Management's Discussion and Analysis

For the three and six months ended June 30, 2024 and 2023

ADVISORIES

The following Management's Discussion and Analysis ("MD&A") of the results of operations and financial condition, dated August 8, 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 and six months ended June 30, 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 and six months ended June 30, 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 defined herein) 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 ability to sell select assets, terms, or timing to be completed, 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 August 8, 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; 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 August 8, 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, loss on disposition of 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, assets held for sale 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 June 30, 2024, Northview's portfolio consisted of the following suites, execusuites, and commercial square footage: [(1)]

(number of suites, except as indicated)	Multi-Residential Suites	Execusuites	Commercial (sq. ft.)
Northern Canada	2,470	200	753,000
Western Canada	6,181	—	143,000
Atlantic Canada	4,057	—	245,000
Central Canada	1,698	—	107,000
Total	**14,406**	**200**	**1,248,000**

(1) During the three months ended June 30, 2024, Northview sold a property consisting of two suites located in Iqaluit, NU.

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 continue to deliver strong operating metrics for the remainder of 2024. Further occupancy growth will be at a more tempered pace by gaining market share and through focused resident and tenant retention. As fundamentals strengthen, continued AMR growth will be achieved through responsible rental increases on lease renewals, reduced lease incentives, and capturing market rents on new leases.

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, interprovincial 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 reduced its overnight rate for the first time in more than four years in June 2024 and followed with a second overnight rate reduction in July 2024. While it's challenging to predict future interest rate reductions, future reductions would likely have an immediate benefit to financing costs given Northview's exposure to variable interest rates on its' credit facilities.

As part of its focus on strengthening its balance sheet, Northview is progressing on its target of approximately $100 to $150 million of non-core asset sales to reduce debt. During the second quarter, Northview sold a property in Iqaluit, NU consisting of two suites for $0.6 million. Subsequent to June 30, 2024, Northview completed sales of five properties, 226 suites, totaling $23.7 million. Asset sales prices have been consistent with, or above, Northview's IFRS fair value of investment properties.

2024 SECOND QUARTER RESULTS

(thousands of dollars, except as indicated)	As at June 30, 2024	As at December 31, 2023
Total assets	**2,749,526**	2,748,450
Total liabilities	**1,940,673**	1,918,398
Credit facilities	**340,484**	348,576
Mortgages payable	**1,389,112**	1,378,394
Debt to gross book value(1)	**65.3%**	65.1%
Weighted average mortgage interest rate	**3.78%**	3.80%
Weighted average term to maturity (years)	**4.9**	4.7
Weighted average capitalization rate	**6.41%**	6.41%
Multi-residential occupancy(2)	**96.1%**	94.7%
AMR ($)(2)	**1,358**	1,313

	Three Months Ended June 30		Six Months Ended June 30	
(thousands of dollars, except as indicated)	**2024**	**2023**	**2024**	**2023**
Revenue	**68,782**	51,578	**137,627**	103,205
NOI	**41,634**	30,656	**79,401**	57,545
NOI margin(2)	**60.5%**	59.4%	**57.7%**	55.8%
Cash flows provided by operating activities	**23,364**	10,873	**32,836**	13,500
Distributions declared to Unitholders(1)	**9,861**	9,395	**19,719**	20,683
Distributions declared per Unit ($/Unit)				
Class A Unit	**0.2734**	0.4578	**0.5469**	1.0078
Class C Unit	**0.2734**	0.4832	**0.5469**	1.0636
Class F Unit	**0.2734**	0.4723	**0.5469**	1.0396
FFO payout ratio – basic(3)(4)	**64.2%**	101.6%	**64.2%**	101.6%
AFFO payout ratio – basic(3)(4)	**83.6%**	140.6%	**83.6%**	140.6%
Net and comprehensive loss	**(3,157)**	(3,100)	**(3,316)**	(12,521)
Per basic unit ($/Unit)	**(0.09)**	(0.15)	**(0.09)**	(0.61)
Per diluted unit ($/Unit)	**(0.08)**	(0.15)	**(0.08)**	(0.61)
FFO(3)	**18,496**	11,435	**31,602**	18,517
Per basic unit ($/Unit)(3)	**0.51**	0.56	**0.88**	0.90
Per diluted unit ($/Unit)(3)	**0.47**	0.56	**0.80**	0.90
AFFO(3)	**15,032**	8,732	**24,672**	13,111
Per basic unit ($/Unit)(3)	**0.42**	0.43	**0.68**	0.64
Per diluted unit ($/Unit)(3)	**0.38**	0.43	**0.63**	0.64
Weighted average number of Units – basic (000's)(2)	**36,056**	20,524	**36,056**	20,524
Weighted average number of Units – diluted (000's)(2)	**39,099**	20,524	**39,388**	20,524

(1) See "Non-GAAP and Other Financial Measures – Capital Management Measures".
(2) See "Non-GAAP and Other Financial Measures – Other Key Performance Indicators".
(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 on a trailing twelve months basis.

2024 SECOND QUARTER HIGHLIGHTS

NET AND COMPREHENSIVE LOSS

For the three months ended June 30, 2024, net and comprehensive loss of $3.2 million was consistent with $3.1 million for the three months ended June 30, 2023. For the six months ended June 30, 2024, net and comprehensive loss of $3.3 million was lower than $12.5 million for the prior year. Results were mainly driven by strong same door NOI, as well as NOI net of financing costs from acquisitions completed in 2023 as part of the Recapitalization Event. Related to the Recapitalization Event, there was a further changes 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 of $18.5 million for the second quarter of 2024 was higher than $11.4 million for the comparative period in 2023. For the six months ended June 30, 2024, FFO of $31.6 million was higher than $18.5 million from the comparative period. These increases were driven by same door NOI growth, additional NOI partially offset by incremental financing costs from the acquired properties, net savings from the termination of the asset management agreement, and $2.0 million of insurance proceeds which mainly relate to a claim for fire damage of a property located in Iqaluit, NU.

