



**2025**

**ANNUAL INFORMATION FORM**

**March 4, 2026**

**AUTOMOTIVE PROPERTIES REAL ESTATE INVESTMENT TRUST  
2025 ANNUAL INFORMATION FORM**

**TABLE OF CONTENTS**

		<b>Page</b>
<b>1.</b>	<b>GLOSSARY .....</b>	<b>1</b>
<b>2.</b>	<b>FORWARD-LOOKING STATEMENTS .....</b>	<b>8</b>
<b>3.</b>	<b>MARKET AND INDUSTRY DATA.....</b>	<b>10</b>
<b>4.</b>	<b>LEGAL STRUCTURE OF THE REIT .....</b>	<b>10</b>
	Name and Establishment.....	10
	Organizational Structure .....	11
<b>5.</b>	<b>GENERAL DEVELOPMENT OF THE BUSINESS .....</b>	<b>13</b>
	Initial Public Offering and Acquisition of the Initial Properties.....	13
	Acquisition Activity.....	13
	Credit Facilities and Mortgages.....	16
	Financing .....	16
	Impact of Macroeconomic Environment .....	16
<b>6.</b>	<b>DESCRIPTION OF THE BUSINESS.....</b>	<b>17</b>
	Overview.....	17
	Business Strategy and Objectives of the REIT .....	17
	Growth Strategies of the REIT .....	18
	Principal Tenant – The Dilawri Group .....	19
	The Dilawri Leases .....	20
	Other Leases .....	26
	Typical Franchise Agreements .....	27
	Competition .....	27
<b>7.</b>	<b>PROPERTIES HELD BY THE REIT .....</b>	<b>28</b>
	Overview.....	28
	Composition of the Properties .....	32
<b>8.</b>	<b>RETAINED INTEREST .....</b>	<b>36</b>
	General .....	36
	Voting Trust Agreement .....	36
	Right to Nominate Trustees of the REIT .....	37
<b>9.</b>	<b>ARRANGEMENTS WITH DILAWRI .....</b>	<b>37</b>
	Strategic Alliance Agreement.....	37
<b>10.</b>	<b>INVESTMENT GUIDELINES AND OPERATING POLICIES.....</b>	<b>40</b>
	Investment Guidelines .....	40
	Operating Policies.....	42
	Amendments to Investment Guidelines and Operating Policies.....	43
<b>11.</b>	<b>DECLARATION OF TRUST AND DESCRIPTION OF UNITS.....</b>	<b>44</b>
	General .....	44
	Authorized Capital and Outstanding Securities .....	44

## TABLE OF CONTENTS

(continued)

	Page
Issuance of Units.....	45
Repurchase of Units.....	46
Limitations on Non-Resident Ownership of Units .....	46
Nomination of Trustees.....	46
Redemption Right .....	48
Trustees .....	49
Committees .....	50
Conflicts of Interest.....	50
Meetings of Voting Unitholders .....	52
Amendments to the Declaration of Trust and Other Extraordinary Matters.....	52
Take-Over Bids.....	53
Information and Reports .....	53
Rights of Unitholders.....	53
<b>12. THE PARTNERSHIP AND DESCRIPTION OF PARTNERSHIP UNITS.....</b>	<b>54</b>
General .....	54
Operation .....	55
Duties and Responsibilities of the General Partner .....	55
Distributions.....	55
Transfer of Class B LP Units .....	56
Amendments to the Limited Partnership Agreement.....	56
<b>13. MARKET FOR SECURITIES .....</b>	<b>56</b>
Trading Price and Volume.....	56
<b>14. DISTRIBUTION POLICY .....</b>	<b>56</b>
Distribution Policy .....	57
<b>15. RISK FACTORS.....</b>	<b>58</b>
<b>16. TRUSTEES AND MANAGEMENT OF THE REIT .....</b>	<b>58</b>
Trustees and Executive Officers .....	58
Ownership of Securities.....	62
<b>17. MATERIAL CONTRACTS .....</b>	<b>62</b>
<b>18. LEGAL PROCEEDINGS AND REGULATORY ACTIONS.....</b>	<b>62</b>
Legal Proceedings.....	62
Regulatory Actions .....	62
<b>19. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....</b>	<b>62</b>
<b>20. AUDITOR, TRANSFER AGENT AND REGISTRAR.....</b>	<b>63</b>
<b>21. AUDIT COMMITTEE INFORMATION .....</b>	<b>63</b>
<b>22. EXTERNAL AUDIT FEES .....</b>	<b>63</b>
<b>23. ADDITIONAL INFORMATION.....</b>	<b>64</b>
<b>APPENDIX A AUDIT COMMITTEE CHARTER.....</b>	<b>A-1</b>

## 1. GLOSSARY

“**Acquired Issuer**” has the meaning given to that term under “Investment Guidelines and Operating Policies — Investment Guidelines”.

“**Acquisition ROFO**” has the meaning given to that term under “Arrangements with Dilawri — Strategic Alliance Agreement”.

“**Advance Notice Provision**” has the meaning given to that term under “Declaration of Trust and Description of Units — Nomination of Trustees”.

“**Affiliate**” has the meaning given to that term in National Instrument 45-106 — *Prospectus Exemptions*, subject to the term “issuer” in such instrument being ascribed the same meaning as the term “person” in such instrument.

“**AFFO**” is a non-IFRS measure of economic earnings operating performance widely used in the real estate industry to assess an entity’s distribution capacity from earnings. The REIT calculates AFFO in accordance with the Real Property Association of Canada’s White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS Accounting Standards issued in January 2022. AFFO is calculated as FFO subject to certain adjustments, to remove the impact of: (i) any adjustments resulting from recognizing property rental revenues or expenses (including ground lease rental payments) on a straight-line basis; and (ii) capital expenditures. The REIT includes a capital expenditure reserve of 0.5% of base rent in the AFFO calculation. To date, the REIT has not incurred capital expenditure costs. The capital expenditure reserve is based on management’s best estimate of costs that the REIT may incur related to the sustaining/maintaining of the existing leased area.

“**AFFO payout ratio**” is a non-IFRS measure of the sustainability of the REIT’s distribution payout capacity from earnings. The REIT uses this metric to provide clarity of the performance of earnings and the overall management of the current portfolio of assets. Management considers AFFO payout ratio as the key measure of the REIT’s distribution capacity from earnings. AFFO payout ratio is calculated as distributions declared per Unit (excluding the Special Distribution) divided by AFFO per Unit diluted.

“**AIF**” means this Annual Information Form.

“**Board**” means the board of trustees of the REIT.

“**CBCA**” means the *Canada Business Corporations Act*, as amended.

“**Class A LP Preferred Distribution**” has the meaning given to that term under “The Partnership and Description of Partnership Units — Distributions”.

“**Class A LP Units**” means, collectively, the Class A limited partnership units of the Partnership.

“**Class B LP Units**” means, collectively, the Class B limited partnership units of the Partnership, and “**Class B LP Unit**” means any one of them.

“**Columbus Tesla Property**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Concurrent Private Placement**” has the meaning given to that term under “General Development of the Business — Financing”.

“**Control**” means the possession by any person, of the ownership, control or direction, directly or indirectly, of 50% or more of the outstanding voting securities of a person, or in the case of a limited partnership, the possession by any person of the ownership, control or direction, directly or indirectly, of 50% or more of the outstanding voting securities of the general partner; and each of “**Controlled by**” or “**Controlling**” has a corresponding meaning.

“**CPI**” has the meaning given to that term under “Description of the Business — Growth Strategies of the REIT — Internal Growth”.

“**Declaration of Trust**” means the amended and restated declaration of trust of the REIT dated as of July 22, 2015, as described under “Declaration of Trust and Description of Units”.

“**Des Sources Leases**” has the meaning given to that term under “Description of the Business — Principal Tenant — The Dilawri Group”.

“**Des Sources Properties**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Dilawri**” means 893353 Alberta Inc., an entity formed pursuant to the *Business Corporations Act* (Alberta) on September 20, 2000.

“**Dilawri Group**” means Dilawri and its Affiliates, other than any shareholder of Dilawri or any other person that Controls Dilawri.

“**Dilawri Information**” has the meaning given to that term under “Market and Industry Data”.

“**Dilawri Leases**” and “**Dilawri Lease**” have the meanings given to them under “Description of the Business — The Dilawri Leases”.

“**Dilawri Organization**” means, collectively, (i) Dilawri, any person Controlled by Dilawri or under common Control with Dilawri or any other member of the Dilawri Organization; (ii) any persons who are beneficiaries of a discretionary trust that Controlled Dilawri on the IPO Closing Date or any of such beneficiaries’ respective spouses, sons, daughters, sons-in-law, daughters-in-law, parents and siblings, or their respective spouses, sons, daughters, sons-in-law and daughters-in-law; and (iii) any trust, the majority of the trustees or beneficiaries of which are any one or more members of the Dilawri Organization and/or any person Controlled by any one or more members of the Dilawri Organization.

“**Dilawri Properties**” means, collectively, the Initial Properties (with the exception of the Kennedy Lands which was sold to the Dilawri Group on October 31, 2024), Toyota Woodland, Audi Barrie, St. Bruno Audi and Volkswagen, Mercedes-Benz West Island, Volkswagen Barrie, Heritage Honda, Mazda des Sources, Country Hills VW, Audi Queensway, Regina BMW, Acura North Vancouver and Lexus Laval.

“**Dilawri Subscriber**” has the meaning given to that term under “General Development of the Business — Financing”.

“**Dilawri Tenant**” has the meaning given to that term under “Description of the Business — The Dilawri Leases”.

“**Distribution Date**” means, in respect of a calendar month, on or about the 15th day of the following calendar month or such other date as the Trustees so determine in their discretion.

“**DRIP**” means a distribution reinvestment plan of the REIT, if any.

**“Equity Incentive Plan”** means the amended and restated equity incentive plan of the REIT approved by the Voting Unitholders on June 12, 2019 as amended and restated on December 31, 2019 and on April 26, 2022, as described in the REIT’s management information circular dated April 27, 2022 which is available on SEDAR+, as further amended or amended and restated from time to time.

**“Exchange Agreement”** means the exchange agreement dated September 25, 2025 pursuant to which the holder of Class B LP Units is granted, among other things, the right to require the REIT to exchange each Class B LP Unit held thereby for one Unit (subject to certain anti-dilution adjustments).

**“Exempt Plans”** means trusts governed by “registered retirement savings plans”, “registered retirement income funds”, “registered disability savings plans”, “deferred profit sharing plans”, “tax-free savings accounts” and “registered education savings plans”, each within the meaning of the Tax Act.

**“FFO”** is a non-IFRS measure of operating performance widely used by the real estate industry, particularly by those publicly traded entities that own and operate income-producing properties. FFO should not be considered as an alternative to net income or cash flows provided by operating activities determined in accordance with IFRS Accounting Standards. The REIT calculates FFO in accordance with the Real Property Association of Canada’s White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS Accounting Standards issued in January 2022. FFO is calculated as net income in accordance with IFRS Accounting Standards, adjusted by removing the impact of: (i) fair value adjustments on investment properties; (ii) other fair value adjustments including fair value adjustments on redeemable or exchangeable units; (iii) gains and losses on the sale of investment properties; (iv) amortization of tenant incentives; (v) distributions on redeemable or exchangeable units treated as interest expense; (vi) operational revenue and expenses from the right-of-use assets; and (vii) foreign exchange translation adjustment.

**“GBV”** means, at any time, the greater of: (A) the book value of the assets of the REIT and its consolidated subsidiaries, as shown on its then most recent consolidated balance sheet, less the amount of any receivable reflecting interest rate subsidies on any debt assumed by the REIT; and (B) the historical cost of the investment properties, plus (i) the carrying value of cash and cash equivalents, (ii) the carrying value of mortgages receivable, and (iii) the historical cost of other assets and investments used in operations.

**“General Partner”** has the meaning given to that term under “The Partnership and Description of Partnership Units — General”.

**“GLA”** means gross leasable area.

**“GMA”** means the greater Montreal area.

**“GP Interest”** has the meaning given to that term under “The Partnership and Description of Partnership Units — Partnership Units”.

**“GP Unit”** means a unit representing the GP Interest in the Partnership.

**“GTA”** means the greater Toronto area.

**“GVA”** means the greater Vancouver area.

**“Honda Île-Perrot Property”** has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**IFRS Accounting Standards**” means International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by CPA Canada in Part I of the CPA Canada Handbook — Accounting, as amended from time to time.

“**Île-Perrot Properties**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Indebtedness**” of the REIT means (without duplication): (i) any obligation for borrowed money (including, for greater certainty, the full principal amount of convertible debt, notwithstanding its presentation under IFRS Accounting Standards), (ii) any obligation incurred in connection with the acquisition of property, assets or businesses, (iii) any obligation issued or assumed as the deferred purchase price of property, (iv) any capital lease obligation (as defined under IFRS Accounting Standards and in the Declaration of Trust), and (v) any obligations of the type referred to in clauses (i) through (iv) of another entity, the payment of which the REIT has guaranteed or for which the REIT is responsible or liable; provided that, (A) for the purpose of clauses (i) through (v) (except in respect of convertible debt, as described above), an obligation will constitute Indebtedness of the REIT only to the extent that it would appear as a liability on the consolidated balance sheet of the REIT in accordance with IFRS Accounting Standards, (B) obligations referred to in clauses (i) through (iii) exclude trade accounts payable, distributions payable to Unitholders or holders of other securities excluded from the definition of Indebtedness pursuant to clause (C) below, accrued liabilities arising in the ordinary course of business which are not overdue or which are being contested in good faith, deferred revenues, intangible liabilities, deferred income taxes, deferred financing costs, tenant deposits and indebtedness with respect to the unpaid balance of installment receipts where such indebtedness has a term not in excess of 12 months, and (C) Units, Class A LP Units, and Class B LP Units, exchangeable securities and other equity securities that constitute debt under IFRS Accounting Standards do not constitute Indebtedness.

“**Independent Trustee**” means a Trustee who is “independent” pursuant to National Instrument 58-101 — *Disclosure of Corporate Governance Practices*.

“**Initial Properties**” means the portfolio of 26 commercial properties located in Ontario, Saskatchewan, Alberta and British Columbia totaling approximately 958,000 square feet of GLA that the REIT indirectly acquired through the Partnership in conjunction with closing of the IPO, and “**Initial Property**” means any one of them.

“**IPO**” has the meaning given to that term under “General Development of the Business — Initial Public Offering and Acquisition of the Initial Properties”.

“**IPO Closing Date**” means July 22, 2015.

“**Joint Arrangement**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Kennedy Lands**” means the automotive dealership property located at 8210 and 8220 Kennedy Road and 7 and 13/15 Main Street, in Markham, Ontario.

“**KW**” means Kitchener-Waterloo.

“**Lead Independent Trustee**” refers to the Independent Trustee who is responsible for ensuring the appropriate leadership for the Independent Trustees, as further described under “Trustees and Management of the REIT”.

“**Limited Partners**” and “**Limited Partner**” have the meanings given to them under “The Partnership and Description of Partnership Units — General”.

“**Limited Partnership Agreement**” means the amended and restated limited partnership agreement governing the Partnership dated July 22, 2015.

“**Management General Partner**” means Automotive Properties Management GP Inc., a corporation formed under the laws of the Province of Ontario.

“**Management Partnership**” means Automotive Properties Management Limited Partnership, a limited partnership formed under the laws of the Province of Ontario.

“**McNaught Expansion**” means the dealership facility expansion at the REIT’s McNaught Cadillac Buick GMC dealership property located in Winnipeg, Manitoba.

“**MI 61-101**” means Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*.

“**Monthly Limit**” means the monthly limit on the total amount payable in cash by the REIT in respect of Units tendered for redemption in a calendar month as described under “Declaration of Trust and Description of Units — Redemption Right”.

“**Nominating Unitholder**” has the meaning given to that term under “Declaration of Trust and Description of Units — Nomination of Trustees”.

“**Non-Residents**” means (i) “non-residents” of Canada, (ii) partnerships that are not “Canadian partnerships”, or (iii) a combination of “non-residents” and such partnerships (all within the meaning of the Tax Act).

“**Notice Date**” has the meaning given to that term under “Declaration of Trust and Description of Units — Nomination of Trustees”.

“**OEM**” means original equipment manufacturer.

“**Offering**” has the meaning given to that term under “General Development of the Business — Financing”.

“**Offering Price**” has the meaning given to that term under “General Development of the Business — Financing”.

“**Partnership**” means Automotive Properties Limited Partnership, a limited partnership formed under the *Limited Partnerships Act* (Ontario).

“**Properties**” has the meaning given to that term under “Description of the Business — Overview”.

“**Public Offering**” has the meaning given to that term under “General Development of the Business — Financing”.

“**Québec City Hyundai Property**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Redemption Date**” has the meaning given to that term under “Declaration of Trust and Description of Units — Redemption Right”.

“**Redemption Price**” has the meaning given to that term under “Declaration of Trust and Description of Units — Redemption Right”.

“**Reimbursement Distribution Amount**” has the meaning given to that term under “The Partnership and Description of Partnership Units — Distributions”.

“**REIT**” means Automotive Properties Real Estate Investment Trust and its Subsidiaries, including the Partnership, on a consolidated basis, unless the context requires otherwise.

“**REIT Exception**” means the exclusion from the definition of “SIFT trust” in the Tax Act for a trust qualifying as a “real estate investment trust” under the Tax Act.

“**REIT-Suitable Property**” means any income-producing property in Canada or the United States which the REIT would be permitted to acquire or invest in within the terms set out in the “Investment Guidelines and Operating Policies” of the REIT’s Declaration of Trust and which property is ready for use on a long-term basis, or is being used on a long-term basis, primarily as an automotive dealership or automotive repair facility, or, in the case of a disposition of an income-producing property by a member of the Dilawri Group to which the Sale ROFO applies, is being “sold” for use on a long-term basis, primarily as an automotive dealership or automotive repair facility.

“**Related Party**” means, with respect to any person, a person who is a “related party” as that term is defined in MI 61-101, as amended from time to time.

“**Report Package**” has the meaning given to that term under “Description of the Business — The Dilawri Leases”.

“**Rivian Orlando Property**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Rivian Tampa Property**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Sale ROFO**” has the meaning given to that term under “Arrangements with Dilawri — Strategic Alliance Agreement”.

“**SEDAR+**” means the System for Electronic Data Analysis and Retrieval + at [www.sedarplus.ca](http://www.sedarplus.ca).

“**SIFT Rules**” means the rules in the Tax Act applicable to “SIFT trusts” and “SIFT partnerships” (each within the meaning of the Tax Act).

“**Special Distribution**” means the special distribution of \$0.55 per Unit, which was comprised of \$0.081 per Unit paid in cash on January 6, 2025 and \$0.469 per Unit paid by the issuance of Units, paid to Unitholders of record as at December 31, 2024 in connection with the sale of the Kennedy Lands.

“**Special Voting Units**” means, collectively, special voting units of the REIT, and “**Special Voting Unit**” means any one of them.

“**Strategic Alliance Agreement**” means the strategic alliance agreement between the REIT and Dilawri dated July 22, 2015, as described under “Arrangements with Dilawri — Strategic Alliance Agreement”.

“**Subsidiary**” has the meaning given to that term in National Instrument 45-106 — *Prospectus Exemptions*, subject to the term “issuer” in such instrument being ascribed the same meaning as the term “person” in such instrument, and, for greater certainty, includes the Partnership.

“**Subsidiary Notes**” means promissory notes of the Partnership, a trust all of the units of which, or a corporation all of the shares of which, are owned directly or indirectly by the REIT or another entity that would be consolidated with the REIT under IFRS Accounting Standards, having a maturity date and interest rate determined by the Trustees at the time of issuance.

“**Substantial Completion**” means, in respect of any development, redevelopment, refurbishment or repositioning project, the completion of such project so that it is ready for use or is being used for the purposes intended, including receipt of necessary certificates of occupancy, but subject to the completion of “punch list” items, and in respect of which the tenant is in occupancy and paying rent.

“**Tangible Net Worth**” means the aggregate of stated capital and retained earnings, less goodwill, incorporation and prepaid expenses, deferred costs and other assets normally regarded as intangible under generally accepted accounting principles in Canada.

“**Taschereau JLR and Volkswagen**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Tenant Change of Control**” means the acquisition (directly or indirectly) of the Control of a Dilawri Tenant by any person other than any one or more members of the Dilawri Organization, the REIT or any Affiliate of the REIT, provided that a Tenant Change of Control will be deemed not to occur if such Tenant Change of Control results from a change in the ownership, control or direction of publicly held or traded securities.

“**Termination Notice**” has the meaning given to that term under “Description of the Business — The Dilawri Leases”.

“**Third Party Tenant Portfolio**” means those portions of the Initial Properties acquired by the REIT on closing of the IPO which were, at the time, leased by third party tenants and which are currently leased to the applicable member of the Dilawri Group and subleased by the applicable member of the Dilawri Group to such third party tenants.

“**Transferors**” means, collectively, Dilawri, any member of the Dilawri Group and other entities the interests in which are jointly owned by Dilawri and a third party that, prior to closing of the IPO, directly or indirectly owned the leasehold and freehold interests, as applicable, in the Initial Properties and which are parties to the agreement dated July 22, 2015 pursuant to which the REIT acquired the Initial Properties, and “**Transferor**” means any one of them.

“**Trustees**” means the trustees from time to time of the REIT, and “**Trustee**” means any one of them.

“**TSX**” means the Toronto Stock Exchange.

“**United States**” means the United States as such term is defined in Regulation S under the U.S. Securities Act.

“**Unitholders**” means holders of Units, and “**Unitholder**” means any one of them.

“**Units**” means trust units in the capital of the REIT, other than Special Voting Units, and “**Unit**” means any one of them.

“**US\$**” means United States dollars.

“**U.S. Holdco**” means Automotive Properties US Holdco Inc.

“**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended.

“**Vacant Premises**” has the meaning given to that term under “Description of the Business — The Dilawri Leases”.

“**Vista Property**” has the meaning given to that term under “General Development of the Business — Acquisition and Development Activity”.

“**Voting Trust Agreement**” has the meaning given to that term under “Retained Interest — General”.

“**Voting Unitholders**” means, collectively, holders of Voting Units, and “**Voting Unitholder**” means any one of them.

“**Voting Units**” means, collectively, the Units and the Special Voting Units, and “**Voting Unit**” means any one of them.

## 2. FORWARD-LOOKING STATEMENTS

Certain statements contained in this AIF constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to the REIT’s future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the REIT. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the REIT or the real estate or automotive dealership industry are forward-looking statements. In some cases, forward-looking information can be identified by terms such as “may”, “might”, “will”, “could”, “should”, “would”, “occur”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue”, “likely”, “schedule”, “objectives”, or the negative thereof or other similar expressions concerning matters that are not historical facts. Some of the specific forward-looking statements in this AIF include, but are not limited to, statements with respect to the following:

- the impact of changes in economic conditions, including changes in interest rates, currency fluctuation and the rate of inflation, or the impact of tariffs or other trade restrictions;
- completion of the Vista Property, including the timing thereof and the benefits anticipated to be derived therefrom;
- the REIT’s relationship with the Dilawri Organization, including in respect of (i) the Dilawri Organization’s retained interest in the REIT and its current intention with respect thereto, and (ii) expected transactions to be entered into between Dilawri and the REIT (including pursuant to the Strategic Alliance Agreement);
- the REIT’s intention with respect to, and ability to execute, its external and internal growth strategies;
- the maintenance by the REIT of a strong balance sheet and prudent financial management and associated minimization of financial risk;
- the REIT’s expectations with respect to the proportion of leases containing CPI-related adjustments in 2026;

- the REIT representing a unique alternative for automotive dealership operators, OEMs, dealership and service centre operators considering a sale or recapitalization of their business;
- the REIT's capital expenditure requirements and capital expenditures to be made by the REIT and the REIT's tenants;
- the REIT's distribution policy and the distributions to be paid to Unitholders and holders of units of the Partnership;
- the REIT's debt strategy;
- the REIT's access to available sources of debt and/or equity financing;
- the expected tax treatment of the REIT and its distributions to Unitholders;
- the REIT's ability to meet its stated objectives;
- the REIT's ability to expand its asset base and make accretive acquisitions;
- the ability of the REIT to qualify as a "mutual fund trust" as defined in the Tax Act, and for the REIT Exception; and
- the REIT's ability to acquire automotive and OEM dealership and service centre properties.

The REIT has based these forward-looking statements on factors and assumptions about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs, including that inflation will remain stable in the near term, that interest rates will remain elevated in the near term, that tax laws remain unchanged, that tariffs and other trade restrictions will remain relatively stable in the near term, that conditions within the automotive dealership real estate industry and the automotive dealership industry generally, including competition for acquisitions, will be consistent with the current climate, that the Canadian capital markets will provide the REIT with access to equity and/or debt at reasonable rates when required and that the Dilawri Organization will continue its involvement with the REIT.

