NICOLA REAL ESTATE

Nicola Canadian Real Estate Limited Partnership Quarterly Report | Q3 2025

Objective

Nicola Canadian Real Estate Limited Partnership's (NCRELP) objective is to provide clients of Nicola Wealth access to long-term investments in real estate throughout Canada. Returns are generated from rental income, capital appreciation and historically stable distributions primarily from net operating income.

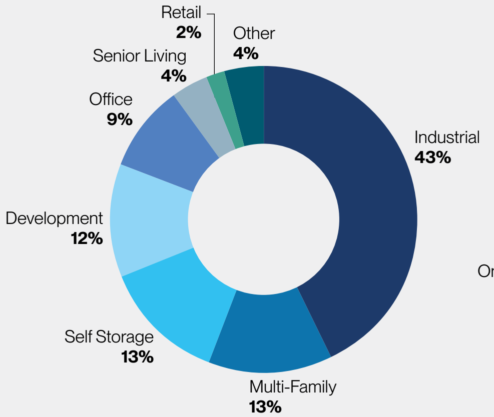
Strategy

NCRELP invests in income-producing properties with a long-term investment horizon. This includes a limited amount of "build-to-own" development properties. The portfolio is diversified by asset type (industrial, self storage, senior living, multi-family, office and retail) and geographic location across Canada.

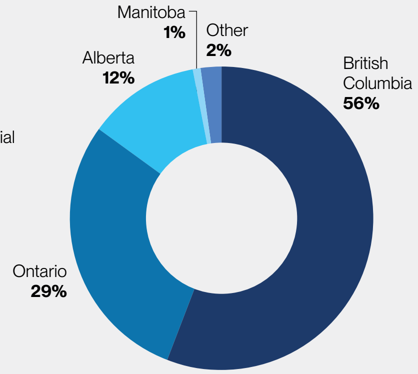
Stated in Canadian Dollars

Gross Asset Value

GROSS ASSET VALUE BY TYPE



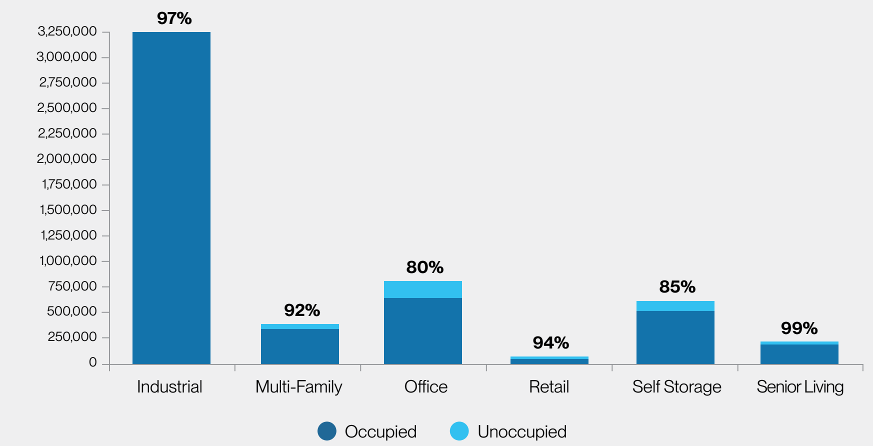
GROSS ASSET VALUE BY LOCATION



Key Statistics

Inception Date	**December 2005**
Net Asset Value	**$1.276 Billion**
NAV Per Unit (Class O)	**$148.57**
Number of Assets	**95**
Total Asset Value	**$2.746 Billion**
Debt Leverage Ratio	**49.7%**
Trailing 12 Month Distribution	**3.7%**
Total Square Feet	**5,923,508**
Portfolio Occupancy*	**92.9%**
Average Cap Rate*	**5.4%**
Average Cost of Debt	**4.4%**

Portfolio Occupancy by Square Foot



Returns for the period ending September 30, 2025

Year-to-date	**1.7%**
1 year	**2.1%**
3 year	**2.1%**
5 year	**7.4%**
10 year	**7.9%**
Since Inception	**8.7%**

