Northview™

Management's Discussion and Analysis

For the three months ended March 31, 2024 and 2023

ADVISORIES

The following Management's Discussion and Analysis ("MD&A") of the results of operations and financial condition, dated May 10, 2024, of Northview Residential REIT ("Northview" or the "REIT") should be read in conjunction with the cautionary statement regarding forward-looking information below, as well as the unaudited condensed consolidated interim financial statements of Northview and notes thereto for the three months ended March 31, 2024 and 2023 (the "interim financial statements") and the audited consolidated financial statements for the years ended December 31, 2023 and 2022 (the "annual financial statements"). The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A should also be read in conjunction with Northview's annual MD&A for the years ended December 31, 2023 and 2022 (the "annual MD&A"). Additional information related to Northview, including periodic quarterly reports filed with the Canadian securities regulatory authorities and Northview's Annual Information Form dated March 20, 2024, are available on SEDAR+ at www.sedarplus.com.

This MD&A is intended to provide readers with management's assessment of the performance of Northview, as well as its financial position and future prospects. The operating results for the three months ended March 31, 2024 are not necessarily indicative of results that may be expected for the year ended December 31, 2024 due to seasonal variations in utility costs and other factors. All amounts in this MD&A are in Canadian dollars unless otherwise stated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this MD&A constitutes forward-looking information within the meaning of applicable securities laws. Statements that reflect Northview's objectives, plans, goals, and strategies are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from future results expressed, projected, or implied by such forward-looking information. In some instances, forward-looking information can be identified by the use of terms such as "may", "should", "expect", "will", "anticipate", "believe", "intend", "estimate", "predict", "potentially", "starting", "beginning", "begun", "moving", "continue", or other similar expressions concerning matters that are not historical facts. Forward-looking information in this MD&A includes, but is not limited to, statements made under the heading "Outlook" in this MD&A, the implementation of any changes relating to DC&P and ICFR as a result of the properties acquired pursuant to the Recapitalization Event (as defined herein), future maintenance expenditures, financing and the availability of financing and the terms thereof, the replacement of floating-rate debt with fixed-rate debt, the intention to sell select assets, the use of proceeds from any such sales, future economic conditions, the expected distributions of Northview, liquidity and capital resources, market trends, future operating efficiencies, tenant incentives, and occupancy levels. Such statements involve significant risks and uncertainties and are not meant to provide guarantees of future performance or results. These cautionary statements qualify all of the statements and information contained in this MD&A incorporating forward-looking information.

Forward-looking information is made as of May 10, 2024 and is based on information available to management as of that date. Management believes that the expectations reflected in forward-looking information are based upon reasonable assumptions; however, management can give no assurance that the actual results will be consistent with this forward-looking information. Factors that could cause actual results, performance, or achievements to differ materially from those expressed or implied by forward-looking information include, but are not limited to, the risks identified herein (including at "Risk Factors"), the risks outlined in the annual MD&A (including at "Risk Factors"), and those discussed in Northview's other materials filed with the Canadian securities regulatory authorities from time to time, as well: general economic conditions; the availability of a new competitive supply of real estate which may become available through construction; Northview's ability to maintain distributions at their current level; Northview's ability to maintain occupancy and the timely lease or re-lease of multi-residential suites, execusuites, and commercial space at current market rates; tenant defaults; changes in interest rates, which continue to be volatile and have trended upward since Northview's formation in 2020; changes in inflation rates, including increased expenses as a result thereof; Northview's qualification as a real estate investment trust ("REIT"); changes in operating costs; governmental regulations and taxation; fluctuations in commodity prices; and the availability of financing. Additional risks and uncertainties not presently known to Northview, or those risks and uncertainties that Northview currently believes to not be material, may also adversely affect Northview. Northview cautions readers that this list of factors is not exhaustive and that should certain risks or uncertainties materialize, or should underlying estimates or assumptions prove incorrect, actual events, performance, and results may vary materially from those expected.

Except as specifically required by applicable Canadian law, Northview assumes no obligation to update or revise publicly any forward-looking information to reflect new events or circumstances that may arise after May 10, 2024.

NON-GAAP AND OTHER FINANCIAL MEASURES

NON-GAAP FINANCIAL MEASURES

Certain measures in this MD&A do not have any standardized meaning as prescribed by generally accepted accounting principles ("GAAP") and are, therefore, considered non-GAAP financial measures and may not be comparable to similar measures presented by other issuers.

Adjusted funds from operations ("AFFO"): AFFO measures operating performance and is calculated as FFO (as defined herein) less a maintenance capital expenditure reserve. Maintenance capital expenditures are capital expenditures ("capex") that sustain and maintain existing assets. Management considers AFFO a useful measure of operating performance excluding the impact of maintenance capex. The most comparable GAAP measure to AFFO is net and comprehensive loss, for which a reconciliation is provided in "Other Consolidated Results – FFO and AFFO". AFFO is not a standardized financial measure under IFRS and, accordingly, may not be comparable to AFFO reported by other issuers. Northview's definition of AFFO differs from the Real Property Association of Canada ("REALPAC") definition, as set out in its January 2022 guidance "REALPAC Funds From Operations (FFO) & Adjusted Funds from Operations (AFFO) for IFRS" (the "REALPAC Guidance"), in that, when calculating AFFO, Northview (a) excludes accretion on Redeemable Units (as defined herein) and (b) excludes Recapitalization Event (as defined herein) costs.

Funds from operations ("FFO"): FFO measures operating performance and is calculated by adjusting net and comprehensive loss for distributions recognized in net and comprehensive loss, depreciation of property, plant and equipment excluding depreciation of assets that are not uniquely significant to the real estate industry items (for example, depreciation related to computer and auto assets); and fair value loss on investment properties, fair value loss on Exchangeable Units (as defined herein), accretion on Redeemable Units, and Recapitalization Event costs. Management considers FFO a useful measure of operating performance. The most comparable GAAP measure to FFO is net and comprehensive loss, for which a reconciliation is provided in "Other Consolidated Results – FFO and AFFO". FFO is not a standardized measure under IFRS and may differ from other issuers' methods of calculating FFO and, accordingly, may not be comparable to FFO reported by other issuers. Northview's definition of FFO differs from REALPAC Guidance in that, when calculating FFO, Northview (a) excludes accretion on Redeemable Units and (b) excludes Recapitalization Event costs.

NON-GAAP RATIOS

AFFO payout ratio: AFFO payout ratio is calculated as distributions declared to Unitholders (see "Non-GAAP and Other Financial Measures – Capital Management Measures") divided by AFFO for the previous twelve months. AFFO payout ratio is not a standardized measure under GAAP and, accordingly, this calculation may differ from other issuers' methods of calculating AFFO payout ratio and may not be comparable to AFFO payout ratio reported by other issuers. Management considers AFFO payout ratio a useful measure to assess the amount of cash distributed to Unitholders compared to the operating performance of the business.

AFFO per Unit: AFFO per Unit is calculated on a basic and diluted basis. AFFO per Unit – basic and AFFO per Unit – diluted are calculated as AFFO divided by the weighted average number of Units – basic or the weighted average number of Units – diluted, respectively (see "Non-GAAP and Other Financial Measures – Other Key Performance Indicators"). AFFO per Unit is not a standardized measure under GAAP and, accordingly, the calculation may differ from other issuers' methods for calculating AFFO per Unit and may not be comparable to AFFO per Unit reported by other issuers. Management considers AFFO per Unit a useful measure to assess the operating performance of the business relative to the entitlement of Unitholders.

FFO payout ratio: FFO payout ratio is calculated as distributions declared to Unitholders (see "Non-GAAP and Other Financial Measures – Capital Management measures") divided by FFO for the previous twelve months. FFO payout ratio is not a standardized measure under GAAP and, accordingly, this calculation may differ from other issuers' methods of calculating FFO payout ratio and may not be comparable to FFO payout ratio reported by other issuers. Management considers FFO payout ratio a useful measure to assess the amount of cash distributed to Unitholders compared to the operating performance of the business.

FFO per Unit: FFO per Unit is calculated on a basic and diluted basis. FFO per Unit – basic and FFO per Unit – diluted are calculated as FFO divided by the weighted average number of Units – basic or the weighted average number of Units – diluted, respectively (see "Non-GAAP and Other Financial Measures – Other Key Performance Indicators"). FFO per Unit is not a standardized measure under GAAP and, accordingly, the calculation may differ from other issuers' methods for calculating FFO per Unit and may not be comparable to FFO per Unit reported by other issuers. Management considers FFO per Unit a useful measure to assess the operating performance of the business relative to the entitlement of Unitholders.

