

Automotive Properties Real Estate Investment Trust

Management's Discussion and Analysis

September 30, 2026

Table of Contents

SECTION 1 – GENERAL INFORMATION AND CAUTIONARY STATEMENTS 3
- Basis of Presentation 3
- The REIT 3
- Investing Activities 4
- Financing Activities 4
- Forward-Looking Statements 6
- Non-IFRS Financial Measures 7

SECTION 2 – STRATEGY AND OBJECTIVES 9
- Strategy and Objectives 9
- Overview of Automobile Retail Industry 11

SECTION 3 – PROPERTY PORTFOLIO 11
- Portfolio Overview 11
- Income Producing Property Portfolio Summary 12
- GLA by Major Metropolitan Area Across Canada and in the United States 12
- Profile of Overall Lease Maturity as at September 30, 2026 13
- Property Use and Brand Diversification 13
- Description of the REIT's Key Tenant 14
- Dilawri Additional and Non-ASPE Measures 15

SECTION 4 – KEY PERFORMANCE INDICATORS AND SELECTED FINANCIAL INFORMATION 16

SECTION 5 – RESULTS OF OPERATIONS 17
- Net Income and Comprehensive Income 17
- Rental Revenue and Property Costs 18
- General and Administrative Expenses 18
- Interest Expense and Other Financing Charges 19
- Changes in Fair Values of Investment Properties 19
- Other Changes in Fair Values 19

SECTION 6 – NON-IFRS FINANCIAL MEASURES 20
- Reconciliation of NOI, Cash NOI, FFO and AFFO to Net Income 20
- FFO, AFFO and Cash NOI 21
- Same Property Cash Net Operating Income 21

SECTION 7 – LIQUIDITY AND CAPITAL RESOURCES 22
- Capital Structure 22
- Debt Financing 24
- Unitholders' Equity (including Class B LP Units and Unit-based compensation) 25
- Financing Metrics and Debt Covenants 27

SECTION 8 – RELATED PARTY TRANSACTIONS 29
- Strategic Alliance Agreement 29

SECTION 9 − OUTLOOK....29

SECTION 10 – OTHER DISCLOSURES....30
Environmental and Corporate Social Responsibility.... 30
Commitments and Contingencies.... 31
Disclosure Controls and Internal Controls over Financial Reporting.... 31

SECTION 11 – QUARTERLY RESULTS OF OPERATIONS....32

SECTION 12 – RISKS & UNCERTAINTIES, CRITICAL JUDGMENTS & ESTIMATES....32

SECTION 1 – GENERAL INFORMATION AND CAUTIONARY STATEMENTS

Basis of Presentation

The following Management's Discussion and Analysis ("MD&A") of the financial position and results of operations of Automotive Properties Real Estate Investment Trust (the "REIT") is intended to provide readers with an assessment of the performance of the REIT for the three- and nine-month periods ended September 30, 2026. This MD&A also outlines the REIT's capital structure, operating strategies and business outlook. All dollar amounts in this MD&A are presented in thousands of Canadian dollars, except unit and per unit amounts, unless otherwise noted. All comparisons of results for the three months ended September 30, 2026 ("Q3 2026") are against results for the three months ended September 30, 2025 ("Q3 2025"), and all comparisons of results for the nine months ended September 30, 2026 ("YTD 2026") are against results for the nine months ended September 30, 2025 ("YTD 2025"), unless otherwise noted.

This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the REIT and accompanying notes for the three and nine months ended September 30, 2026. Further information about the REIT can be found in the REIT's annual information form dated March 4, 2026 (the "AIF"). The AIF, along with other continuous disclosure documents required by the Canadian securities regulators, can be found on the REIT's SEDAR+ profile at www.sedarplus.ca and on the REIT's website at www.automotivepropertiesreit.ca. This MD&A is dated November 12, 2026.

All information regarding Dilawri (as defined below) contained in this MD&A (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 of the REIT (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.

The REIT

The REIT is an unincorporated, open-ended real estate investment trust that was formed to own primarily income-producing automotive properties, including retail dealership and original equipment manufacturer properties, in Canada and the United States. The REIT commenced operations on July 22, 2015 following completion of its initial public offering of trust units (the "IPO"). As at the date of this MD&A, the REIT owns a portfolio of 96 income-producing commercial properties comprised of approximately 3.5 million square feet of gross leasable area ("GLA") (including joint venture interests) on approximately 328 acres of land. The properties are located in metropolitan areas across Canada in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec, and in the United States in the states of Florida, Ohio, California and North Carolina. The REIT has been internally managed since January 1, 2020.

893353 Alberta Inc. ("Dilawri") is a privately held corporation which, together with certain of its affiliates, held an approximate 30.7% effective interest in the REIT on a fully diluted basis as at September 30, 2026 (December 31, 2025 – 30.7%) through the ownership, direction or control of 17,390,998 trust units of the REIT ("REIT Units"). Dilawri and its affiliates, other than its shareholders and controlling persons, are referred to herein as the "Dilawri Group".

As at September 30, 2026, the total number of issued and outstanding REIT Units and Class B limited partnership units ("Class B LP Units") of Automotive Properties Limited Partnership, the REIT's operating subsidiary (the "Partnership"), was 54,418,760 and 833,333, respectively. The REIT Units are listed and posted for trading on the Toronto Stock Exchange under the symbol "APR.UN". REIT Units and Class B LP Units are collectively referred to in this MD&A as "Units" and holders of Units are referred to as "Unitholders". See Section 7 "Liquidity and Capital Resources".

Investing Activities

On January 1, 2026, the REIT acquired an automotive dealership property located at 300 Boulevard Louis-XIV in Québec City, Québec (the "Québec City Hyundai Property") for a purchase price of $13,250, plus acquisition costs of $355. The Québec City Hyundai Property consists of 39,044 square feet of GLA situated on approximately 6.0 acres of land. The Québec City Hyundai Property is tenanted by Groupe Olivier under a long-term, triple-net lease that includes contractual annual rent increases equal to the greater of 1.5% or the Québec Consumer Price Index. The REIT funded the acquisition of the Québec City Hyundai Property by drawing on its revolving credit facilities.

On March 26, 2026, the REIT acquired an automotive and service property located in Vista, San Diego County, California (the "Vista Rivian Property") for a purchase price of US$16,000 plus acquisition costs of US$191, translated to a total of C$22,216. The Vista Rivian Property is tenanted by Rivian LLC under a mid-term, net lease that includes contractual fixed annual rent increases with renewal options. The Vista Rivian 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 REIT funded the purchase price of the Vista Rivian Property primarily by drawing on its revolving credit facilities.

On April 7, 2026, the REIT acquired two automotive dealership properties located in Santa Ana, Orange County, California (the "Orange County Properties") from a third party for a purchase price of US$30,150, plus acquisition costs of US$170, translated to a total of approximately C$42,080. The Orange County Properties are tenanted by Penske Automotive Group, Inc., under mid-term, triple-net leases, with renewal options based on the California Consumer Price Index, subject to a cap. The Orange County Properties include Audi South Coast, an approximately 31,900 square-foot full-service Audi dealership facility, and South Coast Volkswagen, an approximately 29,300 square-foot full-service Volkswagen dealership facility. The Orange County Properties are situated on parcels of land totaling 5.95 acres. The REIT funded the acquisition of the Orange County Properties primarily by drawing on its revolving credit facilities.

On September 1, 2026, the REIT completed the sale of a 50% interest in the real estate underlying the REIT's 68,874 square-foot automotive dealership property located on 2.98 acres of land at 9088 Jane Street in Vaughan, Ontario (the "Vaughan Property"), to a member of the Dilawri Group, with the REIT retaining the remaining 50% interest (the "Vaughan Transaction"). The Vaughan Property was independently appraised, and the Dilawri Group acquired its 50% interest for a cash purchase price of, $16,000, reflecting a premium to the REIT's IFRS (as defined below) value. The Vaughan Transaction was conducted in accordance with the REIT's Related Party Transaction Policy (see Section 8 below) and the Declaration of Trust (as defined below), including approval by the REIT's independent Trustees. As of the closing of the Vaughan Transaction, the Vaughan Property is tenanted by an affiliate of the Dilawri Group as a full-service Kia automotive dealership, under a 16-year, triple-net lease and is subject to a landlord redevelopment option.

On October 1, 2026, the REIT acquired an automotive property located in High Point (Greater Greensboro area), North Carolina (the "Tesla High Point Property") for a purchase price of US$21,000 plus acquisition costs of US$250, translated to a total of approximately C$29,965. The Tesla High Point Property is tenanted by Tesla under a long-term, net lease that includes contractual fixed annual rent increases with renewal options. The Tesla High Point Property consists of an approximately 50,000 square-foot sales, service and delivery center facility that is situated on approximately 5.84 acres of land. The REIT funded the purchase price of the Tesla High Point Property primarily by drawing on its revolving credit facilities.

Financing Activities

On February 12, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 3 in the amount of $10,000 for a term of five years at an interest rate of 4.59%.

On February 17, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 3 in the amount of $15,000 for a term of five years at an interest rate of 4.48%.

On February 25, 2026, the REIT entered into floating-to-fixed interest rate swaps within Facility 3 in the amount of $10,000 for a term of seven years at an interest rate of 4.59% and $10,000 for a term of five years at an interest rate of 4.45%.

On February 27, 2026, the REIT increased the amount of the revolving portion of Facility 1 by $25,000 and extended the maturity date from June 2027 to June 2029 with the same credit spread.

On June 29, 2026, the REIT increased the amount of the non-revolving portion of Facility 2 by $35,000 and extended the maturity date from March 2029 to June 2030 with the same credit spread

On August 13, 2026, the Trustees approved a $0.017 per Unit, or approximately 2.0%, increase to the REIT's annual cash distribution, from $0.822 per Unit to $0.839 per Unit. The monthly distribution is now $0.0699 per Unit, up from $0.0685 per Unit. The increase was effective for the REIT's August 2026 cash distribution, which was paid on September 15, 2026 to Unitholders of record on August 31, 2026. This distribution increase follows the 2.2% distribution increase that was effective for the REIT's August 2025 cash distribution, which was paid on September 15, 2025 to unitholders of record as at August 29, 2025. The distribution increases reflect management's and the Trustees' confidence in the REIT's stability and cash flow. See Section 1 "General Information and Cautionary Statements – Forward-Looking Statements" below.

On September 1, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 2 in the amount of $10,000 for a term of six years at an interest rate of 5.19% and $10,000 for a term of seven years at an interest rate of 5.17%.

On September 1, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 1 in the amount of $10,000 for a term of six years at an interest rate of 5.17%.

On September 8, 2026, the REIT entered into a new mortgage in the amount of $9,300 for a term of 5 years at an interest rate of 5.2%.

On September 29, 2026, the REIT extended the maturity date of Facility 3 from March 2028 to March 2030 with the same credit spread.

On November 4, 2026, the REIT entered into a floating-to-fixed interest swap within Facility 3 in the amount of $10,000 for a term of 5.5 years at an interest rate of 5.20%.

On November 6, 2026, the REIT entered into a floating-to-fixed interest swap within Facility 2 in the amount of $10,000 for a term of 7 years at an interest rate of 5.18%.

The REIT paid monthly cash distributions of $0.0685 per REIT Unit and Class B LP Unit for July and August 2026, and $0.0699 per REIT Unit and Class B LP Unit for September 2026, resulting in total distributions declared and paid of $11,499 (Q3 2025 – $10,077 declared and $9,946 paid).

As at September 30, 2026, the REIT had a Debt to GBV (as defined below) ratio of 47.1%, $48,500 of undrawn capacity under its Credit Facilities (as defined below), cash on hand of $552 and 11 unencumbered properties with an aggregate value of approximately $166,075. As at the date of this MD&A, the REIT had a Debt to GBV ratio of 47.1%, approximately $53,500 of undrawn capacity under its Credit Facilities and 12 unencumbered properties with an aggregate value of approximately $196,075. See Section 7 "Liquidity and Capital Resources" for additional details. See also Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" below.

