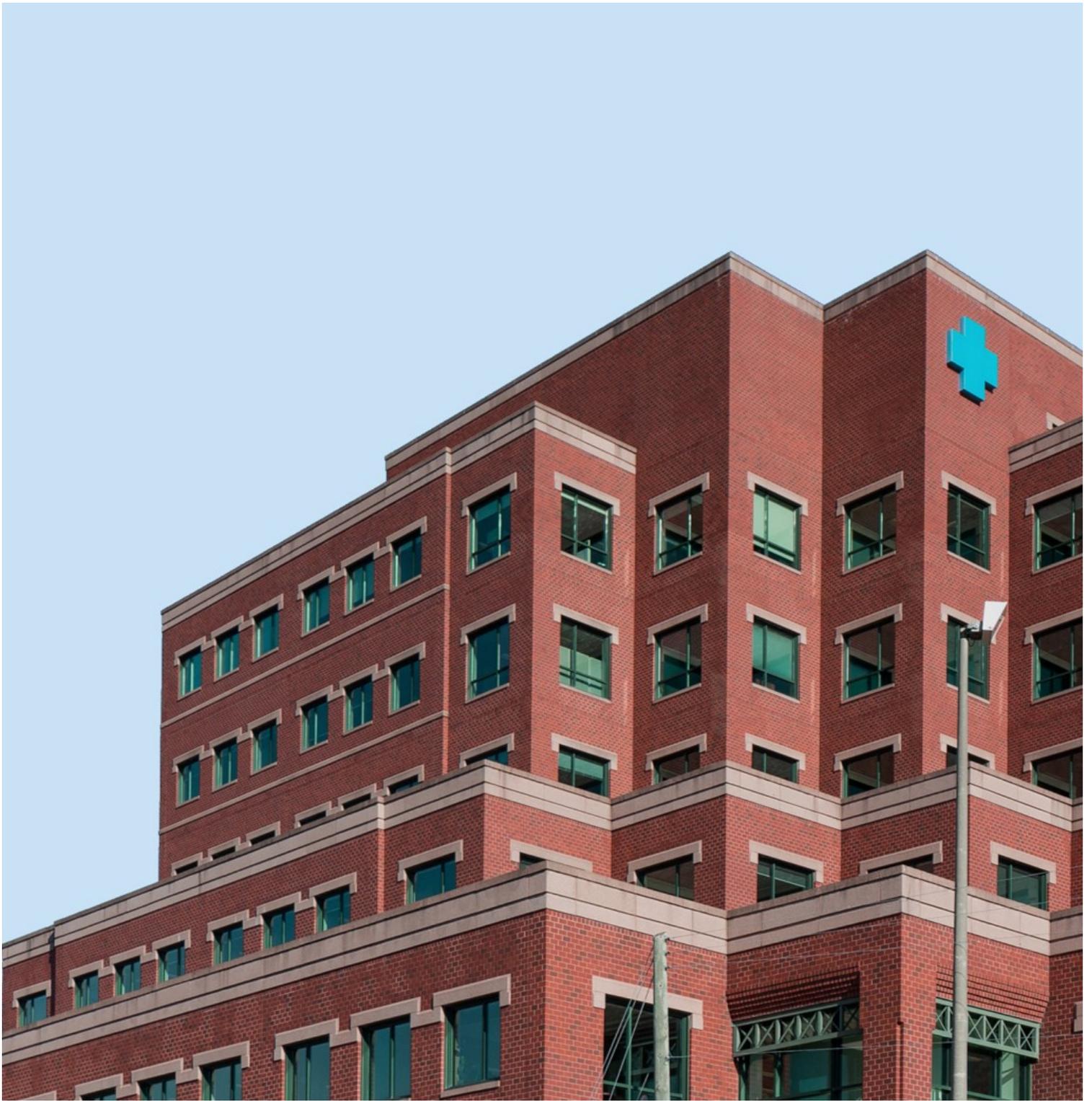

Slate Office REIT

Q1 2024 Quarterly Report



SLATE

Experience
gives us the
knowledge to
execute quickly.



Blue Cross Centre, Moncton, NB

About Slate Office REIT

(TSX: SOT.UN)

Slate Office REIT is a global owner and operator of high-quality workplace real estate. The REIT owns interests in and operates a portfolio of strategic and well-located real estate assets in North America and Europe. A majority of the REIT's portfolio is comprised of government and high-quality credit tenants. The REIT acquires quality assets at a discount to replacement cost and creates value for unitholders by applying hands-on asset management strategies to grow rental revenue, extend lease term and increase occupancy. Visit slateofficereit.com to learn more.

Slate Asset Management is a global alternative investment platform. We focus on fundamentals with the objective of creating long-term value for our investors and partners. Slate's platform focuses on four areas of real assets, including real estate equity, real estate credit, real estate securities, and infrastructure. We are supported by exceptional people and flexible capital, which enable us to originate and execute on a wide range of compelling investment opportunities.

Visit slateam.com to learn more, and follow Slate Asset Management on on [LinkedIn](#), [X \(Twitter\)](#), and [Instagram](#).

Forward-looking Statements

Forward-looking Statements Certain information in this management's discussion and analysis ("MD&A") constitutes "forward-looking statements" within the meaning of applicable securities legislation. These statements reflect management's expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance and business prospects and opportunities of Slate Office REIT (the "REIT") including expectations for the current financial year, and include, but are not limited to, statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Statements that contain words such as "could", "should", "would", "can", "anticipate", "expect", "does not expect", "believe", "plan",

"budget", "schedule", "estimate", "intend", "project", "will", "may", "might", "continue" and similar expressions or statements relating to matters that are not historical facts constitute forward-looking statements. Some of the specific forward-looking statements contained herein include, but are not limited to, statements relating to the impact of the COVID-19 pandemic. These forward-looking statements are not guarantees of future events or performance and, by their nature, are based on the REIT's current estimates and assumptions, which are subject to significant risks and uncertainties. The REIT believes that these statements are made based on reasonable assumptions; however, there is no assurance that the events or circumstances reflected in these forward-looking statements will occur or be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to the risks that are more fully discussed under the "Risk Factors" section of the annual information form of the REIT for

the year ended December 31, 2022 ("Annual Information Form"). Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: risks incidental to ownership and operation of real estate properties including local real estate conditions; financial risks related to obtaining available equity and debt financing at reasonable costs and interest rate fluctuations; operational risks including timely leasing of vacant space and re-leasing of occupied space on expiration of current leases on terms at current or anticipated rental rates; tenant defaults and bankruptcies; uncertainties of acquisition activities including availability of suitable property acquisitions and integration of acquisitions; competition including development of properties in close proximity to the REIT's properties; loss of key management and

employees; potential environmental liabilities; catastrophic events, such as earthquakes and hurricanes; governmental, taxation and other regulatory risks and litigation risks. Forward-looking statements included in this MD&A are made as of May 2, 2024, and accordingly are subject to change after such date. The REIT does not undertake to update any forward-looking statements that are included in this MD&A, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws. Certain statements included in this MD&A may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this MD&A. Investors are cautioned against placing undue reliance on forward-looking statements.

Highlights

52

Investment properties

7.3M

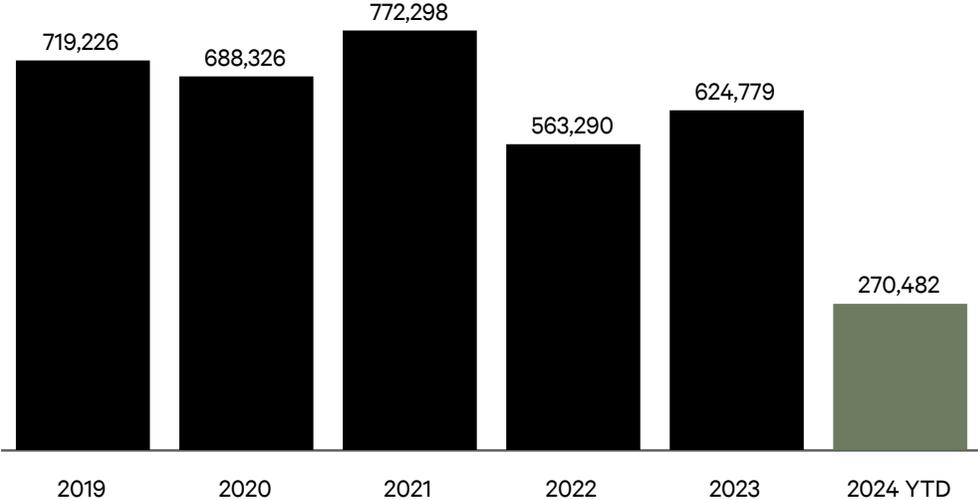
Square feet

\$1.7B

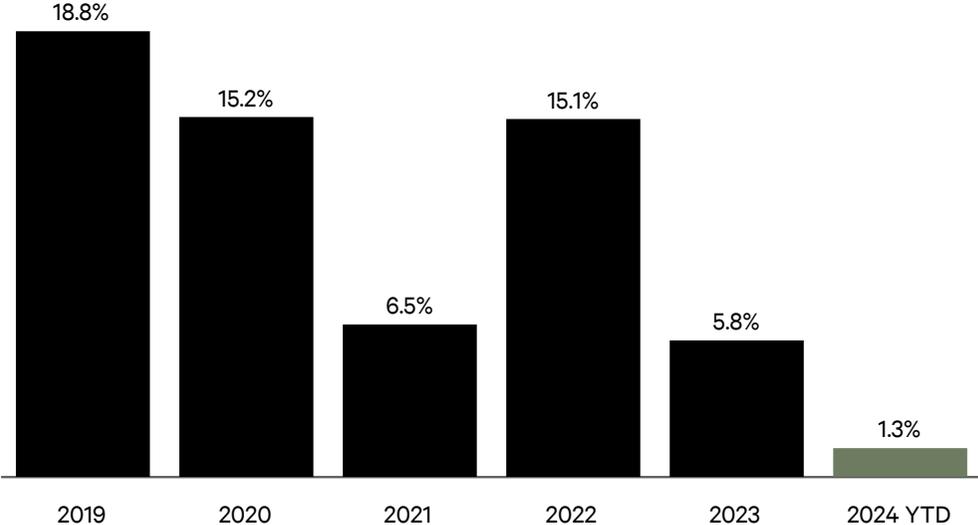
Total asset value

Strong Leasing Activity and Spreads

Total Leasing Activity (New and Renewal)



Total Leasing Spreads (New & Renewal)



Top 5 Tenants

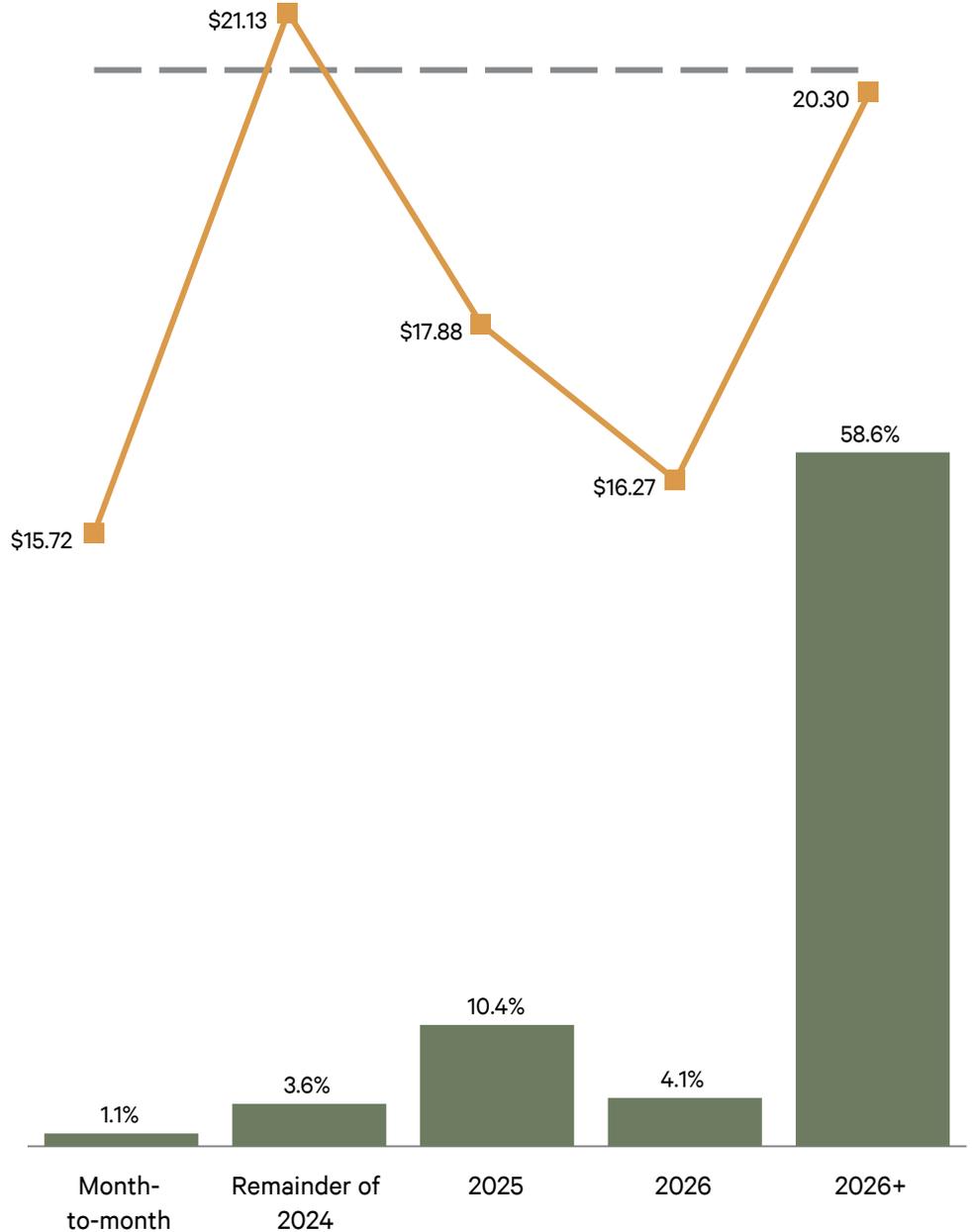
Ranked by Annual Base Rent*

1	8.1%	
2	6.4%	
3	5.1%	 Canada
4	4.2%	 SNC • LAVALIN
5	3.5%	 New Brunswick CANADA

68% of base rent is derived from government or credit rated tenants

* As at March 31, 2024

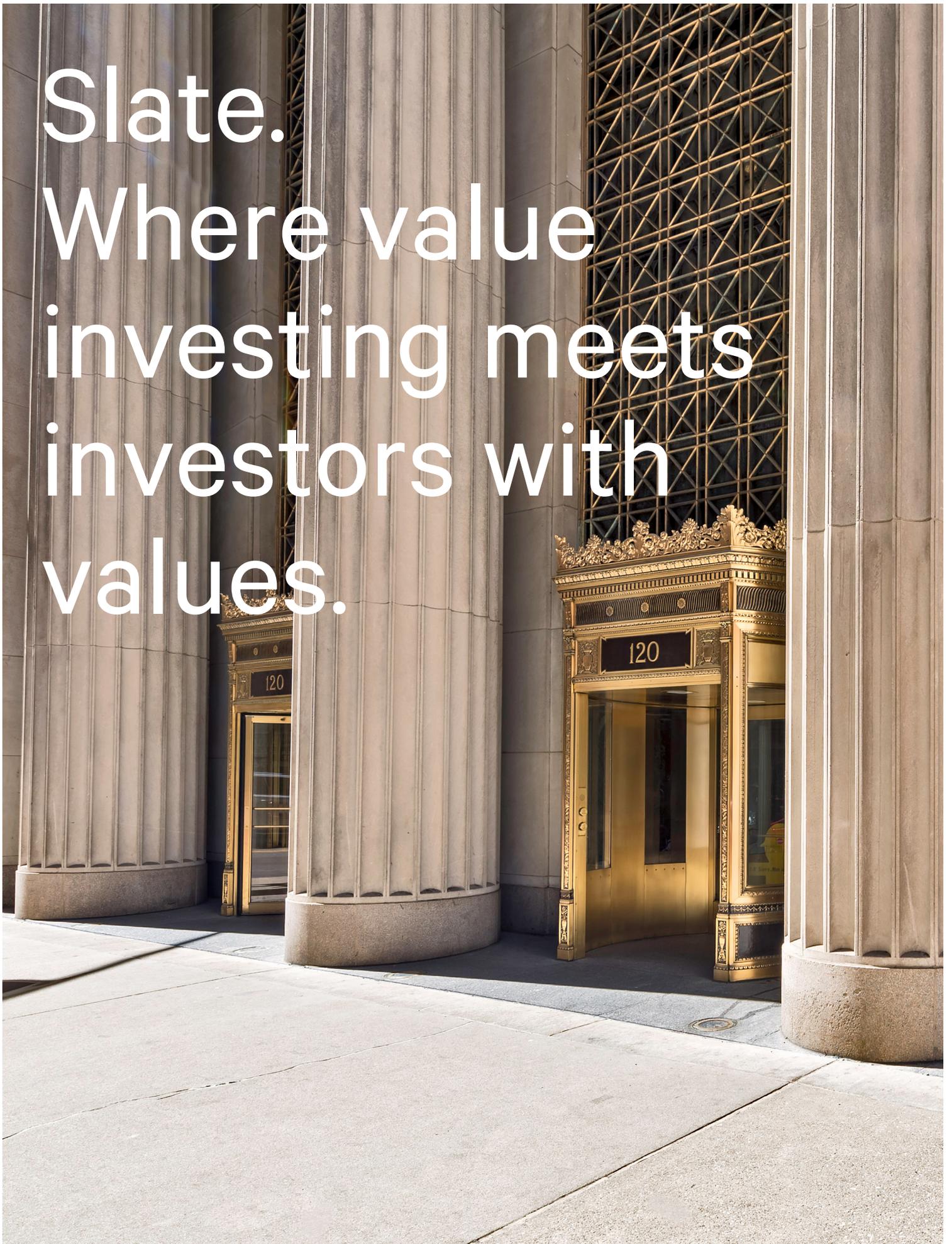
In-Place vs. Market Rents



Legend

-  Current Market Rent
-  Average Expiring Rent
-  Percentage of Portfolio Expiring

Slate.
Where value
investing meets
investors with
values.



Letter to Unitholders

Dear Fellow Unitholders,

We are pleased to report a number of operational, financial, and transaction highlights from the first quarter. While the office sector continues to be challenged by elevated interest rates, tighter credit conditions, and decreased utility, we have remained focused on positioning the REIT's portfolio for long-term stability and growth through a focus on balance sheet, value preservation, and hands-on asset management.

We are encouraged by the interest and activity we are seeing in leasing from established and growing businesses seeking high-quality office spaces where their teams can collaborate, innovate, and train. In the first quarter, our team converted accelerating interest and demand for our office spaces into over 270,482 square feet of total leasing at positive leasing spreads – this total leasing volume is up over 120.0% from the first quarter of 2023. Total leasing in the quarter was completed at a weighted average lease term (“WALT”) of 10.2 years, up from a WALT of 5.4 years on total leasing completed in the first quarter of 2023.