CAPITAL MANAGEMENT MEASURES

Distributions declared to Unitholders: Aggregate distributions declared to holders of Class A trust units of Northview (“Class A Units”), holders of Class C trust units of Northview (“Class C Units”), and holders of Class F trust units of Northview (“Class F Units” and, collectively, with the Class A Units and Class C Units, the “Trust Units” and such holders, “Trust Unitholders”), plus aggregate distributions declared to holders of limited partnership units of subsidiary limited partnerships (“Exchangeable Units” and, such holders, “Exchangeable Unitholders”) and holders of redeemable limited partnership units of a subsidiary limited partnership (“Redeemable Units” and, such holders, “Redeemable Unitholders”, and, together with the Trust Units and Exchangeable Units, “Units” and such holders, “Unitholders”) that are exchangeable into Trust Units.

Debt to gross book value: Debt to gross book value is defined under the Declaration of Trust (as defined herein) as a percentage measure calculated as debt divided by gross book value. Debt consists of borrowings on the credit facilities and mortgages payable less cash and cash equivalents. Gross book value consists of the carrying value of investment properties and gross property, plant and equipment. Management considers it a useful measure to evaluate leverage. See the calculation of debt to gross book value in “Liquidity and Capital Resources – Capital Management”.

OTHER KEY PERFORMANCE INDICATORS

Certain other measures in this MD&A do not have standardized meanings and may not be comparable to similar measures presented by other issuers.

Average monthly rent (“AMR”): AMR is calculated as monthly gross rent net of lease incentives for the period divided by the number of occupied multi-residential suites as at the period-end date.

Net operating income (“NOI”) margin: NOI margin is calculated as NOI for the period divided by revenue for the period.

Occupancy: A percentage measure used by management to evaluate the performance of its properties on a comparable basis. The occupancy presented in this MD&A is financial occupancy based on AMR, excluding properties that have not reached stabilized occupancy. Management considers this an important operating metric to evaluate the extent to which revenue potential is being realized.

Same door revenues, expenses, net operating income, occupancy, and AMR: Measured for stabilized properties owned by Northview for both the current reporting period and on or before the first day of the previous annual reporting period. In this MD&A, stabilized properties are those that are owned and in operation by Northview for both the current reporting period and on or before January 1, 2023 are included in the same door calculation.

Weighted average number of Units – basic: The total Trust Units, Exchangeable Units, and Redeemable Units weighted for the period of time each was outstanding in the period presented. See also the calculation of the weighted average number of Units in “Liquidity and Capital Resources – Units”. Comparative periods have been restated to reflect the unit consolidation on a 1.75 to 1.00 basis that occurred in August 2023.

Weighted average number of Units – diluted: The total of the weighted-average number of Units – basic, plus additional Trust Units that are estimated to be issuable upon redemption of the outstanding Redeemable Units based on the average price of Northview’s Class A Units in the period, and Restricted Units eligible for conversion into Trust Units. See also the calculation of the weighted average number of Units in “Liquidity and Capital Resources – Units”. Comparative periods have been restated to reflect the unit consolidation on a 1.75 to 1.00 basis that occurred in August 2023.

BUSINESS OVERVIEW

Northview is a real estate investment trust established pursuant to a declaration of trust dated April 14, 2020 as most recently amended and restated on August 21, 2023 (the "Declaration of Trust") under the laws of the Province of Ontario for the primary purpose of acquiring, owning, and operating a portfolio of income-producing rental properties in secondary markets within Canada. Northview's portfolio consists of approximately 14,400 residential suites, 1.2 million sq. ft. of commercial space, and 200 execusuites across nine provinces and two territories. Northview's Class A Units currently trade on the Toronto Stock Exchange ("TSX") under the symbol "NRR.UN".

The head and registered office of Northview is located at Suite 200, 6131 6 Street SE, Calgary, Alberta, T2H 1L9.

On August 21, 2023, Northview completed its recapitalization transaction, which included the acquisitions of three high-quality portfolios consisting of 3,301 multi-residential suites ("acquired properties") and a transformation into Northview Residential REIT, an open-ended real estate investment trust (the "Recapitalization Event"). The Recapitalization Event provided Northview with further geographic diversification, grew total assets, and provided the foundation for future growth opportunities through a strengthened balance sheet and a reduction in overall leverage. The completion of the Recapitalization Event has enhanced Northview's ability to broaden and deepen its access to capital. Immediately following the closing of the Recapitalization Event, Northview's units were consolidated on a 1.75 to 1.00 basis. All references to the number of units and per unit amounts in this MD&A have been restated and are reflected on a post-consolidation basis.

Management reviews operations by market segment being the multi-residential segment and the commercial and execusuite segment. Management presents geographical reporting for Northern Canada, Western Canada, Atlantic Canada, and Central Canada. The operations of properties located in Québec, previously reported under Atlantic Canada, have been reallocated to Central Canada along with acquired properties from the Recapitalization Event. Comparative periods have been adjusted to reflect this change.

Regions	**Provinces and Territories**
Northern Canada	Northwest Territories and Nunavut
Western Canada	Alberta, British Columbia, and Saskatchewan
Atlantic Canada	New Brunswick, Newfoundland and Labrador, and Nova Scotia
Central Canada	Manitoba, Ontario, and Québec

As at March 31, 2024, Northview's portfolio consisted of the following suites, execusuites, and commercial square footage:

(number of suites, except as indicated)	**Multi-Residential Suites**	**Execusuites**	**Commercial (sq. ft.)**
Northern Canada[(1)]	2,472	200	753,000
Western Canada	6,181	—	143,000
Atlantic Canada	4,057	—	245,000
Central Canada	1,698	—	107,000
Total	**14,408**	**200**	**1,248,000**

(1) Multi-residential suites and commercial sq. ft. were impacted by two fires at two properties. 14 multi-residential suits and 3,585 commercial sq. ft. were damaged.

OUTLOOK

Northview owns and operates a high quality portfolio of income-producing properties that generate stable and growing income that allows the REIT to make sustainable distributions and create value for Unitholders. Northview accomplishes this through its commitment to providing quality housing for its residents while delivering high quality customer service, operational enhancements, and continued reinvestment in its properties. Northview also remains committed to strengthening its balance sheet through active debt management strategies and improving its cost of capital, while providing sustainable distributions to Unitholders.

The Canadian multi-residential real estate market is expected to remain strong driven by population growth, housing supply shortage, and the growing affordability gap on home ownership, all of which are driving demand for rental apartments. While Canada grapples with solving the housing crisis through policies designed to temper immigration and accelerate new housing supply, the demand for affordable accommodation is expected to continue. Northview expects to deliver solid operating results in 2024 through further occupancy growth and increasing rental rates.

In Northern Canada, rental revenue is expected to remain stable due to tight supply conditions, long-term leases with government tenants, sustained low vacancy, and high AMR reflecting the high operating cost environment.

Western Canada's economies, which are largely resource-based, have experienced strong commodity pricing and population growth which is driven by international immigration, inter-provincial migration, and sustained demand from the service industry. These are expected to continue to drive occupancy gains at a more moderate pace as occupancy approaches stabilized levels.

Atlantic Canada and Central Canada have diverse and stable economies with growing populations driven through immigration and are expected to deliver consistent returns.

The Bank of Canada held the overnight rate unchanged for the sixth straight policy decision in April 2024 and appear cautious on the timing and pace of future interest rate reductions, while monitoring movements in inflation, employment levels and economic growth. As there are indications of interest rate cuts in 2024, it is not possible to accurately predict the timing and extent, should they occur.

As part of its focus on strengthening its balance sheet, Northview has targeted approximately $100 to $150 million of non-core asset sales to reduce total debt.

2024 FIRST QUARTER RESULTS

(thousands of dollars, except as indicated)	As at March 31, 2024	As at December 31, 2023
Total assets	**2,735,875**	2,748,450
Total liabilities	**1,914,933**	1,918,398
Credit facilities	**333,744**	348,576
Mortgages payable	**1,391,507**	1,378,394
Debt to gross book value(1)	**65.5%**	65.1%
Weighted average mortgage interest rate	**3.78%**	3.80%
Weighted average term to maturity (years)	**4.8**	4.7
Weighted average capitalization rate	**6.41%**	6.41%
Multi-residential occupancy(3)	**95.4%**	94.7%
AMR ($)(3)	**1,333**	1,313

	Three Months Ended March 31	
(thousands of dollars, except as indicated)	**2024**	**2023**
Revenue	**68,845**	51,627
NOI	**37,767**	26,889
NOI margin(3)	**54.9%**	52.1%
Cash flows provided by operating activities	**9,472**	2,627
Distributions declared to Unitholders(1)	**9,858**	11,288
Distributions declared per Unit ($/Unit)		
Class A Unit	**0.2734**	0.5500
Class C Unit	**0.2734**	0.5804
Class F Unit	**0.2734**	0.5674
FFO payout ratio(2)(4)	**72.1%**	98.8%
AFFO payout ratio(2)(4)	**96.1%**	135.2%
Net and comprehensive loss	**(159)**	(9,421)
Per basic unit ($/Unit)	**0.00**	(0.46)
Per diluted unit ($/Unit)	**0.00**	(0.46)
FFO(2)	**13,106**	7,082
Per basic unit ($/Unit)(2)	**0.36**	0.35
Per diluted unit ($/Unit)(2)	**0.33**	0.35
AFFO(2)	**9,640**	4,379
Per basic unit ($/Unit)(2)	**0.27**	0.21
Per diluted unit ($/Unit)(2)	**0.24**	0.21
Weighted average number of Units – basic (000's)(3)	**36,056**	20,524
Weighted average number of Units – diluted (000's)(3)	**39,712**	20,524

(1) See "Non-GAAP and Other Financial Measures – Capital Management Measures".

