MANAGEMENT'S DISCUSSION AND ANALYSIS

OF

ANTHEM CITIZEN REAL ESTATE DEVELOPMENT TRUST

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

Dated: November 19, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

This Management's Discussion and Analysis ("MD&A") outlines, for Anthem Citizen Real Estate Development Trust (the "REDT"), operating strategies, risk profile considerations, business outlook and analysis of its results of operations and financial conditions for the three and nine months ended September 30, 2026 ("Q3 2026"). This MD&A should be read in conjunction with the REDT's unaudited interim financial statements for the three and nine months ended September 30, 2026 ("Q3 2026 Financial Statements"), unaudited interim financial statements for the three and nine months ended September 30, 2025 ("Q3 2025 Financial Statements") and the audited consolidated financial statements for the year ended December 31, 2025 ("Year End Financial Statements") and accompanying notes. The documents are available on SEDAR+ at www.sedarplus.com.

The REDT's board of trustees (the "Board") approved the content of this MD&A on November 19, 2026. Disclosure in this document is current to that date unless otherwise stated.

The REDT was formed for the purpose of indirectly owning an interest in a real estate development project known as Citizen, located in the Metrotown neighbourhood of Burnaby, British Columbia (the "Project"). On October 29, 2024, the REDT invested in Anthem Metro King Developments LP (the "Project LP") and acquired an indirect interest in the Project. The Project LP was formed as a limited partnership under the laws of British Columbia on May 21, 2019, pursuant to a partnership agreement, as amended on November 28, 2019 and October 29, 2024. Anthem Metro King Developments GP Ltd. (the "General Partner") has the authority to administer and carry out the day-to-day business and affairs of the Project LP. The Project LP's registered and head office is located at Suite 1100 Bentall IV Box 49200, 1055 Dunsmuir Street, Vancouver, BC, V7X 1K8, Canada. The REDT is managed by Anthem Properties Group Ltd (the "Manager"). The General Partner engaged the Manager and certain of its affiliates, to manage the Project including providing development management, construction management, and sales & marketing services. Property management services will be provided by the Manager following completion of construction of the Project.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this MD&A may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward looking information may relate to the REDT's future outlook and anticipated events, including expectations regarding the Project and its stages of construction, including its disposition (and disposition of the owned property neighbouring the Project), and the timing thereof, future results, performance, achievements, prospects or opportunities for the REDT or the real estate industry and may include statements regarding the financial position, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans and objectives of, or involving, the REDT. Such forward-looking information in some cases, can be identified by terminology such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond the REDT's control, affect the operations, performance and results of the REDT and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results.

Material factors and assumptions used by management of the REDT to develop the forward-looking information include, but are not limited to, the REDT's current expectations about: real property ownership and revenues; construction and development risk; obtaining necessary building and occupancy permits for the Project; the realization of property value appreciation and timing thereof; the inventory of mixed-use properties; competition from developers of mixed-use properties; the Burnaby, British Columbia real estate market; government legal and regulatory changes; property encumbrances relating to the Project; significant fixed expenditures and fees in connection with the maintenance, operation and administration of the Project; closing and other transaction costs in connection with the disposition of the Project; the availability of financing and current interest rates; revenue shortfalls; assumptions about rental growth rates, hotel occupancy and average daily rates in the Canadian mixed-use real estate market;

demographic trends; fluctuations in interest rates; litigation risks; the relative illiquidity of real property investments; the Canadian economic environment; the geographic concentration of the REDT's business; natural disasters and severe weather; demand levels for mixed-use properties in the Metro Vancouver area and local economic conditions; negative geopolitical events; public health crises; the capital structure of the REDT; distributions; capital depletion; potential conflicts of interest; reliance on the good faith and ability of the project manager to manage and operate the Project; reliance on property management companies; the limited operating history of the REDT; the limited experience of management of the REDT with respect to managing a reporting issuer; the limited liquidity of the REDT's trust units; and tax laws and policies. While management of the REDT considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

Although the Manager believes that the expectations reflected in such forward-looking statements are reasonable and represent the REDT's internal projections, expectations and beliefs at this time, such statements involve known and unknown risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the REDT's control, may affect the operations, performance and results of the REDT, and could cause actual results in future periods to differ materially from current expectations of estimated or anticipated events or results expressed or implied by such forward-looking statements. Such factors include, among other things, the availability of mortgage financing for the Project, and general economic and market factors, including interest rates, prospective purchasers of real estate, the attractiveness of the Project and the ability of the REDT to achieve a Liquidity Event (as defined in the REDT's prospectus dated October 16, 2024 (the "Prospectus")), business competition, public health crises and disease outbreaks, changes in government regulations or income tax laws, and the further risks identified herein, including at "Risk Factors".

Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information. The forward-looking information included in this MD&A relate only to events or information as of the date on which the statements are made in this MD&A. Except as specifically required by applicable Canadian securities law, the REDT undertakes no obligation to update or revise publicly any forward-looking information, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

BASIS OF PREPARATION

The Q3 2026 Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") Accounting Standards as issued by the International Accounting Standards Board. The Q3 2026 Financial Statements have been prepared on a historical cost basis. Unless otherwise stated, amounts expressed in this management's discussion and analysis are in CAD dollars ($).

The Q3 2026 Financial Statements have been prepared for the specific purposes of reporting on the financial position, financial performance, changes in equity and cash flows of the REDT as required by applicable Canadian securities laws.

BUSINESS OVERVIEW AND RECENT DEVELOPMENTS

The REDT is an unincorporated investment trust established and governed by the laws of the Province of British Columbia pursuant to a declaration of trust dated September 6, 2024, which was subsequently amended on October 16, 2024 (the "Declaration of Trust"). The registered and head office of the REDT is Suite 1100 Bentall IV Box 49200, 1055 Dunsmuir Street, Vancouver, BC, V7X 1K8, Canada. The REDT was established for the purpose of indirectly owning an interest in the Project. The development site is located in the heart of Metrotown, directly across Kingsway Boulevard from the Metropolis at Metrotown shopping centre (British Columbia's largest shopping centre) and within close proximity to the Metrotown SkyTrain station (approximately 650 meters). The development will feature a 66-storey mixed-use tower comprised of 738,712 square feet of gross floor area. The tower will include the following uses: (i) 372 condominium units (top 34 storeys of the building); 200 market rental units; 73 non-market, affordable rental units; 176 hotel suites; and 4,881 square feet of retail space.

On October 29, 2024, the REDT completed an initial public offering of 8,200,000 REDT units for gross proceeds of $82,000,000. The REDT invested the net proceeds to acquire a controlling, 72% limited partnership interest in the Project. The previous owners of the Project LP hold Class B units and retained an indirect 28% non-controlling interest in the Project.

The REDT is authorized to issue various classes of trust interests. An unlimited number of class A units ("Class A Units") and class F units ("Class F Units", and together with the Class A Units, "Units") have been authorized for issuance. The Class A Units and Class F Units are denominated in Canadian dollars. As of the date of this MD&A, the REDT had 5,653,870 Class A Units and 2,527,630 Class F Units issued and outstanding.

Investment Objectives

The REDT's investment objectives are to:

(a) provide unitholders with an opportunity to indirectly own an interest in the Project, and

(b) declare and pay to unitholders cash distributions out of the available operating cash flow of the REDT (to the extent available); and

(c) achieve a Liquidity Event.

Investment Strategy

The Manager is seeking to: (i) construct the Project, (ii) occupy and sell all the strata residential units, (iii) occupy, lease-up and stabilize the intended rental units, (iv) operate and stabilize the intended commercial component, (v) operate and actively manage the intended commercial and rental building components following occupancy with the intention of maximizing net operating income of the building, and (vi) complete a Liquidity Event. The Manager utilizes its past experience constructing, occupying, leasing, stabilizing, refinancing and ultimately monetizing assets of similar quality and size.

Investment Restrictions

The Declaration of Trust provides certain restrictions on investments that may be made directly or indirectly by the REDT. The assets of the REDT may be invested only with the approval of the Board and only in accordance with the following restrictions:

(a) the REDT may invest, indirectly through the Project LP, in the Project and assets ancillary thereto necessary for the operation of the Project, including following completion of development of the Project, and such other activities as are consistent with the other investment restrictions;

(b) other than investments in the Project LP and its subsidiaries for purposes of investing in the Project, as described herein, the REDT shall not, directly or indirectly, invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by the REDT, including for greater certainty, joint venture arrangements with the General Partner and its affiliates ("Anthem"). For purposes hereof, a "joint venture arrangement" is an arrangement between the REDT and one or more other persons (including for greater certainty, Anthem) pursuant to which the REDT, directly or indirectly, conducts an undertaking for one or more of the purposes set out in the investment guidelines of the REDT and in respect of which the REDT may hold its interest jointly or in common or in another manner with others either directly or through the ownership of securities of a corporation or other entity, or through a tenancy-in-common at a Project level;