FFO per basic Unit of $0.51 and $0.88, for the three and six months ended June 30, 2024, respectively, were lower than $0.56 and $0.90 from the comparative periods in 2023 due to additional Units issued, partially offset by higher FFO which included insurance proceeds. FFO per diluted Unit of $0.47 and $0.80, for the three and six months ended June 30, 2024, were lower than $0.56 and $0.90, respectively, from the comparative periods mainly due to the dilutive impact of Redeemable Units.

As a result of the reduction to distributions in June 2023, the completion of the Recapitalization Event, and insurance proceeds, the FFO payout ratio for the twelve months ended June 30, 2024 was 64.2% compared to 101.6% for the same period in 2023.

NOI

NOI of $41.6 million and $79.4 million increased by 35.8% and 38.0%, for the three and six months ended June 30, 2024, compared to the same periods last year. These increases were mainly due to NOI contributions from the new properties acquired in 2023 as part of the Recapitalization Event and same door NOI growth. The acquisitions contributed $9.2 million and $17.4 million, for the respective periods, and the results were consistent with management expectations.

Same door AMR was $1,367 as of June 30, 2024, reflecting growth of 5.2% compared to June 30, 2023. AMR has continued to increase, with improvements across all regions, led by Western and Atlantic Canada. Same door occupancy gains of 200 bps were mainly driven by a 340 bps increase in Western Canada compared to June 30, 2023.

INTEREST EXPENSE

To mitigate interest rate exposure, Northview continues to refinance mortgage debt for which the net proceeds are 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 Housing Corporation (“CMHC”) insured mortgages to obtain new financing on more favourable terms.

During the three and six months ended June 30, 2024, Northview completed $55.6 million and $127.4 million of mortgage financing at a weighted average interest rate of 4.46% and 4.67%, respectively. The net proceeds were used to repay $10.1 million and $31.6 million of borrowings on the credit facilities for the respective periods for which the floating rate was 8.71% and 8.80% for the three and six months ended June 30, 2024.

See also “Liquidity and Capital Resources – Capital Management”

2024 SECOND 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 June 30					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**68,782**	51,578	33.4%	**54,451**	51,568	5.6%
Expenses						
General operating expenses	**15,153**	11,482	32.0%	**12,248**	11,474	6.7%
Utilities	**7,078**	5,891	20.1%	**5,921**	5,891	0.5%
Property tax	**4,917**	3,549	38.5%	**3,864**	3,549	8.9%
Total operating expenses	**27,148**	20,922	29.8%	**22,033**	20,914	5.4%
NOI	**41,634**	30,656	35.8%	**32,418**	30,654	5.8%
NOI margin (%)	**60.5%**	59.4%	110 bps	**59.5%**	59.4%	10 bps

	Six Months Ended June 30					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**137,627**	103,205	33.4%	**108,921**	103,184	5.6%
Expenses						
General operating expenses	**30,869**	23,842	29.5%	**24,640**	23,825	3.4%
Utilities	**17,513**	14,445	21.2%	**14,613**	14,444	1.2%
Property tax	**9,844**	7,373	33.5%	**7,705**	7,371	4.5%
Total operating expenses	**58,226**	45,660	27.5%	**46,958**	45,640	2.9%
NOI	**79,401**	57,545	38.0%	**61,963**	57,544	7.7%
NOI margin (%)	**57.7%**	55.8%	190 bps	**56.9%**	55.8%	110 bps

NOI increased by $11.0 million and $21.9 million for the three and six months ended June 30, 2024, respectively, mainly due to NOI from the acquired properties of $9.2 million and $17.4 million and same door NOI growth of $1.8 million and $4.4 million. NOI from the acquired properties was consistent with management's expectations.

Same door NOI increased by 5.8% and 7.7% for the three and six months ended June 30, 2024, relative to the comparative period in 2023. The growth was driven by NOI improvements across all regions, with the Western Canada multi-residential segment 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 government tenants 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 June 30					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**57,897**	41,091	40.9%	**44,132**	41,081	7.4%
Expenses						
General operating expenses	**12,467**	9,192	35.6%	**9,705**	9,184	5.7%
Utilities	**5,943**	4,802	23.8%	**4,762**	4,802	(0.8%)
Property tax	**4,087**	2,822	44.8%	**3,114**	2,822	10.3%
Total operating expenses	**22,497**	16,816	33.8%	**17,581**	16,808	4.6%
NOI	**35,400**	24,275	45.8%	**26,551**	24,273	9.4%
NOI margin (%)	**61.1%**	59.1%	200 bps	**60.2%**	59.1%	110 bps

	Six Months Ended June 30					
	Total			Same Door		
	2024	2023	Change	**2024**	2023	Change
Revenue	**114,760**	81,497	40.8%	**87,245**	81,476	7.1%
Expenses						
General operating expenses	**25,402**	18,886	34.5%	**19,467**	18,869	3.2%
Utilities	**14,535**	11,665	24.6%	**11,706**	11,664	0.4%
Property tax	**8,247**	5,937	38.9%	**6,264**	5,935	5.5%
Total operating expenses	**48,184**	36,488	32.1%	**37,437**	36,468	2.7%
NOI	**66,576**	45,009	47.9%	**49,808**	45,008	10.7%
NOI margin (%)	**58.0%**	55.2%	280 bps	**57.1%**	55.2%	190 bps

REVENUE

Same door multi-residential revenue grew by 7.4% and 7.1% for the three and six months ended June 30, 2024. These revenue increases were driven by AMR and occupancy improvements across all regions due to strong demand and higher rental rates on new leases. AMR has been consistently growing over the last four quarters and occupancy gains were led by Western Canada with a 420 bps improvement compared to Q2 2023.

The following tables for AMR and occupancy refer to total values unless stated as Same Door.