(2) Non-GAAP financial measure or non-GAAP ratio. See "Non-GAAP and Other Financial Measures – Non-GAAP Financial Measures" and "Non-GAAP and Other Financial Measures – Non-GAAP Ratios".

(3) See "Non-GAAP and Other Financial Measures – Other Key Performance Indicators".

(4) Calculated for the period from April 1, 2023 to March 31, 2024.

2024 FIRST QUARTER REVIEW

NET AND COMPREHENSIVE LOSS

For the three months ended March 31, 2024, net and comprehensive loss of $0.2 million was lower than $9.4 million for the three months ended March 31, 2023 mainly driven by strong same door NOI results, as well as NOI and financing costs from acquisitions completed in 2023 as part of the recapitalization event (the "Recapitalization Event"). Related to the Recapitalization Event, there was a further decrease in net and comprehensive loss from new items including the fair value loss on Exchangeable Units, accretion expense on Redeemable Units, and distributions declared on Trust Units that are now accounted for under equity. See also "Liquidity and Capital Resources – Units".

FFO

For the three months ended March 31, 2024, FFO of $13.1 million was higher than $7.1 million for the comparative period in 2023. The increase was driven by same door NOI growth, additional NOI from the acquired properties partially offset by associated incremental financing costs, and savings from the termination of the asset management agreement. FFO per basic Unit of $0.36 was higher than $0.35 for the comparative period due to higher FFO partially offset by additional Units issued. FFO per diluted Unit of $0.33 was lower than $0.35 from the comparative period due to the dilutive impact of Redeemable Units.

The FFO payout ratios have improved as a result of the reduction to distributions in June 2023 and the completion of the Recapitalization Event in August 2023. For the three months ended March 31, 2024, distributions declared to Unitholders represented 75.2% of FFO compared to 159.4% in the comparative period. The FFO payout ratio for the twelve months ended March 31, 2024 was 72.1% compared to 98.8% for the same period in 2023.

NOI

Total NOI for the first quarter of 2024 increased $10.9 million or 40.5% from the first quarter of 2023 driven by $8.2 million of acquired property NOI, aligning with management's expectations, and higher same door NOI.

For the three months ended March 31, 2024, same door NOI increased by 9.9%, driven by 12.2% same door multi-residential NOI growth compared to the three months ended March 31, 2023. The increase was led by same door NOI growth of 27.5% in the Western Canada multi-residential segment that had gains in both AMR and occupancy.

Multi-residential same door occupancy for the first quarter of 2024 was 95.4%, a 170 bps improvement compared to the first quarter of 2023 mainly driven by a 400 bps increase in Western Canada.

Same door AMR of $1,343 as at March 31, 2024 was higher than $1,326 as at December 31, 2023 and $1,283 as at March 31, 2023. The increase from March 31, 2023 was driven by Western Canada as AMR increased by 7.3%.

DEBT MANAGEMENT

Northview manages its debt and interest rate exposure by refinancing mortgage debt for which the net proceeds may be used to repay borrowings on the credit facilities. Northview's credit facilities are subject to higher floating interest rates, while mortgage debt is generally at lower fixed interest rates. Where possible, Northview uses Canada Mortgage and Housing Corporation ("CMHC") insured mortgages to obtain new financing on more favourable terms.

Northview completed $71.9 million of mortgage financing for the three months ended March 31, 2024 at a weighted average interest rate of 4.84% of which net proceeds were used to repay $21.5 million of borrowings on the credit facilities.

As part of its focus on strengthening its balance sheet, Northview has targeted approximately $100 to $150 million of non-core asset sales to reduce total debt.

See also "Liquidity and Capital Resources – Capital Management".

2024 FIRST QUARTER OPERATING RESULTS

Operations include the multi-residential segment and the commercial and execusuite segment. While revenue is not typically impacted by seasonality, operating expenses are typically higher in the winter months, the first and fourth quarters of each year, due to higher utilities and other expenses.

CONSOLIDATED NOI

	Three Months Ended March 31					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**68,845**	51,627	33.4%	**54,473**	51,627	5.5%
Expenses						
General operating expenses	**15,716**	12,360	27.2%	**12,395**	12,360	0.3%
Utilities	**10,435**	8,554	22.0%	**8,692**	8,554	1.6%
Property tax	**4,927**	3,824	28.8%	**3,841**	3,824	0.4%
Total operating expenses	**31,078**	24,738	25.6%	**24,928**	24,738	0.8%
NOI	**37,767**	26,889	40.5%	**29,545**	26,889	9.9%
NOI margin (%)	**54.9%**	52.1%	280 bps	**54.2%**	52.1%	210 bps

Total NOI increased $10.9 million or 40.5% for the three months ended March 31, 2024, mainly due to $8.2 million of NOI contributions of the acquired properties that occurred in the third quarter of 2023 and same door NOI growth. NOI from the acquired properties was consistent with management's expectations.

Same door NOI increased by 9.9% for the three months ended March 31, 2024, relative to the comparative period in 2023. The growth was driven by improvements in NOI across all regions, with Western Canada contributing the most significant gains.

MULTI-RESIDENTIAL OPERATIONS

The multi-residential segment consists of apartments, townhomes, and single-family rental suites, for which rental contracts are typically twelve months, excluding leases with the government in Northern Canada that typically range from three to five years. Properties are located primarily in secondary markets that feature high barriers to entry and limited new supply.

Revenue includes rental revenue earned from residential lease agreements as well as other property income such as ancillary revenue from laundry facilities, storage rental revenue, and other fee income from tenants.

MULTI-RESIDENTIAL NOI

	Three Months Ended March 31					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**56,863**	40,406	40.7%	**43,116**	40,406	6.7%
Expenses						
General operating expenses	**12,935**	9,694	33.4%	**9,765**	9,694	0.7%
Utilities	**8,592**	6,863	25.2%	**6,944**	6,863	1.2%
Property tax	**4,160**	3,115	33.5%	**3,150**	3,115	1.1%
Total operating expenses	**25,687**	19,672	30.6%	**19,859**	19,672	1.0%
NOI	**31,176**	20,734	50.4%	**23,257**	20,734	12.2%
NOI margin (%)	**54.8%**	51.3%	350 bps	**53.9%**	51.3%	260 bps

REVENUE

Same door multi-residential NOI for the three months ended March 31, 2024 improved by 12.2% and NOI margin increased 260 bps relative to the same period of 2023 due to higher revenue by 6.7%. The revenue increase was driven by AMR improvements across all regions and a 400 bps increase in occupancy in Western Canada. AMR increased as certain regions had strong demand and occupancy driving higher rental rates on new leases.

AMR

	Same Door Q1 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Northern Canada	**2,312**	**2,312**	2,305	2,297	2,282	2,280
Western Canada	**1,129**	**1,211**	1,190	1,171	1,073	1,052
Atlantic Canada	**959**	**988**	970	950	909	902
Central Canada	**801**	**1,158**	1,140	1,140	772	767
Overall	**1,343**	**1,333**	1,313	1,301	1,299	1,283

OCCUPANCY

	Same Door Q1 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Northern Canada	**96.7%**	**96.7%**	96.2%	96.8%	96.4%	95.9%
Western Canada	**92.9%**	**93.1%**	92.4%	91.5%	89.7%	88.9%
Atlantic Canada	**97.5%**	**97.6%**	96.8%	97.2%	98.1%	98.4%
Central Canada	**99.3%**	**95.4%**	95.0%	95.2%	100.0%	100.0%
Overall	**95.4%**	**95.4%**	94.7%	94.7%	94.1%	93.7%

OPERATING EXPENSES

For the first quarter of 2024, multi-residential same door operating expenses rose by 1.0% compared to the first quarter of 2023 due to higher utility costs and easing of inflationary pressures on operating costs.

NORTHERN CANADA OPERATIONS

	Three Months Ended March 31					
	Total			Same Door		
(thousands of dollars)	2024	2023	Change	2024	2023	Change
Revenue	**16,573**	16,159	2.6%	**16,573**	16,159	2.6%
Operating expenses	**7,485**	7,310	2.4%	**7,485**	7,310	2.4%
NOI	**9,088**	8,849	2.7%	**9,088**	8,849	2.7%
NOI margin (%)	**54.8%**	54.8%	— bps	**54.8%**	54.8%	— bps

For the three months ended March 31, 2024, same door NOI increased by 2.7% compared to the same period in 2023 due to a 2.6% increase in revenue driven by AMR growth.