(c) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to the investment restrictions and operating policies of the REDT, the REDT may not hold securities of a person

other than to the extent such securities would constitute an investment in real property (as determined by the Board);

(d) the REDT shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(e) notwithstanding any other provisions of the Declaration of Trust, the REDT shall not take any action, or acquire, retain or hold any investment in any entity or other property that would result in the REDT not qualifying as a "unit trust" and a "mutual fund trust", that would result in the REDT, the Project LP or any other investee of the REDT being a "SIFT trust" or a "SIFT partnership"; or that would result in any Units not being "qualified investments" for trusts governed by Plans, in each case within the meaning of the *Income Tax Act* (Canada) and the regulations promulgated thereunder;

(f) the REDT shall not invest the net subscription proceeds from its initial public offering in securities of a publicly traded entity; and

(g) if the REDT invests, directly or indirectly, in securities of an issuer managed by the Manager or any of its affiliates, there will be no duplication of fees chargeable in connection with such investment.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

Interim Financial Performance

The REDT's financial performance for the three months ended September 30, 2026, as well as the prior quarters in which the REDT operated, and for the year ended December 31, 2025 and period from formation on September 6, 2024 to December 31, 2024, is summarized below:

	Three months ended							Year ended	
	September 30, 2026 (unaudited)	June 30, 2026 (unaudited)	March 31, 2026 (unaudited)	December 31, 2025 (unaudited)	September 30, 2025 (unaudited)	June 30, 2025 (unaudited)	March 31, 2025 (unaudited)	Period from formation on September 6, 2024 to December 31, 2024 (audited)	December 31, 2025 (audited)
Revenue:									
Rental	$ 15,000	$ 15,000	$ 15,000	$ 60,000	$ -	$ -	$ -	$ -	$ 60,000
Expenses:									
Asset management fee	205,000	205,000	205,000	205,000	205,000	205,000	205,000	136,667	820,000
General and administrative	48,584	71,278	56,343	273,462	23,183	77,603	58,774	168,135	433,022
Sales and marketing	530	582	3,595	1,601	20,331	(3,995)	5,907	6,628	23,844
	254,114	276,860	264,938	480,063	248,514	278,608	269,681	311,430	1,276,866
Loss before finance income	(239,114)	(261,860)	(249,938)	(420,063)	(248,514)	(278,608)	(269,681)	(311,430)	(1,216,866)
Finance income	7,659	6,412	9,379	8,124	9,138	6,067	100,678	-	124,007
Loss and comprehensive loss	$ (231,455)	$ (255,448)	$ (240,559)	$ (411,939)	$ (239,376)	$ (272,541)	$ (169,003)	$ (311,430)	$ (1,092,859)
Loss and comprehensive loss attributable to:									
Non-controlling interests	$ (231,455)	$ (255,448)	$ (240,559)	$ (411,939)	$ (239,376)	$ (272,541)	$ (169,003)	$ (311,430)	$ (1,092,859)
Loss and comprehensive loss per unit (basic and diluted)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Interim Financial Position

The REDT's financial position as at September 30, 2026 and December 31, 2025 is summarized below:

	September 30, 2026	December 31, 2025
Property under development	$ 262,451,728	$ 215,074,021
Other assets	18,973,868	17,141,296
Current liabilities	113,830,638	70,025,957
Non-current liabilities	57,373,440	51,184,925

Discussion of Operations

Interim Results of Operations

The Project is currently in the construction phase and progressing in line with expectations. Excavation and shoring commenced in October 2024 and completed in October 2025. Following completion of this work, the Project transitioned into the structure phase. The tower crane was erected in July 2025, and the full building permit was issued in August 2025.

The parkade structure and Level 1 slab formwork are complete. The Project transitioned to above grade in Q2 2026, with work now at Level 8. The podium concrete structure for the hotel will be completed in January 2027.

Tendering activity is progressing as expected, with approximately 80% of trade contracts awarded. The remaining scopes, which primarily relate to finishing work, will be tendered in upcoming stages as construction advances above grade.