AMR

	Same Door Q2 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Northern Canada	**2,332**	**2,332**	2,312	2,305	2,297	2,282
Western Canada	**1,157**	**1,243**	1,211	1,190	1,171	1,073
Atlantic Canada	**977**	**1,008**	988	970	950	909
Central Canada	**804**	**1,171**	1,158	1,140	1,140	772
Overall	**1,367**	**1,358**	1,333	1,313	1,301	1,299

OCCUPANCY

	Same Door Q2 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Northern Canada	**97.9%**	**97.9%**	96.7%	96.2%	96.8%	96.4%
Western Canada	**93.1%**	**93.9%**	93.1%	92.4%	91.5%	89.7%
Atlantic Canada	**98.4%**	**97.8%**	97.6%	96.8%	97.2%	98.1%
Central Canada	**100.0%**	**95.7%**	95.4%	95.0%	95.2%	100.0%
Overall	**96.1%**	**96.1%**	95.4%	94.7%	94.7%	94.1%

OPERATING EXPENSES

Same door multi-residential operating expenses increased by 4.6% and 2.7% for the three and six months ended June 30, 2024, compared to the same period in 2023. The increase was attributable to higher general operating expenses and property taxes, while utilities remained stable.

Same door general operating expenses increased by 5.7% for the three months ended June 30, 2024, compared to 2023 due to higher salaries and wages and insurance premiums. For the six months ended June 30, 2024, operating expenses increased by 3.2% from the prior year due to higher salaries and wages, partially offset by lower repairs and maintenance.

Property taxes increased for the three and six months ended June 30, 2024, mainly due to higher property tax assessments received. Northview proactively reviews property tax assessed values and appeals as appropriate.

NOI

Same door multi-residential NOI increased by 9.4% and 10.7% for the three and six months ended June 30, 2024, compared to 2023. Revenue growth outpaced operating expenses resulting in NOI margin improvements of 110 bps and 190 bps for the current periods.

NORTHERN CANADA OPERATIONS

	Three Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Revenue	**16,921**	16,358	3.4%	**16,920**	16,348	3.5%
Operating expenses	**6,385**	6,297	1.4%	**6,383**	6,289	1.5%
NOI	**10,536**	10,061	4.7%	**10,537**	10,059	4.8%
NOI margin (%)	**62.3%**	61.5%	80 bps	**62.3%**	61.5%	80 bps

	Six Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Revenue	**33,494**	32,517	3.0%	**33,490**	32,496	3.1%
Operating expenses	**13,871**	13,607	1.9%	**13,865**	13,587	2.0%
NOI	**19,623**	18,910	3.8%	**19,625**	18,909	3.8%
NOI margin (%)	**58.6%**	58.2%	40 bps	**58.6%**	58.2%	40 bps

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	Q2 2024	Q2 2023	Change (%)	Q2 2024	Q2 2023	Change (bps)
Northern Canada							
Northwest Territories	1,298	**1,869**	1,813	3.1%	**95.8%**	91.8%	400
Nunavut	1,172	**2,818**	2,762	2.0%	**99.4%**	99.7%	(30)
Northern Canada	2,470	**2,332**	2,282	2.2%	**97.9%**	96.4%	150

For the three and six months ended June 30, 2024, same door revenue increased by 3.5% and 3.1%, respectively, consistent with improvements in AMR. AMR climbed $50 to $2,332 from $2,282 and occupancy improved by 150 bps to reach 97.9% compared to same period last year. The Northwest Territories was the significant contributor to the increase in AMR and occupancy as suite renovations were completed and leased, while Nunavut remained stable, consistent with the long-term government leases.

For the three and six months ended June 30, 2024, operating expenses increased mainly driven by increased fuel oil consumption resulting from lower pellet boiler usage in Yellowknife, NT, as well as a price increase in Nunavut of 11% effective January 2024.

Same door NOI increased by 4.8% and 3.8% and NOI margin improved by 80 bps and 40 bps for the three and six months ended June 30, 2024, compared to 2023. These improvements in NOI margins were driven by revenue growth from AMR and occupancy gains which outpaced operating expenses.

WESTERN CANADA OPERATIONS

	Three Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue	**22,227**	15,509	43.3%	**17,374**	15,509	12.0%
Operating expenses	**8,547**	6,936	23.2%	**7,239**	6,936	4.4%
NOI	**13,680**	8,573	59.6%	**10,135**	8,573	18.2%
NOI margin (%)	**61.5%**	55.3%	620 bps	**58.3%**	55.3%	300 bps

	Six Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue	**43,927**	30,635	43.4%	**34,320**	30,635	12.0%
Operating expenses	**18,168**	14,935	21.6%	**15,096**	14,935	1.1%
NOI	**25,759**	15,700	64.1%	**19,224**	15,700	22.4%
NOI margin (%)	**58.6%**	51.2%	740 bps	**56.0%**	51.2%	480 bps

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	**Q2 2024**	**Q2 2023**	**Change (%)**	**Q2 2024**	**Q2 2023**	**Change (bps)**
Western Canada							
Alberta	4,479	**1,275**	1,071	19.0%	**94.4%**	90.2%	420
British Columbia	1,379	**1,055**	988	6.8%	**90.2%**	85.1%	510
Saskatchewan	323	**1,466**	1,371	6.9%	**98.2%**	99.0%	(80)
Western Canada	6,181	**1,243**	1,073	15.8%	**93.9%**	89.7%	420

For the three and six months ended June 30, 2024, same door revenue increased by 12.0% in both periods compared to 2023 driven by AMR and occupancy growth due to improved economic conditions throughout the region, coupled with positive net migration and increased labour force. AMR increased 15.8% to $1,243 from the second quarter of 2023 due to same door AMR growth of 7.8% combined with a higher AMR attributable to acquired properties, reflecting exposure to new markets and newer properties. Occupancy improved by 420 bps compared to the second quarter of 2023 driven by population growth and sustained demand for rentals.

For the three and six months ended June 30, 2024, same door operating expenses increased by 4.4% and 1.1% compared to the same periods in 2023. The increases were due to higher labour costs for repairs and maintenance, insurance premiums, and property taxes, partially offset by lower electricity rates within the current year.

Same door NOI increased by 18.2% and 22.4% for the three and six months ended June 30, 2024 compared to 2023, due to strong revenue results which led to NOI margin improvements of 300 bps and 480 bps, respectively.

