties, a promissory note payable, credit facility, a Dream loan, and the convertible debentures as further disclosed below. As of December 31, 2025, the total debt was $284.0 million an increase from the prior year as a result of drawings on the Dream loan, partially offset by a repaid mortgage on disposition of property. Included in the debt balance is a promissory note related to the Victory Silos refinancing and is presented as a current liability, as it is due on demand.

As at		**December 31, 2025**		December 31, 2024
Mortgages payable	**$**	**158,863**	$	172,278
Dream loan		**21,000**		—
Convertible debentures payable		**70,000**		70,000
Promissory note		**32,569**		32,569
Total debt payable	**$**	**282,432**	$	274,847
Unamortized discount on host instrument of convertible debentures		**365**		(554)
Conversion feature		**2,154**		—
Unamortized balance of deferred financing costs		**(968)**		(1,629)
Total debt	**$**	**283,983**	$	272,664

We use the following cash flow performance and debt level indicators to assess our ability to meet or refinance our debt obligations:

As at		**December 31, 2025**		September 30, 2025		December 31, 2024
Total debt						
Weighted average face rate of interest (period-end)		**6.0%**		5.5%		5.5%
Weighted average effective interest rate (period-end)(1)		**6.1%**		5.7%		5.7%
Debt due within one year(2)	**$**	**46,315**	$	89,203	$	32,569
Total debt(2)		**283,983**		273,045		272,664
Total debt payable(2)(3)		**282,432**		274,537		274,847
Debt-to-asset value(3)		**43.7%**		41.8%		40.2%
Debt – average term to maturity (years)		**1.91**		1.29		2.00
Proportion of fixed debt to total debt		**71.9%**		100.0%		100.0%
Total debt, inclusive of equity accounted investments(4)(5)						
Weighted average effective interest rate (period-end), including equity accounted investments		**4.4%**		4.4%		4.8%
Total debt, including equity accounted investments (at the Trust's share)(5)	**$**	**1,177,937**	$	1,163,707	$	1,125,605
Debt, inclusive of equity accounted investments – average term to maturity (years)		**2.76**		2.76		2.80
Proportion of fixed debt to total debt, inclusive of equity accounted investments		**67.1%**		73.0%		69.5%

(1) Weighted average effective interest rate is calculated as the weighted average face rate of interest, net of financing costs of interest bearing debt, weighted by the size of the respective interest bearing debt instruments in the portfolio.
(2) Includes debt related to assets held for sale with a maturity date within one year.
(3) Total debt payable is a non-GAAP financial measure and debt-to-asset value is a non-GAAP ratio. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A for further information.
(4) As of December 31, 2025, the Trust's proportionate share of debt from equity accounted investments was $895.5 million (December 31, 2024 – $850.7 million).
(5) Includes the promissory note of $32.6 million from one of the Trust's equity accounted investments.

Within the Trust's debt portfolio, including debt held within equity accounted investments, is government-affiliated debt, which often carries favourable terms such as reduced discount rates, longer amortization periods and higher leverage ratios. By participating in these programs, it is advantageous to the Trust's financial returns and mitigates the Trust's takeout financing risk upon development completion due to longer maturity terms and non-recourse on stabilization of the asset.

As at December 31, 2025, principal repayments and maturity balances on total consolidated debt to be repaid each year are as follows:

Debt maturities[1]		Total maturity balance and principal repayments	% of total debt maturities and principal repayments	Weighted average interest rate (face)	Weighted average effective interest rate
Total debt payable[2][3]					
2026	$	46,302	16.4%	5.3%	5.3%
2027		185,130	65.6%	5.8%	5.9%
2028		—	—%	—%	—%
2029		—	—%	—%	—%
2030		21,000	7.4%	10.0%	10.0%
2031 and thereafter		30,000	10.6%	5.5%	6.2%
Subtotal before undernoted		282,432	100.0%	6.0%	6.1%
Unamortized discount on host instrument of convertible debentures		365			
Conversion feature		2,154			
Unamortized balance of deferred financing costs		(968)			
Total debt[3]	**$**	**283,983**			

[1] Debt maturities within this table are based on the contractual terms of the debt.
[2] Total debt payable is a non-GAAP financial measure. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A for further information.
[3] Includes debt related to assets held for sale.

As at December 31, 2025, principal repayments and maturity balances on the Trust's share of equity accounted investment debt to be repaid each year are as follows:

Debt maturities[1]		Outstanding balance due at maturity	% of total debt maturities and principal repayments	Weighted average interest rate
Total debt payable[2] within equity accounted investments				
2026	$	227,084	25.4%	6.2%
2027		168,963	18.9%	4.3%
2028		22,974	2.6%	4.4%
2029		189,193	21.1%	3.2%
2030		65,143	7.3%	3.2%
2031 and thereafter		222,132	24.7%	2.3%
Total debt within equity accounted investments	**$**	**895,489**	100.0%	4.0%

[1] Debt maturities within this table are based on the contractual terms of the debt.
[2] Total debt payable is a non-GAAP financial measure. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A for further information.

FINANCING ACTIVITY IN THE YEAR

During the three months and year ended December 31, 2025, the Trust entered into a senior secured term credit facility with DAM, as amended (the "Dream loan"), for up to $23.5 million, bearing interest at a rate of 10% per annum. The facility matures in 2030 and is secured by general and continuing collateral over certain of the Trust's assets. Subsequent to December 31, 2025, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50.0 million, bearing interest at a rate equal to the higher of 10% or 6% above CORRA. As of February 13, 2026, $21.0 million was drawn.

During the year ended December 31, 2025, the Trust sold its interest in 76 Stafford for gross proceeds of $8.2 million and repaid the balance of the mortgage payable of $13.0 million.

Subsequent to December 31, 2025, the 49 Ontario project secured a construction loan for 20-year, government-affiliated financing and completed the sale of the Trust's 10% interest in 49 Ontario to CentreCourt, who is the co-developer and construction manager for the development. Upon closing, the Trust received $6.5 million in cash proceeds from the transfer of 49 Ontario to the new partnership.

CURRENT MATURITY PROFILE

At December 31, 2025, the Trust's debt profile was comprised of $282.4 million of consolidated debt and $895.5 million of debt at its proportionate share from equity accounted investments.

Included in the above is $240.8 million of debt, at the Trust's share, that matures in 2026, a decrease of $56.5 million since September 30, 2025. The decrease was primarily driven by the five-year extension of the 2021 Debentures, repayment of the Brightwater construction loan using condo closing proceeds, and the repayment of the mortgage at 76 Stafford which was sold during the quarter. Since 2024, the Trust has reduced its land loan exposure by $94.6 million for projects that have not yet started. The Trust continues to work through the remaining debt maturing in 2026 with a further $56 million of land loans expected to be reduced over the next twelve months.

CONVERTIBLE DEBENTURES

The principal amount outstanding and the carrying value for the Trust's convertible debentures are as follows:

As at							**December 31, 2025**	December 31, 2024
Convertible debentures	**Date issued**	**Maturity date**	**Conversion rate in units**[1]	**Coupon rate**	**Effective rate**	**Outstanding principal**	**Carrying value**	Carrying value
2022 Debentures	Jun 9, 2022	Dec 31, 2027	31.2500	5.75%	6.02%	$ 40,000	**$ 39,079**	$ 38,619
2025 Debentures[2]	Nov 28, 2025	Jul 31, 2031	363.6364	6.5%[3]	6.20%	30,000	**32,671**	29,616

[1] Per $0.001 million principal amount.
[2] Amended and restated from the 2021 Debentures on November 28, 2025.
[3] The 2025 Debentures will be redesignated as 6.50% convertible unsecured subordinated debentures following the February 2, 2026 interest payment date.

During the year ended December 31, 2025, $4.0 million of interest expense was incurred (year ended December 31, 2024 – $4.0 million) and coupon payments of $4.0 million were made (year ended December 31, 2024 – $4.0 million) related to the convertible debentures.

During the year ended December 31, 2025, the Trust amended and restated the terms of the Trust's $30.0 million, 5.50% convertible unsecured subordinated debentures (the "2021 Debentures") to, among other things, extend the maturity date from July 31, 2026 to July 31, 2031 and revise the interest rate to 6.50% as of February 2, 2026 and the conversion price of $2.75 per unit (the "2025 Debentures"). The modification of the terms of the convertible debentures resulted in a remeasurement loss on modification of $2.4 million and was recognized in fair value adjustments to financial instruments.

FINANCIAL COVENANTS

The credit facility, the financial guarantees and certain mortgages on income properties contain financial covenants that require the Trust to meet financial ratios, including debt service coverage and debt-to-asset value ratios, and financial condition tests, including minimum unitholders' equity. A failure to meet these tests could result in default and, if not cured or waived, could result in an acceleration of the repayment of the underlying financing.

Project-level debt with debt service coverage ratios are based on the respective property-level financials. Should the Trust fail a project-specific debt covenant test, generally, there are cure mechanisms in the related debt agreements that allow the Trust to post a letter of credit or other collateral in order for the Trust to be in compliance with the covenant test. As a result, a failure to meet a covenant test would not immediately constitute an event of default. For the Trust's project-level covenants, the Trust was in compliance as at December 31, 2025. Subsequent to December 31, 2025, a letter of credit in the amount of $0.7 million (December 31, 2025 – $0.4 million) was issued to satisfy a debt service coverage ratio shortfall for one of the Trust's commercial asset mortgages within the defined cure period. Further debt service shortfalls on the facility may require additional letters of credit to be posted.

During the year ended December 31, 2024, the financial covenants related to the Trust's credit facility were permanently waived as there is no borrowing capacity on the line.

TOTAL EQUITY

As at December 31, 2025, the Trust had 18,866,970 units outstanding and a total unitholders’ equity balance of $349.9 million.

	December 31, 2025		December 31, 2024	
As at	**Number of units**	**Amount**	Number of units	Amount
Unitholders' equity	**18,866,970**	**$ 565,631**	18,248,440	$ 564,506
Retained earnings/(deficit)		**(214,312)**		(160,267)
Accumulated other comprehensive income		**(1,370)**		(2,998)
Total unitholders' equity	**18,866,970**	**$ 349,949**	18,248,440	$ 401,241

The following table summarizes the changes in the outstanding units and unitholders' equity:

	Units	Unitholders' equity
As at December 31, 2024	18,248,440	$ 564,506
Deferred units exchanged for Trust units	31,030	83
Units issued as settlement of asset management fees under the Management Agreement	587,500	1,042
Total units outstanding on December 31, 2025	**18,866,970**	**565,631**
Units issued as settlement of asset management fees under the Management Agreement	150,000	282
Total units outstanding on February 13, 2026	**19,016,970**	**$ 565,913**

The Deferred Unit Incentive Plan ("DUIP") provides for the grant of deferred trust units ("DTUs") to Trustees of the Trust, officers and employees, as well as affiliates, including the Asset Manager. DTUs are granted at the discretion of the Board of Trustees of the Trust and participants are also credited with income deferred trust units based on distributions as they are declared and paid by the Trust. As at December 31, 2025, up to a maximum of 750,000 DTUs were issuable under the DUIP. Distributions on the unvested DTUs are paid in the form of units converted at the market price of the units of the Trust on the date of distribution. As at December 31, 2025, there were 481,993 DTUs and income deferred trust units outstanding (December 31, 2024 – 337,752 units). As at February 13, 2026, 481,993 DTUs and income deferred trust units were outstanding.

DISTRIBUTIONS

The distributable cash flow and amount of monthly distributions to unitholders are determined by the Board of Trustees of the Trust based on distributions received from MPCT LP, net of general and administrative expenses, operating and other expenses, income tax expenses and debt service obligations. As at February 12, 2024, the monthly distribution to unitholders and the Trust's distribution reinvestment and purchase plan were suspended.

	2025				2024			
As at	**Q4**	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Annualized distribution amount	**$ —**	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Monthly distribution amount	**—**	—	—	—	—	—	—	—
Annualized distribution rate of return(1)	**—%**	—%	—%	—%	—%	—%	—%	—%

(1) Annualized distribution rate of return is calculated as the annualized distribution amount divided by the closing price per unit on the TSX at the period-end date of the quarter specified.

UNIT BUYBACK PROGRAM

On January 31, 2025, the Trust's Normal Course Issuer Bid (the "2024 NCIB") and the Trust's repurchase plan to facilitate purchases of units under the 2024 NCIB, expired.

As at February 13, 2026, the Asset Manager, DAM, owns 7.5 million units of the Trust, inclusive of 2.9 million units acquired in satisfaction of asset management fees payable under the Management Agreement and the remainder acquired on the open market for DAM's own account. In aggregate, as at February 13, 2026, DAM owns 39.2% of the Trust's issued and outstanding units.

LIQUIDITY

The following table summarizes the Trust's consolidated statements of cash flows for the periods indicated:

	Three months ended December 31,		For the year ended December 31,	
	2025	2024	**2025**	2024
Cash generated from (utilized in) operating activities(1)	**$ (237)**	$ 2,244	**$ 3,344**	$ 2,646
Cash generated from (utilized in) investing activities	**(3,845)**	(6,225)	**(4,088)**	21,898
Cash generated from (utilized in) financing activities(1)	**1,859**	(3,627)	**(10,104)**	(14,503)

(1) The Trust has elected to present interest expense on debt as a cash flow arising from financing activities where it was previously included in cash flows from operating activities, including cash generated from (utilized) in operating activities for the year ended December 31, 2024. For further details, refer to section 9.2, "Current Accounting Policy Changes".

Cash utilized in operating activities for the three months ended December 31, 2025 was $0.2 million compared to cash generated of $2.2 million in the prior year. The increase in cash utilized was driven by changes in non-cash working capital and timing of leasing incentives and fees.

Cash generated in operating activities for the year ended December 31, 2025 was $3.3 million compared to $2.6 million in the prior year. The improvement was as result of the magnitude of changes in non-cash working capital and timing of leasing incentives year-over-year.

Cash utilized in investing activities in the three months ended December 31, 2025 was $3.8 million compared to $6.2 million in the prior year. The decrease in cash utilized in investing activities was a result of proceeds from the disposition of 76 Stafford in the period, partially offset by capital spend on developments and reduced distributions received from the Trust's equity accounted investments.

Cash utilized in investing activities for the year ended December 31, 2025 was $4.1 million compared to cash generated of $21.9 million in the prior year. In addition to the above-noted factors, the prior year included proceeds from the disposition of two commercial properties, an increase in restricted cash, and proceeds from the sale of non-core investment holdings. This was partially offset by higher distributions year-over-year from the Trust's equity accounted investments and the repayment of a loan.

Cash generated in financing activities for the three months ended December 31, 2025 was $1.9 million compared to cash utilized of $3.6 million in the prior year. During the three months ended December 31, 2025, the Trust entered into a loan with Dream and had drawn $21.0 million as of December 31, 2025. This was partially offset by the repayment of a mortgage related to the sale of a commercial property, cash settlement of an interest rate swap, and the timing of an advance on the Victory Silos promissory note.

Cash utilized in financing activities for the year ended December 31, 2025 was $10.1 million compared to $14.5 million utilized in the prior year. In addition to the aforementioned, the prior year also included a distribution payment, which was suspended in 2024. This was partially offset by the timing of interest expense paid year-over-year.

COMMITMENTS AND CONTINGENCIES

Dream Impact and its operating subsidiaries are contingently liable under guarantees that are issued in the normal course of business and with respect to litigation and claims that arise from time to time. In the opinion of the Asset Manager, any liability that may arise from such claims would not be expected to have a material adverse effect on the consolidated financial statements of the Trust and while Dream Impact endeavours to comply with its obligations in respect of such normal guarantees, as noted below, if any such guarantees were called, the Trust's liquidity and overall financial condition could be adversely affected.

OTHER COMMITMENTS

As at December 31, 2025, guarantees on underlying loan amounts of third parties and certain development arrangements and contingent liabilities were $375.6 million (December 31, 2024 – $385.7 million). Our guarantees include contingent liabilities on our joint venture partners' obligations for certain investments. These exclude our share of the obligations based on our ownership interest in the investment, which is included in equity accounted investments on our consolidated statements of financial position. In the event that the Trust became liable for such contingent liabilities on our joint venture partners’ obligations, the Trust would have available the joint venture partners' share of assets to satisfy such obligations that may arise. However, there can be no assurance that such joint venture partners' share of assets would be sufficient to satisfy such obligations, in which case the Trust would be required to fund such obligations from its own assets, which could have a material adverse impact on the Trust's liquidity and overall financial condition. From time to time, the Trust may be required to fund capital contributions to its various investments.

5. SELECTED QUARTERLY FINANCIAL INFORMATION

The Trust's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and are presented in Canadian dollars.

For the years ended December 31,	**2025**	2024	2023
Total income (loss)	**$ (9,734)**	$ (4,667)	$ 3,738
Net loss	**(54,045)**	(26,033)	(44,144)

For the years ended December 31,	**2025**	2024	2023
Total assets	**$ 646,004**	$ 684,421	$ 707,426
Total non-current liabilities	**86,230**	172,196	172,364
Total unitholders' equity	**349,949**	401,241	428,657
Annualized distributions per unit	**—**	—	0.80
Net income (loss) per unit[(1)]	**(2.93)**	(1.45)	(2.57)
Total unitholders' equity per unit[(1)]	**18.55**	21.99	24.39

[(1)] Net income (loss) per unit and total unitholders' equity per unit are supplementary financial measures. Please refer to the Specified Financial Measures and Other Disclosures section of this MD&A.

	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total income (loss)[(1)]	**$ (8,948)**	$ (1,760)	$ (2,250)	$ 3,224	$ (3,036)	$ 89	$ (2,496)	$ 776
Net income (loss)	**$ (23,463)**	$ (10,297)	$ (16,510)	$ (3,775)	$ (8,305)	$ (7,550)	$ (4,756)	$ (5,422)
Net income (loss) per unit[(2)]	**(1.26)**	(0.56)	(0.90)	(0.21)	(0.46)	(0.42)	(0.27)	(0.31)

[(1)] Total income (loss) comparative results have been reclassified to conform to the current year's consolidated financial statement presentation.
[(2)] Net income (loss) per unit is a supplementary financial measure. Please refer to the "Specified Financial Measures and Other Disclosures" section of this MD&A.

As a result of a large portion of the Trust's portfolio being in the development stage, results of operations may fluctuate from period-to-period as we work towards growing our recurring income segment.

6. SPECIFIED FINANCIAL MEASURES AND OTHER DISCLOSURES

We have presented certain specified financial measures because we believe these are important in evaluating the Trust's underlying operating performance and debt management. These specified financial measures do not have standardized meanings prescribed by IFRS Accounting Standards and may not be comparable with similar measures presented by other issuers. Investors are cautioned not to view specified financial measures as alternatives to financial measures calculated in accordance with IFRS Accounting Standards.

NON-GAAP RATIOS

"Debt-to-asset value" is a non-GAAP ratio calculated as total debt payable (a non-GAAP financial measure) divided by the total asset value of the Trust as at the applicable reporting date, including assets held for sale and liabilities related to assets held for sale. This non-GAAP ratio is an important measure used by the Trust in evaluating the amount of debt leverage; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

As at[(1)]	**December 31, 2025**	December 31, 2024
Total debt	**$ 283,983**	$ 272,664
Unamortized discount on host instrument of convertible debentures	**(365)**	554
Conversion feature	**(2,154)**	—
Unamortized balance of deferred financing costs	**968**	1,629
Total debt payable	**$ 282,432**	$ 274,847
Total assets	**646,004**	684,421
Debt-to-asset value	**43.7%**	40.2%

[(1)] Includes liabilities related to assets held for sale.

SUPPLEMENTARY FINANCIAL MEASURES AND OTHER MEASURES

"Net income (loss) – income properties" is defined by the Trust as including the sum of income properties revenue, income properties operating expenses, interest expense, fair value adjustments to income properties, and interest and other income, excluding earnings (losses) from equity accounted investments.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Income properties revenue	**$ 2,720**	$ 3,386	**$ 13,035**	$ 17,757
Income properties operating expenses	**(1,590)**	(1,999)	**(7,519)**	(9,205)
Interest expense	**(1,913)**	(2,358)	**(8,965)**	(9,466)
Fair value adjustments to income properties	**(2,469)**	(537)	**(9,911)**	(4,403)
Interest and other income	**25**	26	**93**	164
Transaction costs	**(437)**	—	**(437)**	(920)
Net loss – income properties	**$ (3,664)**	$ (1,482)	**$ (13,704)**	$ (6,073)

"Net income (loss) per unit" represents net income (loss) of the Trust divided by the weighted average number of units outstanding during the period.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Net loss	**$ (23,463)**	$ (8,305)	**$ (54,045)**	$ (26,033)
Units outstanding – weighted average	**18,617,513**	18,245,451	**18,458,186**	17,980,399
Net loss per unit	**$ (1.26)**	$ (0.46)	**$ (2.93)**	$ (1.45)

"NOI – commercial income properties included in EAI" is defined by the Trust as income properties revenue less income properties operating expenses at the equity accounted investment level. This supplementary financial measure is an important measure used by the Trust in evaluating operating performance; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Income properties revenue	**$ 1,490**	$ 1,648	**$ 5,635**	$ 6,691
Income properties operating expenses	**(1,243)**	(978)	**(4,500)**	(3,976)
Net operating income – income properties included in equity accounted investments – commercial	**247**	670	**1,135**	2,715
Interest expense	**(1,226)**	(998)	**(4,652)**	(3,876)
Interest and other income	**(105)**	13	**(200)**	60
Fair value adjustments	**(1,083)**	106	**(3,343)**	(13,161)
Depreciation expense	**(99)**	(62)	**(384)**	(243)
Share of net loss – included in equity accounted investments – commercial	**$ (2,266)**	$ (271)	**$ (7,444)**	$ (14,505)

"NOI – commercial properties" is defined by the Trust as the sum of NOI – commercial income properties included in EAI, and NOI – income properties (both of which are supplementary financial measures). This supplementary financial measure is an important measure used by the Trust to evaluate operational performance of commercial properties; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

"NOI – multi-family rental" is defined by the Trust as multi-family rental revenue less multi-family property operating expenses, at the equity accounted investment level. This supplementary financial measure is an important measure used by the Trust in evaluating operating performance; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Income properties revenue	**$ 5,933**	$ 4,746	**$ 21,956**	$ 16,636
Income properties operating expenses	**(3,107)**	(2,243)	**(11,462)**	(8,931)
Net operating income – income properties included in equity accounted investments – multi-family rental	**2,826**	2,503	**10,494**	7,705
Interest expense	**(2,765)**	(2,272)	**(10,817)**	(8,650)
Interest and other income	**54**	125	**430**	270
Fair value adjustments	**(4,127)**	(1,053)	**(10,486)**	1,724
Share of net income (loss) – included in equity accounted investments – multi-family rental	**$ (4,012)**	$ (697)	**$ (10,379)**	$ 1,049

"NOI – recurring income" is defined by the Trust as the sum of NOI – commercial properties and NOI – multi-family rental (both of which are supplementary financial measures). This supplementary financial measure is an important measure used by the Trust to evaluate operational performance of the recurring income segment; however, it is not defined by IFRS

Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

"Same property NOI – multi-family rental" is defined by the Trust as multi-family rental revenue less multi-family property operating expenses, at the equity accounted investment level, excluding properties acquired or transferred into the recurring income segment in the respective reporting period. This supplementary financial measure is an important measure used by the Trust to evaluate operational performance of the recurring income segment; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
NOI – multi-family rental	**$ 2,826**	$ 2,503	**$ 10,494**	$ 7,705
NOI – multi-family rental in lease-up	**(1)**	(27)	**(169)**	(27)
Same property NOI	**$ 2,825**	$ 2,476	**$ 10,325**	$ 7,678

"Total unitholders' equity per unit" represents the total unitholders' equity of the Trust divided by the number of units outstanding at the end of the period.