As at September 30, 2026, the REIT had a Debt to EBITDA Ratio (as defined below) of 7.76, compared to 8.05 as at December 31, 2025. The REIT's Debt to EBITDA Ratio is expected to decrease in future quarters due to the fact that EBITDA does not include the full trailing 12 months of rental revenue generated from acquisitions completed by the REIT in 2025 or during and subsequent to YTD 2026 (assuming: (i) no material changes to the REIT's level of indebtedness, (ii) tenants continue to pay rent when due, and (iii) no property dispositions by the REIT). See Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" and "General Information and Cautionary Statements – Forward-Looking Statements" below.

Forward-Looking Statements

Certain statements contained in this MD&A 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 MD&A 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;
- the impact of the REIT's acquisitions completed in 2025 or during and subsequent to YTD 2026 on the REIT's EBITDA and Debt to EBITDA Ratio;
- the REIT's relationship with the Dilawri Group, Dilawri's shareholders and certain other related persons and entities (collectively, 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 and the impact of rent escalators on the REIT's Same Property Cash NOI (as defined below);
- the REIT representing a unique alternative for automotive, original equipment manufacturers ("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;
- 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 *Income Tax Act* (Canada) (the "Tax Act"), and as a "Real Estate Investment Trust" as defined in the rules in the Tax Act applicable to "SIFT trusts" and "SIFT partnerships" (the "SIFT Rules"); and
- the REIT's ability to acquire automotive dealership, 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 stable 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, OEM dealership and service centre operators real estate industry and the automotive dealership, OEM dealership and service centre operators 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 MD&A 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 Section 12 "Risks & Uncertainties, Critical Judgments & Estimates" in this MD&A.

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 MD&A relate only to events or information as of the date on which the statements are made in this MD&A. 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 MD&A is current to September 30, 2026, unless otherwise noted.

Non-IFRS Financial Measures

The REIT prepares its consolidated financial statements according to IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A contains certain financial measures and ratios which are not defined under IFRS and may not be comparable to similar measures presented by other real estate investment trusts or enterprises.

Funds from operations ("FFO"), adjusted funds from operations ("AFFO"), FFO payout ratio, AFFO payout ratio, net operating income ("NOI"), cash net operating income ("Cash NOI"), same property cash net operating income ("Same Property Cash NOI"), and earnings before interest expense, income tax, depreciation, and amortization ("EBITDA") are key measures of performance used by the REIT's management and real estate businesses.

Gross book value ("GBV"), indebtedness ("Indebtedness"), net asset value ("Net Asset Value"), debt to gross book value ("Debt to GBV"), debt service coverage ratio ("Debt Service Coverage Ratio"), interest coverage ratio ("Interest Coverage Ratio"), debt to EBITDA ratio ("Debt to EBITDA Ratio") and tangible net worth are measures of financial position defined by agreements to which the REIT is a party. These measures and ratios, as well as any associated "per Unit" amounts, are not defined by IFRS and do not have standardized meanings prescribed by IFRS, and therefore should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS.

The REIT believes that AFFO is an important measure of economic earnings performance and is indicative of the REIT's ability to pay distributions from earnings, while FFO, NOI, Cash NOI, Same Property Cash NOI and EBITDA are important measures of operating performance of real estate businesses and properties. The IFRS measurement most directly comparable to FFO, AFFO, NOI, Cash NOI, Same Property Cash NOI and EBITDA is net income.

"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. 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 issued in January 2022. FFO is calculated as net income in accordance

with IFRS, 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 (referred to as "ROU" assets); and (vii) foreign exchange translation adjustment.

"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 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.

"NOI" is a non-IFRS measure that means rental revenue from properties less property operating expenses as presented in the statement of income prepared in accordance with IFRS. Accordingly, NOI excludes certain expenses included in the determination of net income such as interest, general and administrative expenses, fair value adjustments and amortization.

"Cash NOI" is a non-IFRS measure that means NOI prior to the effects of straight-line adjustments and deducts land lease payments.

"Same Property Cash NOI" is a non-IFRS measure which reports the period-over-period performance of the same asset base having consistent GLA during both periods of Cash NOI. The REIT uses this measure to assess financial returns and changes in property value.

"FFO payout ratio" is calculated as distributions paid per Unit (excluding the Special Distribution (as defined below)) divided by FFO per Unit diluted.

"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.

Supplementary Financial Measures:

"EBITDA" is defined as earnings (net income) before income tax, interest expense, depreciation, and amortization.

FFO, AFFO, FFO payout ratio, AFFO payout ratio, NOI, Cash NOI and Same Property Cash NOI should not be construed as alternatives to net income or cash flow from operating activities determined in accordance with IFRS as indicators of the REIT's performance. The REIT's method of calculating FFO, AFFO, FFO payout ratio, AFFO payout ratio, NOI, Cash NOI and Same Property Cash NOI may differ from other issuers' methods and, accordingly, may not be comparable to measures used by other issuers. See Section 6 "Non-IFRS Financial Measures" in this MD&A for a reconciliation of these measures to net income or cash flow from operating activities, as applicable.

"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.

"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), (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 and in the REIT's declaration of trust (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, (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) REIT Units, Class A LP Units, and Class B LP Units, exchangeable securities and other equity securities that constitute debt under IFRS do not constitute Indebtedness.

"Net Asset Value" means total assets less Indebtedness, accounts payable, accrued liabilities, credit facilities, mortgages and interest rate swaps.

"Debt to EBITDA Ratio" means the ratio of total debt divided by 12 months of trailing EBITDA. Debt may increase as a result of acquisitions; however, EBITDA will not include the full trailing 12 months of rental revenue associated with recent acquisitions.

"Debt to GBV" means the ratio of Indebtedness to GBV at a particular time.

"Debt Service" means the total amortization payments of principal and interest on debt.

"Debt Service Coverage Ratio" means the ratio of EBITDA divided by Debt Service at a particular time.

"Interest Coverage Ratio" means the ratio of Cash NOI less general and administrative expenses divided by the total of the interest expense and other financing charges.

SECTION 2 – STRATEGY AND OBJECTIVES

Strategy and Objectives

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.

The primary objectives of the REIT are to:

- provide Unitholders with stable, predictable and growing monthly cash distributions on a tax-efficient basis;
- enhance the value of the REIT's assets in order to maximize long-term Unitholder value; and
- expand the REIT's asset base while also increasing the REIT's AFFO per Unit, including through accretive acquisitions.

Management intends to grow the value of the REIT's real estate portfolio while also increasing AFFO per Unit through accretive acquisitions and steady growth in rental rates. The REIT expects to be well-positioned to capitalize on acquisition opportunities presented by third parties due to the fragmented nature of the automotive dealership industry. The REIT also expects to leverage its strategic arrangement with the Dilawri Group to acquire properties from the Dilawri Group that meet the REIT's investment criteria. Management intends to focus on obtaining new properties which have the potential to contribute to the REIT's ability to generate stable and predictable monthly cash distributions to Unitholders. 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 also 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.

Overall, the REIT has a well-defined, long-term growth strategy which includes both external and internal elements.

Internal Growth

Management believes the REIT is well-positioned to organically increase cash flow and, as a result, increase the value of its properties over time. These increases are expected to come from the following sources:

- 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.
- Leases containing CPI-related adjustments and capped CPI-related adjustments represent approximately 42% of the REIT's portfolio by full year base rent in 2026; and
- The existing leases with a member of the Dilawri Group (each, a "Dilawri Lease") contains annual contractual basic rent escalators in the amount of 1.5% per annum during the initial lease term and any renewal term**,** except for the leases related to a portfolio of three automotive dealership properties which are subject to CPI increases (Subaru Des Sources, Honda Des Sources and Volkswagen Des Sources), located in Dorval, Québec (the "Des Sources Leases").

External Growth

Accretive Acquisitions

Management believes that the REIT is well-positioned to capitalize on opportunities for accretive acquisitions of automotive and OEM dealership and service centre properties due to certain features of the automotive dealership industry in Canada and the United States:

- *Fragmented ownership* – 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 currently in operation;
- *Capital redeployment needs* – Monetizing the real estate underlying automotive and OEM dealership and service centre properties allows owner operators to retain control of their enterprise while redeploying capital into other areas of their business; and
- *Succession planning issues* – Management believes that for the majority of independent automotive and OEM dealership and service centre owners, the dealership / service centre and its underlying real estate together represent the single largest proportion of their wealth. Selling the underlying real estate to the REIT can help such owners address succession, estate and other planning issues, particularly if the transaction can be effected on a tax efficient basis.

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 dealership, OEM dealership and service centre real estate properties and positions the REIT to support OEMs in creating sales and service network platforms.

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.

Right of First Offer to Acquire REIT-Suitable Properties from the Dilawri Group

Management believes that its relationship with the Dilawri Group provides the REIT with additional opportunities to add quality automotive dealership properties to its portfolio in an accretive manner.

Pursuant to the Strategic Alliance Agreement, Dilawri is required to offer to sell to the REIT any REIT suitable property that is acquired, developed, redeveloped, refurbished, or repositioned by a member of the Dilawri Group. This agreement is described under Section 8 “Related Party Transactions” in this MD&A.

Since completion of the IPO, the REIT has acquired 13 automotive dealership properties from the Dilawri Group under the Strategic Alliance Agreement as of the date of this MD&A.

Overview of Automobile Retail Industry

Historically, Canada’s automotive retail industry has been characterized by strong industry fundamentals. According to Statistics Canada, automotive retail industry sales totaled approximately $230 billion in 2025 (up 5.1% from approximately $219 billion in 2024), representing approximately 30% of Canada’s overall retail sales of products and merchandise. Over the last 20 years, retail automotive sales grew at a compound annual rate of 5.0%.

According to DesRosiers Automotive Consultants Inc., based on OEM submissions, Canadian new, light vehicle unit sales for Q3 2026 decreased by approximately 3.0% compared to Q3 2025. According to TD Bank, US new light vehicle unit sales for Q3 2026 decreased by approximately 1.0% compared to Q3 2025.

New vehicle sales represent a portion of overall automotive dealership profitability, as significant profit contributions are also generated from used vehicle sales, service and parts, finance and insurance. The REIT’s portfolio of diverse dealership, service and OEM properties, strong industry fundamentals and an attractive leasing profile support the stability of distributions to Unitholders.

SECTION 3 – PROPERTY PORTFOLIO

Portfolio Overview

As at September 30, 2026, the REIT’s portfolio consisted of 95 income-producing commercial properties (96 properties as of the date of this MD&A) representing approximately 3.5 million square feet of GLA (including joint venture interests) on approximately 322 acres of land (328 acres as of the date of this MD&A), in metropolitan markets across Canada in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec and in the states of Florida, Ohio and California in the United States. Subsequent to September 30, 2026, the REIT expanded into the state of North Carolina as a result of the acquisition of the Tesla High Point Property.

As of the date of this MD&A, the Dilawri Group occupies 40 of the REIT’s properties (including the Vaughan Property that is jointly owned by the REIT and a member of the Dilawri Group) 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). 55 properties are exclusively occupied by other dealership groups or OEMs for use as automotive dealerships, automotive service centres or for automotive ancillary services, such as a vehicle service compound facility or a repair facility. The Taschereau Jaguar Land Rover dealership property (“Taschereau JLR”) is jointly owned by the REIT and StorageVault Canada Inc. (“StorageVault”) pursuant to the 50/50 joint arrangement with StorageVault (the “Joint Arrangement”).

The Dilawri Group is the REIT’s most significant tenant and accounted for approximately 44.5% of the REIT’s Q3 2026 base rent, including rent from properties subleased to third parties (48.2% for Q3 2025). The REIT’s overall portfolio continues to be 100% leased.

For the 12-month period commencing September 30, 2026, the REIT’s properties have a weighted average rental rate of $29.07 per square foot ($28.53 as at September 30, 2025). The year-over-year increase reflects contractual rent increases, lease renewals and new properties acquired by the REIT, offset by free rent from the Vaughan Property for the period of October to November, 2026.

