NICOLA REAL ESTATE

Nicola U.S. Real Estate Limited Partnership Quarterly Report | Q3 2026

Objective

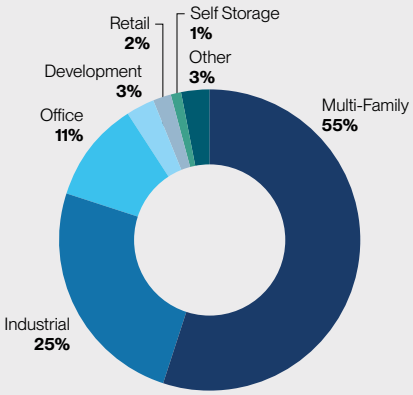
The Nicola U.S. Real Estate Limited Partnership's (NUSRELP) objective is to provide clients of Nicola Wealth access to long-term investments in real estate throughout the United States (US). Returns are generated from rental income, capital appreciation and historically stable distributions primarily from net operating income.

Strategy

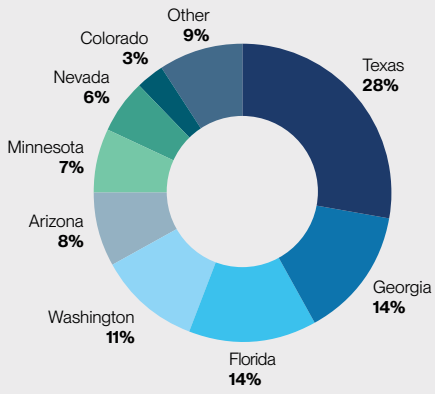
NUSRELP invests in income-producing properties with a long-term investment horizon. This includes a limited amount of "build-to-own" development properties. The portfolio is diversified by asset type (multi-family, industrial, office, retail and self storage) and geographic location across the US.

Gross Asset Value

GROSS ASSET VALUE BY TYPE



GROSS ASSET VALUE BY LOCATION

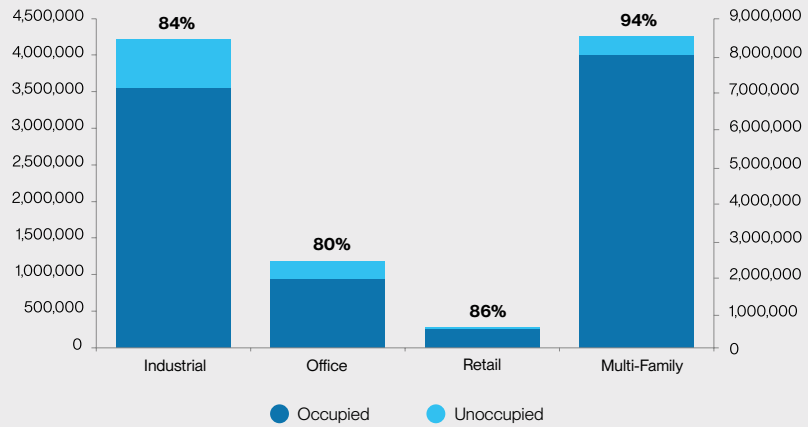


Stated in U.S. Dollars

Key Statistics

Inception Date	**June 2010**
Net Asset Value	**$1.391 Billion**
NAV Per Unit (Class O)	**$165.50**
Number of Assets	**172**
Total Asset Value	**$3.299 Billion**
Debt Leverage Ratio	**52.7%**
Trailing 12 Month Distribution	**3.2%**
Total Square Feet	**14,031,529**
Portfolio Occupancy*	**89.5%**
Average Cap Rate*	**5.6%**
Average Cost of Debt	**4.5%**

Portfolio Occupancy by Square Foot



** Development properties and non-stabilized completed projects are not included in the Portfolio Occupancy or Average Cap Rate calculation. However, the value of the development properties and non-stabilized completed projects are included within Net Asset Value.*