We have also established a robust leasing pipeline; the REIT has over 350,000 square feet of potential new leases and renewals in the pipeline with high-quality credit tenants in the Greater Toronto Area, Atlantic Canada, and Ireland, which would add to net operating income beginning in late 2024 and into 2025. Only 3.6% of the portfolio's Gross Leasable Area (“GLA”) is set to mature in 2024, and we are leveraging our positive relationships with our tenants to sign renewals and extensions well before expiration.

We also made further progress on the REIT's Portfolio Realignment Plan, which the REIT's senior management, together with the Board, introduced in the third quarter of 2023 with the intention of improving the REIT's liquidity, strengthening its balance sheet through reduced debt, and improving the REIT's portfolio composition. As at May 2, 2024, the REIT has completed \$40.6 million in dispositions through the sales of The Sheridan Exchange in Mississauga, Ontario; Units 7 & 8 Airways in Dublin, Ireland; and 84-86 Chain Lake in Halifax, Nova Scotia. As of May 2, 2024, the REIT has approximately \$109.1 million at share in assets under contract or Letter of Intent, representing 12.3% of the REIT's GLA. The REIT is also actively engaged with a number of potential purchasers for single assets and small portfolio transactions of four-to-five assets across Canada.

We continue to prudently manage the REIT's balance sheet to ensure financial flexibility and stability for the REIT. During the quarter, the REIT's unitholders passed a special resolution approving an amendment to the REIT's Declaration of Trust to temporarily remove the restriction imposed on the REIT not to exceed financial leverage of 65.0% of its gross book value. The amendment provides the REIT with greater financial flexibility while management continues to execute on the REIT's Portfolio Realignment Plan and proactively lease vacancies.

We are encouraged by the green shoots we are seeing in the global office market. Leasing interest and activity continue to accelerate across our portfolio, with more tours, which our team is working to convert into new leasing, as well as extensions or expansions with existing tenants.

We continue to have conviction in the value of our office portfolio and believe the actions the REIT has taken to retain cash, pay down debt, and proactively create value within our portfolio and capital structure will ultimately position us for long-term success.

On behalf of the Slate Office REIT team, I would like to thank the investor community for their confidence and support of our efforts.



Sincerely,
Brady Welch
Interim Chief Executive Officer
May 2, 2024

Corporate Information

Slate Office REIT is an unincorporated, open-ended investment trust fund under and governed by the laws of the Province of Ontario. The REIT focuses on acquiring, owning and leasing a portfolio of diversified revenue-producing commercial real estate office properties.

Trustees

Monty Baker, Chair^{1 2 3}
Corporate Director

Michael Fitzgerald^{2 3}
Corporate Director

Meredith Michetti¹
Corporate Director

Lori-Ann Beausoleil²
Corporate Director

George Armoyan³
Corporate Director

Jean-Charles Angers^{1 2 3}
Corporate Director

Blair Welch³
Partner and Co-founder,
Slate Asset Management

Brady Welch
Partner and Co-founder,
Slate Asset Management

¹ Compensation, Governance and Nomination Committee

² Audit Committee

³ Investment Committee

Head Office

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121 King Street W, Suite 200
Toronto, ON M5H 3T9
T +1 416 644 4264
F +1 416 947 9366
E info@slateam.com

Independent Auditors

KPMG LLP
Chartered Professional Accountants
Toronto, Canada

Toronto Stock Exchange Listings

SOT.UN: trust units
SOT.DB: 9.00% convertible unsecured subordinated debentures
SOT.DB.A: 5.50% convertible unsecured subordinated debentures
SOT.DB.B: 7.50% convertible unsecured subordinated debentures

Registrar and Transfer Agent

TSX Trust Company
301 - 100 Adelaide Street W
Toronto, ON M5H 4H1
T +1 416 361 0930
F +1 416 361 0470

The REIT's website www.slateofficereit.com provides additional information regarding the REIT's portfolio, investment strategy, management and corporate governance. Additionally, the Investor section includes news, presentations, events, regulatory filings and stock information.



Slate Office REIT
121 King Street W, Suite 200
Toronto, ON M5H 3T9

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FINANCIAL AND INFORMATIONAL HIGHLIGHTS

(In thousands, except per unit amounts and as otherwise stated)

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Summary of Portfolio Information					
Number of properties	52	54	54	54	54
Gross leasable area ("GLA") ¹	7,279,312	7,525,329	7,525,170	7,523,672	7,524,320
Total assets	\$ 1,713,367	\$ 1,747,860	\$ 1,822,403	\$ 1,826,368	\$ 1,862,474
Total debt	\$ 1,158,123	\$ 1,178,734	\$ 1,190,712	\$ 1,166,406	\$ 1,158,116
Occupancy ²	77.7%	78.5%	78.6%	79.1%	80.6%

	Three months ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Summary of Financial Information					
Revenue	\$ 50,261	\$ 48,787	\$ 51,034	\$ 48,708	\$ 49,092
Net operating income ("NOI") ³	\$ 23,177	\$ 24,085	\$ 25,972	\$ 24,594	\$ 24,360
Net loss	\$ (22,571)	\$ (54,694)	\$ (34,730)	\$ (19,622)	\$ (4,071)
Funds from operations ("FFO") ³	\$ 3,544	\$ 4,805	\$ 4,776	\$ 5,770	\$ 5,314
Core-FFO ³	\$ 4,474	\$ 5,721	\$ 5,678	\$ 6,658	\$ 6,188
Adjusted FFO ("AFFO") ³	\$ 3,776	\$ 5,521	\$ 5,151	\$ 6,166	\$ 5,251
IFRS net asset value ("NAV") ³	\$ 500,592	\$ 520,394	\$ 579,466	\$ 617,069	\$ 653,743
Per Unit Financial Information					
Weighted average diluted number of trust units (000s)	85,937	85,792	85,703	85,640	85,585
Diluted units outstanding (000s)	86,047	85,937	85,788	85,700	85,636
IFRS NAV per unit ³	\$ 5.82	\$ 6.06	\$ 6.75	\$ 7.20	\$ 7.63
FFO per unit ³	\$ 0.04	\$ 0.06	\$ 0.06	\$ 0.07	\$ 0.06
Core-FFO per unit ³	\$ 0.05	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.07
AFFO per unit ³	\$ 0.04	\$ 0.06	\$ 0.06	\$ 0.07	\$ 0.06
Distributions per unit ³	\$ —	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.10
FFO payout ratio ³	—%	17.8%	53.6%	44.4%	160.4%
Core-FFO payout ratio ³	—%	14.9%	45.1%	38.4%	137.7%
AFFO payout ratio ³	—%	15.5%	49.7%	41.5%	162.3%

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Financial Data					
Loan-to-value ("LTV") ratio ³	67.8%	67.7%	65.6%	64.0%	62.3%
Weighted average debt interest rate ⁴	5.9%	5.3%	5.3%	5.1%	4.5%
Interest coverage ratio (times) ³	1.4x	1.5x	1.6x	1.8x	1.9x
Net debt to adjusted EBITDA ratio (times) ³	12.8x	12.9x	13.1x	12.6x	12.5x

¹GLA is presented at 100% of the building's GLA, without taking ownership percentage into consideration.

²Occupancy is presented at 100% of the building's GLA, without taking ownership percentage into consideration.

³The calculation of these non-IFRS financial measures and a reconciliation to relevant International Financial Reporting Standards ("IFRS") measures are included in Part III and IV.

⁴Weighted average debt interest rate is presented after the impact of interest rate swaps and caps.

PART I - OVERVIEW

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations of Slate Office REIT (the "REIT") is intended to provide readers with an assessment of performance and summarize the financial position and results of operations of the REIT for the three months ended March 31, 2024. The presentation of the REIT's financial results, including the related comparative information, contained in this MD&A are based on the REIT's unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2024 and 2023 (the "consolidated financial statements"). This MD&A should be read in conjunction with those consolidated financial statements. All dollar amounts are in thousands of Canadian dollars, unless otherwise noted.

The information contained in this MD&A is based on information available to the REIT and is dated as of May 2, 2024, which is also the date the Board of Trustees, upon the recommendation of its Audit Committee, approved the contents of this MD&A

SLATE OFFICE REIT PROFILE

The REIT is an owner and operator of office real estate. The REIT owns interests in and operates a portfolio of strategic and well-located real estate assets in North America and Europe. A majority of the REIT's portfolio is comprised of government or high-quality credit tenants. The REIT acquires quality assets at a discount to replacement cost and creates value for unitholders by applying hands-on asset management strategies to grow rental revenue, extend lease terms, and increase occupancy.

The REIT is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario pursuant to an amended and restated Declaration of Trust dated as of March 21, 2016, and as further amended on March 1, 2019, May 13, 2021 and January 15, 2024, as it may be further amended, supplemented or amended and restated from time to time (the "Declaration of Trust").

The REIT is externally managed and operated by Slate Management ULC ("SMULC"), a subsidiary of Slate Asset Management LP ("SLAM"), (collectively, "Slate" or the "Manager"). Slate has an experienced and dedicated team of real estate professionals with a proven track record of success in real estate investment and management. Management's interests are aligned with the unitholders of the REIT through its sponsorship and as a significant unitholder of the REIT. Slate is a significant unitholder in the REIT, with a 10.0% interest at March 31, 2024 and accordingly, is highly motivated to increase the value of the REIT on a per unit basis and provide reliable returns to the REIT's unitholders. Slate assumed management responsibilities for the REIT in November 2014 with the vision of creating a pure-play office REIT focused on real estate assets with strong fundamentals. This vision was premised on the belief that the office market was changing and a pure-play office REIT would provide a vehicle to capitalize on future opportunities. Slate has strong conviction in the importance of physical office space and is focused on servicing growing and emerging tenants and industries.

Additional information on the REIT, including its Annual Information Form, is available on SEDAR at www.sedarplus.ca and on the REIT's website at www.slateofficereit.com.

NON-IFRS MEASURES

We disclose a number of financial measures in this MD&A that are not measures used under IFRS, including NOI, same property NOI, FFO, Core-FFO, AFFO, FFO payout ratio, Core-FFO payout ratio, AFFO payout ratio, NAV, adjusted EBITDA, net debt to adjusted EBITDA ratio, interest coverage ratio, debt service coverage ratio and LTV ratio, in addition to certain measures on a fully-diluted per unit basis. We use these measures for a variety of reasons, including measuring performance, managing the business, capital allocation and the assessment of risk. Descriptions of why these non-IFRS measures are useful to investors and how management use each measure is included in this MD&A. We believe that providing these performance measures on a supplemental basis to our IFRS results is helpful to investors in assessing the overall performance of our business in a manner similar to management. These financial measures should not be considered as a substitute for similar financial measures calculated in accordance with IFRS. We caution readers that these non-IFRS financial measures may differ from the calculations disclosed by other businesses, and as a result, may not be comparable to similar measures presented by others. Reconciliations of these non-IFRS measures to the most directly comparable financial measures calculated and presented in accordance with IFRS are included within Part III and IV of this MD&A.

The definitions of non-IFRS financial measures are as follows:

- NOI is defined as rental revenue, excluding non-cash straight-line rent and leasing costs amortized to revenue, less property operating costs prior to International Financial Reporting Interpretations Committee 21, *Levies* ("IFRIC 21") adjustments. Rental revenue for purposes of measuring NOI excludes revenue recorded as a result of determining rent on a straight-line basis and the amortization of leasing costs in revenue for IFRS. Same-property NOI includes those properties owned by the REIT for each of the current period and the relevant comparative period.
- FFO is defined as net income adjusted for certain items including transaction costs, change in fair value of properties, change in fair value of financial instruments, change in fair value of Class B LP units, deferred income taxes, tax on gains on disposals of investment properties, distributions to Class B unitholders, depreciation and IFRIC 21 property tax adjustments.
- Core-FFO is defined as FFO adjusted for the REIT's share of lease payments received for a data centre in Winnipeg, Manitoba (the "Data Centre"), which for IFRS purposes is accounted for as a finance lease.

- AFFO is defined as FFO adjusted for amortization of deferred transaction costs; de-recognition and amortization of mark-to-market ("MTM") adjustments on mortgages refinanced or discharged; adjustments for interest rate subsidies received; recognition of the REIT's share of lease payments received for the Data Centre, which for IFRS purposes, is accounted for as a finance lease; amortization of straight-line rent; and normalized direct leasing and capital costs.
- FFO payout ratio, Core-FFO payout ratio and AFFO payout ratio (the "payout ratios") are defined as aggregate distributions made in respect of units of the REIT and Class B LP units divided by FFO, Core-FFO and AFFO, respectively.
- FFO per unit, Core-FFO per unit and AFFO per unit are defined as FFO, Core-FFO and AFFO divided by the weighted average diluted number of units outstanding, respectively.
- NAV is defined as the aggregate of the carrying value of the REIT's equity, Class B LP units, deferred units, and deferred tax liability.
- Adjusted EBITDA is defined as earnings before interest, income taxes, depreciation, fair value gains (losses) from both financial instruments and investment properties, while also excluding non-recurring items such as transaction costs from dispositions, acquisitions or other events.
- Net debt to adjusted EBITDA is defined as the aggregate amount of debt outstanding, less cash on hand, divided by the trailing twelve month adjusted EBITDA.
- Interest coverage ratio is defined as adjusted EBITDA divided by the REIT's interest expense for the period.
- Debt service coverage ratio is defined as adjusted EBITDA divided by the debt service requirements for the period, whereby the debt service requirements reflects amortizing principal repayments and interest expensed during the period. Payments related to defeasance, prepayment penalties, or payments upon discharge of a mortgage are excluded from the calculation.
- LTV ratio is defined as total indebtedness divided by total assets less restricted cash.

RISKS AND UNCERTAINTIES

The REIT's business is subject to a number of risks and uncertainties which are described in its most recently filed Annual Information Form year ended December 31, 2023, available on SEDAR at www.sedarplus.ca.

STRATEGY

Our strategy is to own an institutional quality portfolio of assets in stable office markets. We believe that seeking out assets that can be purchased at a significant discount to peak and replacement value while retaining stable operating fundamentals allows the potential for superior risk-adjusted returns. Approximately two-thirds of office inventory is often overlooked by large institutional investors for various reasons. The REIT's portfolio of office properties provides diversification and an ability to generate cash flow.

While our primary goals are to grow NAV on a per unit basis and provide an attractive total return to unitholders, we are focused on the following areas to achieve the REIT's objectives:

- A focus on our cost basis, which means buying quality assets at a discount to replacement costs. We have a preference towards assets with strong credit tenants and where rents are below market so we can realize organic growth;
- Prudent and proactive capital and asset management to reposition properties, grow rental revenue, extend lease term and increase occupancy to create value while minimizing property and portfolio vacancy exposure;
- Prudent and disciplined management of capital outlays that will maintain and increase the attractiveness of the REIT's portfolio and achieve increased rents;
- Increase the REIT's financial strength and flexibility through robust balance sheet management;
- Target an appropriate AFFO payout ratio taking into account the REIT's other available opportunities and capital allocation requirements; and financing or disposing of stabilized assets and redeploying proceeds accordingly.

Overall, we believe that the REIT has accumulated a portfolio with high credit-quality tenants, positive rental spreads and opportunities in multiple markets.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The environmental, social, and corporate governance ("ESG") strategy at Slate is to mindfully grow our business by striking a careful balance between environmental and social responsibility with the aim of creating positive outcomes for our tenants, employees and communities, while generating value for our investors. To achieve this, management is embedding ESG practices into the core of Slate's and the REIT's day-to-day operations, as well as building out strategic action plans, goals, and targets that align with the four ESG focus areas for Slate and the REIT - Climate Change, Resource Efficiency, Social Impact and Ethical Business Conduct. In tandem, there is a growing obligation from regulators and financial reporting bodies such as IFRS Foundation and the newly affiliated International Sustainability Standards Board ("ISSB") to report on sustainability and climate-related issues.

ESG Disclosure Obligations

On June 26, 2023, the ISSB released its finalized General Requirements for Disclosure of Sustainability-Related Financial Information ("IFRS S1") and IFRS S2 Climate-related Disclosures, ("IFRS S2") standards, creating a global baseline for the disclosure of sustainability information. IFRS S1 requires a company to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect its prospects, including its cash flows, its access to finance or cost of capital, over the short, medium or long term. IFRS S2 requires a company to disclose information about its climate-related risks, which includes both physical risks and transition risks, and opportunities that are useful to investors and other providers of financial capital in making decisions relating to providing resources to the company. The IFRS S2 standard incorporates and builds on the Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations. In Canada, the path towards mandatory application of sustainability reporting standards has progressed with the release of exposure drafts of the Canadian Sustainability Disclosure Standards (CSDS) by the Canadian Sustainability Standards Board (CSSB). These drafts are currently open for public comment until June 10, 2024, with the finalized standards anticipated to be issued by the fourth quarter of 2024. Upon the completion of these standards, the Canadian Securities Administrators (CSA) is expected to solicit feedback on the updated regulations governing climate-related disclosures. The effective date for voluntary adoption of the CSDS is January 1, 2025, with mandatory adoption for public companies yet to be determined by the CSA. There will be a two year transition relief period for reporting scope 3 emissions (tenant controlled emissions) and sustainability disclosures (i.e sustainability risks and opportunities) with mandatory reporting beginning on or after January 1, 2027. Whilst this transitional relief is being proposed by CSSB, this timing is subject to change through the CSSB's comment and deliberation periods. If finalised as such, mandatory requirement will be subject to the CSA's final rules in this area.

As reported previously, the REIT has put into action a number of measures as part of its own ESG commitment that will align with the expected sustainability and climate related reporting obligations.

This includes:

Energy and Water Management

The REIT is actively capturing energy, carbon, water and waste data for each property to support measurement, monitoring, target setting and reporting.

Management of Tenant Sustainability Impacts

Green leases are in place and being rolled out to Irish property tenants. Green lease language is being reviewed and updated for Canadian and U.S. property tenants.

Green leases are leases that incorporate sustainability provisions that align landlord and tenant interests around energy efficiency, water conservation, waste management, and other sustainability measures.

Climate Change Risks and Adaptation

Slate, as manager of the REIT, adopted a systematic process to evaluate the exposure of existing properties and all new acquisitions to climate physical risks. This process informs the management team of the nature and scale of risk exposure under various climate change scenarios for the REIT. Work is also underway to evaluate the exposure of the REIT to climate transition risks which will inform targeted climate mitigation and adaptation strategies for properties at most risk.

Further information on Slate's approach to environmental, social and governance topics is available on the [Slate ESG webpage](#) and [ESG report](#).

TOTAL RETURN TO UNITHOLDERS

As described above, our strategy is to grow NAV on a per unit basis and provide appropriate distributions to unitholders. The REIT believes this strategy aligns with the perspective of the REIT's unitholders, as the combination of (i) change in NAV on a per unit basis and (ii) distributions received, represents the value provided to them by the REIT.