As at	**December 31, 2025**	December 31, 2024
Total unitholders' equity	**$ 349,949**	$ 401,241
Units outstanding – end of period	**18,866,970**	18,248,440
Total unitholders' equity per unit	**$ 18.55**	$ 21.99

"Total adjustments to fair values and other non-cash items included in net income (loss)" represents deferred income tax expense, share of income (loss) from equity accounted investments, fair value adjustments to income properties, deferred compensation expense (recovery), asset management fees, fair value adjustments to financial instruments and other non-cash items.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Deferred income tax recovery	**$ 587**	$ 2,847	**$ 587**	$ 9,923
Share of loss from equity accounted investments	**(11,668)**	(6,422)	**(22,769)**	(22,424)
Fair value adjustments to income properties	**(2,469)**	(537)	**(9,911)**	(4,403)
Deferred compensation recovery	**78**	4	**350**	(14)
Asset management fee settled in units	**20**	(565)	**(750)**	(908)
Fair value adjustments to financial instruments	**(4,554)**	—	**(4,554)**	7
Total adjustments to fair values and other non-cash items included in net loss	**$ (18,006)**	$ (4,673)	**$ (37,047)**	$ (17,819)

NON-GAAP FINANCIAL MEASURES

"Net operating income – income properties ("NOI – income properties")" is defined by the Trust as income properties revenue less income properties operating expenses. This non-GAAP financial measure is an important measure used by the Trust in evaluating operating performance; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	**2025**	2024
Income properties revenue	**$ 2,720**	$ 3,386	**$ 13,035**	$ 17,757
Income properties operating expenses	**(1,590)**	(1,999)	**(7,519)**	(9,205)
Net operating income – income properties	**$ 1,130**	$ 1,387	**$ 5,516**	$ 8,552

"Total debt payable" is defined by the Trust as the balance due at maturity for its debt instruments, and is calculated as the sum of total debt per the consolidated financial statements, inclusive of any unamortized discounts, conversion amounts payable on convertible debentures and the unamortized balance of deferred financing costs. Total debt payable is a non-GAAP financial measure and is included as part of the definition of debt-to-asset value, a non-GAAP ratio. Total debt payable is an important measure used by management of the Trust in evaluating the amount of debt leverage; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers. Total debt payable is reconciled to total debt, the most directly comparable financial measure, under "Non-GAAP Ratios – debt-to-asset value".

7. DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Trust does not have a Chief Executive Officer or a Chief Financial Officer. At December 31, 2025, the President and Chief Responsible Officer of DAM and Chief Financial Officer of Dream Impact Master GP (the "Certifying Officers") are responsible for and, along with the assistance of senior management of the Asset Manager, have designed or caused to be designed under the Certifying Officers' supervision, disclosure controls and procedures ("DC&P") as defined in National Instrument 52-109, “Certification of Disclosure in Issuers’ Annual and Interim Filings”, to provide reasonable assurance that material information relating to the Trust is made known to the Certifying Officers in a timely manner and information required to be disclosed by the Trust is recorded, processed, summarized and reported within the time periods specified in securities legislation, and have designed internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with IFRS Accounting Standards.

As at December 31, 2025, the Certifying Officers, together with other members of management, have evaluated the design and effectiveness of the Trust’s DC&P. Based on that evaluation, the Certifying Officers have concluded that, as at December 31, 2025, the DC&P are adequate and effective in order to provide reasonable assurance that material information has been accumulated and communicated to management to allow timely decisions of required disclosures by the Trust and its consolidated subsidiary entities within the required time periods.

The Trust’s ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS Accounting Standards. Using the framework established in “2013 Committee of Sponsoring Organizations (COSO) Internal Control Framework”, published by the Committee of Sponsoring Organizations of the Treadway Commission, the Certifying Officers, together with other members of management, have evaluated the design and operation of the Trust’s ICFR. Based on that evaluation, the Certifying Officers have concluded that the Trust’s ICFR was effective as at December 31, 2025.

During the year ended December 31, 2025, there have not been any changes that have materially affected, or are reasonably likely to materially affect, the Trust's disclosure controls and procedures and internal controls over financial reporting.

8. RISKS AND RISK MANAGEMENT

Dream Impact is exposed to various risks and uncertainties, many of which are beyond our control. The following is a review of material factors that may impact our business operations. Additional risks and uncertainties are described in our most recent Annual Report and our current Annual Information Form, which are posted on our website at www.dreamimpacttrust.ca and under the Trust's profile on SEDAR+ at www.sedarplus.ca. The occurrence of any of such risks could materially and adversely affect our investments, future prospects, cash flows, results of operations or financial condition. Although we believe that the risk factors described below and in our Annual Information Form are the most material risks that we will face, they are not the only risks. Additional risk factors not presently known to us or that we currently believe are immaterial could also materially adversely affect our investments, future prospects, cash flows, results of operations or financial condition and thereby adversely affect the value of our units.

LIQUIDITY RISK

Our ability to meet our financial obligations as they become due represents our exposure to liquidity risk. Our principal liquidity needs arise from investments in developments and equity accounted investments, debt principal repayments, interest payments, costs of refinancing maturing debt, costs of attracting and retaining tenants, recurring property maintenance and major property improvement costs.

Our ability to meet our future obligations may be impacted by the liquidity risk associated with receiving repayments of our loans, distributions from equity accounted investments, our ongoing ability to satisfy management fees payable to DAM in units of the Trust or other convertible securities pursuant to current or future arrangements, amounts receivable, deposits, and cash equivalents on time and in full and the realization of fair value on any disposition of our non-core properties and investments. If we are unable to meet our obligations as they come due, raise additional funding or otherwise renegotiate such obligations, including amendments to covenants and extension of maturities of our outstanding indebtedness, our ability to continue as a going concern may be adversely affected.

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. In recent years, the level of transaction activity and general liquidity in the Trust's primary markets has decreased considerably. Such illiquidity may limit our ability to vary our portfolio promptly in response to changing economic or investment conditions and may impact our ability to successfully execute on our business strategies. If we were required to liquidate our real property investments, the proceeds to us might be significantly less than the aggregate carrying value of our properties.

The failure of the Trust to adequately manage its liquidity risk could have an adverse effect on our financial condition and results of operation, impact our obligations under our convertible debentures and cause the price of our units to decrease. The Trust's liquidity risk may also be impacted by macro-economic circumstances and unforeseen increases in development costs not anticipated at the time of construction commencement.

As at December 31, 2025, the Trust had a negative working capital of $120.2 million, excluding assets and liabilities related to assets held for sale. The negative working capital included $71.8 million related to the Trust's 2022 Debentures and 2025 Debentures maturing in 2027 and 2031, respectively. Irrespective of the maturity date, the Debentures are classified as current liabilities due to the conversion feature in accordance with the IAS 1 amendments adopted in 2024. The working capital balance also includes a promissory note for $32.6 million on a specific project and is classified as a current liability as it is contractually due on demand. Repayment of the promissory note payable would be in the form of distributions from the underlying project. As this project is in the early planning stage, it is currently not expected to realize cash flows in the near term. As a result, the contractual term of the note is different than the Trust's anticipated repayment date. Excluding the convertible debentures and the promissory note, there was negative working capital of $15.9 million. Subsequent to December 31, 2025, the Trust received $6.5 million in cash proceeds from the transfer of 49 Ontario to the new partnership.

While inherent uncertainty exists, the Trust monitors its liquidity such that it will be able to meet its financial obligations before or as they come due and actively manages its liquidity position through securing new debt financing, pursuing asset sales and reducing discretionary spend. Subsequent to December 31, 2025, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50.0 million, secured by a pledge on certain equity accounted investments. The amended and restated facility bears an effective interest rate equal to the higher of 10% or 6% above CORRA, and matures in five years. As at February 13, 2026, $21.0 million was drawn on the facility. A summary of the Trust's contractual maturity dates of amounts payable and other liabilties and consolidated debt is as follows:

As of December 31, 2025	Amounts payable and other liabilities	Debt principal	Interest on debt	Total
2026[1]	$ 9,516	$ 46,302	$ 15,233	$ 71,051
2027[2][3]	—	185,130	8,721	193,851
2028	—	—	4,050	4,050
2029	—	—	4,050	4,050
2030	—	21,000	3,717	24,717
2031[4]	—	30,000	975	30,975
Total scheduled payments as of December 31, 2025	$ 9,516	$ 282,432	$ 36,746	$ 328,694

[1] Promissory note reflects the contractual term.
[2] Includes a liability related to an asset held for sale for $80,000, with a contractual maturity in 2027, which was repaid subsequent to December 31, 2025.
[3] Includes a $40,000 convertible debenture due on December 31, 2027. The debenture is classified as a current liability as a result of a conversion feature, in accordance with the IAS 1 amendment detailed in Note 5, "Adoption of Accounting Standards".
[4] During the year ended December 31, 2025, the Trust amended and restated the 2021 Debentures ($30,000 of principal) to extend the term to maturity by five years to 2031.

FINANCING RISKS, LEVERAGE AND RESTRICTIVE COVENANTS

Ownership of certain of our assets and the industries in which we operate are capital intensive. We will require access to capital to maintain the real estate assets in which we have an interest, as well as to fund our growth strategy and significant capital expenditures from time to time. There is no assurance that capital will be available when needed or on favourable terms. Our access to third-party financing will be subject to a number of factors, including general market conditions; the market's perception of our growth potential; our current and expected future earnings; changes in the fair value of our income properties and land holdings; our cash flow and cash distributions, and cash interest payments; our outstanding indebtedness and other obligations; and the market price of our units. Our failure to access required capital and access such capital on favourable terms could materially adversely impact our investments, cash flows, operating results or financial condition, and our ability to implement our growth strategy

A significant portion of our financing is debt, including project-level debt in our equity accounted investments, which, under IFRS Accounting Standards, is not explicitly consolidated on our balance sheet. Accordingly, we are subject to the risks associated with debt financing, including the risk that our cash flows will be insufficient to meet required payments of principal and interest, that we may be unable to meet loan covenants (including as a result of fair value adjustments to our income properties and land holdings), that defaults under a loan could result in cross defaults or other lender rights or remedies under other loans, and that, on maturities of such debt, we may not be able to refinance the outstanding principal under such debt or that the terms of such refinancing will be more onerous than those of the existing debt. If we are unable to refinance debt at maturity on terms acceptable to us or at all, we may be forced to dispose of one or more of our properties on disadvantageous terms, which may result in losses and could alter our debt-to equity ratio or be dilutive to unitholders. Such losses could have a material adverse effect on our financial position or cash flows. If we are unable to meet interest or principal payments as they become due, we could also be required to renegotiate such payments or obtain additional equity, debt or other financing. The failure of the Trust to make or renegotiate interest or principal payments or obtain additional equity, debt or other financing on favourable terms, or at all, could adversely impact the Trust's financial condition and results of operations.

Certain financial guarantees and mortgages on income properties contain covenants that require the Trust and its subsidiaries to maintain certain financial ratios and financial condition tests on a consolidated basis. These covenants may limit our flexibility in conducting our operations and a failure to comply with such obligations could result in a default that, if not cured or waived, could result in acceleration of the relevant indebtedness. The acceleration of the Trust's indebtedness under one agreement may permit acceleration of indebtedness under other agreements that contain cross-default or cross acceleration provisions.

Many of our mortgages are insured under the *National Housing Act* and administered by the Canada Mortgage and Housing Corporation ("CMHC"). The use of CMHC-insured mortgages allows us to gain access to stable financing at lower interest rates than would be available with conventional mortgage financing or other forms of debt and manage renewal risk on mortgage due dates. There can be no guarantee that the provisions of the mortgage insurance program will not be changed in the future so as to make the costs of obtaining mortgage insurance prohibitive or restrict access to the insurance program. If CMHC financing is not available in the future, we could be required to finance new or renewal mortgages on less favourable terms than our existing CMHC-insured mortgages.

The degree to which we are leveraged could have important consequences to our operations. A high level of debt will limit our flexibility in planning for and reacting to changes in the economy and in the industry, and increase our vulnerability to general adverse economic and industry conditions; limit our ability to borrow additional funds, dispose of assets, encumber our assets and make potential investments; place us at a competitive disadvantage compared to other owners of similar assets that are less leveraged and, therefore, may be able to take advantage of opportunities that our indebtedness would prevent us from pursuing; make it more likely that a reduction in our borrowing base following a periodic valuation (or redetermination) could require us to repay a portion of then-outstanding borrowings; and impair our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general trust or other purposes.

INTEREST RATE RISK

When negotiating or amending and extending debt financing agreements and instruments, we also depend on our ability to agree on terms, including in respect of interest payments and amortization. In addition, we have entered into, and we may continue to enter into, financing agreements with variable interest rates. To the extent the Trust utilizes variable rate debt, this will result in fluctuations in our cost of borrowing as an increase in interest rates could result in a significant increase in the amount paid by us to service debt that could materially adversely affect our cash flows.

We have entered into certain interest rate hedging arrangements to mitigate the impact of interest rates on our business. Hedging transactions involve the risk that counterparties, which are generally financial institutions, may be unable to satisfy their obligations. If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on the Trust's cost of borrowing on variable rate loans. Our obligations under hedging arrangements may be secured by all or a portion of our assets or cash, the value of which generally must cover the fair value of the transactions outstanding under the facility by some multiple. If we are unable to provide adequate security to support hedging arrangements, the Trust will remain exposed to interest rate fluctuations. We may from time to time implement other hedging programs in order to offset the risk of revenue losses and to provide more certainty on our cash flows, should current variable interest rates increase. However, to the extent that we fail to adequately manage these risks, our financial results and our ability to make interest payments under future financings may be adversely affected. Increases in interest rates generally cause a decrease in demand for properties. Higher interest rates and more stringent borrowing requirements, whether mandated by law or required by financial institutions, could have a material adverse effect on our ability to sell any of our investments.

GENERAL REAL ESTATE RISK

Returns on real estate and real estate-related assets and investments are generally subject to a number of factors and risks, including changes in general economic conditions (which could affect the availability, terms and cost of mortgage financings and other types of credit), changes in local economic conditions (such as an oversupply of properties or a reduction in demand for real estate in a particular area), changes in government policy, the attractiveness of properties to potential tenants or purchasers, competition with other landlords with similar available space, and the ability of the owner to provide adequate maintenance at competitive costs.

These factors and risks could cause fluctuations in the value of the real estate and real estate-related assets and investments owned by us or in the value of the real estate securing mortgages and other loans we issue. These fluctuations could materially adversely affect us.

LEASE RENEWALS AND RENTAL RATES RISK

The income-producing properties in our investment portfolio generate income through rent payments made by our tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or that the tenant will be replaced. Furthermore, the terms of any subsequent lease may be less favourable than those of the existing lease. The Trust's income and cash flows would be adversely affected if we were unable to lease a significant amount of the available space in any particular property on economically favourable lease terms or on a timely basis.

TENANT DEFAULT RISK

In the event of default by a tenant, we may experience delays or limitations in enforcing our rights as the lessor and incur substantial costs in protecting our investment. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws, which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to us, which may adversely affect us. The Trust mitigates this risk by attracting tenants of sound financial standing and by diversifying its tenant mix. A deterioration in the economy may impact the ability of tenants to meet their obligations under their leases or contracts.

ECONOMIC ENVIRONMENT RISKS

Uncertainty over whether the economy will be adversely affected by inflation or stagflation, and the systematic impact of volatile energy costs and geopolitical issues, may contribute to increased market volatility. Such economic uncertainties and market challenges, which may result from a continued or exacerbated general economic slowdown, including as a result of the imposition of duties, tariffs and other trade protection measures and their effects, could materially and adversely affect the Trust's ability to generate revenues, thereby increasing operating costs and reducing its operating income and earnings. A difficult operating environment could have a material adverse effect on the ability of the Trust to maintain occupancy rates at its commercial and multi-family rental properties, which could harm the Trust's financial condition.

Increased inflation could have a more pronounced negative impact on development costs and any variable rate debt the Trust is subject to or incurs in the future and on its results of operations. Similarly, during periods of high inflation, annual rent increases may be less than the rate of inflation on a continued basis. Substantial inflationary pressures and increased costs may have an adverse impact on the Trust's tenants if increases in their operating expenses exceed increases in revenue. This may adversely affect the tenants' ability to pay rent, which could negatively affect the Trust's financial condition.

The imposition of duties, tariffs, quotas, embargoes, and other trade restrictions could result in slow economic growth and could materially disrupt the supply chain and negatively impact the Canadian economy. This, in turn, could adversely affect the rental market generally, including tenants' ability to pay rent, and increase the cost or reduce the supply of goods, leading to higher construction costs and potential cost overruns for projects currently under construction or development. Trade barriers could also increase the likelihood and intensity of other risks discussed in this MD&A, and our Annual Report and Annual Information Form. The eventuality, timing, rates and details of any tariffs or non-tariff actions are uncertain and the ultimate effects of any retaliatory tariffs or other actions are difficult to assess at this time. We cannot predict whether we will be able to avoid or mitigate the impact of these changes. Even if temporary, these risks, along with any other taxes or other trade barriers, could have a material adverse effect on our business, results of operations and financial condition.

GENERAL INVESTMENTS RISK

Our investments include direct and indirect investments in real estate, mortgages and other loans, and development and investment holdings, each of which can be relatively illiquid. While investments in illiquid assets have the potential to produce above-average growth opportunities, they may be difficult to value or sell at the time and price preferred by the owner. In recent years, the level of transaction activity and general liquidity in the Trust's primary markets has decreased considerably. Accordingly, there is a risk that we would be unable to dispose of certain of our assets in a timely way in response to changing economic or investment conditions, which may impact our ability to successfully execute on our business strategies. In recessionary times it may be difficult to dispose of certain of our assets, including certain types of real estate. The costs of holding certain of our assets, including real estate, are considerable and during an economic recession we may be faced with ongoing expenditures with a declining prospect of rental income. In such circumstances, it may be necessary for us to dispose of properties, or interests in properties, at discounted prices in order to generate sufficient cash for operations. Where we are unable to dispose of illiquid assets, or we are forced to sell such assets at a discounted price, our financial results and the value of our units may be adversely affected.

The Trust may undertake strategic property dispositions from time to time in order to recycle its capital and maintain an optimal portfolio composition but may experience significant delays in the repositioning of our portfolio as a result of the certain illiquid assets. The Trust may also be subject to unexpected costs or liabilities related to such dispositions, which could adversely affect the Trust's financial position and results of operations and its ability to meet its obligations.

DEVELOPMENT RISK

A significant source of internal growth of the Trust is the build-out of the Trust's development pipeline. The Trust is involved in several residential and mixed-use development projects, often set up as joint ventures or partnerships. These developments are often carried out with an experienced developer or co-developers as the Trust's co-venturers/partners. The Trust expects to be increasingly involved in investments that develop residential and mixed-use developments.

Before a development project generates any revenues, material expenditures are incurred. This includes, but is not limited to, expenditures incurred to acquire land, obtain development approvals and construct significant portions of project infrastructure, amenities, model suites and sales facilities. It generally takes several fiscal periods for a development to achieve cumulative positive cash flow. If the development projects in which we participate are not developed and marketed successfully or costs of development exceed original estimates and do not generate positive cash flows in a timely manner, this may have a material adverse effect on our business and results of operations.

There are also several factors that impact development risk, including, but not limited to, rising construction costs and development charges, shortage of experienced labour in certain construction-related trades, construction delays, cost over-runs, and challenges in securing municipal approvals and potential delays in occupancy and/or rent commencement. These factors could impact our development profit margin or development yield potential and may be beyond our control. As a result, there can be no assurance that all of our proposed residential projects as described herein will be undertaken, and if so, with what mix of residential and commercial development, at what costs, and generating what profit margin or development yield. There could also be changes to the mix of condominium versus multi-family rental units for certain projects. As well, any change in the revenue or costing estimates or development timeline could have a significant impact on the value of the development.

In addition, purchaser demand with regards to residential condominiums is cyclical and is significantly affected by changes in general and local economic and industry conditions, such as employment levels, availability of financing for home buyers, interest rates, consumer confidence, levels of new and existing homes for sale, demographic trends and housing demand. As well, an oversupply of homes or residential condominium units in the market, such as resale properties, including properties held for sale by investors and speculators, foreclosed homes and rental properties, may reduce the Trust’s ability to sell residential development units and may depress prices and reduce margins from the sale of residential development units.

The Trust is also subject to the risk that purchasers of such properties may become unable or unwilling to meet their obligations or that the Trust may not be able to close the sale of a significant number of units in a development project on economically favourable terms. To mitigate these risks, the Trust monitors the market trends and development risks to adapt to any changes to market conditions.

MULTI-FAMILY RENTAL BUSINESS RISK

The Trust is subject to the risks inherent in the multi-family rental business, including, but not limited to, fluctuations in occupancy levels, individual credit risk, heightened reputation risk, tenant privacy concerns, potential changes to rent control regulations, increases in operating costs, including the costs of utilities, and the imposition of new taxes or increased property taxes. Multi-family rental business risk may result in a significant loss of earnings to the Trust; however, to mitigate these risks, the Trust's portfolio includes well located and professionally managed properties.

JOINT VENTURE OR PARTNERSHIP RISK

Several investments, including the Trust’s property developments and income properties, are often made or developed as joint ventures or partnerships with third parties. These structures involve certain additional risks, including, but not limited to, co-venturers/partners that might experience financial difficulties or fail to fund their share of required capital contributions or suffer reputational damage that could have an adverse impact on the Trust. Similarly, although under most of our joint venture arrangements the Trust has the discretion to elect to continue or discontinue funding of such joint venture activities at various points in time, under certain of the Trust's joint venture arrangements, a decision to discontinue funding may result in penalties against non-funding investors, such as dilution or above market interest rates. Should the Trust determine to discontinue the funding of any such joint venture, the value of the Trust's investment may be adversely affected.

In addition, our co-venturers/partners may, at any time, have economic or business interests inconsistent with ours and we may be required to take actions that are in the interest of the partners collectively, but not in the Trust’s sole best interests. Accordingly, we may not be able to favourably resolve issues with respect to such decisions or we could become engaged in a dispute with any of them that might affect our ability to develop or operate the business or assets in question efficiently. Any failure of the Trust or our co-venturers and partners to meet their obligations, or disagreements with respect to strategic decision-making, could have an adverse effect on the joint ventures or partnerships, which may have an adverse effect on the Trust.

We attempt to mitigate these risks by performing due diligence procedures on potential partners and contractual arrangements, and by closely monitoring and supervising the joint ventures or partnerships.

CREDIT RISK

There is a risk that a borrower or issuer of an investment security will not make a payment on debt or that an originating lender will not make its payment on a loan participation interest purchased by us or that an issuer or an investment security or an originating lender retaining the original loan in which it grants participations may suffer adverse changes in financial condition, lowering the credit quality of its security or participation and increasing the volatility of the security or participation price. Such changes in the credit quality of a security or participation can affect its liquidity and make it more difficult to sell if we wish to do so. In addition, with respect to loans made or held by us, a change in the financial condition of a borrower could have a negative financial impact on us.

Credit risk may also arise from a borrower that may not be able to honour its debt commitments as a result of a negative change in market conditions that could result in a loss to the Trust. Credit risk related to financial guarantees provided by the Trust arises from the possibility that guarantors, including counterparties, default on their financial obligations, which could trigger acceleration of the Trust’s indebtedness, including under other agreements that contain cross-default or cross-acceleration provisions. The Trust mitigates these risks by actively monitoring the mortgage receivables, loan investment and financial guarantees, and initiating recovery procedures in a timely manner when required.

LENDING PORTFOLIO DEFAULT RISK

If a borrower under a loan defaults under any terms of the loan, we may have the ability to exercise our enforcement remedies in respect of the loan. Exercising enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact our cash flow. In addition, as a result of potential declines in real estate values, there is no assurance that we will be able to recover all or substantially all of the outstanding principal and interest owed to us in respect of such loans by exercising our enforcement remedies. Our inability to recover the amounts owed to us in respect of such loans could materially adversely affect us.

CONCENTRATION RISKS AND OTHER SIMILAR RISKS

While our intention is to diversify our investments, our current investments are relatively concentrated in a limited number of market sectors or asset types. An investment in the Trust may therefore involve greater risk and volatility than an investment in an issuer with a broader portfolio of assets since the performance of one particular industry, market or issuer could significantly and adversely affect the overall performance of the Trust.

IMPACT INVESTMENT STRATEGY RISK

Our ability to achieve our impact investment objectives will be dependent on our ability to successfully identify and realize investment opportunities that align with our investment framework. There can be no assurance that we will achieve these objectives or that our impact investments or developments will generate positive returns in a timely manner. In addition, we adapted our own impact investing framework, which we believe is aligned with existing frameworks in this field. However, these may or may not be interpreted differently from other issuers or other participants in the impact investing space. While the Trust intends to responsibly create positive social and environmental change in our communities, the success of our impact investment strategy and our ability to generate market returns will be based on various and unpredictable factors, including investor perceptions and reactions and future economic or investment conditions.