Although the forward-looking statements contained in this AIF are based upon assumptions that management believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the REIT's control, that may cause the REIT's or the industry's actual results, performance, achievements, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the factors contained in the REIT's filings with securities regulators, including the factors discussed under "Risks & Uncertainties, Critical Judgments & Estimates" in the REIT's management's discussion and analysis for the year ended December 31, 2025, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the REIT's website at [www.automotivepropertiesreit.ca](http://www.automotivepropertiesreit.ca). See also "Risk Factors". The forward-looking statements related to the acquisition of the Vista Property are subject to the further risk that the closing conditions may not be satisfied or waived such that closing of the acquisition does not occur on current terms or at all.

When relying on forward-looking statements to make decisions, the REIT cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and

uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not, and at which times, such performance or results will be achieved. The forward-looking statements made in this AIF relate only to events or information as of the date on which the statements are made in this AIF. Except as required by law, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

The information in this AIF is current to December 31, 2025, unless otherwise noted. All amounts are in Canadian dollars, unless otherwise noted.

### **3. MARKET AND INDUSTRY DATA**

This AIF includes market and industry data that were obtained from third party sources, including industry publications and publicly available information, as well as industry data prepared by management on the basis of its knowledge of the automotive dealership industry in which the REIT operates (including management's estimates and assumptions relating to that industry based on that knowledge). Management's knowledge of the automotive dealership industry in Canada has been developed through its experience and participation in the industry. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data. Third party sources, which include Statistics Canada, public company disclosure, and other publicly available information, generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes this information to be reliable, the REIT has not independently verified any of the data from third party sources referred to in this AIF, ascertained the underlying economic assumptions relied upon by such sources, or analyzed or verified the underlying studies or surveys relied upon or referred to by third party sources.

All information regarding Dilawri contained in this AIF (the "**Dilawri Information**") has been provided by, and is solely the responsibility of, Dilawri and not of the REIT, the REIT's management nor the Trustees. Although the REIT has no reason to believe that the Dilawri Information contains a misrepresentation, Dilawri is a private company that is independent of, and operates entirely independently from, the REIT and, consequently, neither the REIT, its management nor its Trustees (in their capacities as such) have been involved in the preparation of the Dilawri Information, nor has the REIT approved such information. Readers are cautioned, therefore, not to place undue reliance on the Dilawri Information.

### **4. LEGAL STRUCTURE OF THE REIT**

#### **Name and Establishment**

The REIT is an internally managed, unincorporated, open-ended real estate investment trust existing pursuant to the Declaration of Trust under, and governed by, the laws of the Province of Ontario. The principal, registered and head office of the REIT is located at 133 King Street East, Suite 300, Toronto, Ontario, M5C 1G6. The REIT was formed on June 1, 2015 to own primarily income-producing automotive properties, including dealership and OEM properties, located in Canada or the United States.

The REIT is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on nor does it intend to carry on the business of a trust company.

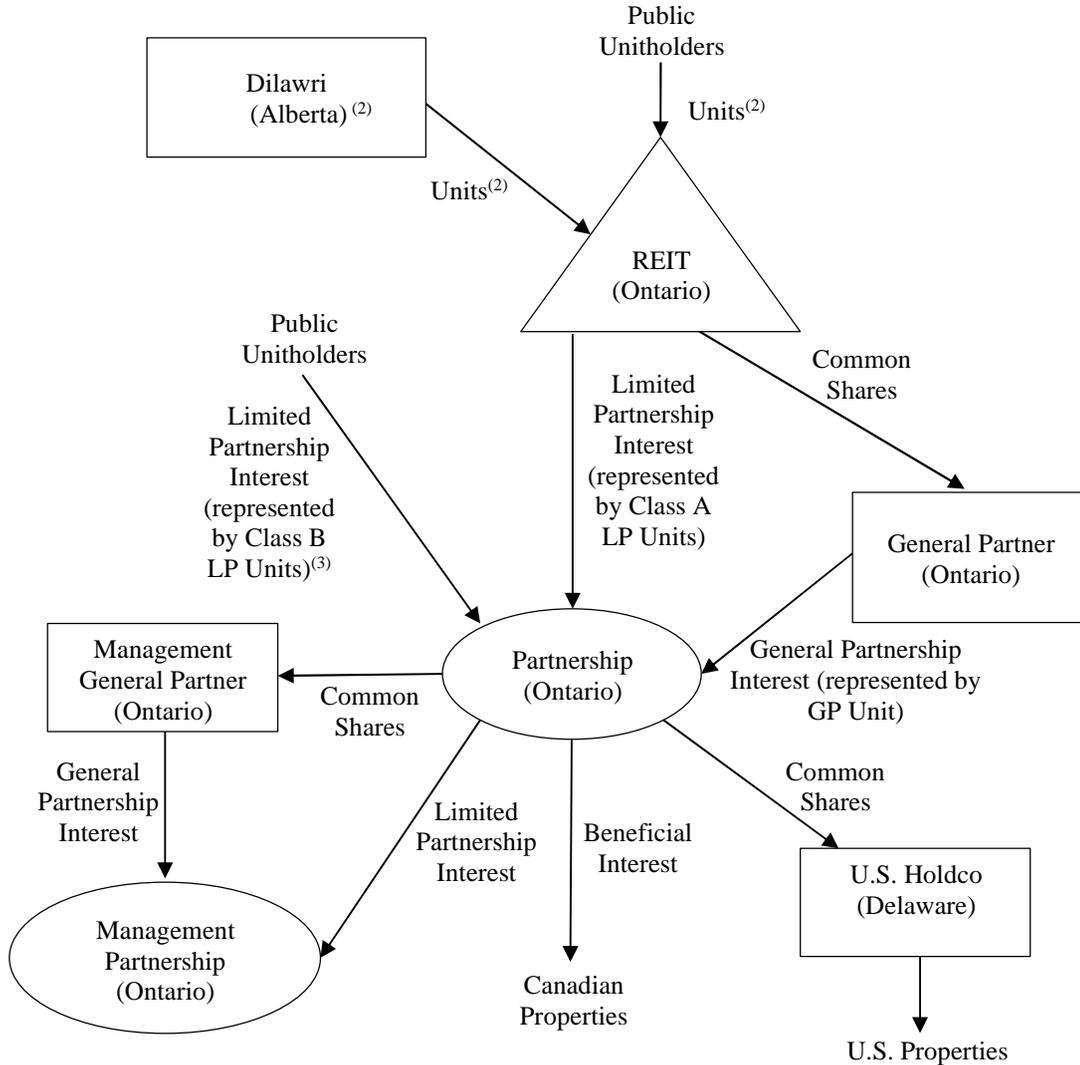
## **Organizational Structure**

The following chart shows the simplified organizational structure of the REIT, including the principal Subsidiaries, their respective jurisdiction of incorporation or formation, and the percentages of voting and non-voting securities owned by the REIT and the Dilawri Group as at the date hereof.

For the purposes of this AIF, all “effective interest” calculations have been based on the total number of Units that would be outstanding if all outstanding Class B LP Units were exchanged into Units on a one-for-one basis.

The REIT’s Units are listed and posted for trading on the TSX under the symbol “APR.UN”.

## ORGANIZATIONAL STRUCTURE<sup>(1)</sup>



**Notes:**

- (1) All ownership interests in the above organizational structure diagram are 100% unless otherwise indicated.
- (2) As of the date hereof, Dilawri holds an approximate 30.7% effective interest in the REIT, on a fully diluted basis, through the ownership, direction or control of 17,390,998 Units. Each of the members of the Dilawri Group has entered into the Voting Trust Agreement, pursuant to which Dilawri has been granted sole voting control over the Units held by the Dilawri Group.
- (3) As of the date hereof, public unitholders hold an approximate 1.5% effective interest in the REIT, on a fully diluted basis, through the ownership, direction or control of 833,333 Class B LP Units, assuming all of the Class B LP Units are exchanged for Units on a one-for-one basis.

## 5. GENERAL DEVELOPMENT OF THE BUSINESS

### Initial Public Offering and Acquisition of the Initial Properties

In July 2015, the REIT completed its initial public offering of 8,120,000 Units, (which included 620,000 Units issued in August 2015 pursuant to a partial exercise by the underwriters of the over-allotment option granted by the REIT) at a price of \$10.00 per Unit for aggregate gross proceeds of \$81.2 million (the “**IPO**”).

The REIT used the proceeds of the IPO, together with drawdowns under the REIT’s credit facilities, to, among other things, indirectly acquire, through the Partnership, the Initial Properties from the Transferors, all but two of which were Subsidiaries of, or entities related to, Dilawri, for a total purchase price of approximately \$357.7 million (including closing costs).

The Initial Properties consisted of a portfolio of 26 commercial properties located in Ontario, Saskatchewan, Alberta and British Columbia totaling approximately 958,000 square feet of GLA. Out of the 26 Initial Properties, 24 are exclusively occupied by the Dilawri Group for use as automotive dealerships or, in one case, an automotive repair facility, while the other two properties are jointly occupied by the Dilawri Group (for use as automotive dealerships) and one or more third parties (for use as automotive dealerships or complementary uses, including restaurants). Interests in two of the 24 Initial Properties that are exclusively occupied by the Dilawri Group were jointly owned by the Dilawri Group and entities unrelated to the Dilawri Group.

Following completion of the IPO and the transactions described above (i) the REIT had 8,120,000 Units issued and outstanding and owned all of the Class A LP Units of the Partnership, and (ii) Dilawri had an approximate 55% effective interest in the REIT through the ownership, control or direction of all of the Class B LP Units and associated Special Voting Units.

### Acquisition Activity

Since the IPO, the REIT has continued to expand its asset base through acquisitions and development activity consistent with its ongoing business strategy. The following table outlines the property acquisitions completed by the REIT over the last three years.

<i>2023</i>				
<b>Operating Name</b>	<b>Address</b>	<b>City/ Province</b>	<b>Year Built /Renov.</b>	<b>GLA</b>
1. Hyundai Sorel.....	1864 Boul. Fiset	Sorel-Tracy, QC	2018	16,820
2. Kia Sorel.....	1918 Boul. Fiset	Sorel-Tracy, QC	2018	14,276
3. Hamel Honda.....	332 Rue Dubois	St-Eustache, QC	2008/2017	61,186
4. Honda Ste-Rose.....	4555 Av. de la Renaissance	Laval, QC	2022	24,782
5. Chomedey Toyota.....	2385 Chomedey Blvd.	Laval, QC	2002/2010	44,265
6. Mazda de Laval.....	2200 Chomedey Blvd.	Laval, QC	2008	26,092
7. Taschereau JLR and Volkswagen <sup>(1)</sup> ..	9425 Taschereau Blvd.	Brossard, QC	2023	50,415

<b>2024</b>				
<b>Operating Name</b>	<b>Address</b>	<b>City/ Province</b>	<b>Year Built /Renov.</b>	<b>GLA</b>
8. Brandt Tractor .....	3855 Boulevard Matte	Brossard, QC	2009	30,996
9. Strongco (Nors) .....	72 Chemin du Tremblay	Boucherville, QC	2008	28,611
<b>2025</b>				
<b>Operating Name</b>	<b>Address</b>	<b>City/ Province</b>	<b>Year Built /Renov.</b>	<b>GLA</b>
10. Columbus Tesla .....	5600 Britton Parkway	Dublin, OH	1996/2024	94,000
11. Rivian Tampa .....	701 N. Dale Mabry Highway	Tampa, FL	1992/2023	25,000
12. Rivian Orlando .....	4000 Shader Road	Orlando, FL	2007/2024	34,938
13. GM Île-Perrot .....	2000 Boulevard du Traversier	Pincourt, QC	2008	39,397
14. Île-Perrot Toyota .....	2100 Boulevard du Traversier	Pincourt, QC	2011	34,829
15. Mazda 2-20 .....	2101 Boulevard du Traversier	Pincourt, QC	2008	31,810
16. Hyundai Île-Perrot .....	2200 Boulevard du Traversier	Pincourt, QC	2018	15,168
17. Ford Île-Perrot .....	1800 Boulevard du Traversier	Pincourt, QC	2024	41,014
18. Honda Île-Perrot .....	40 Boulevard Don- Quichotte	L'Île-Perrot, QC	1986	18,670
19. Île-Perrot Collision Centre .....	11-13 Rue Huot Notre- Dame-de-l'Île-Perrot	L'Île-Perrot, QC	2007/2023	15,714
20. Subaru Des Sources .....	2291 Place Transcanadienne	Dorval, QC	2012	21,743
21. Honda Des Sources .....	2301 Place Transcanadienne	Dorval, QC	2012	54,126
22. Volkswagen Des Sources .....	2311 Place Transcanadienne	Dorval, QC	2013	64,823
<b>Total</b>				<b>788,675</b>

- (1) On June 2, 2023, the REIT entered into a 50/50 joint arrangement with StorageVault Canada Inc. (the “**Joint Arrangement**”) to jointly acquire the approximately 3.4 acres of land underlying the Volvo and Jaguar Land Rover (“**JLR**”) automotive dealership located in Brossard, Quebec (“**Taschereau JLR and Volkswagen**”) from a third-party vendor, which is currently under a triple-net lease with JLR.

On March 11, 2025, the REIT acquired the real estate underlying a Tesla collision center property (the “**Columbus Tesla Property**”) located in Dublin, Ohio, a suburb of Columbus, for approximately US\$17.8 million, plus acquisition costs of approximately US\$0.8 million (approximately \$26.7 million). The Columbus Tesla Property consists of an approximately 94,000 square-foot Tesla collision service center facility that is situated on 6.32 acres of land located along a commercial corridor at 5600 Britton Parkway

in Dublin, Ohio, adjacent to a large retail shopping center. The Columbus Tesla Property is tenanted by Tesla under a mid-term net lease. The REIT funded the purchase price of the acquisition of the Columbus Tesla Property primarily by drawing on its revolving credit facilities.

On April 11, 2025, the REIT acquired the real estate underlying a 25,000 square-foot automotive property situated on 2.75 acres of land located at 701 North Dale Mabry Highway in Tampa, Florida (the “**Rivian Tampa Property**”) for a purchase price of approximately US\$13.1 million, plus acquisition costs of approximately US\$0.3 million (approximately \$18.6 million). The Rivian Tampa Property is comprised of a sales, delivery and service facility tenanted by Rivian LLC, which recently completed a major renovation to the facility, under a long-term, net lease that includes contractual fixed annual rent increases with renewal options. The REIT funded the acquisition of the Rivian Tampa Property with draws on its revolving credit facilities.

On September 18, 2025, the REIT acquired the real estate underlying an automotive property located at 4000 Shader Road in Orlando, Florida (the “**Rivian Orlando Property**”) from a third party for a purchase price of approximately US\$16.8 million, plus acquisition costs of approximately US\$0.4 million (approximately \$23.7 million). The Rivian Orlando Property is tenanted by Rivian LLC, under a long-term, net lease that includes contractual fixed annual rent increases with renewal options. The Rivian Orlando Property consists of an approximately 34,938 square-foot Rivian sales, delivery and service facility that is situated on approximately 6.44 acres of land. The REIT funded the purchase price of the Rivian Orlando Property by drawing on its credit facilities.

On September 25, 2025, the REIT acquired the real estate underlying a portfolio of five automotive dealership properties and one collision centre property (GM Île-Perrot, Île-Perrot Toyota, Mazda 2-20, Hyundai Île-Perrot, Ford Île-Perrot and Centre de Collision Île-Perrot) located in Île-Perrot, Québec, a suburb of Montreal (collectively, the “**Île-Perrot Properties**”), from a third party for an aggregate purchase price of approximately \$70.5 million, plus acquisition costs of approximately \$2.2 million. The Île-Perrot Properties consist of an aggregate of 177,932 square-feet of GLA situated on approximately 26.4 acres of land and are tenanted by affiliates of Groupe AutoForce Inc., a private entity that owns and operates several automotive dealerships in the Greater Montreal Area. The respective operators of each of the Île-Perrot Properties entered into long-term net leases with the REIT that are subject to annual adjustments linked to the CPI in Québec. The REIT funded a portion of the purchase price for the Île-Perrot Properties through the issuance of 833,333 Class B LP Units to the vendor at a price of \$12.00 per Class B LP Unit (with a corresponding number of Special Voting Units issued concurrently therewith), subject to a potential cash adjustment payable by the REIT in the event that the five day volume-weighted average trading price of the Units on the Toronto Stock Exchange is less than \$12.00 per Unit on the date that is two years following closing of such acquisition (the “**Reference Date**”), in an amount equal to the difference between (i) \$12.00 and (ii) such volume weighted average trading price as of the Reference Date, subject to a maximum cash payment of \$1.25 million. The balance of the purchase price was funded by the REIT by drawing on its credit facilities.

On October 16, 2025, the REIT acquired a portfolio of three automotive dealership properties located in Dorval, Québec, a suburb of Montreal (collectively, the “**Des Sources Properties**”), from a third party for an aggregate purchase price of approximately \$52.5 million. The Des Sources Properties consist of Subaru Des Sources, Honda Des Sources and Volkswagen Des Sources, which together comprise an aggregate of 140,693 square feet of GLA situated on approximately 9.0 acres of land. The Des Sources Properties are tenanted by members of the Dilawri Group under short-term, triple-net leases with renewal rights. The REIT funded the purchase price for the Des Sources Properties through an interest-only \$31.5 million vendor take-back mortgage with an affiliate of the vendor at an interest rate of 4.5% for a term of five years, with the balance funded by the REIT’s credit facilities, which the REIT repaid using a portion of the net proceeds of the Offering. See “Financing” below.

On October 29, 2025, the REIT acquired the real estate underlying an automotive dealership property located in Île-Perrot, Québec (the “**Honda Île-Perrot Property**”) for a purchase price of approximately \$4.8 million. The Honda Île-Perrot Property consists of 18,670 square feet of GLA situated on approximately 1.6 acres of land. The REIT funded the acquisition of the Honda Île-Perrot Property with cash on hand.

On January 1, 2026, the REIT acquired an automotive dealership property located in Québec City, Québec (the “**Québec City Hyundai Property**”) for a purchase price of approximately \$13.2 million. The Québec City Hyundai Property consists of 39,044 square feet of GLA situated on approximately 6.0 acres of land. The REIT funded the acquisition of the Québec City Hyundai Property by drawing on its revolving credit facilities.

On March 4, 2026, the REIT waived conditions for the purchase of real estate underlying an automotive and service property located in Vista, California (the “**Vista Property**”) from a third party for a purchase price of approximately US\$16.0 million (approximately \$21.9 million). The Vista Property is tenanted by Rivian LLC, under a mid-term, net lease that includes contractual fixed annual rent increases with renewal options. The Vista Property consists of an approximately 59,828 square-foot Rivian sales, delivery and service facility that is situated on approximately 3.75 acres of land. The acquisition is expected to close during the first half of 2026. The REIT expects to fund the purchase price of the Vista Property by drawing on its revolving credit facilities.

See “Properties Held by the REIT” for a summary description of all of the REIT’s Properties.

### **Credit Facilities and Mortgages**

For information regarding the REIT’s credit facilities and mortgages, refer to the “Liquidity and Capital Resources” section of the REIT’s management’s discussion and analysis for the year ended December 31, 2025 which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Financing**

On October 23, 2025, the REIT completed a bought deal public offering of 3,070,000 Units at a price of \$11.11 per Unit (the “**Offering Price**”) to a syndicate of underwriters for gross proceeds of approximately \$34.1 million (the “**Public Offering**”). Concurrently with the Public Offering, the REIT completed a private placement of 1,442,844 Units at the Offering Price to a member of the Dilawri Group (the “**Dilawri Subscriber**”) for gross proceeds of approximately \$16.0 million (the “**Concurrent Private Placement**”) and, together with the Public Offering, the “**Offering**”). On October 28, 2025, the REIT issued and sold an additional 428,200 Units at the Offering Price to the underwriters in the Public Offering for gross proceeds of approximately \$4.8 million pursuant to the partial exercise of the over-allotment option granted to the underwriters in connection with the Public Offering. Concurrently, the REIT completed the issue and sale of an additional 201,247 Units at the Offering Price to the Dilawri Subscriber for gross proceeds of approximately \$2.2 million pursuant to the exercise of an option granted to the Dilawri Subscriber in connection with the Concurrent Private Placement. The completion of these options increased the total gross proceeds of the Offering to approximately \$57.1 million. The REIT used the net proceeds from the Offering to repay indebtedness under its credit facilities, including the debt incurred to fund the cash portion of the acquisition of the Des Sources Properties.

### **Impact of Macroeconomic Environment**

Continued concerns and uncertainty over whether the economy will be adversely affected by inflation, volatile energy costs, geopolitical issues (including tariffs and other trade restrictions), currency fluctuations and the availability and cost of credit may contribute to increased market volatility and

weakened business and consumer confidence, and increasing levels of these and other risk factors could intensify their impact. Such economic uncertainties and market challenges, which may result from a continued or exacerbated general economic slowdown experienced by Canada as a whole, may negatively affect consumer demand and the overall economy. The fluctuation in the interest rate environment, inflation and credit environment impacts rental growth and capitalization rates overall in the real estate industry, which, in turn could provide attractive buying opportunities for the REIT. The escalation of tariff threats and other trade restrictions may have a negative impact on future retail automotive sales through, among other things, increases to new automobile prices.

As at December 31, 2025, 80.0% of the REIT's debt was fixed with a weighted average interest rate of 4.47% with a weighted average interest swap term and mortgages remaining of 4.1 years and weighted average term to maturity of debt of 2.3 years. The REIT's overall borrowing policy is to obtain secured credit facilities, principally on a fixed rate or effectively fixed rate basis. This allows the REIT to achieve and maintain staggered maturities to lessen exposure to re-financing risk in any particular period and achieve and maintain fixed rates to lessen exposure to interest rate increases. The REIT also continues to extend loan terms and fixed rate periods as long as possible when borrowing conditions are favourable.

The financial markets continually fluctuate, and it is therefore difficult for management to quantify the impact that the factors described above will have on the cost and availability of debt and equity capital to the REIT. Management and the Trustees are continuing to closely monitor the impact of inflation, interest rates, currency fluctuations and the current geopolitical environment on the REIT's business and will continue to prudently manage the REIT's available resources, and access to equity and debt financing.

## **6. DESCRIPTION OF THE BUSINESS**

### **Overview**

The REIT's principal business is owning and acquiring well-located automotive and OEM dealership and service real estate properties across Canada and in the United States. Dilawri took the initiative in creating the REIT in order to establish a growth-oriented real estate entity.

The REIT expects to benefit from consolidation of the automotive dealership industry and its relationship with the Dilawri Group, who expects to retain a significant economic interest in the REIT. For a description of the Dilawri Group, see "Principal Tenant — The Dilawri Group".

As of the date of this AIF, the REIT owns a portfolio of 92 income-producing commercial properties, representing approximately 3.4 million square feet of GLA on approximately 313 acres of land in primarily metropolitan markets across Canada in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec and in the states of Florida and Ohio in the United States (collectively, the "**Properties**").

### **Business Strategy and Objectives of the REIT**

The primary strategy of the REIT is to create Unitholder value over the long-term by generating sustainable tax-efficient cash flow and capital appreciation through the REIT's ability to execute on external and internal growth strategies. To achieve this objective, management will seek to expand the REIT's asset base while increasing AFFO per Unit through accretive acquisitions of properties from automotive dealership groups, automotive companies and OEMs, as well as contractual rent escalators. The REIT will maintain a strong balance sheet and practice prudent financial management to minimize financial risk for Unitholders.

The primary objectives of the REIT are to: (a) provide Unitholders with stable, predictable and growing monthly cash distributions on a tax-efficient basis; (b) enhance the value of the REIT's assets in order to

maximize long-term Unitholder value; and (c) expand the REIT's asset base while also increasing the REIT's AFFO per Unit, including through accretive acquisitions.

### **Growth Strategies of the REIT**

The REIT has a well-defined, long-term growth strategy, supported by multiple sources of cash flow growth, including (i) accretive acquisitions of properties from dealership groups, automotive companies and OEMs, and (ii) contractual rent escalations.

The REIT continually reviews its investment property portfolio and may consider, from time to time, potential strategic dispositions of investment properties in order to unlock value which is in line with the best interests of the REIT's long-term growth strategy. The REIT plans to continue to grow its portfolio of properties leased to OEMs, OEM dealers and other automotive related tenants in Canada and the United States.

### ***External Growth***

Management believes that the REIT will be able to pursue numerous sources of accretive, external growth which will provide the REIT with attractive opportunities to increase its scale and AFFO per Unit. These sources include the acquisition of properties from the Dilawri Group pursuant to the Strategic Alliance Agreement as well as acquisitions from other dealership groups. Management intends to utilize a disciplined approach in acquiring these properties, with a primary focus on acquiring strategically-located automotive and OEM properties in key Canadian and U.S. markets which will contribute to the REIT's ability to generate stable and predictable monthly cash distributions. As of the date of this AIF, the REIT has successfully completed the acquisitions of 13 Properties pursuant to the Strategic Alliance Agreement and 53 Properties from third party dealership groups or OEMs (see "General Development of the Business — Acquisition and Development Activity").