Investment Activity

	Current Quarter	Value
Acquisitions	**1**	**$4.9M**
Dispositions	-	-
Acquisitions Under Contract	-	-
Dispositions Under Contract	-	-

** Development properties and non-stabilized completed projects are not included in the occupancy calculation. Additionally, any income generated during the holding, construction, and stabilization period is not considered in the LP's weighted cap rate determination. However, the value of the development properties and non-stabilized completed projects are included within Net Asset Value.*

Foothills Industrial Portfolio – Calgary, AB

Project Description: Acquired in June 2025, this portfolio is comprised of ten buildings totaling 497,436 sf separated into four clusters, all within the Foothills Industrial node. The strategy is to increase rents to market levels as leases mature and retain the properties long-term. A lease renewal with the largest tenant, occupying nearly 56,000 sf, was completed in August at a rental rate 25% higher than their expiring rent. This renewal helps de-risk the asset, support cash flow and enhance the property value.

Western Canadian Industrial Portfolio Re-Financing – BC & AB

Project Description: In August, five industrial properties, totaling 789,184 sf, located in BC and Alberta, were re-financed with a portfolio loan. The new loan facility is structured with interest-only payments at an attractive rate, which will help enhance the free cash flow from the properties. The portfolio structure also provides greater optionality in the event that properties are sold, and an accordion feature allows other properties to be financed under the same loan.

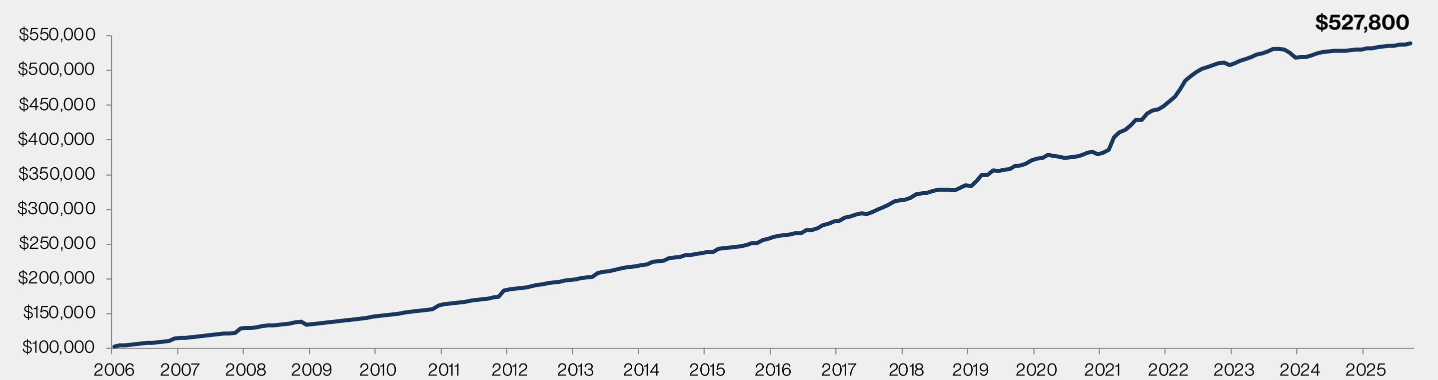
Hopkins Logistics – 901 Hopkins Street, Whitby, ON

Project Description: Completed in 2024, this asset is comprised of a 293,000-sf industrial building in Whitby, in close proximity to Highway 401. A new lease with a logistics company was recently completed for 146,000 sf. This is the second lease completed at this property, which is now 100% leased and de-risked, allowing the construction financing to be replaced with term-financing. This building is intended to be held long term as part of NCRELP's "build-to-own" strategy.

Toronto East Logistics – 601 Milner Avenue, Toronto (Scarborough), ON

Project Description: Completed in 2024, this asset is comprised of a 351,000-sf industrial building in Scarborough, in close proximity to Highway 401. A new lease with an equipment rental company was recently completed for 242,200 sf. This is the second lease completed at this property, which is now 100% leased and de-risked, allowing the construction financing to be replaced with term-financing. This building is expected to be retained long term as part of NCRELP's "build-to-own" strategy.

$100,000 Invested Since Inception



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