ENVIRONMENTAL AND CLIMATE CHANGE RISKS

As an owner of real estate property, we are subject to various federal, provincial, municipal and state laws relating to environmental matters. Such laws provide that we could be liable for the costs of removal and remediation of certain hazardous, toxic substances released on or in our properties or disposed of at other locations, as well as potentially significant penalties. We have insurance and other policies and procedures in place to review and monitor environmental exposure, which we believe mitigates these risks to an acceptable level. Some of the properties in which we have an interest currently have or have had occupants that use hazardous substances or create waste. Such uses can potentially create environmental liabilities. A few issues have been identified through site assessments, including the need to remediate or otherwise address certain contaminations. These issues are being carefully managed with the involvement of professional consultants. Where circumstances warrant, designated substance surveys and/or environmental assessments are conducted. Although environmental assessments provide some assurance, we may become liable for undetected pollution or other environmental hazards on our properties against which we cannot insure, or against which we may elect not to insure where premium costs are disproportionate to our perception of relative risk.

The Trust has formal policies and procedures which cause the review and monitoring of environmental exposure. These policies include the requirement to conduct a Phase I environmental site assessment, or review a current Phase I, before we acquire real properties.

Climate change continues to attract the focus of governments and the general public as an important threat, given the emission of greenhouse gases and other activities continue to negatively impact the planet. We face the risk that our properties will be subject to government initiatives aimed at countering climate change, such as reduction of greenhouse gas emissions, which could impose constraints on our operational flexibility or cause us to incur financial costs to comply with various reforms. Any failure to adhere and adapt to climate change reform could result in fines or adversely affect our reputation, operations or financial performance. Furthermore, our properties may be exposed to the impact of events caused by climate change, such as natural disasters and increasingly frequent and severe weather conditions. Such events could interrupt our operations and activities, damage our properties and may potentially decrease our property values or require us to incur additional expenses, including an increase in insurance costs to insure our properties against natural disasters and severe weather.

On June 20, 2024, the Canadian federal government enacted Bill C-59, which contains anti-greenwashing amendments to the *Competition Act* to regulate misleading environmental claims. In addition, Bill C-59 provides third parties with a private right of action, with leave from the Competition Tribunal, as of June 20, 2025, for environmental claims that are alleged to have violated the misleading advertising provisions of the Act. Significant administrative monetary penalties may be imposed if a representation made in the Trust's marketing or promotional materials regarding the environmental impact of the Trust's business activities is challenged for not having adequate and proper substantiation in accordance with internationally recognized methodologies.

UNEXPECTED CAPITAL EXPENDITURES AND OTHER FIXED COSTS

Certain significant expenditures, including property taxes, 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 sufficient income to pay such expenses. This may include expenditures to fulfill mandatory requirements for energy efficiency. In order to retain desirable rentable space and to generate adequate revenue over the long term, the condition of the properties in which we have an interest must be maintained or, in some cases, improved to meet market demand. Maintaining or upgrading a rental property in accordance with market standards can entail significant costs, which we may not be able to pass on to our tenants. Numerous factors, including the age of the relevant building structure, the material and substances used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment or modernization.

If the actual costs of maintaining or upgrading a property in which we have an interest exceed our estimates, or if hidden defects are discovered during maintenance or upgrading that are not covered by insurance or contractual warranties, or if we are not permitted to raise rents due to legal constraints, we will incur additional and unexpected costs. If competing properties of a similar type are built in the area where one of our properties is located or similar properties located in the vicinity of one of our properties are substantially refurbished, the net operating income derived from and the value of such property could be reduced.

Any failure to undertake appropriate maintenance and refurbishment work in response to the factors described above could materially adversely affect the rental income that we earn from such properties; for example, such a failure could entitle tenants to withhold or reduce rental payments or even to terminate existing leases. Any such event could have a material adverse effect on our cash flows, financial condition and results of operations.

UNEXPECTED COSTS OR LIABILITIES RELATED TO ACQUISITIONS

Our external growth prospects depend in part on identifying suitable acquisition opportunities, pursuing such opportunities and consummating acquisitions, including direct or indirect acquisitions of real estate. Notwithstanding pre-acquisition due diligence, it is not possible to fully understand a property before it is owned and operated for an extended period of time and there may be undisclosed or unknown liabilities concerning the acquired properties, and the Trust may not be indemnified for some or all of these liabilities. To mitigate this risk, the Asset Manager conducts an appropriate level of due diligence and investigation in connection with its acquisition of properties and seeks, through contractual arrangements, to ensure that risks lie with the appropriate party.

CYBER SECURITY RISK

Cyber security has become an increasing area of focus for issuers and businesses in Canada and globally, as reliance on digital technologies to conduct business operations has grown significantly. As we continue to increase our dependence on information technologies to conduct our operations, the risks associated with cyber security also increase. We rely on management information systems and computer control systems. Business interruptions, utility outages, and information technology system and network disruptions due to cyber-attacks could seriously harm our operations and materially adversely affect our operating results. Cyber-attacks against organizations are increasing in sophistication and can include but are not limited to intrusions into operating systems, theft of personal or other sensitive data and/or cause disruptions to business operations. Such cyber-attacks could compromise the Trust’s confidential information as well as that of the Trust’s employees, customers and third parties with whom the Trust interacts and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage. Our exposure to cyber security risks includes exposure through third parties on whose systems we place significant reliance for the conduct of our business. We have implemented security procedures and measures in order to protect our systems and information from being vulnerable to cyber-attacks. However, we may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to our information and control systems could have severe financial and other business implications.

GOVERNMENT AND REGULATORY RISKS

We are subject to laws and regulations governing the development, ownership, operation and leasing of certain of our assets, employment standards, environmental matters, taxes and other matters. It is possible that future changes in applicable federal, provincial, municipal, state, local, or common laws or regulations, or changes in their enforcement or regulatory interpretation, could result in changes in the legal requirements affecting us (including with retroactive effect). Any changes in the laws to which we are subject could materially adversely affect the distributions received by the Trust from MPCT LP. It is not possible to predict whether there will be any further changes in any regulatory regime to which we are subject or the effect of any such change on our investments.

The real estate development process is subject to a variety of laws and regulations. In particular, governmental authorities regulate such matters as zoning and permitted land uses, levels of density and building standards. We will have to continue to obtain approvals from various governmental authorities and comply with local, provincial and federal laws, including laws and regulations concerning the protection of the environment in connection with such development projects. Obtaining such approvals and complying with such laws and regulations may result in delays, which may cause us to incur additional costs that impact the profitability of a development project, or may restrict development activity altogether with respect to a particular project.

TAX RISK

There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency ("CRA") respecting the treatment of "mutual fund trusts" will not be changed in a manner that adversely affects unitholders. If we cease to qualify as a "mutual fund trust" under the *Income Tax Act* (Canada) ("Tax Act"), the income tax considerations applicable to us would be materially and adversely different in certain respects, including that units may cease to be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit-sharing plans, registered disability savings plans, tax-free savings accounts and registered education savings plans under the Tax Act (collectively, "Plans").

Although we are of the view that all expenses to be claimed by us will be reasonable and deductible, all input tax credits claimed by us are appropriate, and that the cost amount and capital cost allowance claims of entities indirectly owned by us

will have been correctly determined, there can be no assurance that the Tax Act, or the interpretation of the Income Tax Act, will not change, or that the CRA will agree with our determinations. If the CRA successfully challenges the deductibility of such expenses or the amount of input tax credits claimed, our taxable income will change.
We will endeavour to ensure that units continue to be qualified investments for Plans; however, there can be no assurance that this will occur. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments.

We are subject to tax audits from various government and regulatory agencies on an ongoing basis. As a result, from time to time, taxing authorities may disagree with the interpretation and application of tax laws taken by the Trust, which could lead to reassessments. These reassessments could have a material impact on the Trust in future periods.

INSURANCE RISKS

We carry, or cause to be carried, general liability, umbrella liability and excess liability insurance with limits, which are typically obtained for similar operations in Canada and otherwise acceptable to the Board of Trustees on the recommendation of DAM. For the property risks, we cause "All Risks" property insurance, including, but not limited to, flood, earthquake and loss of rental income insurance (with at least a 24-month indemnity period), to be carried. We also cause boiler and machinery insurance, covering all boilers, pressure vessels, HVAC systems and equipment breakdown, to be carried. There are, however, certain types of risks (generally of a catastrophic nature such as from war or nuclear accident) that are uninsurable under any insurance policy. Furthermore, there are other risks that are not economically viable to insure at this time. Should an uninsured or underinsured loss occur, we could lose our investment in, and anticipated profits and cash flows from, one or more of our properties, but we would continue to be obligated to repay any recourse mortgage indebtedness on such properties. We may carry, or may cause to be carried, title insurance on certain of our real estate assets but will not necessarily insure all titles. If a loss occurs resulting from a title defect with respect to a property where there is no title insurance or the loss is in excess of insured limits, we could lose all or part of our investment in, and anticipated profits and cash flows from, such property.

POTENTIAL CONFLICTS OF INTEREST

The Trust may be subject to various conflicts of interest because of the fact that certain members of the Board of Trustees and management are engaged in a wide range of real estate and other business activities. We may become involved in transactions which conflict with the interests of the foregoing.

The Trust's management and members of the Board of Trustees may from time to time deal with persons, firms, institutions or corporations with which we may be dealing, or which may be seeking investments similar to those desired by the Trust. The interests of these persons could conflict with those of the Trust. In addition, from time to time, these persons may be competing with the Trust for available investment opportunities.

Certain of the Trust's officers are also officers of Dream and its subsidiaries, affiliates or managed vehicles, which may give rise to conflicts of interest with their roles at the Trust.

RELIANCE ON DAM FOR MANAGEMENT SERVICES

We rely on DAM with respect to the asset management of our investments. Consequently, our ability to achieve our investment objectives depends in large part on DAM and its ability to properly advise us. Although the Management Agreement does not have a fixed term, DAM has the right to terminate the Management Agreement with 180 days' prior written notice if MPCT LP and/or the Trust defaults in the performance or observance of any material term, condition or agreement of the Management Agreement in a manner that results in material harm and such default continues unremedied for a period of 60 days. The Management Agreement may also be terminated in other circumstances, such as upon the occurrence of an event of default or insolvency of DAM within the meaning of such agreement. Accordingly, there can be no assurance that DAM will continue to be our Asset Manager. If DAM should cease for any reason to be our Asset Manager, our ability to meet our objectives and execute our strategy may be adversely affected. We may be unable to duplicate the quality and depth of management available to DAM by becoming a self-managed Trust or by hiring another asset manager. In addition, the cost of obtaining substitute services may be greater than the fees we will pay DAM under the Management Agreement.

We depend on the management and administration services provided by DAM under the Management Agreement. DAM personnel and support staff that provide services to us under the Management Agreement are not required to have as their primary responsibility the management and administration of the Trust or MPCT LP or to act exclusively for either of us, and the Management Agreement does not require that the services we receive be provided to us by any specific individuals employed by DAM. Any failure to effectively manage our operations or to implement our strategy could materially adversely affect us.

RELIANCE ON MPCT LP

The Trust's sole material asset is its limited partnership interest in MPCT LP. The ability of MPCT LP to make other payments or advances to us may be subject to contractual restrictions contained in any instruments governing the indebtedness of MPCT LP or investments held by it. The ability of MPCT LP to make other payments or advances is also dependent on the ability of MPCT LP's subsidiaries to pay distributions or make other payments or advances to MPCT LP. The Trust depends on distributions and other payments from MPCT LP and, indirectly, its subsidiaries and investments, to provide the Trust with the funds necessary to meet its financial obligations.

9. MATERIAL ACCOUNTING POLICY INFORMATION

9.1 CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. Management bases its judgments and estimates on historical experience and other factors it believes to be reasonable under the circumstances, which are inherently uncertain and unpredictable, the result of which forms the basis of the carrying amounts of assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the affected asset or liability in the future. Refer to Note 4 of the Trust's consolidated financial statements for the year ended December 31, 2025 for a summary of the Trust's accounting judgments, estimates and assumptions in applying accounting policies.

9.2 CURRENT ACCOUNTING POLICY CHANGES

The Trust has amended its accounting policy for the presentation of interest paid on debt in the consolidated statements of cash flows. Effective January 1, 2025, the Trust has elected to present interest paid as a cash flow arising from financing activities where it was previously included in cash flows from operating activities. The Trust had made this change to align with the presentation of cash flows related to debt transactions. As a result of this change in presentation, cash flows generated from (utilized in) operating activities for the year ended December 31, 2024 have increased by $15.1 million with a corresponding reduction to cash flows generated from (utilized in) financing activities.

9.3 FUTURE ACCOUNTING POLICY CHANGES

Standards issued but not yet effective up to the date of issuance of the Trust's consolidated financial statements that are likely to have an impact on the Trust are noted below, and represent the standards and interpretations the Trust reasonably expects to be applicable at a future date. The Trust intends to adopt these standards when they become effective.

IFRS 18, "PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS" ("IFRS 18")

In April 2024, IFRS 18, "Presentation and Disclosure in Financial Statements" was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, including the statements of comprehensive income where entities will be required to present separate categories of income and expense for operating, investing and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Trust is in the process of assessing the impact of this new standard.

AMENDMENTS TO IFRS 9, "FINANCIAL INSTRUMENTS" ("IFRS 9") and IFRS 7, "FINANCIAL INSTRUMENTS: DISCLOSURES" ("IFRS 7")

In May 2024, amendments to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" were issued. The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. The amendments also require additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income. These amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Trust reviewed the amendments and does not anticipate any material impact to its financial statements. The Trust has elected to apply the optional exception for electronic payment transactions, under which liabilities settled through electronic fund transfers are derecognized on the date the Trust initiates a non-revocable payment instruction. For wire payments that require settlement through the Trust's bank account, derecognition occurs on the date the funds clear the Trust's bank account.

10. ADDITIONAL INFORMATION

10.1 SUMMARY OF IMPACT INVESTMENTS

In assessing and reporting on the impact of our investments, we created pathways for each of our impact investments, which align with our three verticals and the United Nations Sustainable Development Goals. For further details, refer to our impact report published on our website, www.dreamimpacttrust.ca. The contents of the report and our website are not incorporated by reference into this MD&A.

Zibi, including Zibi Community Utility (Ottawa, Ontario; Gatineau, Quebec) (Carrying value $84.6 million, including completed blocks)

Zibi is our 34-acre community, located in Ottawa, Ontario, and Gatineau, Quebec, overlooking the Ottawa River. This community is expected to welcome approximately 5,000 residents and 6,000 workers upon completion. The project is a multi-phase development that includes over 4.0 million sf of density, including purpose-built rental units, over 0.3 million sf of commercial space and 8 acres of riverfront parks and plazas.

Environmental Sustainability and Resilience

The Zibi development includes Ottawa's and Gatineau's first central district energy system, which provides a net-zero carbon heating and cooling system for all tenants and residents in the Zibi community. The District Energy System ("Zibi Community Utility" or "ZCU") commenced operations in 2022 and utilizes post-industrial waste energy for heating and the Ottawa River for cooling. The development is also among the first One Planet Living Master-Planned Communities in the country.

Attainable and Affordable Housing

To date, the Trust's investment in Zibi has three completed multi-family rental buildings, each with units designated as affordable.

Inclusive Communities

Zibi is developed beneficially with and for the Algonquin Anishinabe nation, as we are engaging with the Algonquin Anishinabe nation to ensure that First Nations history, presence and culture are reflected throughout the development. The development has formalized a partnership to ensure this continues throughout the life of the project, which includes, but is not limited to, mandates for Algonquin employment, youth engagements and annual meetings with an advisory council of Algonquin Anishinabe.

Canary Landing (Toronto, Ontario) (Carrying value $38.2 million)

Canary Landing is a purpose-built multi-family rental apartment community in Toronto's downtown east end, adjacent to the Canary and Distillery District. The development is expected to feature over 2,000 rental units, as well as ancillary retail and office components, which are expected to include 5,000 sf of dedicated community space. In 2023, Maple House at Canary Landing welcomed tenants. Occupancy at Cherry House at Canary Landing commenced on the first completed block in 2025. Combined, both buildings will provide approximately 1,600 residential units to the downtown Toronto rental market.

Environmental Sustainability and Resilience

Each of the buildings at Canary Landing is currently planned to LEED Gold standard, a globally recognized symbol of sustainability achievement, and will have green roofs. The development is designed to incorporate water efficiency fixtures and generate clean energy in the form of solar panels.

Attainable and Affordable Housing

Canary Landing is one of the largest affordable and mixed-income housing projects in Canada and the first within Ontario's Provincial Affordable Housing Lands Program to break ground. Upon full build-out, the development is expected to include 684 affordable units, priced at an approximate 50% discount to market rent in downtown Toronto. In 2023, Maple House at Canary Landing, which includes 231 affordable units, commenced occupancy. In 2025, the first block was completed and commenced occupancy at Cherry House at Canary Landing, as the remaining two blocks commenced occupancy in early 2026.

Inclusive Communities

The affordable housing units at Canary Landing will be distributed throughout the buildings, with all tenants having access to the building amenities, unit quality and finishes equivalent to the suites rented at market price.

Odenak (Ottawa, Ontario) (Carrying value $6.9 million)

Environmental Sustainability and Resilience

Odenak is designed to become a Zero Carbon Building as certified by the Canada Green Building Council Zero Carbon Building Standard – Design and Performance Specifications, a made-in-Canada framework for net-zero buildings that defines low-carbon design and operational performance requirements for buildings. The development has been designed in line with the One Planet Living sustainability framework, with high-performance, energy efficient features, including solar panels and leveraging the sewage system to provide heating and cooling throughout the buildings.

Attainable and Affordable Housing

Odenak will have a total of 608 new housing units, of which approximately 40% will be affordable, and of which 31% will be accessible. The units will be integrated alongside market units, creating an inclusive, equitable and richly diverse community. The affordable units are to be earmarked for five target populations as defined by the national housing strategy: Indigenous communities; veterans; women and children; immigrants and newcomers; and adults with cognitive disabilities. Construction commenced on Odenak in 2024.

Inclusive Communities

In partnership with the Dream Community Foundation and Multifaith Housing Initiative, the Trust intends to implement inclusive community programming that is available to all residents to meet specific social needs, improve overall well-being and increase a sense of belonging. A Workforce Development and Community Benefits Plan has also been prepared to ensure that the Trust's investment in Odenak provides economic and employment opportunities to local businesses and equity-seeking groups.

Brightwater Development (Mississauga, Ontario) (Carrying value $41.8 million)

Brightwater, a 72 acre waterfront development in Mississauga's Port Credit area, is expected to transform the site to a complete, vibrant and diverse community, which will include an elementary school, YMCA and 18 acres of parks and outdoor space. The development won the Building Industry and Land Development Association Pinnacle Award in 2020 for Best New Community – Planned/Under Development. To date, four blocks have achieved occupancy with another block in the pre-sale phase.

Environmental Sustainability and Resilience

When the Trust entered into the development in 2017, it was contaminated due to its history as an oil refinery, requiring the excavation of 1.4 million tonnes of soil. The source remediation program has since been completed and vertical construction for initial blocks commenced in 2021. The new community will incorporate a number of features that will result in a transit-friendly ecosystem, including installing electric vehicle charging stations, bike lanes and bike parking, and providing a shuttle bus to the Port Credit GO station to promote efficient commuting.

Inclusive Communities

The Brightwater community is expected to include nearly 3,800 residential units and over 350,000 sf of vibrant retail and commercial space. It will embody waterfront living while promoting connectivity, mental and physical health, and well-being in the community. To facilitate this, the development will include 18 acres of new parks and green space, which will include the Village Square, a planned hub for community programming.

Birch House at Canary Landing (Toronto, Ontario) (Carrying value $11.3 million)

Birch House at Canary Landing is a 238-unit multi-family rental building, which is part of a community with a 206-unit condo building, and the first purpose-built Indigenous Hub in any major North American city. The development is located within the Canary District, adjacent to the Canary Landing and Distillery District in downtown Toronto. Leasing commenced on Birch House at Canary Landing in 2024.

Environmental Sustainability and Resilience

Birch House at Canary Landing is built to LEED Gold standard, a globally recognized symbol of sustainability achievement, and is designed to include features that will create efficient energy and water consumption.

Inclusive Communities

The Canary Landing community that includes Birch House at Canary Landing features an innovative partnership with Anishnawbe Health Toronto ("AHT"). AHT is a community health centre with the mission to improve the health and well-being of Indigenous Peoples by providing Traditional Healing within a multi-disciplinary healthcare model. The Indigenous Hub will provide a state-of-the-art five-storey facility that draws from Indigenous architectural and design influences, and will combine essential health and education facilities to create a thriving centre of community for the city's Indigenous Peoples.

Multi-Family Rental Income Properties (GTA, Ontario) (Carrying value $109.5 million)

Over the last four-year period, the Trust has grown the multi-family rental portfolio to a third of its asset composition. As at December 31, 2025, the Trust is invested in approximately 2,500 multi-family rental units located in the GTA. During the year ended December 31, 2025, the Trust commenced on the demolition for the 49 Ontario redevelopment, which upon completion will include 1,226 multi-family units, including 308 affordable units.

Attainable and Affordable Housing
The Trust intends to preserve and create new affordable housing units at the multi-family rentals. In 2023, 770 units at Maple House at Canary Landing were completed, of which 231 units were designated as affordable.

Inclusive Communities
The Trust intends to implement inclusive and social programming in its multi-family rental buildings, in partnership with the Dream Community Foundation. The Trust and the Dream Community Foundation will work in collaboration with existing non-profit organizations and will invest in programs and services that improve the overall well-being of residents and increase a sense of community belonging. Programs will fall under the categories of affordable living, health and wellness, education and skills, and culture and belonging.

Commercial Income Properties (GTA, Ontario; Ottawa, Ontario; Gatineau, Quebec) (Carrying value $116.0 million)
The Trust's commercial income properties contribute to delivering impact under the Trust's environmental sustainability and resilience, and inclusive communities verticals.

Environmental Sustainability and Resilience
The Trust aims to improve resource efficiency across our commercial income properties located in the GTA, including retrofitting all lighting to LED, installing low-flow fixtures in all washrooms and installing real-time utility metering.

Inclusive Communities
The Trust is promoting tenant health and wellness by building and promoting the use of amenity packages to encourage a more active lifestyle for our tenants, including end-of-trip facilities and bike storage. The Trust is also taking steps to ensure its procurement process is more inclusive and promote opportunities for underserved populations.