ATLANTIC CANADA OPERATIONS

	Three Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue	**12,340**	8,846	39.5%	**9,448**	8,846	6.8%
Operating expenses	**5,051**	3,411	48.1%	**3,806**	3,411	11.6%
NOI	**7,289**	5,435	34.1%	**5,642**	5,435	3.8%
NOI margin (%)	**59.1%**	61.4%	(230) bps	**59.7%**	61.4%	(170) bps

	Six Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Revenue	**24,455**	17,596	39.0%	**18,658**	17,596	6.0%
Operating expenses	**10,767**	7,598	41.7%	**8,101**	7,598	6.6%
NOI	**13,688**	9,998	36.9%	**10,557**	9,998	5.6%
NOI margin (%)	**56.0%**	56.8%	(80) bps	**56.6%**	56.8%	(20) bps

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	Q2 2024	Q2 2023	Change (%)	Q2 2024	Q2 2023	Change (bps)
Atlantic Canada							
Newfoundland and Labrador	1,875	**979**	915	7.0%	**98.2%**	98.1%	10
New Brunswick	1,338	**975**	901	8.2%	**98.6%**	98.2%	40
Nova Scotia	844	**1,124**	—	n/a	**96.1%**	—%	n/a
Atlantic Canada	4,057	**1,008**	908	11.0%	**97.8%**	98.2%	(40)

For the three and six months ended June 30, 2024, same door revenue increased by 6.8% and 6.0% compared to 2023. This was mainly driven by AMR growth while same door occupancy of 98.4% remained consistent due to higher immigration levels and positive interprovincial migration supporting increased housing demand. AMR increased by 11.0% to $1,008 from the second quarter of 2023 due to same door AMR increases of 7.5% and a higher AMR associated with the acquired properties.

For the three and six months ended June 30, 2024, same door operating expenses increased by 11.6% and 6.6% compared to the same periods in 2023 mainly due to increased property taxes, utilities, and insurance premiums. Property taxes benefited from a higher tax relief credit during 2023 and utilities were higher due to increased gas consumption and electricity rates.

Same door NOI increased by 3.8% and 5.6% for the three and six months ended June 30, 2024 compared to the same periods in 2023, while revenue growth was more than offset by higher operating expenses reducing NOI margins.

CENTRAL CANADA OPERATIONS

	Three Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Revenue	**6,409**	378	1,595.5%	**390**	378	3.2%
Operating expenses	**2,514**	172	1,361.6%	**153**	172	(11.0%)
NOI	**3,895**	206	1,790.8%	**237**	206	15.0%
NOI margin (%)	**60.8%**	54.5%	630 bps	**60.8%**	54.5%	630 bps

	Six Months Ended June 30					
	Total			Same Door		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Revenue	**12,884**	749	1,620.2%	**777**	749	3.7%
Operating expenses	**5,379**	348	1,445.7%	**375**	348	7.8%
NOI	**7,505**	401	1,771.6%	**402**	401	0.2%
NOI margin (%)	**58.3%**	53.5%	480 bps	**51.7%**	53.5%	(180) bps

		AMR ($)			Occupancy (%)		
	Multi-Residential Suites	Q2 2024	Q2 2023	Change (%)	Q2 2024	Q2 2023	Change (bps)
Central Canada							
Manitoba	845	**1,137**	—	n/a	**95.9%**	—%	n/a
Québec	581	**1,016**	772	31.6%	**98.6%**	100.0%	(140)
Ontario	272	**1,632**	—	n/a	**91.5%**	—%	n/a
Central Canada	1,698	**1,171**	772	51.7%	**95.7%**	100.0%	(430)

Central Canada's same door portfolio consists of 161 suites. In the second quarter of 2024, AMR of $1,171 and occupancy of 95.7% reflects the new markets of the acquired properties.

For the three and six months ended June 30, 2024, same door NOI remained flat compared to the same periods in the prior year.

COMMERCIAL AND EXECUSUITE OPERATIONS

Northview's commercial and execusuite properties are located primarily in regions where Northview also has multi-residential operations. Commercial properties are the main contributor to 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 June 30					
	Total			Same Door		
	2024	2023	Change	2024	2023	Change
Revenue	**10,885**	10,487	3.8%	**10,319**	10,487	(1.6%)
Expenses						
General operating expenses	**2,686**	2,290	17.3%	**2,543**	2,290	11.0%
Utilities	**1,135**	1,089	4.2%	**1,159**	1,089	6.4%
Property tax	**830**	727	14.2%	**750**	727	3.2%
Total operating expenses	**4,651**	4,106	13.3%	**4,452**	4,106	8.4%
NOI	**6,234**	6,381	(2.3%)	**5,867**	6,381	(8.1%)
NOI margin (%)	**57.3%**	60.8%	(350) bps	**56.9%**	60.8%	(390) bps

	Six Months Ended June 30					
	Total			Same Door		
	2024	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue	**22,867**	21,708	5.3%	**21,676**	21,708	(0.1%)
Expenses						
General operating expenses	**5,467**	4,956	10.3%	**5,173**	4,956	4.4%
Utilities	**2,978**	2,780	7.1%	**2,907**	2,780	4.6%
Property tax	**1,597**	1,436	11.2%	**1,441**	1,436	0.3%
Total operating expenses	**10,042**	9,172	9.5%	**9,521**	9,172	3.8%
NOI	**12,825**	12,536	2.3%	**12,155**	12,536	(3.0%)
NOI margin (%)	**56.1%**	57.7%	(160) bps	**56.1%**	57.7%	(160) bps

For the three months ended June 30, 2024, same door revenue declined by 1.6% from the same period in 2023, mainly due to lower occupancy in Western Canada and Atlantic Canada commercial properties. For the six months ended June 30, 2024 same door revenue remained flat compared to 2023 with decreases in commercial occupancy offset by increases in execusuites.

Same door operating expenses increased by 8.4% for the three months ended June 30, 2024 and 3.8% for the six months ended June 30, 2024 compared to the same periods of 2023. These increases were attributable to an increase in water rates of 75% and higher repairs and maintenance compared to the same period in 2023. These changes in water rates were implemented by the City of Iqaluit and resulted in higher rates of Northview’s Iqaluit commercial and execusuite properties and lower rates for Northview’s residential properties.