Construction and development costs of $42,003,709 were incurred for the nine months ended September 30, 2026, and included concrete, residential elevators, plumbing, structural steel, electrical, plumbing, construction and development management fees and property tax. In addition, $3,198,978 of borrowing costs were capitalized during the nine months ended September 30, 2026. With the exception of costs associated with sales and marketing of the Project, asset management fees, and general and administrative expenses of the REDT and the Project LP, all of the costs incurred during the nine months ended September 30, 2026, have been capitalized to the property under development.

The Project's results to date reflect its status of development, with no significant revenue generating operations. Revenue consisted of rental revenue and financing income, both of which are not material and do not reflect ongoing operational performance. Given the nature of the Project's operations, there is no meaningful seasonality in revenue or net income. Period to period changes are primarily driven by the timing and progression of the development and construction activities rather than cyclical or seasonal factors.

Asset Management Fee

Pursuant to the management agreement signed on October 29, 2024 (the "Management Agreement"), the Manager is entitled to receive an annual fee in the amount of 1% of the gross subscription proceeds from the REDT's initial public offering (the "Gross Subscription Proceeds") per annum. A fee of $205,000 and $615,000 has been accrued for the three and nine months ended September 30, 2026 and 2025, respectively, and will be paid upon a Liquidity Event, assuming the applicable minimum return is achieved.

General and Administrative

Other expenses for the three and nine months ended September 30, 2026 of $48,584 and $176,205, respectively ($23,183 and $159,560 for the three and nine months ended September 30, 2025), remained consistent over the comparative periods and primarily consisted of miscellaneous general expenses. General and administrative expenses are not material for the periods presented and have therefore not been disaggregated.

Finance Income

Cash of the REDT is held in interest bearing accounts, resulting in interest income earned in the amount of $7,659 and $23,450 for the three and nine months ended September 30, 2026, respectively ($9,138 and $115,883 for the three and nine months ended September 30, 2025). The decrease in finance income during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, is due to the lower cash balance held by the REDT, as the cash on hand was used to fund development costs prior to the construction loan funding that occurred in March 2025.

Rental Revenue

Rental revenue for the three and nine months ended September 30, 2026 of $15,000 and $45,000, respectively ($nil for the three and nine months ended September 30, 2025), relates to a lease arrangement for the site construction office used by the construction manager. The payment of $60,000 for the year ended December 31, 2025 was recognized during the three months ended December 31, 2025, resulting in $nil recognized for the three and nine months ended September 30, 2025.

Loss and Comprehensive Loss

As the Project is in the construction phase, the majority of the costs incurred are capitalized to the property under development. The loss before finance income of $231,455 and $727,462 for the three and nine months ended September 30, 2026, respectively ($239,376 and $680,920 for the three and nine months ended September 30, 2025, respectively), was primarily due to the asset management fee and other expenses. The loss and comprehensive loss increased for the nine months ended September 30, 2026 to $727,462, as compared to the loss for the nine months ended September 30, 2025 of $680,920, primarily due to lower finance income as the REDT's cash balance was used to fund development costs prior to the construction loan funding.

The Project's operating activities during the three and nine months ended September 30, 2026 are consistent in nature with those undertaken during the three and nine months ended September 30, 2025. Accordingly, the underlying nature of the Project's income and expenses have not changed between the periods.

Property Under Development

The following table highlights key changes to the property under development since January 1, 2025:

Balance, January 1, 2025	$	168,121,708
Development costs		41,163,527
Capitalized borrowing costs		2,402,196
Amortization of intangible assets		3,386,590
Balance, December 31, 2025	$	215,074,021
Development costs		42,003,709
Capitalized borrowing costs		3,198,978
Amortization of intangible assets		2,175,020
Balance, September 30, 2026	$	262,451,728

The Project comprises two adjacent land parcels. The first parcel was included in the property under development indirectly acquired by the REDT on October 29, 2024. This parcel is the location of the Project. The second parcel of land is a neighbouring property, acquired by the REDT on October 31, 2024 for $12,000,000 plus closing costs, which does not form the lands required for construction of the Project. The neighbouring property was acquired by the REDT to obtain necessary crane swing and underpinning rights for the Project. The neighbouring property will ultimately be sold at market value.

Additions to the property under development during the nine months ended September 30, 2026 included $42,003,709 of development costs and $3,198,978 of borrowing costs. The development costs primarily related to construction costs of $40,324,438, including concrete, residential elevators, plumbing, structural steel, electrical, plumbing general requirements and construction management fees. Additional soft costs incurred included development management fees, property taxes, consultant costs and finance costs.