10.2 GEOGRAPHIC ALLOCATION

The following table summarizes our consolidated net assets as at December 31, 2025 by geographic allocation, excluding cash and the Trust's other consolidated working capital and tax:

As at	**December 31, 2025**	December 31, 2024
Toronto and GTA	**79.8%**	78.5%
Ottawa/Gatineau	**20.2%**	21.5%
Total	**100.0%**	100.0%

10.3 FORWARD-LOOKING INFORMATION

Certain information herein contains or incorporates statements that constitute forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements relating to the Trust's objectives and strategies to achieve those objectives, the Trust's beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, future growth and drivers thereof, results of operations, performance, business prospects and opportunities, market conditions, acquisitions or divestitures, leasing transactions, future maintenance and development plans and costs, capital investments, financing, the availability of financing sources, income taxes, the real estate and lending industries in general, in each case, that are not historical facts; as well as statements in respect of our development, redevelopment and acquisition pipelines, including number of units expected to be delivered and timing thereof; the Trust's expectations regarding its distribution policy; the belief that the Trust's development portfolio is composed of high-quality assets that represent a significant source of growth, which are expected to generate future income and cash flows as projects are developed; expectations regarding 49 Ontario and Quayside, including respective timelines, buildings and units delivered upon completion, financing, number of affordable units, anticipated earnings and construction commencement; the Trust's ability to secure HST waivers, development charge relief and construction cost savings at Quayside; the Trust's ability to realize condo closings and occupancies, including timing, expected proceeds and uses thereof; the expectation that development segment income will fluctuate and that the development segment will generate returns and continued value creation over time; expectations regarding the total management fees payable to DAM in future periods and the potential savings that may be achieved by satisfying certain management fees payable under the Management Agreement by the issuance of units; the Trust's expectation that the 2026 management fee under the Management Agreement will be settled through the issuance of unsecured convertible debentures and the related quantum and terms; the expectation regarding construction timelines for certain developments; the expectation regarding development, completion and lease-up of rental units at Birch House at Canary Landing, Maple House at Canary Landing, Cherry House at Canary Landing, Odenak, Voda, Aalto II and 49 Ontario, including number of units and timing; the Trust's expectations regarding the Quayside development; the Trust's ability to close units at the Mason and timing thereof; the Trust’s ability to secure construction financing and partnerships for certain developments; the Trust’s ability to pay off certain loans and expectations for related savings; the Trust's expectations regarding upcoming debt maturities and the expectation of repayment, extension and/or renewal of debt; the Trust's expectations regarding use of proceeds from asset sales; the Trust's focus on impact investing, including its intention to align its investments with its impact verticals; the Trust's ability to reduce overall exposure to land loans, including the quantum the Trust expects to reduce over the next twelve months; our zoning and other municipal applications in respect of our projects; our leasing activities and timelines, including at certain properties; the expectation that earnings and project value may fluctuate as rezoning and pre-development processes progress; expectations for multi-family assets; the Trust's ability to achieve its impact and sustainability goals, including in respect of its impact verticals, and implementing other sustainability initiatives throughout its projects; the Trust's expectations that cash generated from operations will increase and stabilize; the Trust’s plans and proposals for current and future development and redevelopment projects, construction initiation, completion and occupancy dates, rezoning, number and type of units, square footage of retail, institutional and commercial space, planned GLA and GFA, acreage, and outdoor space; expected occupancy at the Trust’s development projects; the Trust’s expected effective economic interest in certain projects and the expected interest held by third parties; ownership of certain units and GFA square footage in certain projects by not-for-profit entities; the plan to transfer projects to the development segment and timing thereof; the expected value of developments on completion; the expected sustainability impact of and sustainability plans for our development projects, including in respect of number of residents and workers, affordability, number of affordable units, green space, partnerships with Indigenous and First Nations groups and other stakeholders, community space, water efficiency and clean energy features, accessibility, building retrofits, procurement process, and other sustainable features; the sufficiency of the Trust’s liquidity strategies and capital resources (including current cash and cash flows generated from operating activities) to fulfill the Trust's ongoing obligations, including in respect of its ability to mitigate its debt exposure and reduce interest rate uncertainty; expected development approvals; expectations regarding the Trust’s access to investment opportunities through partners and relationships; the Trust’s sources of funding and the uses thereof; the Trust’s intention to adopt certain accounting revisions pursuant to regulatory changes; and our expectations regarding the Trust’s income tax expense and recovery, deferred tax liabilities and assets and utilizations thereof, and the Trust’s ability to manage its portfolio in a tax-efficient manner.

Forward-looking statements generally can be identified by words such as "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "could", "likely", "plan", "potential", "seek", "strategy", "project", "continue", “strive”, “target”, “forecast”, “outlook” or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Trust's control, which could cause actual results to differ materially from those disclosed in or implied by such forward-looking information. The assumptions, which may prove to be incorrect, include the various assumptions set forth herein as well as assumptions including, but not limited to: that the general economy remains stable; the gradual recovery and growth of the general economy throughout 2026; that no unforeseen changes in the legislative and operating framework for our business will occur; that there will be no material change to environmental regulations that may adversely impact our business; that we will meet our future objectives, priorities and growth targets; that we receive the licences, permits or approvals necessary in connection with our projects; that inflation and interest rates will not materially increase beyond current market expectations; that we will have access to adequate capital to fund our future projects, plans and any potential acquisitions; that we are able to identify high-quality investment opportunities and find suitable partners with which to enter into joint ventures or partnerships; that we do not incur any material environmental liabilities; that there will not be a material change in foreign exchange rates; that the impact of the current economic climate and global financial conditions on our operations will remain consistent with our current expectations; that no duties, tariffs or other trade restrictions will negatively impact the Trust; and that competition for and availability of acquisitions remains consistent with the current climate. All the forward-looking statements contained in this MD&A are based on what we believe are reasonable assumptions but are subject to inherent risks and uncertainties. Consequently, actual results could differ materially from the conclusions, forecasts or projections in the forward-looking information and there can be no assurance that actual results will be consistent with these forward-looking statements. Factors or risks that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to: the risk of adverse global market, economic and political conditions; liquidity risk; financing and risks relating to access to capital; interest rate risks; public health risks; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism, or other acts of violence, and international sanctions; inflation; risks related to the imposition of duties, tariffs and other trade restrictions and their impacts; the disruption of free movement of goods and services across jurisdictions; risks inherent in the real estate industry; risks relating to investment in development projects; impact investing strategy risk; risks relating to geographic concentration; risks inherent in investments in real estate, mortgages and other loans and development and investment holdings; credit risk and counterparty risk; competition risks; environmental and climate change risks; the risk of changes in governmental laws and regulations; tax risks; foreign exchange risk; acquisitions risk; and leasing risks and other risks and factors described under or referenced under "Risks and Risk Management" in this MD&A and described from time to time in the documents filed by the Trust with securities regulators.

All forward-looking information is as of February 17, 2026. The Trust does not undertake to update any such forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Additional information about these assumptions and risks and uncertainties is contained in our filings with securities regulators. Certain filings are also available on our website at www.dreamimpacttrust.ca.

Certain market information has been obtained from Standard & Poor's publications prepared by independent, third-party commercial firms that provide information relating to the real estate industry. Although we believe this information is reliable, the accuracy and completeness of this information is not guaranteed. We have not independently verified this information and make no representation as to its accuracy. Documents and websites referenced herein are not incorporated by reference into this MD&A, unless such incorporation by reference is explicit. The information contained on the Trust's website is not intended to be included in or incorporated by reference into this MD&A.

10.4 TAX INFORMATION

Until February 24, 2024, the Trust paid a monthly distribution to its unitholders of which only a portion is taxable. A taxable Canadian holder of the units is required to include the taxable portion of the distribution in income. Any amount in excess of the after-tax net income of the Trust payable to the unitholder will generally not be included in the unitholders' income for the year. The non-taxable portion of the distribution received by a unitholder will reduce the unitholders' tax cost of their investment. On an annual basis, the unitholders were provided with information relating to the tax treatment of the monthly distributions.
The Trust has determined that the distributions for the following years should be treated in the following manner:

	2024	2023	2022	2021	2020	2019	2018
Non-eligible dividends	**—%**	—%	—%	—%	—%	—%	0.02%
Eligible dividends	**—%**	—%	—%	—%	—%	—%	—%
Return of capital	**100.00%**	100.00%	100.00%	100.00%	100.00%	92.83%	95.00%
Foreign non-business income	**—%**	—%	—%	—%	—%	7.17%	4.98%

10.5 ADDITIONAL INFORMATION

Additional information relating to Dream Impact Trust, including the Trust's Annual Information Form and audited consolidated financial statements and accompanying notes, is available under the Trust's profile on SEDAR+ at www.sedarplus.ca. The Trust’s units trade on the TSX under the symbol "MPCT.UN".

Independent auditor's report

To the Unitholders of Dream Impact Trust

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Dream Impact Trust and its subsidiaries (together, the Trust) as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years ended December 31, 2025 and 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Trust's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of comprehensive income (loss) for the years ended December 31, 2025 and 2024;
- the consolidated statements of changes in equity for the years ended December 31, 2025 and 2024;
- the consolidated statements of cash flows for the years ended December 31, 2025 and 2024; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500
Toronto, Ontario, Canada M5J 0B2
T.: +1 416 863 1133, F.: +1 416 365 8215
Fax to mail: ca_toronto_18_york_fax@pwc.com

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of income properties	
Refer to note 3 – Accounting policies selected and applied for material transactions and events, note 4 – Significant accounting judgments, estimates and assumptions in applying accounting policies, note 8 – Income properties, note 10 – Equity accounted investments and note 28 – Fair value measurements to the consolidated financial statements.	Our approach to addressing the matter included the following procedures, among others: • For a sample of income properties, tested how management determined the fair values, which included the following: – Evaluated the appropriateness of the valuation methodology used (the direct comparison approach, the discounted cash flow method, and the direct capitalization method).

Key audit matter	How our audit addressed the key audit matter
As at December 31, 2025, the Trust had $87.1 million of income properties and $611.8 million of income properties within equity accounted investments ($156.5 million at the Trust's share of net assets). The Trust measures its income properties and the income properties within equity accounted investments at fair value. The Trust valued certain income properties using the direct comparison approach. The direct comparison approach considered recent sales activity for similar assets in the same or similar markets, adjusting for any significant differences if applicable. Fair values of the remaining income properties were calculated using a discounted cash flow method or the direct capitalization method. Significant assumptions used in the discounted cash flow method include market rents, discount rates, and terminal capitalization rates. Significant assumptions used in the direct capitalization method include market rents and capitalization rates. Significant judgments are made in respect of the fair values of income properties by management. We considered this a key audit matter due to: (i) significant audit effort required to assess the fair values of income properties; (ii) significant judgments made by management when determining the fair values of income properties, which included the development of the significant assumptions; and (iii) a high degree of complexity in assessing audit evidence to support the significant assumptions made by management. In addition, the audit effort involved the use of professionals with specialized skill and knowledge in the field of real estate valuations.	– Evaluated the reasonableness of the discount rates, capitalization rates, and terminal capitalization rates by comparing them to external market data. – Professionals with specialized skill and knowledge in the field of real estate valuations further assisted us: o for the income properties valued using the direct comparison approach, in assessing the transactions used by management and by comparing to recent market transactions; o for the income properties valued using the discounted cash flow method, in evaluating the reasonableness of market rents, discount rates and terminal capitalization rates by comparing to external market data; and o for the income properties valued using the direct capitalization method, in evaluating the reasonableness of the market rents and capitalization rates by comparing to external market data.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Trust as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Rahim Lallani.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants
Toronto, Ontario
February 17, 2026

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands of Canadian dollars)	Note		**December 31, 2025**		December 31, 2024
ASSETS					
NON-CURRENT ASSETS					
Lending portfolio	7	**$**	**6,064**	$	8,941
Income properties	8		**87,097**		248,766
Deferred income taxes	21		**20,796**		20,796
Other non-current assets	9		**3,261**		818
Equity accounted investments	10		**364,272**		382,489
TOTAL NON-CURRENT ASSETS			**481,490**		661,810
CURRENT ASSETS					
Lending portfolio	7		**527**		3,220
Amounts receivable	11		**1,642**		2,699
Prepaid expenses and other current assets			**96**		475
Cash			**5,369**		16,217
TOTAL CURRENT ASSETS			**7,634**		22,611
Assets held for sale	6		**156,880**		—
TOTAL ASSETS		**$**	**646,004**	$	684,421
LIABILITIES					
NON-CURRENT LIABILITIES					
Debt	12	**$**	**86,043**	$	171,860
Deferred units incentive plan	13		**187**		336
TOTAL NON-CURRENT LIABILITIES			**86,230**		172,196
CURRENT LIABILITIES					
Debt	12		**118,064**		100,804
Amounts payable and other liabilities	14		**9,516**		9,633
Deferred units incentive plan	13		**263**		547
TOTAL CURRENT LIABILITIES			**127,843**		110,984
Liabilities related to assets held for sale	6		**81,982**		—
TOTAL LIABILITIES			**296,055**		283,180
UNITHOLDERS' EQUITY					
Unitholders' equity			**565,631**		564,506
Retained earnings (deficit)			**(214,312)**		(160,267)
Accumulated other comprehensive income (loss)	16		**(1,370)**		(2,998)
TOTAL UNITHOLDERS' EQUITY			**349,949**		401,241
TOTAL LIABILITIES AND EQUITY		**$**	**646,004**	$	684,421

See the accompanying notes to the consolidated financial statements.
Commitments and contingencies (Note 25)

On behalf of the Board of Trustees of Dream Impact Trust:

"Amar Bhalla"	***"Jennifer Lee Koss"***
Amar Bhalla	Jennifer Lee Koss
Chair	Trustee

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the years ended December 31, 2025 and 2024

(in thousands of Canadian dollars)	Note		**2025**		2024
INCOME					
Income properties revenue	17	**$**	**13,035**	$	17,757
Share of loss from equity accounted investments	10		**(22,769)**		(22,424)
TOTAL LOSS			**(9,734)**		(4,667)
EXPENSES					
Income properties, operating	18		**(7,519)**		(9,205)
Interest expense	19		**(16,419)**		(16,757)
General and administrative	20		**(7,028)**		(6,382)
TOTAL EXPENSES			**(30,966)**		(32,344)
Fair value adjustments to income properties	8		**(9,911)**		(4,403)
OPERATING LOSS			**(50,611)**		(41,414)
Interest and other income	24		**970**		6,371
Transaction costs on sale of properties			**(437)**		(920)
Fair value adjustments to financial instruments			**(4,554)**		7
LOSS BEFORE INCOME TAX RECOVERY			**(54,632)**		(35,956)
INCOME TAX RECOVERY					
Deferred income tax recovery	21		**587**		9,923
TOTAL INCOME TAX RECOVERY			**587**		9,923
NET LOSS			**(54,045)**		(26,033)
OTHER COMPREHENSIVE LOSS					
Share of other comprehensive income (loss) from equity accounted investments, net of tax	16		**255**		(1,706)
Fair value adjustments to derivative financial liabilities hedges, net of tax	16		**1,373**		(1,758)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)			**1,628**		(3,464)
TOTAL COMPREHENSIVE LOSS		**$**	**(52,417)**	$	(29,497)

See the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the year ended December 31, 2025

(in thousands of Canadian dollars, except for number of units)	Note	Number of units		Unitholders' equity		Retained earnings (deficit)		Accumulated other comprehensive income (loss)		Total
Balance as at January 1, 2025		**18,248,440**	**$**	**564,506**	**$**	**(160,267)**	**$**	**(2,998)**	**$**	**401,241**
Net loss for the year		—		—		(54,045)		—		**(54,045)**
Other comprehensive gain	16	—		—		—		1,628		**1,628**
Deferred units exchanged for Trust units	13	31,030		83		—		—		**83**
Units issued as settlement of asset management fees	23	587,500		1,042		—		—		**1,042**
Balance as at December 31, 2025		**18,866,970**	**$**	**565,631**	**$**	**(214,312)**	**$**	**(1,370)**	**$**	**349,949**

For the year ended December 31, 2024

(in thousands of Canadian dollars, except for number of units)	Note	Number of units		Unitholders' equity		Retained earnings (deficit)		Accumulated other comprehensive income (loss)		Total
Balance as at January 1, 2024		**17,571,967**	**$**	**561,481**	**$**	**(133,290)**	**$**	**466**	**$**	**428,657**
Net loss for the year		—		—		(26,033)		—		**(26,033)**
Other comprehensive loss	16	—		—		—		(3,464)		**(3,464)**
Distributions paid and payable	15	—		—		(944)		—		**(944)**
Distribution Reinvestment Plan	15	125,732		710		—		—		**710**
Deferred units exchanged for Trust units	13	14,358		57		—		—		**57**
Units issued as settlement of asset management fees	23	536,383		2,258		—		—		**2,258**
Balance as at December 31, 2024		**18,248,440**	**$**	**564,506**	**$**	**(160,267)**	**$**	**(2,998)**	**$**	**401,241**

See the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2025 and 2024

(in thousands of Canadian dollars)	Note	For the year ended December 31, 2025	(Note 5) 2024
Generated from (utilized in) operating activities			
Net loss		**$ (54,045)**	$ (26,033)
Non-cash and other items:			
Amortization and depreciation	24	**1,818**	2,124
Other adjustments	24	**2,515**	(16,257)
Change in non-cash working capital	24	**4,884**	548
Investment in lease incentives and initial direct leasing costs	8,24	**(1,058)**	(2,568)
Asset management fee settled in units		**1,042**	2,258
Interest expense incurred on debt	19	**15,508**	15,747
Fair value adjustments to income properties	8	**9,911**	4,403
Share of loss from equity accounted investments	10	**22,769**	22,424
Generated from (utilized in) operating activities		**$ 3,344**	$ 2,646
Generated from (utilized in) investing activities			
Investments in building improvements	8,24	**(12,215)**	(2,765)
Changes in restricted cash balance		**(1,483)**	530
Proceeds from disposal of income properties	6,8	**8,200**	31,865
Distributions from equity accounted investments		**20,044**	2,774
Investments in equity accounted investments		**(24,281)**	(23,928)
Proceeds from investment holdings		**—**	2,802
Lending portfolio advances	7	**(94)**	—
Principal repayments received from lending portfolio	7	**5,741**	2,520
Proceeds from disposal of equity accounted investments	10	**—**	3,700
Cash distributions from participating mortgage receivable		**—**	4,400
Generated from (utilized in) investing activities		**$ (4,088)**	$ 21,898
Generated from (utilized in) financing activities			
Advances on revolving credit facility	12	**—**	11,500
Repayments on revolving credit facility	12	**—**	(11,500)
Borrowing on the Dream loan	12	**21,000**	—
Advances on the promissory note payable	12	**—**	2,119
Interest paid	14,19	**(15,972)**	(15,114)
Mortgage repayments	6,12	**(13,401)**	(337)
Cash settlement of interest rate swap		**(1,731)**	—
Distributions paid on units	15	**—**	(1,171)
Generated from (utilized in) financing activities		**$ (10,104)**	$ (14,503)
Increase (decrease) in cash		**$ (10,848)**	$ 10,041
Cash, beginning of the year		**16,217**	6,176
Cash, end of the year		**$ 5,369**	$ 16,217

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All dollar amounts are presented in thousands of Canadian dollars, except for unit and per unit amounts, unless otherwise stated)

1. ORGANIZATION

Dream Impact Trust ("Dream Impact" or the "Trust") is an open-ended trust established under the laws of the Province of Ontario by a Declaration of Trust dated April 28, 2014, amended and restated on July 8, 2014, October 26, 2020, and further amended and restated on June 7, 2021. The consolidated financial statements of Dream Impact include the accounts of Dream Impact and its consolidated subsidiaries. The Trust was formed by, and is managed by, Dream Asset Management Corporation ("DAM" or the "Asset Manager"), a wholly owned subsidiary of Dream Unlimited Corp. ("Dream"). On January 1, 2018, Dream acquired control of the Trust, based on Dream's increased exposure to variable returns resulting from increased ownership through units held in the Trust and from new real estate joint venture agreements. Dream is the ultimate parent company of the Trust. The ultimate controlling party of the Trust is Michael Cooper, President and Chief Responsible Officer of DAM and Dream.

Dream Impact is a dedicated impact investment vehicle. The Trust's underlying portfolio is comprised of real estate assets reported under two operating segments: development and recurring income.

The Trust's registered office is 30 Adelaide Street East, Suite 301, Toronto, Ontario, Canada, M5C 3H1. The Trust is listed on the Toronto Stock Exchange ("TSX") under the symbol "MPCT.UN". Dream Impact's consolidated financial statements for the year ended December 31, 2025 were authorized for issuance by the Board of Trustees on February 17, 2026.

For simplicity, throughout the notes, reference is made to the units of the Trust as follows:

- "units" meaning Trust voting units, and
- "unitholders" meaning holders of Trust voting units.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The Trust's consolidated financial statements are prepared on a going concern basis and have been presented in Canadian dollars rounded to the nearest thousand unless otherwise indicated. The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements unless otherwise indicated.

BASIS OF CONSOLIDATION

These consolidated financial statements include the accounts of the Trust and its subsidiaries. All intercompany transactions have been eliminated in these consolidated financial statements.

Subsidiaries are those entities that the Trust controls by having the power to govern the financial and operating policies of the entity and has exposure, or rights, to variable returns from its involvement with the entity and the ability to use its power over the investee to affect the amount of the investor's return. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Trust controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Trust and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases.

JOINT ARRANGEMENTS

The Trust may enter into joint arrangements through joint operations and joint ventures. Joint arrangements are contractual arrangements that give two or more parties joint control of the arrangement. Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement, whereas a joint venture is a joint arrangement whereby the parties that have joint control only have rights to the net assets of the arrangement.

The Trust, through its subsidiaries, is a co-owner in a property that is subject to joint control and has direct rights to the income property and obligations for the liabilities relating to the co-ownership. Therefore, this joint arrangement is considered to be a joint operation. For this property, the Trust recognizes its proportionate share of the assets, liabilities, revenue and expenses in the respective lines in the consolidated financial statements.

Interests in joint ventures are accounted for using the equity method. The Trust's equity accounted investments are initially recognized at cost. The cost of a joint venture at initial recognition comprises its purchase price and any directly attributable expenditures necessary to obtain it. Any goodwill arising on the acquisition of a joint venture is not separately recognized but is included in the carrying value of the joint venture. The consolidated financial statements include the Trust's share of the profit or loss and other comprehensive income (loss), after adjustments to align the accounting policies with those of the Trust, from the date that joint control commences until the date that joint control ceases. When the Trust's share of losses, if any, exceeds the carrying amount of the joint venture, including any long-term investments, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Trust has a legal or constructive obligation or has made a payment on behalf of the joint venture.

INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for using the equity method. Investments in associates are those entities in which the Trust has significant influence, but no control or joint control, over the financial and operating policies. Investments in associates are recognized initially at cost. The cost of an investment in an associate at initial recognition comprises its purchase price and any directly attributable expenditures necessary to obtain it. Any goodwill arising on the acquisition of an associate is not separately recognized but is included in the carrying value of the associate. The consolidated financial statements include the Trust's share of the profit or loss and other comprehensive income (loss), after adjustments to align the accounting policies with those of the Trust, from the date that significant influence commences until the date that significant influence ceases. When the Trust's share of losses, if any, exceeds the carrying amount of the associate, including any long-term investments, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Trust has a legal or constructive obligation or has made a payment on behalf of the associate.

SEGMENT REPORTING

A reportable operating segment is a distinguishable component of the Trust that is engaged either in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment) that is subject to risks and rewards that are different from those of other reportable segments. The Trust's primary format for segment reporting is based on business segments. The business segments of development and recurring income are based on the Trust's management and internal reporting structure. The development segment is comprised of direct and indirect investments in residential and mixed-used developments. The recurring income segment is comprised of a portfolio of multi-family rental assets and stabilized office and commercial real estate income properties over which the Trust has significant influence, joint control, or control. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker ("CODM"). The CODM has been identified as the Portfolio Manager of Dream Impact.

3. ACCOUNTING POLICIES SELECTED AND APPLIED FOR MATERIAL TRANSACTIONS AND EVENTS

The material accounting policy information applied in the preparation of these consolidated financial statements are described below.

LENDING PORTFOLIO

The lending portfolio is comprised of fixed interest rate interest-only mortgage and loan investments that the Trust intends on holding until maturity. They are recognized initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, the lending portfolio investments are measured at amortized cost using the effective interest rate method, less any provision for impairment, if applicable. A provision for impairment on the lending portfolio is established based on the general approach Expected Credit Loss ("ECL") model. Under the general approach ECL model, the Trust estimates possible default scenarios for the next twelve months on its lending portfolio investments. The Trust established a provision matrix that considers various factors, including the borrower's credit risk, term to maturity, status of the underlying project and market risk. The results of the general approach ECL model are used to reduce the carrying amount of the financial asset through an allowance account, and the changes in the measurement of the allowance account are recognized in the consolidated statements of comprehensive income (loss). If a significant increase in credit risk occurs on a loan investment, an estimate of default is considered over the entire remaining life of the asset. In circumstances when an entity acquires a loan investment that is credit impaired at the date of initial recognition, the credit adjusted approach ECL model will be applied. The credit adjusted approach ECL model results in expected credit losses calculated considering an estimate of default over the life of the asset.

INCOME PROPERTIES

Income properties are initially recorded at cost, including related transaction costs in connection with asset acquisitions, and include office properties held to earn rental income and/or for capital appreciation. After initial recognition, income properties are carried at fair value. At the end of each reporting period, the Trust determines the fair value of income properties by either considering current contracted prices for certain income properties, including those available for sale, by obtaining appraisals from qualified external professionals or using internally prepared valuations.