The following reconciliation shows the change in IFRS NAV of the REIT on a total and per unit basis for the three months ended March 31, 2024, and the years ended December 31, 2022 and 2021:

	Three months ended March 31, 2024		Year ended December 31, 2023		Year ended December 31, 2022	
	IFRS Net Asset Value ¹	Per Unit	IFRS Net Asset Value ¹	Per Unit	IFRS Net Asset Value ¹	Per Unit
Beginning of period	\$ 520,394	\$ 6.06	\$ 668,834	\$ 7.82	\$ 651,958	\$ 8.90
Core-FFO	4,474	0.05	24,245	0.28	43,423	0.51
Property fair value changes ²	(20,989)	(0.24)	(131,551)	(1.53)	(87,508)	(1.02)
Other fair value changes	(485)	(0.01)	(9,068)	(0.11)	39,144	0.46
Depreciation on hotel	(249)	(0.01)	(966)	(0.01)	(966)	(0.01)
Foreign exchange	3,068	0.04	(2,309)	(0.03)	11,139	0.13
Unit issuances	—	—	—	—	60,202	(0.59)
Distributions	—	—	(17,336)	(0.17)	(33,316)	(0.40)
Unit repurchases	—	—	—	—	(710)	0.01
Transaction costs	(518)	(0.01)	—	—	(1,240)	(0.01)
Other	(5,103)	(0.06)	(11,455)	(0.19)	(13,292)	(0.16)
End of period	\$ 500,592	\$ 5.82	\$ 520,394	\$ 6.06	\$ 668,834	\$ 7.82

¹Refer to the IFRS NAV section of this MD&A for the calculation of IFRS NAV on a total and per unit basis to the REIT's consolidated financial statements.

²Includes the impact of IFRIC 21 property tax adjustment.

NAV has been determined using the REIT's consolidated financial statements prepared in accordance with IFRS. It is important to note that the consolidated financial statements of the REIT may not be fully representative of the NAV of the REIT. Specifically, the fair value of properties are measured individually without consideration to their aggregate value on a portfolio basis. No consideration is given to diversification benefits related to single property tenant risk and geography, the value of assembling a portfolio or to the utilization of a common management platform, amongst other benefits. As a result, the fair value of the REIT's properties taken in aggregate may differ from the fair value of properties measured individually in the REIT's consolidated statements of financial position.

IFRS NAV decreased \$0.24 per unit driven by a decrease in fair value of investment properties of \$21.0 million or \$0.24 per unit. This was partially offset by Core-FFO of \$4.5 million or \$0.05 per unit. The REIT did not pay distributions to unitholders for the three months ended March 31, 2024.

The following table shows the per unit return to unitholders and the related total return for the following periods:

	Three months ended March 31, 2024		Year ended December 31, 2023		Year ended December 31, 2022	
	Percentage Return	Per Unit	Percentage Return	Per Unit	Percentage Return	Per Unit
IFRS net asset value change	(4.0)%	\$ (0.24)	(22.5)%	\$ (1.76)	(12.1)%	\$ (1.08)
Distributions	—%	—	2.2%	0.17	4.5%	0.40
Total	(4.0)%	\$ (0.24)	(20.3)%	\$ (1.59)	(7.6)%	\$ (0.68)

In the three months ended March 31, 2024, the REIT did not provide cash distributions to unitholders. This represents a total return of (4.0)% based on the REIT's IFRS NAV at December 31, 2023. In 2023, the REIT provided \$0.17 per unit in cash distributions to unitholders. This represents a cash return of 2.2% for the year ended December 31, 2023 and a total return of (20.3)% based on the REIT's IFRS NAV at December 31, 2022. In 2022, the REIT's NAV decreased \$1.08 per unit driven by a decrease in fair value of investment properties of \$87.5 million or \$1.02 per unit, much of which was due to increasing financing costs over the year caused by Central Banks raising interest rates to combat inflation. The issuance of units in exchange for subscription receipts and a private placement to support the portfolio purchase in Q1 2022 cost \$0.59 per unit. This was accompanied by \$0.40 per unit of distributions.

A portion of the total return to unitholders is provided by way of distributions. In 2023 and 2022, 100.0% of unitholder distributions were treated as a return of capital. In 2021, 54.1% of the distributions received by unitholders were treated as a return of capital for taxation purposes and 45.9% was treated as capital gains.

IFRS NET ASSET VALUE

IFRS NAV is a non-IFRS measure and is defined by the REIT as the aggregate of the carrying value of the REIT's equity, Class B LP units, deferred units and deferred tax liability. Management believes that this measure reflects the residual value of the REIT to equity holders and

is used by management on both an aggregate and per unit basis to evaluate the NAV attributable to unitholders and changes thereon based on the execution of the REIT's strategy.

The following is the calculation of IFRS NAV on a total and per unit basis at March 31, 2024 and December 31, 2023 from the REIT's consolidated financial statements:

	March 31, 2024	December 31, 2023
Equity	\$ 495,867	\$ 515,370
Class B LP units	3,964	4,281
Deferred unit liability	535	489
Deferred tax liability	226	254
IFRS net asset value	\$ 500,592	\$ 520,394
Diluted number of units outstanding ¹	86,047	85,937
IFRS net asset value per unit	\$ 5.82	\$ 6.06

¹Represents the fully diluted number of units outstanding and includes outstanding REIT units, DUP units and Class B LP units and is shown in thousands at the end of the respective periods.

The following is an illustration of the REIT's valuation used to determine IFRS NAV at March 31, 2024:

<i>(thousands, except per unit amount)</i>	March 31, 2024
Property fair value ¹	\$ 1,621,455
Data Centre	42,283
Working capital	(5,023)
Debt	(1,158,123)
IFRS net asset value	\$ 500,592
Diluted number of units outstanding	86,047
IFRS net asset value per unit	\$ 5.82

¹Includes \$343.9 million of assets held for sale.

The following is a summary of the REIT's IFRS NAV per unit by geographic segment:

	March 31, 2024
Ontario	\$ 1.72
Atlantic	1.84
Western	0.20
U.S.	1.15
Ireland	0.91
IFRS net asset value per unit	\$ 5.82

SIGNIFICANT HIGHLIGHTS

Leasing

The REIT completed 26 lease transactions in the first quarter of 2024, totaling 270,482 square feet, compared to 13 transactions in the prior quarter totaling 81,302 square feet. Notable leasing transactions for the quarter include the following:

- A 15-year new deal with a financial technology tenant for 108,378 square feet at West Metro Corporate Centre.
- A 10-year new deal with a life sciences tenant for 20,648 square feet at 2599 Speakman Drive.
- A 5-year renewal with a Government tenant for 42,553 square feet at Maritime Centre.

Property Transactions

During Q1 2024, the REIT progressed on its Portfolio Realignment Plan (described below) with the disposition of The Sheridan Exchange for a gross purchase price of \$19.2 million, and Airways Units 7 & 8 for a gross purchase price of approximately \$11.0 million. The REIT is focusing on maximizing revenues and increasing occupancy across the portfolio, in particular in Ontario and Chicago, where there is occupancy and management is seeing increased leasing interest.

Financial

- Net loss was \$22.6 million and NOI was \$23.2 million for the three months ended March 31, 2024 compared to net loss of \$4.1 million and NOI of \$24.4 million for the three months ended March 31, 2023.
- Same property NOI was \$22.9 million for the three months ended March 31, 2024 compared to \$22.8 million for the three months ended December 31, 2023.
- FFO and Core-FFO for the three months ended March 31, 2024 were \$3.5 million and \$4.5 million or \$0.04 and \$0.05, respectively on a per unit basis compared to \$4.8 million and \$5.7 million or \$0.06 and \$0.07 per unit, respectively for the three months ended December 31, 2023.
- AFFO for the three months ended March 31, 2024 was \$3.8 million or \$0.04 per unit, compared to \$5.5 million or \$0.06 per unit for the three months ended December 31, 2023.

PART II - LEASING AND PROPERTY PORTFOLIO

LEASING

Growing rental income by increasing occupancy and continuing to MTM rental rates is a key focus for the REIT. Leasing volume for the first quarter of 2024 totaled 270,482 square feet at a weighted average rental rate spread of 1.3% above in-place and expiring rents for new and renewed leasing. In-place rental rates across the portfolio are at a weighted average of 2.8% below current market rent, providing opportunities for the REIT to continue increasing rental income going forward.

Notable lease transactions in the quarter include the following:

- A 15-year new deal with a financial technology tenant for 108,378 square feet at West Metro Corporate Centre.
- A 10-year new deal with a life sciences tenant for 20,648 square feet at 2599 Speakman Drive.
- A 5-year renewal with a Government tenant for 42,553 square feet at Maritime Centre.

Physical workspace is critical to corporate culture, collaboration and innovation which is driving a return to the office for many of our tenants, particularly those in high growth, essential industries such as life sciences. A resilient economy and employment is driving office space demand as evidenced by the REIT's leasing volumes and continued rental rate increases.

OCCUPANCY

The following is a continuity of the change in the in-place occupancy of the REIT's properties:

	Three months ended March 31, 2024			Three months ended December 31, 2023		
	GLA	Occupancy (square feet)	Occupancy (%)	GLA	Occupancy (square feet)	Occupancy (%)
Occupancy, beginning of period	7,525,329	5,906,450	78.5%	7,525,170	5,915,942	78.6%
Disposed properties						
The Sheridan Exchange	(160,178)	(149,288)	(0.3%)	—	—	—%
Airways Units 7 & 8	(87,969)	(87,969)	(0.3%)	—	—	—%
Remeasurements	2,130	—	—%	159	—	—%
Change in same property occupancy	—	(9,640)	(0.2%)	—	(9,492)	(0.1%)
Occupancy, end of period	7,279,312	5,659,553	77.7%	7,525,329	5,906,450	78.5%

Occupancy at March 31, 2024 was 77.7% and the weighted average lease term was 5.1 years. New leases completed in the first quarter of 2024 partially offset the impact of known vacancies and the REIT continues to execute on a strategy focused on increasing occupancy.

LEASE MATURITIES

The REIT generally enters into leases with an initial term to maturity between 2 and 10 years. The weighted average remaining term to maturity at March 31, 2024 was 5.1 years, not including tenants on month-to-month leases. Management considers the current average term of leases to be indicative of the stability of the portfolio's cash flow and diversified maturity risk.

The following table summarizes the composition of the remaining term to maturity of the REIT's leases by region:

	March 31, 2024			December 31, 2023		
	Weighted average years to maturity ¹	GLA	% of GLA	Weighted average years to maturity ¹	GLA	% of GLA
Atlantic	4.7	1,927,348	26.4%	4.8	1,930,752	25.6%
Ontario	4.1	1,621,883	22.3%	4.2	1,760,148	23.4%
Western	6.1	412,386	5.7%	6.4	410,702	5.5%
Ireland	7.6	777,424	10.7%	7.7	865,478	11.5%
U.S.	5.1	920,512	12.6%	5.3	939,370	12.5%
	5.1	5,659,553	77.7%	5.2	5,906,450	78.5%
Vacant		1,619,759	22.3%		1,618,879	21.5%
Total		7,279,312	100.0%		7,525,329	100.0%

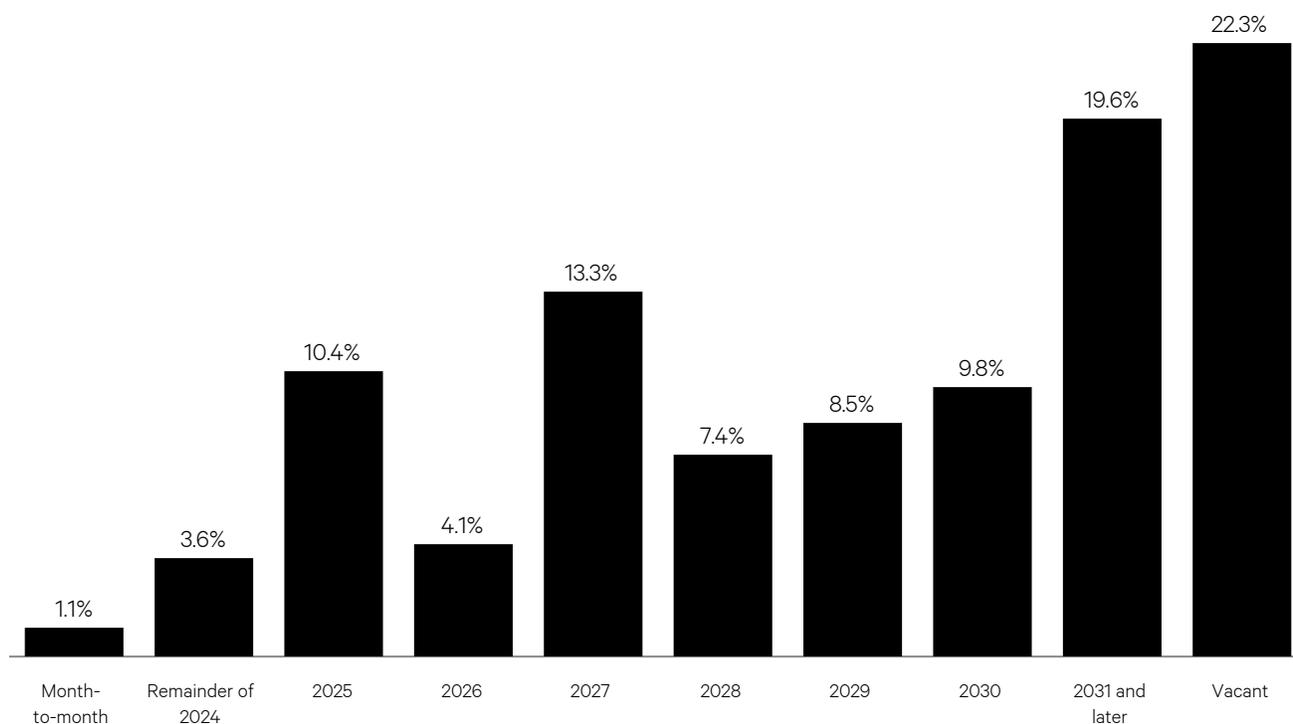
¹The calculation of weighted average years to maturity does not include month-to-month tenants.

The following is a profile of the maturities of the REIT's leases excluding the impact of tenant extension options at March 31, 2024:

	GLA	% of portfolio	Weighted average in-place rent (per square foot) ¹
Month-to-month	82,571	1.1%	\$ 15.72
Remainder of 2024	261,434	3.6%	21.13
2025	756,222	10.4%	17.88
2026	298,418	4.1%	16.27
2027	965,981	13.3%	18.77
2028	539,391	7.4%	19.06
2029	615,158	8.5%	16.48
2030	713,245	9.8%	30.87
2031 and later	1,427,133	19.6%	19.03
Vacant	1,619,759	22.3%	n/a
Total / weighted average	7,279,312	100.0%	\$ 19.95

¹The weighted average in-place occupancy is based on in-place rents for active expiries.

Lease Maturities



Month-to-month tenants comprise 1.1% of the portfolio's GLA and, throughout 2024, 3.6% of the REIT's portfolio GLA is maturing. Securing renewals for these maturities and entering into new leases with tenants is a critical focus for the REIT.

Management's goal is to drive organic growth in the portfolio and focus on creating meaningful per unit NAV accretion through positive rental rate spreads, increased occupancy, improved tenant quality, and longer weighted-average lease terms. The success of the REIT's leasing will depend on the demand for office space in the markets in which the REIT operates, which is in part determined by economic stability and growth.

IN-PLACE AND MARKET RENTS

The weighted-average in-place rent of the REIT's total office portfolio at March 31, 2024 is \$19.95 per square foot, representing a 2.8% discount to current market rent. The estimate of current market rent is based on third party valuations, management's estimates, and leasing data obtained from completed new and renewed leases. While there are no assurances that maturing leases will be renewed at rates in excess of current in-place rents, or at all, management compares in-place rents to market rents to determine the future revenue capacity of the REIT's current portfolio and roll-over revenue risk.

The following table summarizes the REIT's leasing activity during the three months ended March 31, 2024:

	GLA	Number of leases	Weighted average expiring rent (per square foot)	Weighted average new rent (per square foot)	Increase in rent (per square foot)
Renewed leases	69,443	14	\$ 15.32	\$ 16.50	7.7%
New leases	201,039	12	19.61	19.52	(0.5%)
Total / weighted average	270,482	26	\$ 18.51	\$ 18.74	1.3%
Less: leases not renewed / vacated	(68,522)	(14)			
Net total	201,960	12			

The following is a summary of the REIT's new and renewal leasing activity during the last four quarters:

Quarter	Renewals			New leases			Total	
	GLA	Number of leases	Rental rate spread	GLA	Number of leases	Rental rate spread	GLA	Number of leases
Q2 2023	111,174	13	9.1%	33,714	8	21.9%	144,888	21
Q3 2023	205,126	21	3.3%	72,473	14	9.9%	277,599	35
Q4 2023	66,551	10	1.9%	14,751	3	(11.8%)	81,302	13
Q1 2024	69,443	14	7.7%	201,039	12	(0.5%)	270,482	26
Total	526,260	65	4.6 %	369,001	42	5.2 %	895,261	107

TENANT PROFILE

Management's strategy includes ensuring that the REIT's tenants are diversified and of high credit quality. A higher quality tenant base is expected to support tenants' continued ability to meet their lease obligations to the REIT and their ability to retain their workforce, which continues their need for office space. This aids the stability of the REIT's income through economic cycles.

The REIT's total exposure to the Government of Canada, Canadian provinces and the Government of Ireland is approximately 1,114,810 square feet or 17.4% of base rent at share with a weighted average lease term of 4.7 years. Further, 68.2% of the REIT's base rent is derived from government or quality credit rated tenants. The following are the REIT's top 10 largest tenants by percent of base rent receipts at March 31, 2024, which together represent 40.5% of base rental receipts:

Tenant	Credit rating ¹	GLA	Number of properties	% of base rental receipts	Weighted average lease term (years)
CIBC	A+	314,825	3	8.1%	5.6
Bell Canada Enterprises	BBB+	136,464	4	6.4%	4.5
Government of Canada	AAA	365,753	7	5.1%	3.0
SNC-Lavalin Inc. ²	BB+	239,300	3	4.2%	3.6
Province of New Brunswick	A+	290,166	4	3.5%	4.3
Government of Ireland	AA	120,649	7	3.3%	4.2
Blue Cross	Unrated	179,521	4	2.8%	4.1
Johnson Insurance	A1	156,217	1	2.6%	6.7
Pfizer	A	103,189	1	2.3%	8.6
Province of Nova Scotia	AA-	167,731	1	2.2%	5.1
Total		2,073,815		40.5%	4.6

¹Source: DBRS, Moody's or S&P as at March 31, 2024.

²Includes 93,642 square feet of SNC-Lavalin Nuclear Inc.

PROPERTY PROFILE

The REIT's property portfolio at March 31, 2024 consists of interests in 52 properties. The portfolio has 7.3 million square feet of GLA. For a listing of all of the REIT's properties see Part VI of this MD&A.

IFRS Fair Value

The REIT's property portfolio at March 31, 2024 had an estimated IFRS fair value of \$1.3 billion. The REIT's IFRS fair value reflects the current economics of the REIT's properties, including its 77.7% in-place occupancy and current weighted average in-place rents of \$19.95 per square foot, which management estimates to be on average \$0.58 per square foot below estimated market rents. Various properties within the REIT's portfolio are significantly below normalized occupancy, several of which are expected to be so for all or a portion of the next twelve-month period and beyond.

Overall, the average estimated IFRS fair value per square foot of the REIT's portfolio excluding the Data Centre and Delta Brunswick Hotel is \$232. Management believes that the average IFRS value per square foot is significantly lower than replacement cost, which management estimates to be on average between \$300 and \$400 per square foot. In certain markets, such as St. John's, NL, the cost to construct is significantly higher.