Interim Cash Flows

The following table details the changes in cash for the nine months ended September 30, 2026 and September 30, 2025:

	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Cash used in operations	$ (34,417,001)	$ (13,577,604)
Cash provided by (used in) financing activities	37,841,595	1,438,146
Increase (decrease) in cash	$ 3,424,594	$ (12,139,458)

Cash on hand at September 30, 2026 was $6,559,476 (September 30, 2025 - $2,233,542).

Cash used in operations for the nine months ended September 30, 2026 was $34,417,001, compared to cash used in operations of $13,577,604 for the nine months ended September 30, 2025. The increase in cash used in operations of $20,839,397 was primarily driven by a $14,258,895 increase in additions to property under development, reflecting a ramp-up in active construction following the funding the construction loan during the three months ended March 31, 2025. Additionally, deposits received on real estate sales were lower by $6,703,667 for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, pursuant to purchase and sale agreements entered into during the pre-sale campaign that completed in May 2024.

Cash provided by financing activities was $37,841,595 for the nine months ended September 30, 2026, compared to cash provided by financing activities of $1,438,146 for the nine months ended September 30, 2025. This variance was driven by the status of the construction loan in each respective period. During the nine months ended September 30, 2026, cash provided by financing activities consisted of draws on the construction loan, partially offset by borrowing and finance costs paid. Cash provided by financing activities for the nine months ended September 30, 2025, was primarily attributable to the repayment of the acquisition loan, partially funded by the initial draw on the construction loan during the three months ended March 31, 2025.

Liquidity and Capital Resources

The REDT expects to be able to meet all of its obligations, including any distributions to unitholders, as they become due.

During the period ended December 31, 2024, the REDT entered into a $458,560,000 construction financing facility to fund the remainder of the Project. The construction financing facility bears interest only payments at an interest rate of prime + 1.00% or CORRA + 2.80% per annum. Included in the construction financing facility is a letter of credit facility of $8,000,000 bearing a fee of 1.20% per annum, based on the face amount of each letter of credit issued. The construction financing facility is due on demand with a maturity date of February 28, 2030. The acquisition loan was

fully repaid in March 2025 and as at September 30, 2026, $106,713,077 (December 31, 2025 - $65,602,284) was drawn on the construction loan.

The REDT is committed to construction expenditures which have estimated costs to complete of approximately $139,300,000 as of September 30, 2026 (December 31, 2025 - $168,400,000) and are to be funded by the construction loan.

The REDT does not expect to have cost overruns in respect of the Project and the Manager has budgeted contingencies for the Project. However, in the event of a future incremental equity requirement or cost overrun requiring additional equity in the Project, Anthem has committed to provide the equity for such cost overruns by acquiring additional units ("Cost Overrun Units").

Material Accounting Policies

A summary of the material accounting policies is available in Note 2 of the Year End Financial Statements.

Use of Estimates and Judgments

The preparation of Q3 2026 Financial Statements in conformity with IFRS requires management to make certain estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. A full list of critical judgments and estimates can be found in Note 1(c) of the Year End Financial Statements.

Equity Attributable to Unitholders

The REDT is authorized to issue two classes of REDT interests. Initially, an unlimited number of Class A units and Class F units have been authorized for issuance. The Class A Units and Class F Units are denominated in CAD. In connection with the initial public offering, the REDT issued 5,658,870 Class A Units and 2,541,130 Class F Units. During the nine months ended September 30, 2026, 5,000 Class A Units (September 30, 2025 – no units) and no Class F Units (September 30, 2025 – no units) were redeemed. As of the date of this MD&A, the REDT had 5,653,870 Class A Units and 2,527,630 Class F Units issued and outstanding.

Each unitholder is entitled to one vote per unit and votes of unitholders will be conducted with holders of Class A Units and Class F Units voting together as a single class. Notwithstanding the foregoing, if the Board determines that the nature of the business to be transacted at a meeting affects unitholders of one class of units in a manner materially different from its effect on unitholders of another class of units, the Units of such affected class will be voted separately as a class.

RELATED PARTY TRANSACTIONS AND ARRANGEMENTS

As at September 30, 2026, the REDT had entered into various transactions with related parties which are described below. The REDT's related parties are all entities related by virtue of common control with one of the previous owners of the Project LP.