Unless otherwise stated, the information that follows as at and for the three and nine months ended September 30, 2026 does not give effect to the acquisition of the Tesla High Point Property, as this transaction had not closed by September 30, 2026.

Income Producing Property Portfolio Summary

As at September 30, 2026	Number of Properties	GLA (sq. ft.)	Average rental rate (per sq. ft.)[1]	Weighted Average Lease Term (yrs)
British Columbia[2]	8	199.244	$43.45	7.9
Alberta	13	467,508	$30.42	6.6
Saskatchewan	9	203,560	$25.31	5.3
Manitoba	2	109,816	$27.89	14.7
Ontario[3]	26	952,442	$30.89	8.1
Quebec[4]	31	1,257,541	$24.81	9.6
USA	6	274,947	$32.69	3.7
Total Portfolio	**95**	**3,465,058**	**$29.07**	**8.1**

As at September 30, 2025	Number of Properties	GLA (sq. ft.)	Average rental rate (per sq. ft.)[1]	Weighted Average Lease Term (yrs)
British Columbia[2]	8	199.244	$42.73	8.4
Alberta	13	467,508	$30.06	7.4
Saskatchewan	9	203,560	$24.82	5.3
Manitoba	2	109,816	$25.95	15.7
Ontario[3]	26	986,879	$30.13	8.0
Quebec[4]	26	1,059,135	$24.59	10.6
USA	3	153,938	$29.11	5.6
Total Portfolio	**87**	**3,180,090**	**$28.53**	**8.8**

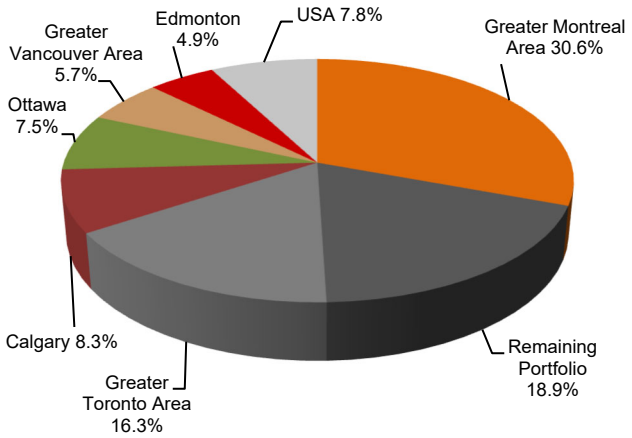
(1) Based on 12-month period contractual rental revenue commencing September 30, 2026.
(2) Excludes land leases, where expenses are passed on to the tenant.
(3) Includes 50% of Vaughan Property.
(4) Includes 50% of Taschereau JLR.

Total GLA including 100% of Vaughan Property and Taschereau JLR as at September 30, 2026: 3,524,703 sq ft. (September 30, 2025 3,205,287 sq. ft.).

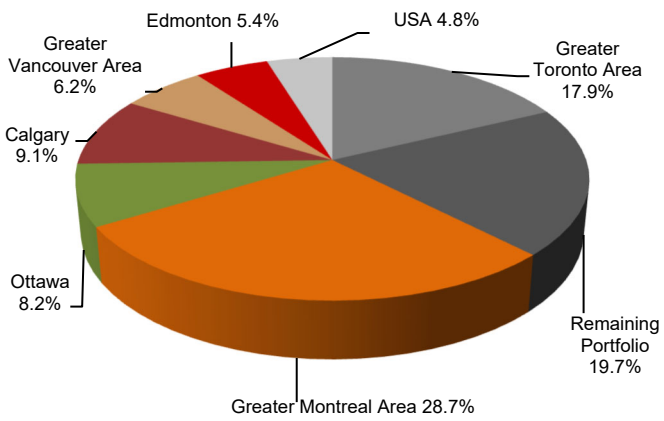
GLA by Major Metropolitan Area Across Canada and in the United States

A significant majority of the REIT's properties are located within major metropolitan areas in Canada and the United States.

As at September 30, 2026



As at September 30, 2025

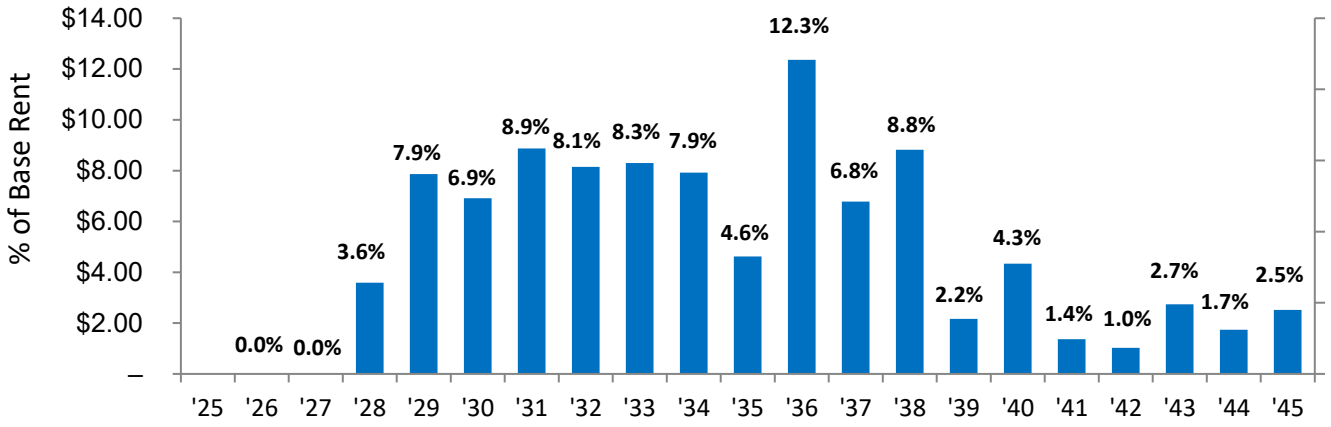


Profile of Overall Lease Maturity as at September 30, 2026

Two of the REIT's automotive dealership properties, located in Vancouver and Regina, were extended by an average of 7.5 years and with base rent increases of approximately 4.8% and subsequent fixed annual rent increases. VW Des Sources (Montreal) was extended beyond its current lease maturity in 2027 for six years with an annual CPI adjustment. The REIT's automotive dealership property in Calgary was extended by five years at rates to be agreed upon as per the lease. All 2026 lease maturities have been extended or, in the case of the Vaughan Property, subject to a new 16-year, triple-net lease with the new tenant of the property.

The REIT's lease portfolio matures between 2028 and 2045 as set out in the chart below:

Lease Maturity Profile *(*)*



(*) Based on 12-month period contractual rental revenue commencing September 30, 2026.

Property Use and Brand Diversification

Sales for an individual automotive dealership and OEM property are heavily influenced by the popularity of the automotive brands being marketed, and these, in turn, are often cyclical for each brand as new models are introduced, and existing models are updated and refreshed. In addition, prospects for both mass market and luxury brands can vary with economic cycles. Management believes that the portfolio's broad automotive and OEM brand diversification contributes to the quality and stability of the REIT's cash flows. The following table sets out the breakdown of automotive brands that are marketed, retailed and serviced at the REIT's properties as of September 30, 2026. The information that follows does not give effect to the acquisition of the Tesla High Point Property, as this transaction closed subsequent to September 30, 2026.

Manufacturer / Brand	REIT Auto Property GLA (Sq. Feet)	% of REIT Auto Property GLA	% of REIT Base Rent[1]	No. of REIT Locations
Honda [2]	522,382	14.9%	15.6%	14
Volkswagen	346,403	9.9%	10.4%	9
Tesla	332,879	9.5%	6.3%	7
BMW [3]	320,824	9.2%	7.8%	7
Toyota	264,324	7.5%	7.9%	7
Acura [2]	162,081	4.6%	5.6%	6

Audi	159,488	4.6%	6.0%	4
Hyundai	139,428	4.0%	4.4%	5
Mazda	139,254	4.0%	5.0%	2
Kia	122,693	3.5%	2.3%	4
Rivian	119,766	3.4%	4.6%	3
General Motors	113,532	3.2%	3.0%	6
Stellantis [(4)]	81,750	2.3%	1.4%	2
Mercedes Benz	60,850	1.7%	1.6%	1
Nissan	57,233	1.6%	1.5%	2
Subaru	40,776	1.2%	1.5%	3
Porsche	39,790	1.1%	3.4%	1
Lexus	30,015	0.9%	1.0%	1
Mitsubishi	14,750	0.4%	0.5%	2
Infiniti	14,592	0.4%	0.7%	2
Other [(5)]	421,118	12.1%	9.5%	21
Total [(6)]	**3,503,928**	**100.0%**	**100.0%**	**109**

Notes:

(1) *Based on 12-month period contractual base rent commencing October 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 MINI.*

(4) *Includes Dodge, FIAT, Jeep and RAM.*

(5) *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 Jaguar Land Rover ("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. Also includes Ford Île-Perrot and Body Shop CCIP.*

(6) *The total includes GLA of 100% of* Vaughan Property and Taschereau JLR.

Description of the REIT's Key Tenant

In connection with the IPO, the REIT indirectly acquired a portfolio of 26 commercial properties from certain members of the Dilawri Group (the "Initial Properties") and leased the Initial Properties to the applicable member of the Dilawri Group (collectively, and including members of the Dilawri Group that became tenants of a property owned by the REIT subsequent to the IPO, the "Dilawri Tenants").

At the time of the IPO, Dilawri agreed to provide certain financial information to the REIT pursuant to a financial information and confidentiality agreement for so long as the annual basic rent payable by the applicable members of the Dilawri Group, collectively, under their respective Dilawri Leases represented, in the aggregate, 60% or more of the

REIT's Cash NOI during any rolling period of 12 consecutive calendar months, determined quarterly. Since December 31, 2022, the Dilawri Group's basic rent payable has been below the 60% threshold; however, Dilawri has agreed to continue to provide its Combined Revenues, EBITDA and Pro Forma Adjusted Rent Coverage Ratio on a trailing 12-month basis (with a comparative period for the prior 12-month period). That agreement remains in place for one quarter following the quarter in which notice of termination is provided to the REIT by Dilawri.

The following chart summarizes certain relevant financial information of the Dilawri Group for the 12 months ended September 30, 2026 with comparative figures for the 12 months ended September 30, 2025 as provided to the REIT by Dilawri:

Dilawri Group's Financial Information (all figures are approximations, not in thousands)		
	September 30, 2026 LTM(1)	**September 30, 2025 LTM**(1)
Combined Revenues (not audited or reviewed)	$5.4 billion	$5.3 billion
EBITDA (not audited or reviewed)	$255.9 million	$271.0 million
Pro Forma Adjusted Rent Coverage Ratio (not audited or reviewed)	5.3(2)	5.5(3)

Notes:

(1) "LTM" means the last twelve months.
(2) As at September 30, 2026.
(3) As at September 30, 2025.

Although the REIT has no reason to believe that the above financial information of the Dilawri Group 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 this financial information. Readers are cautioned, therefore, not to place undue reliance on this financial information.

Pursuant to an undertaking provided by Dilawri to the Canadian securities regulatory authorities in connection with the IPO, Dilawri provides to the REIT carve-out interim financial statements and the related management's discussion and analysis in respect of the members of the Dilawri Group subject to leases pertaining to the Initial Properties for the nine-month periods ended September 30, 2026 and 2025. These documents, once provided by Dilawri to the REIT, will be available on the REIT's SEDAR+ profile at www.sedarplus.ca.

Dilawri Additional and Non-ASPE Measures

Dilawri uses "EBITDA" in its financial statements which is an additional ASPE (as defined below) measure. "EBITDA" is defined as the earnings of the Dilawri Group before interest, taxes, depreciation and amortization, all as reflected in the non-consolidated combined financial statements of the Dilawri Group prepared in accordance with the recognition, measurement and disclosure principles under Canadian accounting standards for private enterprises ("ASPE"). Dilawri believes that EBITDA is an important measure of operating performance as it shows Dilawri's earnings before interest, taxes, depreciation and amortization. Dilawri's method of calculating EBITDA may differ from other issuers' calculations and, accordingly, may not be comparable to measures used by other issuers.