For the three months ended March 31, 2024, operating expenses increased by 2.4% compared to the prior period with NOI margin remaining flat. The increase in operating expenses was mainly driven by higher fuel oil costs due to increased consumption resulting from temporarily offline pellet boilers in Yellowknife, NT as well as a price increase in Nunavut of 11% effective January 2024.

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	Q1 2024	Q1 2023	Change (%)	Q1 2024	Q1 2023	Change (bps)
Northern Canada							
Northwest Territories	1,298	**1,847**	1,808	2.2%	**92.9%**	90.6%	230
Nunavut	1,174	**2,796**	2,755	1.5%	**99.5%**	99.7%	(20)
Northern Canada	2,472	**2,312**	2,280	1.4%	**96.7%**	95.9%	80

In the first quarter of 2024, AMR increased to $2,312 from $2,280 and occupancy increased to 96.7% compared to 95.9% in the prior period. The Northwest Territories was the significant contributor while Nunavut remained stable, consistent with the long-term government leases.

WESTERN CANADA OPERATIONS

	Three Months Ended March 31					
	Total			Same Door		
(thousands of dollars)	**2024**	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue	**21,700**	15,126	43.5%	**16,946**	15,126	12.0%
Operating expenses	**9,621**	7,999	20.3%	**7,857**	7,999	(1.8%)
NOI	**12,079**	7,127	69.5%	**9,089**	7,127	27.5%
NOI margin (%)	**55.7%**	47.1%	860 bps	**53.6%**	47.1%	650 bps

For the three months ended March 31, 2024, same door NOI increased by 27.5% compared to the same period in 2023 due to a 12.0% increase in revenue driven by both AMR and occupancy growth as well as a decrease in operating expenses. These changes led to a 650 bps increase in NOI margin.

For the three months ended March 31, 2024, operating expenses decreased by 1.8% compared to the prior period due to warmer weather conditions which required less snow removal and reduced utility consumption.

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	**Q1 2024**	**Q1 2023**	**Change (%)**	**Q1 2024**	**Q1 2023**	**Change (bps)**
Western Canada							
Alberta	4,479	**1,240**	1,052	17.9%	**93.7%**	89.6%	410
British Columbia	1,379	**1,037**	967	7.2%	**88.8%**	83.6%	520
Saskatchewan	323	**1,427**	1,337	6.7%	**99.0%**	99.2%	(20)
Western Canada	6,181	**1,211**	1,052	15.1%	**93.1%**	88.9%	420

AMR increased 15.1% to $1,211 from $1,052 in the prior period due to the acquired properties having a higher AMR reflecting exposure to new markets and newer-built products, as well as an increase in same door AMR of 7.3%.

In the first quarter of 2024, occupancy reached 93.1%, marking a 420 bps increase from the first quarter of 2023. The occupancy gain was mainly driven by a 400 bps improvement in same door occupancy of 92.9% due to population growth and sustained demand for rentals.

ATLANTIC CANADA OPERATIONS

	Three Months Ended March 31					
	Total			Same Door		
(thousands of dollars)	**2024**	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue	**12,115**	8,750	38.5%	**9,210**	8,750	5.3%
Operating expenses	**5,716**	4,187	36.5%	**4,295**	4,187	2.6%
NOI	**6,399**	4,563	40.2%	**4,915**	4,563	7.7%
NOI margin (%)	**52.8%**	52.1%	70 bps	**53.4%**	52.1%	130 bps

For the three months ended March 31, 2024, same door NOI increased by 7.7% compared to the same period in 2023 due to a 5.3% increase in revenue driven by AMR growth and a tempered 2.6% increase in operating expenses. These changes led to a 130 bps increase in the first quarter NOI margin.

For the three months ended March 31, 2024, operating expenses increased by 2.6% compared to the prior period due to higher electricity and natural gas rates.

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	Q1 2024	Q1 2023	Change (%)	Q1 2024	Q1 2023	Change (bps)
Atlantic Canada							
Newfoundland and Labrador	1,875	**960**	908	5.7%	**97.4%**	98.1%	(70)
New Brunswick	1,338	**958**	893	7.3%	**97.7%**	98.8%	(110)
Nova Scotia	844	**1,098**	—	n/a	**97.8%**	—%	n/a
Atlantic Canada	4,057	**988**	902	9.5%	**97.6%**	98.5%	(90)

In the first quarter of 2024, AMR increased 9.5% to $988 from $902 in the prior period mainly due to same door AMR increase of 6.3% to $959.

Occupancy declined slightly by 90 bps to 97.6% from prior period occupancy of 98.5% due to suite renovations which have subsequently been leased.

CENTRAL CANADA OPERATIONS

	Three Months Ended March 31					
	Total			Same Door		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Revenue	**6,475**	371	1,645.3%	**387**	371	4.3%
Operating expenses	**2,865**	176	1,527.8%	**222**	176	26.1%
NOI	**3,610**	195	1,751.3%	**165**	195	(15.4%)
NOI margin (%)	**55.8%**	52.6%	320 bps	**42.6%**	52.6%	(1,000) bps

Central Canada's same door portfolio consists of 161 suites. For the three months ended March 31, 2024, same door NOI declined by 15.4% compared to the same period in 2023 due to increased operating expenses.

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	Q1 2024	Q1 2023	Change (%)	Q1 2024	Q1 2023	Change (bps)
Central Canada							
Manitoba	845	**1,124**	—	n/a	**95.3%**	—%	n/a
Québec	581	**1,003**	767	30.8%	**98.9%**	100.0%	(110)
Ontario	272	**1,630**	—	n/a	**90.9%**	—%	n/a
Central Canada	1,698	**1,158**	767	51.0%	**95.4%**	100.0%	(460)

In the first quarter of 2024, AMR of $1,158 and occupancy of 95.4% reflect the new markets of the acquired properties.

COMMERCIAL AND EXECUSUITE OPERATIONS

Northview's commercial and execusuite properties are located primarily in regions where Northview also has multi-residential operations. The commercial properties are the main segment of the commercial and execusuite operations.

Northern Canada represents Northview's largest commercial portfolio, mainly anchored by long-term leases to the federal and territorial governments and includes mixed-use buildings. In Northern Canada, office is the main type of commercial space with a smaller presence of industrial and retail space.

The Atlantic Canada commercial portfolio mostly consists of office with a moderate portion of industrial and retail space. Central Canada is Northview's newest portfolio which has a mix of office and retail space. Western Canada is mainly comprised of industrial with a smaller portion of office and retail space. Northview's tenants in Atlantic Canada and Central Canada are mostly leased long-term to established corporate tenants while tenants in Western Canada are leased to corporate tenants and small businesses.

Northview operates three execusuite properties in Yellowknife, NT; Iqaluit, NU; and a 50% joint venture in Inuvik, NT. The execusuite properties offer apartment-style accommodation and are rented for both short-term and long-term stays.

The following tables detail commercial and execusuite NOI:

	Three Months Ended March 31					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**11,982**	11,221	6.8%	**11,357**	11,221	1.2%
Expenses						
General operating expenses	**2,781**	2,666	4.3%	**2,630**	2,666	(1.4%)
Utilities	**1,843**	1,691	9.0%	**1,748**	1,691	3.4%
Property tax	**767**	709	8.2%	**691**	709	(2.5%)
Total operating expenses	**5,391**	5,066	6.4%	**5,069**	5,066	0.1%
NOI	**6,591**	6,155	7.1%	**6,288**	6,155	2.2%
NOI margin (%)	**55.0%**	54.9%	10 bps	**55.4%**	54.9%	50 bps

For the three months ended March 31, 2024, same door NOI and NOI margin increased by 2.2% and 50 bps, respectively, from the same period in 2023. The increase is mainly due to improved execusuite occupancy in Yellowknife, NT, while commercial same door NOI was in line with the same period of 2023.

The following table details occupancy by region for the commercial portfolio, including joint ventures at 100%:

	Three Months Ended March 31		
	Commercial (sq. ft.)	Occupancy	Occupancy
	2024	**2024**	**2023**
Northern Canada	**753,000**	**94.6%**	95.3%
Western Canada	**143,000**	**63.0%**	71.6%
Atlantic Canada	**245,000**	**84.2%**	85.1%
Central Canada	**107,000**	**40.9%**	n/a
	1,248,000	**84.4%**	90.3%

The decrease in commercial occupancy for the three months ended March 31, 2024 relative to the comparative period was mainly driven by vacancy in the acquired properties. Approximately 264,000 sq. ft. of commercial leases mature in 2024 of which approximately 70,000 sq. ft was renewed during the three months ended March 31, 2024.

OTHER CONSOLIDATED RESULTS

OTHER EXPENSES (INCOME)

	Three Months Ended March 31		
(thousands of dollars)	**2024**	**2023**	**Change**
Distributions[1]	**929**	11,288	(91.8%)
Financing costs	**22,438**	16,432	36.6%
Administration	**2,498**	2,018	23.8%
Asset management fees	**—**	1,650	(100.0%)
Depreciation and amortization	**774**	840	(7.9%)
Equity income from joint ventures	**(243)**	(296)	(17.9%)
Fair value loss on investment properties	**7,742**	4,378	76.8%
Fair value loss on Exchangeable Units	**1,530**	—	100.0%
Accretion on Redeemable Units	**2,258**	—	100.0%
Total	**37,926**	36,310	4.5%

(1) Reflects distributions on Exchangeable Units. The comparative period reflects distributions on Trust Units prior to reclassification from a financial liability to equity. Distributions on Redeemable Units are reflected in equity.