Management Agreements

The REDT engaged the Manager, APG Construction Ltd. and Anthem Realty Ltd. ("Anthem Realty") for services pursuant to the development management, construction management, and sales and marketing agreements, respectively.

The Project LP is charged 3% of applicable project costs pursuant to each of the development management and construction management agreements, which are capitalized to property under development.

The fees charged pursuant to the sales and marketing agreement with Anthem Realty, in the amount of 2% of the net selling price on each unit sold prior to the date of acquisition, are capitalized to intangible assets. As at September 30, 2026 $3,119,198 (December 31, 2025 - $3,969,888) was recorded as intangible assets and $2,173,986 (December 31, 2025 - $1,323,296) was amortized into property under development, all of which were charged by Anthem Realty prior to October 29, 2024.

The Project LP also entered into property management agreements for the rental residential and commercial components with the Manager and Anthem Realty. During the three and nine months ended September 30, 2026 and September 30, 2025, no amounts were charged to the Project LP pursuant to these agreements as the property management agreements will commence upon project completion.

Additionally, on October 29, 2024, the REDT entered into a management agreement with the Manager. Pursuant to this agreement, the Manager is entitled to receive an annual fee in the amount of 1% of the Gross Subscription Proceeds per annum. The fee will be paid upon an applicable Liquidity Event, provided that minimum returns are achieved.

The following table details the fees incurred for the three and nine months ended September 30, 2026 and September 30, 2025:

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Development management fees	$ 427,440	$ 427,440	$ 1,282,320	$ 1,282,320
Construction management fees	400,676	317,974	1,174,498	620,697
Asset management fees	205,000	205,000	615,000	615,000
	$ 1,033,116	$ 950,414	$ 3,071,818	$ 2,518,017

Lease Arrangements

The Project LP entered into a single tenant gross lease with APG Construction Ltd., to lease out premises for a site construction office for the Project. The annual payment pursuant to the agreement is $60,000. During the three and nine months ended September 30, 2026, $15,000 and $45,000, respectively (three and nine months ended September 30, 2025 - $nil and $nil) was received and recognized as rental revenue.

Amounts Due to and Due from Related Parties

Due to related parties is comprised of the following:

	September 30, 2026	December 31, 2025
Asset management fees payable	$ 1,571,666	$ 956,667
Development and construction management fees payable	118,427	138,376
General and administrative reimbursement payable	157,629	47,355
Unpaid sales commissions	2,646,592	2,646,592

Due from related parties is comprised of the following:

	September 30, 2026	December 31, 2025
General and administrative reimbursement receivable	$ -	$ 92,454

All of the above transactions are measured in terms of the exchange amount, which is the amount of consideration established and agreed upon by the related parties, and are due on demand and are non-interest bearing.

The REDT does not employ key management personnel. Management services, strategic oversight, accounting and administrative duties of managing the Project are managed through the development management agreement and construction management agreement.

CARRIED INTEREST

The holders of Class B units of the Project LP are entitled to a carried interest. After the following amounts have been paid, 70% of all further distributions made by the Project LP will be distributed as carried interest:

- a minimum return of 15% per annum, including the return of invested capital, on Gross Subscription Proceeds to REDT unitholders;
- an equivalent minimum return, including the return of invested capital, to Anthem as the holder of any Cost Overrun Units;
- an equivalent minimum return, including the return of invested capital, to the previous owners of the Project as holders of Class B units of the Project LP; and
- the asset management fee, where applicable.

The carried interest is calculated at the unit-class level after allocating the appropriate amounts to each unit class based on its proportionate class interest.

As at September 30, 2026, the REDT did not recognize a provision for carried interest.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The REDT's financial instruments consist of cash, deposits held in trust, restricted cash, due from related parties, due to related parties, debt on property, and accounts payable and accrued liabilities. These financial instruments are used to support development activities. The REDT does not enter into financial instrument arrangements for speculative purposes.

The REDT's activities expose it to financial risk including interest rate risk, credit risk and liquidity risk. The responsibility to manage risk rests with the General Partner, in conjunction with the Manager. The overall risk management strategy seeks to minimize potential adverse effects on the financial performance of the Project.

(a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The REDT's debt on property bears interest at floating rates. As such, fluctuations in interest rates will impact the cost of financing in the future. The REDT would be negatively impacted if interest rates were to increase beyond currently forecasted future interest rates.