Returns for the period ending September 30, 2026

Year-to-date	**-1.1%**
1 year	**-0.9%**
3 year	**-2.3%**
5 year	**4.4%**
10 year	**7.5%**
Since Inception	**8.8%**

Investment Activity

	Current Quarter	Value
Acquisitions	-	-
Dispositions	**2**	**$12.54 M**
Acquisitions Under Contract	-	-
Dispositions Under Contract	**4**	**$61.95 M**



North Valley Industrial Park – Phoenix, AZ

Project Description: This 398,012-square foot industrial asset comprises six newly-constructed buildings located in the Deer Valley submarket of Phoenix, Arizona. The project was constructed in two phases: phase 1 was built in 2023 and is 100% leased, while the second phase was completed in 2024 and a new lease was executed in Q3 for 27,916-square feet, bringing phase 2 to approximately 76% leased. We continue to see steady leasing interest at the property.



Gateway Corporate Center – Seattle, WA

Project Description: Gateway Corporate Center is a 263,740-square foot multi-tenant flex industrial complex located in Tukwila, Washington close to SeaTac International Airport. In Q3, a motor vehicle manufacturer signed a new ten-year lease for space that will be converted into a mechanic training facility. The lease increased the property's occupancy to more than 90%, supporting the asset's long-term income profile.



Nathan Lane and Aspen Distribution Center – Minneapolis, MN

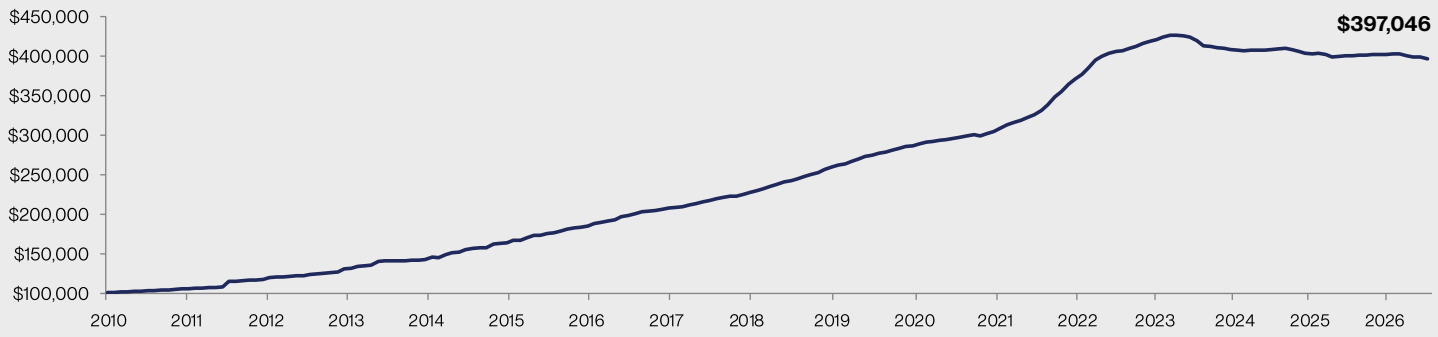
Project Description: Acquired in 2021 as part of a larger Minneapolis industrial portfolio, this approximately 250,000-square foot, two-building multi-tenant industrial asset was marketed for sale through a competitive process during Q3. The offer generated significant interest from prospective purchasers, resulting in the execution of a firm and binding sale agreement during the quarter. The sale closed in early October, resulting in a favourable outcome for NUSRELP.



South Diamond Lake – Minneapolis, MN

Project Description: Acquired in 2021 as part of a larger Minneapolis industrial portfolio, South Diamond Lake is a 70,100-square foot single-tenant flex-industrial building located in Rogers, Minnesota. During Q3, an existing Fortune 200 tenant signed a ten-year lease renewal for the entire property. The renewal extends occupancy within the asset and supports the overall stability of the Minneapolis Industrial Portfolio held by NUSRELP.

$100,000 Invested Since Inception



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