The following table presents a summary of the discount and terminal capitalization rates for the fair value of the REIT's properties:

	March 31, 2024		December 31, 2023	
	Discount rate	Terminal capitalization rate	Discount rate	Terminal capitalization rate
Minimum	7.00%	6.75%	6.75%	6.75%
Maximum	11.50%	10.50%	11.50%	10.50%
Weighted average	8.07%	7.44%	7.99%	7.43%

The fair value of properties are measured individually without consideration to their aggregate value on a portfolio basis. No consideration is given to diversification benefits related to single property tenant risk and geography, the value of assembling a portfolio or to the use of a common management platform, amongst other benefits. As a result, the fair value of the REIT's properties taken in aggregate may differ from the fair value of properties measured individually in the REIT's consolidated statements of financial position. Property valuation is dependent on leasing history, market reports, tenant profiles and available appraisals alongside other evidence of market conditions. At the balance sheet date there exists a limited number of observable comparable transactions and certain of the observable comparable transactions may have occurred by seller distress, financing pressure or other factors specific to those particular market participants and transactions. Accordingly, estimation uncertainty with determining the fair value of investment properties remains high.

Property continuity

A continuity of the REIT's property interests is summarized below:

	Three months ended March 31,	
	2024	2023
Beginning of period	\$ 1,362,188	\$ 1,754,338
Capital expenditures	1,993	2,639
Leasing costs	4,071	4,480
Dispositions ¹	(29,883)	—
Depreciation of hotel asset	(249)	(240)
Foreign exchange	7,342	1,764
Change in fair value	(10,792)	4,008
IFRIC 21 property tax adjustment ²	(10,197)	(10,491)
Straight-line rent and other changes	(2,183)	(2,709)
Transfer to assets held for sale	(44,716)	—
End of period	\$ 1,277,574	\$ 1,753,789

¹Represents the purchase price and capital adjustments.

²In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably

Capital expenditures are incurred by the REIT for maintaining or improving its properties. Certain leases provide the ability to recover all or a portion of these costs from tenants over time. Leasing costs generally include tenant improvement construction costs related to new and renewal leasing.

During the three months ended March 31, 2024, the REIT's investment property value decreased by \$39.9 million compared to the same period in the prior year before factoring the transfer to assets held for sale. The change in value is driven by the dispositions of The Sheridan Exchange and Airways Units 7 & 8 in February 2023. This was partially offset by capital expenditures and the appreciation of U.S. Dollar.

In 2023, the REIT initiated a Portfolio Realignment Plan to dispose of certain of its properties to raise capital in order to increase liquidity and reduce its outstanding borrowings (the "Portfolio Realignment Plan"). As at March 31, 2024, the REIT classified 14 investment properties with a total estimated fair value of \$343.9 million and outstanding debt principal of \$233.5 million as held for sale. To achieve the REIT's goal of increasing its liquidity and reducing its outstanding borrowings by selling certain of its properties, the REIT may be required to dispose of such properties on an accelerated basis and at amounts materially less than the estimated fair value at March 31, 2024, especially in instances where there is limited purchaser interest or limited or no financing available for potential purchasers. The REIT classified 14 investment properties with a total estimated fair value of \$299.2 million and outstanding debt principal of \$195.7 million as held for sale as at December 31, 2023.

PART III - RESULTS OF OPERATIONS

SUMMARY OF RESULTS OF OPERATIONS

The following is a summary of the results of operations:

	Three months ended March 31,	
	2024	2023
Rental revenue	\$ 50,261	\$ 49,092
Property operating expenses	(39,464)	(37,932)
Finance income on finance lease receivable	675	731
Interest income	95	88
Interest and finance costs	(18,306)	(14,396)
General and administrative expenses	(2,184)	(5,080)
Change in fair value of financial instruments	(485)	(3,488)
Change in fair value of investment properties	(10,792)	4,008
Depreciation of hotel asset	(249)	(240)
Transaction costs	(518)	—
Deferred income tax expense	28	(108)
Current income tax expense	(1,949)	(341)
Net loss before Class B LP units	\$ (22,888)	\$ (7,666)
Change in fair value of Class B LP units	317	4,123
Distributions to Class B LP unitholders	—	(528)
Net loss	\$ (22,571)	\$ (4,071)
Other comprehensive loss to be subsequently reclassified to profit or loss:		
Foreign currency translation income	3,068	1,007
Total other comprehensive income	3,068	1,007
Comprehensive loss	\$ (19,503)	\$ (3,064)

NET LOSS AND COMPREHENSIVE LOSS

For the three months ended March 31, 2024, net loss was \$22.6 million which is greater than the net loss of \$4.1 million for the same period in the prior year. The increase is primarily due to a decrease in fair value loss of investment properties and from a rise in the REIT's weighted average interest rate from refinancings completed in the last 12 months and from interest rate swap maturities resulting in an increase in floating rate debt. The increase in net loss was further impacted by a decrease in fair value gain of Class B Units. This was offset by a decrease in general and administrative costs as the REIT realized strategic review costs during the three months ended March 31, 2023. Other comprehensive gain increased by \$2.1 million for the three months ended March 31, 2024 compared to the same period in the prior year due to the appreciation of the U.S. dollar.

NET OPERATING INCOME

NOI is a non-IFRS measure and is defined by the REIT as rental revenue, excluding non-cash straight-line rent and leasing costs amortized to revenue, less property operating costs prior to IFRIC 21 adjustments. Rental revenue for purposes of measuring NOI excludes revenue recorded as a result of determining rent on a straight-line basis and the amortization of leasing costs in revenue for IFRS, which management believes better reflects the cash generation activity of the REIT's properties. NOI is an important measure of the income generated from the REIT's properties and is used by the REIT in evaluating the performance of its properties.

The following is a calculation of NOI for the three months ended March 31, 2024 and 2023:

	Three months ended March 31,	
	2024	2023
Revenue	\$ 50,261	\$ 49,092
Property operating expenses	(39,464)	(37,932)
IFRIC 21 property tax adjustment ¹	10,197	10,491
Straight-line rents and other changes	2,183	2,709
Net operating income	\$ 23,177	\$ 24,360

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO or AFFO.

For the three months ended March 31, 2024, NOI decreased to \$23.2 million from \$24.4 million for the same period in the prior year. The decrease was driven by certain vacancies at the REIT's U.S. properties and from the dispositions of The Sheridan Exchange and Airways Units 7 & 8 in February 2024. This was partially offset by the 25% acquisition of West Metro Corporate Centre.

The following is a reconciliation of the change in NOI for the three months ended March 31, 2024 compared to the same period in the prior year:

Net operating income, Q1 2023	\$	24,360
Change in same-property NOI		(1,188)
Contribution from acquired properties		376
Impact of foreign exchange rates		17
Reduced contribution from sold properties		(388)
Net operating income, Q1 2024	\$	23,177
Year-over-year change - \$	\$	(1,183)
Year-over-year change - %		(4.9)%

The following is a reconciliation of the change in NOI for the three months ended March 31, 2024 compared to the immediately preceding quarter:

Net operating income, Q4 2023	\$	24,085
Change in same-property NOI		124
Impact of foreign exchange rates		(59)
Change in hotel contribution ¹		(575)
Reduced contribution from sold properties		(398)
Net operating income, Q1 2024	\$	23,177
Quarter-over-quarter change - \$	\$	(908)
Quarter-over-quarter change - %		(3.8)%

¹Contribution from the REIT's hotel is not included in same property changes when compared to the preceding quarter due to the seasonality of its contribution to NOI.

SAME-PROPERTY NOI

Same-property NOI is a non-IFRS measure and is defined by the REIT as rental revenue, excluding non-cash straight-line rent, less property operating costs for those properties owned by the REIT for all of the current period and the relevant comparative period. Other than on a year-over-year basis, same property NOI excludes the earnings attributable to the REIT's hotel asset due to the seasonality of that asset. Same-property NOI is an important measure of the income generated from the REIT's properties period-over-period, but without consideration of acquisition and disposition activity, and is used by the REIT in evaluating the performance of its properties. The REIT seeks to increase or maintain same-property NOI through leasing up vacant space, increasing rents on renewal to market rents and by signing leases with embedded rent increases throughout the term of the lease.

Management compares same-property NOI for the current quarter to the immediately preceding quarter and to the same quarter in the preceding year.

Same-property NOI: comparison of the current quarter to the same quarter in the prior year

The same-property NOI comparison for the three months ended March 31, 2024 excludes assets acquired and disposed of in the 15 months prior to March 31, 2024. Where the REIT owns a partial interest in a property, NOI is included at the REIT's proportionate ownership for the current and comparative period based on its ownership at the current quarter end. The operations of the REIT's hotel asset are included when compared to the prior year as the seasonal variations are consistent.

	Three months ended	
	March 31, 2024	March 31, 2023
Number of properties	52	52
GLA ¹	7,279,312	7,278,118
Revenue	\$ 48,792	\$ 48,077
Operating expenses	(38,591)	(37,504)
IFRIC 21 property tax adjustment	10,197	10,490
Straight-line rents and other changes	2,132	2,638
Same-property NOI (including hotel asset)	\$ 22,530	\$ 23,701
Period-over-period change - \$	\$ (1,171)	
Period-over-period change - %	(4.9)%	

¹GLA is presented at 100% of the building's GLA, without taking ownership percentage into consideration.

	Three months ended	
	March 31, 2024	March 31, 2023
Same-property NOI (including hotel asset)	\$ 22,530	\$ 23,701
Less: lease termination payments	(401)	—
Same-property NOI (excluding lease termination payments)	\$ 22,129	\$ 23,701
Period-over-period change - \$	\$ (1,572)	
Period-over-period change - %	(6.6)%	

Same-property NOI for the three months ended March 31, 2024 compared to the same period in 2023 decreased by \$1.2 million or 4.9%. The decrease is primarily due to certain vacancies at the REIT's U.S. properties offset by termination income received at one of the REIT's Atlantic properties.

Same-property NOI: comparison of the current quarter to the preceding quarter

The same-property NOI comparison to the three months ended December 31, 2023 excludes the impact of properties acquired or disposed of in part or whole over the two quarters. Where the REIT owns a partial interest in a property, NOI is included at the REIT's proportionate ownership for the current and comparative period based on its ownership at the current quarter end. The comparison also excludes the impact of the REIT's hotel asset due to the seasonality of its earnings and contribution to NOI.

	Three months ended	
	March 31, 2024	December 31, 2023
Number of properties	52	52
GLA ¹	7,279,312	7,277,182
Revenue	\$ 49,822	\$ 47,796
Property operating expenses	(39,274)	(23,746)
IFRIC 21 property tax adjustment	10,197	(3,479)
Straight-line rents and other changes	2,162	2,846
Same-property NOI (including hotel asset)	22,907	23,417
NOI attributable to hotel asset	(2)	(577)
Same-property NOI (excluding hotel asset)	\$ 22,905	\$ 22,840
Period-over-period change - \$	\$ 65	
Period-over-period change - %	0.3%	

¹GLA is presented at 100% of the building's GLA, without taking ownership percentage into consideration.

	Three months ended	
	March 31, 2024	December 31, 2023
Same-property NOI (excluding hotel asset)	\$ 22,905	\$ 22,840
Less: lease termination payments	(401)	—
Same-property NOI (excluding hotel asset and lease termination payments)	\$ 22,504	\$ 22,840
Period-over-period change - \$	\$ (336)	
Period-over-period change - %	(1.5%)	

Same-property NOI, excluding the REIT's hotel asset, for the three months ended March 31, 2024 compared to the three months ended December 31, 2023, increased by 0.3%. The slight increase is primarily due to termination income received at one of the REIT's Atlantic properties offset by certain vacancies at the REIT's U.S. properties.

FUNDS FROM OPERATIONS

FFO

FFO is a non-IFRS measure for evaluating real estate operating performance. The REIT calculates FFO in accordance with the definition provided by the Real Property Association of Canada ("RealPAC") in its White Paper on FFO, as revised in January 2022.

Core-FFO

Core-FFO is a non-IFRS measure which makes certain adjustments to the REIT's calculation of FFO to recognize the REIT's share of lease payments received for the Data Centre, which for IFRS purposes is accounted for as a finance lease.

Reconciliation of FFO and Core-FFO

Management believes that FFO and Core-FFO are important measures of the operating performance and are used by the REIT in evaluating the combined performance of its operations, including the impact of its capital structure and are useful for investors to evaluate the performance of the REIT.

The following is a reconciliation of FFO and Core-FFO from cash flow from operating activities:

	Three months ended March 31,	
	2024	2023
Cash flow from operating activities	\$ 5,318	\$ 8,197
Add (deduct):		
Leasing costs amortized to revenue	2,518	2,661
Transaction costs	518	—
Working capital changes	(2,592)	(2,183)
Straight-line rent and other changes	(2,183)	(2,709)
Interest and finance costs	(18,306)	(14,396)
Interest paid	16,570	13,216
Tax on gains on disposals of investment properties	1,701	—
Distributions paid to Class B LP unitholders	—	528
FFO	\$ 3,544	\$ 5,314
Finance income on finance lease receivable	(675)	(731)
Finance lease payments received	1,605	1,605
Core-FFO	\$ 4,474	\$ 6,188

The following is a reconciliation of FFO and Core-FFO from net income:

	Three months ended March 31,	
	2024	2023
Net loss	\$ (22,571)	\$ (4,071)
Add (deduct):		
Leasing costs amortized to revenue	2,518	2,661
Change in fair value of properties	10,792	(4,008)
IFRIC 21 property tax adjustment ¹	10,197	10,491
Change in fair value of financial instruments	485	3,488
Transaction costs	518	—
Depreciation of hotel asset	249	240
Deferred income tax expense	(28)	108
Tax on gains on disposals of investment properties	1,701	—
Change in fair value of Class B LP units	(317)	(4,123)
Distributions to Class B LP unitholders	—	528
FFO	\$ 3,544	\$ 5,314
Finance income on finance lease receivable	(675)	(731)
Finance lease payments received	1,605	1,605
Core-FFO	\$ 4,474	\$ 6,188
Weighted average number of units outstanding ²	85,937	85,585
FFO per unit (diluted)	\$ 0.04	\$ 0.06
Core-FFO per unit (diluted)	\$ 0.05	\$ 0.07

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO or AFFO.

²Represents the diluted weighted average number of units outstanding and includes the weighted average outstanding of all REIT units, DUP units and Class B LP units and is shown in thousands for their respective periods.

The following is a calculation of FFO and Core-FFO from the REIT's consolidated financial statements:

	Three months ended March 31,	
	2024	2023
Rental revenue	\$ 50,261	\$ 49,092
Property operating expenses	(39,464)	(37,932)
Finance income on finance lease receivable	675	731
Interest income	95	88
Interest and finance costs	(18,306)	(14,396)
General and administrative expenses	(2,184)	(5,080)
IFRIC 21 property tax adjustment ¹	10,197	10,491
Leasing costs amortized to revenue	2,518	2,661
Current income tax expense	(1,949)	(341)
Tax on gains on disposals of investment properties	1,701	—
FFO	\$ 3,544	\$ 5,314
Finance income on finance lease receivable	(675)	(731)
Finance lease payments received	1,605	1,605
Core-FFO	\$ 4,474	\$ 6,188
Weighted average number of units outstanding ²	85,937	85,585
FFO per unit (diluted)	\$ 0.04	\$ 0.06
Core-FFO per unit (diluted)	\$ 0.05	\$ 0.07

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO or AFFO.

²Represents the diluted weighted average number of units outstanding and includes the weighted average outstanding of all REIT units, DUP units and Class B LP units and is shown in thousands over their respective periods.

FFO for the three months ended March 31, 2024 was \$3.5 million, which is \$1.8 million lower than the same period in 2023. The decrease in FFO was primarily a result of a decrease in NOI and a rise in the REIT's weighted average interest rate from refinancings completed in the last 12 months and from interest rate swap maturities, resulting in an increase in floating rate debt. This was offset by a decrease in general and administrative costs as the REIT realized strategic review costs during the three months ended March 31, 2023.

Core-FFO decreased to \$4.5 million or \$0.05 per unit for the three months ended March 31, 2024 from \$6.2 million or \$0.07 per unit for the same period in 2023. The period change drivers are as described for FFO.

ADJUSTED FUNDS FROM OPERATIONS

AFFO is a non-IFRS measure that is used by management of the REIT, certain of the real estate industry and investors to measure the cash flows generated from operations including certain capital costs, leasing costs, tenant improvements and the impact of non-cash revenue. It is a meaningful measure used to evaluate the extent of cash available for distribution to unitholders. The REIT's use and calculation of AFFO may be different than the use or as disclosed by other businesses, and as a result, may not be comparable to similar measures presented by others.

In calculating AFFO, the REIT makes adjustments to FFO for certain items including: amortization of deferred transaction costs; de-recognition and amortization of MTM adjustments on mortgages refinanced or discharged; adjustments for interest rate subsidies received; recognition of the REIT's share of lease payments received for the Data Centre, which for IFRS purposes, is accounted for as a finance lease; amortization of straight-line rent; and normalized direct leasing and capital costs.

Amortization of deferred transaction costs are costs incurred to obtain debt financing that are recorded in net income, generally, on a systematic basis over the life of the debt to which they relate. The REIT deducts these amounts in determining AFFO as they represent non-cash charges to net income in the current period. Amortization of MTM adjustments are differences between debt assumed in conjunction with a property acquisition on assumption that are recorded in net income, generally, on a systematic basis over the life of the debt to which they relate. The REIT deducts or adds, as applicable, these amounts in determining AFFO as they represent non-cash charges to net income.

Normalized direct leasing and capital costs are determined as 10% of the net of rental revenue less property operating expenses and represents the normalized on-going costs required to maintain existing space of a stabilized property. Actual amounts will vary from period to period depending on various factors, including but not limited to, the timing of expenditures made and contractual lease obligations.

The method applied by the REIT to calculate AFFO may differ from methods applied by other issuers in the real estate industry and differs from the definition of AFFO as defined by RealPAC in its White Paper, as issued in January 2022.

The following table reconciles AFFO from cash flow from operating activities:

	Three months ended March 31,	
	2024	2023
Cash flow from operating activities	\$ 5,318	\$ 8,197
Add (deduct):		
Working capital items	(2,592)	(2,183)
Principal repayments on finance lease receivable	930	874
Distributions paid to Class B LP unitholders	—	528
Transaction costs	518	—
Tax on gains on disposals of investment properties	(2,099)	—
Normalized direct leasing and capital costs	1,701	(2,165)
AFFO	\$ 3,776	\$ 5,251

The following table reconciles AFFO from NOI:

	Three months ended March 31,	
	2024	2023
Net operating income	\$ 23,177	\$ 24,360
Add (deduct):		
General and administrative expenses	(2,184)	(5,080)
Finance lease payments received	1,605	1,605
Cash interest	(16,475)	(13,128)
Normalized direct leasing and capital costs	(2,099)	(2,165)
Current income tax expense	(1,949)	(341)
Tax on gains on disposals of investment properties	1,701	—
AFFO	\$ 3,776	\$ 5,251

A reconciliation of Core-FFO to AFFO is as follows:

	Three months ended March 31,	
	2024	2023
Core-FFO	\$ 4,474	\$ 6,188
Add (deduct):		
Amortization of deferred transaction costs	1,746	1,190
Amortization of debt mark-to-market adjustments	(10)	(10)
Amortization of straight-line rent	(335)	48
Normalized direct leasing and capital costs	(2,099)	(2,165)
AFFO	\$ 3,776	\$ 5,251
Weighted average number of units outstanding ¹	85,937	85,585
AFFO per unit (diluted)	\$ 0.04	\$ 0.06

¹Represents the diluted weighted average number of units outstanding and includes the weighted average outstanding of all REIT units, DUP units and Class B LP units and is shown in thousands at the end of the respective periods.