Same door NOI for the three and six months ended June 30, 2024 decreased 8.1% and 3.0%, respectively, from the same periods of 2023. These declines were driven mainly by higher operating expenses which also resulted in a decrease in NOI margins for the three and six months ended June 30, 2024.

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

	Commercial	Occupancy					
	(sq. ft.)	Three Months Ended June 30			Six Months Ended June 30		
		2024	**2023**	**Change**	**2024**	**2023**	**Change**
Northern Canada	**753,000**	**93.7%**	95.1%	(140) bps	**94.2%**	95.2%	(100) bps
Western Canada	**143,000**	**63.9%**	71.5%	(760) bps	**63.4%**	71.6%	(820) bps
Atlantic Canada	**245,000**	**80.5%**	89.3%	(880) bps	**82.3%**	87.2%	(490) bps
Central Canada	**107,000**	**41.0%**	n/a	n/a	**40.9%**	n/a	n/a
	1,248,000	**83.2%**	91.1%	(790) bps	**83.8%**	90.7%	(690) bps

Commercial occupancy decreased to 83.2% and 83.8% for the three and six months ended June 30, 2024, respectively, from 91.1% and 90.7% in the comparative periods. This occupancy decrease was mainly driven by vacancies in the acquired properties located in Central Canada, Western Canada, and Atlantic Canada. Occupancy within Northview’s same door portfolio also decreased due to vacancies in Western Canada and softer market conditions in the Atlantic Canada portfolio. Approximately 264,000 sq. ft. of commercial leases mature in 2024 of which approximately 150,000 sq. ft has been renewed as of June 30, 2024.

OTHER CONSOLIDATED RESULTS

OTHER EXPENSES (INCOME)

	Three Months Ended June 30			Six Months Ended June 30		
(thousands of dollars)	**2024**	2023	Change	**2024**	2023	Change
Financing costs	**22,433**	16,077	39.5%	**44,980**	32,606	38.0%
Administration	**2,958**	1,905	55.3%	**5,456**	3,923	39.1%
Asset management fees	**—**	1,650	(100.0%)	**—**	3,300	(100.0%)
Distributions[1]	**929**	9,395	(90.1%)	**1,858**	20,683	(91.0%)
Fair value loss on investment properties	**5,643**	4,309	31.0%	**13,385**	8,687	54.1%
Fair value loss on Exchangeable Units	**11,890**	—	100.0%	**13,420**	—	100.0%
Fair value loss on Restricted Units	**44**	—	100.0%	**44**	—	100.0%
Accretion on Redeemable Units	**2,309**	—	100.0%	**4,567**	—	100.0%
Depreciation and amortization	**773**	821	(5.8%)	**1,547**	1,661	(6.9%)
Equity income from joint ventures	**(214)**	(357)	(40.1%)	**(457)**	(653)	(30.0%)
Insurance proceeds	**(1,974)**	(44)	4,386.4%	**(2,083)**	(141)	1,377.3%
Total	**44,791**	33,756	32.7%	**82,717**	70,066	18.1%

(1) Current period 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.

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, loss (gain) on extinguishment of debt, and other income.

For the three and six months ended June 30, 2024, financing costs increased by 39.5% and 38.0%, respectively, versus the comparative periods. These increases were mainly attributable to the Recapitalization Event due to additional mortgage debt assumed on the acquired properties as well as additional amortization of deferred financing costs and fair value adjustment on debt assumption. This was partially offset by lower credit facility interest expense due to lower credit facility debt, as Northview remains focused on reducing floating rate credit facility debt. See “Liquidity and Capital Resources” for further discussion of capital structure.

ADMINISTRATION EXPENSE AND ASSET MANAGEMENT FEES

For the three and six months ended June 30, 2024, the combined administration expense and asset management fee of $3.0 million and $5.5 million, respectively, were lower than $3.6 million and $7.2 million in the comparative periods. In both cases, net savings were driven by the termination of the asset management agreement.

DISTRIBUTIONS (EXCHANGEABLE UNITS)

See “Liquidity and Capital Resources” for further discussion of capital structure and “Distributions to Unitholders” for further discussion of distributions.

Certain distributions declared to Unitholders are recognized in net and comprehensive loss. For 2024, distributions relate to Exchangeable Units while the comparative period reflects distributions on Trust Units prior to reclassification from a financial liability to equity. This reclassification resulted in distributions of $0.9 million and $1.9 million recognized in net and comprehensive loss for the three and six months ended June 30, 2024 which was lower than $9.4 million and $20.7 million in the comparative periods.

FAIR VALUE LOSS ON INVESTMENT PROPERTIES

Northview reports the change in investment property fair value on a net basis after deducting capital expenditures. For the three and six months ended June 30, 2024, the fair value loss on investment properties of $5.6 million and $13.4 million, respectively, was greater than $4.3 million and $8.7 million in the same periods of 2023 primarily due to higher capital expenditures. See “Other Consolidated Results - Capital Expenditures” for further discussion.

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 and six months ended June 30, 2024, the fair value loss of $11.9 million and $13.4 million, respectively, resulted from an increase in the TSX Class A trading price from $14.00 at March 31, 2024 and $13.55 at December 31, 2023, respectively, to $17.50 at June 30, 2024.

ACCRETION ON REDEEMABLE UNITS

For the three and six months ended June 30, 2024, accretion of $2.3 million and $4.6 million, respectively, were recognized for the financial 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”.

INSURANCE PROCEEDS

For the three and six months ended June 30, 2024, Northview recognized $2.0 million and $2.1 million, respectively, in insurance proceeds (three and six months ended June 30, 2023 – $0.1 million and $0.1 million, respectively). Insurance proceeds recognized mainly relate to a claim for fire damage of a property located in Iqaluit, NU of $1.3 million and other subrogation claims.