- ***Accretive Acquisitions:*** Management believes that, due to the highly fragmented nature of the automotive industry in Canada and the United States, the REIT is well-positioned to capitalize on opportunities for accretive acquisitions of automotive and OEM dealership and service properties. Management estimates that the top 10 automotive dealership groups in Canada and the United States own less than 20% of the approximately 3,500 automotive dealerships in Canada, and approximately 18,000 automotive dealerships in the United States, that are in operation. The REIT believes that it will be able to capitalize on the automotive dealership industry fragmentation, as succession planning issues make the sale of a dealership's underlying real estate an attractive liquidity alternative allowing dealers to monetize their real estate while retaining ownership and control of their enterprise and to redeploy capital to expand their business. For the majority of dealers and service centre owners, their dealership or service centre represents the single largest proportion of their family's wealth. Management believes that the REIT will represent a unique alternative for automotive dealership operators considering a sale or recapitalization of their business, as the REIT is currently the only public vehicle in Canada focused on consolidating automotive and OEM dealership and service real estate properties. The REIT seeks to acquire properties that meet its investment criteria in order to diversify its tenant base, while continuing to focus on tenant quality, stability of cash flow and brand and geographical diversification in strategic markets. The REIT will evaluate potential acquisition opportunities based on a number of factors, including valuation, expected financial performance, stability of cash flows, physical features, existing leases, functionality of design, geographic market, location, automotive brand representation and opportunity for future value enhancement. In addition, the REIT will continue to assess acquisitions of heavy

equipment, trucking and other OEM dealership or service properties as opportunities arise. See “Risk Factors”.

- ***Right of First Offer to Acquire REIT-Suitable Properties from the Dilawri Group:*** The REIT will seek to leverage its relationship with the Dilawri Group to acquire REIT-Suitable Properties that are acquired, developed, redeveloped, refurbished or repositioned by the Dilawri Group. Pursuant to the Strategic Alliance Agreement, Dilawri is required to offer to sell to the REIT any property that is acquired, developed, redeveloped, refurbished or repositioned by a member of the Dilawri Group following the IPO Closing Date that is, in each case, determined by Dilawri, acting reasonably, to be a REIT-Suitable Property. The REIT will have a right of first offer in respect of REIT-Suitable Properties that may in the future be sold by the Dilawri Group. See “Arrangements with Dilawri — Strategic Alliance Agreement”.

### ***Internal Growth***

Management believes the REIT is well-positioned to organically increase cash flow and, as a result, increase the underlying value of the Properties over time.

As each of the Dilawri Leases (excluding the Des Sources Leases) contains annual contractual basic rent escalators in the amount of 1.5% per annum during the initial lease term and any renewal term. In addition, the leases entered into by the REIT with other tenants to date generally also contain contractual basic rent escalation clauses. The Dilawri Leases and nearly all of the leases with other tenants are structured as triple-net leases under which the tenant is responsible for all costs relating to repair and maintenance, realty taxes, property insurance, utilities and non-structural capital improvements. As a result, the contractual rent escalators will provide the REIT with stable and predictable increases in rental revenues over the initial terms of the leases.

Contractual fixed rent escalators or consumer price index (“CPI”) adjustments are expected, wherever possible, to be negotiated into new leases entered into by the REIT. The leases containing CPI-related adjustments and capped CPI-related adjustments represented approximately 38% of the REIT’s portfolio by full year base rent in 2025.

### **Principal Tenant – The Dilawri Group**

The Dilawri Group is the REIT’s largest tenant. As of December 31, 2025, the Dilawri Group has leased approximately 1.5 million square feet of GLA from the REIT (2024: 1.4 million) representing approximately 44.2% (2024: 47.6%) of total GLA and 48.3% (2024: 52.4%) of base rent. See “The Dilawri Leases” below for a description of key terms of the Dilawri Leases.

### ***About Dilawri***

The Dilawri Group was formed over 30 years ago and has been in the business of owning and operating automotive dealerships in Canada since that time, growing to become one of the largest automotive dealership groups in the country. The Dilawri Group owns 85 franchised automotive dealerships representing 38 automotive brands located in urban centres throughout Quebec, Ontario, Saskatchewan, Alberta, British Columbia and Washington DC. The key features and terms of the automotive franchise agreements pertaining to the Dilawri Group are, in all material respects, consistent with the key features and terms of typical automotive franchise agreements.

Please refer to the REIT's management's discussion and analysis for the year ended December 31, 2025 for additional financial information in respect of the Dilawri Group, which is incorporated by reference in this AIF.

### **The Dilawri Leases**

Each of the Dilawri Properties are subject to leases (collectively, the "**Dilawri Leases**" or individually, a "**Dilawri Lease**") with a member of the Dilawri Group. With respect to the multi-tenanted component of the Dixie Auto Mall, the applicable Dilawri Tenant leases such Dilawri Properties and, in turn, subleases the applicable portions thereof to the current third party tenants pursuant to their existing leases. For the purposes of this section, all references to the "Dilawri Tenant" shall mean the applicable member of the Dilawri Group, in its capacity as tenant under the applicable Dilawri Lease. The applicable Dilawri Tenants lease the entirety of the Dixie Auto Mall and thereby bear occupancy, rental and other risks associated with the portions of those properties that are subleased to third party tenants. Subaru Des Sources, Honda Des Sources and Volkswagen Des Sources are also subject to leases with a member of the Dilawri Group; however the properties underlying these leases were acquired by the REIT from a third party for which the REIT assumed the existing leases (collectively, the "**Des Sources Leases**").

Dilawri has indemnified the REIT in respect of any defaults by the Dilawri Tenants under the Dilawri Leases (excluding the Des Sources Leases) for the initial term of the applicable Dilawri Lease.

The following is a summary of the material terms of the Dilawri Leases (other than the Des Sources Leases). The terms of the individual Dilawri Leases may vary slightly from property to property depending on the nature and location of the premises being leased, but the differences are not considered by the REIT to be material.

#### ***Leased Premises***

The Dilawri Tenants lease all building(s) and all associated lands in respect of the Dilawri Properties. All leasehold improvements situated at the leased premises remain the property of the Dilawri Tenants until the expiration or earlier termination of the applicable Dilawri Lease. The Dilawri Tenants are not required to remove any leasehold improvements at the expiration or earlier termination of the applicable Dilawri Lease but they are required to remove, decommission and dispose of all above-grade storage tanks and any below-grade storage tanks permitted by the REIT on the leased premises at the expiration or earlier termination of the applicable Dilawri Lease.

#### ***Use***

The leased premises may be used for any lawful purpose, in compliance with all applicable laws and restrictions registered against title to the applicable lands as at the date of such Dilawri Lease, except that, without the REIT's consent, which may be withheld in the REIT's discretion (except in respect of paragraph (b) below, in which case the REIT may only withhold its consent, acting reasonably), the Dilawri Tenants are not permitted to use any part of the leased premises for any of the following uses: (a) heavy manufacturing; (b) any use which could materially adversely affect the useful life of the leased premises or cause environmental contamination that the REIT believes, acting reasonably, cannot be managed in a commercially reasonable manner; (c) a video game arcade and/or any other place of recreation or amusement, except as an ancillary use to an otherwise permitted use; (d) a night club; or (e) certain other prohibited uses specified in the applicable Dilawri Lease.

With respect to that portion of the leased premises that is used as an automobile dealership as at the date of such Dilawri Lease, the Dilawri Tenants may not make any changes to such use during the first five years

of the initial term. Thereafter, the Dilawri Tenant must provide 90 days' prior written notice to the REIT of any proposed change in use.

### ***Term***

The initial term of the Dilawri Leases range from approximately 11 to 20 years from the first day of the first full calendar month following the date of the Dilawri Lease (being July 22, 2015 in respect of each of the Initial Properties), with remaining terms as at December 31, 2025 ranging from 1.5 to 14.1 years and a weighted average remaining lease term of approximately 7.4 years. As of December 31, 2025, the twelve month rolling average basic rent payable under the Dilawri Leases was approximately \$29.39 per square foot. The year of expiry of each Dilawri Lease is set forth under "Properties Held by the REIT". The leased premises have been leased to the Dilawri Tenants in an "as is" condition and the REIT was not required to perform any repairs or construct any improvements to the leased premises prior to entering into such Dilawri Lease.

### ***Options to Extend***

Provided the Dilawri Tenant is not in material default beyond any applicable cure period, the Dilawri Tenant has successive options to extend its Dilawri Lease for extension periods of 5 years each (or, in cases of certain properties located in British Columbia, 10 years each). The term of each Dilawri Lease (including all extension terms) vary, but can be up to a maximum of 50 years. The annual basic rent payable in respect of the initial year of each extension term under the Dilawri Leases equals the greater of: (a) the annual basic rent payable during the final year of the initial term or preceding extension term, as the case may be; and (b) the lesser of: (i) the fair market rent for the leased premises having regard to its age, size, use and location, as agreed between the REIT and the applicable Dilawri Tenant, and failing agreement, as determined pursuant to arbitration procedures set forth in the applicable Dilawri Lease; and (ii) 110% of the annual basic rent payable during the final year of the initial term or preceding extension term, as the case may be.

### ***Right of First Opportunity***

So long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, control or direct, in the aggregate, at least a 10% effective interest in the REIT (on a fully-diluted basis), the Dilawri Leases provide the Dilawri Tenants thereunder with a right of first opportunity to enter into a new lease with the REIT on the same terms as the applicable Dilawri Lease (other than with respect to term, extension options and annual basic rent), if the REIT intends to lease, at any time after expiry of the applicable Dilawri Lease, all or any part of the applicable lands for use as an automobile dealership (or, in the case of the Dixie Auto Mall, all or substantially all of the buildings on such Dilawri Property), provided the applicable Dilawri Tenant has exercised all of its extension options in such Dilawri Lease.

### ***Annual Basic Rent***

The Dilawri Tenants are required to pay annual basic rent in equal monthly installments in advance on the first day of each month without set off or deduction. Annual basic rent under the Dilawri Leases will escalate annually at a rate of 1.5% during the initial term and any renewal term.

### ***Additional Rent/Net Lease***

In addition to annual basic rent, the Dilawri Tenants are required to pay (i) realty taxes attributable to the leased premises; and (ii) all charges for utilities supplied to or consumed in the leased premises.

Except as otherwise set out in the Dilawri Leases, each Dilawri Lease is net and carefree to the REIT and the REIT will not be responsible for any costs relating to the leased premises or the Dilawri Properties.

### ***Repair and Maintenance Responsibilities***

The REIT will maintain, repair and replace the structural components of the building (excluding the roof membrane and all windows in the leased premises) at its sole expense (unless such repairs are required as a result of the actions or default of the applicable Dilawri Tenant or are caused by perils against which the applicable Dilawri Tenant recovers under its insurance); provided, however, the REIT will not be required to make any material repairs or replacements to such structural components within the last two years of the initial term or any extension term unless the applicable Dilawri Tenant has exercised its next extension option, if any, subject to certain exceptions.

The Dilawri Tenants are responsible for all other maintenance, repairs and replacements required to the leased premises, including the building systems, high voltage transformers, all utility services up to the point of connection with the building, the roof membrane (including replacement) and the parking and driveway areas (including repaving).

### ***Right to Cease Operation***

The Dilawri Tenants are not obligated to operate any business or use the leased premises for any period of time or purpose.

In respect of all Dilawri Leases (other than the lease for the Dixie Auto Mall), if the applicable Dilawri Tenant ceases all of its business operations in the leased premises for a period of nine consecutive months or more, the REIT will have the option to give notice terminating the applicable Dilawri Lease (a “**Termination Notice**”). If within 30 days after receipt of a Termination Notice, the applicable Dilawri Tenant delivers a written notice stating that it will recommence its business operations within the applicable leased premises and does so within 120 days thereafter, the Termination Notice will be void and the Dilawri Lease for such leased premises will remain in force. The applicable Dilawri Tenant will not be entitled to nullify the Termination Notice if it has or will have ceased all business operations in such leased premises for a period of 18 consecutive months or longer having regard to the period of time occurring both before and after delivery of the Termination Notice.

In respect of the lease for the Dixie Auto Mall, if the applicable Dilawri Tenant ceases all of its business operations in any portion of the leased premises that consists of one or more stand-alone buildings for a period of nine consecutive months or more (the “**Vacant Premises**”), the REIT will have the option to give a Termination Notice terminating such Dilawri Lease only in respect of the Vacant Premises. If within 30 days after receipt of a Termination Notice, the applicable Dilawri Tenant delivers a written notice stating that it will recommence its business operations within the Vacant Premises and does so within 120 days thereafter, the Termination Notice will be void and the Dilawri Lease for the Vacant Premises will remain in force. The applicable Dilawri Tenant will not be entitled to nullify the Termination Notice if it has or will have ceased all business operations in the Vacant Premises for a period of 18 consecutive months or longer having regard to the period of time occurring both before and after delivery of the Termination Notice.

The applicable Dilawri Tenant is permitted to temporarily cease its business operations from any leased premises for the purposes of performing major repairs or renovations or store rebranding, provided such temporary cessation does not exceed 120 consecutive days.

With the exception of the REIT’s right to terminate as discussed above, neither the REIT nor the applicable Dilawri Tenant has any other rights to terminate the Dilawri Leases except as a result of damage or

destruction and the right of the REIT to terminate a Dilawri Lease following an event of default by the applicable Dilawri Tenant.

### ***Alterations***

The Dilawri Tenant may install its usual trade fixtures in the leased premises and such items will remain the property of the Dilawri Tenant. The Dilawri Tenant may, without the REIT's consent, make changes to the interior decoration, configuration and layout of the leased premises and any other alterations and additions it deems desirable, provided such changes, alterations or additions do not adversely affect the building structure or systems. The Dilawri Tenant may make changes, alterations or additions to the building structure or systems with the REIT's prior written consent, which will not be unreasonably withheld, conditioned or delayed. All alterations and leasehold improvements will become the REIT's property at the end of the term of the applicable Dilawri Lease.

### ***Environmental Covenants***

The Dilawri Tenant provided customary covenants with respect to compliance with applicable environmental laws from and after the date of entry into the Dilawri Lease and an indemnity in favour of the REIT in respect of costs it incurs if the Dilawri Tenant breaches such covenants or causes environmental contamination of the leased premises after the date of entry into the Dilawri Lease that the Dilawri Tenant is responsible to remediate and/or manage pursuant to the terms of the applicable Dilawri Lease.

If at any time the REIT, acting reasonably, has cause to be concerned that the applicable Dilawri Tenant may have caused environmental contamination on or about the leased premises and if requested by the REIT, on the date that is 6 months prior to the expiry date of the applicable Dilawri Lease, the REIT has the right to require that the applicable Dilawri Tenant commission a phase I environmental site assessment report and, if required, a phase II environmental site assessment report. If any such report discloses that the applicable Dilawri Tenant has caused environmental contamination at any leased premises, the applicable Dilawri Tenant will be required to remove, remediate or otherwise manage such environmental contamination so as to comply with environmental laws. At the expiry or earlier termination of the Dilawri Lease, the applicable Dilawri Tenant will have the choice to: (a) remediate such contamination to a concentration not expected to result in any adverse effect to humans or the environment; or (b) pay for the management of such contamination provided that the applicable Dilawri Tenant obtains a site specific risk assessment (or other jurisdictional equivalent) approved by the applicable governmental authorities and satisfies the REIT, acting reasonably, that it has the financial wherewithal to continue to manage, and pay for the management of, such contamination. Dilawri or another entity acceptable to the REIT will be obligated to indemnify the REIT during any such period of ongoing management by the applicable Dilawri Tenant.

### ***Assignment and Subletting***

Except for certain specific permitted transfers, the Dilawri Tenants may not assign the Dilawri Leases without the REIT's prior written consent, which will not be unreasonably withheld, conditioned or delayed. The Dilawri Tenants may, without consent but on prior notice to the REIT:

- (a) assign a Dilawri Lease, at any time during the term of such Dilawri Lease, either before or after default, in whole or in part, to Dilawri or any affiliate of the applicable Dilawri Tenant or Dilawri provided that a Tenant Change of Control has not occurred;
- (b) sublet the whole or any part of the leased premises, provided that, subject to paragraph (e) below: (i) there is not a history of defaults under commercial leases either by the proposed subtenant or by those persons holding indirect or direct Control of the proposed subtenant;

- (ii) the proposed subtenant or those persons holding indirect or direct Control of the proposed subtenant have a history of successful business operation in the business to be conducted on the leased premises; and (iii) neither the proposed subtenant nor those persons holding indirect or direct Control of the proposed subtenant have been bankrupt or convicted of a criminal offense punishable by imprisonment for a term of two years or more, in each case, in the 10 years preceding the date of the proposed sublease;
- (c) mortgage its interest in the leased premises to secure a bona fide financing;
- (d) grant a right to occupy any part of the leased premises, provided that, subject to paragraph (e) below: (i) there is not a history of defaults under commercial leases either by the proposed occupant or by those persons holding indirect or direct Control of the proposed occupant; (ii) the proposed occupant or those persons holding indirect or direct Control of the proposed occupant have a history of successful business operation in the business to be conducted on the leased premises; and (iii) neither the proposed occupant nor those persons holding indirect or direct Control of the proposed occupant have been bankrupt or convicted of a criminal offense punishable by imprisonment for a term of two years or more, in each case, in the 10 years preceding the date of the proposed right to occupy;
- (e) assign the Dilawri Lease, sublet the whole or any part of the leased premises, or grant any concession, licence or other right to occupy part of the leased premises in favour of a person that (i) will carry on the business of an automobile dealership; (ii) is a party to a franchise agreement with an OEM that is in full force and effect, is in good standing and is in respect of the operation of an automobile dealership at the leased premises (or the person that Controls the proposed assignee, subtenant or occupant is a party to such an agreement) and a certified copy of such agreement has been provided to the REIT;
- (f) effect a Tenant Change of Control if the applicable Dilawri Tenant carries on the business of an automobile dealership and either the applicable Dilawri Tenant or the person that Controls such Dilawri Tenant is a party to a franchise agreement with an OEM that is in full force and effect and is in good standing in respect of the operation of an automobile dealership at the leased premises and a certified copy of such agreement has been provided to the REIT; and
- (g) assign the Dilawri Lease to any person or effect a Tenant Change of Control if the assignee or person acquiring Control of the applicable Dilawri Tenant has a Tangible Net Worth equal to or greater than that of the applicable Dilawri Tenant as of the date of entry into the applicable Dilawri Lease.

Neither the applicable Dilawri Tenant nor Dilawri will be released from its obligations under a Dilawri Lease or the applicable indemnity agreement in respect of the applicable Dilawri Lease in connection with a transfer of such Dilawri Lease. As of the date of this AIF, portions of the Dixie Auto Mall are occupied by third parties who are sub-tenants of the applicable Dilawri Tenants.

### ***Damage and Destruction***

If all or any part of the leased premises is damaged or destroyed, subject to the applicable Dilawri Tenant having complied with its obligations under its Dilawri Lease (including to maintain the required insurance) and provided that the Dilawri Lease has not been terminated as discussed below, the REIT must, solely to the extent of available casualty insurance proceeds, repair the damage and reconstruct the premises and the applicable Dilawri Tenant will restore its leasehold improvements and trade fixtures. Rent will not abate in

respect of any damage or destruction to a Dilawri Property. The Dilawri Tenants are required to maintain business interruption insurance for an indemnity period of not less than 12 months.

Either the REIT or the applicable Dilawri Tenant has the right to terminate a Dilawri Lease if the damage occurs to the leased premises in the last three years of the initial term or any extension term and would cost more than 50% of the replacement cost of the leased premises to repair and the applicable Dilawri Tenant is not at that time prepared to exercise its next extension option, if any. In the event of termination of a Dilawri Lease as aforesaid, the REIT shall be entitled to receive and retain all insurance proceeds in respect of the leased premises under all policies of insurance maintained by the applicable Dilawri Tenant (or required to be maintained under the applicable Dilawri Lease), excluding any proceeds in respect of business interruption insurance or business closure insurance and excluding any insurance proceeds in respect of inventory and equipment maintained by such Dilawri Tenant.

### ***Tenant Expansion***

Each Dilawri Tenant has the right at its cost, on notice to the REIT, to expand its leased premises, provided such expansion does not result in an increase to the GLA of more than 5% of the GLA of the building. If a Dilawri Tenant requires the leased premises to be expanded by more than 5% of the GLA of the building, the applicable Dilawri Tenant will provide notice to the REIT of such requirement along with its plans and specifications and preliminary budget therefor. The REIT shall then provide the applicable Dilawri Tenant with the terms, including the annual basic rent to be charged for the expansion premises, pursuant to which the REIT will undertake such expansion at its cost. If the applicable Dilawri Tenant and the REIT are unable to agree on the terms pursuant to which the REIT will undertake such expansion, the applicable Dilawri Tenant, at its option, has the right to either (i) determine not to proceed with the expansion, or (ii) undertake the expansion itself at its direct cost, provided that the expansion plans and specifications are approved by the REIT, in which case no additional annual basic rent will be payable by the Dilawri Tenant for the expansion premises. If the REIT undertakes such expansion on the terms agreed with the applicable Dilawri Tenant, the construction costs will be factored into the annual basic rent payable by the applicable Dilawri Tenant for the expansion premises.

### ***Events of Default***

Events of default under the Dilawri Leases include:

- (a) the Dilawri Tenant's failure to pay rent or other amounts which is not remedied within 10 days after notice from the REIT;
- (b) any other default by the Dilawri Tenant that is not remedied within 30 days after notice from the REIT (unless the default cannot be remedied within 30 days in which case the applicable Dilawri Tenant will not be in default if it commences to remedy the default within such 30 day period and thereafter diligently continues to remedy the same);
- (c) the Dilawri Tenant files a proposal or voluntary assignment for the benefit of creditors or being declared bankrupt;
- (d) a petition is filed against the Dilawri Tenant to declare it bankrupt which is not cancelled or annulled within 60 days;
- (e) a trustee or receiver is appointed with respect to the Dilawri Tenant and such appointment is not cancelled or annulled within 60 days;

- (f) the term of the Dilawri Lease is seized or taken in execution by any creditor of the Dilawri Tenant and not released within 45 days;
- (g) the Dilawri Lease or any material part of the Dilawri Tenant's assets on the leased premises is seized or taken under a writ of execution or other security instrument and such writ is not stayed or vacated within 15 days after the date of such taking;
- (h) the Dilawri Tenant makes a sale in bulk of substantially all its goods out of the ordinary course of business (except in connection with an assignment or subletting permitted under the Dilawri Lease);
- (i) the Dilawri Tenant effects a transfer of the Dilawri Lease in contravention of the Dilawri Lease; or
- (j) the Dilawri Tenant fails to maintain any insurance which it is obligated to maintain under the Dilawri Lease or any insurance policy is cancelled by reason of any particular use or occupancy of the leased premises by the Dilawri Tenant and the Dilawri Tenant has not discontinued such use or occupancy and obtained similar insurance coverage in replacement thereof within 48 hours after notice from the REIT.

### ***Financial Reporting***

Each Dilawri Tenant will promptly advise the REIT in the event it receives written notice from the applicable OEM or any lender to the Dilawri Tenant of a breach of any financial covenant contained within any applicable franchise agreement with the applicable OEM or lending agreement with the lender to such Dilawri Tenant. In the event that a Dilawri Tenant notifies the REIT of a breach of a financial covenant contained in a lending agreement as aforesaid, or the REIT otherwise becomes aware of such a breach, such Dilawri Tenant will promptly provide the REIT with a written notice signed by a senior financial officer of the Dilawri Tenant setting out, in reasonable detail (using actual numerical amounts and ratios, as applicable): (a) the nature of the financial covenant breached; (b) an explanation as to why such financial covenant was breached; and (c) the measures that the applicable Dilawri Tenant intends to take in order to cure such breach and its proposed timeline for effecting the cure (the "**Report Package**"). In the event that a Dilawri Tenant notifies the REIT of a breach of a financial covenant contained in a franchise agreement with the applicable OEM, or the REIT otherwise becomes aware of such a breach, such Dilawri Tenant will provide the REIT with a Report Package if such breach persists for a period of 30 days or longer (in which case the Report Package will be provided by the Dilawri Tenant promptly following such 30 day period).

Following delivery of the Report Package and the proposed cure period set out therein, if requested by the REIT, the applicable Dilawri Tenant will provide a further confirmation, signed by a senior financial officer of such Dilawri Tenant or other member of the Dilawri Group, as to whether it has cured the breach of financial covenant described in the Report Package.

In addition, each Dilawri Tenant will cooperate with the REIT in connection with any financing undertaken by the REIT as may be reasonably required by a lender to the REIT, including providing financial statements to such lender of the REIT in respect of (a) the applicable Dilawri Tenant; and (b) Dilawri, until the expiry of the indemnity agreement with respect to the applicable Dilawri Lease, on a combined or consolidated basis, as applicable.