References to "Pro Forma Adjusted Rent Coverage Ratio", which is a key measure of performance used by automotive dealership businesses, refers to the Pro Forma Adjusted Rent Coverage Ratio of the Dilawri Group on a non-consolidated combined basis. Pro Forma Adjusted Rent Coverage Ratio is a non-ASPE financial ratio and is not defined by ASPE or IFRS and does not have a standardized meaning prescribed by ASPE or IFRS.

Non-ASPE financial ratio:

"Pro Forma Adjusted Rent Coverage Ratio" is calculated by Dilawri as EBITDA for the LTM plus rent paid by the Dilawri Group for the LTM to third parties and the REIT, less rent received from third parties. The resultant figure is divided by rent paid by the Dilawri Group for the LTM to third parties and the REIT, less rent received from third parties.

SECTION 4 – KEY PERFORMANCE INDICATORS AND SELECTED FINANCIAL INFORMATION

Key Performance Indicators

The REIT's performance is measured by management's selection of certain key indicators including those set out in the table below. For further information on the REIT's operating measures and non-IFRS measures, please refer to Sections 5 and 6 of this MD&A. The information that follows as at and for the three and nine months ended September 30, 2026 does not give effect to the acquisition of the Tesla High Point Property, as this transaction had not closed by September 30, 2026.

Operating Results	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	**2026**	2025
Base Revenue	**$24,953**	$21,058	**$73,774**	$61,909
Rental Revenue	**30,458**	$25,397	**89,759**	$73,900
NOI [(1)]	**25,168**	21,136	**74,513**	62,206
Cash NOI [(1)]	**24,854**	20,959	**73,443**	61,711
Same Property Cash NOI [(1)]	**21,286**	20,814	**62,817**	61,478
Net Income and other comprehensive income	**35,044**	10,417	**78,420**	29,298
FFO [(1)]	**15,075**	12,904	**45,568**	38,331
AFFO [(1)]	**14,735**	12,721	**44,460**	37,724
Fair value adjustment on investment properties	**9,631**	(2,319)	**20,642**	(3,575)
Distributions per Unit [(2)]	**0.208**	0.204	**0.619**	0.606
Net Income per Unit – basic [(3)]	**0.631**	0.182	**1.355**	0.604
Net Income per Unit – diluted [(4)]	**0.614**	0.177	**1.319**	0.588
FFO per Unit – basic [(1)] [(5)]	**0.273**	0.262	**0.826**	0.780
FFO per Unit – diluted [(1)] [(6)]	**0.266**	0.255	**0.804**	0.759
AFFO per Unit – basic [(1)] [(5)]	**0.267**	0.259	**0.806**	0.768
AFFO per Unit – diluted [(1)] [(6)]	**0.260**	0.252	**0.785**	0.747
Weighted average Units — basic [(7)]	**55,212,080**	49,162,403	**55,158,180**	49,124,867
Weighted average Units — diluted [(8)]	**56,700,554**	50,576,101	**56,668,255**	50,469,603
Payout ratio (%)				
FFO [(1)]	**78.2%**	80.0%	**77.0%**	79.8%
AFFO [(1)]	**80.0%**	81.0%	**78.9%**	81.1%

Balance Sheet and Other Metrics	**As at September 30, 2026**	As at Dec 31, 2025	As at September 30, 2025
Total assets	**$1,512,460**	$1,396,351	$1,327,647
Credit Facilities and Mortgages Payables	**$706,733**	$635,210	$664,427
Number of Units outstanding (includes Class B LP Units)	**55,252,093**	55,092,737	49,950,446
Market price per REIT Unit – close (end of period)	**$11.58**	$11.01	$11.34
Market capitalization (includes Class B LP Units)	**$639,819**	$606,571	$566,438
Overall capitalization rate	**6.72%**	6.75%	6.74%
Fixed weighted average effective interest rate on debt (excludes revolving Credit Facilities) [(9)]	**4.53%**	4.47%	4.44%

Proportion of total debt at fixed interest rates through swaps and Mortgages	**76%**	80%	77%
Weighted average interest rate swap term and Mortgage remaining (years) (10)	**3.8**	4.1	4.0
Weighted average term to maturity of debt	**3.2**	2.3	2.4
Interest Coverage Ratio (11)	**2.9X**	3.0X	3.0X
Debt Service Coverage Ratio (11)	**1.54X**	1.56X	1.55X
Debt to GBV (1)	**47.1%**	45.9%	47.4%
Debt to EBITDA (1)	**7.76**	8.05	8.34

(1) NOI, Cash NOI, Same Property Cash NOI, FFO, AFFO, FFO per Unit, AFFO per Unit, FFO payout ratio, AFFO payout ratio, Debt to GBV and Debt to EBITDA are non-IFRS measures or non-IFRS ratios, as applicable. See Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" and Section 6 "Non-IFRS Financial Measures" of this MD&A.

(2) The REIT paid monthly cash distributions of $0.0685 per Unit from January to August 2026, and $0.0699 per Unit for September 2026. The REIT paid monthly cash distributions of $0.067 per Unit from January to August 2025, and $0.0685 per Unit for September 2025. Figures exclude the Special Distribution (Please refer to Section 7, Liquidity and Capital Resources – Distributions, for further information regarding the Special Distribution).

(3) Net Income per Unit — basic is calculated in accordance with IFRS by dividing Net Income by the amount of the weighted average number of outstanding REIT Units and Class B LP Units.

(4) Net Income per Unit — diluted is calculated in accordance with IFRS by dividing Net Income by the amount of the weighted average number of outstanding REIT Units, Class B LP Units, DUs, IDUs, RDUs and PDUs (each as defined below) granted to certain Trustees and management of the REIT.

(5) FFO per Unit and AFFO per Unit — basic is calculated by dividing the total FFO and AFFO by the amount of the total weighted average number of outstanding REIT Units and Class B LP Units.

(6) FFO per Unit and AFFO per Unit — diluted is calculated by dividing the total FFO and AFFO by the amount of the total weighted average number of outstanding REIT Units, Class B LP Units, DUs, IDUs, RDUs and PDUs granted to certain Trustees and management of the REIT.

(7) The weighted average number of outstanding Units — basic includes the Class B LP Units.

(8) The weighted average number of outstanding Units — diluted includes the Class B LP Units, DUs, IDUs, RDUs and PDUs granted to certain Trustees and management of the REIT.

(9) The fixed weighted average effective interest rate on debt is calculated on an annualized basis.

(10) Includes the following floating-to-fixed interest rate swaps entered into by the REIT during YTD 2026:
- On February 12, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 3 in the amount of $10,000 for a term of five years at an interest rate of 4.59%.
- On February 17, 2026, the REIT entered a floating-to-fixed interest rate swap within Facility 3 in the amount of $15,000 for a term of five years at an interest rate of 4.48%.
- On February 25, 2026, the REIT entered into floating-to-fixed interest rate swaps within Facility 3 in the amount of $10,000 for a term of seven years at an interest rate of 4.59% and $10,000 for a term of five years at an interest rate of 4.45%.
- On September 1, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 1 in the amount of $10,000 for a term of six years at an interest rate of 5.17%.
- On September 1, 2026, the REIT entered into a floating-to-fixed interest rate swap within Facility 2 in the amount of $10,000 for a term of six years at an interest rate of 5.19% and $10,000 for a term of seven years at an interest rate of 5.17%.

(11) For 2026 ratios, see Section 7 "Liquidity and Capital Resources – Financing Metrics and Debt Covenants".

SECTION 5 – RESULTS OF OPERATIONS

Net Income and Comprehensive Income

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Variance	**2026**	2025	Variance
Net Property Income						
Base rent	**24,953**	21,058	$3,895	73,774	61,909	11,865
Property tax recoveries	**5,290**	4,261	1,029	15,246	11,694	3,552
Straight-line rent adjustment	**215**	78	137	739	297	442
Rental Revenue	**30,458**	25,397	5,061	89,759	73,900	15,859
Property tax expense	**(5,290)**	(4,261)	(1,029)	(15,246)	(11,694)	(3,552)
Property Costs	**(5,290)**	(4,261)	(1,029)	(15,246)	(11,694)	(3,552)
NOI(1)	**25,168**	21,136	$4,032	74,513	62,206	$12,307
Other Income (Expenses)						
General and administrative expenses	**(1,781)**	(1,690)	(91)	(5,090)	(4,827)	(263)
Interest expense and other financing charges	**(8,248)**	(6,468)	(1,780)	(23,657)	(18,823)	(4,834)
Fair value adjustment on interest rate swaps	**9,289**	(1,881)	11,170	10,014	(4,741)	14,755
Distribution expense on Class B LP Units	**(172)**	(57)	(115)	(514)	(57)	(457)
Fair value adjustment on Class B LP Units and Unit-based compensation	**944**	237	707	(1,183)	(527)	(656)
Fair value adjustment on investment properties	**9,631**	(2,319)	11,950	20,642	(3,575)	24,217
Net Income	**34,831**	8,958	25,873	74,725	29,656	45,069

Exchange gain (loss) arising on translation of foreign operations	**213**	1,459	(1,246)	3,695	(358)	4,053
Net Income and Other Comprehensive Income	**35,044**	10,417	24,627	78,420	29,298	49,122

(1) NOI is a non-IFRS measure. See Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" and Section 6 "Non-IFRS Financial Measures" of this MD&A.

For Q3 2026, net income and other comprehensive income was $35,044, as compared to $10,417 in Q3 2025 and was $78,420 in YTD 2026 as compared to $29,298 in YTD 2025. The increases were primarily driven by higher NOI, fair value adjustments on investment properties and fair value adjustments on interest rate swaps, partially offset by higher interest costs. NOI was $25,168 in Q3 2026, an increase of 19.1% as compared to $21,136 in Q3 2025 and was $74,513 in YTD 2026, an increase of 19.8% as compared to $62,206 in YTD 2025. The increases in NOI were primarily attributable to the properties acquired during and subsequent to Q3 2025 and contractual rent increases.

Rental Revenue and Property Costs

Rental revenue is primarily based on triple-net leases with tenants. As such, rental revenue also includes recoverable realty taxes and straight-line adjustments. For Q3 2026, rental revenue totaled $30,458, an increase of $5,061, or 19.9%, as compared to Q3 2025, reflecting the properties acquired during and subsequent to Q3 2025 and contractual rent increases.

For YTD 2026, rental revenue totaled $89,759, an increase of $15,859, or 21.5%, as compared to YTD 2025, reflecting the properties acquired during and subsequent to Q3 2025, and contractual rent increases.

Property costs for Q3 2026 and YTD 2026 were $1,029 and $3,552 higher than Q3 2025 and YTD 2025, respectively. The increases were attributable to the properties acquired during and subsequent to Q3 2025.

Straight-line adjustments increased in Q3 2026 and YTD 2026 as compared to Q3 2025 and YTD 2025, respectively, primarily due to the addition of leases in the REIT's property portfolio that contain fixed rate escalators.

General and Administrative Expenses

The table below illustrates the breakdown of general and administrative expenses incurred in Q3 2026 and YTD 2026 as compared to the corresponding periods in 2025:

	Q3 2026	Q3 2025	Variance	**YTD 2026**	YTD 2025	Variance
Human resource costs	**$1,218**	$1,201	$17	$3,380	$3,303	$77
Public entity and other costs	**368**	315	53	1,136	1,007	129
Independent Trustee fees	**195**	174	21	574	517	57
General and administrative expenses	**$1,781**	$1,690	$91	$5,090	$4,827	$263

Human resource costs reflect the expenses related to the management, operating and administrative support of the REIT. Human resource costs also include accruals for short-term incentive awards for management, reflecting the vesting of Unit-based compensation (which consists of Deferred Units ("DUs"), Income Deferred Units ("IDUs"), Performance Deferred Units ("PDUs") and Restricted Deferred Units ("RDUs")).