Each property is subject to an appraisal by an independent evaluator at least once every three years. Internally prepared valuations are performed by the Asset Manager, who estimates the fair value of each income property using the most appropriate valuation methodology determined for each property on a highest and best use basis, which includes the discounted cash flow method and, in certain circumstances, the direct comparison approach. Related fair value gains and losses are recorded in net income (loss) in the consolidated statements of comprehensive income (loss). The discounted cash flow method is based on the income and expenses (future cash flows) which are projected over the anticipated term of the investment plus a terminal value discounted using an appropriate discount rate. The direct comparison approach considers recent sales activity for similar land parcels in the same or similar markets, adjusting for any significant differences.

Initial direct leasing costs incurred in negotiating and arranging tenant leases are added to the carrying amount of income properties. Lease incentives, which include costs incurred to make leasehold improvements to tenants' space and cash allowances provided to tenants, are added to the carrying amount of income properties and are amortized on a straight-line basis over the term of the lease as a reduction of income properties' revenue.

Once appropriate evidence of change in use of land held or under development is established, the land is transferred to investment properties under development. At that time, the property is recognized at fair value in accordance with the Trust's accounting policy for investment properties. If fair value is reliably measurable, any gain or loss is reflected in fair value changes in investment properties within the consolidated statements of earnings, in the period the transfer occurs. The gain or loss recorded represents the difference between the fair value of the transferred property and the accumulated costs of the development.

The fair value of development investment properties is determined by the direct comparison approach. Within the direct comparison approach, the significant unobservable inputs include recent transaction activity for similar development sites and value-add development on the property.

IMPAIRMENT OF EQUITY ACCOUNTED INVESTMENTS AND INVESTMENTS IN ASSOCIATES

The Trust assesses, at each reporting date, whether there is objective evidence that its interest in equity accounted investments and investments in associates are impaired. If impaired, the carrying value of the Trust's equity accounted investment balance is written down to its estimated recoverable amount, which is the greater of its value-in-use or fair value less costs to sell, with any differences charged to net income (loss) in the consolidated statements of comprehensive income (loss).

INCOME PROPERTIES RENTAL INCOME

The Trust accounts for tenant leases as operating leases, given that it has retained substantially all of the risks and benefits of ownership of its income properties. Rental revenue includes base rents, property tax recoveries, percentage participation rents, lease termination fees and other rental revenue, including recoveries for landlord work and tenant improvement allowances. Revenue recognition under a lease commences when the tenant has a right to use the leased asset. The total amount of contractual rent to be received from operating leases is recognized on a straight-line basis over the term of the lease; straight-line rent receivable, which is included in other non-current assets, is recorded for the difference between the rental revenue recognized and the contractual amount received. Property tax recoveries are recognized as revenues in the period in which the corresponding costs are incurred and collectability is reasonably assured. Percentage participation rents are recognized on an accrual basis once tenant sales revenues exceed contractual thresholds. Other rental revenues are recorded as earned.

INCOME PROPERTIES — REVENUE FROM CONTRACTS WITH CUSTOMERS

The Trust has obligations to provide ongoing services related to its leases. These services include common area maintenance services, utilities and other services at its properties (collectively "CAM services"). The Trust’s performance obligations on CAM services are satisfied over time as services are provided during the period over which tenants occupy the premises. When providing CAM services, the Trust is entitled to fees from tenants to the extent costs are incurred to provide the services. Tenants are billed monthly based on estimates and the Trust recognizes revenue to the extent that actual costs are incurred. To the extent that costs exceed billings, an amount receivable is recognized; if the billings exceed costs, an amounts payable is recognized. These current assets or liabilities are settled with tenants annually.

The Trust provides parking services to its properties’ tenants and visitors. Tenant parking revenue is recognized evenly over the terms of the related leases. Transient parking revenue is recognized based on actual usage.

The consideration received from tenants under the lease arrangements is allocated between the lease and service revenue (CAM services and parking services, if applicable) based on relative stand-alone selling prices.

For all revenue streams from contracts with customers, revenue is measured at the best estimate of the amount the Trust expects to receive for performing the services. Revenue is recognized only to the extent that it is highly probable that a significant amount of the cumulative revenue recognized for a contract will not reverse. The Trust is obligated to continue to provide CAM services over the remaining term of each lease contract. The Trust will recognize revenue on these remaining performance obligations based on the actual cost incurred to fulfill the CAM services in the period.

CASH

Cash excludes cash subject to restrictions that prevent its use for current purposes.

DISTRIBUTIONS

Distributions to unitholders are recognized as a liability in the period in which the distributions are approved by the Board of Trustees and are recorded as a reduction to retained earnings. On February 12, 2024, the Trust's Board of Trustees announced the suspension of the distribution to its unitholders until further notice.

INCOME TAXES

The Trust follows the balance sheet liability method to provide for income taxes on all transactions recorded in its consolidated financial statements. The balance sheet liability method requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference and for unused tax losses and unused tax credits, as applicable, at rates expected to be in effect when the asset is realized or the liability is settled.

The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the substantive enactment date. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Due to uncertainties in the estimation process, particularly with respect to changes in facts and circumstances in future reporting years (carry-forward period assumptions), it is reasonably possible that actual results could differ from the estimates used in the Trust’s historical analysis. If the Trust’s results of operations are less than projected and there is insufficient objectively verifiable evidence to support the likely realization of its deferred tax assets, adjustments would be required to reduce or eliminate its deferred tax assets.

UNIT-BASED COMPENSATION PLAN

As described in Note 13, the Trust has a Deferred Unit Incentive Plan ("DUIP") that provides for the granting of deferred Trust units and income deferred Trust units to Trustees, officers, employees and affiliates and their service providers (including the Asset Manager). Unvested deferred Trust units are recorded as a liability, and compensation expense is recognized over the vesting period at amortized cost based on the fair value of the units. Once vested, the liability is remeasured at each reporting date at amortized cost, based on the fair value of the corresponding units, with changes in fair value recognized in the consolidated statements of comprehensive income (loss).

FINANCIAL INSTRUMENTS

DESIGNATION OF FINANCIAL INSTRUMENTS

The following summarizes the Trust’s classification and measurement of financial assets and financial liabilities:

	Classification
Financial assets	
Lending portfolio	Amortized cost
Amounts receivable	Amortized cost
Cash	Amortized cost
Financial liabilities	
Mortgages payable	Amortized cost
Promissory note	Amortized cost
Convertible debentures – host instrument	Amortized cost
Convertible debentures – conversion feature	Fair value through profit or loss ("FVTPL")
Derivative financial instruments	Fair value through other comprehensive income (loss)
Amounts payable and other liabilities	Amortized cost

FINANCIAL ASSETS

The Trust classifies its financial assets that give rise to specified payments of principal and interest as amortized cost. All other financial assets are classified as FVTPL.

Amounts receivable are initially measured at fair value and are subsequently measured at amortized cost less a provision for impairment, if applicable. A provision for impairment on amounts receivable is established based on the simplified approach ECL model. Under the simplified approach ECL model, the Trust estimates lifetime expected losses for its amounts receivable at each balance sheet date based on available information. To measure the expected losses, amounts receivable are grouped based on the days past due, and are then assessed for default on a tenant-by-tenant basis. The results of the simplified approach ECL model are used to reduce the carrying amount of the financial asset through an allowance account, and the changes in the measurement of the allowance account are recognized in the consolidated statements of comprehensive income (loss) within operating expenses. When the Trust determines collection is not possible, the amount uncollectible is recognized as a bad debt expense. Any subsequent recoveries of amounts previously written off are credited against operating expenses in the consolidated statements of comprehensive income (loss).

Financial assets are derecognized only when the contractual rights to the cash flows from the financial asset expire or the Trust transfers substantially all risks and rewards of ownership.

FINANCIAL LIABILITIES

The Trust classifies its financial liabilities on initial recognition as either FVTPL or amortized cost. Financial liabilities are initially recognized at fair value less related transaction costs. Financial liabilities classified as amortized cost are measured using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the financial liabilities are recognized in net income in the consolidated statements of comprehensive income (loss) over the expected life of the debt. Modifications of financial liabilities carried at amortized cost that do not result in derecognition give rise to a revaluation gain or loss equal to the change in discounted contractual cash flows using the effective interest rate method. This revaluation gain or loss is recognized in the consolidated statements of comprehensive income (loss). The Trust's financial liabilities that are classified as FVTPL are initially recognized at fair value and are subsequently remeasured at fair value each reporting period, with changes in the fair value recognized in the consolidated statements of comprehensive income (loss).

Financial liabilities are derecognized when the obligation under the liability is discharged, cancelled or expired.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments, including embedded derivatives, are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and if so, the nature of the item being hedged.

The Trust documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Trust also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are hedges of a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction is recognized in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss). The gain or loss relating to the ineffective portion, if any, is recognized immediately in net income (loss) in the consolidated statements of comprehensive income (loss).

The realized gain or loss recognized on settlement of a hedging instrument designated as a cash flow hedge will be reclassified to net income (loss) over the term of the related debt. When a hedging instrument no longer meets the criteria for hedge accounting, any cumulative gains or losses existing in accumulated other comprehensive income at that time are recognized in net income.

Where there are derivative financial instruments included in the Trust's equity accounted investments, the change in the fair values are recognized in the share of income (loss) from equity accounted investments and share of other comprehensive income from equity accounted investments, in line with the Trust's aforementioned accounting policy.

CONVERTIBLE DEBENTURES

The convertible debentures are financial instruments that can be converted to units of the Trust at the option of the holder. As the Trust's units are puttable instruments in accordance with IAS 32, the convertible debentures are recognized as financial liabilities with embedded derivatives. The convertible debentures are financial liabilities that consist of the host instrument and the conversion feature.

At initial recognition, the host instrument is measured at fair value net of related transaction costs. At each subsequent reporting period, the host instrument is measured at amortized cost using the effective interest rate method. The conversion feature, classified as a financial derivative, is initially and subsequently measured at FVTPL. Interest expense, accretion expense, and fair value adjustments on the conversion feature are recognized in net income (loss) on the consolidated statements of comprehensive income (loss).

When the contractual cash flows of a convertible debenture are renegotiated or modified, the Trust evaluates whether the change results in a substantial modification of the existing financial liability in accordance with IFRS 9. A modification is considered substantial when the revised terms result in a difference of at least 10% of the present value of the cash flows of the modified liability compared to the original terms of the liability, or when qualitative factors indicate the original liability has been extinguished. If the modification is substantial, the original debenture is derecognized and a new financial liability is recognized at fair value. Any difference between the carrying amount of the extinguished liability and the fair value of the new liability is recognized in net income (loss) on the consolidated statements of comprehensive income (loss). If the modification is not substantial, the Trust will recalculate the carrying amount of the convertible debenture as the present value of the renegotiated or modified contractual cash flows that are discounted at the original effective interest rate. Costs or fees incurred adjust the carrying amount and are amortized over the remaining term of the convertible debenture.

FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the Trust and Canadian operations is the Canadian dollar. The consolidated financial statements are presented in Canadian dollars, which is the Trust's presentation currency.

FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the Trust's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at the exchange rates effective at the financial statement reporting date for monetary assets and liabilities denominated in foreign currencies, if any, are recognized in the consolidated statements of comprehensive income (loss).

INTEREST EXPENSE

Interest expense includes interest on mortgages payable secured by income properties, amortization of ancillary costs incurred in connection with the arrangement of borrowing, interest on the convertible debentures, interest on the revolving credit facility, interest on a promissory note and interest on the Dream loan (as defined below).

CAPITALIZATION OF BORROWING COSTS

The Trust capitalizes borrowing costs that are directly attributable to qualifying assets by determining whether the borrowings are general or specific to a project. Interest is capitalized during periods of active development and construction, starting from the commencement of development until the date all activities necessary to prepare the asset for its intended use are complete. Interest on general borrowings that are directly attributable to an asset is capitalized based upon a weighted average cost of borrowing. Borrowing costs are capitalized to qualifying assets that necessarily take a substantial period of time to prepare for their intended use or sale. The Trust considers a substantial period of time to be a period longer than twelve months to complete.

EQUITY

The Trust presents units as equity, notwithstanding the fact that the Trust's units meet the definition of a financial liability. Under International Accounting Standards ("IAS") 32, "Financial Instruments: Presentation" ("IAS 32"), the units are considered a puttable financial instrument because of the holder's option to redeem units, generally at any time, subject to certain restrictions, at a redemption price per unit equal to the lesser of 90% of a 20-day weighted average closing price prior to the redemption date or 100% of the closing market price on the redemption date. The total amount payable by Dream Impact in any calendar month will not exceed $50 unless waived by the Dream Impact Board of Trustees at their sole discretion. The Trust has determined that the units can be presented as equity and not financial liabilities because the units have all of the following features, as defined in IAS 32 (hereinafter referred to as the "puttable exemption"):

- Units entitle the holder to a pro rata share of the Trust's net assets in the event of its liquidation. Net assets are those assets that remain after deducting all other claims on the assets.
- Units are the class of instruments that are subordinate to all other classes of instruments because they have no priority over other claims to the assets of the Trust on liquidation and do not need to be converted into another instrument before they are in the class of instruments that is subordinate to all other classes of instruments.
- All instruments in the class of instruments that is subordinate to all other classes of instruments have identical features.
- Apart from the contractual obligation for the Trust to redeem the units for cash or another financial asset, the units do not include any contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Trust, and it is not a contract that will or may be settled in the Trust's own instruments.
- The total expected cash flows attributable to the units over their lives are based substantially on the net income and the changes in the recognized net assets and unrecognized net assets of the Trust over the life of the units.

Units are initially recognized at the fair value of the consideration received by the Trust. Any transaction costs arising on the issuance of units are recognized directly in unitholders' equity as a reduction of the proceeds received.

PROVISIONS

Provisions for legal claims are recognized when the Trust has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

ACCOUNTING FOR LEVIES IMPOSED BY GOVERNMENT

International Financial Reporting Interpretations Committee ("IFRIC") 21, "Levies" ("IFRIC 21"), provides guidance on accounting for levies in accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets". The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation and confirms that an entity recognizes a liability for a levy only when a triggering event specified in the legislation occurs.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS IN APPLYING ACCOUNTING POLICIES

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. Management bases its judgments and estimates on historical experience and other factors it believes to be reasonable under the circumstances, but which are inherently uncertain and unpredictable, the result of which forms the basis of the carrying amounts of assets and liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the affected asset or liability in the future. The amounts recorded in the consolidated financial statements are based on the best estimate at the reporting date.

SIGNIFICANT ACCOUNTING JUDGMENTS

The following are the significant accounting judgments used in applying the Trust's accounting policies that have the most significant effect on the amounts in the consolidated financial statements:

JOINT ARRANGEMENTS, ASSOCIATES AND SUBSIDIARIES

The Trust holds investments in various assets, and its ownership interest in these investments is established through diverse structures. Significant judgment is applied in assessing whether the investment structure results in control, joint control or significant influence over the operations of the investment, or whether the Trust's investment is passive in nature. For joint arrangements, judgment is applied in determining whether the Trust has an interest in the net assets of the arrangement or a direct interest in the underlying assets and a direct obligation for the underlying liabilities of the arrangement. The Trust considers the contractual rights and obligations of the arrangement, and other relevant factors, in determining the appropriate accounting treatment for its investments.

In determining if an entity is a subsidiary of the Trust, the Trust makes significant judgments about whether it has control over such an entity. In addition to voting rights, the Trust considers the contractual rights and obligations arising from other arrangements and other relevant factors relating to an entity in determining if the Trust has power and rights to variable returns. The contractual rights and obligations considered by the Trust include, among others, the approvals and decision-making process over significant operating, financing and investing activities, the responsibilities and scope of decision-making power of the Trust, the termination provisions of agreements, the types and determination of fees paid to the Trust, and the significance of any investment by the Trust (if any). The Trust reviews its prior conclusions when facts and circumstances change.

INCOME PROPERTIES

Significant judgments are made in respect of the fair values of income properties. The fair values of these investments are reviewed regularly by the Asset Manager with reference to an independent valuation, if obtained, and market conditions existing at the reporting date, using generally accepted market practices. The independent valuators are experienced, nationally recognized and qualified in the professional valuation of office and multi-family residential buildings in their respective geographic areas. For income properties not subject to independent appraisals, internal valuations are prepared by the Asset Manager and reviewed during each reporting period. Independent appraisals are obtained every three years if not sooner based on the business need.

For income properties, the Asset Manager makes judgments with respect to whether lease incentives provided in connection with a lease enhance the value of the leased space, which determines whether or not such amounts are treated as tenant improvements and added to income properties. Lease incentives that do not provide benefits beyond the initial lease term are included in the carrying amount of income properties and are amortized as a reduction of rental revenue on a straight line basis over the term of the lease. Judgment is applied in determining whether certain costs are additions to the carrying amount of the income property.

The Trust exercises judgment in estimating the transaction price for contract revenues with customers. The Trust exercises judgment with regards to the amount and timing of the revenue recognized for CAM service contracts, which are satisfied over time. The amount of revenue recognized for CAM services with variable consideration is constrained by the actual costs incurred and any restrictions in lease agreements.

The Trust exercises judgment in determining which of its revenue streams that arise from lease agreements are in scope of IFRS 15, "Revenue from Contracts with Customers" ("IFRS 15"). Specifically, the Trust considers whether a revenue stream related to a lease agreement is for the lease of an asset or is for the provision of a distinct service. Revenues of the latter type are determined to be in scope of IFRS 15, while the former are in scope of IFRS 16, "Leases".

ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in accordance with IFRS Accounting Standards requires the Trust to make estimates and assumptions that affect the carrying amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amount of total comprehensive income (loss) for the year. Actual results could differ from these estimates. The estimates and assumptions that are significant in determining the amounts reported in the consolidated financial statements relate to the following:

VALUATION OF INCOME PROPERTIES, INCLUDING THOSE HELD WITHIN EQUITY ACCOUNTED INVESTMENTS

The fair value of these assets is reviewed by management with reference to independent valuations, if obtained, and market conditions existing at the reporting date.

The fair value of multi-family rental properties, included in equity accounted investments, are dependent on estimates regarding stabilized net operating income ("NOI") and capitalization rates ("cap rates") with adjustments for average lease-up costs, vacancy rates, non-recoverable capital expenditures, management fees, straight-line rents and other non-recurring items. Stabilized NOI incorporates various assumptions, including contractual rents, expected future market rents, renewal rates and maintenance costs. Cap rates reflect market uncertainties and are based on the location, size and quality of the asset, and relevant market prices.

The fair values of income properties, including commercial properties within equity accounted investments, are dependent on estimates regarding future cash flows, discount rates and terminal capitalization ("terminal cap") rates applicable to those assets. The determination of future cash flows for income properties incorporates various assumptions, including those regarding contractual rents, expected future market rents and renewal rates. Discount and terminal cap rates reflect market uncertainties and are based on the location, size and quality of the asset, and current and recent property investment prices.

VALUATION OF LENDING PORTFOLIO, MORTGAGES PAYABLE AND DERIVATIVE FINANCIAL INSTRUMENTS

The Trust makes estimates and assumptions relating to the fair value measurement and disclosure of the lending portfolio, mortgages payable and derivative financial instruments. For the lending portfolio, the Trust determines fair value based on its assessment of the current lending market for lending portfolio investments having the same or similar terms and other available information. There are no quoted prices in an active market for the lending portfolio investments. The significant assumptions underlying the fair value measurements and disclosures include the market interest rates for the lending portfolio and mortgages payable. The significant assumptions underlying the fair value of the derivative financial instruments include the estimated future cash flows of the Trust's interest rate swaps determined using observable yield curves.

IMPAIRMENT

The Trust assesses the possibility and amount of any impairment loss or write-down as it relates to amounts receivable, income properties, equity accounted investments, and the lending portfolio. Such estimates and assumptions primarily relate to the timing and amount of future cash flows.

Management applies judgment in determining whether the Trust's financial assets require a provision for impairment. The Trust's financial assets are subject to the ECL model whereby the Trust estimates on a forward-looking basis possible default scenarios and establishes a provision matrix that considers various factors, including industry and sector performance, economic and technological changes, and other external market indicators.

Management applies judgment in determining the recoverable amount of non-financial assets tested for impairment. Judgment is involved in estimating the fair value less the cost to sell or value-in-use of the cash-generating units ("CGUs"), including estimates of growth rates, discount rates and terminal rates. The values assigned to these key assumptions reflect past experience and are consistent with external sources of information.

Deferred Taxes

The determination of the Trust's income and other tax liabilities requires interpretation of complex laws and regulations, often involving multiple jurisdictions. Judgment is required in determining whether deferred income tax assets should be recognized on the consolidated statements of financial position. Deferred income tax assets are recognized to the extent the Trust believes it is probable that the assets can be recovered. Furthermore, deferred income tax balances are recorded using enacted or substantively enacted future income tax rates. Changes in enacted income tax rates are not within the control of management. However, any such changes in income tax rates may result in actual income tax amounts that may differ significantly from estimates recorded in deferred tax balances.

The Trust periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets are classified as assets held for sale when their carrying value will be recovered principally through a sale transaction rather than through continuing use. The asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups), the appropriate level of management must be committed to a plan to sell the asset (or disposal group) with an active program to locate a buyer, and its sale must be highly probable within one year.

Assets (or disposal groups) are classified as held for sale at the lower of their carrying amount and fair value less costs to sell. Assets and the liabilities of a disposal group classified as held for sale are presented separately from other assets and liabilities in the consolidated statements of financial position. Comparative periods are not adjusted for the classification of assets and liabilities held for sale in the consolidated statements of financial position. Depreciation ceases on assets classified as held for sale.

Assets held for sale that represent a component of an entity which are a separate major line of business or geographical area of operations, part of a single co-ordinate plan to dispose of a separate major line of business or geographical area of operations, or are a subsidiary acquired exclusively with a view to resale are presented as discontinued operations in the consolidated statements of comprehensive income (loss). Comparative periods are adjusted to distinguish between continuing and discontinued operations.

5. ADOPTION OF ACCOUNTING STANDARDS

CURRENT ACCOUNTING POLICY CHANGES

The Trust has amended its accounting policy for the presentation of interest paid in the consolidated statements of cash flows. Effective January 1, 2025, the Trust has elected to present interest paid as a cash flow arising from financing activities where it was previously included in cash flows from operating activities. The Trust had made this change to align with the presentation of cash flows related to debt transactions. As a result of this change in presentation, cash flows generated from (utilized in) operating activities for the year ended December 31, 2024 have increased by $15,114 with a corresponding reduction to cash flows generated from (utilized in) financing activities.

FUTURE ACCOUNTING POLICY CHANGES

Standards issued but not yet effective up to the date of issuance of the Trust's consolidated financial statements that are likely to have an impact on the Trust are noted below, and represent the standards and interpretations the Trust reasonably expects to be applicable at a future date. The Trust intends to adopt these standards when they become effective.

IFRS 18, "PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS" ("IFRS 18")

In April 2024, IFRS 18, “Presentation and Disclosure in Financial Statements” was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, “Presentation of Financial Statements”, impacts the presentation of primary financial statements and notes, including the statements of comprehensive income where entities will be required to present separate categories of income and expense for operating, investing and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Trust is in the process of assessing the impact of this new standard.

AMENDMENTS TO IFRS 9, "FINANCIAL INSTRUMENTS" ("IFRS 9") and IFRS 7, "FINANCIAL INSTRUMENTS: DISCLOSURES" ("IFRS 7")

In May 2024, amendments to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" were issued. The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. The amendments also require additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income. These amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Trust has reviewed the amendments and does not anticipate any material impact to its financial statements. The Trust has elected to apply the optional exception for electronic payment transactions, under which liabilities settled through electronic fund transfers are derecognized on the date the Trust initiates a non-revocable payment instruction. For wire payments that require settlement through the Trust's bank account, derecognition occurs on the date the funds clear the Trust's bank account.

6. ASSETS HELD FOR SALE

During the three months ended December 31, 2025, the Trust temporarily transferred the 49 Ontario property to assets held for sale as a result of its sale to a new partnership.

Subsequent to December 31, 2025, the partnership with CentreCourt, in which the Trust has a 90% ownership interest, acquired the 49 Ontario property. In addition, the partnership closed on the 20-year construction financing and completed the first draw on the loan. The Trust repaid the existing land loan of $80,000, and CentreCourt acquired its 10% ownership with cash proceeds of $6,500. The development will be co-managed by DAM and CentreCourt, who have joint control over the general partner. Given the ownership percentage and decision- making abilities of the Trust per the partnership agreement, the Trust has significant influence over the investment and equity accounting will be applied subsequent to December 31, 2025.