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 June 30		Six Months Ended June 30	
(thousands of dollars, except as indicated)	**2024**	2023	**2024**	2023
Net and comprehensive loss	**(3,157)**	(3,100)	**(3,316)**	(12,521)
Adjustments:				
Distributions[1]	**929**	9,395	**1,858**	20,683
Fair value loss on investment properties	**5,643**	4,309	**13,385**	8,687
Fair value loss on Exchangeable Units	**11,890**	—	**13,420**	—
Fair value loss on Restricted Units	**44**	—	**44**	—
Accretion on Redeemable Units	**2,309**	—	**4,567**	—
Depreciation	**737**	769	**1,471**	1,539
Other[2]	**101**	62	**173**	129
FFO[3]	**18,496**	11,435	**31,602**	18,517
Maintenance capex reserve – multi-residential	**(3,282)**	(2,537)	**(6,566)**	(5,074)
Maintenance capex reserve – commercial	**(182)**	(166)	**(364)**	(332)
AFFO[3]	**15,032**	8,732	**24,672**	13,111
FFO				
FFO per Unit – basic ($/Unit)[3]	**0.51**	0.56	**0.88**	0.90
FFO per Unit – diluted ($/Unit)[3]	**0.47**	0.56	**0.80**	0.90
FFO payout ratio – basic[3][4]	**64.2%**	101.6%	**64.2%**	101.6%
FFO payout ratio – diluted[3][4]	**71.1%**	101.6%	**71.1%**	101.6%
AFFO				
AFFO per Unit – basic ($/Unit)[3]	**0.42**	0.43	**0.68**	0.64
AFFO per Unit – diluted ($/Unit)[3]	**0.38**	0.43	**0.63**	0.64
AFFO payout ratio – basic[3][4]	**83.6%**	140.6%	**83.6%**	140.6%
AFFO payout ratio – diluted[3][4]	**92.6%**	140.6%	**92.6%**	140.6%
Weighted average number of Units				
Basic ('000s)[5]	**36,056**	20,524	**36,056**	20,524
Diluted ('000s)[5]	**39,099**	20,524	**39,388**	20,524

(1) Current period 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.

(2) "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.

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

(4) Calculated on a trailing twelve months basis.

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

FFO

For the three and six months ended June 30, 2024, FFO of $18.5 million and $31.6 million were higher than $11.4 million and $18.5 million, respectively, for the comparative periods in 2023. These increases were primarily driven by same door NOI growth, additional NOI partially offset by higher financing costs from the acquired properties, net savings from the termination of the asset management agreement, and insurance proceeds. Insurance proceeds mainly relate to a claim for fire damage of a property located in Iqaluit, NU.

For the three and six months ended June 30, 2024, FFO per basic Unit of $0.51 and $0.88 were lower than $0.56 and $0.90, respectively, for the comparative periods due to additional Units issued, partially offset by FFO growth which included insurance proceeds. For the three and six months ended June 30, 2024, FFO per diluted Unit of $0.47 and $0.80 were lower than $0.56 and $0.90, respectively, from the comparative periods mainly due to the dilutive impact of Redeemable Units.

The FFO payout ratio for the twelve months ended June 30, 2024 was 64.2% compared to 101.6% for the same period in 2023. The decrease is primarily driven by the reduction to distributions in June 2023, FFO growth, the completion of the Recapitalization Event, and insurance proceeds.

AFFO

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”.

For the three and six months ended June 30, 2024, AFFO of $15.0 million and $24.7 million were higher than $8.7 million and $13.1 million, respectively, for the comparative periods in 2023 primarily due to higher FFO partially offset by additional capex reserve related to the acquired properties. AFFO per basic Unit for the three and six months ended June 30, 2024 were $0.42 and $0.68 compared to $0.43 and $0.64, in the comparative periods in 2023 due to additional Units issued, offset by higher FFO. AFFO per diluted Unit of $0.38 and $0.63, for the three and six months ended June 30, 2024, were lower than $0.43 and $0.64, respectively, from the comparative periods mainly due to the dilutive impact of Redeemable Units.

For the twelve months ended June 30, 2024, the AFFO payout ratio of 83.6% was lower than 140.6% for the twelve months ended June 30, 2023 mainly due to the distribution reduction, FFO growth, insurance proceeds, and the impact of the Recapitalization Event. See also “Distributions to Unitholders” for further discussion of Northview’s distributions.

CAPITAL EXPENDITURES

	Three Months Ended June 30			Six Months Ended June 30		
(thousands of dollars, except as indicated)	**2024**	2023	Change	**2024**	2023	Change
Suite renovations	**3,093**	2,222	39.2%	**5,703**	4,323	31.9%
Building and common areas	**1,212**	811	49.4%	**1,932**	1,147	68.4%
Boilers and mechanical	**1,311**	853	53.7%	**2,323**	1,948	19.3%
Appliances	**383**	134	185.8%	**704**	325	116.6%
Other	**836**	253	230.4%	**1,612**	676	138.5%
Total capex – multi-residential	**6,835**	4,273	60.0%	**12,274**	8,419	45.8%
Average number of multi-residential suites	**14,397**	11,111	29.6%	**14,402**	11,111	29.6%
Capex per multi-residential suite ($/suite)	**475**	385	23.4%	**852**	758	12.4%
Total capex – multi-residential	**6,835**	4,273	60.0%	**12,274**	8,419	45.8%
Total capex – commercial	**322**	57	464.9%	**351**	312	12.5%
Total capex	**7,157**	4,330	65.3%	**12,625**	8,731	44.6%

Capex of $7.2 million and $12.6 million were incurred during the three and six months ended June 30, 2024, which were higher than $4.3 million and $8.7 million for the comparative periods of 2023 due to additional properties acquired and higher capex per multi-residential suite. 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 June 30		Six Months Ended June 30	
(thousands of dollars, except as indicated)	**2024**	2023	**2024**	2023
Multi-residential				
Maintenance capex reserve	**3,282**	2,537	**6,566**	5,074
Actual maintenance capex	**3,887**	2,222	**7,065**	4,624
Difference	**(605)**	315	**(499)**	450
Commercial				
Maintenance capex reserve	**182**	166	**364**	332
Actual maintenance capex	**322**	57	**351**	312
Difference	**(140)**	109	**13**	20