Public entity and other costs reflect the expenses related to ongoing operations of the REIT, including professional fees for legal and audit services, depreciation expense for ROU assets and transaction costs associated with transactions not completed. Public entity costs will fluctuate from quarter-to-quarter depending on when such expenses are incurred. There were increases in public entity costs of $53 and $129 in Q3 2026 and YTD 2026, respectively, as compared to Q3 2025 and YTD 2025, respectively.

As at September 30, 2026, all independent Trustees of the REIT ("Independent Trustees") elected to receive board and committee fees in the form of DUs. The non-cash Unit-based compensation expense relates to DUs and IDUs granted in accordance with the REIT's Equity Incentive Plan (the "Plan"). The fair value of each DU granted is measured based on the volume-weighted average trading price of the REIT Units for the five trading days immediately preceding the

grant date. For Q3 2026 and YTD 2026, the REIT paid the Independent Trustees $195 and $574, respectively, related to the granting of DUs and IDUs, as compared to $174 and $517 in Q3 2025 and YTD 2025, respectively.

Interest Expense and Other Financing Charges

Interest expense includes amounts payable to lenders under the REIT's Credit Facilities and Mortgages (each as defined in Section 7 "Liquidity and Capital Resources" below), as well as amortization of upfront costs and costs to hedge the applicable Credit Facilities and Mortgages at fixed rates. For Q3 2026 and YTD 2026, interest expense and other financing charges were $8,248 and $23,657, respectively, representing increases of $1,780 and $4,834 as compared to Q3 2025 and YTD 2025, respectively. The increase was primarily attributable to higher interest rates and additional borrowings incurred to finance acquisitions completed during and subsequent to Q3 2025.

Changes in Fair Values of Investment Properties

The REIT valued the investment properties using a discounted cash flow approach whereby a current discount rate was applied to the projected net operating income and residual value that a property can reasonably be expected to produce in the future. Property under development is measured using both a comparable sales method and a discounted cash flow method, net of costs to complete. For Q3 2026 and YTD 2026, the fair value adjustments on investment properties were $9,631 and $20,642, respectively, as compared to $(2,319) for Q3 2025 and $(3,575) for YTD 2025.

The weighted average discount rate applicable to the entire portfolio as at September 30, 2026 was 7.60% (December 31, 2025 – 7.57%). The weighted average terminal capitalization rate applicable to the entire portfolio as at September 30, 2026 was 7.31% (December 31, 2025 – 7.25%).

The fair value adjustments for Q3 2026 were a result of:

- NOI increases from investment properties resulting in a fair value increase for Q3 2026;
- The REIT adjusting valuation inputs for Q3 2026 as a result of market conditions and lease changes;
- The IFRS fair value increase from the Vaughan Transaction of $6,500; and
- The write-off of transaction costs relating to property acquisitions or dispositions completed during Q3 2026.

The overall capitalization rate applicable to the REIT's entire investment property portfolio was 6.72% as at September 30, 2026 (December 31, 2025 – 6.75%). The REIT's valuation inputs are supported by quarterly industry market reports. The historical book value of the investment properties owned by the REIT as at September 30, 2026 was $1,345,193 (December 31, 2025 – $1,289,624).

In accordance with the REIT's valuation policy, an independent appraiser is engaged to prepare valuations on a portion of the portfolio annually, such that the entire portfolio is appraised at least once every three years. In addition, any investment property which represents greater than 15% of the overall portfolio value will be appraised annually.

A 25 basis point decrease or increase in capitalization rates or discount rates would result in an increase or decrease in the fair value of investment properties of approximately $56,700 or $(52,700), respectively, as of September 30, 2026.

A 50 basis point decrease or increase in capitalization rates or discount rates would result in an increase or decrease in the fair value of the investment properties of approximately $118,100 or $(101,700), respectively, as of September 30, 2026.

Other Changes in Fair Values

The Class B LP Units, Unit-based compensation, interest rate hedges and foreign exchange forward contracts (see Section 7 "Liquidity and Capital Resources" in this MD&A) are required to be presented under relevant accounting standards at fair value on the balance sheet. The resulting changes in these items are recorded in net income and comprehensive income.

Under IFRS, the Class B LP Units and Unit-based compensation are classified as financial liabilities and measured at fair value through profit and loss (FVTPL). The fair value of the Class B LP Units and Unit-based compensation will be

measured every period by reference to the traded value of the REIT Units, with changes in measurement recorded in net income and comprehensive income. Distributions on the Class B LP Units will be recorded in interest expense and other financing charges in the period in which they become payable.

On September 25, 2025, in connection with the acquisition of the Île-Perrot Properties (GM Île-Perrot, Île-Perrot Toyota, Mazda 2-20, Hyundai Île-Perrot, Ford Île-Perrot and Centre de Collision Île-Perrot), 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 equal to $10,000.

As a result of the impact of the movement in the traded value of the REIT Units, the fair value adjustment on Unit-based compensation and Class B LP Units resulted in a gain of $944 in Q3 2026 (Q3 2025 –gain of $237) and a loss of $(1,183) in YTD 2026 (YTD 2025 – loss of $(527)).

The REIT enters into interest rate swaps to limit its exposure to fluctuations in the interest rates on variable rate financings for certain of its Credit Facilities. Gains or losses arising from the change in the fair value of the interest rate derivative contracts are recognized in the consolidated statements of income and comprehensive income. See Section 7 “Liquidity and Capital Resources” in this MD&A for further details.

The fair value adjustments on interest rate swaps and foreign exchange forward contracts resulted in a gain of $9,289 in Q3 2026 (Q3 2025 – loss of $(1,881) and a gain of $10,014 in YTD 2026 (YTD 2025 – loss of ($4,741)).

SECTION 6 – NON-IFRS FINANCIAL MEASURES

Reconciliation of NOI, Cash NOI, FFO and AFFO to Net Income

The REIT uses the following non-IFRS key performance indicators and ratios: NOI, Cash NOI, FFO, AFFO, FFO payout ratio and AFFO payout ratio. The REIT believes these non-IFRS measures and ratios provide useful supplemental information to both management and investors in measuring the financial performance and financial condition of the REIT. These measures and ratios do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures and ratios presented by other publicly traded real estate investment trusts and should not be construed as an alternative to other financial measures determined in accordance with IFRS (see Section 1 “General Information and Cautionary Statements – Non-IFRS Financial Measures”). The calculations of these measures and the reconciliation to net income are set out in the following table:

	Three Months Ended September 30,			Nine Months Ended September 30,		
($000s, except per Unit amounts)	**2026**	2025	Variance	**2026**	2025	Variance
Calculation of NOI						
Property revenue	**$30,458**	$25,397	$5,061	**89,759**	73,900	$15,859
Property costs	**(5,290)**	(4,261)	(1,029)	**(15,246)**	(11,694)	(3,552)
NOI (including straight-line adjustments)	**$25,168**	$21,136	$4,032	**74,513**	62,206	$12,307
Adjustments:						
Land lease payments	**(99)**	(99)	-	**(331)**	(198)	(133)
Straight-line adjustment	**(215)**	(78)	(137)	**(739)**	(297)	(442)
Cash NOI	**$24,854**	$20,959	$3,895	**73,443**	61,711	$11,732
Reconciliation of net income to FFO and AFFO						
Net income	**$34,831**	$8,958	$25,873	**74,725**	29,656	$45,069
Adjustments:						
Change in fair value – Interest rate swaps	**(9,289)**	1,881	(11,170)	**(10,014)**	4,741	(14,755)
Distributions on Class B LP Units	**172**	57	115	**514**	57	457
Change in fair value – Class B LP Units and Unit-based compensation	**(944)**	(237)	(707)	**1,183**	527	656
Change in fair value — investment properties	**(9,631)**	2,319	(11,950)	**(20,642)**	3,575	(24,217)
ROU asset net balance of depreciation/interest and lease payments	**(64)**	(74)	10	**(198)**	(225)	27
FFO	**$15,075**	$12,904	$2,171	**$45,568**	$38,331	$7,237
Adjustments:						
Straight-line adjustment	**(215)**	(78)	(137)	**(739)**	(297)	(442)

Capital expenditure reserve	**(125)**	(105)	(20)	**(369)**	(310)	(59)
AFFO	**$14,735**	$12,721	$2,014	**$44,460**	$37,724	$6,736
Number of Units outstanding (including Class B LP Units)	**55,252,093**	49,950,446	5,301,647	**55,252,093**	49,950,446	5,301,647
Weighted average Units Outstanding — basic	**55,212,080**	49,162,403	6,049,677	**55,158,180**	49,124,867	6,033,313
Weighted average Units Outstanding — diluted	**56,700,554**	50,576,101	6,124,453	**56,668,255**	50,469,603	6,198,652
FFO per Unit – basic[1]	**$0.273**	$0.262	$0.011	**$0.826**	$0.780	$0.046
FFO per Unit – diluted[2]	**$0.266**	$0.255	$0.011	**$0.804**	$0.759	$0.045
AFFO per Unit – basic[1]	**$0.267**	$0.259	$0.008	**$0.806**	$0.768	$0.038
AFFO per Unit – diluted[2]	**$0.260**	$0.252	$0.008	**$0.785**	$0.747	$0.038
Distributions per Unit	**$0.208**	$0.204	$0.004	**$0.619**	$0.606	$0.013
FFO payout ratio[3]	**78.2%**	80.0%	1.8%	**77.0%**	79.8%	2.8%
AFFO payout ratio[3]	**80.0%**	81.0%	1.0%	**78.9%**	81.1%	2.2%

(1) FFO and AFFO per Unit — basic is calculated by dividing total FFO and AFFO by the amount of the total weighted-average number of outstanding REIT Units and Class B LP Units.

(2) FFO and AFFO per Unit — diluted is calculated by dividing total FFO and AFFO by the amount of the total weighted-average number of outstanding REIT Units, Class B LP Units and Unit-based compensation granted to Independent Trustees and management of the REIT.

(3) Distributions per Unit, FFO payout ratio and AFFO payout ratio exclude the cash portion of the Special Distribution (Please refer to Section 7, Liquidity and Capital Resources – Distributions, for further information regarding the Special Distribution).

FFO, AFFO and Cash NOI

In Q3 2026, FFO increased by 16.8% to $15,075, or $0.266 per Unit (diluted), as compared to $12,904, or $0.255 per Unit (diluted), in Q3 2025. The increase was primarily attributable to higher rental revenue from properties acquired during and subsequent to Q3 2025 and contractual rent increases.

In YTD 2026, FFO increased by 18.9% to $45,568, or $0.804 per Unit (diluted), as compared to $38,331, or $0.759 per Unit (diluted), in YTD 2025. The increase was primarily attributable to higher rental revenue from properties acquired during and subsequent to Q3 2025 and contractual rent increases.

In Q3 2026, AFFO increased by 15.8% to $14,735, or $0.260 per Unit (diluted), as compared to $12,721, or $0.252 per Unit (diluted), in Q3 2025. Cash NOI in Q3 2026 was $24,854 on revenue of $30,458, compared to Cash NOI of $20,959 on revenue of $25,397 in Q3 2025. The increases were primarily due to the properties acquired during and subsequent to Q3 2025, and contractual rent increases.

In YTD 2026, AFFO increased by 17.9% to $44,460, or $0.785 per Unit (diluted), as compared to $37,724, or $0.747 per Unit (diluted), in YTD 2025. Cash NOI in YTD 2026 was $73,443 on revenue of $89,759, compared to Cash NOI of $61,711 on revenue of $73,900 in YTD 2025. The increases were primarily due to the properties acquired during and subsequent to Q3 2025, and contractual rent increases.

In Q3 2026, the REIT declared and paid $11,499 of distributions to Unitholders, or $0.208 per Unit (Q3 2025 – declared and paid $9,946). For YTD 2026, the REIT declared and paid $34,163 of distributions to Unitholders, or $0.619 per Unit (YTD 2025 – declared $29,817, or $0.606 per Unit, and paid of $33,662, which included the Special Distribution). This resulted in an AFFO payout ratio of 80.0% in Q3 2026 (Q3 2025 – 81.0%) and 78.9% in YTD 2026 (YTD 2025 – 81.1%). The lower AFFO payout ratios in Q3 2026 and YTD 2026 were primarily attributable to the properties acquired during and subsequent to Q3 2025, and contractual rent increases.