### **Other Leases**

All of the REIT's other leases are tenanted by affiliates of other dealership groups or OEMs, with the exception of the Des Sources Leases as described above. Terms for the changes in contractual rental rates

for the REIT's other leases (including the Des Sources Leases) are based on either a fixed amount, or on changes to consumer price indices (either national or provincial, with some caps and floors). The timing of the changes in contractual rental rates vary lease by lease.

### Typical Franchise Agreements

The following table summarizes the key features and terms of a typical automotive dealership franchise agreement based on management's industry experience:

<b>Geographic Exclusivity:</b>	An automotive manufacturer typically grants a single dealer the right to sell its vehicles within a given regional/geographic area. The designation of such areas and the allocation of new vehicles among dealerships are generally subject to the discretion of the automotive manufacturer.
<b>Floor Plan Financing:</b>	Enables the dealer to finance new vehicle inventory at low interest rates. Automotive manufacturers often offer to cover interest costs for up to 60 days.
<b>Manufacturer Rebates:</b>	Franchised automotive dealerships can pass on manufacturer rebates and incentives to customers, effectively reducing vehicle sales prices without negatively impacting dealership margins.
<b>Showrooms and Facilities:</b>	Manufacturers often require dealers to maintain their facilities to meet certain image standards, and require the dealership to upgrade if specifications are not met, often at significant cost to the dealer.
<b>Change of Control:</b>	Automotive manufacturers typically place restrictions on a change of control of the dealership, and typically are able to approve or decline proposed new owners of a dealership.
<b>Ownership Restrictions:</b>	A typical franchise agreement will set forth the name of the person approved by the manufacturer to exercise full managerial authority over the operations of an automotive dealership and the names and ownership percentages of the approved owners. Automotive manufacturers typically limit the number of dealerships a dealership group can own (generally expressed as a percentage of volume) in a given region.
<b>Reporting:</b>	Automotive manufacturers generally require dealers to submit a financial statement of operations on a monthly basis.
<b>Financial and Operating Conditions:</b>	An automotive dealership must typically maintain certain minimum inventory levels, meet minimum annual, monthly or weekly sales targets, and must demonstrate that it is able to maintain minimum levels of equity and working capital. If a dealership is not performing to expectations or does not meet certain minimum financial or operating thresholds, a manufacturer typically has rights to require a sale of the dealership to another operator, or can assume the operations of an underperforming dealership operator to ensure the success and viability of the dealership location.

### Competition

The REIT competes with other investors, managers and owners of properties in seeking tenants and for the purchase of desirable real estate properties. As the only public vehicle in Canada focused on consolidating automotive and OEM dealership and service real estate properties, with a market leading anchor as its

principal tenant, well-located sites and a strong balance sheet, the REIT is well-positioned to compete in the Canadian and U.S. automotive dealership real estate sector. See “Risk Factors”.

## 7. PROPERTIES HELD BY THE REIT

### Overview

As of the date of this AIF, the REIT’s portfolio consists of 92 income-producing commercial properties, representing approximately 3.4 million square feet of GLA on approximately 313 acres of land, in primarily metropolitan markets across Canada in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec and in the states of Florida and Ohio in the United States.

The Dilawri Group exclusively occupies 39 of the REIT’s properties for use as automotive dealerships or, in one case, an automotive repair facility. The Dilawri Group jointly occupies one of the REIT’s properties (for use as an automotive dealership) with one or more third parties (for use as automotive dealerships or complementary uses, including restaurants). The remaining 52 properties are exclusively occupied by other dealership groups or OEMs for use as automotive dealerships, automotive service centres, heavy construction equipment dealerships or for automotive ancillary services, such as a vehicle service compound facility or a repair facility. Taschereau JLR and Volkswagen is jointly owned by the REIT and StorageVault Canada Inc. pursuant to the Joint Arrangement.

Collectively, the Properties contain 105 automotive dealership facilities and five ancillary retail buildings. The Dilawri Group is the tenant at 53 of the 105 automotive dealership facilities.

### List and Description of Properties

Properties (as at December 31, 2025)

<u>Operating Name</u>	<u>Address</u>	<u>City/Province</u>	<u>Year Built /Renov.</u>	<u>GLA</u>	<u>Acreage</u>
<b>1. Dixie Auto Mall<sup>(1)</sup></b>					
Dilawri-Owned Auto					
Volkswagen .....	5500 Ambler Drive	Mississauga, ON	1988/2011	39,209	
Nissan .....	5500 Dixie Road	Mississauga, ON	1988/2001	26,369	
Mazda .....	5500 Ambler Drive	Mississauga, ON	1987/2014	16,713	
Infiniti .....	5500 Ambler Drive	Mississauga, ON	1988/2014	14,592	
Mitsubishi .....	5525 Ambler Drive	Mississauga, ON	1998	8,000	
Harley-Davidson .....	5500 Dixie Road	Mississauga, ON	1997/2020	22,078	
Kia .....	5500 Dixie Road	Mississauga, ON	1987	17,735	
Ineos Grenadier .....	5515 Ambler Drive	Mississauga, ON	1998	9,345	
Third Party Auto					
VinFast .....	5500 Dixie Road	Mississauga, ON	1998/2020	13,890	
Third Party Retail					
Montana’s .....	1495 Aerowood Drive	Mississauga, ON	2001/2017	5,150	
Kelsey’s .....	1485 Aerowood Drive	Mississauga, ON	2001/2017	5,000	
A&W .....	1465 Aerowood Drive	Mississauga, ON	1999/2016	4,000	
Subway/ Ice Flame .....	1475 Aerowood Drive	Mississauga, ON	1999/2011/2012	2,200	
Enterprise Rent-a-Car .....	1475 Aerowood Drive	Mississauga, ON	1999/2011/2012	2,000	

<u>Operating Name</u>	<u>Address</u>	<u>City/Province</u>	<u>Year Built /Renov.</u>	<u>GLA</u>	<u>Acreage</u>
Euro Shawarma.....	1475 Aerowood Drive	Mississauga, ON	1999/2011/2012	1,875	
<b>Dixie Auto Mall Total</b>				<b>188,156</b>	<b>26.05</b>
2. Calgary BMW .....	34 Heritage Meadows Road S.E.	Calgary, AB	2007	87,724	3.51
3. Calgary Honda.....	11700 Lake Fraser Dr S.E.	Calgary, AB	2005	43,511	4.12
4. Triple 7 Chrysler.....	700 Broad Street	Regina, SK	1959/2011	40,957	2.92
5. Porsche Centre Vancouver.	688 Terminal Avenue	Vancouver, BC	2013	39,790	1.56
6. Frost Chevrolet Buick GMC Cadillac.....	150 Bovaird Drive West	Brampton, ON	2013/2018	43,210	2.86
7. Honda Used Car and Regina Collision Centre.....	815 Broad Street	Regina, SK	2012/2015	32,457	2.49
8. Oakville Honda.....	500 Iroquois Shore Road	Oakville, ON	2003/2006	33,334	3.96
9. Markham Acura.....	5201 Highway 7 E	Markham, ON	2002	32,025	3.00
10. Regina Honda/Acura .....	789 Broad Street	Regina, SK	2003/2015	30,863	2.42
11. Agincourt Mazda .....	5500 Finch Avenue E	Toronto, ON	2005	30,788	7.94
12. Dilawri Nissan Infiniti .....	1775 5th Avenue	Regina, SK	1998/2015	30,864	2.11
13. Audi Sales Downtown Vancouver .....	1788 West 2nd Avenue	Vancouver, BC	2013	29,300	0.25
14. Meadowvale Honda.....	2210 Battleford Road	Mississauga, ON	2007	34,539	3.70
15. Burrard Acura <sup>(2)</sup> .....	730 Terminal Avenue	Vancouver, BC	2015	27,640	1.25
16. Langley Acura <sup>(3)</sup> .....	20257 Langley Bypass	Langley, BC	2015	26,448	2.27
17. Grand Touring Auto (formerly Distinctive Collection).....	150 Glendeer Circle S.E.	Calgary, AB	1988/2008	24,367	1.57
18. Bolton Toyota.....	12050 Albion Vaughan Road	Bolton, ON	2004	22,741	3.00
19. Hyundai Gallery .....	11770 Lake Fraser Dr S.E.	Calgary, AB	2006	22,185	2.21
20. North Vancouver Nissan Infiniti.....	819 Automall Drive	North Vancouver, BC	1992/2002	19,050	1.11
21. Regina Hyundai .....	444 Broad Street	Regina, SK	2005	18,204	1.61
22. Ancillary – other (formerly Dilawri BMW).....	1919 1st Avenue	Regina, SK	1997	12,456	0.80
23. Ancillary-other (1921 1st Avenue, formerly Dilawri Acura).....	1921 1st Avenue	Regina, SK	1997	11,390	0.81
24. Premium Luxury Pre-owned (formerly Audi Service).....	1718 West 3rd Avenue	Vancouver, BC	1999	11,722	0.27
25. Dilawri Mitsubishi.....	1750 6th Avenue	Regina, SK	1993/2003	6,750	0.56
26. Toyota Woodland .....	1000-1009 Woodland Avenue	Montreal, QC	2007/2008	49,737	0.59
27. Jaguar Land Rover Edmonton <sup>(4)</sup> .....	17007 111th Avenue N.W.	Edmonton, AB	2014	44,779	5.16
28. Audi Barrie .....	2482 Doral Drive	Innisfil, ON	2015	24,982	3.06
29. Pfaff Audi <sup>(5)</sup> .....	9088 Jane Street	Vaughan, ON	2006	68,874	2.98
30. St. Bruno Audi and Volkswagen.....	1905 & 1917 Boulevard Sir Wilfrid Laurier	St. Bruno, QC	1987/2014	62,705	4.27

<u>Operating Name</u>	<u>Address</u>	<u>City/Province</u>	<u>Year Built /Renov.</u>	<u>GLA</u>	<u>Acreage</u>
31. Mercedes-Benz West Island .....	4525 Boulevard Saint-Jean	Montreal, QC	2016	60,850	3.68
32. Go Mazda <sup>(4)</sup> .....	9704 & 9710 35th Avenue N.W.	Edmonton, AB	2006/2017	17,150	2.27
33. Volkswagen Barrie .....	50 & 60 Fairview Road and 5 Little Avenue	Barrie, ON	2017	20,102	1.75
34. Heritage Honda.....	11609 40 Street S.E.	Calgary, AB	2016	58,913	4.20
35. Kentwood Ford Compound <sup>(4)</sup> .....	8603,8703,8735 & 8815 127th Avenue N.W.	Edmonton, AB	1969	4,040	4.10
36. Go Auto Service (formerly Southtown Hyundai) <sup>(4)</sup> .....	3603 99th Street N.W.	Edmonton, AB	2004	12,554	2.38
37. Tesla Edmonton <sup>(4)</sup> .....	17616 111th Avenue N.W.	Edmonton, AB	2008	25,550	2.00
38. Mazda des Sources .....	2345 Place Transcanadienne	Dorval, QC	2017	16,701	1.72
39. Country Hills VW.....	11380 Stonehill Drive, NE	Calgary, AB	2019	34,650	4.73
40. BMW Laval <sup>(4)</sup> .....	2440-2450 Boulevard Chomedey	Laval, QC	2000/2012	127,615	8.43
41. Sherwood Park VW <sup>(4)</sup> .....	2365 Broadmoor Boulevard	Sherwood Park, AB	2015	70,277	4.50
42. Brimell Toyota <sup>(4)</sup> .....	5060 Sheppard Avenue East	Scarborough, ON	2002/2010	55,600	4.02
43. Elite BMW <sup>(4)</sup> .....	1040 Ogilvie Road	Ottawa, ON	2007/2016	48,366	2.85
44. Civic Motors <sup>(4)</sup> .....	1171 St. Laurent Boulevard	Ottawa, ON	2002/2012	30,000	1.76
45. Elite BMW Service <sup>(4)</sup> .....	595 St. Laurent Boulevard	Ottawa, ON	1989	7,500	0.63
46. Camco Acura <sup>(4)</sup> .....	1475 Carling Avenue	Ottawa, ON	2016	45,879	2.35
47. MINI Ottawa <sup>(4)</sup> .....	1501 Carling Avenue	Ottawa, ON	2015	30,000	1.54
48. Bank Street Toyota <sup>(4)(6)</sup> .....	1811 Bank Street	Ottawa, ON	2013	57,152	3.22
49. Ogilvie Subaru <sup>(4)</sup> .....	1056 Parisien Street	Ottawa, ON	2014	13,533	1.40
50. Subaru Detailing Centre <sup>(4)</sup> ..	1352 Gosset Street	Ottawa, ON	1969/2015	5,500	0.86
51. Orleans Honda <sup>(4)</sup> .....	2055 Mer Bleue Road	Ottawa, ON	2015	24,531	3.18
52. Tesla KW Service Centre <sup>(4)</sup> ..	663 Victoria Street North	Kitchener, ON	2022	18,500	1.81
53. St. James Volkswagen <sup>(4)</sup> .....	670 Century Street	Winnipeg, MB	2004	39,494	3.93
54. McNaught Cadillac Buick GMC <sup>(4)</sup> .....	1000-1717 Waverly Street	Winnipeg, MB	2015/2024	70,322	5.60
55. Wellington Motors <sup>(4)</sup> .....	935 Woodlawn Road West	Guelph, ON	2003	40,793	3.95
56. Guelph Hyundai <sup>(4)</sup> .....	765 Woodlawn Road West	Guelph, ON	2014	28,007	2.86
57. Abbotsford VW <sup>(4)</sup> .....	30150 & 30195 Automall Drive	Abbotsford, BC	2018	22,921	2.00
58. Audi Queensway .....	1635 The Queensway	Etobicoke, ON	2018	65,547	2.52
59. Straightline Kia <sup>(4)</sup> .....	100 Glendeer Circle SE	Calgary, AB	2018	21,808	1.96
60. Regina BMW .....	1001 Broad Street	Regina, SK	2019	19,619	3.04
61. Acura North Vancouver .....	828 Automall Drive	North Vancouver, BC	2010	22,373	2.40
62. Tesla Laval <sup>(4)</sup> .....	3755 Autoroute des Laurentides	Laval, QC	2023	127,396	5.80

<u>Operating Name</u>	<u>Address</u>	<u>City/Province</u>	<u>Year Built /Renov.</u>	<u>GLA</u>	<u>Acreage</u>
63. Lexus Laval	2000 Boulevard Chomedey	Laval, QC	2006/2013	30,015	3.02
64. Magog Honda <sup>(4)</sup>	2390 / 2400 Sherbrooke Street	Magog, QC	2006/2009/2011	56,195	6.51
65. Sherbrooke Honda <sup>(4)</sup>	2555 / 2615 King Street West	Sherbrooke, QC	1960/2014	26,990	1.74
66. Walkley Road <sup>(4)(7)</sup>	1223 Walkley Road	Ottawa, ON	2006	550	0.10
67. Tesla Barrie <sup>(4)</sup>	2474 Doral Drive	Innisfil, ON	2023	16,670	3.10
68. Tesla Quebec <sup>(4)</sup>	2200 Cyrille-Duquet Street	Quebec City, QC	2019	30,663	2.16
69. Tesla Quebec <sup>(4)</sup>	2180 Cyrille-Duquet Street	Quebec City, QC	2019	20,100	1.16
70. Hyundai Sorel <sup>(4)</sup>	1864 Boul. Fiset	Sorel-Tracy, QC	2018	16,820	4.1
71. Kia Sorel <sup>(4)</sup>	1918 Boul. Fiset	Sorel-Tracy, QC	2018	14,276	1.5
72. Hamel Honda <sup>(4)</sup>	332 Rue Dubois	St-Eustache, QC	2008/2017	61,186	5.9
73. Honda Ste-Rose <sup>(4)</sup>	4555 Av. de la Renaissance	Laval, QC	2022	24,782	2.5
74. Chomedey Toyota <sup>(4)</sup>	2385 Chomedey Blvd.	Laval, QC	2002/2010	44,265	3.8
75. Mazda de Laval <sup>(4)</sup>	2200 Chomedey Blvd.	Laval, QC	2008	26,092	3.9
76. Taschereau JLR and Volkswagen <sup>(4)(8)</sup>	9425 Taschereau Blvd.	Brossard, QC	2023	50,415	3.67
77. Brandt Tractor <sup>(4)</sup>	3855 Boulevard Matte	Brossard, QC	2009	30,996	6.54
78. Strongco (Nors) <sup>(4)</sup>	72 Chemin du Tremblay	Boucherville, QC	2008	28,611	5.1
79. Columbus Tesla <sup>(4)</sup>	5600 Britton Parkway	Dublin, OH	1996/2024	94,000	6.32
80. Rivian Tampa <sup>(4)</sup>	701 N. Dale Mabry Highway	Tampa, FL	1992/2023	25,000	2.7
81. Rivian Orlando <sup>(4)</sup>	4000 Shader Road	Orlando, FL	2007/2024	34,938	6.44
82. GM Île-Perrot <sup>(4)</sup>	2000 Boulevard du Traversier	Pincourt, QC	2008	39,397	7.23
83. Île-Perrot Toyota <sup>(4)</sup>	2100 Boulevard du Traversier	Pincourt, QC	2011	34,829	5.38
84. Mazda 2-20 <sup>(4)</sup>	2101 Boulevard du Traversier	Pincourt, QC	2008	31,810	5.15
85. Hyundai Île-Perrot <sup>(4)</sup>	2200 Boulevard du Traversier	Pincourt, QC	2018	15,168	1.00
86. Ford Île-Perrot <sup>(4)</sup>	1800 Boulevard du Traversier	Pincourt, QC	2024	41,014	6.48
87. Honda Île-Perrot <sup>(4)</sup>	40 Boulevard Don-Quichotte	L'Île-Perrot, QC	1986	18,670	1.59
88. Île-Perrot Collision <sup>(4)</sup> Centre	11-13 Rue Huot Notre-Dame-de-l'Île-Perrot	L'Île-Perrot, QC	2007/2023	15,714	0.97
89. Subaru Des Sources	2291 Place Transcanadienne	Dorval, QC	2012	21,743	3.0
90. Honda Des Sources	2301 Place Transcanadienne	Dorval, QC	2012	54,126	3.3
91. Volkswagen Des Sources	2311 Place Transcanadienne	Dorval, QC	2013	64,823	2.7
<b>Portfolio Total<sup>(8)</sup></b>				<b>3,364,650</b>	<b>306.67</b>
<b>Subsequent Acquisitions</b>					
92. Québec City Hyundai	300 Boulevard Louis-XIV	Québec City, QC	2016	39,044	6.0
<b>Portfolio Total<sup>(10)</sup></b>				<b>3,403,694</b>	<b>312.67</b>

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Notes:

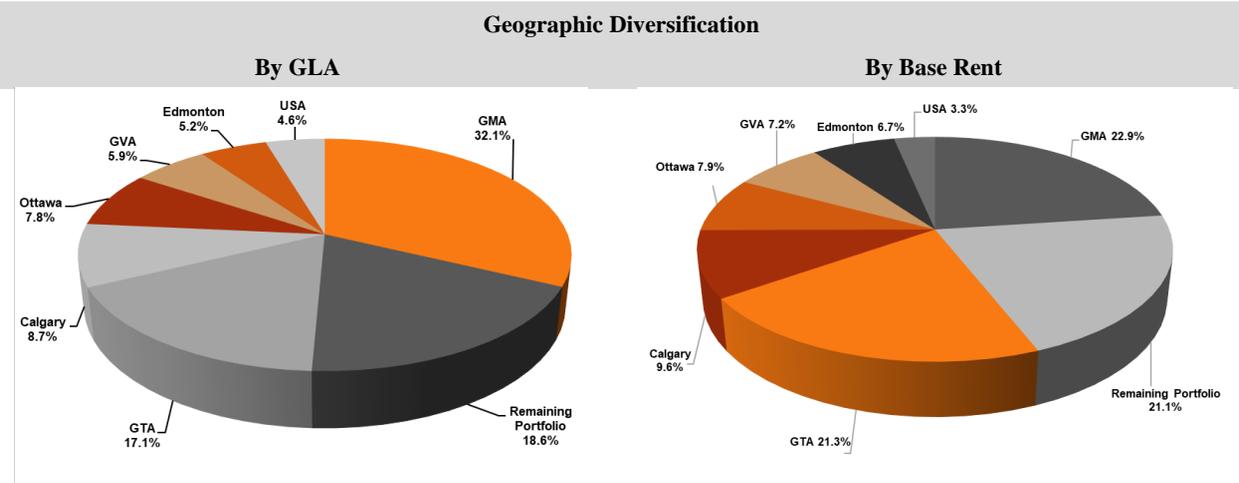
- (1) The applicable Dilawri Tenant is the lead tenant for the Dixie Auto Mall until July 2030. A Dixie Auto Mall sub-tenant that formerly operated a Hyundai dealership moved from the premises at the end of the second quarter of 2019. In the third quarter of 2020, the Dilawri Tenant that operates the Harley Davidson dealership moved into the vacated Toyota dealership location. In addition, the Dilawri Tenant that operated the Nissan Truck dealership moved from the premises during the fourth quarter of 2020. As of the date of the AIF, the premises were leased but unoccupied and are being used for ancillary purposes; however, this change does not affect the terms of the applicable Dilawri Leases.
- (2) The REIT holds a leasehold interest in this Property.
- (3) The REIT holds both the freehold and leasehold interests in this Property.
- (4) The REIT has leased this property to a tenant unrelated to the Dilawri Group.
- (5) In January 2026, Pfaff Audi notified the REIT that it will vacate the premises at the end of the lease term on or about September 1, 2026.
- (6) Includes a 3.03 acre parcel of land located at 2 Laser Street, Ottawa, ON.
- (7) Walkley Road, a small parcel of land in Ottawa, ON, was acquired by the REIT in February 2022 as part of a strategic acquisition of land adjoining the REIT's Bank Street Toyota property and is leased to a third-party health care provider.
- (8) Jointly owned by the REIT and StorageVault Canada Inc.
- (9) Does not include 3 vehicle compound facilities/unimproved lands that were acquired as part of the portfolio of Properties acquired from Mierins Auto Group on December 12, 2018. Also does not include the vehicle compound facility that is adjoined to Abbotsford VW.
- (10) As at the date of this AIF. Excludes the Vista Property.

### **Composition of the Properties**

Except where otherwise noted, all figures contained in this section are as at December 31, 2025. Accordingly, except where otherwise noted, all such figures are exclusive of the Québec City Hyundai Property (as this acquisition was completed on January 1, 2026) and the Vista Property (as this acquisition has not been completed).

### ***Geographic Breakdown***

The Properties are well-diversified geographically, with approximately 32.1% of the GLA of the Properties located in the GMA, 17.1% in the GTA, 8.7% in Calgary, 7.8% in Ottawa, 6.2% in Edmonton, 5.9% in the GVA, 4.6% in the United States and 18.6% in other geographic regions. Furthermore, approximately 22.9%, 21.3%, 9.6%, 7.9%, 7.2%, 6.7%, 3.3 and 21.1% of base rent was derived from Properties located in the GMA, the GTA, Calgary, Ottawa, the GVA, Edmonton, the United States and other geographic regions, respectively. The following charts illustrate the geographic diversification of the Properties, measured by total GLA and base rent.

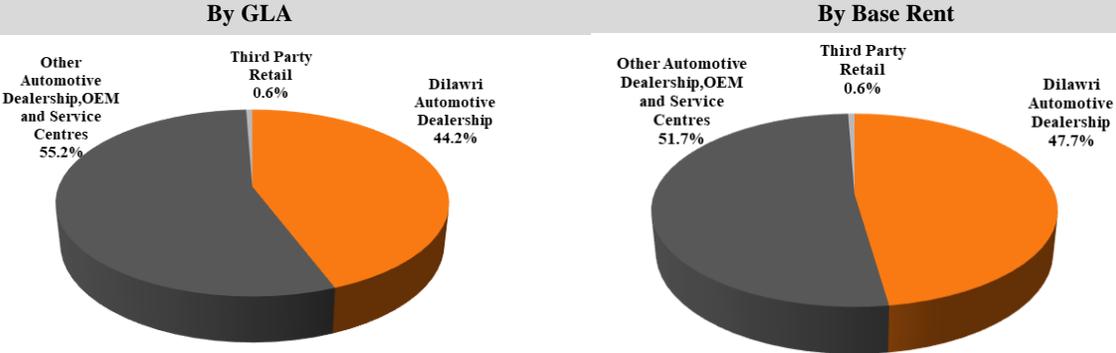


**Property Use**

The Properties are primarily comprised of automotive properties, including retail dealership and OEM properties, which collectively represent approximately 99.4% of the total GLA of the Properties. The Properties also contain five buildings being used for retail uses complementary to automotive dealerships, all of which are occupied by third parties and located at the Dixie Auto Mall. Collectively, these retail properties represent approximately 0.6% of the REIT’s GLA as of December 31, 2025. The automotive dealerships and automotive repair facility occupied by the Dilawri Group (including the former Dilawri Acura property at 1921 1st Avenue in Regina, which is being used for ancillary dealership purposes by Triple 7 Chrysler) and the Properties subleased to third parties by the Dilawri Group at the Dixie Auto Mall currently represent approximately 44.2% of the REIT’s total GLA.