For the three months ended March 31, 2024, AFFO was \$3.8 million or \$0.04 per unit, whereas AFFO for the same period in 2023 was \$5.3 million or \$0.06 per unit, representing a decrease of \$1.5 million or \$0.02 per unit. The decrease in AFFO is primarily a result of a decrease in NOI, additional interest paid as a result of interest rate increases offset by a decrease in general and administrative costs.

Reconciliation of FFO, Core-FFO and AFFO

A reconciliation of net income to FFO, Core-FFO and AFFO is as follows:

	Three months ended March 31,	
	2024	2023
Net loss	\$ (22,571)	\$ (4,071)
Add (deduct):		
Leasing costs amortized to revenue	2,518	2,661
Change in fair value of properties	10,792	(4,008)
IFRIC 21 property tax adjustment ¹	10,197	10,491
Change in fair value of financial instruments	485	3,488
Transaction costs	518	—
Depreciation of hotel asset	249	240
Deferred income tax expense	(28)	108
Tax on gains on disposals of investment properties	1,701	—
Change in fair value of Class B LP units	(317)	(4,123)
Distributions to Class B LP unitholders	—	528
FFO	3,544	5,314
Finance income on finance lease receivable	(675)	(731)
Finance lease payments received	1,605	1,605
Core-FFO	4,474	6,188
Amortization of deferred transaction costs	1,746	1,190
Amortization of debt mark-to-market adjustments	(10)	(10)
Amortization of straight-line rent	(335)	48
Normalized direct leasing and capital costs	(2,099)	(2,165)
AFFO	\$ 3,776	\$ 5,251

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO or AFFO.

The following is FFO, Core-FFO and AFFO expressed on a per unit basis:

	Three months ended March 31,	
	2024	2023
FFO per unit (diluted)	\$ 0.04	\$ 0.06
Core-FFO per unit (diluted)	0.05	0.07
AFFO per unit (diluted)	0.04	0.06

FFO, CORE-FFO AND AFFO PAYOUT RATIOS

FFO, Core-FFO and AFFO payout ratios are non-IFRS measures that provide a comparison of the distributions made by the REIT to unitholders compared to FFO, Core-FFO and AFFO generated by the REIT. Management uses these measures to evaluate the REIT's ability to sustain its distributions. The payout ratios are calculated by dividing aggregate distributions made in respect of units of the REIT and Class B LP units by FFO, Core-FFO and AFFO during the period of measurement.

One of the REIT's objectives is to provide a distribution over time that is appropriate in consideration of the REIT's available liquidity to fund distributions, the asset allocation alternatives available to the REIT, the estimated impact on the trading price of the REIT's trust units and the expected future cash flows to be generated by the REIT in consideration of the REIT's future cash flow needs. To the extent these factors change, the Board of Trustees of the REIT will consider adjustments to its distribution policy.

The REIT's AFFO payout ratio for the three months ended March 31, 2024 was 0.0%. The REIT aims to provide attractive total returns to unitholders while retaining sufficient cash flow for the REIT to support the enhancement of its portfolio. In November 2023, the REIT's Board of Trustees determined to suspend its monthly cash distribution which is expected to provide the REIT with an additional \$10.2 million of cash annually. These savings are being used to strengthen the REIT's balance sheet and liquidity.

The table below illustrates the REIT's FFO in comparison to its cash distributions:

	Three months ended March 31,	
	2024	2023
FFO	\$ 3,544	\$ 5,314
REIT unit and Class B LP distributions declared	—	8,522
Excess of FFO over cash distributions	\$ 3,544	\$ (3,208)
FFO payout ratio	—%	160.4%

The table below illustrates the REIT's cash flow capacity, based on Core-FFO, in comparison to its cash distributions:

	Three months ended March 31,	
	2024	2023
Core-FFO	\$ 4,474	\$ 6,188
REIT unit and Class B LP distributions declared	—	8,522
Excess of Core-FFO over cash distributions	\$ 4,474	\$ (2,334)
Core-FFO payout ratio	—%	137.7%

The table below illustrates the REIT's cash flow capacity, based on AFFO, in comparison to its cash distributions:

	Three months ended March 31,	
	2024	2023
AFFO	\$ 3,776	\$ 5,251
REIT unit and Class B LP distributions declared	—	8,522
Excess of AFFO over cash distributions	\$ 3,776	\$ (3,271)
AFFO payout ratio	—%	162.3%

The FFO, Core-FFO and AFFO payout ratios have decreased for the three months ended March 31, 2024 compared to the same period in 2023 as a result of the suspension of its monthly cash distribution in November 2023.

DISTRIBUTIONS

The Board of Trustees continually evaluates the distribution policy of the REIT in consideration of various factors. These factors generally include the REIT's available liquidity to fund distributions, the asset allocation alternatives available to the REIT and their impact, the interest rate environment, the REIT's cost of capital and the expected future cash flows to be generated by the REIT. The Board of Trustees consider the REIT's taxable income and future cash flow needs, which include funding value-add opportunities, leasing costs, and other capital. Based on these factors, the Board of Trustees of the REIT may determine a modification of the REIT's distribution to be beneficial to the REIT.

The following table summarizes distributions made during the three months ended March 31, 2024 and 2023 to unitholders of the REIT and Class B LP unitholders:

	Three months ended March 31, 2024			Three months ended March 31, 2023		
	Trust units	Class B LP units	Total	Trust units	Class B LP units	Total
Distributions declared	\$ —	\$ —	\$ —	\$ 7,994	\$ 528	\$ 8,522

The following table summarizes distributions declared during the three months ended March 31, 2024 to unitholders of the REIT and Class B LP unitholders compared to cash provided by operations and net income:

	Three months ended March 31,	
	2024	2023
Cash provided by operations	\$ 5,318	\$ 8,197
Net loss	(22,571)	(4,071)
Distributions declared	—	8,522
Excess of cash provided by operations over total distributions	\$ 5,318	\$ (325)
Shortfall of net loss over total distributions	\$ (22,571)	\$ (12,593)

The REIT did not declare or pay distributions during the three months ended March 31, 2024. Distributions made during the three months ended March 31, 2023 were settled in cash. Total distributions exceeded cash provided by operations for the three months ended March 31, 2023 due to an increase in interest rates on the REIT's debt as Central Banks in the REIT's markets continued to raise interest rates to reduce inflationary pressures and an increase in general and administrative expenses associated with costs of third party advice for the REIT Board's special committee that concluded in April 2023. Distributions declared exceeded net income for the three months ended March 31, 2023 primarily driven by a non-cash loss due to IFRIC 21 property tax adjustments of \$10.5 million, the increase in general and administrative costs and increased interest rates on the REIT's debt. In November 2023, the REIT's Board of Trustees suspended monthly cash distributions which is expected to provide the REIT with an additional \$10.2 million of cash annually.

Taxation of Distributions

The REIT qualifies as a "mutual fund trust" under the Income Tax Act (Canada) (the "Tax Act"). For taxable Canadian resident REIT unitholders, the REIT's distributions are treated as follows for tax purposes over the four most recent years:

Taxation year	Return of capital	Capital gains	Other income
2023 per \$ of distribution	100.0%	—	—
2022 per \$ of distribution	100.0%	—	—
2021 per \$ of distribution	54.1%	45.9%	—
2020 per \$ of distribution	43.3%	56.7%	—

Of the distributions received by unitholders in 2023 and 2022, 100.0% were treated as return of capital due to the impact of depreciation recapture on asset sales. For 2021, 45.9% were treated as capital gains and 54.1% were treated as return of capital. For 2020, 56.7% were treated as capital gains and 43.3% were treated as return of capital.

SEGMENTED INFORMATION

The REIT operates in Canada, the United States, and Ireland. The following is a summary of investment properties and assets held for sale by geographic location:

	March 31, 2024	December 31, 2023
Canada	\$ 1,045,713	\$ 1,079,490
United States	322,534	318,621
Ireland	253,208	263,240
Total	\$ 1,621,455	\$ 1,661,351

The following is the REIT's NOI by geographic location for the three months ended March 31, 2024 and 2023:

	Three months ended March 31,			
	2024		2023	
	NOI	Percentage (%)	NOI	Percentage (%)
Canada	\$ 14,287	61.6%	\$ 13,786	56.6%
U.S.	4,697	20.3%	6,152	25.2%
Ireland	4,193	18.1%	4,422	18.2%
Total	\$ 23,177	100.0%	\$ 24,360	100.0%

The Canadian segment can be further broken down into three regions. The following is the REIT's Canadian NOI for the three months ended March 31, 2024 and 2023:

	Three months ended March 31,			
	2024		2023	
	NOI	Percentage (%)	NOI	Percentage (%)
Atlantic	\$ 6,724	47.0%	\$ 6,628	48.1%
Ontario	6,109	42.8%	5,828	42.3%
Western	1,454	10.2%	1,330	9.6%
Total	\$ 14,287	100.0%	\$ 13,786	100.0%

	Three months ended March 31,	
	2024	2023
Atlantic		
# of properties	13	13
Owned GLA (000s of square feet)	2,611	2,608
Occupancy rate (%) (period-end)	73.8%	75.0%
Revenue	\$ 17,700	\$ 16,605
Property operating expenses	(11,735)	(10,791)
Straight-line rent and other changes	759	814
NOI	\$ 6,724	\$ 6,628

NOI for the Atlantic properties increased slightly for the three months ended March 31, 2024 compared to the same period in 2023. The increase is primarily a result of \$0.4 million in termination income received at one of the REIT's Atlantic properties and positive leasing activity at another one of the Atlantic properties. This was offset by a certain vacancy at one of REIT's Atlantic properties.

	Three months ended March 31,	
	2024	2023
Ontario		
# of properties	8	9
Owned GLA (000s of square feet)	2,107	2,265
Occupancy rate (%) (period-end)	77.0%	78.9%
Revenue	\$ 12,149	\$ 11,141
Property operating expenses	(6,968)	(6,243)
Straight-line rent and other changes	928	930
NOI	\$ 6,109	\$ 5,828

NOI in Ontario increased by \$0.3 million for the three months ended March 31, 2024 compared to the same period in 2023. The increase is largely a result of the 25% acquisition of West Metro Corporate Centre in August 2023 and from positive leasing at another one of the REIT's Ontario properties. This was offset by the disposition of The Sheridan Exchange in February 2024 and a certain vacancy at one of the REIT's Ontario properties.

Western	Three months ended March 31,	
	2024	2023
# of properties	6	6
Owned GLA (000s of square feet)	463	463
Occupancy rate (%) (period-end)	89.1%	89.1%
Revenue	\$ 2,865	\$ 2,774
Property operating expenses	(1,418)	(1,463)
Straight-line rent and other changes	7	19
NOI	\$ 1,454	\$ 1,330
NOI from Data Centre	1,605	1,605
NOI including Data Centre	\$ 3,059	\$ 2,935

Including income from the Data Centre, NOI for the Western properties was \$3.1 million for the three months ended compared to \$2.9 million in the same period in 2023, respectively. The increase is a result of an increase in property operating expense recoveries at certain of the REIT's Western properties. The Data Centre is accounted for as a finance lease and corresponding interest income is recorded below NOI and principal repayments reduce the balance of the lease receivable.

United States	Three months ended March 31,	
	2024	2023
# of properties	3	3
Owned GLA (000s of square feet)	1,224	1,226
Occupancy rate (%) (period-end)	75.2%	83.2%
Revenue	\$ 11,987	\$ 13,001
Property operating expenses	(17,980)	(18,258)
IFRIC 21 property tax adjustment ¹	10,197	10,491
Straight-line rent and other changes	493	918
NOI	\$ 4,697	\$ 6,152

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO or AFFO.

NOI for the United States properties decreased by \$1.5 million for the three months ended March 31, 2024 compared to the same period in 2023. The decrease is primarily a result of certain vacancies at the REIT's U.S. properties.

Ireland	Three months ended March 31,	
	2024	2023
# of properties	22	23
Owned GLA (000s of square feet)	874	962
Occupancy rate (%) (period-end)	89.0%	92.5%
Revenue	\$ 5,560	\$ 5,571
Property operating expenses	(1,363)	(1,177)
Straight-line rent and other changes	(4)	28
NOI	\$ 4,193	\$ 4,422

NOI for the Irish properties decreased by \$0.2 million for the three months ended March 31, 2024 compared to the same period in 2023. The decrease is primarily due to the disposition of Airways Units 7 & 8 in February 2024. This was partially offset by the completion of a certain rent free period for a tenant at one of the REIT's Irish properties during the three months ended March 31, 2024.

REVENUE

Revenue from properties includes rent from tenants under lease agreements, straight-line rental income, percentage rents, property taxes and operating cost recoveries, parking revenue and other incidental income. The following is a summary of the components of revenue:

	Three months ended March 31,	
	2024	2023
Property base rent ¹	\$ 26,903	\$ 27,920
Operating cost recoveries	16,090	14,723
Tax recoveries	7,390	7,283
Hotel	2,061	1,875
Straight-line adjustments and other changes	(2,183)	(2,709)
Total	\$ 50,261	\$ 49,092

¹Includes parking revenue earned at properties.

For the three months ended March 31, 2024, revenue from properties was \$50.3 million which is \$1.2 million higher than \$49.1 million for the same period in 2023. The increase is largely a result of an increase in NOI from the 25% acquisition of West Metro Corporate Centre in August 2023 and \$0.4 million in termination income received at one of the REIT's Atlantic properties. The increase is offset by certain vacancies at the REIT's U.S. properties.

PROPERTY OPERATING RECOVERIES AND EXPENSES

Property operating expenses consist of property taxes, property management fees and other expenses such as common area costs, utilities and insurance. The majority of the REIT's property operating expenses are recoverable from tenants in accordance with the terms of the tenants' lease agreements. Operating cost recoveries are included in revenue from properties and amounted to \$16.1 million for the three months ended March 31, 2024 compared to \$14.7 million for the same period in 2023. Property tax recoveries were \$7.4 million for the three months ended March 31, 2024 which is higher than \$7.3 million for the same period in 2023.

The share of net leases as a percentage of the portfolio's occupied gross leasable area at March 31, 2024 was 86.6% compared to 83.2% and 80.9% at December 31, 2023 and March 31, 2023, respectively. Certain of the REIT's net leases include limitations on cost escalations over a benchmark amount and specific cost exclusions.

Excluding the impact of IFRIC 21 property tax adjustments, property operating expenses for the three months ended March 31, 2024, compared to the three months ended December 31, 2023, increased by \$1.6 million primarily due to an increase in repairs and maintenance and accrued property tax costs at certain of the REIT's Atlantic, Ontario and U.S. properties. Compared to the three months ended March 31, 2023, property operating expenses increased by \$1.5 million. The increase was primarily attributable to the acquisition of 25% of West Metro in Toronto, ON in August 2023, an increase in repairs and maintenance costs at certain of the REIT's Atlantic properties and from an increase in food and beverage costs at the REIT's hotel asset.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are primarily comprised of asset management fees, professional fees, trustee fees and other amounts. For the three months ended March 31, 2024, general and administrative expenses decreased \$2.9 million compared to the same period in 2023 as a result of additional expenses in the prior year relating to third party advice for the Board's special committee and a \$0.3 million allowance as an expected credit loss on rent receivables at two of the U.S. properties.

INTEREST AND FINANCE COSTS

Interest and finance costs are comprised of the following:

	Three months ended March 31,	
	2024	2023
Mortgage interest	\$ 9,020	\$ 6,729
Interest on other debt	4,909	4,042
Amortization of financing costs	1,746	1,190
Amortization of debt mark-to-market adjustments	(10)	(10)
Interest on convertible debentures	2,641	2,445
Total	\$ 18,306	\$ 14,396

For the three months ended March 31, 2024, interest and finance costs increased by \$3.9 million when compared to the same period in 2023. The increase is due to an increase in the REIT's weighted average interest rate from refinancings completed in the last 12 months and from interest rate swap maturities, resulting in an increase in floating rate debt.

FINANCE INCOME ON FINANCE LEASE RECEIVABLE

The REIT has a 15 year lease with Bell MTS Data Centres GP for the Data Centre. The terms of the lease at inception met the requirements for classification as a finance lease because the minimum lease payments amounted to at least substantially all of the fair value of the leased asset. As a result of this classification, a portion of the lease payments earned on the property is recorded as interest income on the finance lease. Interest income recognized on the finance lease for the three months ended March 31, 2024 was \$0.7 million, which is a decrease of \$0.1 million when compared to the same period in 2023.

The REIT makes an adjustment to recognize the contribution made by the Data Centre to its Core-FFO and AFFO to account for the difference between accounting under IFRS and the lease contributions on a cash basis. On a cash basis the Data Centre currently contributes approximately \$6.4 million annually from lease payments.

CHANGE IN FAIR VALUE OF PROPERTIES

The REIT recognized a fair value loss on its properties for the three months ended March 31, 2024 of \$10.8 million. The decreases are primarily due to increases in the discount and terminal capitalization rates used in the REIT's estimate of fair value using the discounted cash flow method. This was partially offset by the appreciation of the U.S. Dollar.

The weighted average discount rate and terminal capitalization rate used to determine the estimate of the fair value of the REIT's property at March 31, 2024 was 8.07% and 7.44%, respectively. These rates represent an increase of 0.08% and 0.01% compared to December 31, 2023 and an increase of 0.43% and 0.39% compared to March 31, 2023.

Of the fair value change for the three months ended March 31, 2024, 100% of the change in fair value of properties was attributable to management's estimate of fair value. Of the fair value change for the year ended December 31, 2023, 35.4% of the change in fair value was attributable to 15 independently appraised properties with the balance of the change attributable to management's estimate of fair value.

CHANGE IN FAIR VALUE OF FINANCIAL INSTRUMENTS

The change in fair value of financial instruments represents the change in the fair value of the REIT's interest rate swaps and caps, foreign exchange forwards, deferred unit liabilities on deferred units issued to Trustees and Officers of the REIT and losses on extinguishment of debt. The fair value loss on financial instruments decreased \$3.0 million for the three months ended March 31, 2024 when compared to the same period in 2023. The decrease in loss was primarily due to higher forward interest rates which impact the REIT's pay-fixed receive-float interest rate swaps and caps and a gain on the cross currency swap partially offset by a decrease in fair value gain on the convertible debenture embedded derivatives and the deferred units in 2024.

INCOME TAXES

The REIT is a mutual fund trust and real estate investment trust pursuant to the Tax Act. Under the Tax Act, so long as the REIT meets prescribed conditions relating to the nature of its assets and revenue (the "REIT Conditions"), the REIT is not liable to pay Canadian income taxes provided that its taxable income is fully distributed to unitholders during the period. Management intends to operate the REIT in a manner that enables the REIT to continue to meet the REIT Conditions and to distribute all of its taxable income to unitholders. The REIT has reviewed the SIFT Rules and has assessed their application to the REIT's assets and revenues. While there are uncertainties in the interpretation and application of the SIFT Rules, the REIT believes that it has met the REIT Conditions for the three months ended March 31, 2024 and 2023, and accordingly is not subject to current income taxes in Canada. Accordingly, no provision for current income taxes is required, except for amounts incurred by the U.S. and Irish subsidiaries.

