NICOLA REAL ESTATE

Nicola Canadian Real Estate Limited Partnership Quarterly Report | Q3 2026

Objective

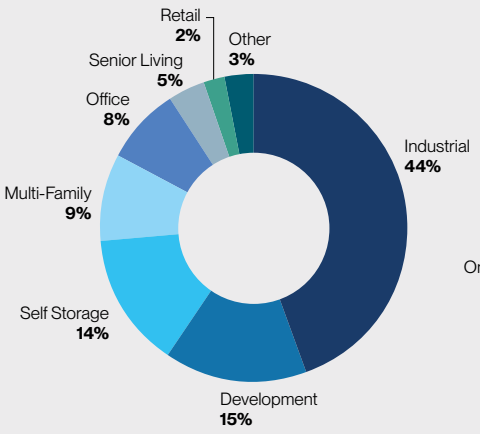
Nicola Canadian Real Estate Limited Partnership's (NCRELP) objective is to provide clients of Nicola Wealth access to long-term investments in real estate throughout Canada. Returns are generated from rental income, capital appreciation and historically stable distributions primarily from net operating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

Strategy

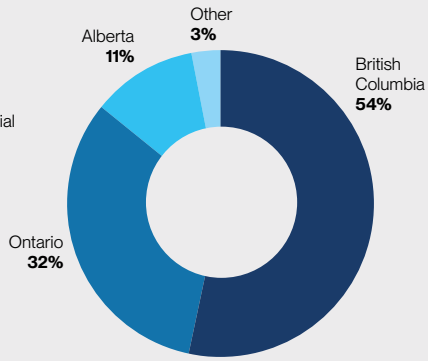
NCRELP invests in income-producing properties with a long-term investment horizon. This includes a limited amount of "build-to-own" development properties. The portfolio is diversified by asset type (industrial, self storage, senior living, multi-family, office and retail) and geographic location across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

Gross Asset Value

GROSS ASSET VALUE BY TYPE



GROSS ASSET VALUE BY LOCATION

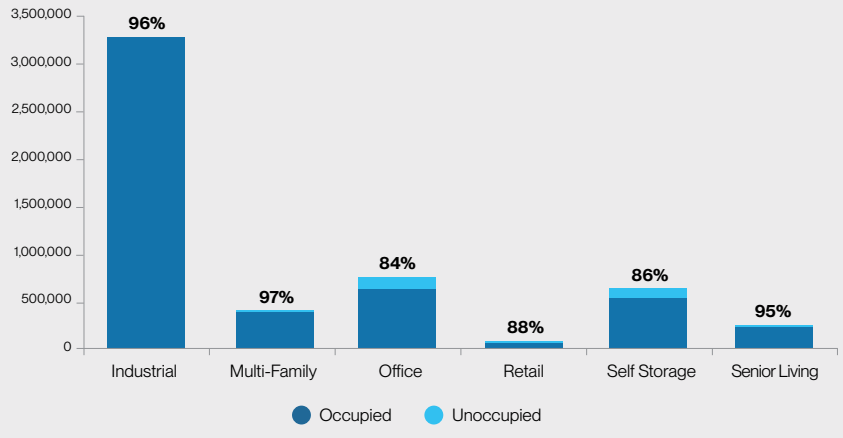


Stated in Canadian Dollars

Key Statistics

Inception Date	**December 2005**
Net Asset Value	**$1.219 Billion**
NAV Per Unit (Class O)	**$143.41**
Number of Assets	**91**
Total Asset Value	**$2.626 Billion**
Debt Leverage Ratio	**49.8%**
Trailing 12 Month Distribution	**2.2%**
Total Square Feet	**6,140,687**
Portfolio Occupancy*	**93.4%**
Average Cap Rate*	**5.5%**
Average Cost of Debt	**4.2%**

Portfolio Occupancy by Square Foot



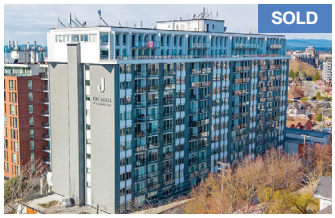
** Development properties and non-stabilized completed projects are not included in the Portfolio Occupancy or Average Cap Rate calculation. However, the value of the development properties and non-stabilized completed projects are included within Net Asset Value.*