As at December 31, 2025, the fair value of the property, using the direct comparison approach, was $156,247, in line with the purchase price consideration and capitalized development costs.

During the year ended December 31, 2025, the Trust sold its interest in 76 Stafford for gross proceeds of $8,200 and repaid the outstanding mortgage payable of $12,986. Net proceeds were $7,789 after transaction costs and working capital adjustments.

ASSETS HELD FOR SALE

A summary of assets held for sale is as follows:

For the year ended		December 31, 2025
Balance, beginning of year	**$**	**—**
Add (deduct):		
Income properties transferred to assets held for sale		**164,447**
Working capital transferred to assets held for sale		**633**
Disposition of income property		**(8,200)**
Balance, end of year	**$**	**156,880**

LIABILITIES RELATED TO ASSETS HELD FOR SALE

A summary of liabilities related to assets held for sale is as follows:

For the year ended		December 31, 2025
Balance, beginning of year	**$**	**—**
Add (deduct):		
Debt transferred to liabilities related to assets held for sale		**(92,876)**
Working capital transferred to liabilities related to assets held for sale		**(2,092)**
Repayment of mortgages payable		**12,986**
Balance, end of year	**$**	**(81,982)**

7. LENDING PORTFOLIO

For the years ended		December 31, 2025		December 31, 2024
Balance, beginning of year	**$**	**12,161**	$	14,000
Add (deduct):				
Lending portfolio advances		**94**		—
Changes in accrued interest balance		**—**		(82)
Interest capitalized to lending portfolio balance		**77**		763
Principal repayments		**(5,741)**		(2,520)
Balance, end of year	**$**	**6,591**	$	12,161
Less: current portion		**527**		3,220
Non-current portion of lending portfolio	**$**	**6,064**	$	8,941

During the year ended December 31, 2025, loan repayments of $5,741 were received, including interest.

The table below provides a summary of the Trust's lending portfolio:

As at		December 31, 2025		December 31, 2024
Weighted average interest rate (year-end)		**12.5%**		12.9%
Maturity dates		**2026 – 2034**		2025 – 2027
Loans with prepayment options	**$**	**896**	$	3,945

8. INCOME PROPERTIES

For the years ended		December 31, 2025		December 31, 2024
Balance, beginning of year	$	**248,766**	$	278,017
Add (deduct):				
Disposition of properties	$	**—**		(31,865)
Building improvements[1]	$	**12,010**		5,333
Lease incentives and initial direct leasing costs	$	**1,586**		2,798
Amortization of lease incentives	$	**(907)**		(1,114)
Fair value adjustments to income properties	$	**(9,911)**		(4,403)
Transfer to assets held for sale	$	**(164,447)**		—
Balance, end of year	$	**87,097**	$	248,766
Change in unrealized gains included in net income for the year				
Change in fair value of income properties	$	**(4,591)**	$	(2,697)

[1]Building improvements include redevelopment spend pertaining to 49 Ontario prior to transfer to assets held for sale.

As at December 31, 2025, the Trust's income properties consisted of a wholly owned office property and an interest in an office property co-owned with Dream Office Real Estate Investment Trust ("Dream Office REIT"), which is accounted for as a joint operation.

During the year ended December 31, 2025, the Trust transferred 49 Ontario and the Berkeley land assembly to assets held for sale for $156,247, as part of the 49 Ontario redevelopment. The fair value of the property was the purchase price consideration by the third-party partner for 10% interest in the project with the Trust, and capitalized development costs. For further details refer to Note 6, "Assets Held for Sale."

During the year ended December 31, 2025, the Trust classified 76 Stafford as assets held for sale and sold its interest in 76 Stafford for gross proceeds of $8,200. Net proceeds were $7,789, after transaction costs and working capital adjustments. For further details refer to Note 6, "Assets Held for Sale."

A summary of assumptions in the valuation of income properties (excluding assets held for sale), using the discounted cash flow method, as at December 31, 2025 and December 31, 2024, is as follows:

		December 31, 2025				December 31, 2024		
		Range		**Weighted average**		Range		Weighted average
Discount rates (%)		**7.50–8.25**		**8.19%**		7.00–8.00		7.90%
Terminal cap rates (%)		**7.25–7.75**		**7.71%**		6.50–7.50		7.42%
Market rents (in dollars per square foot)[1]	**$**	**18.50–36.50**	**$**	**19.98**	$	19.50–37.50	$	21.96

[1] Market rents represent year-one rates in the discounted cash flow method. Market rents include office space only and exclude retail space. Market rents represent base rents only and do not include the impact of lease incentives.

The following sensitivity table outlines the potential impact on the fair value of income properties, assuming a change in the weighted average discount rates and terminal cap rates by a respective 25 basis points ("bps") as at December 31, 2025:

		Impact of changes to weighted average discount rates				**Impact of changes to weighted average terminal cap rates**		
		+25 bps		**-25 bps**		**+25 bps**		**-25 bps**
Increase (decrease) in value	$	(1,692)	$	1,689	$	(1,732)	$	1,805

As at December 31, 2025, income properties with a fair value of $87,097 (December 31, 2024 – $248,766) were pledged as security for debt.

9. OTHER NON-CURRENT ASSETS

As at		**December 31, 2025**		December 31, 2024
Straight-line rent receivable	**$**	**1,403**	$	768
Restricted cash		**1,816**		—
Other non-current assets		**42**		50
Total	**$**	**3,261**	$	818

10. EQUITY ACCOUNTED INVESTMENTS

The Trust participates in various partnerships for the purpose of investing in residential and mixed-use investment property developments, which are accounted for using the equity investment method. These partnerships are either considered joint ventures or investments in associates. A joint venture is an arrangement entered into in the form of jointly controlled entities whereby the parties have joint control and have rights to the net assets of the arrangement. Investments in associates are those in which the Trust has significant influence over the arrangement. Each equity accounted investment is subject to a shareholder or limited partnership agreement that governs distributions from these investments. In addition, distributions must comply with the respective credit agreements. All equity accounted investments are located in the Greater Toronto Area, except for Zibi and Odenak, which are located in Ottawa/Gatineau.

During the year ended December 31, 2025, Windmill Dream Ontario Holdings LP (in which the Trust has a 50% ownership) sold Zibi Block 204 to DAM. The sale generated cash proceeds of $6,200 and was received as a distribution from the equity accounted investment.

During the year ended December 31, 2024, the Trust sold its interest in 100 Steeles, a commercial property located in Vaughan, Ontario, for a nominal amount. The Trust recognized a $5,617 loss, reported in share of income (loss) from equity accounted investments in the year. The Trust had a 37.5% interest in 100 Steeles.

During the year ended December 31, 2024, the Trust sold its 9% interest in the Queen and Mutual Street development to DAM, the Trust's Asset Manager, for cash proceeds of $3,700. The Trust recognized a gain on sale of $2,755, excluding transaction costs, included in interest and other income.

The following tables summarize the Trust's proportionate share of net assets of its equity accounted investments:

	100% project level				
As at December 31, 2025	Assets(1)	Liabilities	Net assets	Ownership interest	Net assets
Development					
Zibi development(2)	$ 201,070	$ 96,494	$ 104,576	50.00%	$ 52,288
Forma(2)	782,027	571,298	210,729	25.00%	52,682
Brightwater(3)	451,483	271,648	179,835	23.25%	41,812
Victory Silos(2)	180,466	150,099	30,367	37.50%	11,388
Cherry House at Canary Landing(3)	526,219	459,964	66,255	25.00%	16,564
Odenak(3)	153,448	132,762	20,686	33.33%	6,895
IVY Condominiums(2)	8,414	2,244	6,170	75.00%	4,628
Quayside(2)	236,358	164,998	71,360	12.50%	8,920
Other(4)	461,424	380,012	81,412	2.50% – 29.40%	10,133
Total development	**$3,000,909**	**$2,229,519**	**$ 771,390**		**$ 205,310**
Multi-family rental					
70 Park(3)	106,218	69,834	36,384	50.00%	18,192
Weston Common(3)	379,649	253,269	126,380	33.33%	42,127
Robinwood Portfolio(3)	120,641	83,564	37,077	33.33%	12,359
Zibi multi-family(2)(5)	246,692	205,471	41,221	50.00%	20,611
Maple House at Canary Landing(3)	465,117	393,049	72,068	25.00%	18,017
Birch House at Canary Landing(3)	147,866	102,630	45,236	25.00%	11,309
Other(6)	41,627	24,275	17,352	33.33% – 75.00%	7,488
Total multi-family rental	**$1,507,810**	**$1,132,092**	**$ 375,718**		**$ 130,103**
Commercial					
Zibi commercial properties(2)(7)	148,985	129,715	19,270	20.00% – 50.00%	9,196
Brightwater Retail(3)	58,763	35,989	22,774	23.25%	5,295
Other(8)	112,674	70,471	42,203	20.00% – 40.00%	14,368
Total commercial	**$ 320,422**	**$ 236,175**	**$ 84,247**		**$ 28,859**
Total recurring income	**$1,828,232**	**$1,368,267**	**$ 459,965**		**$ 158,962**
Total	**$4,829,141**	**$3,597,786**	**$1,231,355**		**$ 364,272**

(1) The Trust's share of assets includes transaction costs, where applicable, attributable to the investments.
(2) The Trust has significant influence over this investment.
(3) Investment is considered a joint venture for accounting purposes.
(4) Other equity accounted investments from development include the Seaton development, Scarborough Junction, 673 Warden, and West Don Lands Block 20.
(5) Zibi multi-family properties include Aalto Suites, Aalto II and Voda.
(6) Other equity accounted investments from multi-family rental include IVY Rentals, 262 Jarvis, 111 Cosburn and 786 Southwood.
(7) Zibi commercial properties includes 15 Rue Jos-Montferrand, the Natural Sciences Building, 310 Miwate Private, Zibi Block 207, Zibi Block 205A and Zibi Block 13 in which the Trust has a 50% interest, and Interzip Rogers, in which the Trust has a 20% interest.
(8) Other equity accounted investments from commercial recurring income include 34 Madison, Plaza Bathurst, Plaza Imperial, and Zibi Community Utility.

As at December 31, 2024	100% project level Assets[1]	Liabilities	Net assets	Ownership interest	Net assets
Development					
Zibi development[2]	$ 242,811	$ 125,932	$ 116,879	50.00%	$ 58,440
Forma[2]	657,805	461,167	196,638	25.00%	49,160
Brightwater[3]	594,407	432,981	161,426	23.25%	37,532
Victory Silos[2]	182,093	152,900	29,193	37.50%	10,947
Cherry House at Canary Landing[3]	405,693	332,593	73,100	25.00%	18,275
Odenak[3]	63,404	43,199	20,205	33.33%	6,735
IVY Condominiums[2]	11,632	2,536	9,096	75.00%	6,822
Birch House at Canary Landing[3]	139,157	96,542	42,615	25.00%	10,654
Quayside[2]	251,974	162,375	89,599	12.50%	11,200
Other[4]	442,849	367,972	74,877	2.50% – 45.00%	8,420
Total development	**$2,991,825**	**$2,178,197**	**$ 813,628**		**$ 218,185**
Multi-family rental					
70 Park[3]	108,456	69,360	39,096	50.00%	19,548
Weston Common[3]	387,250	255,016	132,234	33.33%	44,078
Robinwood Portfolio[3]	120,843	84,572	36,271	33.33%	12,090
Zibi multi-family[2][5]	258,906	213,603	45,303	50.00%	22,652
Maple House at Canary Landing[3]	468,236	394,375	73,861	25.00%	18,465
Other[6]	44,037	24,369	19,668	33.33% – 75.00%	8,453
Total multi-family rental	**$1,387,728**	**$1,041,295**	**$ 346,433**		**$ 125,286**
Commercial					
Zibi commercial properties[2][7]	129,514	108,027	21,487	20.00% – 50.00%	10,238
Brightwater Retail[3]	55,153	1,500	53,653	23.25%	12,474
Other[8]	110,841	63,114	47,727	20.00% – 40.00%	16,306
Total commercial	**$ 295,508**	**$ 172,641**	**$ 122,867**		**$ 39,018**
Total recurring income	**$1,683,236**	**$1,213,936**	**$ 469,300**		**$ 164,304**
Total	**$4,675,061**	**$3,392,133**	**$1,282,928**		**$ 382,489**

(1) The Trust's share of assets includes transaction costs, where applicable, attributable to the investments.
(2) The Trust has significant influence over this investment.
(3) Investment is considered a joint venture for accounting purposes.
(4) Other equity accounted investments from development includes the Seaton development, Scarborough Junction, 673 Warden, and West Don Lands Block 20.
(5) Zibi multi-family properties include Aalto Suites, Aalto II and Voda.
(6) Other equity accounted investments from multi-family rental include IVY Rentals, 262 Jarvis, 111 Cosburn and 786 Southwood.
(7) Zibi commercial properties includes 15 Rue Jos-Montferrand, the Natural Sciences Building and 310 Miwate Private, in which the Trust has a 50% interest and Interzip Rogers, in which the Trust has a 20% interest.
(8) Other equity accounted investments from commercial recurring income include 34 Madison, Plaza Bathurst, Plaza Imperial and Zibi Community Utility.

The following tables summarize the Trust's proportionate share of net income (loss) of its equity accounted investments:

For the year ended December 31, 2025	100% project level		Ownership interest	Net income (loss)
	Revenue	Net income (loss)		
Development				
Zibi development	$ 22,191	$ (5,148)	50.00%	$ (2,574)
Forma	—	(3,238)	25.00%	(810)
Brightwater	187,114	16,490	23.25%	3,834
Other[(1)]	10,557	(39,452)	7.00% – 75.00%	(5,396)
Total development	**$ 219,862**	**$ (31,348)**		**$ (4,946)**
Recurring income				
Multi-family rental				
70 Park	4,242	(4,571)	50.00%	(2,286)
Weston Common	17,650	(5,023)	33.33%	(1,674)
Robinwood Portfolio	5,775	(5,815)	33.33%	(1,938)
Zibi multi-family[(2)]	11,136	(8,858)	50.00%	(4,429)
Maple House at Canary Landing	18,694	4,756	25.00%	1,189
Birch House at Canary Landing	3,296	1,612	25.00%	403
Other[(3)]	2,159	(4,232)	33.33% – 50.00%	(1,644)
Total multi-family rental	**$ 62,952**	**$ (22,131)**		**$ (10,379)**
Commercial				
Zibi commercial properties[(4)]	8,012	(9,072)	20.00% – 50.00%	(4,526)
Other[(5)]	6,602	(7,346)	20.00% – 40.00%	(2,918)
Total commercial	**$ 14,614**	**$ (16,418)**		**$ (7,444)**
Total recurring income	**$ 77,566**	**$ (38,549)**		**$ (17,823)**
Total	**$ 297,428**	**$ (69,897)**		**$ (22,769)**

(1) Other equity accounted investments from development include Victory Silos, Cherry House at Canary Landing, Quayside, West Don Lands Block 20, Seaton development, Scarborough Junction, 673 Warden, IVY Condominiums and Odenak.

(2) Zibi multi-family properties include Aalto Suites, Aalto II and Voda.

(3) Other equity accounted investments from multi-family rental include IVY Rentals, 262 Jarvis, 111 Cosburn and 786 Southwood.

(4) Zibi commercial properties include 15 Rue Jos-Montferrand, the Natural Sciences Building, 310 Miwate Private, Zibi Block 207, Zibi Block 205A and Zibi Block 13 in which the Trust has a 50% interest, and Interzip Rogers, in which the Trust has a 20% interest.

(5) Other equity accounted investments from commercial recurring income include Brightwater Retail, 34 Madison, Plaza Bathurst, Plaza Imperial and Zibi Community Utility.

For the year ended December 31, 2024	100% project level		Ownership interest	Net income (loss)
	Revenue	Net income (loss)		
Development				
Zibi development	$ 8,492	$ (21,650)	50.00%	$ (10,825)
Forma	—	(3,954)	25.00%	(989)
Brightwater	248,074	22,250	23.25%	5,173
IVY Condominiums	114,064	(3,143)	75.00%	(2,357)
Other[(1)]	6,940	(6,024)	2.50% – 45.00%	30
Total development	**$ 377,570**	**$ (12,521)**		**$ (8,968)**
Recurring income				
Multi-family rental				
70 Park	3,857	(5,438)	50.00%	(2,719)
Weston Common	17,933	9,956	33.33%	3,319
Robinwood Portfolio	5,779	(6,435)	33.33%	(2,145)
Zibi multi-family[(2)]	5,900	4,290	50.00%	2,145
Maple House at Canary Landing	12,284	160	25.00%	40
Other[(3)]	1,873	1,060	33.33% – 75.00%	409
Total multi-family rental	**$ 47,626**	**$ 3,593**		**$ 1,049**
Commercial				
Zibi commercial properties[(4)]	9,612	(15,904)	20.00% – 50.00%	(7,952)
Other[(5)]	6,291	(17,114)	20.00% – 40.00%	(6,553)
Total commercial	**$ 15,903**	**$ (33,018)**		**$ (14,505)**
Total recurring income	**$ 63,529**	**$ (29,425)**		**$ (13,456)**
Total	**$ 441,099**	**$ (41,946)**		**$ (22,424)**

(1) Other equity accounted investments from development include Victory Silos, Cherry House at Canary Landing, Birch House at Canary Landing, Quayside, West Don Lands Block 20, Seaton development, Scarborough Junction, 34 Madison, 673 Warden, and Odenak.

(2) Zibi multi-family properties include Aalto Suites, Aalto II and Voda.

(3) Other equity accounted investments from multi-family rental include 262 Jarvis, 111 Cosburn, IVY Rentals and 786 Southwood.

(4) Zibi commercial properties includes 15 Rue Jos-Montferrand, the Natural Sciences Building and 310 Miwate Private, in which the Trust has a 50% interest and Interzip Rogers, in which the Trust has a 20% interest.

(5) Other equity accounted investments from commercial recurring income include Brightwater Retail, Plaza Bathurst, Plaza Imperial, 34 Madison, 100 Steeles and Zibi Community Utility.

As at December 31, 2025, the Trust had $156,449 of net assets from the recurring income segment held as equity accounted investments (December 31, 2024 – $161,519), whose underlying assets were subject to fair value measurement. The fair value of these underlying income properties at the Trust's share was $611,761 as at December 31, 2025 (December 31, 2024 – $567,334). The following tables summarize the sensitivity analysis of the multi-family and commercial properties within the recurring income segment included in the Trust's equity accounted investments.

Multi-family
A summary of the assumptions in the valuation of multi-family assets included in equity accounted investments, using the direct capitalization method, as at December 31, 2025 and December 31, 2024 is as follows:

	Weighted average cap rate		Impact of changes to weighted average cap rates	
	December 31, 2025	December 31, 2024	**+25bps**	**-25bps**
GTA	**3.92%**	3.75%	$ (21,534)	$ 24,471
Ottawa	**4.39%**	4.25%	(6,575)	7,371
Total	**4.04%**	3.89%	(28,109)	31,842

Commercial
A summary of the assumptions in the valuation of commercial properties included in equity accounted investments, using the discount cash flow method, as at December 31, 2025 and December 31, 2024 is as follows:

	December 31, 2025		December 31, 2024	
	Range	**Weighted average**	Range	Weighted average
Discount rates (%)	**6.50% – 7.25%**	**6.74%**	6.25% – 6.75%	6.44%
Terminal cap rates (%)	**5.75% – 7.00%**	**6.29%**	6.00% – 6.50%	6.09%

The following sensitivity table outlines the potential impact on the fair value of commercial properties included in equity accounted investments, assuming a change in the weighted average discount and terminal cap rates by a respective 25 basis points as at December 31, 2025:

	Impact of changes to weighted average discount rates		Impact of changes to weighted average terminal cap rates	
	+25 bps	**-25 bps**	**+25 bps**	**-25 bps**
Increase (decrease) in value	$ (1,917)	$ 1,969	$ (2,013)	$ 2,180

11. AMOUNTS RECEIVABLE

As at	**December 31, 2025**	December 31, 2024
Trade receivables	**$ 631**	$ 522
Less: provision for impairment of trade receivables	**—**	—
Other amounts receivable	**1,011**	2,177
Total	**$ 1,642**	$ 2,699

The movement in the provision for impairment of trade receivables was as follows:

For the year ended	**December 31, 2025**	December 31, 2024
Balance, beginning of year	**$ —**	$ 447
Change in expected credit loss provision	**—**	(447)
Balance, end of year	**$ —**	$ —

The carrying value of amounts receivable approximates fair value as the Trust expects to realize these amounts within the next twelve months. As at December 31, 2025, trade receivables of $5 (December 31, 2024 – $4) were past due but not considered impaired as the Trust has ongoing relationships with these counterparties and the aging of these trade receivables is not indicative of expected default.

The Trust leases office and retail properties to tenants under operating leases. Minimum rental commitments, including non-cancellable tenant operating leases over the remaining terms, are as follows:

As at December 31, 2025		
No more than 1 year	$	4,791
1 year		4,417
2 years		4,327
3 years		3,968
4 years		3,939
5+ years		21,268
Total	**$**	**42,710**

12. DEBT

As at	**December 31, 2025**	December 31, 2024
Mortgages payable	**$ 78,987**	$ 172,278
Dream loan	**21,000**	—
Convertible debentures payable	**70,000**	70,000
Promissory note	**32,569**	32,569
Total debt payable	**$ 202,556**	$ 274,847
Unamortized discount on host instrument of convertible debentures	**365**	(554)
Conversion feature	**2,154**	—
Unamortized balance of deferred financing costs	**(968)**	(1,629)
Total debt	**$ 204,107**	$ 272,664
Less: current portion	**118,064**	100,804
Total non-current long-term debt	**$ 86,043**	$ 171,860

During the year ended December 31, 2025, debt payable of $92,876 was reclassified to liabilities related to assets held for sale. For further details refer to Note 6, "Assets Held for Sale."

DEBT CONTINUITY

	Mortgages payable	**Convertible debentures**		**Credit facility**	**Promissory note**	**Dream loan**	**Total**
		Host instrument	**Conversion feature**				
Balance as at January 1, 2024	**$ 172,127**	**$ 67,530**	**$ 7**	**$ (58)**	**$ 30,450**	**$ —**	**$ 270,056**
Credit facility advances	—	—	—	11,500	—	—	11,500
Credit facility repayments	—	—	—	(11,500)	—	—	(11,500)
Borrowings	—	—	—	—	2,119	—	2,119
Lump sum repayments	(337)	—	—	—	—	—	(337)
Fair value adjustments to financial instruments	—	—	(7)	—	—	—	(7)
Accretion on convertible debentures	—	267	—	—	—	—	267
Deferred financing cost additions	(177)	—	—	—	—	—	(177)
Deferred financing cost amortization	247	438	—	58	—	—	743
Balance as at December 31, 2024	**$ 171,860**	**$ 68,235**	**$ —**	**$ —**	**$ 32,569**	**$ —**	**$ 272,664**
Borrowings	—	—	—	—	—	21,000	21,000
Mortgage repayments	(415)	—	—	—	—	—	(415)
Fair value adjustments to financial instruments	—	669	2,154	—	—	—	2,823
Accretion on convertible debentures	—	250	—	—	—	—	250
Deferred financing cost amortization	219	442	—	—	—	—	661
Transfer to liabilities related to assets held for sale	(92,876)	—	—	—	—	—	(92,876)
Balance as at December 31, 2025	**$ 78,788**	**$ 69,596**	**$ 2,154**	**$ —**	**$ 32,569**	**$ 21,000**	**$ 204,107**

MORTGAGES PAYABLE

Mortgages payable are secured by charges on specific income properties. These facilities bear interest at a weighted average effective interest rate of 5.6% (December 31, 2024 – 5.3%) and mature between 2026 and 2027. Management repays debt with proceeds from asset sales and actively pursues refinancing opportunities in line with maturity dates on income properties.

Subsequent to December 31, 2025, the Trust extended the maturity date of a mortgage with an outstanding principal balance of $13,746 to May 17, 2026, bearing an interest rate of 1-year Government of Canada (GOC) + 2.5%.