As at December 31, 2025, the Dilawri Group is the REIT’s most significant tenant and will be for the foreseeable future, with members of the Dilawri Group occupying 44.8% of the REIT’s GLA (including properties subleased to third parties by the Dilawri Group at the Dixie Auto Mall and the retail properties) with the remaining 55.2% occupied by other dealership groups or OEMs. Of this figure, approximately 99.4% pertains to automotive or OEM dealerships (including those occupied by the Dilawri Group, those subleased to third parties by the Dilawri Group at the Dixie Auto Mall and those leased to other dealership groups), with the remainder pertaining to the five buildings being used for retail uses at the Dixie Auto Mall that have been subleased to third parties by the Dilawri Group. Of the REIT’s total base rent, approximately 47.7% pertains to the automotive dealership properties and the automotive repair facility properties occupied by the Dilawri Group.

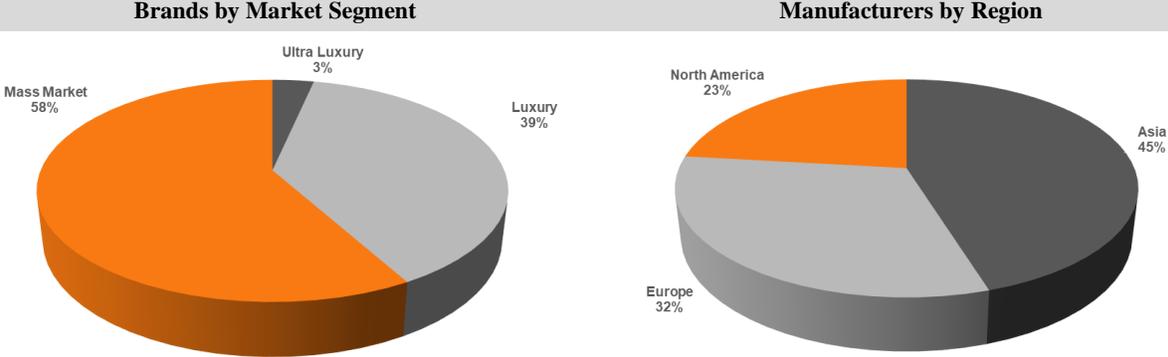
**Property Use Summary**



**Manufacturer and Brand Diversification**

The Properties are well diversified across a broad spectrum of automotive manufacturers and brands, representing some of the largest, most recognizable global brands targeting customers in the mass market segment (approximately 58% of automotive base rent), the luxury segment (approximately 39% of automotive base rent) and the ultra-luxury segment (approximately 3% of automotive base rent) of the market. The manufacturers and brands are also diversified across geographic regions, with representation from Asia (approximately 45% of automotive base rent), Europe (approximately 32% of automotive base rent) and North America (approximately 23% of automotive base rent). Management believes that the breadth, depth and diversity of the brands and markets provides a strong and stable portfolio.

**% of Base Rent from Dealership Properties**



Notes:

- (1) Mass Market segment includes: Chrysler, Ford (including Lincoln), General Motors, Kia, Nissan (including Nissan Infiniti), Honda, Hyundai, Mazda, Mitsubishi, Subaru, Toyota and Volkswagen. Mass Market segment excludes the former Honda and Toyota dealerships located in the Dixie Auto Mall that have vacated their premises, however the third party tenants are expected to use the existing sites for ancillary dealership purposes.
- (2) Luxury segment includes: Acura, Audi, BMW, Infiniti, Lexus, Mercedes-Benz, Rivian and Tesla.
- (3) Ultra-Luxury segment includes: Aston Martin, Bentley, Jaguar, Lamborghini, Land Rover, Porsche, Maserati and McLaren.

Manufacturer and Brand Diversification				
Manufacturer / Brand	REIT Auto Dealership GLA (Sq. Feet)	% of REIT Auto Dealership GLA	% of REIT Base Rent <sup>(1)</sup>	No. of REIT Locations
Honda <sup>(2)</sup>	522,382	15.6%	15.4%	14
Tesla <sup>(3)</sup>	332,879	10.0%	6.6%	7
BMW <sup>(4)</sup>	320,824	9.6%	8.3%	7
Volkswagen <sup>(5) (6)</sup>	317,122	9.5%	9.3%	8
Toyota	264,324	7.9%	8.3%	6
Audi	196,462	5.9%	6.6%	4
Acura <sup>(2)</sup>	162,081	4.8%	5.9%	6
Mazda	139,254	4.2%	5.2%	2
General Motors	113,532	3.4%	3.1%	6
Hyundai	100,384	3.0%	3.6%	5
Chrysler <sup>(5)</sup>	81,750	2.4%	1.4%	2
Mercedes Benz	60,850	1.8%	1.7%	1
Nissan	57,233	1.7%	1.6%	2
Kia	53,819	1.6%	1.7%	3
Subaru	40,776	1.2%	1.6%	3
Porsche	39,790	1.2%	3.6%	1
Lexus	30,015	0.9%	1.1%	1
Mitsubishi	14,750	0.4%	0.5%	2
Infiniti	14,592	0.4%	0.7%	2
Other <sup>(7)</sup>	481,056	14.5%	13.6%	23
<b>Total</b>	<b>3,343,875</b>	<b>100.0%</b>	<b>100.0%</b>	<b>105</b>

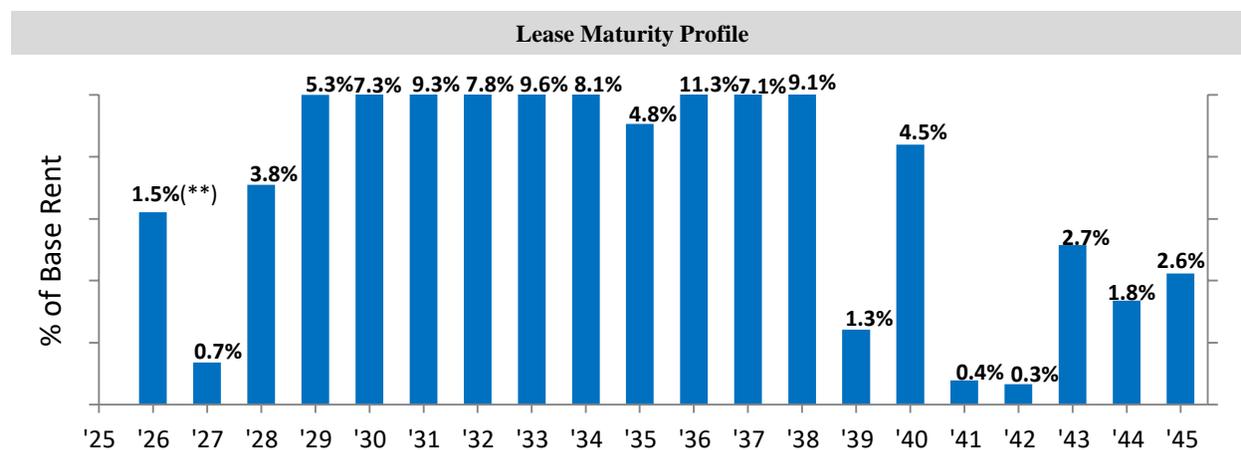
Notes:

- (1) Based on 12-month period contractual base rent commencing January 1, 2026.
- (2) Includes Honda Used Car and Regina Collision Centre. Regina Honda/Acura split 75% and 25% of 30,863 square feet, respectively.
- (3) Includes the following Tesla properties: Tesla KW, Tesla Laval, Tesla Edmonton, Tesla Barrie, Tesla Quebec City (two adjoining properties) and Columbus Tesla.
- (4) Includes MINI.
- (5) Includes Dodge, FIAT, Jeep and RAM.
- (6) Part of Taschereau JLR and Volkswagen (formerly Taschereau Volvo and JLR).
- (7) The Dilawri Group subleased a property in Calgary to Grand Touring Automobile which operates Aston Martin and Bentley. Also includes the former Dilawri Acura and BMW property in Regina at 1921 1st Avenue which is being used

for ancillary dealership purposes by both the Dilawri Pre Owned and the Triple 7 Chrysler dealerships. Also includes: a Harley Davidson dealership, VinFast dealership and Ineos Grenadier dealership, located in the Dixie Auto Mall. Includes three vehicle compound facilities. The former Southtown Hyundai is operating as Go Auto service centre and JLR Centre in Edmonton is operating as JLR Edmonton. Includes JLR (formerly Audi Services), Taschereau JLR (formerly Taschereau Volvo and JLR) and two heavy construction equipment dealership properties located in the Greater Montreal Area. The former North Vancouver Nissan Infiniti is expected to be replaced by another branded OEM in the future. Includes the Rivian Tampa Property and the Orlando Rivian Property. Also includes Ford Île-Perrot and Île-Perrot Collision Centre.

### Lease Maturity

The remaining terms of the leases range from approximately 0.4 to 20.0 years, with a weighted average lease term as of the date hereof of approximately 8.9 years. The twelve month rolling average basic rent payable under the leases is approximately \$28.16 per square foot.



## 8. RETAINED INTEREST

### General

On June 21, 2024, the Dilawri Group converted all 9,327,487 outstanding Class B LP Units of the Partnership into an equal number of Units. As at December 31, 2025 and as at the date hereof, Dilawri held an approximate 30.7% effective interest in the REIT, on a fully-diluted basis, through the ownership, direction or control of 17,390,998 Units.

### Voting Trust Agreement

In conjunction with closing of the IPO, Dilawri, each member of the Dilawri Organization that owned Class B LP Units and each other Transferor that owned Class B LP Units entered into a voting trust agreement (the “**Voting Trust Agreement**”), pursuant to which Dilawri has been granted sole voting control over any Class B LP Units held by members of the Dilawri Organization and the Transferors, together with the associated Special Voting Units and the Units into which such Class B LP Units may be exchanged, effectively granting Dilawri sole control over the securities held by the Dilawri Organization and the Transferors. The Voting Trust Agreement does not contain any provisions requiring or directing Dilawri to vote such associated Units or Special Voting Units for or against any matters brought to a vote by the REIT and Dilawri has the right to vote such securities in its discretion.

Dilawri has advised the REIT that the Dilawri Organization’s current intention is to retain a significant interest in the REIT for the foreseeable future.

For the purposes of this AIF, all “effective interest” calculations are based on the total number of Units that would be outstanding if all outstanding Class B LP Units were exchanged into Units on a one-for-one basis.

### **Right to Nominate Trustees of the REIT**

The Declaration of Trust provides Dilawri, so long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, control or direct, in the aggregate, an effective interest of 33% or higher in the REIT (on a fully-diluted basis), with the exclusive right to nominate two Trustees for election by Unitholders; provided that, so long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, control or direct, in the aggregate, at least a 10%, but less than 33%, effective interest in the REIT (on a fully-diluted basis) Dilawri shall have the right to nominate one Trustee. See “Declaration of Trust and Description of Units — Nomination of Trustees”. Should the size of the Board be increased or decreased, Dilawri’s nomination rights shall be increased or decreased proportionately. One of the nominees of Dilawri, if any and if he or she so wishes, shall have the right to be appointed the chair of the Board. Pursuant to the Declaration of Trust, the President and Chief Executive Officer of the REIT may be nominated to serve as a Trustee, so long as the majority of Trustees are Independent Trustees.

At present, Dilawri has the right to nominate one Trustee for election to the Board. Kapil Dilawri is Dilawri’s nominee.

Any amendment to the Declaration of Trust that adversely affects the nomination rights of Dilawri, or other rights specifically granted therein to the Dilawri Organization and the Transferors subject to the Voting Trust Agreement, will require the prior written consent of Dilawri, in its discretion, for so long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, control or direct, in the aggregate at least a 10% interest in the REIT (on a fully diluted basis).

## **9. ARRANGEMENTS WITH DILAWRI**

In conjunction with the closing of the IPO, the REIT, the Partnership and Dilawri entered into certain agreements governing the relationships among such parties. As of the date of this AIF, the Strategic Alliance Agreement is the only material agreement remaining between the REIT and Dilawri. The following is a summary of certain provisions of the Strategic Alliance Agreement, which is a material contract for the REIT, and is qualified in its entirety by reference to all of the provisions of the Strategic Alliance Agreement, a copy of which is available on SEDAR+.

### **Strategic Alliance Agreement**

The Strategic Alliance Agreement creates various rights and obligations between the REIT and the Dilawri Group intended to establish a preferential and mutually beneficial business and operating relationship.

#### ***Termination***

So long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, control or direct, in the aggregate, an effective interest of at least 10% (on a fully-diluted basis) in the REIT, the Strategic Alliance Agreement shall remain in full force and effect.

#### ***Survival of Certain Rights***

Pursuant to the Strategic Alliance Agreement, Dilawri’s right of first offer on properties that the REIT wishes to sell (as described below) will survive termination of the Strategic Alliance Agreement and remain in effect for so long as the REIT owns the applicable property.

## ***Rights Granted***

The Strategic Alliance Agreement provides the REIT with important rights (and imposes important obligations on the Dilawri Group) that are expected to meaningfully contribute to the REIT's growth pipeline:

**Rights with Respect to Acquired Properties and Owned Properties:** The REIT has rights to purchase (i) any property in Canada or the United States acquired by a member of the Dilawri Group that Dilawri determines, acting reasonably, to be a REIT-Suitable Property, and (ii) any property owned by a member of the Dilawri Group that a member of the Dilawri Group develops, redevelops, refurbishes, or repositions into a property that Dilawri determines, acting reasonably, is a REIT-Suitable Property. If a member of the Dilawri Group acquires or develops, redevelops, refurbishes, or repositions a property and Dilawri determines, acting reasonably, such property to be a REIT-Suitable Property, it will provide the REIT with an offer to sell such property and information in respect of the property. Any such offer shall be made within 90 days of (i) the closing date of the acquisition of such REIT-Suitable Property by a member of the Dilawri Group, or (ii) Substantial Completion in the case of a property that a member of the Dilawri Group develops, redevelops, repositions or refurbishes into a REIT-Suitable Property, as the case may be (the "**Acquisition ROFO**"). In addition, the REIT has a right of first opportunity (the "**Sale ROFO**") to acquire any property owned by a member of the Dilawri Group that Dilawri determines, acting reasonably, to be a REIT-Suitable Property prior to disposition to any third party (other than properties subject to any pre-existing rights of first opportunity or similar rights). If a member of the Dilawri Group wishes to sell (directly or indirectly by way of the sale or acquisition of securities) any such REIT-Suitable Property, it will provide the REIT with an offer to sell the property and certain information in respect of the property. Any such offer will set out, in reasonable detail, its material terms and conditions and any material information relating to the property that is in the control or possession of the Dilawri Group, including the proposed sale price and any unusual terms, including any vendor obligations or restrictions. If the property is or will be subject to a lease with a member of the Dilawri Group, the property specific information will include the proposed terms of any new or amended lease with the applicable member of the Dilawri Group (including any terms proposed to differ from the standard terms described under "Description of the Business — The Dilawri Leases").

If the REIT accepts Dilawri's offer, it will have a 60-day due diligence period with respect to the property, including to obtain, as required, a phase I environmental site assessment, structural inspection report and an independent appraisal of the property. During such due diligence period, the REIT will arrange financing and the REIT and the applicable member of the Dilawri Group will enter into a binding purchase agreement, subject only to customary real estate conditions and the REIT being satisfied with its diligence investigations. The closing of the purchase of a property by the REIT pursuant to the Sale ROFO must be completed within 30 days of the expiry of the due diligence period. In the case of a REIT-Suitable Property being acquired by the REIT pursuant to the Acquisition ROFO, the closing of the purchase must be completed within 30 days of the later of (i) the expiry of the due diligence period, (ii) the closing date of the acquisition by a member of the Dilawri Group of such REIT-Suitable Property, or (iii) Substantial Completion of such property in the case of a property that a member of the Dilawri Group develops, redevelops, repositions or refurbishes into a REIT-Suitable Property, as the case may be.

If the REIT does not accept Dilawri's offer (or Dilawri does not accept the REIT's counter offer), or the applicable period for the REIT providing notice to Dilawri lapses, (i) in the case of a property offered to the REIT pursuant to the Acquisition ROFO, the applicable member of the Dilawri Group may sell the property within the following 180 days to any third party on terms not materially more favourable to the third party than those offered to the REIT or offered by the REIT in its counter offer, as applicable, without regard to the Sale ROFO, provided that any sale to a third party may only be for cash consideration, and (ii) in the case of a property offered to the REIT pursuant to the Sale ROFO, the applicable member of the

Dilawri Group will be free to complete the sale of the property within the following 180 days to any third party on terms not materially more favourable to the third party than those offered to the REIT or offered by the REIT in its counter offer, as applicable, provided that any sale to a third party may only be for cash consideration. The Dilawri Group will comply with the Sale ROFO in respect of any sale of the applicable property after such 180-day period or any proposed sale of the applicable property on terms that are materially more favourable to a purchaser than those offered to or by the REIT, as applicable.

Neither the Acquisition ROFO nor Sale ROFO will be binding upon any third party purchaser of the property (where the applicable right of first offer was complied with by the Dilawri Group and the REIT elected not to acquire the property).

These rights of first offer in favour of the REIT are subject to certain limited exceptions, including any prior-ranking pre-emptive right in respect of the property (such as rights of first offer or rights of first refusal) to which the property is subject at the relevant time (including rights that may be granted in the ordinary course of business or assumed in connection with acquisitions, including pre-existing rights to which future-acquired properties may be subject at the time of acquisition).

The Strategic Alliance Agreement provides Dilawri with certain important rights (and imposes important obligations on the REIT), with respect to certain activities of the REIT:

**Right of First Offer on Properties that the REIT Wishes to Sell:** Dilawri has the right of first offer to purchase any property owned by the REIT in which a member of the Dilawri Group is a tenant or which the REIT acquired from a member of the Dilawri Group or pursuant to the Strategic Alliance Agreement that the REIT seeks to sell or otherwise dispose of (directly or indirectly by way of the sale or acquisition of securities). If the REIT wishes to sell a property, it will provide Dilawri with an offer to sell the property and information in respect of the property. Any such offer will set out, in reasonable detail, its material terms and conditions and any material information relating to the property that is in the control or possession of the REIT or its Subsidiaries. The consideration payable by Dilawri must be cash.

If Dilawri accepts the REIT's offer, it will have a 60-day due diligence period with respect to the property, with closing to be completed within 30 days of the waiver or expiry of this period. During the due diligence period, the REIT and Dilawri will enter into a binding purchase agreement, subject only to customary real estate conditions and Dilawri being satisfied with its diligence investigations during such diligence period. If Dilawri notifies the REIT that it does not wish to acquire the property at the price offered to Dilawri, or the REIT does not accept Dilawri's counter offer, or the applicable period for Dilawri providing notice to the REIT lapses, the REIT will be free to complete the sale of the property within the following 180 days to any third party on terms not materially more favourable to the third party than those offered to Dilawri or offered by Dilawri to the REIT in its counter offer, as applicable, provided that any sale to a third party may only be for cash consideration. The REIT will comply with the foregoing in respect of any sale after such 180-day period or any proposed sale on terms that are materially more favourable to a purchaser than those offered to or by Dilawri, as applicable. The right of first offer is not binding upon any third party purchaser of the property (where the right of first offer was complied with by the REIT and Dilawri elected to not acquire the property, nor does it apply to the sale of all or substantially all of the assets of the REIT or Partnership and, for clarity, it shall not be triggered by virtue of a change of control of the REIT).

This right of first opportunity in favour of Dilawri is subject to certain limited exceptions, including any prior ranking pre-emptive right (such as a right of first offer or first refusal) in respect of the property to which the property is subject at the relevant time (including rights that may be granted in the ordinary course of business or assumed in connection with acquisitions, including pre-existing rights to which future-acquired properties may be subject at the time of acquisition).

### ***Non-Compete***

Pursuant to the Strategic Alliance Agreement, without prior written approval of a majority of the REIT's Independent Trustees, subject to certain exceptions, Dilawri and its directors and executive officers are not permitted during the term of the Strategic Alliance Agreement, directly or indirectly, to: (i) create another real estate investment trust or publicly-traded real estate business with investment criteria similar to that of the REIT; or (ii) materially engage (contractually or otherwise) with another real estate investment trust or publicly-traded real estate business with investment criteria similar to that of the REIT, except in the normal course of business to lease or acquire property for use by Dilawri or its directors or executive officers, as applicable.

### ***Non-Solicit***

The REIT and Dilawri, on its behalf and on behalf of the Dilawri Group, also agreed that, during the term of the Strategic Alliance Agreement, neither will intentionally solicit any specific tenant of a property that is owned by the other (other than their respective Subsidiaries or Affiliates other than, in the case of Dilawri, the REIT) to vacate that property in favour of a property in which it has an ownership or operating interest.

In addition, for as long as the Strategic Alliance Agreement remains in effect, the Dilawri Group is not permitted to intentionally solicit any employee of the REIT. This restriction does not prohibit any general advertisement or solicitation by Dilawri that is not specifically directed to such employee.

## **10. INVESTMENT GUIDELINES AND OPERATING POLICIES**

The following is a summary of certain provisions of the Declaration of Trust, which is a material contract for the REIT, and is qualified in its entirety by reference to all of the provisions of the Declaration of Trust, a copy of which is available on SEDAR+.

### **Investment Guidelines**

The Declaration of Trust provides certain guidelines on investments that may be made directly or indirectly by the REIT. The assets of the REIT and its Subsidiaries may be invested only in accordance with the following restrictions:

- (a) the REIT will invest primarily, directly or indirectly, in interests (including fee ownership and leasehold interests) in income-producing real property (or a cluster or portfolio of income-producing properties) the primary purpose of which is for use as an automotive dealership, an automotive repair facility or related ancillary uses, in each case, located in Canada or the United States, and assets ancillary thereto necessary for the operation of such real estate and such other activities as are consistent with the other investment guidelines of the REIT;
- (b) notwithstanding anything else contained in the Declaration of Trust, the REIT shall not make or hold any investment, take any action or omit to take any action or permit a Subsidiary to make or hold any investment or take any action or omit to take any action that would, at any time, result in the REIT:
  - (i) not qualifying as a "mutual fund trust" or "unit trust", both within the meaning of the Tax Act, or the Units not qualifying as "qualified investments", within the meaning of the Tax Act, for Exempt Plans;

- (ii) not qualifying as a “real estate investment trust” within the meaning of the Tax Act if, as a consequence of the REIT not so qualifying, the REIT or any of its Subsidiaries would be liable to pay a tax imposed under either paragraph 122(1)(b) or subsection 197(2) of the Tax Act; or
  - (iii) being liable to pay tax under Part XII.2 of the Tax Act;
- (c) other than the Initial Properties and other than leases with the Dilawri Group, the REIT shall not invest in any interest in a single real property (which, for greater certainty, shall not include a portfolio of properties) if, after giving effect to the proposed investment, the cost to the REIT of such investment (net of the amount of debt incurred or assumed in connection with such investment and excluding investment by any joint venture partner) will exceed 20% of GBV at the time the investment is made;
  - (d) the REIT may make its investments and conduct its activities, directly or indirectly, through an investment in one or more persons on such terms as the Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited), unlimited liability companies and limited liability companies;
  - (e) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province or territory of Canada, deposits with a savings institution, trust company, credit union or similar financial institution that is organized or chartered under the laws of a state of the United States, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the REIT, the REIT may not hold securities of a person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to paragraph (b) above, the REIT may hold securities of a person: (i) acquired in connection with the carrying on, directly or indirectly, of the REIT’s activities or the holding of its assets; or (ii) which focuses its activities primarily on the activities described in paragraph (a) above, provided in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of an issuer (the “**Acquired Issuer**”), the investment is made for the purpose of pursuing the merger or combination of the business and assets of the REIT and the Acquired Issuer or for otherwise ensuring that the REIT will control the business and operations of the Acquired Issuer;
  - (f) the REIT shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
  - (g) the REIT shall not invest in raw land for development, except (i) for existing properties with additional development or properties adjacent to existing properties of the REIT for the purpose of the renovation or expansion of existing properties, or (ii) the development of new properties which will be capital property of the REIT, provided that the aggregate value of the investments of the REIT in raw land, excluding raw land under development, after giving effect to the proposed investment, will not exceed 5% of GBV;
  - (h) the REIT may invest in mortgages and mortgage bonds (including participating or convertible mortgages) and similar instruments where:

- (i) the real property which is security for such mortgages and similar instruments is income producing real property which otherwise meets the other investment guidelines of the REIT; and
  - (ii) the aggregate book value of the investments of the REIT in mortgages, after giving effect to the proposed investment, will not exceed 15% of GBV, and
- (i) the REIT may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any debt incurred or assumed in connection with such investment) up to 15% of the GBV of the REIT in investments which do not comply with one or more of paragraphs (a), (e), (g) and (h).