Returns for the period ending September 30, 2026

Year-to-date	**-1.3%**
1 year	**-1.4%**
3 year	**0.0%**
5 year	**4.0%**
10 year	**6.9%**
Since Inception	**8.2%**

Investment Activity

	Current Quarter	Value
Acquisitions	-	-
Dispositions	**2**	**$118.80 M**
Acquisitions Under Contract	-	-
Dispositions Under Contract	-	-



The James at Harbour Towers – Victoria, BC

Project Description: The James at Harbour Towers is a 219-unit multi-family rental apartment building located in Victoria's James Bay neighbourhood. Originally acquired in 2015, the team identified the property as a disposition candidate earlier this year as part of the Fund's efforts to manage its exposure to the Victoria multi-family rental market, particularly given the Fund's other apartment development projects completing in the next year. During NCRELP's ownership, the property was converted from a hotel to a multi-family rental asset, creating value through the repositioning of the property. The sale closed in Q3, resulting in a favourable outcome for NCRELP.



Spencer Block – Victoria, BC

Project Description: This mixed-use development comprises 278 market rental units, approximately 19,000-square feet of retail space, and a shared parkade on a 1.5-acre site. The project reached key milestones during Q3, including its grand opening and partial occupancy of an initial phase of 116 residential units, along with opening of the parkade, and a central courtyard amenity. As of the end of October 2026, the first phase of the residential component is 80% leased. We anticipate the remaining phase of the project to be completed in Q1 2027.



Deerfoot Junction 1 & 2 – Calgary, AB

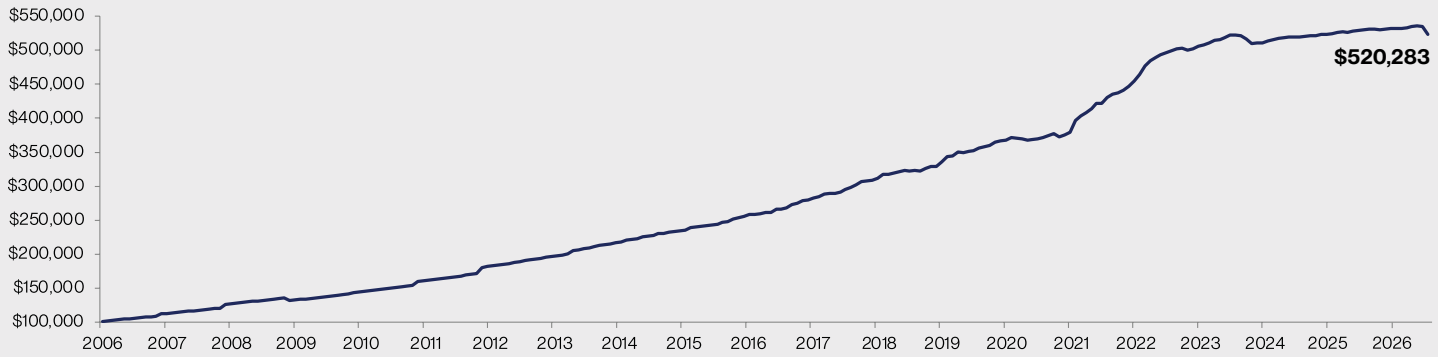
Project Description: This property consists of two adjoining suburban office buildings totaling approximately 94,000-square feet in Calgary's northeast energy corridor. A new ten-year lease was signed in Q3 for approximately 10,000-square feet with a power engineering services provider. Combined with another lease signed earlier in 2026, these transactions have increased the property's committed occupancy from approximately 33% to 93% upon lease commencement, supporting long-term cash flow for NCRELP.



Dogwood Building – Victoria, BC

Project Description: This property is a 47,997-square-foot brick-and-beam office building located in Victoria's Inner Harbour. In July 2026, a new lease was signed with an education technology company for the entire sixth (top) floor—a 8,234-square foot space that became available following the relocation of an existing tenant within the building. The newly signed lease supports the property's income profile and contributes to improved occupancy.

$100,000 Invested Since Inception



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