CONVERTIBLE DEBENTURES

The principal amount outstanding and the carrying value for the Trust's convertible debentures are as follows:

As at							**December 31, 2025**	December 31, 2024
Convertible debentures	**Date issued**	**Maturity date**	**Conversion rate in units**[(1)]	**Coupon rate**	**Effective rate**	**Outstanding principal**	**Carrying value**	Carrying value
2022 Debentures	Jun 9, 2022	Dec 31, 2027	31.2500	5.75%	6.02%	$ 40,000	**$ 39,079**	$ 38,619
2025 Debentures[(2)]	Nov 28, 2025	Jul 31, 2031	363.6364	6.5%[(3)]	6.20%	30,000	**32,671**	29,616

(1) Per $1 principal amount.

(2) Amended and restated from the 2021 Debentures on November 28, 2025.

(3) The 2025 Debentures will be redesignated as 6.50% convertible unsecured subordinated debentures following the February 2, 2026 interest payment date.

During the year ended December 31, 2025, $3,950 of interest expense was recognized (December 31, 2024 – $3,950) and coupon payments of $3,950 were made (December 31, 2024 – $3,950) related to the convertible debentures.

During the year ended December 31, 2025, the Trust amended and restated the terms of the Trust's $30,000, 5.50% convertible unsecured subordinated debentures (the "2021 Debentures") to, among other things, extend the maturity date from July 31, 2026 to July 31, 2031, and revise the interest rate to 6.50% as of February 2, 2026 and the conversion price to $2.75 per unit (the "2025 Debentures"). The modification of the terms of the convertible debentures resulted in a remeasurement loss on modification of the debt of $2,435 and was recognized in fair value adjustments to financial instruments.

CREDIT FACILITIES AND OTHER DEBT

During the three months and year ended December 31, 2025, the Trust entered into a senior secured term credit facility with DAM, as amended (the "Dream loan"), for up to $23,500, bearing interest at a rate equal to 10% per annum. The Dream loan matures in 2030 and is secured by general and continuing collateral over certain of the Trust's assets. As at December 31, 2025, the carrying value of the net assets pledged on the facility was $176,381. Subsequent to December 31, 2025, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50,000 bearing interest at a rate equal to the higher of 10% or 6% above CORRA. As of February 13, 2026, $21,000 had been drawn.

During the year ended December 31, 2024, the demand revolving credit facility ("the facility", "the credit facility") was reduced from a formula-based maximum of $25,000 to $5,000 to cover letters of credit issued against the facility. The Trust was not able to borrow under the facility as the availability under the formula was $nil when the income properties collateralized under the facility were sold during the year. As at December 31, 2025, the Trust had $300 of letters of credit issued against the facility (December 31, 2024 – $300).

Included in the Trust's debt balance is a promissory note payable for $32,569. The promissory note was advanced by the Trust's Victory Silos investment as a result of financing obtained at the project level. Effective May 3, 2024, the promissory note bears interest at the CORRA rate plus 2.35%, or the bank's prime rate plus 0.65%. Previously, the promissory note bore interest at the BA rate plus 2.35%, or the bank's prime rate plus 0.65%.

FINANCIAL COVENANTS

The credit facility, the financial guarantees discussed in Note 25 and certain mortgages on income properties contain financial covenants that require the Trust to meet financial ratios, including debt service coverage and debt-to-asset value ratios, and financial condition tests, including minimum unitholders' equity. A failure to meet these tests could result in default and, if not cured or waived, could result in an acceleration of the repayment of the underlying financing.

Project-level debt with debt service coverage ratios are based on the respective property-level financials. Should the Trust fail a project-specific debt covenant test, generally, there are cure mechanisms in the related debt agreements that allow the Trust to post a letter of credit or other collateral in order for the Trust to be in compliance with the covenant test. As a result, a failure to meet a covenant test would not immediately constitute an event of default. For the Trust's project-level covenants, the Trust was in compliance as at December 31, 2025. Subsequent to December 31, 2025, a letter of credit in the amount of $726 was issued to satisfy a debt service coverage ratio shortfall for one of the Trust's commercial asset mortgages within the defined cure period. Further debt service shortfalls on the facility may require additional letters of credit to be posted.

During the year ended December 31, 2024, the financial covenants related to the Trust's credit facility were permanently waived as there is no borrowing capacity on the line.

The carrying value of the Trust's consolidated debt subject to periodic compliance with financial covenants as at December 31, 2025 was $158,665 (December 31, 2024 – $157,734).

13. DEFERRED UNIT INCENTIVE PLAN ("DUIP")

The DUIP provides for the grant of Deferred Trust Units (“DTUs”) to Trustees, officers and employees as well as affiliates and their service providers, including the Asset Manager. DTUs are granted at the discretion of the Trustees and receive distributions in the form of income deferred trust units as they are declared and paid by the Trust. Once granted, each DTU and the related distribution of income deferred trust units from such DTUs vest evenly over a three-year or five-year period on the anniversary date of the grant. Subject to an election option available for certain participants to postpone the receipt of units, such units will be issued immediately on vesting. As at December 31, 2025, up to a maximum of 750,000 DTUs were issuable under the DUIP. Distributions on the unvested DTUs are paid in the form of units converted at the market price on the date of distribution, when applicable.

		Total
Balance as at January 1, 2024	$	926
Compensation expense		648
Trust units issued		(57)
Remeasurements of carrying value of deferred trust units		(634)
Balance as at December 31, 2024		**883**
Compensation expense		580
Trust units issued		(83)
Remeasurements of carrying value of deferred trust units		(930)
Balance as at December 31, 2025	**$**	**450**

The following is a summary of the Trust's DUIP activity:

For the year ended	**December 31, 2025**	December 31, 2024
Units outstanding, beginning of the year	**337,752**	235,382
Granted	**188,255**	113,764
Distributions paid in units	**—**	4,401
Trust units issued	**(31,030)**	(14,358)
Cancelled	**(12,984)**	(1,437)
Units outstanding, end of the year	**481,993**	337,752

During the year ended December 31, 2025, $580 (December 31, 2024 – $648) of compensation expense was recognized related to the DTUs, as well as a fair value recovery of $930 (December 31, 2024 – fair value recovery of $634), representing the remeasurement of the DUIP liability during the year. Both were recognized in general and administrative expenses. As at December 31, 2025, 184,928 (December 31, 2024 – 149,207) DTUs that vested remained unexercised.

14. AMOUNTS PAYABLE AND OTHER LIABILITIES

As at		**December 31, 2025**		December 31, 2024
Amounts payable and accrued liabilities	**$**	**6,772**	$	4,325
Accrued interest		**1,287**		1,751
Rent received in advance		**540**		771
Derivative financial liability		**917**		2,786
Total	**$**	**9,516**	$	9,633

15. UNITHOLDERS’ EQUITY

DREAM IMPACT UNITS

Dream Impact is authorized to issue an unlimited number of units and an unlimited number of Special Trust Units ("STUs"). Each unit represents an undivided beneficial interest in the Trust. Each unit is transferable and entitles the holder thereof to:

- an equal participation in distributions of the Trust;
- rights of redemption; and
- one vote at meetings of unitholders.

The STUs may only be issued to holders of exchangeable securities and entitle the holder to exchange the exchangeable securities for units. The STUs have a nominal redemption value, entitle the holder to vote at the Trust level and do not receive distributions. At December 31, 2025, there were no STUs issued and outstanding.

DISTRIBUTIONS

Prior to February 15, 2024, pursuant to its Declaration of Trust, Dream Impact declared monthly distribution payments to unitholders payable on or about the 15th day of the following month. The amount of the annualized distribution paid was determined by the Trustees, at their sole discretion, based on what they considered appropriate given the circumstances of the Trust. The Trustees declared distributions out of the income, net realized capital gains, and capital of the Trust to the extent such amounts had not already been paid, allocated or distributed. On February 12, 2024, the Trust's Board of Trustees announced the suspension of the distribution to its unitholders until further notice. The last distribution declared prior to the suspension was paid on February 15, 2024. The following table provides details of the distribution payments:

For the year ended	**December 31, 2025**	December 31, 2024
Paid in cash	**$ —**	$ 1,171
Paid by way of reinvestment in units	**—**	710
Payable at beginning of the year	**—**	(937)
Total	**$ —**	$ 944

DISTRIBUTION REINVESTMENT AND UNIT PURCHASE PLAN ("DRIP")

The Trust's DRIP entitled unitholders to reinvest their distributions into new units of the Trust, with no bonus distribution and no commissions. As a result of the aforementioned distribution change, the DRIP was simultaneously suspended on February 12, 2024. For the year ended December 31, 2024, 125,732 units were issued under the DRIP.

UNIT BUYBACK PROGRAM

The following table summarizes the Trust's unitholders' equity activity under its unit buyback program for the periods ended as indicated:

For the year ended	**December 31, 2025**	December 31, 2024
Units repurchased (number of units)	**—**	—
Total cash consideration	**$ —**	$ —

On January 31, 2025, the Trust's Normal Course Issuer Bid and the Trust's repurchase plan to facilitate purchases of units under the 2024 NCIB, expired.

16. ACCUMULATED OTHER COMPREHENSIVE INCOME

The Trust has various interest rate swaps on certain debt, on its wholly owned and co-owned income properties, and equity accounted investments. The Trust recognized a fair value gain within other comprehensive income of $1,628, net of tax of $587 during the year ended December 31, 2025 (year ended December 31, 2024 – fair value loss of $3,464, net of tax of $1,249).

	Fair value adjustments to derivative financial liabilities hedge, net of tax	Share of other comprehensive income from equity accounted investments, net of tax	**Total**
Balance as at January 1, 2024	$ (290)	$ 756	$ 466
Other comprehensive loss during the year	(1,758)	(1,706)	(3,464)
Balance as at December 31, 2024	**$ (2,048)**	**$ (950)**	**$ (2,998)**

	Fair value adjustments to derivative financial liabilities hedge, net of tax	Share of other comprehensive income from equity accounted investments, net of tax	**Total**
Balance as at January 1, 2025	$ (2,048)	$ (950)	$ (2,998)
Other comprehensive income during the year	1,373	255	1,628
Balance as at December 31, 2025	**$ (675)**	**$ (695)**	**$ (1,370)**

17. INCOME PROPERTIES REVENUE

For the year ended		December 31, 2025		December 31, 2024
Rental revenue	**$**	**8,021**	$	11,455
Common area maintenance and parking services revenue		**5,014**		6,302
Total	**$**	**13,035**	$	17,757

18. INCOME PROPERTIES OPERATING EXPENSES

For the year ended		December 31, 2025		December 31, 2024
Income properties operating costs	**$**	**3,527**	$	4,479
Realty tax expense		**2,739**		2,986
Salary and other compensation		**1,253**		1,740
Total	**$**	**7,519**	$	9,205

19. INTEREST EXPENSE

For the year ended		December 31, 2025		December 31, 2024
Interest expense incurred, at contractual rate of debt and other bank charges	**$**	**15,508**	$	15,747
Accretion on convertible debenture host instrument		**250**		267
Amortization of deferred financing costs		**661**		743
Total	**$**	**16,419**	$	16,757

20. GENERAL AND ADMINISTRATIVE EXPENSES

For the year ended		December 31, 2025		December 31, 2024
Salary and other compensation	**$**	**1,165**	$	1,265
Deferred compensation expense (recovery)		**(350)**		14
Trust, service and professional fees		**5,096**		3,824
General office and other		**367**		371
Asset management and other third-party service fees		**750**		908
Total	**$**	**7,028**	$	6,382

21. INCOME TAXES

		December 31, 2025		December 31, 2024
Deferred income tax recovery:				
Origination of temporary differences	**$**	**587**	$	10,025
Deferred tax adjustments in respect of prior years		**—**		(102)
Deferred income tax recovery	**$**	**587**	$	9,923
Income tax recovery	**$**	**587**	$	9,923

The income tax recovery amount on pre-tax earnings differs from the income tax recovery amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26.5% for the year ended December 31, 2025 and 2024, as illustrated in the table below:

For the year ended		December 31, 2025		December 31, 2024
Loss before income tax recovery (expense) for the year	$	(54,632)	$	(35,956)
Combined federal and provincial tax rate		26.5%		26.5%
Income tax recovery before the undernoted	$	14,477	$	9,528
Effect on taxes of:				
Non-deductible expenses	$	(861)	$	(245)
Non-taxable income		139		18
Difference between Canadian rates and rates in foreign jurisdiction		—		14
Tax adjustments in respect of prior periods		455		102
Rate differences		(776)		443
Change in unrecognized deferred tax asset		(12,853)		5
Other items		6		58
Total income tax recovery	$	587	$	9,923

The movement in the deferred income tax assets and liabilities during the year ended December 31, 2025 and the net components of the Trust's net deferred income tax asset are illustrated in the following table:

	Income properties	Lending portfolio	Development and investment holdings	Equity accounted investments	Other	Hedge	Loss carry-forward	Total
Balance as at January 1, 2024	$ (11,749)	$ 411	$ 666	$ (9,330)	$ 150	$ (169)	$ 29,645	$ 9,624
(Charged) credited to:								
(Loss) earnings for the year	1,092	17	8	5,250	22	—	3,534	9,923
Other comprehensive income	—	—	—	—	—	1,249	—	1,249
Balance as at December 31, 2024	**$ (10,657)**	**$ 428**	**$ 674**	**$ (4,080)**	**$ 172**	**$ 1,080**	**$ 33,179**	**$ 20,796**
(Charged) credited to:								
(Loss) earnings for the year	1,282	(107)	—	(327)	8	—	(269)	587
Other comprehensive income	—	—	—	—	—	(587)	—	(587)
Balance as at December 31, 2025	**$ (9,375)**	**$ 321**	**$ 674**	**$ (4,407)**	**$ 180**	**$ 493**	**$ 32,910**	**$ 20,796**

As at December 31, 2025, the Trust had tax losses of $36,600 (December 31, 2024 – $3,577) that expire starting in 2043. Deferred income tax assets have not been recognized for these losses due to the likelihood of the Trust utilizing them against taxable profits in the future.

22. SEGMENTED INFORMATION

As of January 1, 2024, the Trust redefined its operating segments to better reflect how the business is managed and evaluated by the CODM, the Trust's Portfolio Manager. The Trust removed the lending portfolio from the recurring income segment as it is considered non-core. The Trust removed the residual participating mortgage receivable which is a non-core legacy investment and a passive investment holding from the development segment. During the year ended December 31, 2024, the Trust received the remaining proceeds from a participating mortgage receivable and sold its interest in a passive investment holding. As at December 31, 2024, all of the Trust's operations are in Canada.

The Trust has identified its reportable operating segments as development and recurring income, based on how the CODM views the financial results of the business. All of the Trust's operations are in Canada.

For the year ended December 31, 2025 and 2024, income tax (expense) recoveries and general and administrative expenses were not allocated to the segment expenses as these costs are not specifically managed on a segmented basis.

SEGMENTED RESULTS OF OPERATIONS – YEAR ENDED DECEMBER 31, 2025

	Development	Recurring income	Total of reportable segments	Other(1)	Total
INCOME					
Income properties revenue	$ —	$ 13,035	**$ 13,035**	$ —	**$ 13,035**
Share of losses from equity accounted investments	(4,946)	(17,823)	**(22,769)**	—	**(22,769)**
TOTAL LOSS	**(4,946)**	**(4,788)**	**(9,734)**	**—**	**(9,734)**
EXPENSES					
Income properties, operating	—	(7,519)	**(7,519)**	—	**(7,519)**
Interest expense	(2,078)	(8,965)	**(11,043)**	(5,376)	**(16,419)**
General and administrative	—	—	**—**	(7,028)	**(7,028)**
TOTAL EXPENSES	**(2,078)**	**(16,484)**	**(18,562)**	**(12,404)**	**(30,966)**
Fair value adjustments to income properties	—	(9,911)	**(9,911)**	—	**(9,911)**
OPERATING LOSS	**(7,024)**	**(31,183)**	**(38,207)**	**(12,404)**	**(50,611)**
Interest and other income	—	93	**93**	877	**970**
Transaction costs on sale of properties	—	(437)	**(437)**	—	**(437)**
Fair value adjustments to financial instruments	—	—	**—**	(4,554)	**(4,554)**
LOSS BEFORE INCOME TAX RECOVERY	**(7,024)**	**(31,527)**	**(38,551)**	**(16,081)**	**(54,632)**
INCOME TAX RECOVERY					
Deferred income tax recovery	—	—	**—**	587	**587**
TOTAL INCOME TAX RECOVERY	**—**	**—**	**—**	**587**	**587**
NET LOSS	**$ (7,024)**	**$ (31,527)**	**$ (38,551)**	**$ (15,494)**	**$ (54,045)**
OTHER COMPREHENSIVE INCOME (LOSS)					
Share of other comprehensive income (loss) from equity accounted investments, net of tax	413	(158)	**255**	—	**255**
Fair value adjustments to derivative financial liabilities hedge, net of tax	—	1,373	**1,373**	—	**1,373**
TOTAL OTHER COMPREHENSIVE INCOME	**413**	**1,215**	**1,628**	**—**	**1,628**
TOTAL COMPREHENSIVE LOSS	**$ (6,611)**	**$ (30,312)**	**$ (36,923)**	**$ (15,494)**	**$ (52,417)**

(1) Includes other Trust amounts not specifically related to the reportable segments.

SEGMENTED RESULTS OF OPERATIONS – YEAR ENDED DECEMBER 31, 2024

	Development	Recurring income	Total of reportable segments	Other(1)	Total
INCOME					
Income properties revenue	$ —	$ 17,757	**$ 17,757**	$ —	**$ 17,757**
Share of losses from equity accounted investments	(8,968)	(13,456)	**(22,424)**	—	**(22,424)**
TOTAL INCOME (LOSS)	**(8,968)**	**4,301**	**(4,667)**	**—**	**(4,667)**
EXPENSES					
Income properties, operating	—	(9,205)	**(9,205)**	—	**(9,205)**
Interest expense	(2,003)	(9,466)	**(11,469)**	(5,288)	**(16,757)**
General and administrative	—	—	**—**	(6,382)	**(6,382)**
TOTAL EXPENSES	**(2,003)**	**(18,671)**	**(20,674)**	**(11,670)**	**(32,344)**
Fair value adjustments to income properties	—	(4,403)	**(4,403)**	—	**(4,403)**
OPERATING LOSS	**(10,971)**	**(18,773)**	**(29,744)**	**(11,670)**	**(41,414)**
Interest and other income	2,747	164	**2,911**	3,460	**6,371**
Transaction costs	—	(920)	**(920)**	—	**(920)**
Fair value adjustments to financial instruments	—	—	**—**	7	**7**
LOSS BEFORE INCOME TAX RECOVERY	**(8,224)**	**(19,529)**	**(27,753)**	**(8,203)**	**(35,956)**
INCOME TAX RECOVERY					
Deferred income tax recovery	—	—	**—**	9,923	**9,923**
TOTAL INCOME TAX RECOVERY	**—**	**—**	**—**	**9,923**	**9,923**
NET INCOME (LOSS)	**$ (8,224)**	**$ (19,529)**	**$ (27,753)**	**$ 1,720**	**$ (26,033)**
OTHER COMPREHENSIVE LOSS					
Share of other comprehensive loss from equity accounted investments, net of tax	(1,092)	(614)	**(1,706)**	—	**(1,706)**
Fair value adjustment to derivative financial liabilities hedges, net of tax	—	(1,758)	**(1,758)**	—	**(1,758)**
TOTAL OTHER COMPREHENSIVE LOSS	**(1,092)**	**(2,372)**	**(3,464)**	**—**	**(3,464)**
TOTAL COMPREHENSIVE INCOME (LOSS)	**$ (9,316)**	**$ (21,901)**	**$ (31,217)**	**1,720**	**(29,497)**

(1) Includes other Trust amounts not specifically related to the reportable segments.

SEGMENTED ASSETS AND LIABILITIES – AS AT DECEMBER 31, 2025

As at December 31, 2025	Development	Recurring income	Total of reportable segments	Other[1]	Total
ASSETS					
Total non-current assets	$ 205,310	$ 247,474	**$ 452,784**	$ 28,706	**$ 481,490**
Total current assets	—	1,108	**1,108**	6,526	**7,634**
Assets held for sale	156,880	—	**156,880**	—	**156,880**
TOTAL ASSETS	**$ 362,190**	**$ 248,582**	**$ 610,772**	**$ 35,232**	**$ 646,004**
LIABILITIES					
Total non-current liabilities	$ —	$ 65,043	**$ 65,043**	$ 21,187	**$ 86,230**
Total current liabilities	33,093	16,930	**50,023**	77,820	**127,843**
Liabilities related to assets held for sale	81,982	—	**81,982**	—	**81,982**
TOTAL LIABILITIES	**$ 115,075**	**$ 81,973**	**$ 197,048**	**$ 99,007**	**$ 296,055**

[1] Includes other Trust amounts not specifically related to the reportable segments.

SEGMENTED ASSETS AND LIABILITIES – AS AT DECEMBER 31, 2024

As at December 31, 2024	Development	Recurring income	Total of reportable segments	Other[1]	Total
ASSETS					
Total non-current assets	$ 218,185	$ 413,838	**$ 632,023**	$ 29,787	**$ 661,810**
Total current assets	—	3,623	**3,623**	18,988	**22,611**
TOTAL ASSETS	**$ 218,185**	**$ 417,461**	**$ 635,646**	**$ 48,775**	**$ 684,421**
LIABILITIES					
Total non-current liabilities	$ —	$ 171,860	**$ 171,860**	$ 336	**$ 172,196**
Total current liabilities	33,089	6,282	**39,371**	71,613	**110,984**
TOTAL LIABILITIES	**$ 33,089**	**$ 178,142**	**$ 211,231**	**$ 71,949**	**$ 283,180**

[1] Includes other Trust amounts not specifically related to the reportable segments.

23. RELATED PARTY TRANSACTIONS AND ARRANGEMENTS

From time to time, the Trust and its subsidiaries enter into transactions with related parties that are contracted under commercial terms. DAM, which is a wholly owned subsidiary of Dream Unlimited Corp. (TSX: DRM), is the Trust's Asset Manager and is a related party that provides management personnel services to the Trust under the terms of the Management Agreement, as defined below.

DREAM ASSET MANAGEMENT

ASSET MANAGEMENT AGREEMENT

On July 8, 2014, the Trust entered into a management agreement (as amended from time to time, the "Management Agreement") with DAM, pursuant to which DAM provides a broad range of asset management services to the Trust for a base annual management fee, acquisition/origination fee and disposition fees:

- Base annual management fee calculated and payable on a monthly basis, equal to 1.00% of the Gross Asset Value of the total assets of MPCT LP under management. "Gross Asset Value" means the gross fair market value of the initial assets at July 8, 2014, plus the gross cost of any asset acquired by MPCT LP on the date of such acquisition, plus the gross amount invested in any assets of MPCT LP following acquisition, less the gross amount previously included in the calculation of this amount in respect of any asset disposed of or repaid to MPCT LP;
- Acquisition/origination fee equal to:
  - (a) 0.40% of the principal amount of any loan originated by MPCT LP or any subsidiary having an expected term of less than five years;
  - (b) 1.00% of the principal amount of any loan originated by MPCT LP or any subsidiary having an expected term of five years or more; and
  - (c) 1.00% of the gross cost of any asset acquired or originated by MPCT LP or any subsidiary provided that in connection with the acquisition of an asset that will be a development or redevelopment project for MPCT LP or any subsidiary of MPCT LP excluding those for which DAM earns a development management fee; and

- Disposition fee equal to 0.25% of the gross sale proceeds of any asset (including all indebtedness) sold by MPCT LP or any subsidiary represented by loans, investments, assets or projects disposed of during the fiscal year, excluding the repayment of loans; provided that the fee is not payable, provided, however that the disposition will be payable in connection with the disposition of a portfolio of loans notwithstanding that certain loans contained in such portfolio may have a term to maturity of 12 months or less.

In addition, the Trust will compensate DAM for reasonable out-of-pocket costs and expenses incurred in connection with the performance of the management services described in the Management Agreement and the costs and expenses incurred in providing such other services that the Trust and DAM agree to in writing that are to be provided from time to time by DAM.