For the purpose of the foregoing investment guidelines, the assets, liabilities and transactions of a corporation or other entity wholly or partially-owned by the REIT will be deemed to be those of the REIT on a proportionate consolidation basis. In addition, any references in the foregoing investment guidelines to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

### **Operating Policies**

The Declaration of Trust provides that operations and affairs of the REIT and its Subsidiaries are to be conducted in accordance with the following policies:

- (a) the REIT shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term “hedging” has the meaning ascribed thereto by National Instrument 81-102 — *Investment Funds* adopted by the Canadian Securities Administrators, as replaced or amended from time to time;
- (b) (i) any written instrument creating or including an obligation on the REIT to grant a mortgage, and (ii) to the extent the Trustees determine it to be practicable and consistent with their fiduciary duties to act in the best interest of the Unitholders, any written instrument which, in the judgment of the Trustees, creates a material obligation of the REIT, shall, in each case, contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort will not be had to, nor will recourse or satisfaction be sought from, by lawsuit or otherwise, the private property of any of the Trustees, Unitholders, annuitants or beneficiaries under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT, but that only property of the REIT or a specific portion thereof is bound; the REIT, however, is not required, but must use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the REIT upon the acquisition of real property;
- (c) the REIT may engage in construction or development of real property: (i) to maintain its real properties in good repair or to improve the income producing potential of properties in which the REIT has an interest; and (ii) to develop new properties that will be capital properties of the REIT on completion, provided that the aggregate value of the investments of the REIT in properties under development after giving effect to the proposed investment in the construction or development, will not exceed 15% of GBV;
- (d) title to each real property shall be held by and registered in the name of the REIT, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the REIT

or jointly-owned, directly or indirectly, by the REIT, with joint venturers or by any other persons in such manner as the Trustees consider appropriate, taking into account the advice of legal counsel; provided, that where land tenure will not provide fee simple title, the REIT, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the REIT or jointly owned, directly or indirectly, by the REIT or such person as the Trustees consider appropriate, shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;

- (e) the REIT shall not incur or assume any Indebtedness if, after giving effect to the incurrence or assumption of such Indebtedness, the total Indebtedness of the REIT would be more than 60% of GBV (or 65% of GBV including convertible Indebtedness);
- (f) the REIT shall not directly or indirectly guarantee any indebtedness or liabilities of any person unless such guarantee: (i) is given in connection with or incidental to an investment that is otherwise permitted by the REIT's investment guidelines; (ii) has been approved by the Trustees; and (iii) (A) would not disqualify the REIT as a "mutual fund trust" within the meaning of the Tax Act, and (B) would not result in the REIT losing any status under the Tax Act that is otherwise beneficial to the REIT and its Unitholders;
- (g) the REIT shall directly or indirectly obtain and maintain at all times property insurance coverage in respect of potential liabilities of the REIT and the accidental loss of value of the assets of the REIT from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practice of owners of comparable properties;
- (h) the REIT shall have obtained an appraisal of each real property that it intends to acquire and an engineering survey with respect to the physical condition thereof, in each case, by an independent and experienced consultant, unless the requirement for such an appraisal or engineering survey is waived by the Trustees (or, in the case of an acquisition from a related party of the REIT, the Independent Trustees); and
- (i) the REIT shall either (i) obtain a phase I environmental site assessment, or (ii) be entitled to rely on a phase I environmental site assessment dated no earlier than six months prior to receipt by the REIT, of each real property to be acquired by it and, if the phase I environmental site assessment report recommends that a further environmental site assessment be conducted, the REIT shall have conducted such further environmental site assessments, in each case by an independent and experienced environmental consultant.

For the purpose of the foregoing operating policies, the assets, liabilities and transactions of a corporation or other entity wholly or partially-owned by the REIT will be deemed to be those of the REIT on a proportionate consolidation basis. In addition, any references in the foregoing operating policies to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

### **Amendments to Investment Guidelines and Operating Policies**

Pursuant to the Declaration of Trust, all of the investment guidelines set out under the heading "Investment Guidelines" and the operating policies contained in sub-paragraphs (a), (e), (f), (h), and (i) set out under the heading "Operating Policies" may be amended only with the approval of not less than two-thirds of the votes cast by Voting Unitholders of the REIT at a meeting of Voting Unitholders called for such purposes (or a written resolution signed by the Voting Unitholders representing at least two-thirds of the outstanding Voting Units). The remaining operating policies may be amended with the approval of a majority of the

votes cast by the Voting Unitholders at a meeting of Voting Unitholders called for such purposes (or a written resolution signed by Voting Unitholders representing at least a majority of the outstanding Voting Units).

Notwithstanding the foregoing paragraph, if at any time a government or regulatory authority having jurisdiction over the REIT or any property of the REIT shall enact any law, regulation or requirement which is in conflict with any investment guideline or operating policy of the REIT then in force (other than subparagraph (b) in “Investment Guidelines”), such investment guideline or operating policy in conflict shall, if the Trustees on the advice of legal counsel to the REIT so resolve, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary, any such resolution of the Trustees shall not require the prior approval of Unitholders.

## **11. DECLARATION OF TRUST AND DESCRIPTION OF UNITS**

### **General**

The following is a summary of certain provisions of the Declaration of Trust, which is a material contract for the REIT, and is qualified in its entirety by reference to all of the provisions of the Declaration of Trust, a copy of which is available on SEDAR+.

The REIT is an unincorporated open-ended real estate investment trust existing pursuant to the Declaration of Trust under, and governed by, the laws of Ontario. Although the REIT qualifies as a “mutual fund trust” as defined in the Tax Act, the REIT is not a “mutual fund” as defined by applicable securities legislation. The REIT’s fiscal year end is December 31.

### **Authorized Capital and Outstanding Securities**

The Declaration of Trust authorizes the issuance of an unlimited number of two classes of units, namely “trust units” and “special voting units”. Special Voting Units are only issued in tandem with the issuance of Class B LP Units and other securities exchangeable for trust units of the REIT. As at December 31, 2025, the REIT had a total of 54,259,404 Units outstanding and 833,333 Special Voting Units outstanding.

The REIT is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on nor does it intend to carry on the business of a trust company.

### ***Units***

Each Unit is transferable and represents an equal, undivided beneficial interest in the REIT and any distributions from the REIT, whether of net income, net realized capital gains (other than such gains allocated and distributed to redeeming Unitholders) or other amounts and, in the event of the termination or winding-up of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities. All Units rank among themselves equally and ratably without discrimination, preference or priority. Each Unit entitles the holder thereof to receive notice of, to attend, and to one vote at, all meetings of Voting Unitholders or in respect of any written resolution of Voting Unitholders.

Unitholders are entitled to receive distributions from the REIT (whether of net income, net realized capital gains or other amounts) if, as and when declared by the Trustees. Upon the termination or winding-up of the REIT, Unitholders will participate equally with respect to the distribution of the remaining assets of the REIT after payment of all liabilities. Such distribution may be made in cash, as a distribution in kind, or both, all as the Trustees in their sole discretion may determine. Units have no associated conversion or retraction rights. No person is entitled, as a matter of right, to any pre-emptive right to subscribe for or acquire any Unit, except as otherwise agreed to by the REIT pursuant to a binding written agreement.

### ***Special Voting Units***

Special Voting Units are only issued in tandem with Class B LP Units and other securities exchangeable for trust units of the REIT and are not transferable separately from the securities to which they relate and, upon any valid transfer of such securities, such Special Voting Units will automatically be transferred to the transferee of such securities. As Class B LP Units and other securities exchangeable for trust units of the REIT are exchanged for Units or redeemed or purchased for cancellation by the Partnership, the corresponding Special Voting Units will be cancelled for no consideration.

Each Special Voting Unit entitles the holder thereof to receive notice of, to attend, and to vote at, all meetings of Voting Unitholders or in respect of any resolution in writing of Voting Unitholders, with the number of votes being equal to the number of Units that may be obtained upon the exchange of the Class B LP Unit to which such Special Voting Unit is attached. Except for the right to attend and vote at meetings of Voting Unitholders or in respect of written resolutions of Voting Unitholders, Special Voting Units do not confer upon the holders thereof any other rights. A Special Voting Unit does not entitle its holder to any economic interest in the REIT, or to any interest or share in the REIT, any of its distributions (whether of net income, net realized capital gains or other amounts) or in any of its net assets in the event of the termination or winding-up of the REIT.

### **Issuance of Units**

Units or rights to acquire Units or other securities may be created, issued and sold at such times, to such persons, for such consideration and on such terms and conditions as the Trustees determine, including pursuant to a rights plan, distribution reinvestment plan, purchase plan or any incentive option or other compensation plan, including the Equity Incentive Plan. Units will be issued only when fully paid in money, property or past services, and they will not be subject to future calls or assessments, provided that Units may be issued and sold on an installment basis and the REIT may take security over any such Units so issued. Where the Trustees determine that the REIT does not have available cash in an amount sufficient to pay the full amount of any distribution, the payment may, at the option of the Trustees, include or consist entirely of the issuance of additional Units having a fair market value determined by the Trustees equal to the difference between the amount of the distribution and the amount of cash that has been determined by the Trustees to be available for the payment of such distribution. These additional Units will be issued pursuant to applicable exemptions under applicable securities laws, discretionary exemptions granted by applicable securities regulatory authorities or a prospectus or similar filing. The Declaration of Trust also provides that unless the Trustees determine otherwise, and subject to all necessary regulatory approvals, immediately after any pro rata distribution of additional Units to all Unitholders as described above, the number of outstanding Units will automatically be consolidated such that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the distribution of such additional Units. In such circumstances, each certificate representing a number of Units prior to the distribution of additional Units will be deemed to represent the same number of Units after the distribution of such additional Units and the consolidation. If tax is required to be withheld from a Unitholder's share of the distribution, the consolidation will not result in such Unitholder holding the same number of Units.

The Trustees may refuse to allow the issuance of or to register the transfer of Units where such issuance or transfer would, in their opinion, adversely affect the treatment of the REIT under applicable Canadian tax laws. See “— Limitations on Non-Resident Ownership of Units”.

## **Repurchase of Units**

The REIT may, from time to time, purchase all or a portion of the Units for cancellation at a price per Unit and on a basis determined by the Trustees in accordance with applicable securities laws and stock exchange rules.

## **Limitations on Non-Resident Ownership of Units**

For the REIT to maintain its status as a “mutual fund trust” under the Tax Act, it must not be established or maintained primarily for the benefit of non-resident persons except in limited circumstances. Accordingly, the Declaration of Trust provides that at no time may Non-Residents be the beneficial owners of more than 49% of the Units on either a “Basic Basis” or “Fully-Diluted Basis” (as defined in the Declaration of Trust) and the REIT has informed its transfer agent and registrar of this restriction. The Trustees may require a registered holder of Units to provide them with a declaration as to the jurisdictions in which beneficial owners of Units registered in such holder’s name are resident and as to whether any such beneficial owner is a Non-Resident (and, in the case of a partnership, whether the partnership is a Non-Resident). If the Trustees become aware, as a result of such declarations as to beneficial ownership or as a result of any other investigations, that the beneficial owners of more than 49% of the Units on either a basic or fully-diluted basis are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and will not accept a subscription for Units by, or issue or register a transfer of Units to, a person unless the person provides a declaration in form and content satisfactory to the Trustees that the person is not a Non-Resident and does not hold such Units for the benefit of Non-Residents. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units on either a basic or fully-diluted basis are held by Non-Residents, the Trustees may send or cause to be sent a notice to such Non-Resident Unitholders chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not more than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may on behalf of such persons sell or cause to be sold such Units and, in the interim, will suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders will cease to be holders of the relevant Units and their rights will be limited to receiving the net proceeds of sale upon surrender of the certificates, if any, representing such Units. Notwithstanding the foregoing, the Trustees may determine not to take any of the actions described above if the Trustees have been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the REIT as a “mutual fund trust” for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the REIT as a “mutual fund trust” for purposes of the Tax Act.

## **Nomination of Trustees**

The Declaration of Trust includes certain advance notice provisions (the “**Advance Notice Provision**”), which are intended to: (i) facilitate orderly and efficient annual general or, where the need arises, special meetings; (ii) ensure that all Voting Unitholders receive adequate notice of the Trustee nominations and sufficient information with respect to all nominees; and (iii) allow Voting Unitholders to register an informed vote. Except as otherwise provided below with respect to Dilawri, only persons who are nominated by Voting Unitholders in accordance with the Advance Notice Provision will be eligible for election as Trustees. Nominations of persons for election to the Board may be made for any annual meeting of Voting Unitholders, or for any special meeting of Voting Unitholders if one of the purposes for which the special meeting was called was the election of Trustees: (a) by or at the direction of the Trustees, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more Voting Unitholders pursuant to a requisition of the Voting Unitholders made in accordance with the Declaration of

Trust; or (c) by any person (a “**Nominating Unitholder**”): (A) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the REIT’s register as a holder of one or more Voting Units carrying the right to vote at such meeting or who beneficially owns Voting Units that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provision.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Unitholder, the Nominating Unitholder must have given timely notice thereof in proper written form to the Trustees. To be timely, a Nominating Unitholder’s notice to the Trustees must be made: (a) in the case of an annual meeting of Voting Unitholders, not less than 30 days prior to the date of the annual meeting of Voting Unitholders; provided, however, that in the event that the annual meeting of Voting Unitholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Unitholder may be made not later than the close of business on the tenth day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of Voting Unitholders called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the 15th day following the day that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the special meeting of Voting Unitholders was made.

To be in proper written form, a Nominating Unitholder’s notice to the Trustees must set forth the following information, all of which the REIT believes to be necessary information to be included in a dissident proxy circular, or is necessary to enable the Board and Voting Unitholders to determine trustee nominee qualifications, relevant experience, Unit holdings or voting interest in the REIT or independence, all in the same manner as would be required for management or Dilawri nominees: (a) as to each person whom the Nominating Unitholder proposes to nominate for election as a Trustee: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of Units or Special Voting Units which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Voting Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable securities laws; and (b) as to the Nominating Unitholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Unitholder has a right to vote any Voting Units and any other information relating to such Nominating Unitholder that would be required to be made in a dissident’s proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable securities laws. The REIT may require any proposed nominee to furnish such other information as may reasonably be required by the REIT to determine the eligibility of such proposed nominee to serve as an Independent Trustee or that could be material to a reasonable Voting Unitholder’s understanding of the independence, or lack thereof, of such proposed nominee. Such information, if received, will generally be summarized in the REIT’s proxy circular.

The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

Notwithstanding the foregoing, the Trustees may, in their sole discretion, waive any or all requirements in the Advance Notice Provision.

The Declaration of Trust provides Dilawri, so long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, direct, or control, in the aggregate, an effective interest of 33% or higher in the REIT (on a fully-diluted basis), with the exclusive right to nominate two Trustees for election by Voting Unitholders; provided that, so long as the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, control or direct, in the aggregate, at least a 10%, but less than 33%, effective interest in the REIT (on a fully-diluted basis), Dilawri shall have the right to nominate one Trustee. Should the size of the Board be increased or decreased, Dilawri's nomination rights shall be increased or decreased proportionately (rounding up or down to the nearest whole number, with 0.5 being rounded up). One of the nominees of Dilawri, if any and if he or she so wishes, shall have the right to be appointed the chair of the Board. Pursuant to the Declaration of Trust, the President and Chief Executive Officer of the REIT may be nominated to serve as a Trustee, so long as the majority of Trustees are Independent Trustees. The Advance Notice Provision does not apply to Dilawri in respect of its nomination of Trustees pursuant to the foregoing right.

### **Redemption Right**

A Unitholder may at any time demand redemption of some or all of its Units by delivering to the REIT a duly completed and properly executed notice requiring redemption in a form satisfactory to the Trustees, together with written instructions as to the number of Units to be redeemed. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof will be entitled to receive a price per Unit (the "**Redemption Price**") equal to the lesser of:

- (a) 90% of the Market Price (as defined in the Declaration of Trust) of a Unit calculated as of the date on which the Units were surrendered for redemption (the "**Redemption Date**"); and
- (b) 100% of the Closing Market Price (as defined in the Declaration of Trust) on the Redemption Date.

If Units are not listed or quoted for trading in a public market, the Redemption Price will be the fair market value of the Units, which will be determined by the Trustees in their sole discretion. The aggregate Redemption Price payable by the REIT in respect of any Units surrendered for redemption during any calendar month will be satisfied by way of a cash payment in Canadian dollars on or before the last day of the calendar month immediately following the month in which the Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (i) the total amount payable by the REIT in respect of such Units and all other Units tendered for redemption in the same calendar month must not exceed \$50,000 (the "**Monthly Limit**") (provided that such limitation may be waived at the discretion of the Trustees in respect of all Units tendered for redemption in such calendar month); (ii) at the time such Units are tendered for redemption, the outstanding Units must be listed for trading on the TSX or traded or quoted on any other stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; and (iii) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, in any market where the Units are quoted for trading) on the Redemption Date or for more than five trading days during the 10-day trading period commencing immediately after the Redemption Date.

To the extent a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the Monthly Limit, then the portion of the Redemption Price per Unit equal to the Monthly Limit divided by the number of Units tendered for redemption in the month shall be paid and satisfied by way of a cash payment in Canadian dollars and the remainder of the Redemption Price per Unit shall be paid and satisfied by way of a distribution in *specie* to such Unitholder of Subsidiary Notes having a fair market value equal

to the product of (i) the remainder of the Redemption Price per Unit of the Units tendered for redemption and (ii) the number of Units tendered by such Unitholder for redemption. To the extent a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the limitations described at (ii) or (iii) of the foregoing paragraph, then the Redemption Price per Unit shall be paid and satisfied by way of a distribution in *specie* of Subsidiary Notes having a fair market value determined by the Trustees equal to the product of (i) the Redemption Price per Unit of the Units tendered for redemption and (ii) the number of Units tendered by such Unitholder for redemption. No Subsidiary Notes in integral multiples of less than \$100 will be distributed and, where Subsidiary Notes to be received by a Unitholder includes a multiple less than that number, the number of Subsidiary Notes shall be rounded to the next lowest integral multiple of \$100 and the balance shall be paid in cash. The Redemption Price payable as described in this paragraph in respect of Units tendered for redemption during any month shall be paid by the transfer to or to the order of the Unitholder who exercised the right of redemption, of the Subsidiary Notes, if any, and the cash payment, if any, on or before the last day of the calendar month immediately following the month in which the Units were tendered for redemption. Payments by the REIT as described in this paragraph are conclusively deemed to have been made upon the mailing of certificates representing the Subsidiary Notes, if any, and a cheque, if any, by registered mail in a postage prepaid envelope addressed to the former Unitholder and/or any party having a security interest and, upon such payment, the REIT shall be discharged from all liability to such former Unitholder and any party having a security interest in respect of the Units so redeemed. The REIT shall be entitled to all accrued interest, paid or unpaid on the Subsidiary Notes, if any, on or before the date of distribution in *specie* as described in the foregoing paragraph. Any issuance of Subsidiary Notes will be subject to receipt of all necessary regulatory approvals, which the REIT shall use reasonable commercial efforts to obtain forthwith.

It is anticipated that the redemption right described above will not be the primary mechanism for Unitholders to dispose of their Units. Subsidiary Notes which may be distributed to Unitholders in connection with a redemption will not be listed on any exchange, no market is expected to develop in Subsidiary Notes and such securities may be subject to an indefinite “hold period” or other resale restrictions under applicable securities laws. Subsidiary Notes so distributed do not currently qualify as “qualified investments” (as defined in the Tax Act) for Exempt Plans.

## **Trustees**

The Declaration of Trust provides that the REIT will have a minimum of three and a maximum of twelve Trustees, the majority of whom must be resident Canadians. The number of Trustees may be increased or decreased within such limits from time to time by the Voting Unitholders by ordinary resolution or by the Trustees, provided that the Trustees may not, between meetings of the Voting Unitholders, appoint an additional Trustee if, after such appointment, the total number of Trustees would be greater than one and one-third times the number of Trustees in office immediately following the previous annual meeting of Voting Unitholders. Subject to Dilawri’s nomination right, a vacancy occurring among the Trustees may be filled by resolution of the remaining Trustees or by the Voting Unitholders at a meeting of the Voting Unitholders. If at any time a majority of Trustees are Non-Residents because of the death, resignation, adjudicated incompetence, removal or change in circumstances of any Trustee who was a resident Canadian, the remaining Trustees, whether or not they constitute a quorum, will appoint a sufficient number of resident Canadian Trustees to comply with the requirement that a majority of Trustees will be at all times resident Canadians.

In addition, a majority of the Trustees must at all times be Independent Trustees. If at any time a majority of Trustees are not Independent Trustees because of the death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstance of any Trustee who was an Independent Trustee, this requirement will not be applicable for a period of 60 days after such occurrence, during which time, subject

to Dilawri's nomination right, the remaining Trustees shall appoint a sufficient number of Independent Trustees to comply with this requirement.

The Declaration of Trust provides that, subject to its terms and conditions, the Trustees have, without further authorization and free from any control or direction on the part of the Voting Unitholders, full, absolute and exclusive power, control and authority over the assets and affairs of the REIT to the same extent as if the Trustees were the sole and absolute beneficial owners of the assets of the REIT, to do all acts and things as in their sole and absolute judgment and discretion are necessary or incidental to, or desirable for, carrying out any of the purposes or conducting the affairs of the REIT. All meetings of the Trustees (and any committees) shall take place in Canada and a quorum for each such meeting shall be not less than 50% of the Trustees then in office (or on such committee, as applicable). The Chair of the Board (or committee) shall not have a casting vote.

Trustees are appointed at each annual meeting of Voting Unitholders to hold office for a term expiring at the close of the next annual meeting and are eligible for re-election. The Declaration of Trust provides that a Trustee may resign at any time upon written notice to the Lead Independent Trustee or, if there is no Lead Independent Trustee, to the chair or, if there is no chair, to the President and Chief Executive Officer of the REIT or, if there is no President and Chief Executive Officer, to the Unitholders. A Trustee may be removed at any time with or without cause by an ordinary resolution of the Voting Unitholders at a meeting of Voting Unitholders or by the written consent of Voting Unitholders holding in the aggregate not less than a majority of the outstanding Voting Units or with cause by a resolution passed by at least two-thirds of the other Trustees.

The REIT has a majority voting policy, requiring that each Trustee nominee receive the support of a majority of the total number of votes cast by the Voting Unitholders or submit his or her resignation to the Board for consideration promptly after a meeting of the Unitholders. The Board will have 90 days to accept the resignation and the policy provides that absent exceptional circumstances, any such resignation shall be accepted. The Board's decision to accept or reject the resignation offer will be publicly disclosed. The policy does not apply in circumstances involving contested Trustee elections.

The Declaration of Trust provides that the Trustees will act honestly and in good faith with a view to the best interests of the REIT and the Voting Unitholders and, in connection with that duty, will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **Committees**

The Declaration of Trust requires that the Trustees appoint a Governance, Compensation and Nominating Committee and an Audit Committee. In addition, the Trustees may create such additional committees as they, in their discretion, determine to be necessary or desirable for the purposes of properly governing the affairs of the REIT.

### **Conflicts of Interest**

The Declaration of Trust contains provisions, similar to those contained in the CBCA, that require each Trustee to disclose to the REIT any interest in a material contract or transaction or proposed material contract or transaction with the REIT (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture agreement) or the fact that such person is a director or officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating to: (i) his or her direct remuneration

as a Trustee, officer, employee or agent of the REIT; or (ii) indemnity of himself or herself as a Trustee or the purchase or maintenance of liability insurance.

All decisions of the Board will require the approval of a majority of the Trustees, except for the following matters which shall also require the approval of a majority of the Independent Trustees who are disinterested Independent Trustees in accordance with the Declaration of Trust:

- (a) an acquisition of a property or an investment in a property, whether by co-investment or otherwise, in respect of a property under the terms of the Strategic Alliance Agreement or otherwise in which Dilawri or an Affiliate of Dilawri or any Related Party of the REIT has any direct or indirect interest;
- (b) a material change to any agreement with Dilawri or an Affiliate of Dilawri or a Related Party of the REIT or any approval, consent, waiver or other decision of Trustees thereunder, or any renewal, extension or termination thereof or any increase in any fees or distributions payable thereunder;
- (c) the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the REIT, or the making, directly or indirectly, of any co-investment, in each case, with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in another similar capacity;
- (d) the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in another similar capacity; or
- (e) decisions relating to any claims by or against one or more parties to any agreement with Dilawri or an Affiliate of Dilawri or any Related Party of the REIT.

As the Chair of the Board is not currently an Independent Trustee, an Independent Trustee, Mr. John Morrison, has been appointed as “Lead Independent Trustee” in order to ensure appropriate leadership for the Independent Trustees. The Lead Independent Trustee (i) ensures that appropriate structures and procedures are in place so that the Board may function independently of management of the REIT; and (ii) leads the process by which the Independent Trustees seek to ensure that the Board represents and protects the interests of all Unitholders.

The Independent Trustees regularly hold in-camera meetings, with members of management not in attendance, as part of regularly scheduled and other Board meetings. The Chair of the Board conducts the in-camera meetings without the presence of management and the Lead Independent Trustee conducts in-camera sessions without the presence of management or the non-Independent Trustees (including the Chair of the Board).