Same Property Cash Net Operating Income

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Variance	**2026**	2025	Variance
Same property base rental revenue	**$21,385**	$20,913	$472	**$63,114**	$61,775	$1,339
Land lease payments	**(99)**	(99)	-	**(298)**	(298)	-
Same Property Cash NOI	**$21,286**	$20,814	$472	**$62,817**	$61,478	$1,339

Same Property Cash NOI increased by 2.3% to $21,286 in Q3 2026, compared to $20,814 in Q3 2025, and increased by 2.2% to $62,817 in YTD 2026, from $61,478 in YTD 2025. The increases were primarily a result of contractual rent increases.

SECTION 7 – LIQUIDITY AND CAPITAL RESOURCES

Capital Structure

		Key Terms					
Debt	Term (yrs)	Hedged Term (yrs)	Interest Rate	Payments & Interest/Amortization	Effective Interest Rate (fixed)	**Outstanding as at September 30, 2026**	**Outstanding as at December 31, 2025**
Facility 1	2.8[1]	1.8 to 7.4	ACORRA[9] + 150 bps, Prime +25 bps	[1]	4.66%	**$242,902**	**$241,437**
Facility 2	3.7[2]	0.8 to 6.3	ACORRA[9] + 150 bps, Prime +25 bps	[2]	4.33%	**148,528**	**113,362**
Facility 3	3.5[3]	1.2 to 6.4	ACORRA[9] + 150 bps, Prime +25 bps	[3]	4.46%	**246,288**	**219,713**
Mortgages	0.8 to 5.0	n/a	Fixed 2.21% to 5.73 %	P&I, 20 yrs and 25 yrs	4.45%	**72,359**	**64,068**
						$710,077	**$638,580**
Financing fees						**(3,344)**	**(3,370)**
Weighted Average /Total	**3.2**	**3.8**			**4.54%**	**$706,733**	**$635,210**

Class B LP Units and Unit-based compensation	**$23,606**	**$23,708**
Cash Balance	**$552**	$657

Key Financing Metrics and Debt Covenants [4]	Debt Covenant[4]	Declaration of Trust [6]	**As at September 30, 2026**	**As at December 31, 2025**
Interest Coverage Ratio	-	-	**2.9**	**3.0**
Debt to GBV	<60% [6]	<60% [6]	**47.1%**[8]	**45.9%**[8]
Unitholders' Equity (including Class B LP Units and Unit-based compensation)	>$425,000	-	**$791,018**	**$744,492**
Debt Service Coverage Ratio	>1.30[1) (2 (3)]	-	**1.54**	**1.56**
AFFO payout ratio	[(7) (8)]	-	**78.9%**	**81.5%**

(1) On February 27, 2026, the REIT increased the amount of the revolving portion of Facility 1 by $25,000, the maturity date was extended from June 2027 to June 2029 and the REIT's Debt Service Coverage Ratio was reduced to 1.30.

(2) In September 2025, the REIT increased the amount of the non-revolving portion of Facility 2 by $40,000. In June 2026, the REIT increased the amount of the non-revolving portion of Facility 2 by $35,000 and the maturity date was extended from March 2029 to June 2030 at the same credit spread.

(3) On March 31, 2025, the maturity date of Facility 3 was extended from June 2026 to March 2028 and the REIT's Debt Service Coverage Ratio was reduced to 1.30. On June 30, 2025, the REIT increased the amount of the non-revolving portion of Facility 3 by $35,000. On October 17, 2025, the REIT increased the amount of the non-revolving portion of Facility 3 by $40,000. On September 29, 2026, the REIT extended the maturity date of Facility 3 from March 2028 to March 2030 with the same credit spread.

(4) The debt agreements for Facility 1, Facility 2 and Facility 3 have other covenants that do not directly relate to the REIT's consolidated financial position. Management believes that the REIT is in compliance with all such covenants and with the debt agreement covenants for Facility 1, Facility 2, Facility 3 and the Mortgages. The debt service coverage ratio represents rolling four quarters.

(5) The Declaration of Trust contains other operating covenants that do not relate to leverage or debt service/coverage. The Declaration of Trust is available on SEDAR+ at www.sedarplus.ca and is described in the AIF. Management believes that the REIT is in compliance with these operating covenants.
(6) Including convertible debentures, the maximum ratio is 65%.
(7) The AFFO payout ratio in respect of Facility 1 may exceed 100% so long as (i) the REIT's Debt to GBV ratio is less than 55% or (ii) the REIT's 12 month retrospective rolling AFFO payout ratio is less than 100%.
(8) The AFFO payout ratio in respect of Facility 3 may exceed 100% (four quarter rolling) so long as (i) the REIT's Debt to GBV ratio is less than 55% and (ii) the REIT's cash on hand plus the cumulative amount available to be drawn under the revolving Credit Facilities exceeds $17,000.
(9) Effective July 1, 2024, Facility 1, 2 and 3 bearing interest at BA have been converted to Canadian Overnight Repo Rate Average plus a credit adjustment ("ACORRA").

Facility 1, Facility 2 and Facility 3 described above are collectively referred to as the "Credit Facilities" and the mortgages described above are referred to as the "Mortgages".

The AFFO payout ratio debt covenant is based on the rolling average of the last four fiscal quarters. For the trailing four quarters ended September 30, 2026, the AFFO payout ratio was approximately 78.9%.

In order to maintain or adjust its capital structure, the REIT may increase or decrease the amount of distributions paid to Unitholders, issue new REIT Units and debt, or repay debt. Factors affecting such decisions include:

- complying with the guidelines set out in the REIT's Declaration of Trust;
- complying with debt covenants;
- ensuring sufficient liquidity is available to support the REIT's financial obligations and to execute its operating and strategic plans;
- maintaining financial capacity and flexibility through access to capital to support future development; and
- minimizing the REIT's cost of capital while taking into consideration current and future industry, market and economic risks and conditions.

As at September 30, 2026, principal repayments on the Credit Facilities and Mortgages are as follows:

Remainder of 2026	7,627
2027	41,005
2028	40,593
2029	234,119
Thereafter	386,733
Total	$710,077

The REIT has been successful in consistently extending the maturity of its debt, increasing the amount available, and reducing its exposure to higher interest rates through interest rate swaps. Since it's inception in 2015, the REIT has maintained a well-balanced level of annual maturities with respect to its weighted average interest rate swap terms and mortgages remaining and weighted average term to maturity of its debt.

The REIT's liquidity position as at September 30, 2026 included approximately $48,500 of undrawn capacity under its revolving Credit Facilities, which management believes is sufficient to carry out its obligations, discharge liabilities as they come due and fund distributions to Unitholders. Capital requirements in the next two years are low and capital expenditure requirements are expected to be insignificant. Nonetheless, the current economic, operating and capital market environment, including an uncertain inflationary and interest rate environment has led to an increased emphasis on liquidity. While the REIT has not changed its objectives in managing its capital structure, the current focus has been on ensuring that the REIT retains sufficient liquidity.

As at the date of this MD&A, the REIT has approximately $53,500 undrawn capacity under its Credit Facilities and 12 unencumbered properties with an aggregate value of approximately $196,075. Capital required for investing activities will be addressed through additional borrowings or issuances of equity as acquisition and development opportunities arise.

Debt Financing

The REIT's overall borrowing policy is to obtain secured credit facilities, principally on a fixed rate or effectively fixed rate basis, which will allow the REIT to: (i) achieve and maintain staggered maturities to lessen exposure to re-financing risk in any particular period; (ii) achieve and maintain fixed rates to lessen exposure to interest rate fluctuations; and (iii) extend loan terms and fixed rate periods as long as possible when borrowing conditions are favourable. Subject to market conditions and the growth of the REIT, management currently intends to target Indebtedness of approximately 50%-53% of GBV. As at September 30, 2026, the REIT's Debt to GBV ratio was 47.1% (December 31, 2025 – 45.9%; September 30, 2025 – 47.4%). The decrease as compared to September 30, 2025 is primarily attributable from the proceeds received from the Vaughan Transaction.

Management expects that the ratio of Debt to GBV may increase, at least temporarily, following an acquisition by the REIT of additional properties. Interest rates and loan maturities will be reviewed on a regular basis to ensure appropriate debt management strategies are implemented.

Pursuant to the Declaration of Trust, the REIT may not incur or assume any Indebtedness, if after giving effect to the incurring or assumption of such Indebtedness, the total Indebtedness of the REIT would exceed 60% of GBV (or 65% of GBV including convertible debentures).

Secured Credit Facilities, Mortgages and Interest Rate Swap Arrangements

All of the REIT's Credit Facilities and Mortgages are with Canadian Schedule 1 banks and one life insurance company and are secured by all but 11 of the REIT's investment properties as of September 30, 2026 (12 properties as of the date of this MD&A).

As at September 30, 2026, the REIT had total revolving Credit Facilities of $115,000 ($55,000 in Facility 1, $20,000 in Facility 2, and $40,000 in Facility 3), of which $48,500 was undrawn. As at the date of this MD&A, the REIT had total revolving Credit Facilities of $115,000 ($55,000 in Facility 1, $20,000 in Facility 2, and $40,000 in Facility 3) of which $53,500 was undrawn.

Financing Fees

During Q3 2026 and YTD 2026, the REIT incurred financing fees of $161 and $1,087, respectively ($445 for Q3 2025 and $1,333 for YTD 2025). The amounts are accounted for using the effective interest method. As at September 30, 2026, $3,344 remains unamortized (December 31, 2025 – $3,370).

Interest Rate Swaps

The REIT enters into interest rate derivative contracts to limit its exposure to fluctuations in the interest rates payable on its variable rate financings under Facility 1, Facility 2 and Facility 3. Gains or losses arising from changes in the fair value of the interest rate derivative contracts are recognized in the consolidated statements of income and comprehensive income. The REIT's weighted average interest rate swap term as of September 30, 2026 was 3.9 years.

The following table sets out the combined borrowings under Facility 1, Facility 2 and Facility 3 and the remaining expected term to maturity of the related interest rate swaps as at September 30, 2026:

Remaining Term Range (yrs)	Amount ($000s)	Total Swapped Fixed Rate Debt (%)
Less than 1 Year	7,376	1.6
1-2 Years	53,401	11.4
2-5 Years	279,230	59.5
5-7 Years	120,064	25.6
Greater than 7 Years	8,889	1.9
3.9	**468,960**	**100.0**

As at September 30, 2026, the notional principal amount of the interest rate swaps was $468,960 (December 31, 2025 – $443,535) and the fair value adjustment of the interest rate swaps was $9,289 and $10,014 for Q3 2026 and YTD 2026, respectively, compared to $(1,881) and $(4,741) for Q3 2025 and YTD 2025, respectively. As at September 30, 2026, the net asset balance of interest rate swaps was $10,538 (December 31, 2025 – $469).

The weighted average interest rate swap term and Mortgage term remaining was 3.8 years as at September 30, 2026.

Unitholders' Equity (including Class B LP Units and Unit-based compensation)

Unitholders' equity consists of the Units described below:

REIT Units

The REIT is authorized to issue an unlimited number of REIT Units.

Each REIT Unit is transferable and represents an equal, undivided beneficial interest in the REIT and any distributions from the REIT. All REIT Units rank equally among themselves without discrimination, preference or priority and entitle the holder thereof to receive notice of, to attend and to one vote at all meetings of holders of REIT Units and holders of Special Voting Units (as defined below) or in respect of any written resolution thereof.

Holders of REIT Units are entitled to receive distributions from the REIT if, as and when declared by the board of trustees of the REIT (the "Board"). Upon the termination or winding-up of the REIT, holders of REIT Units 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 Board in its sole discretion may determine. REIT 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 REIT Units.

On September 11, 2026, 125,000 DUs and IDUs were exchanged for REIT Units, of which 65,625 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations.