For the year ended	**December 31, 2025**	December 31, 2024
Fees paid/payable by the Trust under the Management Agreement:		
Base annual management fee	**$ 926**	$ 1,685
Acquisition/origination fee and disposition fees	**38**	95
Expense recoveries relating to financing arrangements and other	**2,962**	2,023
Total fees under Management Agreement	**$ 3,926**	$ 3,803

	December 31, 2025	December 31, 2024
Total payable to DAM	**$ 3,624**	$ 1,275

During the year ended December 31, 2025, the Trust issued 587,500 units in satisfaction of the management fees payable to DAM under the Management Agreement (year ended December 31, 2024 – 536,383 units). The Trust and DAM entered into an agreement in 2024 to settle the 2024 management fee for a fixed number of units, with the option to extend the arrangement for 2025 and 2026. During the year ended December 31, 2025, the option to settle the 2025 management fee for a fixed number of units was executed to cover the 2025 asset management fee for the issuance of 600,000 units. Subsequent to December 31, 2025, the Trust issued 150,000 units in settlement of the remaining 2025 management fee.

Subsequent to December 31, 2025, the Trust settled cost recoveries owing to DAM for $1,599 paid in cash.

DEVELOPMENT FEES

The Trust has entered into various project-level development management agreements with DAM, and its third-party co-developers where applicable, in which the Trust has equity ownership interests. Pursuant to these agreements, DAM provides development management services to the project. The corresponding development management fees are shared among the partners within each development. During the year ended December 31, 2025, certain subsidiaries of the Trust entered into project-level development management agreements in relation to 70 Park and the 49 Ontario redevelopment.

Under these agreements, during the year ended December 31, 2025, fees of $3,568 were incurred by the projects, at the Trust's share (year ended December 31, 2024 – $3,781), of which $2,073 was owed to DAM as of December 31, 2025 (December 31, 2024 – $1,693).

Additionally, effective January 1, 2018, the Trust entered into a framework agreement (the "Framework Agreement") with DAM with respect to their management of development investments. Pursuant to the Framework Agreement, DAM will manage certain development investments that are co-owned by the Trust and DAM. The Framework Agreement can be terminated by either party upon 60 days' prior written notice. On a project-by-project basis, the development fee that the Trust will pay to DAM in respect of projects exclusive to the Trust and DAM will be equal to 3.75% of total net revenues of the development investment projects. For projects involving third parties, the development fee will be negotiated on a case-by-case basis with the parties involved. For rental properties, the development fee is expected to be based on the fair value of the project at substantial completion rather than net revenues. The commencement of such fees will vary depending on certain milestones being met, such as construction or sales commencement. During the year ended December 31, 2025, $148 in development fees were paid or incurred to DAM in accordance with the Framework Agreement (year ended December 31, 2024 – $707).

OTHER TRANSACTIONS

During the year ended December 31, 2025, the Trust entered into the Dream loan for up to $23,500, bearing interest at a rate equal to 10% per annum. The Dream loan matures in 2030 and is secured by general and continuing collateral over certain of the Trust's assets. Subsequent to December 31, 2025, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50,000 bearing interest at a rate equal to the higher of 10% or 6% above CORRA. As of February 13, 2026, $21,000 had been drawn.

During the year ended December 31, 2025, Windmill Dream Ontario Holdings LP (in which the Trust has a 50% ownership) sold Zibi Block 204 to DAM. The sale generated cash proceeds of $6,200 and was received as a distribution from the equity accounted investment.

During the year ended December 31, 2024, the Trust sold its 9% interest in the Queen and Mutual Street development to DAM for cash proceeds of $3,700. The Trust recognized a gain on the sale of $2,755, excluding transaction costs, which is included in interest and other income.

DREAM OFFICE REIT

PROPERTY MANAGEMENT AGREEMENTS

The Trust's wholly owned and co-owned office properties are managed by Dream Office Management Corporation ("DOMC"). DOMC is owned by Dream Office REIT. Pursuant to a property management agreement, DOMC performs property management services, including tenant administration, leasing services, accounting, etc., for a fee of 3.5% of income property revenues.

SERVICES AGREEMENT

The Trust entered into a services agreement ("Service Agreement") with DOMC on July 8, 2014. Pursuant to the Service Agreement, DOMC provides administrative and support services, including the use of office space, office equipment, communication services and computer systems, and the provision of personnel in connection with accounts payable, human resources, taxation and other services. DOMC receives a monthly fee sufficient to reimburse it for the expenses incurred in providing these services. Certain costs are capitalized to respective projects.

For the year ended		**December 31, 2025**		December 31, 2024
Fees incurred pursuant to the property management agreements	**$**	**1,923**	$	2,427
Fees incurred pursuant to the Service Agreement		**1,175**		1,027
Total fees incurred to DOMC	**$**	**3,098**	$	3,454

		December 31, 2025		December 31, 2024
Total (receivable) payable to DOMC for property management agreements	**$**	**(154)**	$	97
Total payable to DOMC for Service Agreement	**$**	**771**	$	82

Subsequent to December 31, 2025, the Trust paid $429 for amounts payable to DOMC within amounts payable and accrued liabilities.

KEY MANAGEMENT COMPENSATION

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly. The Trust's key management personnel is the Board of Trustees.

Compensation expense for key management personnel is shown in the table below:

For the year ended		**December 31, 2025**		December 31, 2024
Compensation	**$**	**305**	$	277
Unit-based awards(1)		**366**	$	413
Total	**$**	**671**	$	690

(1) Deferred trust units granted to officers and Trustees vest over a five-year period with one-fifth of the deferred trust units vesting each year. Amounts are determined based on the grant date fair value of deferred trust units multiplied by the number of vested deferred trust units in the year.

24. SUPPLEMENTARY CASH FLOW INFORMATION

Amortization and depreciation includes:

For the year ended		**December 31, 2025**		December 31, 2024
Lease incentives	**$**	**907**	$	1,114
Deferred financing costs		**661**		743
Accretion on convertible debentures		**250**		267
Total	**$**	**1,818**	$	2,124

Other adjustments include:

For the year ended	December 31, 2025	December 31, 2024
Other non-current assets	$ (1,025)	$ 496
Deferred financing costs	—	(177)
Gain from sale of interest in investment holdings[1]	—	(2,802)
Return on investment from participating mortgage receivable[1]	—	(340)
Gain on disposition of equity accounted investment[1]	—	(2,755)
Fair value adjustments to financial instruments	4,554	(7)
Interest capitalized to lending portfolio balance	(77)	(763)
Deferred unit compensation recovery	(350)	14
Deferred income tax recovery	(587)	(9,923)
Total	$ 2,515	$ (16,257)

[1] Included in "Interest and other income" within the consolidated statements of comprehensive income (loss). The balance within interest and other income relates to interest earned on the Trust's cash.

Non-cash working capital includes cash generated from:

For the year ended	December 31, 2025	December 31, 2024
Lending portfolio interest income accrual	$ —	$ 82
Amounts receivable	520	1,011
Prepaid expenses and other current assets	379	106
Amounts payable and other liabilities	3,985	(651)
Total	$ 4,884	$ 548

During the year ended December 31, 2024, the Trust received $7,200 from the return of capital on the mortgages receivable and recoveries from its investment in a hospitality asset. As at December 31, 2024, the Trust carried a $nil balance on these development and investment holdings and does not have an ownership interest.

During the year ended December 31, 2025, cash interest paid was $15,972 (year ended December 31, 2024 – $15,114) and cash taxes paid was $nil (year ended December 31, 2024 – $nil).

During the year ended December 31, 2025, investments in building improvements included net settlements of $205 (year ended December 31, 2024 – net settlements of $181), investments in lease incentives and initial direct leasing costs included accrued liabilities of $528 (year ended December 31, 2024 – accrued liabilities of $230), a fair value gain of $138 (year ended December 31, 2024 – fair value losses to derivative financial liabilities of $2,390), a fair value adjustment on the interest rate swap settlement of $1,731 (year ended December 31, 2024 – $nil), transfer of accounts payable and accrued liabilities related to assets held for sale of $2,092 (year ended December 31, 2024 – $nil), transfer of amounts receivable to assets held for sale of $537 (year ended December 31, 2024 – $nil), transfer of other non-current assets related to assets held for sale of $65 (year ended December 31, 2024 – $nil), and accrued interest payable of $464 (year ended December 31, 2024 – $633).

25. COMMITMENTS AND CONTINGENCIES

Dream Impact and its operating subsidiaries are contingently liable under guarantees that are issued in the normal course of business and with respect to litigation and claims that arise from time to time. In the opinion of the Asset Manager, any liability that may arise from such claims would not be expected to have a material adverse effect on the consolidated financial statements of the Trust and while Dream Impact endeavours to comply with its obligations in respect of such normal guarantees, as noted below, if any such guarantees were called, the Trust's liquidity and overall financial condition could be adversely affected.

OTHER COMMITMENTS

As at December 31, 2025, guarantees on underlying loan amounts of third parties and certain development arrangements and contingent liabilities were $375,575 (December 31, 2024 – $385,747). Our guarantees include contingent liabilities on our joint venture partners' obligations for certain investments. These exclude our share of the obligations based on our ownership interest in the investment, which is included in equity accounted investments on our consolidated statements of financial position. In the event that the Trust became liable for such contingent liabilities on our joint venture partners' obligations, the Trust would have available the joint venture partners' share of assets to satisfy such obligations that may arise. However, there can be no assurance that such joint venture partners' share of assets would be sufficient to satisfy such obligations, in which case the Trust would be required to fund such obligations from its own assets, which could have a material adverse impact on the Trust's liquidity and overall financial condition. From time to time, the Trust may be required to fund capital contributions to its various investments.

26. CAPITAL MANAGEMENT

The Trust’s capital consists of debt, including mortgages payable, a loan with Dream, convertible debentures and unitholders’ equity. The Trust’s objectives in managing capital are to ensure that adequate funds are available to meet our property-level, development and debt commitments which include covering fixed costs, financing costs and to provide the resources needed to develop development properties.

Various debt, equity and earnings distribution ratios are used to ensure capital adequacy and monitor capital requirements. Significant indicators include the weighted average interest rate, average term to maturity of debt and variable debt as a proportion of total debt. These indicators assist the Trust in assessing that the debt level maintained is sufficient to provide adequate cash flows for capital expenditures, and for evaluating the need to raise funds for further expansion. Certain mortgages payable, construction and land loans, including those held as equity accounted investments, have debt covenant requirements that are monitored by the Trust to ensure there are no defaults. These covenants include debt-to-asset value ratios, minimum unitholders' equity balances, and debt service coverage ratios. These covenants are measured at the subsidiary limited partnership level. For the Trust's project-level covenants, the Trust was in compliance as at December 31, 2025. Subsequent to December 31, 2025, a letter of credit in the amount of $726 (December 31, 2024 – $411) was issued to satisfy a debt service coverage ratio shortfall for one of the Trust's commercial asset mortgages within the defined cure period. Further debt service shortfalls on the facility may require additional letters of credit to be posted.

The Trust’s equity consists of units in which the carrying value is impacted by earnings, and unitholders' distributions, if applicable. The distribution policy is subject to change in the future at the discretion of the Board of Trustees.

27. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

The following is a summary of the nature and extent of risks arising from financial instruments and how the Trust manages those risks, including market, credit and liquidity risks.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of interest rate risk, currency risk and other market price risk. The Trust has exposure to interest rate risk primarily as a result of its variable rate debt within its equity accounted investments. In addition, there is interest rate risk associated with the Trust's fixed rate debt due to the expected requirement to refinance such debts in the year of maturity. The Trust is exposed to the variability in market interest rates and credit spreads on maturing debt to be renewed. In order to manage exposure to interest rate risk, the Trust endeavours to maintain an appropriate mix of fixed and variable-rate debt, manage maturities of fixed-rate debt, match the nature of the debt with the cash flow characteristics of the underlying asset and undertake hedging strategies when appropriate.

The amounts recorded in these consolidated financial statements are based on the latest reliable information available to management at the time of preparation. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

The Trust is exposed to the variability in market interest rates on maturing debt payable to be renewed. As at December 31, 2025, 72% of the Trust's consolidated debt was fixed or hedged. The variable rate debt included the liability related to an asset held for sale which was repaid subsequent to December 31, 2025. Excluding liabilities related to assets held for sale, consolidated debt that was fixed or hedged was 100% as at December 31, 2025.

LIQUIDITY RISK

As at December 31, 2025, the Trust had a negative working capital of $120,209, excluding assets and liabilities related to assets held for sale. The negative working capital included $71,750 related to the Trust's 2022 Debentures and 2025 Debentures maturing in 2027 and 2031, respectively. Irrespective of the maturity date, the Debentures are classified as current liabilities due to the conversion feature in accordance with the IAS 1 amendments adopted in 2024. The working capital balance also includes a promissory note for $32,569 on a specific project and is classified as a current liability as it is contractually due on demand. Repayment of the promissory note payable would be in the form of distributions from the underlying project. As this project is in the early planning stage, it is currently not expected to realize cash flows in the near term. As a result, the contractual term of the loan is different than the Trust's anticipated repayment date. Excluding the convertible debentures and the promissory note, there was a negative working capital of $15,890. Subsequent to December 31, 2025, the Trust received $6,500 in cash proceeds from the transfer of 49 Ontario to the new partnership.

While inherent uncertainty exists, the Trust monitors its liquidity such that it will be able to meet its financial obligations before or as they come due and actively manages its liquidity position through securing new debt financing, pursuing asset sales and reducing discretionary spend. Subsequent to December 31, 2025, the Trust amended and restated the Dream loan to, among other things, increase the capacity of the loan to $50,000, secured by a pledge on certain equity accounted investments. The amended and restated facility bears an effective interest rate equal to the higher of 10% or 6% above CORRA. As at February 13, 2026, $21,000 was drawn on the facility.

A summary of the Trust's contractual maturity dates of amounts payable and other liabilties and consolidated debt is as follows:

As of December 31, 2025	Amounts payable and other liabilities	Debt principal	Interest on debt	Total
2026[1]	$ 9,516	$ 46,302	$ 15,233	$ 71,051
2027[2][3]	—	185,130	8,721	193,851
2028	—	—	4,050	4,050
2029	—	—	4,050	4,050
2030	—	21,000	3,717	24,717
2031[4]	—	30,000	975	30,975
Total scheduled payments as of December 31, 2025	$ 9,516	$ 282,432	$ 36,746	$ 328,694

[1] Promissory note reflects the contractual term.
[2] Includes a liability related to an asset held for sale for $80,000, with a contractual maturity in 2027, which was repaid subsequent to December 31, 2025.
[3] Includes a $40,000 convertible debenture due on December 31, 2027, which is classified as a current liability as a result of a conversion feature, in accordance with IAS 1.
[4] During the year ended December 31, 2025, the Trust amended the 2021 Debentures ($30,000 of principal) to extend the term to maturity by five years to 2031.

Credit risk

Credit risk related to income properties and developments arises from the possibility that tenants may not fulfill their lease or contractual obligations. The Trust mitigates its credit risk from its tenants by evaluating the creditworthiness of new tenants and obtaining security deposits where possible. The Trust assessed the effect of current economic conditions on the credit risk of our tenants and counterparties, which included the review of the risk profiles of its tenant base. During the year ended December 31, 2025, the Trust collected 99% of its rental revenue from consolidated commercial properties (year ended December 31, 2024 – 99%).

With respect to the Trust's equity accounted investments, credit risk may also arise from a customer that may not be able to complete their purchase of a condominium unit. This risk is mitigated at the project level through requiring deposits on signing, mortgage pre-approvals on initial deposit, actively monitoring collection of interim occupancy payments, working with project-specific mortgage brokers, where applicable, retaining title to the underlying unit until final closing, and initiating recovery procedures when required.

Credit risk may also arise from a borrower that may not be able to honour its debt commitments as a result of a negative change in market conditions that could result in a loss to the Trust. Credit risk related to financial guarantees provided by the Trust arises from the possibility that guarantors, including counterparties, default on their financial obligations, which could trigger acceleration of the Trust's indebtedness, including under other agreements that contain cross-default or cross acceleration provisions. The Trust mitigates these risks by actively monitoring the mortgage receivables, loan investment and financial guarantees, and initiating recovery procedures in a timely manner when required. During the year ended December 31, 2025, the Trust did not recognize a loan provision on its lending portfolio (year ended December 31, 2024 –$nil). During the year ended December 31, 2025, loan repayments of $5,741 were received, including interest (year ended December 31, 2024 – $2,520).

The maximum exposure to credit risk at December 31, 2025 was the contractual value of its lending portfolio and amounts receivable from tenants of $7,222 (December 31, 2024 – $12,683) and other commitments in Note 25. The Trust has recourse under these investments in the event of default by the borrower, in which case the Trust would have a claim against the underlying collateral, though there is no guarantee that such collateral would be sufficient to satisfy obligations. Cash and deposits carry minimal credit risk as all funds are maintained with highly reputable lenders.

28. FAIR VALUE MEASUREMENTS

Quoted market prices represent a Level 1 valuation. When quoted market prices are not available, the Trust maximizes the use of observable inputs. When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3. The Trust's policy is to recognize transfers between fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the year ended December 31, 2025, no transfers were made between Levels 1, 2 and 3. The following tables summarize fair value measurements recognized or disclosed in the consolidated financial statements by class of asset or liability and categorized by level according to the significance of the inputs used in making the fair value measurements:

		Fair value		
December 31, 2025	**Carrying value**	**Level 1**	**Level 2**	**Level 3**
Recurring measurements				
Income properties	**$ 87,097**	**$ —**	**$ —**	**$ 87,097**
Conversion feature of convertible debentures	**2,154**	**—**	**—**	**2,154**
Interest rate swaps	**917**	**—**	**917**	**—**

		Fair value		
December 31, 2024	Carrying value	Level 1	Level 2	Level 3
Recurring measurements				
Income properties	$ 248,766	$ —	$ —	$ 248,766
Interest rate swaps	2,786	—	2,786	—

Financial instruments carried at amortized cost are noted below:

		Fair value		
December 31, 2025	**Carrying value**	**Level 1**	**Level 2**	**Level 3**
Fair values disclosed				
Lending portfolio – amortized cost	**$ 6,591**	**$ —**	**$ —**	**$ 7,196**
Dream loan	**21,000**	**—**	**—**	**21,000**
Convertible debentures – host instrument	**69,596**	**—**	**—**	**67,258**
Promissory note	**32,569**	**—**	**—**	**32,615**
Mortgages payable	**78,788**	**—**	**—**	**78,823**

		Fair value		
December 31, 2024	Carrying value	Level 1	Level 2	Level 3
Lending portfolio – amortized cost	$ 12,161	$ —	$ —	$ 11,094
Convertible debentures – host instrument	68,235	—	—	67,335
Promissory note	32,569	—	—	32,820
Mortgages payable	171,860	—	—	171,539

At December 31, 2025, amounts receivable, cash, and amounts payable and other liabilities approximate fair value due to their short-term nature.

INCOME PROPERTIES

The Trust's income properties includes wholly and co-owned commercial properties included in Note 8, in addition to commercial and multi-family rental properties held within equity accounted investments in Note 10. The Trust estimates the fair value of each income property using the most appropriate valuation methodology determined for each property on a highest and best use basis, which may include the discounted cash flow and direct cap method or, in certain circumstances, the direct comparison approach.

Certain income properties are measured at fair value using the discounted cash flow method, which results in these measurements being classified as Level 3 in the fair value hierarchy. Valuations of these income properties are most sensitive to changes in discount rates and terminal cap rates. Certain income properties whereby highest and best use is considered development potential are measured using the direct comparison approach. The direct comparison approach considers recent activity for similar land parcels in similar markets adjusted for various factors, as applicable, including location, intended use, zoning, servicing and configuration. The direct comparison method results in these measurements being classified as Level 3 in the fair value hierarchy. Each of the Trust's multi-family rental properties within equity accounted investments are measured at fair value using the direct capitalization method for the underlying project. The direct capitalization method considers capitalization rates and stabilized NOI.

The key assumptions in the valuation of income properties are as follows:
• Adjustments – made to compensate for differences between comparable sales and the subject property.
• Terminal cap rate – rate used to estimate the resale value of the property.
• Future cash flows – based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties.
• Discount rate – reflecting current market assessments of the uncertainty in the amount and timing of cash flows.
• Market comparisons – are considered similar to the subject property.
• Capitalization rates – based on the actual location, size and quality of the properties, and available market data.
• Stabilized NOI – normalized property operating revenues less property operating expenses.

INCOME PROPERTIES VALUATION PROCESS
The Trust is responsible for determining the fair value measurements included in the consolidated financial statements. DAM, in its capacity as Asset Manager for the Trust, provides the Trust with a valuation of each income property every quarter, as calculated by the respective property managers. The valuations team is headed by an experienced valuator. From time to time, DAM engages independent, professionally qualified valuators who hold a recognized relevant professional qualification and have recent experience in the locations and categories of the income properties to complete valuations of selected properties. DAM's objective is to have each property valued by an independent valuator at least once every three years. For properties subject to an independent valuation report, the valuations team verifies all major inputs to the valuations and reviews the results with the independent valuators. Discussion of valuation processes, key inputs and results are held between the Trust and the valuations team at least once every quarter, in line with the Trust's quarterly reporting rules. Changes in Level 3 fair values are analyzed at each reporting date during the quarterly valuation discussions between the Trust and the valuations team.

DEBT
The fair value of debt as at December 31, 2025 was determined by discounting the expected cash flows of each debt instrument using an assessment of the market interest rate ranging from 4.1% to 10.0%. The market interest rates were determined using the Government of Canada benchmark bond yield for instruments with corresponding maturity dates, plus a credit spread in accordance with the Trust's assessment of credit risk. In determining the adjustment for credit risk, the Trust considered market conditions, the value of the properties that the mortgages are secured by and other indicators of the Trust's creditworthiness.

The significant unobservable inputs used in the fair value measurement of the conversion feature on the convertible debentures are as follows:.

• Volatility – the Trust calculated the expected volatility of the conversion features using historical pricing of similar companies in the industry. The volatility used as at December 31, 2025 was 29.8%.

If the volatility used in the fair value calculation were to increase or decrease by 5%, the value of the conversion feature would increase by $742 and decrease by $706, respectively.

Trustees and Directors

Pauline Alimchandani[Ind.,2]
Toronto, Ontario
Chief Financial Officer
Great Canadian Entertainment

Amar Bhalla[Ind.,1,2,3,4,6]
Toronto, Ontario
President
Capit Investment Corp.

Dr. Catherine Brownstein[Ind.,1,2,5]
Brookline, Massachusetts
Assistant Professor
Harvard Medical School

Michael J. Cooper[2]
Toronto, Ontario
President & Chief Responsible Officer
Dream Unlimited Corp.

Joanne Ferstman[Ind.,2,4,5]
Toronto, Ontario
Corporate Director

Robert Goodall[Ind.,1,2,3,4,5]
Toronto, Ontario
President
Canadian Mortgage Capital Corp.

Jennifer Lee Koss[Ind.,1,2,3,4,5]
Oslo, Norway
Founding Partner
Springbank

Legend:
Ind. Independent

1. Member of the Trust Board
2. Member of the GP Board
3. Member of the Audit Committee of the Trust Board
4. Member of the Audit Committee of the GP Board
5. Member of the Governance, Compensation and Environmental Committee
6. Chair of the Trust and GP Board

Management Team

Michael J. Cooper
Portfolio Manager

Derrick Lau
Chief Financial Officer

Corporate Information

HEAD OFFICE

Dream Impact Trust
30 Adelaide Street East, Suite 301
Toronto, Ontario M5C 3H1
Phone: (416) 365-3535
Fax: (416) 365-6565

INVESTOR RELATIONS

Phone: (416) 365-3535
Toll free: 1 877 365-3535
Email: info@dreamimpacttrust.ca
Website: www.dreamimpacttrust.ca

TRANSFER AGENT

(for change of address, registration or other unitholder enquiries)

Computershare Trust Company of Canada
320 Bay Street, 14th Floor
Toronto, Ontario M5H 4A6
Phone: (514) 982-7555 or 1 800 564-6253
Fax: (416) 263-9394 or 1 888 453-0330
Website: www.computershare.com
Email: service@computershare.com

AUDITOR

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500
Toronto, Ontario M5J 0B2

CORPORATE COUNSEL

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place,
Suite 6200
Toronto, Ontario M5X 1B8

STOCK EXCHANGE LISTING

The Toronto Stock Exchange Listing Symbol: MPCT.UN

For more information, please visit **dreamimpacttrust.ca**

dream impact trust

Corporate Office

30 Adelaide Street East, Suite 301
Toronto, Ontario M5C 3H1
Phone: 416.365.3535
Fax: 416.365.6565
www.dreamimpacttrust.ca
info@dreamimpacttrust.ca