DISTRIBUTIONS

Certain distributions declared to Unitholders are recognized in net and comprehensive loss. See “Liquidity and Capital Resources” for further discussion of capital structure and “Distributions to Unitholders” for further discussion of distributions.

Distributions recognized in net and comprehensive loss of $0.9 million for the three months ended March 31, 2024 was lower than $11.3 million due to the re-classification of Trust Units following the Recapitalization Event, so that distributions declared after August 21, 2023 were recognized in equity.

FINANCING COSTS

Financing costs consists of mortgage interest, credit facility interest, amortization of deferred financing costs, the amortization of fair value of debt assumed on acquisition, and other income.

For the three months ended March 31, 2024, financing costs increased by 36.6% versus the comparative period mainly due to the Recapitalization Event. These increases in financing costs were primarily driven by mortgage interest on the acquired properties, and amortization of deferred financing costs and fair value adjustment on debt assumption. This was partially offset by lower credit facility interest expense as Northview remains focused on reducing credit facility debt.

ADMINISTRATION EXPENSES AND ASSET MANAGEMENT FEES

For the three months ended March 31, 2024, administration expenses of $2.5 million and asset management fees of nil collectively decreased by 32% compared to $2.0 million and $1.7 million, respectively, in the same period of 2023. The higher administration costs driven by the increased portfolio size from the acquired properties were more than offset by savings from the termination of the asset management agreement.

FAIR VALUE LOSS ON INVESTMENT PROPERTIES

Northview reports fair value change of investment properties on a net basis after deducting capital expenditures. For the three months ended March 31, 2024, the fair value loss on investment properties of $7.7 million was greater than $4.4 million in the comparative period due to a $1.1 million increase in capital expenditures and the loss of a property following a fire in Iqaluit, NU of $1.5 million.

FAIR VALUE LOSS ON EXCHANGEABLE UNITS

Exchangeable Units were issued on August 21, 2023 in connection with the Recapitalization Event. The fair value of Exchangeable Units is determined with reference to the TSX Class A Unit price at period-end. For the three months ended March 31, 2024, the fair value loss of $1.5 million resulted from an increase in the TSX Class A trading price from $13.55 at December 31, 2023 to $14.00 at March 31, 2024.

ACCRETION ON REDEEMABLE UNITS

For the three months ended March 31, 2024, an expense of $2.3 million was recognized for the financial liability obligation on Redeemable Units which increases its face value over the respective lock-up periods to $107.7 million. See also “Liquidity and Capital Resources – Units – Redeemable Units”.

FFO AND AFFO

Northview measures its operating performance by using net and comprehensive loss, as well as industry-accepted non-GAAP financial measures such as FFO and AFFO. Northview’s calculations of FFO and AFFO differ from the REALPAC Guidance in that, when calculating FFO and AFFO, Northview (a) excludes accretion on Redeemable Units and (b) excludes Recapitalization Event costs. FFO and AFFO do not have a standard meaning under IFRS; therefore, these measures may not be comparable to similar measures presented by other issuers. See also “Non-GAAP and Other Financial Measures”.

The following table reconciles FFO and AFFO from net and comprehensive loss, the most directly comparable GAAP measure as presented in the financial statements:

	Three Months Ended March 31	
(thousands of dollars, except as indicated)	**2024**	**2023**
Net and comprehensive loss	**(159)**	(9,421)
Adjustments:		
Distributions[5]	**929**	11,288
Depreciation	**734**	770
Fair value loss on investment properties	**7,742**	4,378
Fair value loss on Exchangeable Units	**1,530**	—
Accretion on Redeemable Units	**2,258**	—
Other[1]	**72**	67
FFO[2]	**13,106**	7,082
Maintenance capex reserve – multi-residential	**(3,284)**	(2,537)
Maintenance capex reserve – commercial	**(182)**	(166)
AFFO[2]	**9,640**	4,379
FFO		
FFO per Unit – basic ($/Unit)[2]	**0.36**	0.35
FFO per Unit – diluted ($/Unit)[2]	**0.33**	0.35
FFO payout ratio[2][4]	**72.1%**	98.8%
AFFO		
AFFO per Unit – basic ($/Unit)[2]	**0.27**	0.21
AFFO per Unit – diluted ($/Unit)[2]	**0.24**	0.21
AFFO payout ratio[2][4]	**96.1%**	135.2%
Weighted average number of Units		
Basic (‘000s)[3]	**36,056**	20,524
Diluted (‘000s)[3]	**39,712**	20,524

(1) “Other” is comprised of non-controlling interest, amortization of other long-term assets, amortization of tenant inducements, and fair value adjustments for non-controlling interest and equity investments.
(2) Non-GAAP financial measure or non-GAAP ratio. See “Non-GAAP and Other Financial Measures”.
(3) See “Non-GAAP and Other Financial Measures – Other Key Performance Indicators”.
(4) Calculated for the period from April 1, 2023 to March 31, 2024.
(5) Reflects distributions on Exchangeable Units. The comparative period reflects distributions on Trust Units prior to reclassification from a financial liability to equity. Distributions on Redeemable Units are reflected in equity.

The calculation of AFFO deducts maintenance capital expenditures (“maintenance capex”), and therefore requires the categorization of value-enhancing capital expenditures (“value-enhancing capex”) and maintenance capex. Management believes the categorization of capital expenditures between value-enhancing and maintenance is subject to significant judgement. In determining maintenance capex for the calculation of AFFO, Northview has elected to use an estimated reserve amount per suite for the multi-residential portfolio, and an estimated reserve amount per sq. ft. for the commercial and execusuite business portfolio. Further information regarding the calculation of the maintenance capex reserve is provided in “Other Consolidated Results – Capital Expenditures – Maintenance Capex Reserve – Multi-Residential and Commercial”. Detailed information on actual capital expenditures by category is provided in “Other Consolidated Results – Capital Expenditures”.

FFO

For the three months ended March 31, 2024, FFO of $13.1 million was higher than $7.1 million for the comparative period in 2023. The increase was driven by same door NOI growth, additional NOI from the acquired properties partially offset by associated incremental financing costs, and savings from the termination of the asset management agreement. FFO per basic Unit of $0.36 was higher than $0.35 for the comparative period due to higher FFO partially offset by additional Units issued. FFO per diluted Unit of $0.33 was lower than $0.35 from the comparative period due to the dilutive impact of Redeemable Units.

The FFO payout ratios have improved as a result of the reduction to distributions in June 2023 and the completion of the Recapitalization Event in August 2023. For the three months ended March 31, 2024, distributions declared to Unitholders represented 75.2% of FFO compared to 159.4% in the comparative period. The FFO payout ratio for the twelve months ended March 31, 2024 was 72.1% compared to 98.8% for the same period in 2023.

AFFO

For the three months ended March 31, 2024, AFFO of $9.6 million was higher than $4.4 million for the comparative period in 2023 primarily due to higher FFO and additional capex reserve related to the acquired properties. This resulted in AFFO per basic Unit and AFFO per diluted Unit of $0.27 and $0.24 compared to $0.21 and $0.21 for the comparative quarter of 2023.

For the twelve months ended March 31, 2024, the AFFO payout ratio of 96.1% was lower than 135.2% for the twelve months ended March 31, 2023 mainly due to the distribution reduction and the impact of the Recapitalization Event. See also “Distributions to Unitholders” for further discussion of Northview’s distributions.

CAPITAL EXPENDITURES

	Three Months Ended March 31		
(thousands of dollars, except as indicated)	**2024**	**2023**	**Change**
Suite renovations	**2,610**	2,101	24.2%
Building and common areas	**720**	336	114.3%
Boilers and mechanical	**1,012**	1,095	(7.6%)
Appliances	**321**	191	68.1%
Other	**776**	423	83.5%
Total capex – multi-residential	**5,439**	4,146	31.2%
Average number of multi-residential suites	**14,405**	11,111	29.6%
Capex per multi-residential suite ($/suite)	**378**	373	1.2%
Total capex – multi-residential	**5,439**	4,146	31.2%
Total capex – commercial	**29**	255	(88.6%)
Total capex	**5,468**	4,401	24.2%

Capital expenditures of $5.5 million were incurred during the three months ended March 31, 2024, which was higher than $4.4 million for the comparative period of 2023 due to additional properties acquired. In all periods, capital expenditures are primarily attributable to the multi-residential segment in which the majority of expenditures related to suite renovations.