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 and six months ended June 30, 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)	Q2 2024	Q1 2024	Q4 2023	Q3 2023[1]	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Revenue	**68,782**	68,845	67,865	57,402	51,578	51,627	50,969	49,703
Net and comprehensive (loss) income	**(3,157)**	(159)	20,213	155,476	(3,100)	(9,421)	25,128	52,707
Per basic unit ($/Unit)[2][5]	**(0.09)**	0.00	0.56	5.66	(0.15)	(0.46)	1.22	2.57
Per diluted unit ($/Unit)[2][5]	**(0.08)**	0.00	0.48	5.28	(0.15)	(0.46)	1.22	2.57
NOI	**41,634**	37,767	39,381	35,022	30,656	26,889	28,345	30,904
FFO[3]	**18,496**	13,106	14,375	12,530	11,435	7,082	9,505	14,553
Per basic unit ($/Unit)[2][3][5]	**0.51**	0.36	0.40	0.46	0.56	0.35	0.46	0.71
Per diluted unit ($/Unit)[2][3][5]	**0.47**	0.33	0.34	0.43	0.56	0.35	0.46	0.71
FFO payout ratio[3][4]	**64.2%**	72.1%	84.9%	98.6%	101.6%	98.8%	88.3%	78.2%

(1) The Recapitalization Event occurred on August 21, 2023.
(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 on a trailing twelve months basis.
(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 June 30, 2024, Northview had a working capital deficiency of $702.3 million (December 31, 2023 – $692.1 million), of which $334.4 million (December 31, 2023 – $348.6 million) related to the credit facilities, which matures on December 31, 2024, and $213.4 million (December 31, 2023 – $241.6 million) related to the current portion of mortgages payable. In addition, $162.2 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 or equity, non-core asset sales, other forms of financing, or looking to manage other discretionary cash flows.

Northview has identified non-core assets that have or 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 is progressing on its target of approximately $100 to $150 million of non-core asset sales to reduce debt. During the three months ended June 30, 2024, Northview sold a property consisting of two suites for total proceeds of $0.6 million. Subsequent to the quarter end, Northview completed sales of five properties comprised of 226 suites for $23.7 million.

MORTGAGES

During the three months ended June 30, 2024, Northview completed $55.6 million of mortgage financing with a weighted average interest rate of 4.46% and an average term to maturity of 7.1 years. During the three months ended June 30, 2023, Northview completed $72.1 million of mortgage financing with a weighted average interest rate of 4.13% and an average term to maturity of 9.3 years.

During the six months ended June 30, 2024, Northview completed $127.4 million of mortgage financing with a weighted average interest rate of 4.67% and an average term to maturity of 7.7 years. During the six months ended June 30, 2023, Northview completed $215.2 million of mortgage financing with a weighted average interest rate of 4.16% and an average term to maturity of 6.8 years.

During the three and six months ended June 30, 2024, the net proceeds from mortgage financing were used to repay $10.1 million and $31.6 million of borrowings on the credit facilities compared to $28.8 million and $98.1 million in the respective periods of the prior year. The floating interest rate on the credit facility was 8.71% and 8.80% for the three and six months ended June 30, 2024.

As at June 30, 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	15,953	87,118	103,071	7.2%	3.55%
2025	27,213	168,239	195,452	13.5%	3.25%
2026	21,933	81,081	103,014	7.1%	2.34%
2027	18,107	186,109	204,216	14.1%	3.86%
2028	15,309	269,921	285,230	19.8%	4.17%
Thereafter	39,200	513,220	552,420	38.3%	3.96%
Total	**137,715**	**1,305,688**	**1,443,403**	**100.0%**	**3.78%**

As at June 30, 2024, Northview had in place mortgages with the weighted average interest rate of 3.78% (December 31, 2023 – 3.80%) and weighted average term to maturity of 4.9 years (December 31, 2023 – 4.7 years).

CREDIT FACILITIES

Effective June 2024, the Bankers Acceptance Canadian Dollar Offered rate ("CDOR") was discontinued and Northview's credit facilities were transitioned to the Canadian Overnight Repo Rate Average ("CORRA") rate. The contractual cash flows of the credit facilities are economically equivalent with the transition from CDOR to CORRA.

As at June 30, 2024, Northview had in place two credit facilities: a syndicated credit facility with a total credit limit of $309.6 million (December 31, 2023 – $338.7 million) (the "syndicated facility") and a term credit facility with a credit limit of 57.2 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 CORRA rate plus 3.95%. The term facility bears interest at the prime rate plus 1.50% or the CORRA rate plus 2.80%.

The terms of the credit facilities were as follows:

	As at June 30, 2024		As at December 31, 2023	
	Credit Limit	**Amount Drawn**	**Credit Limit**	**Amount Drawn**
Syndicated facility				
Tranche A-1 Facility	**182,614**	**182,614**	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**	**75,000**	75,000	72,500
Term facility	**57,170**	**47,170**	60,000	30,000
Total	**366,784**	**341,784**	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 and six months ended June 30, 2024, Northview completed repayments of $10.4 million and $31.9 million (three and six months ended June 30, 2023 – $28.8 million and $98.1 million).

As at June 30, 2024 there is $25.0 million of available credit that may be drawn.