The REIT's U.S. and Irish subsidiaries are subject to income tax on taxable income from U.S. and Irish operations respectively. The REIT recognizes deferred tax assets and liabilities at prevailing tax rates when such differences are expected to settle. Based on tax laws enacted at the reporting date, the U.S. subsidiary is subject to a combined federal and state rate of 28.51%, and the Irish subsidiaries are subject to a tax rate of 25.00% on rental income, 33.00% on capital gain.

QUARTERLY INFORMATION

The following is a summary of financial and operational information for the REIT for the eight most recently completed quarters:

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Revenue	\$ 50,261	\$ 48,787	\$ 51,034	\$ 48,708	\$ 49,092	\$ 48,633	\$ 50,959	\$ 49,321
Operating costs	(39,464)	(24,150)	(24,498)	(23,396)	(37,932)	(23,266)	(23,749)	(22,237)
IFRIC 21 property tax adjustment	10,197	(3,479)	(3,490)	(3,522)	10,491	(2,995)	(2,943)	(2,931)
Straight-line rent and other	2,183	2,927	2,926	2,804	2,709	2,232	2,593	2,205
Net operating income	\$ 23,177	\$ 24,085	\$ 25,972	\$ 24,594	\$ 24,360	\$ 24,604	\$ 26,860	\$ 26,358
Net (loss) income	\$ (22,571)	\$ (54,694)	\$ (34,730)	\$ (19,622)	\$ (4,071)	\$ (86,854)	\$ 18,357	\$ 22,834
Weighted average diluted units ¹	85,937	85,792	85,703	85,640	85,585	85,578	85,658	85,640
Net income and comprehensive income per unit	\$ (0.26)	\$ (0.64)	\$ (0.41)	\$ (0.23)	\$ (0.05)	\$ (1.01)	\$ 0.21	\$ 0.27
Distributions ²	\$ —	\$ 853	\$ 2,560	\$ 2,560	\$ 8,522	\$ 8,525	\$ 8,538	\$ 8,538
Distributions per unit	\$ —	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
FFO ³	\$ 3,544	\$ 4,805	\$ 4,776	\$ 5,770	\$ 5,314	\$ 7,917	\$ 10,299	\$ 11,984
FFO per unit - diluted ³	\$ 0.04	\$ 0.06	\$ 0.06	\$ 0.07	\$ 0.06	\$ 0.09	\$ 0.12	\$ 0.14
FFO payout ratio ³	—%	17.8%	53.6%	44.4%	160.4%	107.7%	82.9%	71.2%
Core-FFO ³	\$ 4,474	\$ 5,721	\$ 5,678	\$ 6,658	\$ 6,188	\$ 8,778	\$ 11,146	\$ 12,818
Core-FFO per unit - diluted ³	\$ 0.05	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.07	\$ 0.10	\$ 0.13	\$ 0.15
Core-FFO payout ratio ³	—%	14.9%	45.1%	38.4%	137.7%	97.1%	76.6%	66.6%
AFFO ³	\$ 3,776	\$ 5,521	\$ 5,151	\$ 6,166	\$ 5,251	\$ 7,562	\$ 11,253	\$ 11,504
AFFO per unit - diluted ³	\$ 0.04	\$ 0.06	\$ 0.06	\$ 0.07	\$ 0.06	\$ 0.09	\$ 0.13	\$ 0.13
AFFO payout ratio ³	—%	15.5%	49.7%	41.5%	162.3%	112.7%	75.9%	74.2%
Properties	\$1,277,574	\$1,362,188	\$1,553,082	\$1,708,814	\$1,753,789	\$1,754,338	\$1,807,677	\$1,870,287
Total assets	\$1,713,367	\$1,747,860	\$1,822,403	\$1,826,368	\$1,862,474	\$1,869,362	\$1,955,525	\$1,989,219
Debt	\$ 1,158,123	\$ 1,178,734	\$ 1,190,712	\$ 1,166,406	\$ 1,158,116	\$ 1,153,253	\$ 1,137,914	\$ 1,171,615
IFRS NAV	\$ 500,592	\$ 520,394	\$ 579,466	\$ 617,069	\$ 653,743	\$ 668,834	\$ 766,573	\$ 746,247
Diluted units outstanding ¹	86,047	85,937	85,788	85,700	85,636	85,582	85,674	85,656
IFRS NAV per unit	\$ 5.82	\$ 6.06	\$ 6.75	\$ 7.20	\$ 7.63	\$ 7.82	\$ 8.95	\$ 8.71
LTV ratio ³	67.8%	67.7%	65.6%	64.0%	62.3%	61.9%	58.4%	59.0%
Net debt to adjusted EBITDA ³	12.8x	12.9x	13.1x	12.6x	12.5x	12.1x	12.1x	13.1x
Interest coverage ratio ³	1.4x	1.5x	1.6x	1.8x	1.9x	2.0x	2.0x	2.1x
Debt service coverage ratio ³	1.2x	1.1x	1.4x	1.5x	1.6x	1.7x	1.7x	1.6x
Leasing activity (square feet)	270,482	81,302	277,599	144,888	120,990	86,266	109,060	238,429
Leasing activity as a % of portfolio	3.7%	1.1%	3.7%	1.9%	1.6%	1.1%	1.5%	3.1%
Weighted average lease term (years)	5.1	5.2	5.4	5.4	5.4	5.6	5.6	5.6
Number of properties	52	54	54	54	54	54	53	55
Office GLA	7,024,472	7,182,520	7,182,361	7,180,863	7,181,511	7,177,438	7,045,799	7,446,981
Total GLA	7,279,312	7,525,329	7,525,170	7,523,672	7,524,320	7,520,247	7,324,390	7,725,572
Occupancy - excluding redevelopment	77.7%	78.5%	78.6%	79.1%	80.6%	81.1%	81.9%	83.6%
Occupancy	77.7%	78.5%	78.6%	79.1%	80.6%	81.1%	81.9%	83.6%

¹Includes REIT units, the conversion of the Class B LP units and deferred units and is shown in thousands at the end of the respective periods. Weighted average diluted units is the weighted average number of diluted units outstanding during the respective quarter and diluted units outstanding is the diluted units outstanding at the end of the quarter.

²Includes distributions made to both unitholders of the REIT and Class B LP unitholders. The REIT suspended its monthly cash distribution in November 2023.

³The calculation of these non-IFRS financial measures and a reconciliation to relevant IFRS measures are included in Part III and IV.

PART IV - FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

The REIT endeavors to maintain appropriate levels of financial liquidity to meet its business objectives and commitments. Primarily, the REIT utilizes revolving credit facilities to provide this financial liquidity, in addition to cash on hand. Subject to availability, the revolving credit facilities can be drawn or repaid at short notice, which reduces the need to hold cash and deposits, while also minimizing borrowing rates.

The principal liquidity needs of the REIT arise from working capital requirements; debt servicing and repayment obligations; obligations to redeem outstanding puttable trust units at the option of the unitholders; and planned funding of maintenance capital expenditures and leasing costs.

The liquidity needs of the REIT are funded by cash flows from operating the REIT's investment property portfolio and available credit facilities, with the exception of debt repayment obligations, investment property acquisition funding requirements and obligations to redeem puttable trust units. These are funded by refinancing the REIT's maturing debt, disposition of investment properties and future issuances of REIT units and debentures. The particular features and quality of the underlying assets being financed and the debt market parameters existing at the time will affect the success of this strategy.

The REIT's liquidity is impacted by various covenants, certain of which are described below. Compliance with the requirements of the revolving facility, which became more restrictive from March 31, 2024, described below and the covenants applicable to the REIT's term loans and mortgages are dependent on the REIT achieving its financial forecasts including disposition of certain assets through the execution of its Portfolio Realignment Plan. The calculation of the maximum capacity on a property by property basis and changes in prevailing interest rates reduced the maximum drawings available by \$35.7 million at March 31, 2024. The decrease in commitment level as at March 31, 2024 required a repayment of \$35.7 million to be made by May 31, 2024. Accordingly, the REIT is in the process of amending its revolving credit facility with its lenders to remove the existing borrowing base calculations and mandatory maximum borrowing amount step-downs. At March 31, 2024, the REIT also exceeded debt service coverage and minimum unitholders' equity covenants pertaining to the revolving credit facility and certain mortgage agreements in the amount of \$562.2 million. In one case, on March 29, 2024, the REIT received a default letter relating to debt outstanding as of December 31, 2023 requiring a principal payment of \$5.6 million to cure such default. The REIT is in the process of amending its debt agreements with its lenders to modify or obtain waivers to provide relief on such covenants. Although the REIT is seeking and expects to be provided with relief on these breached covenants, the lenders of these defaulted loans have the right to demand repayment. There is also a risk that lenders will not refinance maturing debt on terms and conditions acceptable to the REIT or on any terms at all. The REIT will continue to work to remediate the breach of these covenants and will carefully monitor its compliance with its covenants and seek waivers as the need arises.

The REIT seeks to maintain collaborative relationships with its financing counterparties to minimize the impact economic and property markets may have on the REIT's current and future debt. However, changes in interest rates driven by central banks in Canada, the U.S. and Europe seeking to reduce inflationary pressures and broad market sentiment towards the office sector as a whole have reduced the availability of and increased the cost of financing. The risk associated with the refinancing of maturing debt is mitigated, in part, by matching debt maturities on mortgages with lease renewals to optimize the value of the assets with the leverage to achieve the best value for pricing. If the REIT is unable to refinance or obtain new sources of financing, the REIT can dispose of assets through its Portfolio Realignment Plan, reduce discretionary capital expenditures and leasing costs which all remain at the discretion of the REIT. However, such activities and actions may be insufficient to address changes in liquidity as a result of not being able to dispose of assets or obtain financing on terms and conditions acceptable to the REIT or at all.

The REIT's available liquidity is as follows:

	March 31, 2024	December 31, 2023
Cash	\$ 11,853	\$ 11,270
Undrawn revolving facilities ¹	—	2,200
Liquidity	\$ 11,853	\$ 13,470

¹Debt is only available to be drawn subject to certain covenants and other requirements.

DEBT STRATEGY

The REIT's obligations with respect to debt repayments and funding requirements for future investment property acquisitions will be primarily funded from cash retained after distributions, disposition of assets, refinancing the REIT's maturing debt or future issuances of trust units.

The REIT's overall borrowing objective is to obtain secured financing, with terms to maturity that are appropriate in regards to the lease maturity profiles of the underlying properties and which allows the REIT to stagger debt maturities that reduce its exposure to interest rate fluctuations and re-financing risk in any particular period. The REIT also endeavors to have an appropriate amount of fixed rate debt and to extend loan terms when borrowing conditions are favourable, which is actively monitored by management.

In instances where management believes that there are meaningful value creation opportunities, the REIT will generally seek to utilize short-term floating rate financing, to allow for maximum debt proceeds when subsequently utilizing term or mortgage debt upon full execution of management's asset strategy. Additionally, where management has identified properties for potential sale, the REIT will seek to utilize short-term floating rate financing to prevent value erosion on sale from requiring a purchaser to assume potentially above market low leverage debt. The REIT's development pipeline and associated construction activities are funded, in part, by dedicated construction facilities provided by various lenders. While the REIT's credit facilities represent one element of our funding strategy, this can be coupled with access to financing alternatives from multiple financial institutions at competitive rates, which the REIT has consistently done through proactive and early discussions with lenders on new and maturing debt.

Additionally, changes in interest rates driven by central banks in Canada, the U.S. and Europe seeking to reduce inflationary pressures and the broad market sentiment towards the office sector as a whole have reduced the availability of and increased the cost of financing which gives rise to the risk of the REIT not being able to service its debt costs. The REIT has undertaken various actions in order to increase liquidity and reduce its financial leverage and borrowings. These actions include, a program to dispose of certain investment properties (the "Portfolio Realignment Plan"), working with lenders to provide additional flexibility and liquidity to the REIT, a suspension of its cash distribution to unitholders, and a program to reduce capital investment and general and administrative expenses. Although the REIT expects its Portfolio Realignment Plan to raise capital to decrease borrowings and the REIT continues to proactively work with its lenders to achieve positive outcomes, the covenant violations will result in lenders having the right to demand repayment of such borrowings.

The REIT will continue to seek to dispose of certain investment properties, to refinance existing maturing debt and in certain cases to amend the terms of existing borrowings. However, the REIT may not be able to complete such dispositions or financing activities on terms and conditions acceptable to the REIT, or at all, which would have an adverse material effect on the REIT's liquidity. Additionally, by selling certain of its properties under its Portfolio Realignment Plan the REIT may be required to dispose of properties at amounts less than the estimated fair value at March 31, 2024. This difference could be material, especially in instances where there is limited purchaser interest or limited or no financing available for potential purchasers.

The REIT's revolving credit facility, term loan, construction facility and some mortgages are subject to financial and other covenants, including customary maximum leverage ratios, interest service coverage ratios, minimum debt service coverage ratios, minimum unitholders' equity and mutual performance conditions among others which may impact the available capacity based on the financial results of the REIT. For the REIT's revolving credit facility, financial covenants include a maximum leverage ratio, minimum debt service coverage ratio, and minimum unitholders' equity, with calculations conducted quarterly. Similarly, the REIT's term loan is subject to financial covenants, including a maximum leverage ratio and minimum historical and forecasted interest coverage ratios, also calculated quarterly. Additionally, the construction facility and some mortgages are subject to financial covenants, including a maximum leverage ratio, minimum debt service coverage ratio, and minimum unitholders' equity, calculated quarterly or annually.

During the year ended December 31, 2023, the REIT amended its debt agreements with certain of its lenders to modify covenants. As a result of amending various debt agreements, the REIT's debt was modified to include the following financial leverage, debt service coverage and minimum unitholders equity covenants.

- Total debt to gross book value of 70% or less effective for September 30, 2023 to March 31, 2024, and 65% or less thereafter. At March 31, 2024 the REIT's total debt to gross book value was 67.8%.
- Senior debt, which is total debt excluding the REIT's convertible debentures to gross book value, of 60% or less effective for September 30, 2023 to March 31, 2024, and 55% or less thereafter. At March 31, 2024 the REIT's senior debt to gross book value was 59.3%.
- Debt service coverage ratio not less than 1.25:1. At March 31, 2024 the REIT's debt service coverage ratio was 1.23:1.
- Minimum unitholders' equity, which includes the REIT's Class B LP Units, of \$425.0 million. For purposes of the REIT's revolving credit facility, this amount decreases to \$350.0 million subsequent to March 31, 2024. At March 31, 2024 the REIT's unitholders' equity was \$500.4 million.

Certain of the REIT's debt, including the REIT's revolving credit facility, includes cross default provisions, generally for defaults on debt in excess of \$5.0 million.

At March 31, 2024, the REIT exceeded the debt service coverage covenant pertaining to the 2023 debt amendments. The REIT is in the process of amending its debt agreement with its lenders to modify or obtain waivers to provide relief on such covenant.

Although the REIT expects its Portfolio Realignment Plan to raise capital to decrease borrowings and plans to continue to proactively work with its lenders to achieve positive outcomes for the REIT, there is a risk that future covenant violations will result in lenders to demand repayment of such borrowings.

The REIT will continue to seek to dispose of certain investment properties, to refinance existing maturing debt and in certain cases to amend the terms of existing borrowings. The REIT may not be able to complete such dispositions or financing activities on terms and conditions acceptable to the REIT, or at all, which would have an adverse material effect on the REIT's liquidity.

Convertible Debentures

On October 24, 2022, the REIT issued \$45.0 million of 7.50% extendible convertible unsecured subordinated debentures of the REIT (the "2022 Convertible Debentures"). The proceeds from the issuance of the 2022 convertible debentures were used to proactively pay down secured mortgage debt and partially fund the acquisition of 275 North Field.

The 2022 Convertible Debentures are convertible into freely tradable units at the option of the holder at any time prior to the close of business on the earliest of: (i) the last business day before the Final Maturity Date; or (ii) if called for redemption, the business day immediately preceding the date specified by the REIT for redemption of the debentures, at a conversion price of \$5.50 per unit (the "Conversion Price"). Convertible debenture holders converting their debentures will, in addition to the applicable number of units to be received on conversion, receive accrued and unpaid interest, if any, for the period from the last interest payment date on their convertible debentures (or the date of the Offering closing if no interest has yet been paid on the convertible debentures) to and including the last record date set by the REIT occurring prior to the date of conversion for determining the unitholders entitled to receive a distribution on the units.

The 2022 Convertible Debentures may not be redeemed by the REIT prior to December 31, 2025. On and from December 31, 2025, and prior to December 31, 2026, the convertible debentures may be redeemed by the REIT, in whole at any time, or in part from time to time, at a price equal to the principal amount thereof plus accrued and unpaid interest on not more than 60 days' and not less than 30 days' prior written notice provided that the volume weighted-average trading price of the units on the TSX for the 20 consecutive trading days ending five trading days preceding the date on which notice of redemption is given is not less than 125% of the Conversion Price. On and from December 31, 2026, and prior to December 31, 2027, the convertible debentures may be redeemed by the REIT, in whole at any time or in part from time to time, at a price equal to the principal amount thereof plus accrued and unpaid interest on not more than 60 days' and not less than 30 days' prior written notice.

On November 19, 2021, the REIT issued \$84.2 million of 5.50% extendible convertible unsecured subordinated debentures of the REIT ("2021 Convertible Debentures"). The debentures became convertible unsecured debentures upon the completion of the Irish portfolio acquisition as below:

The 2021 Convertible Debentures will be convertible into freely tradable units at the option of the holder at any time prior to the close of business on the earliest of: (i) the last business day before the Final Maturity Date; or (ii) if called for redemption, the business day immediately preceding the date specified by the REIT for redemption of the debentures, at a conversion price of \$6.50 per unit (the "Conversion Price"). Convertible debenture holders converting their debentures will, in addition to the applicable number of units to be received on conversion, receive accrued and unpaid interest, if any, for the period from the last interest payment date on their convertible debentures to and including the last record date set by the REIT occurring prior to the date of conversion for determining the unitholders entitled to receive a distribution on the units. The convertible debentures may not be redeemed by the REIT prior to December 31, 2024, and none of the convertible debentures had been redeemed as at March 31, 2024.

On and from December 31, 2024, and prior to December 31, 2025, the 2021 Convertible Debentures may be redeemed by the REIT, in whole at any time, or in part from time to time, at a price equal to the principal amount thereof plus accrued and unpaid interest on not more than 60 days' and not less than 30 days' prior written notice provided that the volume weighted-average trading price of the units on the TSX for the 20 consecutive trading days ending five trading days preceding the date on which notice of redemption is given is not less than 125% of the Conversion Price. On and from December 31, 2025, and prior to December 31, 2026, the convertible debentures may be redeemed by the REIT, in whole at any time or in part from time to time, at a price equal to the principal amount thereof plus accrued and unpaid interest on not more than 60 days' and not less than 30 days' prior written notice.

On January 26, 2018, the REIT issued \$28.8 million of 5.25% convertible unsecured subordinated debentures of the REIT (the "2018 Convertible Debentures").