On May 27, 2026, 104,087 DUs and IDUs were exchanged for REIT Units, of which 55,931 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations.

On March 13, 2026, 106,460 DUs and IDUs were exchanged for REIT Units, of which 54,635 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations.

On October 23, 2025, the REIT completed a bought deal public offering of 3,070,000 REIT Units at a price of $11.11 per REIT Unit (the "Offering Price") to a syndicate of underwriters (the "Underwriters") for gross proceeds of $34,108 (the "Public Offering"). Concurrently with the Public Offering, the REIT completed a private placement of 1,442,844 REIT Units at the Offering Price to a member of the Dilawri Group (the "Dilawri Subscriber") for gross proceeds of $16,030 (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 REIT Units at the Offering Price to the Underwriters for gross proceeds of $4,757 pursuant to the partial exercise of the over-allotment option granted to the Underwriters in connection with the Public Offering (the "Over-Allotment Option"). Concurrently, the REIT completed the issue and sale of an additional 201,247 REIT Units at the Offering Price to the Dilawri Subscriber for gross proceeds of $2,236 pursuant to the exercise of an option granted to the Dilawri Subscriber in connection with the Concurrent Private Placement (the "Dilawri Option"). The completion of the Over-Allotment Option and the Dilawri Option increased the total gross proceeds of the Offering to $57,131.

On March 17, 2025, 55,750 DUs and IDUs were exchanged for REIT Units, of which 28,779 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations.

As at September 30, 2026 the total number of issued and outstanding REIT Units was 54,418,760. The increase in Units outstanding as compared to 2025 was primarily the result of the Offering.

Class B LP Units

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 seller. In the event that the five day volume-weighted average trading price of the REIT Units on the Toronto Stock Exchange (the "VWAP") is less than $12.00 per REIT Unit on the date that is two years following September 25, 2025, the REIT has agreed to make a cash payment to the holder in an amount equal to the difference between (i) $12.00 and (ii) the VWAP as of the date that is two years following the closing date subject to a maximum cash payment of $1,250. Each Class B LP Unit is exchangeable at the option of the holder for one Unit (as per securities law, subject to four month hold-period), is accompanied by a Special Voting Unit (which provides the holder with that number of votes at any meeting of Unitholders to which a holder of 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 would be entitled), and will receive distributions of cash from the Partnership equal to the distributions to which a holder of 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 would be entitled.

Under IFRS, the Class B LP Units are classified as financial liabilities and measured at fair value through profit and loss (FVTPL). The fair value of the Class B LP Units will be measured every period by reference to the traded value of the REIT Units, with changes in measurement recorded in net income and comprehensive income. Distributions on the Class B LP Units will be recorded in interest expense and other financing charges in the period in which they become payable.

As at September 30, 2026, there were 833,333 Class B LP Units issued and outstanding. As at September 30, 2026, the total number of Units issued and outstanding was 55,252,093.

Unit-based compensation

The REIT offers the Plan whereby DUs, PDUs and RDUs may be granted to Trustees, officers and employees of the REIT and other eligible persons (collectively, "Participants") on a discretionary basis by the Governance, Compensation and Nominating Committee of the Board. The maximum number of REIT Units approved for issuance under the Plan is 3,500,000. Each DU, PDU and RDU is economically equivalent to one REIT Unit, however, under no circumstances shall they be considered REIT Units nor entitle a Participant to any rights as a Unitholder, including, without limitation, voting rights or rights on liquidation. Each DU, PDU and RDU shall receive a distribution of additional IDUs equal to the amount of distributions paid per REIT Unit by the REIT on its REIT Units. Upon vesting of the DUs, PDUs, RDUs and IDUs, a Participant may elect, prior to their expiry, to exchange such vested DUs, PDUs, RDUs and IDUs (subject to satisfaction of any applicable withholding taxes) for an equal number of REIT Units. The holder of such DUs, PDUs, RDUs and IDUs cannot settle these instruments in cash. DUs, PDUs, RDUs and IDUs issued to management must be converted to REIT Units no later than seven years from the grant date.

Certain DUs and RDUs awarded under the Plan will vest over time. PDUs awarded under the Plan will vest upon the achievement of applicable performance vesting conditions, which may include but are not limited to, financial or operational performance of the REIT, total unitholder return or individual performance criteria, measured over a performance period. On March 13, 2026, 106,460 DUs and IDUs were exchanged for REIT Units, of which 54,635 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations. On May 27, 2026, 104,087 DUs and IDUs were exchanged for REIT Units, of which 55,931 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations. On September 11, 2026, 125,000 DUs and IDUs were exchanged for REIT Units, of which 65,625 REIT Units were subsequently surrendered and cancelled in order to fulfill tax payment obligations in accordance with applicable tax regulations.

For the period ended September 30, 2026, 251,696 DUs, PDUs, RDUs and IDUs were granted, of which 128,654 DUs, 61,218 PDUs and RDUs and 61,824 IDUs were accounted for in accordance with the vesting schedule. On March 13,

2026, 19,132 DUs and 3,845 IDUs were clawed back in respect of the 2023 performance period due to performance conditions not being achieved.

Distributions

Holders of REIT Units 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 Board. Upon the termination or winding-up of the REIT, holders of REIT Units 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 Board in its sole discretion may determine. REIT Units have no associated conversion or retraction rights.

The Board regularly reviews the REIT's rate of distributions to ensure an appropriate level of cash distributions. In determining the amount of the monthly cash distributions paid to holders of REIT Units, the Board applies discretionary judgment to forward-looking information, which includes forecasts, budgets and many other factors including provisions in the Declaration of Trust, the macro-economic and industry-specific environment, debt maturities and covenants, and taxable income.

On August 13, 2026, the Trustees approved a $0.017 per Unit, or approximately 2.0%, increase to the REIT's annual cash distribution, from $0.822 per Unit to $0.839 per Unit. The monthly distribution is currently $0.0699 per Unit, up from $0.0685 per Unit. The increase became effective as of the REIT's August 2026 cash distribution, which was paid on September 15, 2026 to Unitholders of record on August 31, 2026. The increase of the distribution reflects management's and the Trustees' confidence in the REIT's stability and cash flow. See Section 1 "General Information and Cautionary Statements – Forward-Looking Statements". The Board regularly reviews the REIT's rate of distributions to ensure an appropriate level of cash distributions.

Principally to distribute to Unitholders a portion of the taxable income generated by the sale of the Kennedy Lands in October 2024, the REIT paid a special distribution to Unitholders 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, to Unitholders of record as at December 31, 2024 (the "Special Distribution"). Immediately following payment of the Unit portion of the Special Distribution, the outstanding Units of the REIT were consolidated such that each Unitholder held, after the consolidation, the same number of Units as held immediately prior to the Special Distribution. Net income prepared in accordance with IFRS recognizes certain revenues and expenses at time intervals that do not match the receipt or payment of cash. Therefore, in applying judgment, consideration is given to AFFO (which is the product of the earnings performance) and other factors when establishing cash distributions to holders of REIT Units.

Financing Metrics and Debt Covenants

The calculations of financial metrics and debt covenants are set out in the table below. Except where otherwise expressly indicated, the information that follows as at and for the three- and nine-month periods ended September 30, 2026 does not give effect to the acquisition of the Tesla High Point Property, as this transaction had not closed by September 30, 2026.

Calculations of financial metrics and debt covenants	**As at September 30, 2026**	**As at December 31, 2025**
Net Asset Value		
Investment properties, IFRS value	$1,469,126	$1,380,449
Cash, prepaid and other assets	43,334	15,902
Accounts payable and accrued liabilities	(14,709)	(16,649)
Credit Facilities, Mortgages and interest rate swaps	(706,733)	(635,210)
Total Net Asset Value	**$791,018**	**$744,492**
Total Net Asset Value excluding interest rate swaps and foreign exchange forward contracts	**$780,480**	**$744,023**

REIT Units and Class B LP Units outstanding			55,252,093	55,092,737
Debt to GBV				
Indebtedness outstanding:				
Credit Facilities & Mortgages (excludes deferred financing costs)		**A**	$710,077	$638,580
Lease Liability		**A1**	2,605	2,850
Gross Book Value				
Total assets		**B**	1,512,460	1,396,351
Debt to GBV [(1)(6)]	**((A+A1)/B) X 100**		**47.1%**	**45.9%**
Unitholders' Equity & Unit-based compensation				
Unitholders' Equity			$767,412	$720,784
Value of Unit-based compensation			13,956	14,533
Value of Class B LP Units			9,650	9,175
Total Unitholders' Equity, Class B LP Units & Unit-based compensation			**$791,018**	**$744,492**

Calculations of financial metrics and debt covenants

Interest Coverage Ratio		Q3 2026	Q3 2025	YTD 2026	YTD 2025
Cash NOI [(2)]		$24,854	$20,959	73,443	61,711
General and administrative expenses		(1,781)	(1,690)	(5,090)	(4,827)
Income before interest expense and fair value adjustments	**C**	23,073	19,269	68,353	56,884
Interest expense and other financing charges	**D**	(8,248)	(6,468)	(23,657)	(18,823)
Interest Coverage Ratio [(3)]	**C/D**	**2.8X**	**3.0X**	**2.9X**	**3.0X**
Debt Service Coverage Ratio					
Net income		$34,831	$8,958	$74,725	$29,656
Interest expense and other financing charges		8,248	6,468	23,657	18,823
Distribution expense on Class B LP Units		172	57	514	57
Amortization of other assets		35	20	105	60
Fair value adjustments, net		(19,864)	3,963	(29,473)	8,843
EBITDA [(2)]	**E**	23,422	19,466	69,528	57,439
Principal payments on debt		7,721	6,387	22,599	18,994
Interest payments on debt (excludes other financing charges)		7,852	6,158	22,519	17,887
Debt Service	**F**	15,573	12,545	45,118	36,881
Debt Service Coverage Ratio [(4)(6)]	**E/F**	**1.50X**	**1.55X**	**1.54X**	**1.56X**
AFFO payout ratio					
AFFO per Unit Diluted [(2)]		0.260	0.252	0.785	0.747
Distribution per Unit		0.208	0.204	0.619	0.606
AFFO payout ratio [(2)(5)(6)]		**80.0%**	**81.0%**	**78.9%**	**81.1%**

Notes:

(1) The Debt to GBV ratio as at September 30, 2026 increased as compared to December 31, 2025, due to the increase in debt as a result of property acquisitions completed during 2025 and YTD 2026.

(2) Cash NOI, EBITDA, AFFO and AFFO payout ratio are non-IFRS measures or non-IFRS ratios, as applicable. See Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" and Section 6, "Non-IFRS Financial Measures" of this MD&A.

(3) The Interest Coverage Ratio for Q3 2026 has decreased from Q3 2025 due to higher interest expense.

(4) The Debt Service Coverage Ratio for Q3 2026 has decreased as compared to Q3 2025 due to higher interest payments on debt.

(5) The AFFO payout ratio is calculated as distributions per REIT Unit divided (excluding the Special Distribution) by AFFO per Unit – diluted.

(6) Debt covenant ratios.

SECTION 8 – RELATED PARTY TRANSACTIONS

The REIT's largest Unitholder and lead tenant is the Dilawri Group, which as at September 30, 2026 held an approximate 30.7% (September 30, 2025 – 30.7%) effective interest in the REIT, on a fully diluted basis, through its ownership of 17,390,998 REIT Units (September 30, 2025 – 17,390,998 REIT Units).

In the normal course of its operations, the REIT enters into various transactions with related parties and the REIT's policy is to conduct all transactions and settle all balances with related parties on market terms and conditions and in accordance with the Related Party Transaction Policy adopted by the Board and the Declaration of Trust. The Vaughan Transaction was conducted in accordance with the REIT's Related Party Transaction Policy and the Declaration of Trust, including approval by the Independent Trustees.

In consideration of the applicable Dilawri Tenants leasing the entirety of two of the Initial Properties with third party tenants (and thereby bearing occupancy, rental and other risks associated with the portions of those properties to be subleased to third party tenants for the initial lease terms of 12 and 15 years for those properties), the REIT paid to such Dilawri Tenants an indemnity fee in the aggregate amount of $1,000 at the time of closing of the IPO (amortizable over the term of the leases).