FINANCIAL COVENANTS

The credit facilities are subject to the following financial covenants:

	Limit	As at June 30, 2024
Syndicated facility		
Consolidated debt to aggregate assets	Not greater than 75%	**64.8%**
Debt service coverage ratio	Not less than 1.20	**1.41**
Consolidated tangible net worth	Not less than $700 million	**$957.2 million**
Physical occupancy rate	Not less than 87%	**95.5%**
Term facility		
Consolidated debt to aggregate assets	Not greater than 70%	**58.3%**
Debt service coverage ratio	Not less than 1.00	**1.40**
Portfolio equity	Not less than $75 million	**$120.5 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 six months ended June 30, 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 65.3% as at June 30, 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 June 30, 2024	**As at December 31, 2023**
Credit facilities		**335,660**	351,163
Mortgages payable		**1,431,054**	1,428,168
Liabilities related to assets held for sale		**18,473**	—
Less: Cash and cash equivalents		**(22,081)**	(21,394)
Total debt	**A**	**1,763,106**	1,757,937
Investment properties		**2,630,869**	2,661,118
Assets held for sale		**29,289**	—
Property, plant and equipment		**27,221**	29,077
Accumulated depreciation		**12,046**	10,512
Gross book value	**B**	**2,699,425**	2,700,707
Debt to gross book value	**A/B**	**65.3%**	65.1%

UNITS

Northview's Units are comprised of Trust Units, Exchangeable Units, Redeemable Units, and Special Voting 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. Redeemable Units are redeemable at the volume weighted average price of the Class A Units on the TSX for the ten trading days preceding settlement.
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 June 30		Six Months Ended June 30	
(number of Units in thousands)	**2024**	2023	**2024**	**2023**
Trust Units	**28,574**	20,524	**28,574**	20,524
Exchangeable Units	**3,397**	—	**3,397**	—
Redeemable Units	**4,085**	—	**4,085**	—
Weighted average number of Units – basic	**36,056**	20,524	**36,056**	20,524
Trust Units potentially issuable for Redeemable Units[1]	**2,993**	—	**3,282**	—
Restricted Units issuable for Trust Units upon vesting	**50**	—	**50**	—
Weighted average number of Units – diluted	**39,099**	20,524	**39,388**	20,524

(1) Represents Trust Units potentially issuable should the Class A Unit price be below $26.36 on redemption of Redeemable Units. For the three and six months ended June 30, 2024, Trust Units potentially issuable for Redeemable Units was based on the average price of the Class A Units' over the period of $15.21 and $14.61, respectively.

Northview's issued and outstanding Units were as follows:

(number of Units in thousands)	As at June 30, 2024	As at December 31, 2023
Class A	**3,536**	3,280
Class C	**22,731**	22,743
Class F	**2,307**	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 July 31, 2024, Northview's issued Units were as follows:

(number of Units in thousands)	As at July 31, 2024
Class A	**3,546**
Class C	**22,731**
Class F	**2,297**
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 officers and certain employees 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.

EMPLOYEE UNIT PURCHASE PLAN

Under the terms of Northview's employee unit purchase plan ("Employee Unit Purchase Plan" or "EUPP"), certain eligible employees can participate in a program that allows them to contribute a maximum of 5% of their salary or $7,500, (whichever is lower) to be used to purchase Class A Units. Under the EUPP, which was introduced in the second quarter of 2024, an employee's contributions into the plan are matched by a 50% contribution from Northview which is also used to purchase Class A Units on behalf of the employee. The Class A Units purchased in the EUPP on behalf of employees are purchased on the TSX at market prices.

CONTRACTUAL OBLIGATIONS

Contractual obligations for non-derivative financial liabilities as at June 30, 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)	**1,431,054**	1,697,091	269,885	373,801	466,364	587,041
Credit facilities (principal)	**335,660**	335,660	335,660	—	—	—
Trade and other payables(1)	**45,787**	45,787	45,787	—	—	—
Liabilities related to assets held for sale	**18,473**	19,317	19,317	—	—	—
Distributions payable	**3,286**	3,286	3,286	—	—	—
Total	**1,834,260**	**2,101,141**	**673,935**	**373,801**	**466,364**	**587,041**

(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 and six months ended June 30, 2024, distributions declared to Unitholders were $9.9 million and $19.7 million, respectively (for the three and six months ended June 30, 2023 – $9.4 million and $20.7 million, respectively).

Distributions declared to Unitholders were as follows:

	Three Months Ended June 30		Six Months Ended June 30	
(thousands of dollars)	**2024**	**2023**	**2024**	**2023**
Trust Units	**—**	9,395	**—**	20,683
Exchangeable Units	**929**	—	**1,858**	—
Recognized in net and comprehensive loss	**929**	9,395	**1,858**	20,683
Trust Units	**7,815**	—	**15,627**	—
Redeemable Units	**1,117**	—	**2,234**	—
Recognized in retained earnings	**8,932**	—	**17,861**	—
Distributions declared to Unitholders	**9,861**	9,395	**19,719**	20,683

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

		Three Months Ended June 30		Six Months Ended June 30	
(thousands of dollars)		**2024**	**2023**	**2024**	**2023**
Distributions paid to Unitholders	**A**	**9,861**	11,288	**19,719**	22,576
Cash flows provided by operating activities	**B**	**23,364**	10,873	**32,836**	13,500
Distribution payout ratio (%)	**A/B**	**42.2%**	103.8%	**60.1%**	167.2%
Excess (deficiency) of cash flows provided by operating activities over distributions paid	**B-A**	**13,503**	(415)	**13,117**	(9,076)

For the three and six months ended June 30, 2024, distributions paid to Unitholders represented 42.2% and 60.1% cash flows provided by operating activities, respectively (three and six months ended June 30, 2023 – 103.8% and 167.2%, respectively). The excess of cash flows provided by operating activities over distributions paid to Unitholders for the three and six months ended June 30, 2024 were primarily due to strong NOI and a distribution reduction in June 2023.

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, as the trustee nominated by Starlight Group, and Rob Kumer, as the trustee nominated by KingSett, pursuant to an investor rights agreement dated August 21, 2023.

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 June 30		Six Months Ended June 30	
	2024	**2023**	**2024**	**2023**
Other Income	**194**	—	**690**	—
Asset management fees	**—**	1,650	**—**	3,300

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

	As at June 30, 2024	**As at December 31, 2023**
Accounts receivable	**125**	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 application of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* and 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 June 30, 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 June 30, 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 second 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 June 30, 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 second 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 June 30, 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 June 30, 2024:

	As at June 30, 2024
Non-current assets	**762,530**
Current assets	**13,475**
Non-current liabilities	**403,443**
Current liabilities	**13,335**

	Six Months Ended June 30, 2024
Revenue	**28,703**
Net and comprehensive income	**2,992**