MAINTENANCE CAPITAL EXPENDITURE RESERVE – MULTI-RESIDENTIAL AND COMMERCIAL

Capex include value-enhancing capex and maintenance capex, the categorization of which is subject to significant judgement. Value-enhancing capex are expected to increase the NOI or value of the properties and are discretionary in nature. Value-enhancing capex include building and suite improvements that enhance revenue or improve financial operating efficiency, including energy initiatives. Building improvements include exterior and common area upgrades and suite improvements include renovations that exceed basic replacement and minor repairs on turnover. Maintenance capex focus on maintaining the existing condition of the properties including routine suite renovations and replacement of boilers and mechanical systems. For the commercial business, value-enhancing capex are typically recoverable and maintenance capex are typically non-recoverable.

Northview has determined the annualized maintenance capex reserve amount based on a three year historical average of actual maintenance capex on a per suite or per sq.ft. basis. Annualization has been used so that a period’s portion of the annualized reserve represents a more sustainable amount by adjusting for variations in activity level within a year, timing of projects and seasonality. Prior to 2024, the year ended December 31, 2021 represented Northview’s first full year of operations and therefore three years of actual maintenance capex was not available which resulted in management’s forecasts being used to achieve a three year average as this better adjusts for variations in the timing of projects over multiple years.

For each period presented, the maintenance capex reserve reflects that period's portion of the annualized reserve applied to the average number of multi-residential suites or commercial square footage, excluding properties related to joint ventures. Northview has also applied the reserve per suite or reserve per sq.ft. to the acquired properties as it best reflects management’s estimate of maintenance capex for these properties.

For 2024, management has determined the annualized multi-residential maintenance capex reserve to be $912 per multi-residential suite (2023 – $913 per multi-residential suite) and $0.63 per sq. ft. (2023 – $0.64 per sq. ft.), excluding joint ventures.

The following table compares the maintenance capex reserve to actual maintenance capex:

	Three Months Ended March 31	
(thousands of dollars, except as indicated)	**2024**	**2023**
Multi-residential		
Maintenance capex reserve	**3,284**	2,537
Actual maintenance capex	**3,178**	2,402
Difference	**106**	135
Commercial		
Maintenance capex reserve	**182**	166
Actual maintenance capex	**29**	255
Difference	**153**	(89)

Variances in actual maintenance capex compared to the maintenance capex reserve in all periods presented resulted from the timing of projects.

TAX STATUS

Northview is a mutual fund trust and a real estate investment trust as defined in the *Income Tax Act* (Canada) (the “Tax Act”). Under current tax legislation, a real estate investment trust is entitled to deduct distributions from taxable income such that it is not liable to pay income taxes provided that its taxable income is fully distributed to Unitholders. Northview is a real estate investment trust as it meets prescribed conditions under the Tax Act relating to the nature of its assets and revenue. Northview qualifies as a “real estate investment trust” (as defined in the Tax Act) (a “Tax REIT”) and intends to make distributions not less than the amount necessary to ensure that Northview will not be liable to pay income taxes (the “Tax REIT Exemption”). However, should it no longer qualify, it would not be able to flow-through its taxable income to Unitholders and Northview would, therefore, be subject to tax. As of and during the three months ended March 31, 2024, Northview met all the requirements to be qualified as a Tax REIT. The Tax REIT Exemption does not apply to incorporated subsidiaries of Northview, which are therefore subject to Canadian income taxes. Northview does not currently hold any income-producing property or operations in taxable incorporated subsidiaries. As such, there is currently no provision for current or deferred income tax expense required in the current reporting period.

SUMMARY OF QUARTERLY RESULTS

(thousands of dollars, except as indicated)	Q1 2024[1]	Q4 2023[1]	Q3 2023[1]	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Revenue	**68,845**	67,865	57,402	51,578	51,627	50,969	49,703	48,899
Net and comprehensive (loss) income	**(159)**	20,213	155,476	(3,100)	(9,421)	25,128	52,707	(3,759)
Per basic unit ($/Unit)[2][5]	**0.00**	0.56	5.66	(0.15)	(0.46)	1.22	2.57	(0.18)
Per diluted unit ($/Unit)[2][5]	**0.00**	0.48	5.28	(0.15)	(0.46)	1.22	2.57	(0.18)
NOI	**37,767**	39,381	35,022	30,656	26,889	28,345	30,904	28,628
FFO[3]	**13,106**	14,375	12,530	11,435	7,082	9,505	14,553	14,552
Per basic unit ($/Unit)[2][3][5]	**0.36**	0.40	0.46	0.56	0.35	0.46	0.71	0.71
Per diluted unit ($/Unit)[2][3][5]	**0.33**	0.34	0.43	0.56	0.35	0.46	0.71	0.71
FFO payout ratio[3][4]	**72.1%**	84.9%	98.6%	101.6%	98.8%	88.3%	78.2%	73.2%

(1) Includes impact of the Recapitalization Event.
(2) Per unit metrics have been retroactively adjusted to reflect the 1.75 to 1.00 consolidation that occurred on August 21, 2023.
(3) Non-GAAP financial measure or non-GAAP ratio. See “Non-GAAP and Other Financial Measures – Non-GAAP Financial Measures” and “Non-GAAP and Other Financial Measures – Non-GAAP Ratios”.
(4) Calculated for the period from April 1, 2023 to March 31, 2024.
(5) Calculated with reference to weighted average Units outstanding.

Northview’s operations are affected by seasonality and operating performance in one quarter may not be reflective of operating performance of another quarter. While revenue is not typically impacted by seasonality, operating expenses are typically higher in the winter months in the first and fourth quarters of each year due to higher utilities and other expenses. See “Risk Factors - Utility Cost Risk” in the annual MD&A. Northview also determines the fair value of investment properties each reporting period. Any resulting fair value adjustment may have a significant impact on net and comprehensive (loss) income. Additionally, net and comprehensive (loss) income and FFO have been impacted by higher market interest rates in recent periods as Northview’s credit facilities are subject to floating interest rates. See “Risk Factors - Interest Rate Risk” in the annual MD&A.

LIQUIDITY AND CAPITAL RESOURCES

Northview’s objective for managing liquidity and capital resources is to ensure adequate liquidity for operating, capital, and investment activities, as well as distributions to Unitholders. Northview is able to fund its obligations with cash flows provided by operating activities, borrowings on the credit facilities, and mortgage debt secured by investment properties.

As at March 31, 2024, Northview had a working capital deficiency of $701.2 million (December 31, 2023 – $692.1 million), of which $333.7 million (December 31, 2023 – $348.6 million) related to the credit facilities, which matures on December 31, 2024, and $234.0 million (December 31, 2023 – $241.6 million) related to the current portion of mortgages payable. In addition, $123.5 million (December 31, 2023 – $96.1 million) related to the current portion of Exchangeable Units, Redeemable Units and Restricted Units. Exchangeable Units are exchangeable for Trust Units and do not represent a cash liability. Redeemable Units and Restricted Units may be settled in cash or the issuance of Trust Units.

Northview has a history of generating positive cash flows provided by operating activities. However, it has also historically operated with a working capital deficiency, primarily resulting from a significant portion of its mortgages maturing in any given year and short-term maturities on the credit facilities. Northview has managed this working capital deficiency through debt renewals, extensions, or refinancing as a normal part of its business activities. While Northview expects to meet its obligations as they come due for the foreseeable future, management closely monitors its liquidity position and may take additional steps to help manage liquidity including any combination of obtaining new debt, equity, non-core asset sales, or other forms of financing, or looking to manage other discretionary cash flows.

Northview has identified non-core assets that are expected to be sold and the net proceed will be used to repay its credit facilities.

Northview's ability to generate positive cash flows provided by operating activities and its access to alternative sources of capital, if necessary, as described above, result in an expectation that Northview will be able to meet its obligation as they come due for the foreseeable future.

DEBT MANAGEMENT

Northview manages its debt and interest rate exposure by refinancing mortgage debt for which the net proceeds may be used to repay borrowings on the credit facilities. Northview's credit facilities are subject to higher floating interest rates, while mortgage debt is generally at lower fixed interest rates. Where possible, Northview uses CMHC insured mortgages to obtain new financing on more favourable terms.

As market conditions permit, Northview utilizes availability of financing on its properties to reduce interest costs related to the credit facilities that are subject to higher interest rates.

As part of its focus on strengthening its balance sheet, Northview has targeted approximately $100 to $150 million of non-core asset sales to reduce total debt.

MORTGAGES

During the three months ended March 31, 2024, Northview completed $71.9 million of mortgage financing with a weighted average interest rate of 4.84% and an average term to maturity of 8.2 years. During the three months ended March 31, 2023, Northview completed $143.1 million of mortgage financing with a weighted average interest rate of 4.18% and an average term to maturity of 5.5 years.