On January 27, 2023, the REIT amended the terms of its 2018 Convertible Debentures. The amendments: (i) increased the interest rate of the Debentures from 5.25% to 9.00%, effective February 28, 2023; (ii) decreased the conversion price of the Debentures from \$10.53 per trust unit of the REIT to \$5.50 per unit; (iii) extended the maturity date of the Debentures from February 28, 2023 to February 28, 2026; and (iv) provided that the Debentures are not redeemable prior to February 28, 2025 and, at any time after February 28, 2025, the REIT will be permitted to redeem the amended Debentures, in whole or in part at a price equal to the principal amount thereof plus accrued and unpaid interest to, but excluding, the date of the redemption. Convertible debenture holders converting their debentures will, in addition to the applicable number of units to be received on conversion, receive accrued and unpaid interest, if any, for the period from the last interest payment date on their convertible debentures to and including the last record date set by the REIT occurring prior to the date of conversion for determining the unitholders entitled to receive a distribution on the units. On and from February 28, 2025, and prior to February 28, 2026, the convertible debentures may be redeemed by the REIT, in whole at any time or in part from time to time, at a price equal to the principal amount thereof plus accrued and unpaid interest on not more than 60 days' and not less than 30 days' prior written notice.

Maturity Profile

The REIT's 2024 debt maturities relate to the revolving credit facility, mortgages on two office properties in the Greater Toronto Area and one in Chicago. The following is a summary of future principal repayments and maturities at March 31, 2024:

Remainder of 2024	\$ 564,129
2025	289,107
2026	140,544
2027	168,393
2028	2,548
Thereafter	10,866
Total	\$ 1,175,587

Debt profile

Debt held by the REIT at March 31, 2024 is as follows:

	Maturity	Coupon	Properties provided as security	Fair value of security	Maximum available	Principal
Mortgages ^{1 2 3}	Various	Various	15	\$ 900,796	\$ 576,902	\$ 576,902
Revolving facilities ^{3 4 5 6}	Oct. 14, 2024	Various	15	466,766	311,170	311,170
Term loan ^{3 7}	Apr. 5, 2027	Euribor+265 bps	22	253,208	129,565	129,565
Convertible debentures	2026	9.0%	—	—	28,750	28,750
Convertible debentures	Dec. 31, 2026	5.5%	—	—	84,200	84,200
Convertible debentures	Dec. 31, 2027	7.5%	—	—	45,000	45,000
Total			52	\$1,620,770	\$1,175,587	\$1,175,587

¹The weighted average remaining term to maturity of mortgages is 1.0 years with maturities ranging from April 20, 2024 to October 1, 2030 and the weighted average interest rate of mortgages is 6.32% with coupons ranging from 2.53% to 10.00%.

²Security includes assets held for sale and the Data Centre, which is accounted for as a finance lease receivable all of which are not included in the REIT's investment properties.

³Certain amounts have been translated from U.S. dollars and Euros to Canadian dollars using the prevailing exchange rates on March 31, 2024.

⁴Stand-by fees incurred on the unused portion of the revolving credit facility are 50.63 bps, charged and paid quarterly.

⁵Principal balance includes \$252,000 and U.S. \$43,700 of revolving facilities. The maximum availability of the revolving facilities is the lesser of (i) \$252,000 and U.S. \$43,700, (ii) the sum of the margined fair value of the property securing the facility and (iii) the amount which can be serviced (both monthly principal and interest) by the quotient obtained by dividing the net operating income by 1.25 and assuming (a) a 25 year amortization period, and (b) an interest rate compounded semi-annually, equal to the greater of (i) 4.5%, and (ii) the relevant five year government bond yield plus 2.50%. From March 31, 2024, the maximum availability of the revolving facilities is calculated on an individual property basis and the net operating income divisor increases from 1.25 to 1.30. From June 30, 2024, the maximum availability of the revolving facilities reduces to \$150,000 and U.S. \$38,000 and the net operating income divisor increases from 1.30 to 1.40. From September 30, 2024, while maintaining the same calculation, the maximum availability of the revolving facility's Canadian dollar tranche reduces to \$100,000. The calculation of the maximum capacity on a property by property basis and with a greater net operating income divisor from March 31, 2024 is expected to reduce the maximum available by \$35.7 million. The change in the maximum available drawings is highly sensitive to changes in property valuations and changes in applicable prevailing interest rates. The contractual remaining term to maturity of revolving facilities is 0.5 year and the weighted average interest rate is 8.35%. Due to covenant violations, the revolving credit facility is contractually due on demand (described above).

⁶Security includes assets held for sale, which are not included in the REIT's investment properties on the consolidated statement of financial position.

⁷The term loan facility is secured by 22 properties in Ireland.

The carrying value of debt held by the REIT at March 31, 2024 is as follows:

	Principal	MTM adjustments and costs	Accumulated amortization of MTM adjustments, costs and other	Carrying amount	Current ¹	Non-current
Mortgages	\$ 576,902	\$ (5,057)	\$ 3,691	\$ 575,536	\$ 365,893	\$ 209,643
Revolving facilities	311,170	(7,276)	6,352	310,246	310,246	—
Term loan	129,565	(5,016)	1,884	126,433	—	126,433
Convertible debentures ²	28,750	(1,464)	—	27,286	—	27,286
Convertible debentures ²	84,200	(6,479)	1,607	79,328	—	79,328
Convertible debentures ²	45,000	(6,252)	546	39,294	—	39,294
Total	\$ 1,175,587	\$ (31,544)	\$ 14,080	\$ 1,158,123	\$ 676,139	\$ 481,984

¹Included in current liabilities and shown as debt held for sale on the consolidated statement of financial position is \$233.5 million of principal associated with assets held for sale. Of the \$233.5 million debt associated with assets held for sale, \$161.8 million is contractually current debt and \$71.7 million was reclassified to current. Total debt of \$562.2 million was impacted due to covenant breaches as at March 31, 2024, all of which has been presented in current liabilities. Of the \$562.2 million breached debt, \$276.8 million is contractually current, \$164.1 million is debt associated with assets held for sale and \$21.3 million was reclassified to current debt.

²Represents the debt component of the convertible debentures. The embedded derivative features, which are the holder conversion option and the issuer redemption options, originally recorded in the aggregate amount of \$8.3 million, are accounted for separately. These embedded derivative features are included within derivatives on the REIT's consolidated statements of financial position.

INDEBTEDNESS RATIO

The indebtedness ratio is a non-IFRS measure calculated by the REIT. In order to provide for greater flexibility, and while management pursues the Portfolio Realignment Plan to decrease leverage, on January 15, 2024, the REIT amended the REIT's Declaration of Trust for the purposes of removing the restriction imposed on the REIT not to incur or assume additional indebtedness (being certain defined obligations set out in the REIT's Declaration of Trust) that would cause the REIT to achieve financial leverage in excess of 65% of its gross book value, which is defined in the Declaration of Trust as the REIT's total assets less restricted cash (the "Restriction"). The trustees of the REIT have decided to exercise their discretion to implement the proposed amendment to the declaration of trust in the form of a waiver of the Restriction until December 31, 2025, rather than implement the proposed amendment as a blanket removal of the Restriction. In addition to the foregoing, and as previously disclosed, the board of trustees adopted the Restriction within the board's operating guidelines, with the board having discretion to waive the Restriction to the extent that the board determines that doing so is in the best interests of the REIT. Additional investment and operating guidelines are provided for by the Declaration of Trust. The REIT is in compliance with these guidelines. After December 31, 2025, the Declaration of Trust provides that the REIT is not permitted to incur or assume additional indebtedness that would cause (as at the time of incurrence or assumption, as applicable) the REIT to achieve financial leverage in excess of 65% of its gross book value. For certainty, under the REIT's Declaration of Trust, the measurement of any indebtedness against the REIT's gross book value is completed only at the time of the incurrence or assumption of the indebtedness in question (which would exclude the refinancing of existing debt that is outstanding) and is not a determination that is continually assessed over time against the REIT's gross book value. The REIT's indebtedness ratio at March 31, 2024 was 67.8% (December 31, 2023: 67.7%) and calculated as follows:

The REIT's indebtedness level is calculated as follows:

	March 31, 2024	December 31, 2023
Total assets	\$ 1,713,367	\$ 1,747,860
Less: Restricted cash	(6,217)	(5,856)
Gross book value	1,707,150	1,742,004
Debt	\$ 1,158,123	\$ 1,178,734
Leverage ratio	67.8%	67.7%

Management's short-term target is to reduce the REIT's total indebtedness below 65% of its gross book value by executing on the Portfolio Realignment Plan to decrease leverage and generate equity to pay down the REIT's revolving credit and operating facilities. However, if such plan is unsuccessful and other financing is not available, and the REIT's gross book value declines further, total indebtedness may further exceed 65% of the REIT's gross book value.

ADJUSTED EBITDA

Adjusted EBITDA is a non-IFRS measure and is used by the REIT to monitor the REIT's ability to satisfy and service its debt as well as monitor requirements imposed by the REIT's lenders. Specifically, adjusted EBITDA is used to monitor the REIT's interest coverage ratio and debt service ratio, which the REIT uses to measure its debt profile, assess its ability to satisfy its obligations, and service its debt. Management views adjusted EBITDA as a proxy for operating cash flow prior to interest costs. Adjusted EBITDA represents earnings before interest, income taxes, depreciation, fair value gains (losses) from both financial instruments and investment properties, while also excluding non-recurring items such as costs related to strategic reviews and transaction costs from dispositions, acquisitions or other events.

The following is a reconciliation from net income to adjusted EBITDA:

	Twelve months ended March 31,	
	2024	2023
Net loss	\$ (131,617)	\$ (49,734)
Straight line rent and other changes	10,840	9,739
Interest income	(569)	(441)
Interest and finance costs	68,741	54,619
Change in fair value of properties	146,351	99,612
IFRIC 21 property tax adjustment ¹	(294)	1,622
Change in fair value of financial instruments	6,065	(16,011)
Distributions to Class B shareholders	371	2,112
Transaction costs	518	1,240
Depreciation of hotel asset	975	966
Change in fair value of Class B LP units	(14,745)	(8,298)
Strategic review costs	319	2,567
Deferred income tax recovery	(340)	(5,884)
Current income tax expense	2,966	1,661
Adjusted EBITDA	\$ 89,581	\$ 93,770

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO, Core-FFO or AFFO.

The following is a calculation of adjusted EBITDA:

	Twelve months ended March 31,	
	2024	2023
Rental revenue	\$ 198,790	\$ 198,005
Property operating expenses	(111,508)	(107,184)
IFRIC 21 property tax adjustment ¹	(294)	1,622
Finance income on finance lease receivable	2,784	3,004
Straight-line rent and other changes	10,840	9,739
General and administrative	(11,350)	(13,983)
Strategic review costs	319	2,567
Adjusted EBITDA	\$ 89,581	\$ 93,770

¹In accordance with IFRIC 21, the REIT recognizes property tax liability and expense on its existing U.S. properties as at January 1 of each year, rather than progressively, i.e. ratably throughout the year. The recognition of property taxes as a result of IFRIC 21 has no impact on NOI, FFO, Core-FFO or AFFO.

INTEREST COVERAGE

In addition to the REIT's level of indebtedness calculated in accordance with the REIT's Declaration of Trust, management also monitors certain financial measures, which include the (i) net debt to adjusted EBITDA leverage ratio, (ii) interest coverage ratio, and (iii) the debt service coverage ratio. All of these measures are non-IFRS measures.

Net debt to adjusted EBITDA leverage ratio

The net debt to adjusted EBITDA ratio is used to calculate the financial leverage of the REIT, specifically, its ability to meet financial obligations and to provide a measure of its balance sheet strength. The REIT calculates debt to adjusted EBITDA by dividing the aggregate amount of debt outstanding, less cash on hand, by the trailing twelve month adjusted EBITDA. The net debt to adjusted EBITDA leverage ratio also indicates the number of years required for the REIT's unleveraged operating earnings (i.e. before depreciation, amortization, transaction costs, gains or losses, fair value adjustments and taxes) to cover or repay all outstanding debts. The net debt to adjusted EBITDA ratio also takes into consideration the cash on hand to decrease debt.

The following is a calculation of net debt to adjusted EBITDA for the trailing twelve months ended:

	March 31, 2024	December 31, 2023
Debt	\$ 1,158,123	\$ 1,178,734
Less: Cash on hand	11,853	11,270
Net debt	1,146,270	1,167,464
Adjusted EBITDA ¹	89,581	90,196
Net debt to Adjusted EBITDA (times)	12.8x	12.9x

¹Adjusted EBITDA is based on actuals for the twelve months preceding the balance sheet date.

Interest coverage ratio

The interest coverage ratio is useful in determining the REIT's ability to service the interest requirements of its outstanding debt. The interest coverage ratio is calculated by dividing adjusted EBITDA by the REIT's interest obligations for the period. Management utilizes this ratio to measure leverage.

The following is a calculation of the interest coverage ratio:

	Twelve months ended March 31,	
	2024	2023
Adjusted EBITDA	\$ 89,581	\$ 93,770
Interest expense	62,889	48,585
Interest coverage ratio (times)	1.4x	1.9x

Debt service coverage ratio

The debt service coverage ratio is determined as adjusted EBITDA divided by the debt service requirements for the period, whereby the debt service requirements reflects amortizing principal repayments and interest expensed during the period. Payments related to defeasance, prepayment penalties, or payments upon discharge of a mortgage are excluded from the calculation. The debt service coverage ratio is used by the REIT's management to monitor the REIT's ability to meet annual interest and principal payments.

The following is a calculation of debt service coverage ratio:

	Twelve months ended March 31,	
	2024	2023
Adjusted EBITDA	\$ 89,581	\$ 93,770
Interest expense	62,889	48,585
Principal repayments	9,856	9,900
Debt service requirements	\$ 72,745	\$ 58,485
Debt service coverage ratio (times)	1.2x	1.6x

DEBT REPAYMENT SCHEDULE

The following table outlines the REIT's annual principal payments and maturity schedule, together with the weighted average annual interest rates at March 31, 2024:

	Amortizing Principal Payments	Principal Repayments on Maturity	Total	Percentage (%)	Weighted Average Contractual Interest Rate on Maturing Debt (%)
Remainder of 2024	\$ 3,896	\$ 560,233	\$ 564,129	48.0%	8.4%
2025	4,607	284,500	289,107	24.6%	4.8%
2026	27,594	112,950	140,544	12.0%	5.0%
2027	9,196	159,197	168,393	14.3%	5.0%
2028	2,548	—	2,548	0.2%	4.4%
Thereafter	4,971	5,895	10,866	0.9%	4.4%
Weighted average interest rate					6.6%

The REIT has managed indebtedness to ensure the REIT mitigates liquidity risk due to concentration of debt maturities. As part of this strategy, the REIT is proactive in negotiating renewals for near term debt maturities. The REIT has \$560.2 million of debt maturing through to the end of 2024.

At March 31, 2024, after the impact of the REIT's pay-fixed receive-float interest rate swaps and interest rate caps, the REIT had floating rate debt of \$299.8 million (December 31, 2023: \$132.3 million).

The following table presents the annual impact of a change in floating interest rates of 25 bps on finance costs:

	March 31, 2024	December 31, 2023
Change of 25 bps	\$ 750	\$ 331

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The following is a summary of the REIT's contractual obligations over the next five years at March 31, 2024:

	Total contractual cash flow	Remainder of 2024	2025-2026	2027-2028	Thereafter
Accounts payable and accrued liabilities	\$ 46,833	\$ 46,833	\$ —	\$ —	—
Amortizing principal repayments on debt	52,812	3,896	32,201	11,744	4,971
Principal repayments on maturity of debt ¹	1,122,775	560,233	397,450	159,197	5,895
Interest on debt ²	82,969	37,953	38,225	6,113	678
Interest rate swaps ³	(11,267)	(6,235)	(5,032)	—	—
Other liabilities	6,457	1,333	993	1,007	3,124
Total	\$ 1,300,579	\$ 644,013	\$ 463,837	\$ 178,061	\$ 14,668

¹Included in remainder of 2024 is \$562 million of loans in breach of certain financial covenants as at March 31, 2024, and as a result are in default and due on demand.

²Interest amounts on floating rate debt have been determined using rates at March 31, 2024.

³Interest rate swap obligations have been calculated as the difference between the pay-fixed rate and receive-float rate based on the forward rates determined at March 31, 2024.

DERIVATIVES

Interest rate derivatives

The REIT has interest rate derivatives to reduce the impact of interest rate risk of certain debt with floating interest rates.

The REIT has in-place certain pay-fixed and receive-float interest rate swaps. The swaps are derivative financial instruments that require a periodic exchange of payments with counter-parties without the exchange of the notional amount on which the payments are based. The recorded interest expense on the underlying mortgages payable reflects payments made and received under the interest rate swaps. These swaps are not designated as hedging instruments that qualify for hedge accounting under IFRS. Interest rate derivatives are measured at fair value with fair values estimated as the present value of contractual cash flows based on forward curves and an applicable discount rate.

The following are the terms and fair values of the REIT's interest rate swaps where the REIT pays fixed and receives floating interest rates:

Maturity date	Floating interest rate ¹	Fixed interest rate	Notional amount ²		Fair value	
			March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
February 1, 2024	1 month U.S. SOFR	1.80%	—	66,215	—	318
March 22, 2024	1 month CDOR	1.90%	—	100,000	—	858
April 20, 2024	1 month CDOR	5.61%	80,600	81,300	(35)	(97)
March 3, 2025	1 month BA	1.23%	62,500	62,500	2,286	2,670
March 3, 2025	1 month BA	1.23%	10,000	10,000	366	427
March 3, 2025	1 month BA	4.31%	8,000	8,000	53	44
May 1, 2025	1 month BA	4.36%	59,003	59,003	365	227
September 10, 2025	1 month U.S. SOFR	2.18%	136,856	133,854	5,277	4,839
October 30, 2026	1 month CDOR	2.30%	100,000	100,000	5,010	4,327
Total			\$ 456,959	\$ 620,872	\$ 13,322	\$ 13,613

¹BA* means the Bankers' Acceptance rate, "SOFR" means the Secured Overnight Financing Rate, and "CDOR" means the Canadian Dollar Offered Rate.

²The notional amount of the U.S. dollar pay-fixed receive-float interest rate swaps, maturing September 10, 2025 is U.S. \$101.1 million.

In connection with an acquisition, the REIT entered into a cross currency interest rate swap transaction on November 16, 2021 to pay a fixed EUR rate of 3.72% and receive a fixed CAD rate of 5.50%, effective on January 31, 2022 and maturing on December 31, 2026. Payments are payable semi-annually on or around June 30 and December 30, commencing June 30, 2022. During the three months ended March 31, 2024, the REIT recorded a fair value gain of \$0.3 million (March 31, 2023: loss of \$0.1 million), which is recorded in the interim condensed consolidated statement of loss.

The following are the terms and fair value of the REIT's cross currency interest rate swap:

Maturity date	Pay EUR	Receive CAD	Notional amount ¹		Fair value	
			March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
December 31, 2026	3.72%	5.50%	\$ 75,000	\$ 75,000	\$ (375)	\$ (626)
Total			\$ 75,000	\$ 75,000	\$ (375)	\$ (626)

¹The notional amount of the pay Euro interest rate of 3.72% is €52.5 million and the notional amount of the receive Canadian dollar interest rate of 5.50% is \$75.0 million.

In connection with an acquisition in November 2022, the REIT entered into a U.S. dollar interest rate cap which has a \$16.1 million notional amount, a strike price of 3.75% based on one-month SOFR and a maturity date of November 1, 2025. In December 2022, the REIT also entered into a Euro interest rate cap which has a \$135.7 million notional amount, a strike price of 1.60% based on the three-month Euro Interbank Offered Rate ("EURIBOR") and a maturity date of July 8, 2024.