Dilawri’s continuing business may lead to conflicts of interest between Dilawri and the REIT. The role of the Board is to provide governance and stewardship to the REIT, and it has broad responsibilities in this regard, including, among other things, overseeing and appropriately managing potential conflicts of interest with Dilawri. As part of the Board’s responsibilities in this regard, the Board has adopted a related party transaction policy which sets forth the procedure to be followed by the REIT and its Independent Trustees in connection with the assessment, review, documentation and approval of transactions involving related parties, including Dilawri.

## **Meetings of Voting Unitholders**

The Declaration of Trust provides that meetings of Voting Unitholders be called and held annually for the election of Trustees and the appointment of auditors for the ensuing year, the presentation of the consolidated financial statements of the REIT for the immediately preceding fiscal year, and the transaction of such other business as the Trustees may determine or as may be properly brought before the meeting.

A meeting of Voting Unitholders may be convened by the Trustees at any time and for any purpose and must be convened, except in certain circumstances, if requisitioned by the holders of not less than 5% of the Voting Units then outstanding by a written requisition. A requisition must state in reasonable detail the business proposed to be transacted at the meeting.

Voting Unitholders may attend and vote at all meetings of Voting Unitholders either in person or by proxy and a proxyholder need not be a Voting Unitholder. Two or more persons present in person or represented by proxy and representing in total at least 25% of the votes attached to all outstanding units constitute a quorum for the transaction of business at all meetings.

The Declaration of Trust contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of Voting Unitholders similar to those required under the CBCA.

## **Amendments to the Declaration of Trust and Other Extraordinary Matters**

The Declaration of Trust, except where specifically provided otherwise, may be amended only with the approval of a majority of the votes cast by the Voting Unitholders at a meeting called for that purpose or the written approval of the Voting Unitholders holding a majority of the outstanding Voting Units. Notwithstanding the foregoing, certain amendments and certain extraordinary matters require the approval of at least two-thirds of the votes cast by the Voting Unitholders at a meeting of Voting Unitholders called for that purpose or the written approval of Voting Unitholders holding more than two-thirds of the outstanding Voting Units, including:

- (i) any amendments to the amendment provisions of the Declaration of Trust;
- (ii) an exchange, reclassification or cancellation of all or part of the Units or Special Voting Units;
- (iii) the change or removal of the rights, privileges, restrictions or conditions attached to the Units or Special Voting Units, including, without limitation,
  - the removal or change of rights to distributions;
  - the removal of or change to conversion privileges, redemption privileges, options, voting, transfer or pre-emptive rights; or
  - the reduction or removal of a distribution preference or liquidation preference;
- (iv) the creation of new rights or privileges attaching to certain of the Units or Special Voting Units;
- (v) any change to the existing constraints on the issue, transfer or ownership of the Units or Special Voting Units, except as provided in the Declaration of Trust;

- (vi) the sale of the REIT's property as an entirety or substantially as an entirety (other than as part of an internal reorganization approved by the Trustees);
- (vii) the combination, amalgamation or arrangement of the REIT or any of its Subsidiaries with any other entity that is not the REIT or a Subsidiary of the REIT (other than as part of an internal reorganization as approved by the Trustees);
- (viii) a material change to the Limited Partnership Agreement; and
- (ix) certain amendments to the investment guidelines and operating policies of the REIT.

A majority of the Trustees may, however, without the approval of the Voting Unitholders, make certain amendments to the Declaration of Trust as provided in the Declaration of Trust.

In no event will the Trustees amend the Declaration of Trust if such amendment would amend Voting Unitholders' voting rights, cause the REIT to fail to qualify as a "mutual fund trust", "real estate investment trust" or "unit trust" under the Tax Act or cause the REIT or a Subsidiary of the REIT to be subject to tax under paragraph 122(1)(b), subsection 197(2) or Part XII.2 of the Tax Act.

Notwithstanding the foregoing, provided that the Dilawri Organization and the Transferors that are subject to the Voting Trust Agreement own, direct or control at least 10% of the Units (on a fully-diluted basis), no amendment, waiver or modification to the Declaration of Trust that would adversely affect the nomination rights of Dilawri, or other rights specifically granted therein to the Dilawri Organization and the Transferors subject to the Voting Trust Agreement, shall be effective without the prior written consent of Dilawri, in its discretion.

### **Take-Over Bids**

The Declaration of Trust contains provisions to the effect that if a take-over bid is made for Units and not less than 90% of the Units (including Units issuable on the exchange of any exchangeable securities, including Class B LP Units, but excluding Units held at the date of the take-over bid by or on behalf of the offeror or associates or Affiliates of the offeror or those acting jointly or in concert with them) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Units held by holders who did not accept the take-over bid on the terms on which the offeror acquired Units from holders who accepted the take-over bid.

### **Information and Reports**

Prior to each meeting of Voting Unitholders, the Trustees will make available to the Voting Unitholders (along with notice of the meeting) information similar to that required to be provided to shareholders of a corporation governed by the CBCA and as required by applicable securities laws and stock exchange requirements. Voting Unitholders will only be entitled to information from Trustees similar to that required to be provided to shareholders of a corporation governed by the CBCA and as required by applicable securities laws and stock exchange rules. The Trustees are entitled to enter into confidentiality and non-disclosure agreements from time-to-time in respect of the affairs of the REIT which have the effect of constraining access to information in the possession or power of possession of the Trustees.

### **Rights of Unitholders**

The Declaration of Trust establishes and governs the rights of the Unitholders and the attributes of the Units. Many of the provisions of the CBCA respecting the governance and management of a corporation

are incorporated in the Declaration of Trust. However, Unitholders do not have statutory rights of shareholders of a corporation incorporated under the CBCA including, for example, the right to bring “oppression” or “derivative” actions or to exercise “dissent rights”. The Declaration of Trust also includes provisions modeled after comparable provisions of the CBCA dealing with the calling and holding of meetings of Voting Unitholders and Trustees, the procedures at such meetings and the right of the Voting Unitholders to participate in the decision making process where certain fundamental actions are proposed to be undertaken.

## 12. THE PARTNERSHIP AND DESCRIPTION OF PARTNERSHIP UNITS

### General

The following is a summary of certain provisions of the Limited Partnership Agreement, which is a material contract for the REIT, and is qualified in its entirety by reference to all of the provisions of the Limited Partnership Agreement, a copy of which is available on SEDAR+.

The Partnership is a limited partnership formed under the laws of the Province of Ontario and is governed by the Limited Partnership Agreement. The Partnership owns, operates and leases real estate assets and property and engages in all activities ancillary and incidental thereto. All investments by the REIT will be made by the Partnership or a Subsidiary of the Partnership. The general partner of the Partnership is Automotive Properties REIT GP Inc., a corporation incorporated under the laws of the Province of Ontario that is wholly-owned by the REIT (the “**General Partner**”) and, as of the date of this AIF, the limited partners of the Partnership are the REIT (which owns all of the Class A LP Units) and 3354784 Canada Inc., being the vendor of the Île-Perrot Properties (which owns all of the Class B LP Units) (collectively, the “**Limited Partners**” and, individually, a “**Limited Partner**”). The board of directors of the General Partner is made up of the same members as the Board.

### Partnership Units

As of December 31, 2025, the REIT owned all of the issued and outstanding Class A LP Units and 3354784 Canada Inc. owned all of the issued and outstanding Class B LP Units. The General Partner has a general partner interest in the Partnership (the “**GP Interest**”).

On September 25, 2025, in connection with the purchase of the Île-Perrot Properties, the REIT, through the Partnership, issued 833,333 Class B LP Units to the vendor at a deemed price per Class B LP Unit equal to \$12.00 for aggregate consideration of approximately \$10 million. As of December 31, 2025, there are 833,333 Class B LP Units outstanding, representing an approximate 1.5% effective interest in the REIT, assuming all of the Class B LP Units are exchanged for Units on a one-for-one basis.

The Class B LP Units are, in all material respects, economically equivalent to the Units on a per unit basis, subject to certain anti-dilution adjustments. The Class B LP Units are exchangeable on a one-for-one basis (subject to certain anti-dilution adjustments) for Units at any time at the option of their holder, unless the exchange would jeopardize the REIT’s status as a “mutual fund trust” or “real estate investment trust” under the Tax Act or cause or create significant risk that the REIT would be subject to tax under paragraph 122(1)(b) of the Tax Act and subject to satisfaction of conditions set out therein. The transfer of Class B LP Units is subject to a number of restrictions.

Except as required by law or the Limited Partnership Agreement, and in certain specified circumstances in which the rights of holders of Class B LP Units are particularly affected, the holders of Class B LP Units are not entitled to vote at any meeting of the holders of units of the Partnership.

## Operation

The business and affairs of the Partnership are managed and controlled by the General Partner which is bound by the investment guidelines and operating policies applicable to the REIT. The Limited Partners are not entitled to take part in the management or control of the business or affairs of the Partnership. Except as provided below, the Partnership will reimburse the General Partner for all direct costs and expenses incurred by the General Partner in the performance of its duties as the general partner of the Partnership.

The composition of the General Partner's board of directors is identical to the Board. The Partnership will continue to operate in a manner to ensure, to the greatest extent possible, the limited liability of the Limited Partners. The Limited Partners may lose their limited liability in certain circumstances. If the limited liability of any Limited Partner is lost by reason of the negligence of the General Partner in performing its duties and obligations under the Limited Partnership Agreement, the General Partner will indemnify the applicable Limited Partner against all claims arising from assertions that its liabilities are not limited as intended by the Limited Partnership Agreement. The General Partner has no significant assets or financial resources other than its *de minimis* distribution entitlements from the Partnership. Accordingly, this indemnity may only be of nominal value.

## Duties and Responsibilities of the General Partner

The General Partner is the general partner of the Partnership and manages and controls the operations and affairs of the Partnership and makes all decisions regarding the business and activities of the Partnership.

## Distributions

The Partnership will continue to distribute to the General Partner and to the holders of its Class A LP Units and Class B LP Units their respective portions of distributable cash as set out below.

Distributions will be made forthwith after the General Partner determines the distributable cash of the Partnership and determines the amount of all costs and expenses incurred by it in the performance of its duties under the Limited Partnership Agreement as general partner (the "**Reimbursement Distribution Amount**"), which determination shall be made no later than the 10th day of each calendar month.

Distributable cash will represent, in general, all of the Partnership's cash on hand that is derived from any source (other than amounts received in connection with the subscription for additional interests in the Partnership) and that is determined by the General Partner not to be required in connection with the business of the Partnership. The distributable cash of the Partnership will be distributed in the following order and priority: (a) the Reimbursement Distribution Amount to the General Partner; (b) an amount to the holder of Class A LP Units sufficient to allow the REIT to pay its expenses (including, without limitation, any fees or commissions payable to agents or underwriters in connection with the sale of securities by the REIT, listing fees of applicable stock exchanges and fees of the REIT's auditors) on a timely basis (the "**Class A LP Preferred Distribution**"); (c) an amount to the General Partner equal to 0.001% of the balance of the distributable cash of the Partnership; and (d) an amount equal to the remaining balance of the distributable cash of the Partnership to the holders of Class A LP Units and Class B LP Units in accordance with their pro rata entitlements as holders of Class A LP Units and Class B LP Units. Holders of Class B LP Units will be entitled to receive distributions on each such unit equal to the amount of the distribution declared by the REIT on each Unit. The record date and, subject to the following paragraph, the payment date for any distribution declared on the Class B LP Units will be the same as those for the Units.

A holder of Class B LP Units will have the right to elect to reinvest all distributions payable on its Class B LP Units on the same economic terms as participants in the DRIP, if a DRIP is implemented by the REIT. In such event, a holder of Class B LP Units may reinvest distributions in Class B LP Units, Units or a

combination thereof. If a holder of Class B LP Units elects to reinvest its distributions, such holder will receive a bonus distribution equal to any bonus distribution that may be payable pursuant to the DRIP, if any, which bonus distribution will be reinvested in the Class B LP Units or Units, as the case may be, that the holder elects to receive.

### **Transfer of Class B LP Units**

The Limited Partnership Agreement provides that, subject to certain exceptions, no holder of Class B LP Units is permitted to transfer such Class B LP Units, other than for Units in accordance with the terms of the Exchange Agreement or the Limited Partnership Agreement without the consent of the General Partner, unless the transfer is to an Affiliate.

### **Amendments to the Limited Partnership Agreement**

The Limited Partnership Agreement may be amended with the prior consent of the holders of at least 66 $\frac{2}{3}$ % of the Class A LP Units voted on the amendment at a duly constituted meeting of holders of Class A LP Units or by a written resolution of partners holding at least 66 $\frac{2}{3}$ % of the Class A LP Units entitled to vote at a duly constituted meeting of holders of Class A LP Units, except for certain amendments which require unanimous approval of holders of limited partnership units. In addition, the Declaration of Trust provides that the REIT will not agree to or approve any material amendment to the Limited Partnership Agreement without the approval of at least two-thirds of the votes cast at a meeting of the Voting Unitholders of the REIT called for such purpose (or by written resolution in lieu thereof).

## **13. MARKET FOR SECURITIES**

### **Trading Price and Volume**

The Units are listed for trading on the TSX under the symbol “APR.UN”. The following table sets forth the market price ranges and trading volumes of the Units on the TSX for the period commencing January 1, 2025 to December 31, 2025, as reported by the TSX:

	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume</u>
January.....	11.03	10.07	511,553
February.....	10.85	10.15	530,465
March.....	10.64	9.98	727,773
April.....	10.41	9.04	639,818
May.....	11.12	10.01	394,897
June.....	11.65	10.97	321,588
July .....	11.59	11.25	296,937
August .....	11.91	11.00	326,668
September.....	11.79	11.31	327,298
October .....	11.62	10.80	1,566,007
November .....	11.00	10.68	631,940
December.....	11.14	10.75	762,119

## **14. DISTRIBUTION POLICY**

The following outlines the distribution policy of the REIT which has been adopted pursuant to the Declaration of Trust. Determinations as to the amounts distributable, however, have been and will continue to be made in the sole discretion of the Trustees from time to time.

## **Distribution Policy**

The REIT has adopted a distribution policy, as permitted under the Declaration of Trust, pursuant to which it will make monthly cash distributions to Unitholders and, through the Partnership, holders of Class B LP Units. The declaration and payment of distributions on the Units and the amounts thereof are at the discretion of the Board. In approving the distributions, the Trustees take into account the REIT's financial performance, internal funding needs, capital requirements, available cash flow, future prospects of the REIT's business and other factors considered relevant from time to time. Over the long term, it is the REIT's intention to increase the amount of the distributions while retaining appropriate free cash flow to finance future growth. Pursuant to the Declaration of Trust, the Trustees have full discretion respecting the timing and amounts of distributions, including the adoption, amendment or revocation of any distribution policy. It is the REIT's current intention to make distributions to Unitholders at least equal to the amount of net income and net realized capital gains of the REIT as is necessary to ensure that the REIT will not be liable for ordinary income taxes on such income. The REIT, subject to the discretion of the Board, targets to make annual cash distributions to Unitholders initially equal to approximately 90% of its AFFO on an annual basis.

Unitholders of record as at the close of business on the last business day of the month preceding a Distribution Date will have an entitlement on and after that day to receive distributions in respect of that month on such Distribution Date. Distributions may be adjusted for amounts paid in prior periods if the actual AFFO for the prior periods is greater than or less than the estimates for the prior periods. Under the Declaration of Trust and pursuant to the distribution policy of the REIT, where the REIT's cash is insufficient to make payment of the full amount of a distribution, such payment will, to the extent necessary, be distributed in the form of additional Units. See "Declaration of Trust and Description of Units — Issuance of Units".

The first distribution, for the period from the IPO Closing Date to August 31, 2015 was made on September 15, 2015 in the amount of \$0.089 per Unit. The REIT has subsequently made monthly distributions in the amount of \$0.067 per Unit each month to and including July 2025. On August 14, 2025, the Trustees approved a \$0.018 per Unit, or 2.2%, increase to the REIT's annual cash distribution, from \$0.804 per Unit to \$0.822 per Unit. The monthly distribution increased to \$0.0685 per Unit, from \$0.067 per Unit. The increase was effective for the REIT's August 2025 cash distribution, that was paid on September 15, 2025 to Unitholders of record as of August 29, 2025. The REIT intends to continue to make monthly cash distributions in the estimated amount of \$0.0685 per Unit provided that the ability of the REIT to continue to make cash distributions, and the actual amount distributed, will be entirely dependent on the operations and assets of the REIT and will be subject to various factors, including financial performance, obligations under applicable credit facilities and restrictions on payment of distributions thereunder on the occurrence of an event of default, fluctuations in working capital, the sustainability of income derived from the tenants of the REIT's properties and any capital expenditure requirements. See "Risk Factors".

The General Partner, on behalf of the Partnership, has made, and will continue to make, monthly cash distributions to holders of Class A LP Units and holders of Class B LP Units, if any, by reference to the monthly cash distributions payable by the REIT to Unitholders. Distributions made on the Class B LP Units will be equal to the distributions that the holders of Class B LP Units would have received if they were holding Units instead of Class B LP Units. See "The Partnership and Description of Partnership Units — Distributions" and "Risk Factors".

## 15. RISK FACTORS

The REIT faces a variety of significant and diverse risks, many of which are inherent in the business conducted by the REIT and the tenants of its properties, many of which are beyond the control of the REIT. Certain risks that could materially adversely affect the REIT, its operations, cash flows and ability to make cash distributions are described in the REIT's management's discussion and analysis for the year ended December 31, 2025 in the section entitled "Risks & Uncertainties, Critical Judgments & Estimates", which section is expressly incorporated by reference herein. Other risks and uncertainties that the REIT does not presently consider to be material, or of which the REIT is not presently aware, may become important factors that affect the REIT's future financial condition and results of operations. The occurrence of any of the risks discussed below could materially and adversely affect the business, prospects, financial condition, results of operations or cash flow of the REIT. Prospective purchasers of Units should carefully consider these risks before investing in the REIT.

## 16. TRUSTEES AND MANAGEMENT OF THE REIT

### Trustees and Executive Officers

The Board consists of seven Trustees, the majority of whom are considered to be independent under Canadian securities laws and six of whom are resident Canadians. All Trustee meetings will be held in Canada. The Trustees will be elected by Voting Unitholders at each annual meeting of Voting Unitholders, and all Trustees will hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed and will be eligible for re-election or re-appointment. The Declaration of Trust provides Dilawri with certain nomination rights in respect of the election of Trustees by Voting Unitholders to the Board. See "Declaration of Trust and Description of Units". Subject to Dilawri's Trustee nomination rights, the nominees for election as Trustees will be determined by the Governance, Compensation and Nominating Committee in accordance with the provisions of the Declaration of Trust and the charter of the Governance, Compensation and Nominating Committee. In respect of Trustee nominees submitted by Dilawri pursuant to its nomination rights, the Governance, Compensation and Nominating Committee will review such proposed nominations and, together with such Trustee nominations solely determined by the Governance, Compensation and Nominating Committee, information relating to such nominees will be included in the proxy-related materials to be made available to Voting Unitholders prior to each annual meeting. In the event that the Governance, Compensation and Nominating Committee does not approve of a proposed Trustee nominee submitted by Dilawri pursuant to its nomination rights, Dilawri will be entitled to submit an alternative proposed Trustee nominee that is acceptable to the Governance, Compensation and Nominating Committee.

The following table sets forth information regarding the Trustees and executive officers of the REIT as of the date of this AIF.

<b>Name, Province or State and Country of Residence</b>	<b>Position/ Title</b>	<b>Trustee/Officer Since</b>	<b>Independent</b>	<b>Committees</b>	<b>Principal Occupation</b>
Kapil Dilawri <i>Ontario, Canada</i>	Chair of the Board	June 1, 2015	No <sup>(1)</sup>	–	Co-Founder of the Dilawri Group and Vice President and Secretary of Dilawri
Patricia Kay <i>Florida, United States</i>	Trustee	June 12, 2019	Yes	Audit Committee Governance, Compensation and Nominating Committee (Chair)	Corporate Director

<b>Name, Province or State and Country of Residence</b>	<b>Position/ Title</b>	<b>Trustee/Officer Since</b>	<b>Independent</b>	<b>Committees</b>	<b>Principal Occupation</b>
Milton Lamb <i>Ontario, Canada</i>	Trustee, President and Chief Executive Officer	Trustee since June 25, 2020 Officer since July 22, 2015	No <sup>(3)</sup>	–	President and Chief Executive Officer of the REIT
Stuart Lazier <i>Ontario, Canada</i>	Trustee	July 22, 2015	Yes	Audit Committee Governance, Compensation and Nominating Committee	Chairman of Northbridge Capital Inc.
James Matthews <i>Ontario, Canada</i>	Trustee	June 1, 2015	No <sup>(2)</sup>	–	Executive Vice-President of Dilawri
Julie Morin <i>Ontario, Canada</i>	Trustee	June 7, 2022	Yes	Audit Committee (Chair), Governance, Compensation and Nominating Committee	Corporate Director
John Morrison <i>Ontario, Canada</i>	Lead Independent Trustee	July 22, 2015	Yes	Audit Committee Governance, Compensation and Nominating Committee	Corporate Director
Andrew Kalra <i>Ontario, Canada</i>	Chief Financial Officer and Corporate Secretary	July 22, 2015	N/A	N/A	Chief Financial Officer and Corporate Secretary of the REIT

Notes:

- (1) Mr. Dilawri is considered a non-Independent Trustee as he is an executive officer of Dilawri. Mr. Dilawri is a Dilawri nominee.
- (2) Mr. Matthews is considered a non-Independent Trustee as he is an executive officer of Dilawri. Mr. Matthews was previously a Dilawri nominee.
- (3) Mr. Lamb is considered a non-Independent Trustee as he is the President and Chief Executive Officer of the REIT.

***Kapil Dilawri*** — Mr. Dilawri is the Co-Founder of the Dilawri Group and Vice-President and Secretary of Dilawri. For more than 30 years, Mr. Dilawri has been instrumental in growing the Dilawri Group from a single dealership in Regina to one of the largest automotive dealership group in Canada. Mr. Dilawri remains active in strategic initiatives and business operations of the Dilawri Group. In 2002, Mr. Dilawri co-founded the Dilawri Foundation, a charitable organization committed to giving back to Canada by supporting medical research, hospitals, children and their families.

***Patricia Kay*** — Ms. Kay is a corporate director. Ms. Kay served as Senior Vice President, Dealer Finance – National Accounts at Bank of America Merrill Lynch from 1998 to 2019. She has over 40 years of banking experience in the commercial banking industry which includes 25 years focused on public and large private automotive retailers in the United States. Ms. Kay was instrumental in positioning Bank of America Merrill Lynch into its leading role serving the financial needs of the public auto retail sector. In the years preceding her retirement in 2019, she accumulated extensive expertise in the financial operations and capital structures of auto retailers. Prior to 1998, Ms. Kay served as a Vice President in Dealer Finance between 1993 and 1998, and a Vice President in Corporate Banking between 1980 and 1993, also at Bank of America Merrill Lynch. Ms. Kay holds an MBA from Indiana University and a Bachelor of Arts degree from Syracuse University.

**Milton Lamb** — Mr. Lamb is the President and Chief Executive Officer of the REIT, a role he has served in since the IPO. Mr. Lamb has over 30 years of experience in the Canadian commercial real estate industry, with a track record of successful commercial real estate transactions, development projects and joint ventures totaling over \$2.5 billion. Mr. Lamb has worked with the largest global real estate service companies including CBRE, Jones Lang Wootton (now known as JLL) and, most recently, Colliers International, a position he held from 2007 until becoming the REIT's President and Chief Executive Officer in July 2015. Mr. Lamb became an employee of the REIT effective January 1, 2020 in conjunction with the internalization of the REIT's management. During his tenure at Colliers International, Mr. Lamb was Chair of the National Investment Services, and represented Canada on Colliers Global Investment Services and Colliers Investment Services Group (USA) from 2008 to 2013 for seven years. Mr. Lamb was formerly a director of NAIOP Toronto and Big Brothers Big Sisters Toronto and is currently a mentor for NAIOP Developing Leaders. Mr. Lamb is an institute certified Director with the Institute of Corporate Directors (ICD).