As at March 31, 2024, Northview's mortgage maturity schedule and weighted average interest rate for the years indicated were as follows:

	Principal Amount	Principal on Maturity	Total	% of Total	Weighted Average Interest Rate
Remainder of 2024	23,721	162,535	186,256	12.9%	4.09%
2025	26,111	167,417	193,528	13.4%	3.22%
2026	20,558	81,081	101,639	7.0%	2.34%
2027	16,747	183,859	200,606	13.9%	3.84%
2028	13,930	269,922	283,852	19.7%	4.17%
Thereafter	36,645	441,020	477,665	33.1%	3.87%
Total	**137,712**	**1,305,834**	**1,443,546**	**100.0%**	**3.78%**

CREDIT FACILITIES

As at March 31, 2024, Northview had in place two credit facilities: a syndicated credit facility with a total credit limit of $317.2 million (December 31, 2023 – $338.7 million) (the "syndicated facility") and a term credit facility with a credit limit of $60.0 million (December 31, 2023 – $60.0 million) (the "term facility") (collectively, the "credit facilities"). These credit facilities mature on December 31, 2024. The syndicated facility includes multiple tranches that each bears interest at the prime rate plus 2.65% or the Bankers' Acceptance ("BA") rate plus 3.65%. The term facility bears interest at the prime rate plus 1.50% or the BA rate plus 2.50%.

Effective June 2024, the BA Canadian Dollar Offered Rate ("CDOR") will be discontinued and Northview's credit facilities will transition to the Term Canadian Overnight Report Rate Average ("CORRA"). The contractual cash flows of the credit facilities are expected to remain economically equivalent upon the transition from CDOR to CORRA.

The terms of the credit facilities were as follows:

	As at March 31, 2024		As at December 31, 2023	
	Credit Limit	Amount Drawn	Credit Limit	Amount Drawn
Syndicated facility				
Tranche A-1 Facility	**190,188**	**190,188**	211,663	211,663
Tranche B-1 Term Facility	**32,000**	**32,000**	32,000	32,000
Tranche B-2 Revolving Facility	**20,000**	**5,000**	20,000	5,000
Tranche B-3 Term Facility	**75,000**	**72,500**	75,000	72,500
Term facility	**60,000**	**36,000**	60,000	30,000
Total	**377,188**	**335,688**	398,663	351,163

The Tranche A-1 Facility is a non-revolving term loan facility. The Tranche B-1 Term Facility is a non-revolving capital expenditure loan facility on which draws may occur no more than once per fiscal quarter in an amount of up to 75% of allowable capital expenditure costs incurred. The Tranche B-2 Revolving Facility is a facility available for general corporate, trust, or operating purposes. The Tranche B-3 Term Facility is a non-revolving facility on which draws may occur no more than once per fiscal quarter for mortgage principal repayments. The term facility is a non-revolving facility in which draws may not occur more than once per month for mortgage principal payments.

As the Tranche A-1 Facility is a non-revolving term loan facility, payments on the facility reduce the credit limit available. For the three months ended March 31, 2024, Northview completed repayments of $21.5 million (three months ended March 31, 2023 – $69.4 million).

As at March 31, 2024 there is $41.5 million of available credit that may be drawn.

FINANCIAL COVENANTS

The credit facilities are subject to the following financial covenants:

	Limit	As at March 31, 2024
Syndicated facility		
Consolidated debt to aggregate assets	Not greater than 75%	**65.0%**
Debt service coverage ratio	Not less than 1.20	**1.38**
Consolidated tangible net worth	Not less than $700 million	**$953.6 million**
Physical occupancy rate	Not less than 87%	**95.4%**
Term facility		
Consolidated debt to aggregate assets	Not greater than 70%	**54.8%**
Debt service coverage ratio	Not less than 1.00	**1.39**
Portfolio equity	Not less than $75 million	**$130.5 million**

The financial covenants include financial measures defined within the credit facility agreements that are not defined under IFRS and cannot be directly derived from the interim financial statements. These financial measures are defined under the credit facility agreements as follows:

- Consolidated debt: Includes all debts of the borrower determined in accordance with IFRS, excluding obligations owing under hedge agreements, Exchangeable Units, and Redeemable Units.
- Aggregate assets: Includes the appraised value of multi-residential rental and commercial real property.
- Debt service coverage ratio: Calculated as the ratio of adjusted NOI to debt service for the last four fiscal quarters. Debt service is calculated as the sum of consolidated interest expense and all regularly scheduled principal payments other than balloon, bullet, or similar payments that repay the debt in full.
- Consolidated tangible net worth: Includes stated capital or equivalent amounts in respect of issued and outstanding Trust Units, Exchangeable Units, Redeemable Units and Restricted Units (‘collectively, “Units”) less amounts attributable to outstanding Units that are redeemable prior to the maturity date of the facility, amounts attributable to certain intangible assets, and amounts attributable to the interests of any Unitholder in any subsidiary.

- Physical occupancy rate: Calculated as the percentage of the number of suites occupied by one or more tenants paying current rent divided by the total number of suites.
- Portfolio equity: Ownership interest or participation that confers the right to receive a share of profits and losses or distribution of assets, calculated as consolidated assets less consolidated debt.

For the syndicated facility, consolidated debt is calculated with respect to the consolidated portfolio. For the term facility, consolidated debt is calculated with respect to the assets pledged as security for the term facility.

As at and during the three months ended March 31, 2024, Northview was in compliance with all financial covenants. See also “Capital Management” in the interim financial statements for further discussion of Northview’s objectives, policies, and processes for managing capital. See also “Risk Factors”.

CAPITAL MANAGEMENT

Management monitors Northview’s capital structure on an ongoing basis to determine the appropriate level of mortgages and borrowings on the credit facilities. Consistent with industry practice, Northview monitors capital on the basis of debt to gross book value. Refer to the interim financial statements for further discussion of this capital management measure.

The Declaration of Trust provides for a maximum debt to gross book value ratio of 70.0%. Debt to gross book value was 65.5% as at March 31, 2024 (December 31, 2023 – 65.1%), which was in compliance with the Declaration of Trust.

The following table calculates Northview’s debt to gross book value ratio:

		As at March 31, 2024	**As at December 31, 2023**
Credit facilities		**335,688**	351,163
Mortgages payable		**1,443,546**	1,428,168
Less: Cash and cash equivalents		**(12,138)**	(21,394)
Total debt	**A**	**1,767,096**	1,757,937
Investment properties		**2,658,844**	2,661,118
Property, plant and equipment		**28,350**	29,077
Accumulated depreciation		**11,276**	10,512
Gross book value	**B**	**2,698,470**	2,700,707
Debt to gross book value	**A/B**	**65.5%**	65.1%

UNITS

Northview's Units are comprised of Trust Units, Exchangeable Units, Redeemable Units, and Restricted Units:

Trust Units	Trust Units consist of Class A, Class C, and Class F Units of which the Class A Units are traded on the TSX under the symbol "NRR.UN". Trust Units of each class are convertible to Class A Units. The Class A Units and Class C Units are also convertible to Class F Units. In connection with the Recapitalization Event, Trust Units were reclassified from net assets attributable to Unitholders, a financial liability with distributions recognized in net and comprehensive loss, to equity with distributions recognized in retained earnings. Trust Units issued in connection with the Recapitalization Event are subject to various lock-up periods whereby the Trust Units cannot be sold. The lock-up periods terminate on the 12-month, 15-month, and 18-month anniversaries of issuance on August 21, 2023.
Exchangeable Units	Exchangeable Units consist of limited partnership units of a subsidiary limited partnership that are exchangeable into Trust Units at the option of the holder and are entitled to an equivalent distribution as Trust Unitholders. Exchangeable Units are subject to an 18-month lock-up period during which the Exchangeable units may be Exchanged for Trust Units but cannot be sold.
Redeemable Units	Redeemable Units consist of redeemable limited partnership units of a subsidiary limited partnership that are redeemable and retractable at the option of the holder in four equal installments after the 12-month, 15-month, 18-month, and 21-month anniversaries of issuance on August 21, 2023 at a $26.36 Unit price. Holders of Redeemable Units are entitled to distributions in an equivalent manner to Trust Unitholders.
Special Voting Units	Exchangeable and Redeemable Units are accompanied by an equivalent number of special voting units that entitle the holder to one vote per special voting unit at meetings of the Unitholders. The special voting units have no economic entitlement to distributions or assets of Northview and are not separably transferable from the Exchangeable Units and Redeemable Units to which they are attached.

NUMBER OF UNITS

Northview's weighted average number of Units used in the calculation of per Unit basis measures were as follows:

	Three Months Ended March 31	
(number of Units in thousands)	**2024**	2023
Trust Units	**28,574**	20,524
Exchangeable Units	**3,397**	—
Redeemable Units	**4,085**	—
Weighted average number of Units – basic	**36,056**	20,524
Trust Units potentially issuable for Redeemable Units[1]	**3,606**	—
Restricted Units issuable for Trust Units upon vesting	**50**	—
Weighted average number of Units – diluted	**39,712**	20,524

(1) Units potentially issuable for Redeemable Units reflects dilution should the weighted average basic number of Redeemable Units were redeemed on Class A Units' average price of $14.00 in the period.