For additional information on related party agreements and arrangements with Dilawri, please refer to the REIT's AIF, which can be found on SEDAR+ at www.sedarplus.ca and on the REIT's website www.automotivepropertiesreit.ca.

Strategic Alliance Agreement

In connection with the IPO, the REIT and Dilawri entered into a strategic alliance agreement (the "Strategic Alliance Agreement") which establishes a preferential and mutually beneficial business and operating relationship between the REIT and the Dilawri Group. The Strategic Alliance agreement will be in effect so long as the Dilawri Organization and the applicable transferors of the Initial Properties own, control or direct, in the aggregate, an effective interest of at least 10% (on a fully diluted basis) in the REIT. Among other things, the Strategic Alliance Agreement provides the REIT with the first right to purchase REIT-Suitable Properties (as defined in the Strategic Alliance Agreement) in Canada or the United States acquired or developed by the Dilawri Group. The purchase price in respect of a REIT-Suitable Property will be mutually agreed by the REIT and Dilawri at the applicable time and supported by an independent appraisal report. The REIT did not acquire any investment properties pursuant to the Strategic Alliance Agreement in 2025 or YTD 2026.

SECTION 9 − OUTLOOK

The REIT is subject to risks associated with inflation, interest rates, currency fluctuations and availability of capital. The REIT is actively monitoring the evolving trade tariff environment and other trade restrictions, and their impact on cross-border trade, material costs, and overall economic market conditions in Canada and the United States. The continued conflict in the Middle East has resulted in increased commodity prices and could lead to further significant market and other disruptions, including continued volatility in commodity prices and supply of energy resources. While the full extent and impact of these trade tariffs, trade restrictions and geopolitical events remains uncertain, the REIT is continuing to assess their potential effect on its business, industry, property valuations and financial condition.

As at September 30, 2026, 76.0% of the REIT's debt was fixed with a weighted average interest rate of 4.53%, a weighted average interest swap term and mortgages remaining of 3.8 years and weighted average term to maturity of debt of 3.2. 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 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 when borrowing conditions are favourable.

As at the date of this MD&A, the REIT had approximately $53,500 of undrawn capacity under its Credit Facilities,12 unencumbered properties valued at approximately $196,075 and a Debt to GBV Ratio of 47.1%.

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 continue to closely monitor the impact of inflation and interest rates on the REIT's business and will continue to prudently manage the REIT's available financial resources and strategically move its floating and short-term debt into fixed rate and/or long-term debt in an effort to minimize the impact of any potential future interest rate increases. Management will continue to prudently manage growth of the REIT while also focusing on liquidity and overall capital market and debt financing conditions.

Overall, the REIT believes that the fundamentals of the automotive and other OEM dealership and service businesses remain solid, and that the industry is resilient and essential. The implementation or escalation of trade tariffs or other trade restrictions may lead to fluctuations in interest rates and inflation which may have an adverse effect on consumer demand and the overall economy. Fluctuations in the interest rate, inflation and credit environment may impact rental growth and capitalization rates overall in the real estate industry, which, consequently, could provide attractive buying opportunities for the REIT.

As the only publicly traded Canadian real estate entity focused exclusively on owning automotive and other OEM dealership and automotive service properties, the REIT provides a unique opportunity for owners of these operating businesses to monetize their real estate while retaining ownership and control of their core businesses. This provides dealership owner operators with liquidity to advance their individual strategic objectives, whether it be succession planning, directly investing in upgrading their facilities, or pursuing acquisitions. The Canadian and United States automotive and OEM dealership and service industry is highly fragmented, and the REIT expects continued consolidation over the mid-to-long term due to increased industry sophistication and growing capital requirements for owner operators, which encourages them to pursue increased economies of scale. The REIT plans to continue to grow its portfolio of properties leased to OEMs, OEM dealers and other automotive related uses.

SECTION 10 – OTHER DISCLOSURES

Environmental and Corporate Social Responsibility

The REIT primarily leases its properties using a triple-net lease structure and the REIT adopted a written Environmental and Corporate Social Responsibility Policy in 2023, which was updated by the Board in early 2025 (the "ESG Policy") to formally recognize the REIT's approach to addressing its environmental and social responsibilities as a good corporate citizen. The ESG Policy acknowledges the nature of the REIT's business as an owner of automotive and other OEM dealership and service properties located principally in Canada and the United States and its efforts to promote a culture of improvement with regards to sustainability and social responsibility for the benefit of all its stakeholders, including employees, tenants, suppliers, Unitholders and local communities. The ESG Policy articulates the REIT's commitment to: (i) protecting its investors by managing sustainability-related risks; (ii) sourcing with integrity; (iii) collaborating on sustainability with industry bodies; (iv) compliance with applicable environmental laws; (v) making, or requiring its tenants to make, the necessary capital and operating expenditures to comply with environmental laws and address any material environmental issues; (vi) requiring its officers and other staff to adhere to the REIT's policies and procedures regarding the environment, sustainability and compliance with environmental legislation, and report any non-compliance with such policies and procedures; and (vii) offering a safe place to work.

Oversight of the ESG Policy is within the mandate of the Governance, Compensation and Nominating Committee (the "GCN Committee"). As part of that oversight, management reports to the GCN Committee on a regular basis in respect of, among other things, compliance with the ESG Policy and any environmental and corporate social responsibility ("ESG") initiatives undertaken by management. Furthermore, commencing in 2022, the GCN Committee and the Board made ESG a stand-alone metric in the REIT's short-term incentive plan for named executive officers in recognition of

the importance of ESG to the REIT. In 2022, the REIT also retained an outside consultant to assist management with the creation of an ESG and sustainability plan and related updates to the REIT's original ESG Policy, among other things. The REIT's ESG and sustainability plan was approved by the Board in 2023 and updated in early 2025 and is available on the REIT's website at www.automotivepropertiesreit.ca. The REIT has also established an ESG committee comprised of REIT management and employees that makes recommendations to management in respect of ESG initiatives and engagement.

Commitments and Contingencies

The REIT, as lessee, is committed under long term land and other leases that are classified as a liability to make lease payments with minimum annual rental commitments as follows:

Within 1 year	$286
After 1 year, but not more than 5 years	1,045
More than 5 years	1,274
Total	$2,605

Disclosure Controls and Internal Controls over Financial Reporting

The REIT's certifying officers have designed a system of disclosure controls and procedures ("DC&P") to provide reasonable assurance that (i) material information relating to the REIT, including its consolidated subsidiaries, is made known to them by others; and (ii) information required to be disclosed by the REIT in its annual filings, interim filings and other reports filed or submitted by the REIT under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. Also, the REIT's certifying officers have designed a system of internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS.

There have been no changes to the REIT's ICFR during Q3 2026 that have materially affected, or are reasonably likely to materially affect, the REIT's ICFR.

Management recognizes that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance and not absolute assurance of achieving the desired control objectives. In the unforeseen event that lapses in the disclosure or internal controls and procedures occur and/or mistakes happen, the REIT intends to take whatever steps are necessary to minimize the consequences thereof.

Consistent with National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, the REIT has filed certificates on Form 52-109F2.

SECTION 11 – QUARTERLY RESULTS OF OPERATIONS

The following is a summary of selected consolidated financial information for each of the eight most recently completed quarters:

($ thousands except where otherwise indicated)	**Third Quarter 2026**	Second Quarter 2026	First Quarter 2026	Fourth Quarter 2025	Third Quarter 2025	Second Quarter 2025	First Quarter 2025	Fourth Quarter 2024
Number of Properties	**95**	95	93	91	87[(i)]	80[(i)]	79[(i)]	78[(i)]
GLA (sq. ft.)	**3,524,703**	3,524,703	3,463,522	3,364,650	3,205,287[(i)]	2,992,417[(i)]	2,967,417[(i)]	2,873,417
Rental revenue	**30,458**	30,205	29,096	27,935	25,397	24,601	23,902	23,415
Net Operating Income	**25,168**	25,145	24,200	23,674	21,136	20,859	20,211	19,765
Net Income (loss)	**34,831**	15,471	24,423	14,923	8,958	13,003	7,695	12,046
Net Income per Unit — basic[(ii)]	**0.631**	0.280	0.443	0.277	0.182	0.265	0.156	0.245
Net Income per Unit — diluted[(iii)]	**0.614**	0.273	0.432	0.270	0.177	0.258	0.152	0.239
FFO per Unit — basic[(iv)]	**0.273**	0.277	0.276	0.266	0.262	0.261	0.257	0.242
FFO per Unit — diluted[(v)]	**0.266**	0.270	0.268	0.259	0.255	0.254	0.251	0.236
AFFO per Unit — basic[(iv)]	**0.267**	0.270	0.269	0.257	0.259	0.256	0.253	0.238
AFFO per Unit — diluted[(v)]	**0.260**	0.263	0.262	0.251	0.252	0.249	0.247	0.232
AFFO payout ratio	**80.0%**	78.2%	78.6%	82.1%	81.0%	80.7%	81.4%	86.60%
Distribution declared per Unit	**0.208**	0.206	0.206	0.206	0.204	0.201	0.201	0.201
Weighted average Units — basic	**55,212,080**	55,160,438	55,100,799	53,807,165	49,162,403	49,117,113	49,094,337	49,090,142
Weighted average Units — diluted	**56,700,554**	56,711,260	56,591,756	55,258,531	50,576,101	50,496,712	50,333,328	50,297,193
Market price per REIT Unit — close (end of period)	**$11.58**	$12.30	$11.21	$11.01	$11.34	$11.52	$10.22	$10.89
Total assets	**1,512,460**	1,477,920	1,431,541	1,396,351	1,327,647	1,231,857	1,215,487	1,190,733
Debt to GBV	**47.1%**	47.5%	46.3%	45.9%	47.4%	44.4%	43.8%	42.40%
Debt service coverage ratio	**1.50X**	1.55X	1.57X	1.58X	1.55X	1.55X	1.57X	1.53X

Notes:

(i) Includes 100% of the GLA of Taschereau JLR and Vaughan Property.

(ii) Net Income per Unit – basic is calculated in accordance with IFRS by dividing Net Income by the amount of the weighted average number of outstanding REIT Units and Class B LP Units.

(iii) Net Income per Unit – diluted is calculated in accordance with IFRS by dividing Net Income by the amount of the weighted average number of outstanding REIT Units, Class B LP Units, DUs, PDUs, RDUs and IDUs granted as at September 30, 2026 to certain Trustees and management of the REIT.

(iv) The FFO and AFFO per Unit – basic is calculated by using the weighted average number of outstanding REIT Units and Class B LP Units. The FFO and AFFO per Unit basic comparable numbers were adjusted in accordance with the Real Property Association of Canada's White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS issued in January 2022. FFO and AFFO per Unit are non-IFRS ratios. See Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" of this MD&A.

(v) The FFO and AFFO per Unit – diluted is calculated by using the weighted average number of outstanding REIT Units, Class B LP Units, DUs, PDUs, RDUs and IDUs granted as at September 30, 2026 to certain Trustees and management of the REIT. The FFO and AFFO per Unit — diluted comparable numbers were adjusted in accordance with the Real Property Association of Canada's White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS issued in January 2022. FFO and AFFO per Unit are non-IFRS ratios. See Section 1 "General Information and Cautionary Statements – Non-IFRS Financial Measures" of this MD&A.

The increase in rental revenue is primarily attributable to property acquisitions during and subsequent to Q3 2025. Net income is also impacted by fluctuations in fair value adjustments of Unit based compensation, Class B LP Units, investment properties and interest rate swaps.

SECTION 12 – RISKS & UNCERTAINTIES, CRITICAL JUDGMENTS & ESTIMATES

The risks inherent in the REIT's business are identified in the REIT's Management's Discussion and Analysis for the year ended December 31, 2025 and in its AIF dated March 4, 2026, all of which remain unchanged at the date of this MD&A and are available at www.sedarplus.ca.