**Stuart Lazier** — Mr. Lazier is the Chairman of Northbridge Capital Inc., a private equity real estate investment company located in Toronto, Ontario. Mr. Lazier has over 40 years of experience as a leader in real estate management and investment. Prior to selling his interest in Fiera Properties to his public company partner, Fiera Capital, Mr. Lazier was a partner, co-founder and the Chief Executive Officer of Fiera Properties Limited, a Canadian real estate investment management company. As a partner at Fiera Properties, and a member of the Board of Directors, Mr. Lazier oversaw all corporate initiatives and operations for Fiera Properties. Between 2001 and 2009, Mr. Lazier co-founded and played a key role in building KingSett Capital, now one of Canada's leading real estate fund management firms. Prior to KingSett Capital, for 14 years, Mr. Lazier was the Managing Partner of Canada's leading independent real estate management services company, Enterprise Property Group. Mr. Lazier merged this company with O&Y Enterprise, managing over 110 million square feet of commercial real estate, and assets of more than \$20 billion. Mr. Lazier has served his community as a board member and Chair of Covenant House Toronto, Chair of the Real Estate Committee for the Toronto United Way, Vice Chair of the Board of Governors at Upper Canada College, and Chairman of the Build Toronto Board of Directors. Mr. Lazier is currently a director of a number of other private companies and non-profit organizations. Mr. Lazier holds an MBA from the Richard Ivey School of Business at the University of Western Ontario.

**James Matthews** — Mr. Matthews serves as Executive Vice-President of the Dilawri Group. Mr. Matthews previously served in the capacity of Chief Financial Officer of the Dilawri Group and other Dilawri Group companies since 2007, and as a member of the Management Board of the Dilawri Group. During his tenure with the Dilawri Group, Mr. Matthews has played a key role in acquisition transactions, business operations, developments and redevelopments, and financing activities. Previously, Mr. Matthews held senior positions with industry-leading companies including Chief Financial Officer of W.K. Buckley Limited, VP Finance with KIK Custom Products Inc. and Regional Controller for Rogers Communications Inc. (cablevision division). Mr. Matthews holds a Bachelor of Administration in Finance and Economics from the University of Western Ontario and a CPA, CA designation.

**Julie Morin** — Ms. Morin is a corporate director. Ms. Morin previously served as the Chief Financial Officer of Minto Holdings Inc., a family-owned real estate development company located in Ottawa, Ontario, from 2014 to 2025. Ms. Morin is an experienced senior finance and accounting professional with over 25 years of experience specializing in public reporting. Ms. Morin was the Chief Financial Officer of Minto Apartment Real Estate Investment Trust from 2018 until 2023, where she had responsibility for Minto Apartment Real Estate Investment Trust's overall financial strategy and management, including its financial reporting and long-range business planning as well as treasury and tax functions. Prior to joining Minto Holdings Inc. in 2014, Ms. Morin was corporate controller at Telesat Canada and, prior to that, she was vice president, finance at Brookfield Renewable Energy Group. She also spent ten years at Ernst & Young LLP. Ms. Morin was the 2020 recipient of CFO of the Year, awarded by the Ottawa Board of Trade

and Ottawa Business Journal. Ms. Morin received her Bachelor of Commerce, Accounting from the University of Ottawa and is a Chartered Professional Accountant (CPA, CA).

**John R. Morrison** — Mr. Morrison is a corporate director. Mr. Morrison is a past Trustee and Vice Chairman of Choice Properties Real Estate Investment Trust. Mr. Morrison has over 40 years of experience in the commercial real estate industry including as President and Chief Executive Officer of Choice Properties Real Estate Investment Trust from 2013 to 2018. Prior to serving in that role, Mr. Morrison was President and Chief Executive Officer of Primaris Retail Real Estate Investment Trust from 2009 to 2013. Mr. Morrison was President, Real Estate Management, at Oxford Properties Group and prior, a senior executive at OMERS. Mr. Morrison is a past Trustee of ICSC and served as Chair in 2021. He is a past Director of the ICSC Foundation (U.S.) and Past Chair and Founder of the ICSC Foundation Canada. He is the founding Vice Chairman of the Urban Land Institute Toronto District Council and is past Chairman of the Toronto Metropolitan University Real Estate Advisory Committee. He served on the Dean's Advisory Board at the Ted Rogers School of Business at Toronto Metropolitan University in Toronto from 2018 to 2025. Mr. Morrison currently serves as a Director of Forum Real Estate Investment and Impact Fund and Forum Make Space Storage Fund. Mr. Morrison is an Institute-certified Director with the Institute of Corporate Directors.

**Andrew Kalra** — Mr. Kalra is the Chief Financial Officer and Corporate Secretary of the REIT and has over three decades of experience in finance, 25 years of which have centered on the automotive and real estate industries. Mr. Kalra joined the Dilawri Group in 2014 to serve as the Vice President, Finance. Mr. Kalra became an employee of the REIT effective January 1, 2020 in conjunction with the internalization of the REIT's management. Prior to his tenure at the Dilawri Group, Mr. Kalra was with Mazda Canada as Senior Director of Finance and Business Strategy for 12 years. Previously Mr. Kalra held senior financial positions in public companies including Nortel Networks Inc. and Walt Disney Canada, as well as at a Canadian chartered accounting firm. Mr. Kalra holds a Bachelor of Commerce (Finance, Accounting and Economics) from the University of Toronto in Toronto, Ontario and a CPA, CA designation.

### ***Penalties or Sanctions***

None of the Trustees or executive officers of the REIT, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

### ***Individual Bankruptcies***

None of the Trustees or executive officers of the REIT, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT, has, within the 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

### ***Corporate Cease Trade Orders and Bankruptcies***

None of the Trustees or executive officers of the REIT, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, (a) a director, chief executive

officer or chief financial officer of any company that was subject to an order that was issued while the Trustee or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the Trustee or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

### **Ownership of Securities**

As of the date of this AIF, the Trustees and executive officers of the REIT, as a group, beneficially owned, or controlled or directed, directly or indirectly, 562,006 Units, representing approximately 1.0% of the issued and outstanding Units (on a fully-diluted basis). As Mr. Dilawri does not own, control or direct the Units owned, controlled or directed by Dilawri, the foregoing does not include the 17,390,998 Units owned, controlled or directed by Dilawri as of the date hereof.

### **17. MATERIAL CONTRACTS**

The following are the only material agreements of the REIT (other than certain agreements entered into in the ordinary course of business):

- (a) the Declaration of Trust;
- (b) the Limited Partnership Agreement; and
- (c) the Strategic Alliance Agreement.

Copies of the foregoing documents are available on SEDAR+.

### **18. LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

#### **Legal Proceedings**

The REIT is not aware of any material existing or contemplated legal proceedings to which it is or was a party, or to which any of the Properties is or was the subject, during 2025.

#### **Regulatory Actions**

The REIT is not aware of any penalties or sanctions imposed by a court or securities regulatory authority or other regulatory body against the REIT, nor has the REIT entered into any settlement agreements before a court or with a securities regulatory authority.

### **19. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Other than as described in this AIF and management’s discussion and analysis of the REIT for the financial year ended December 31, 2025, there are no material interests, direct or indirect, of the Trustees or executive officers of the REIT, any person that beneficially owns or controls more than 10% of any class or series of

outstanding securities of the REIT or any associate or affiliate of any of the foregoing persons in any transaction within the last three years or any proposed transaction that has materially affected or would reasonably be expected to materially affect the REIT or any of its Subsidiaries.

MI 61-101 provides a number of circumstances in which a transaction between an issuer and a related party may be subject to valuation and minority approval requirements. An exemption from such requirements is available when the fair market value of the transaction does not exceed 25% of the market capitalization of the issuer. The REIT has been granted exemptive relief from the requirements of MI 61-101 that, subject to certain conditions, permits it to be exempt from the minority approval and valuation requirements for transactions that would have a value of less than 25% of the REIT's market capitalization, if exchangeable Class B LP Units of the Partnership are included in the calculation of the REIT's market capitalization. As a result, the 25% threshold, above which the minority approval and valuation requirements would apply, is increased to include the exchangeable equity interest in the REIT held in the form of exchangeable Class B LP Units of the Partnership outstanding from time to time.

Further information on related party transactions can be found in the REIT's management's discussion and analysis for the financial year ended December 31, 2025.

## 20. AUDITOR, TRANSFER AGENT AND REGISTRAR

The REIT's auditors are BDO Canada LLP, Chartered Professional Accountants, located in Toronto, Ontario, who prepared the Auditors' Report to Unitholders in respect of the REIT's audited annual consolidated financial statements for the financial years ended December 31, 2024 and December 31, 2025. BDO Canada LLP have confirmed that they are independent with respect to the REIT within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The transfer agent and registrar for the Units is Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

## 21. AUDIT COMMITTEE INFORMATION

The Audit Committee Charter, as approved by the Board on March 23, 2020, is included in Appendix A to this AIF. The members of the Audit Committee are indicated above under "Trustees and Management of the REIT". All members of the Audit Committee are independent and financially literate (as those terms are defined in National Instrument 52-110 — *Audit Committees* of the Canadian Securities Administrators) and have the education and experience which is relevant to their roles as Audit Committee members as set out in each of their biographies under "Trustees and Management of the REIT".

## 22. EXTERNAL AUDIT FEES

The aggregate fees of BDO Canada LLP for professional services rendered for the audit of the REIT's financial statements and other services for fiscal 2025 and 2024, respectively, are as follows:

	2025	2024
Audit Fees	\$610,000 <sup>(1)</sup>	\$425,000
Audit-Related Fees	\$35,000	\$25,000
All Other Fees	\$135,000 <sup>(2)</sup>	\$125,000 <sup>(2)</sup>
<b>Total Fees</b>	<b>\$780,000</b>	<b>\$575,000</b>

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Notes:

- (1) The Audit Fees incurred in fiscal 2025 include the auditors' involvement in the Public Offering (Public Offering Audit Fees = \$160,000).
- (2) All Other Fees incurred include tax advisory fees of \$135,000 for fiscal 2025 and \$125,000 for fiscal 2024.

The Audit Committee Charter provides that the Audit Committee must pre-approve the retaining of the auditors for any non-audit service. The Audit Committee may delegate to one or more members the authority to pre-approve the retaining of the auditors for any non-audit service to the extent permitted by law.

### **23. ADDITIONAL INFORMATION**

Additional information, including trustees' and officers' remuneration and indebtedness, principal holders of the REIT's securities and securities authorized for issuance under equity compensation plans is contained in the REIT's Management Information Circular for the Annual Meeting of Unitholders held on May 21, 2025. Additional financial information is also provided in the REIT's consolidated financial statements and management's discussion and analysis for its most recently completed financial year.

Additional information relating to the REIT is available on SEDAR+ and at [www.automotivepropertiesreit.ca](http://www.automotivepropertiesreit.ca).

## APPENDIX A

### AUDIT COMMITTEE CHARTER

The purpose of this Charter is to describe the principal duties and responsibilities of the Audit Committee of the Board of Trustees (the “**Board**”) of Automotive Properties Real Estate Investment Trust (the “**Trust**”).

#### 1. RESPONSIBILITY

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to:

- the integrity of the Trust’s financial statements;
- the Trust’s compliance with legal and regulatory requirements as they relate to its financial statements;
- the qualifications, independence and performance of the Trust’s external auditor (the “**Auditor**”);
- the enterprise risk management process;
- internal control over financial reporting and disclosure controls and procedures;
- assessing conflicts of interest, including between the Trust and 893353 Alberta Inc. and its affiliates (“**Dilawri**”); and
- performing the additional duties set out in this Charter or otherwise delegated to the Audit Committee by the Board.

#### 2. MEMBERS

The Board shall appoint a minimum of three trustees to be members of the Audit Committee, a majority of whom shall be residents of Canada within the meaning of the *Income Tax Act* (Canada). The members of the Audit Committee shall be selected by the Board on recommendation of the Governance, Compensation and Nominating Committee of the Trust, and shall be selected based upon the following:

- each member shall be an independent trustee; and
- each member shall be financially literate.

For the purpose of this Charter, the terms “independent” and “financially literate” shall have the respective meanings attributed thereto in Multilateral Instrument 52-110 — *Audit Committees*, as the same may be amended or replaced from time to time.

#### 3. CHAIR

Each year, the Board shall appoint one member to be Chair of the Audit Committee. If, in any year, the Board does not appoint a Chair, the incumbent Chair shall continue in office until a successor

is appointed. The Board has adopted and approved a position description for the Chair which sets out his or her role and responsibilities. The Audit Committee and Board shall at least annually review the position description of the Chair of the Audit Committee and, if appropriate, approve changes thereto. The Chair shall not have a casting vote.

#### **4. TENURE**

Each member shall hold office until his or her term as a member of the Audit Committee expires or is terminated.

#### **5. QUORUM, REMOVAL AND VACANCIES**

A majority of the Audit Committee's members shall constitute a quorum. Any member may be removed and replaced at any time by the Board and any member may resign at any time. The Board shall fill vacancies in the Audit Committee by appointment from among the members of the Board. If a vacancy exists on the Audit Committee, the remaining members may exercise all powers so long as a quorum remains in office. The Audit Committee shall be responsible for its organization, including meeting procedures.

#### **6. DUTIES**

The Audit Committee shall have the duties set out below as well as any other duties that are specifically delegated to the Audit Committee by the Board.

##### **(a) Appointment and Review of Auditor**

The Auditor is ultimately accountable to the Audit Committee as representative of the Board. The Audit Committee has direct responsibility for overseeing the work of the Auditor. Accordingly, the Audit Committee shall evaluate and be responsible for the Trust's relationship with the Auditor. Specifically, the Audit Committee shall:

- select, evaluate and recommend to the Board the Auditor to be nominated for appointment or reappointment by the unitholders;
- ensure the Auditor reports directly to the Audit Committee;
- review the Auditor's engagement letters; and
- at least annually, obtain and review a report by the Auditor describing:
  - the Auditor's internal quality control procedures; and
  - any material issues raised by the most recent internal quality control review, peer review, review by any independent oversight body such as the Canadian Public Accountability Board or governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the Auditor, and the steps taken to deal with any issues raised in these reviews.

**(b) Confirmation of Independence of Auditor**

At least annually, and before the Auditor issues its report on the annual financial statements, the Audit Committee shall:

- ensure that the Auditor submits a formal written statement describing all relationships between the Auditor and the Trust;
- discuss with the Auditor any disclosed relationships or services that may affect the objectivity and independence of the Auditor; and
- obtain written confirmation from the Auditor that it is objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs.

**(c) Rotation of Engagement Partner/Lead Partners**

The Audit Committee shall, after taking into account the opinions of senior management, evaluate the performance of the Auditor and the engagement partner/lead partners and shall rotate the engagement partner/lead partners when required, necessary or desirable.

**(d) Pre-Approval of Non Audit Services**

The Audit Committee shall pre approve the retaining of the Auditor for any non-audit service, provided that no approval shall be provided for any service that is prohibited under the rules of the Canadian Public Accountability Board or the Independence Standards of the Canadian Institute of Chartered Accountants. Before retaining the Auditor for any non-audit service, the Audit Committee shall consider the compatibility of the service with the Auditor's independence. The Audit Committee may pre approve retaining the Auditor for the engagement of any non-audit services by establishing policies and procedures to be followed prior to the appointment of the Auditor for the provision of such non audit services. In addition, the Audit Committee may delegate to the Chair the authority to pre approve retaining the Auditor for any non-audit service to the extent permitted by applicable law, provided, however, pre-approval by the Chair shall be presented to the Audit Committee at the first meeting following any such pre-approval.

**(e) Communications with Auditor**

The Audit Committee shall meet privately with the Auditor as frequently as the Audit Committee feels is appropriate for the Audit Committee to fulfill its responsibilities (which shall not be less frequently than four times per year) and to discuss any concerns of the Audit Committee or the Auditor, such as:

- matters that will be referred to in the Auditor's management letter;
- whether or not the Auditor is satisfied with the quality and effectiveness of the Trust's financial reporting procedures and systems; and
- the extent to which the Auditor is satisfied with the nature and scope of its examination and management's cooperation and responsiveness to matters arising from such examination.

**(f) Review of Audit Plan**

The Audit Committee shall review a summary of the Auditor’s audit plan in advance of each audit.

**(g) Approval of Audit Fees**

The Audit Committee has the responsibility for approving the Auditor’s fees. In approving the Auditor’s fees, the Audit Committee should consider, among other things, the number and nature of reports issued by the Auditors, the quality of the internal controls, the impact of the size, complexity and financial condition of the Trust on the audit work plan, and the extent of internal audit and other support provided by the Trust to the Auditor.

**(h) Review of Annual Audited Financial Statements**

The Audit Committee shall review the annual audited financial statements, together with the Auditor’s report thereon and the related management’s discussion and analysis (“**MD&A**”), before recommending them for approval by the Board, to assess whether or not they present fairly in all material respects in accordance with International Financial Reporting Standards (“**IFRS**”), the financial condition, results of operations and cash flows of the Trust.

In conducting their review, the Audit Committee will:

- discuss the annual audited financial statements and MD&A with senior management and the Auditor;
- consider the quality of, and not just the acceptability of, the accounting principles applied, the reasonableness of management’s judgments and estimates that have a significant effect upon the financial statements, and the clarity of the disclosures in the financial statements;
- discuss with the Auditor its report which addresses:
  - all critical accounting policies and practices to be used;
  - all alternative treatments of financial information within IFRS that have been discussed with management, ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the Auditors; and
  - other material written communication between the Auditor and management, such as any management letter or schedule of unadjusted differences;
- discuss any analyses prepared by management and the Auditor that set out significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative IFRS;
- discuss the effect of off balance sheet transactions, arrangements, obligations (including contingent liabilities) and other relationships with unconsolidated entities or other persons that may have a material current or future effect on the Trust’s financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues and expenses;

- consider any changes in accounting practices or policies and their impact on financial statements of the Trust;
- discuss with management, the Auditor and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments, that could have a material effect upon the financial position of the Trust, and the manner in which these matters have been disclosed in the financial statements;
- discuss with management and the Auditor correspondence with regulators or governmental agencies, employee complaints or published reports that raise material issues regarding the Trust's financial statements or accounting policies;
- discuss with the Auditor any special audit steps taken in light of any material weaknesses in internal control;
- discuss with the Auditor any difficulties encountered in the course of the audit work, including any restrictions on the scope of their procedures and access to requested information, accounting adjustments proposed by the Auditor that were not applied (because they were immaterial or otherwise), and significant disagreements with management;
- consider any other matter which in its judgment should be taken into account in reaching its recommendation to the Board concerning the approval of the financial statements;
- satisfy itself that appropriate accounting policies and practices have been selected and applied consistently; and
- satisfy itself that management has established appropriate procedures to comply with applicable legislation for the remittance of taxes and employee remuneration.

**(i) Review of Interim Financial Statements**

The Audit Committee shall also engage the Auditor to review the interim financial statements prior to the Audit Committee's review of such financial statements. The Audit Committee will discuss the interim financial statements and related MD&A with management and the Auditor and, if satisfied that the interim financial statements present fairly in all material respects in accordance with IFRS, the financial condition, results of operations and cash flows of the Trust, recommend the interim financial statements and the related MD&A to the Board for approval.

**(j) Other Financial Information**

The Audit Committee shall review other financial related disclosure, as well as the nature of any financial information and earnings guidance provided to analysts and rating agencies (if any) in accordance with the Trust's disclosure policy. In addition, the Audit Committee shall satisfy itself that adequate procedures are in place for the review of the public disclosure of information extracted or derived from the Trust's financial statements and must assess the adequacy of those procedures at least annually.

**(k) Review of Prospectuses and Other Regulatory Filings**

The Audit Committee shall review all other financial statements of the Trust that require approval by the Board before they are released to the public, including, without limitation, financial statements for use in prospectuses or other offering or public disclosure documents and financial statements required by regulatory authorities. The Audit Committee shall review the Trust's annual information form prior to its filing.

**(l) Oversight of Conflicts of Interest and Review of Related Party Transactions**

The Audit Committee shall receive reports on all related party transactions as part of the quarterly financial reporting process and oversee any potential conflicts of interest, including between the Trust and Dilawri. Together with the Chief Financial Officer, develop a position description for the Chief Financial Officer setting out the Chief Financial Officer's authority and responsibility.

**(m) Review of Internal Audit Services**

The Audit Committee shall review the mandate of internal audit services, the budget, planned activities and organizational structure of internal audit services to ensure that it is independent of management and has sufficient resources to carry out its mandate.

The members shall meet privately with the senior officer in charge of internal audit as frequently as the Audit Committee feels is appropriate for the Audit Committee to fulfill its responsibilities, which shall not be less frequently than quarterly, to discuss any areas of concern to the Audit Committee or to the senior officer in charge of internal audit to confirm that:

- significant resolved and any unresolved issues between auditors and management have been brought to its attention;
- the principal risks of the Trust's business have been identified by management and appropriate policies and systems have been implemented to manage these risks; and
- the integrity of the internal control and management information systems are satisfactory.

**(n) Relations with Management**

The members shall meet privately with management as frequently as the Audit Committee feels is appropriate to fulfill its responsibilities, which shall not be less frequently than four times per year, to discuss any concerns of the Audit Committee or management.

**(o) Oversight of Internal Control over Financial Reporting and Disclosure Controls and Procedures**

The Audit Committee shall, with the assistance of management, review the design and operating effectiveness of (i) the internal control over financial reporting adopted by the Trust, and (ii) the disclosure controls and procedures that have been adopted by the Trust to ensure the timely disclosure of all material information about the Trust and its subsidiaries as required by applicable law or security exchange rules.

The Audit Committee shall receive regular reports from management with respect to the system of disclosure controls and procedures and internal control over financial reporting.

The Audit Committee shall also review no less than annually the Trust's Disclosure Policy.

**(p) Legal Compliance**

The Audit Committee shall review with legal counsel any legal matters that may have a significant effect on the Trust's financial statements. The Audit Committee shall review with legal counsel material inquiries received from regulators and governmental agencies. The Audit Committee shall review any material matters arising from any known or suspected violation of the Trust's Code of Conduct with respect to financial and accounting matters and any material concerns regarding questionable accounting or auditing matters raised under the Trust's Whistleblower Policy or otherwise.

**(q) Enterprise Risk Management**

The Audit Committee shall satisfy itself as to the effective risk management of the individual risks for which such oversight has been delegated to the Audit Committee by the Board, through the receipt of periodic reports from internal audit services and management. The Chair shall periodically report to the Board on any major issues arising with respect to the risk management for such risks.

**(r) Taxation Matters**

The Audit Committee shall review the status of taxation matters of the Trust.

**(s) Hiring Policies**

The Audit Committee shall review and approve the hiring policies with respect to partners and professional employees of present and former external auditors of the Trust.

**7. COMPLAINTS PROCEDURE**

The Audit Committee shall monitor the effectiveness of the procedures for the receipt, retention and follow up of complaints received by the Trust regarding accounting, internal controls, disclosure controls or auditing matters and for the confidential, anonymous submission of concerns by employees of the Trust regarding accounting, internal controls, or auditing matters. The Audit Committee shall review and not less than annually approve the Trust's Whistleblower Policy. The Audit Committee shall review with management periodic reports in this regard.

**8. REPORTING**

The Audit Committee shall report to the Board on:

- the Auditor's independence;
- any conflicts of interest involving Dilawri;
- the performance of the Auditor and the Audit Committee's recommendations regarding the reappointment or termination of the Auditor;
- the design and operating effectiveness of the Trust's internal control over financial reporting and disclosure controls and procedures;

- the Audit Committee’s review of the annual and interim financial statements of the Trust, including any issues with respect to the quality or integrity of the financial statements, along with the MD&A, and shall recommend whether or not the Board should approve the financial statements and the MD&A;
- the Audit Committee’s review of the Trust’s annual information form;
- the Trust’s compliance with legal and regulatory matters to the extent they may affect the financial statements of the Trust;
- the management of those risks for which oversight has been delegated by the Board to the Audit Committee pursuant to the enterprise risk management program; and
- all other material matters dealt with by the Audit Committee.

## **9. REVIEW AND DISCLOSURE**

This Charter shall be reviewed by the Audit Committee at least annually and, if it is proposed by the Audit Committee to be amended, it shall be submitted to the Governance, Compensation and Nominating Committee for consideration of such amendments and, if such amendments are approved by the Governance, Compensation and Nominating Committee, to the Board for approval by the Board, with such further amendments as the Governance, Compensation and Nominating Committee proposes.

This Charter shall be posted on the Trust’s website.

## **10. FREQUENCY OF MEETINGS AND IN CAMERA SESSIONS**

The Audit Committee shall meet at least four times annually. Following each meeting of the Audit Committee, the Committee members shall meet in a private session.

## **11. RETENTION OF EXPERTS**

The Audit Committee may engage such special legal, accounting or other experts, without Board approval and at the expense of the Trust, as it considers necessary to perform its duties.

## **12. OVERSIGHT FUNCTION**

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Trust’s financial statements are complete and accurate or comply with IFRS and other applicable requirements. These are the responsibilities of management (including the oversight functions) and the Auditor. The Audit Committee, the Chair and any members identified as having accounting or related financial expertise are members of the Board, appointed to the Audit Committee to provide broad oversight of the financial, risk and control related activities of the Trust, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a member as having accounting or related financial expertise for disclosure purposes is based on that individual’s education and experience, which that individual will bring to bear in carrying out his or her duties on the Audit Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Audit Committee and Board in the absence of

such designation. Rather, the role of a member who is identified as having accounting or related financial expertise, like the role of all members, is to oversee the process, not to certify or guarantee the internal or external audit of the Trust's financial information or public disclosure.