The REDT includes forecasted future interest rates in its budgeting and forecasting process and monitors its interest rate exposure on an ongoing basis.

(b) Credit risk:

Credit risk is the risk of financial loss to the REDT if a customer or counterparty to a financial asset fails to meet its contractual obligation. The REDT is exposed to credit risk relating to non-performance of purchasers on presales. The REDT mitigates its credit risk by requiring graduated deposits from buyers and withholding real estate title until final payments are received.

(c) Liquidity risk:

Liquidity risk is the risk that the REDT will not be able to meet its financial obligations as they fall due in the normal course of business. The financial liabilities of the REDT consist of debt on property, due to related parties and accounts payable and accrued liabilities.

The following were the contractual maturities of financial liabilities and other commitments as at September 30, 2026:

	< 1 year	> 1 year	Total
Debt on property	$ 106,713,077	$ -	$ 106,713,077
Due to related parties	276,056	4,218,258	4,494,314
Accounts payable and accrued liabilities	8,446,750	8,454,962	16,901,712
	$ 115,435,883	$ 12,673,220	$ 128,109,103

Due to related parties and accounts payable and accrued liabilities that have contractual maturities beyond one year pertain to construction holdback payables, an environmental provision for soil remediation, the asset management fee and sales commissions payable at closing of the respective strata residential unit.

As at September 30, 2026, the REDT continues to meet its contractual obligation with normal payment terms.

Cash flow from financing activities represents the primary source of liquidity to the entity. The entity's cash flow from financing activities is dependent upon equity invested by its investors and receipt of construction financing from a lender. The REDT manages this risk through detailed monitoring of budgeted and projected Project costs and cash requirements. The Manager has formal monthly meetings addressing the expected cash inflows and outflows to reduce any potential liquidity risk and is also in constant discussions with lenders regarding renewal terms in the normal course of business. The construction financing facility is due on demand and does not include any financial covenants. Based on the nature of the financing, the borrower's long history and relationship with the lenders, and the fact that the Project is on schedule and on budget, management's view is that the liquidity risk arising from a potential demand repayment is remote. Management believes that future funding of operations will be satisfied from current cash on hand, funding of construction financing, or additional contributions pursuant to the Cost Overrun Units, if required.

OFF-BALANCE SHEET ARRANGEMENTS

In the normal course of development, the REDT is required to issue letters of credit to the City of Burnaby (or other beneficiaries). These letters of credit are to secure the Projects obligations pursuant to development agreements signed with the beneficiaries and include a wide range of works and services, such as those related to off-site civil works, street lighting, on-site and off-site landscaping, public art, energy standards, and various public amenities. The beneficiaries have the right to call on the letters of credit if the Project LP defaults on its obligations, which obligates the REDT to pay money to the beneficiaries based on terms outlined in the letters of credit. Under IFRS, these letters of credit are disclosed as contingencies of the REDT and only recorded on the condensed consolidated interim financial statements if they are drawn upon.

Under the terms of the REDT's construction loan, a letter of credit facility is available to fund these obligations up to $8,000,000, bearing fees at 1.20% per annum. As at September 30, 2026, the REDT has total outstanding letters of credit of $5,605,563 (December 31, 2025 - $5,605,563). The letters of credits in place as at September 30, 2026 are consistent with those outstanding as at December 31, 2025.

RISK FACTORS

There are certain risks inherent in an investment in the Units and in the activities of the REDT. Risks and uncertainties are disclosed or referenced in the REDT's MD&A for the year ended December 31, 2025 which is available at www.sedarplus.com. Current and prospective investors of the REDT should carefully consider such risk factors, as well as the other risks disclosed herein.

FUTURE OUTLOOK

The objective of the Manager is to successfully develop the Project into a mixed-use tower including condominium units, market and non-market rental units, hotel suites and retail space.

The $458,560,000 construction financing facility that the REDT entered into during the period ended December 31, 2024 was funded in March 2025. The facility is intended to fund the remainder of the construction of the Project.

Following construction completion, the Project is expected to achieve the closing of the strata units, the sale of the rental and commercial components and a Liquidity Event within five years of the closing of the REDT's initial public offering.

There have been no material changes to the anticipated timing and costs of the Project from what was disclosed in the Prospectus filed by the REDT for its initial public offering.

ADDITIONAL INFORMATION

Additional information relating to the REDT can be found on SEDAR+ at www.sedarplus.com.