Northview's issued and outstanding Units were as follows:

(number of Units in thousands)	As at March 31, 2024	As at December 31, 2023
Class A	**3,508**	3,280
Class C	**22,737**	22,743
Class F	**2,329**	2,551
Trust Units	**28,574**	28,574
Exchangeable Units	**3,397**	3,397
Redeemable Units	**4,085**	4,085
Number of Units outstanding	**36,056**	36,056

As at April 30, 2024, Northview's issued Units were as follows:

(number of Units in thousands)	As at April 30, 2024
Class A	**3,524**
Class C	**22,737**
Class F	**2,313**
Trust Units	**28,574**
Exchangeable Units	**3,397**
Redeemable Units	**4,085**
Total Units issued	**36,056**

RESTRICTED UNITS

Restricted Units are awards denominated in notional units granted to certain members of management who are eligible to participate in Northview's equity incentive plan. The units vest after a pre-designated period of time following the grant date and once vested are settled by (i) the issuance of Class A Units on a one-for-one basis, (ii) cash, if elected by the participant, based on the value of the applicable number of Class A Units at the date of settlement or (iii) a combination of Class A Units and cash as contemplated by (i) and (ii). During the period prior to vesting, these notional units receive distributions at the same rate as Trust Units and which are notionally reinvested to accumulate additional Restricted Units for each of the plan participants.

CONTRACTUAL OBLIGATIONS

Contractual obligations for non-derivative financial liabilities as at March 31, 2024 were as follows:

	Carrying Amount	Contractual Cash Flows	Up to 1 year	1 – 3 years	4 – 5 years	Over 5 years
Mortgages payable (principal and interest)	**1,443,546**	1,593,944	287,814	398,638	466,159	441,333
Credit facilities (principal)	**335,688**	335,688	335,688	—	—	—
Trade and other payables[(1)]	**38,591**	38,591	38,591	—	—	—
Distributions payable	**3,286**	3,286	3,286	—	—	—
Total	**1,821,111**	**1,971,509**	**665,379**	**398,638**	**466,159**	**441,333**

(1) Security deposits payable are included in trade and other payables.

DISTRIBUTIONS TO UNITHOLDERS

Pursuant to the Declaration of Trust, Trust Unitholders are entitled to receive distributions declared as approved by the Trustees, and the holders of each Exchangeable Unit and Redeemable Unit are entitled to receive equivalent distributions to each Trust Unit. Prior to the Recapitalization Event that closed on August 21, 2023, distributions declared to holders of Trust Units were recognized in net and comprehensive loss. Upon completion of the Recapitalization Event, distributions declared to holders of Trust Units are recognized in equity. Distributions declared to holders of Exchangeable Units are recognized in net and comprehensive loss. Distributions declared to holders of Redeemable Units are recognized in equity.

For the three months ended March 31, 2024, distributions declared to Unitholders were $9.9 million (for the three months ended March 31, 2023 – $11.3 million).

Distributions declared to Unitholders were as follows:

	Three Months Ended March 31	
(thousands of dollars)	**2024**	**2023**
Trust Units	**—**	11,288
Exchangeable Units	**929**	—
Recognized in net and comprehensive loss	**929**	11,288
Trust Units	**7,812**	—
Redeemable Units	**1,117**	—
Recognized in retained earnings	**8,929**	—
Distributions declared to Unitholders	**9,858**	11,288

The following table calculates Northview's distributions paid to cash flows provided by operating activities:

		Three Months Ended March 31	
(thousands of dollars)		**2024**	**2023**
Distributions paid to Unitholders	**A**	**9,858**	11,288
Cash flows provided by operating activities	**B**	**9,472**	2,627
Distribution payout ratio (%)	**A/B**	**104.1%**	429.7%
Deficiency of cash flows provided by operating activities over distributions paid	**B-A**	**(386)**	(8,661)

For the three months ended March 31, 2024, distributions paid to Unitholders represented 104.1% cash flows provided by operating activities (three months ended March 31, 2023 – 429.7%). Distributions paid to Unitholders exceeded cash flows provided by operating activities for the three months ended March 31, 2024 as both periods were impacted by higher operating expenses in the winter months, resulting in lower cash flows provided by operating activities in the first quarter.

In any given financial period, distributions paid may be greater than cash flows provided by operating activities as a result of expenses incurred to operate Northview's business. If distributions exceed cash flows from operating activities regularly, Northview may be required to use part of its borrowings on the credit facilities or further reduce or suspend distributions in order to operate. If Northview were unable to raise additional funds or renew existing maturing debt on acceptable terms, capital expenditures could be further reduced or assets could be sold. If distributions paid are in excess of cash flows provided by operating activities, they represent a return of capital, rather than a return on capital, since they represent cash payments in excess of cash generated from Northview's operating activities during the period. Management intends to manage cash flows provided by operating activities and distributions paid so that cash flows provided by operating activities exceed distributions paid over the longer term.

RELATED PARTY TRANSACTIONS

Related party transactions are conducted in the normal course of operations. Starlight Group Property Holdings Inc. and its affiliates ("Starlight Group") and KingSett Capital Inc. and its affiliates ("KingSett") have significant influence over Northview by virtue of Unit holdings and representation on Northview's Board of Trustees by Daniel Drimmer and Rob Kumer, respectively.

See also Northview's annual MD&A for full discussion regarding related party transactions.

The following table outlines transactions with entities with significant influence:

	Three Months Ended March 31	
	2024	**2023**
Other Income	**496**	—
Asset management fees	**—**	1,650

The following table outlines outstanding balances with entities with significant influence:

	As at March 31, 2024	**As at December 31, 2023**
Accounts receivable	**40**	238

No provision for doubtful debts has been recognized related to the outstanding balances as credit risk is considered low given the nature of the related parties.

RISK FACTORS

Northview faces a variety of significant and diverse risks, many of which are inherent in the business conducted by Northview and its subsidiaries, including, but not limited to, the factors described within this MD&A, the forward-looking information section of the MD&A, and the annual MD&A and Northview's other filings with the Canadian securities regulatory authorities. Other risks and uncertainties that Northview does not presently consider to be material, or of which Northview is not presently aware, may become important factors that affect Northview's future financial condition and results of operations. The occurrence of any of the risks discussed could materially and adversely affect the business, prospects, financial condition, results of operations, cash flow, and the ability of Northview to make cash distributions to Unitholders or the value of the Units. For a further discussion of key risks and uncertainties, please refer to Northview's annual MD&A and Northview's other filings with the Canadian securities regulatory authorities.

CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in accordance with IFRS as issued by the International Accounting Standards Board requires management to make estimates and judgements that affect the reported amounts of assets, liabilities, income, and expenses. Estimates and judgements are evaluated each reporting period and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, differ from the actual results. There have been no updates to matters covered by this section since the annual MD&A. There have been no changes to Northview's accounting policies from those reported at December 31, 2023 except for a new accounting policy introduced for Restricted Units and the adoption of IAS 1 amendments. See also the interim financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

As at March 31, 2024, Northview did not have any off-balance sheet arrangements in place that would materially impact its financial position or results of operations.

CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

As at March 31, 2024, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") have designed, or caused to be designed under their supervision, disclosure controls and procedures ("DC&P"), as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), to provide reasonable assurance that (i) material information relating to Northview is made known to the CEO and the CFO by others, particularly during the period in which the annual filings are being prepared; and (ii) information required to be disclosed by Northview in its annual filings, interim filings, or other reports filed or submitted by Northview under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation.

Except as set forth below, during the first quarter of 2024, there were no significant changes in Northview's DC&P that have materially affected, or are reasonably likely to materially affect, Northview's DC&P.

INTERNAL CONTROL OVER FINANCIAL REPORTING

As at March 31, 2024, the CEO and the CFO have designed, or caused to be designed under their supervision, internal control over financial reporting ("ICFR"), as defined in NI 52-109, to provide reasonable assurance regarding the reliability of Northview's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The control framework used to design Northview's ICFR is the framework set forth in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

It should be noted that a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be met, and it should not be expected that the control system will prevent and detect all errors and fraud.

Except as set forth below, during the first quarter of 2024, there were no significant changes in Northview's ICFR that have materially affected, or are reasonably likely to materially affect, Northview's ICFR.

SCOPE LIMITATION ON DC&P AND ICFR

Northview's CEO and CFO, in accordance with section 3.3(1)(b) of NI 52-109, for the three months ended March 31, 2024, has limited the scope of DC&P and ICFR to exclude controls, policies, and procedures for the three portfolios which were acquired on August 21, 2023 since the acquisitions occurred within 365 days of the reporting period. The scope limitation reflects the period of time required to integrate the acquired properties into Northview's existing DC&P and ICFR.

The table below presents the summary financial information of the three portfolios included in Northview's financial statements as at and for the three months ended March 31, 2024:

	As at March 31, 2024
Non-current assets	**762,413**
Current assets	**12,090**
Non-current liabilities	**405,194**
Current liabilities	**12,675**

	Three Months Ended March 31, 2024
Revenue	**14,372**
Net and comprehensive income	**1,174**