The following are the terms and fair values of the REIT's interest rate caps:

Maturity date	Cap rate	Notional amount ¹		Fair value	
		March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
July 8, 2024	1.60%	\$ 136,733	\$ 136,658	\$ 1,580	\$ 2,251
November 1, 2025	3.75%	16,113	15,737	262	227
Total		\$ 152,846	\$ 152,395	\$ 1,842	\$ 2,478

¹The notional amounts of the Euro and U.S. dollar interest rate caps are €93.6 million and U.S. \$11.9 million, respectively.

The following is a summary of the REIT's interest rate caps:

	Three months ended March 31,	
	2024	2023
Beginning of the period	\$ 2,478	\$ 3,833
Fair value changes	(645)	(190)
Foreign exchange gain	9	32
End of period	\$ 1,842	\$ 3,675

Foreign exchange derivative

From time to time, the REIT may use forward foreign exchange contracts to hedge against fair value changes in the REIT's U.S. dollar net investment in its U.S. operations arising from fluctuations in the U.S. and Canadian dollar exchange rates, and its Euro net investment in its Irish operations arising from fluctuations in the Euro and Canadian dollar exchange rates. Sources of hedge ineffectiveness include instances where the net investments in U.S. and Irish operations is less or greater than outstanding hedge instruments and potential misalignment between the term of the hedging instrument and the holding term of the REIT's net investment in U.S. and Irish operations.

The REIT did not enter into any derivative or foreign exchange contracts during the three months ended March 31, 2024 and 2023.

FINANCIAL CONDITION

The REIT's primary sources of capital are cash generated from operating, financing, and investing activities. Management expects to meet all of the REIT's obligations through current cash and cash equivalents, cash flows from operations, execution of the Portfolio Realignment Plan, the REIT's revolving credit facility and refinancing of mortgages and equity. The REIT's contractual obligations as outlined above are expected to be funded through its sources of capital. Incremental to these contractual obligations, the REIT endeavours to invest in its current portfolio of assets through leasing and capital expenditure, the amount and timing of which are uncertain. The REIT intends to fund these expenditures through its various sources of capital in addition to the execution of the Portfolio Realignment Plan.

The following table provides an overview of the REIT's cash flows from operating, financing and investing activities:

	Three months ended March 31,	
	2024	2023
Net change in cash related to:		
Operating	\$ 5,318	\$ 8,197
Investing	21,974	(6,245)
Financing	(26,692)	(3,790)
Foreign exchange (loss) gain on cash held in foreign currency	(17)	873
(Decrease) increase in cash	\$ 583	\$ (965)

The change in cash for the three months ended March 31, 2024 and 2023 was the result of the following factors:

- Operating – cash inflows for the three months ended March 31, 2024 decreased by \$2.9 million when compared to the same period in 2023. The increase is a result of changes in working capital and an increase in interest paid. This was partially offset from the suspension of distributions to Class B LP unitholders.
- Investing – cash inflows for the three months ended March 31, 2024 were \$22.0 million compared to outflows of \$6.2 million for the same period in 2023. The cash inflows in the current period were primarily a result of the dispositions of The Sheridan Exchange and Airways Units 7 & 8 in February 2024. This was offset by capital expenditures and leasing costs throughout the REIT's portfolio. In the prior period, cash outflows were primarily a result of capital expenditures throughout the REIT's portfolio.
- Financing – cash outflows of \$26.7 million for the three months ended March 31, 2024 was primarily due to the discharge of debt secured on The Sheridan Exchange and Airways Units 7 & 8 in addition to other mortgage repayments. This was offset by draws on the revolving credit facility. For the three months ended March 31, 2023, the cash outflows of \$3.8 million were primarily from distributions on REIT units and mortgage repayments net of advances on the revolving credit facility.

DEFERRED UNIT PLAN

Trustee deferred unit plan

Trustees who are not employees of the REIT or the Manager, Slate Asset Management L.P., or any of their subsidiaries, are eligible to participate in the REIT's Trustee deferred unit plan (the "Trustee DUP"). Participants may elect to receive all or a portion of their annual retainer, meeting fees and additional compensation (including travel fees), in deferred units. One deferred unit, which vests immediately on the grant date, is equivalent to one trust unit. Additional deferred units accumulate at the same rate that distributions are paid on the trust units.

The deferred units may be redeemed by a participant for a period of two years after the participant ceases to be a Trustee of the REIT in whole or in part for cash or trust units. The value of the deferred units when converted to cash will be equivalent to the market value of trust units on the date of the redemption request.

At March 31, 2024, the liability associated with the Trustee DUP was \$0.5 million (December 31, 2023: \$0.5 million) and the number of outstanding deferred units was 698,036 (December 31, 2023: 588,311 units).

Officer deferred unit plan

The Officer deferred unit plan ("the Officer DUP") provides officers of the REIT the opportunity to receive deferred units of the REIT through the Officer DUP. The maximum number of deferred units reserved for issuance under the Officer DUP is 1% of total units outstanding. One deferred unit, which vests immediately on the grant date, is equal to one trust unit. Any units issued under the Officer DUP result in an equal reduction in the asset management fee payable to Slate Management Corporation, based on the trading price of units on the day of issuance.

The deferred units may be redeemed by a participant after two years following the date the units were issued in whole or in part for cash or trust units. The value of the deferred units when converted to cash will be equivalent to the market value of trust units on the date of the redemption request.

If a participant ceases to be an officer of the REIT, the deferred units must be redeemed no later than two years following that date.

As at March 31, 2024, the liability associated with deferred units issued under the Officer DUP was \$11 thousand (December 31, 2023: \$12 thousand) and the number of deferred units was 14,294 (December 31, 2023: 14,294).

EQUITY

The REIT is authorized to issue an unlimited number of trust units. Each trust unit represents a proportionate undivided beneficial interest and voting right in the REIT and entitles the holder to an equal participation in distributions of the REIT. The trust units are redeemable at the option of the holder at any time. The REIT's trust units are traded on the TSX and had a closing price of \$0.75 on March 31, 2024.

The REIT is also authorized to create and issue an unlimited number of preferred units, in one or more classes comprised of unlimited series, having terms and conditions as may be determined by the Board of Trustees from time to time. There have been no preferred units created or issued.

As at March 31, 2024, the total number of trust units outstanding was 80,049,062. As at May 2, 2024, the total number of trust units outstanding was 80,049,062.

Potential trust units

	March 31, 2024	December 31, 2023
Class B LP units	5,285,160	5,285,160
Deferred units	712,330	602,606
Total	5,997,490	5,887,766

The Class B LP units are exchangeable into trust units of the REIT on a one-for-one basis, subject to anti-dilution adjustments. Each Class B LP unit is accompanied by one special voting unit of the REIT providing the same voting rights in the REIT as the trust units of the REIT and is entitled to distributions of cash equal to the cash distributions paid to holders of trust units by the REIT. The Class B LP units are recognized in the REIT's consolidated financial statements as financial liabilities measured at fair value through profit and loss. Upon exchange into trust units of the REIT, the carrying amount of the liability representing the fair value of the Class B LP units on exchange date will be reclassified to unitholders' equity. During the three months ended March 31, 2024 and 2023, there were no Class B LP units exchanged for the REIT's trust units.

Weighted average diluted units outstanding

The following is the weighted average diluted number of units outstanding during the three months ended March 31, 2024 and 2023. The diluted weighted average trust units outstanding is determined as if all of the Class B LP units and deferred units have been converted to units of the REIT:

	Three months ended March 31,	
	2024	2023
Basic weighted average units outstanding	80,049,062	80,023,409
Class B LP units	5,285,160	5,285,160
Basic weighted average deferred units outstanding	602,606	276,576
Diluted weighted average units outstanding	85,936,828	85,585,145

Diluted units outstanding

The following is the diluted number of units outstanding at March 31, 2024 and 2023. The diluted number of units outstanding is determined as if all of the Class B LP units and deferred units have been converted to units of the REIT:

	March 31, 2024	March 31, 2023
Trust units outstanding	80,049,062	80,023,409
Class B LP units	5,285,160	5,285,160
Deferred units	712,330	327,100
Diluted units outstanding	86,046,552	85,635,669

RELATED PARTY TRANSACTIONS

The REIT has a management agreement (the "Management Agreement") with SMULC, an indirect subsidiary of Slate, whereby SMULC as the REIT's manager provides the REIT with the strategic, administrative, property management, leasing, acquisition, financing and construction management services necessary to manage the strategy and day-to-day operations of the REIT and its assets. Key management personnel of the REIT are employed by SLAM.

These transactions are in the normal course of operations and are in accordance with the management agreement and are measured at the exchange amount. The exchange amount is the consideration established under contract and as approved by the REIT's Board of Trustees. The REIT's key personnel include trustees and officers of the REIT.

Slate directly and indirectly held the following interests in the REIT:

	March 31, 2024	December 31, 2023
REIT units	3,329,040	3,302,040
Class B LP units	5,285,160	5,285,160
Total	8,614,200	8,587,200
Economic interest	10.0%	10.0%

Since becoming the manager of the REIT in late 2014, Slate has been a significant unitholder in the REIT. Accordingly, Slate is highly motivated to continue to grow the operations and financial position of the REIT on an accretive basis. During the three months ended March 31, 2024, Slate purchased 27,000 REIT units (March 31, 2023: nil).

The Management Agreement provides for the following fees:

Type	Basis
Property management	3% of gross revenue ¹
Asset management	0.3% of gross book value ²
Leasing	5% on new leases, 2% on renewals ³
Financing	0.25% of debt financed
Construction	5.0% of costs
Acquisition	Variable ⁴

¹Gross revenue is defined as all revenues received by and/or on behalf of the REIT from the leasing and/or licensing of the REIT's properties.

²Gross book value is defined as the book value of the REIT's assets as shown on the previous quarter's consolidated financial statements, less restricted cash.

³Leasing fees are charged to the REIT net of any third party brokerage fees paid to leasing agents retained by the REIT. No fee is charged to the REIT where such third party fees are equal to or greater than the lease fee payable to Slate.

⁴Acquisition fees are 1.0% on the first \$100.0 million of acquisitions; 0.75% on the next \$100.0 million of acquisitions and 0.50% for acquisitions in excess of \$200.0 million.

Property and asset management fees are recorded as property operating and general and administrative expenses, respectively, in the period incurred. Acquisition, construction and leasing fees are recorded as additions to investment properties when payable to SMULC. Financing fees are capitalized to debt placed at the time of closing and amortized to interest expense over the term to maturity of the related debt.

Fees payable during the period to SMULC and SLAM for services provided were as follows:

	Three months ended March 31,	
	2024	2023
Property management	\$ 1,443	\$ 1,369
Asset management	1,315	1,426
Leasing, financing and construction management	1,661	408
Total	\$ 4,419	\$ 3,203

Property administration fees are generally recoverable under the tenants' leases relating to assets or resources of the Manager that are directly attributable to the management of the REIT's investment properties. Property administration fees were \$2.8 million for the three months ended March 31, 2024 (March 31, 2023: \$2.4 million). Administrative fees are recovered from most tenants by the REIT in accordance with the terms of the leases, whereas property management fees payable by the REIT to the Manager are determined in accordance with the Management Agreement.

The REIT entered into an agreement to lease approximately 6,000 square feet of office space to Slate at one of its properties at market rents which expires October 31, 2029. In 2022, the REIT agreed to lease approximately 4,000 additional square feet to Slate at the same property and at the same rent rate and expiration. Total rent of \$0.1 million was received under this lease for the three months ended March 31, 2024 (March 31, 2023: \$0.1 million). There were no amounts receivable related to this lease at March 31, 2024 and December 31, 2023.

The following are the assets and liabilities included in the consolidated statements of financial position of the REIT related to SMULC and Slate:

	March 31, 2024	December 31, 2023
Accounts receivable	\$ 54	\$ 13
Accounts payable and accrued liabilities	(2,883)	(178)
Class B LP units	(3,964)	(4,281)

A trustee of the REIT and a corporation controlled by the trustee, G2S2 Capital Inc., through its wholly-owned subsidiary, Armco Alberta Inc. (collectively, "G2S2"), held the following interests in the REIT:

	March 31, 2024	December 31, 2023
REIT units	15,110,200	15,110,200
Deferred units	53,326	35,839
Total	15,163,526	15,146,039
Economic interest	17.6%	17.6%

G2S2 also held an aggregate principal amount of \$12.1 million (December 31, 2023: \$12.1 million) of the REIT's convertible debentures as at December 31, 2023. If G2S2 was the sole convertible debenture holder to convert to trust units, it would indirectly own a total of 17,299,652 trust units (December 31, 2023: 17,282,165), representing an economic interest of approximately 19.6% (December 31, 2023: 19.6%) on a diluted basis.

The REIT entered into an agreement to lease approximately 17,000 square feet of office space to G2S2 at one of its properties at market rents which expired June 30, 2023. G2S2 vacated the property subsequent to June 30, 2023. Total rent of \$144 thousand was received under this lease for the three months ended March 31, 2023. There were no amounts receivable related to this lease at March 31, 2024 and December 31, 2023. In connection with a settlement agreement signed on February 16, 2023, between the REIT and G2S2, the REIT agreed to reimburse G2S2 for out-of-pocket fees and expenses including legal fees relating to the agreement. During the three end March 31, 2023, the REIT reimbursed G2S2's legal fees of \$161 thousand and recorded the cost to professional fees.

On January 12, 2024, the REIT announced that the REIT and G2S2 agreed to amend the settlement agreement to, among other things, (i) reduce the size of the Board from eight to six trustees at the REIT's next annual general meeting, and (ii) to terminate certain restrictions applicable to G2S2 including restrictions on G2S2 acquiring additional securities of the REIT. G2S2 also agreed to provide credit support and a letter of credit in favour of a tenant of the REIT for certain obligations that the REIT has undertaken in connection with its pursuit of leasing opportunities, such as leasing costs and tenant inducements. As May 2, 2024, G2S2 has not yet established the letter of credit or funded certain leasing costs which have been requested by the REIT.

PART V - ACCOUNTING AND CONTROL

CRITICAL ACCOUNTING ESTIMATES

The REIT has identified the estimate of the fair value of its properties as a critical accounting estimate due to the significance of the estimate to the REIT's financial position and impact of changes on fair value to net income. Estimating the fair value of real property is characterized by uncertainty, both in terms of differences between different methods of valuation but also in the selection of assumptions to reflect the property being valued, certain of which are subjective. There is no assurance that management's, or a third-party's, estimate of fair value would be realized on sale due to the specific and unique aspects of real property, including their location, liquidity, tenants and the local demand and supply of competing properties for tenants.

The REIT determines the fair value of investment properties based on the discounted cash flow method, which is a generally accepted appraisal methodology. The appropriate methodology is selected by management and by independent real estate valuation experts considering the nature of the property and availability of information.

The fair values of properties are measured individually without consideration to their aggregate value on a portfolio basis. No consideration is given to diversification benefits related to single property tenant risk and geography, the value of assembling a portfolio or to the utilization of a common management platform, amongst other benefits. As a result, the fair value of the REIT's properties taken in aggregate may differ from the fair value of properties measured individually in the REIT's consolidated statements of financial position. Property valuation is dependent on leasing history, market reports, tenant profiles and available appraisals alongside other evidence of market conditions. At the balance sheet date there exists a limited number of observable comparable transactions and certain of the observable comparable transactions may have occurred by seller distress, financing pressure or other factors specific to those particular market participants and transactions. Accordingly, estimation uncertainty with determining the fair value of investment properties remains high.

Under the discounted cash flow method, fair values are primarily determined by discounting the future cash flows, generally over a term of 10 years, including a terminal value based on the application of a terminal capitalization rate to estimated year 11 net operating income. Future cash flows, discount rates and terminal capitalization rates are the most significant assumptions in determining fair value. The REIT uses leasing history, market reports, tenant profiles and available appraisals, among other evidence including current market conditions, in determining the most appropriate assumptions

A summary of the significant assumptions used in the REIT's estimate of fair value as at March 31, 2024 is included in this MD&A. Changes in these assumptions, which have become increasingly uncertain due to the lack of comparable market evidence, would have a significant impact on the REIT's estimate of fair value, which can be impacted by changes in demand for properties similar to those owned by the REIT, expectations of market rents, the covenant quality of tenants and the general economic environment. Further, these changes can occur at different times and magnitudes for each of the REIT's regions based on the investment environments in each of their respective markets.

INCOME TAXES AND THE REIT EXCEPTION

The REIT currently qualifies as a "mutual fund trust" as defined in the Tax Act. In accordance with the REIT's Declaration of Trust, distributions to unitholders are declared at the discretion of the trustees. The REIT endeavours to distribute to unitholders, in cash or trust units, in each taxation year its taxable income to such an extent that the REIT will not be liable to income tax under Part I of the Tax Act.

The Tax Act imposes a special taxation regime (the "SIFT Rules") applicable to certain publicly traded income trusts (each a "SIFT"). A SIFT includes a trust resident in Canada with publicly traded units that holds one or more "non-portfolio properties". "Non-portfolio properties" include certain investments in real properties situated in Canada and certain investments in corporations and trust residents in Canada and in partnerships with specified connections in Canada. Under SIFT Rules, a SIFT is subject to tax in respect of certain distributions that are attributable to the SIFT's "non-portfolio earnings" (as defined in the Tax Act; generally, income (other than certain dividends) from, or capital gains realized on, "non-portfolio properties", which does not include certain investments in non-Canadian entities), at a rate substantially equivalent to the combined federal and provincial corporate tax rate on certain types of income. The SIFT Rules are not applicable to a SIFT that meets certain specified criteria relating to the nature of its revenues and investments in order to qualify as a real estate investment trust for purposes of the Tax Act (the "REIT Exception"). The REIT believes that it qualifies for the REIT Exception as of March 31, 2024.

The REIT's U.S. and Irish subsidiaries are subject to income tax on taxable income from U.S. and Irish operations respectively. The REIT recognizes deferred tax assets and liabilities at prevailing tax rates when such differences are expected to settle. Based on tax laws enacted at the reporting date, the U.S. subsidiary is subject to a combined federal and state rate of 28.51%, and the Irish subsidiaries are subject to a tax rate of 25.00% on rental income, 33.00% on capital gain. The REIT assesses each reporting period whether it can recognize the deferred tax asset of its U.S. and Irish subsidiaries.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The REIT's management, under the supervision of its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), is responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as such terms are defined in National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109").

DC&P are those controls and other procedures that are designed to provide reasonable assurance that all material information required to be disclosed by the REIT in annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed,

summarized and reported within the time periods specified in the securities legislation. Furthermore, DC&P are those controls and other procedures that are designed to ensure that material information required to be disclosed by the REIT in annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the REIT's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS for the three months ended March 31, 2024.

The REIT's CEO and CFO, along with the assistance of others, have designed disclosure controls and procedures to provide reasonable assurance that information required to be disclosed in the various reports filed or submitted by the REIT under securities legislation is recorded, processed, summarized and reported accurately and have designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

In the design of its internal controls the REIT uses the 2013 framework published by the Committee of Sponsoring Organizations of the Treadway Commission. No changes were made in the REIT's design of ICFR for the three months ended March 31, 2024, that have materially affected, or are reasonably likely to materially affect, the REIT's ICFR.

In designing such controls, it should be recognized that due to inherent limitations, any controls or control systems, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the control system are met. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected or prevented. These inherent limitations include, without limitation, (i) the possibility that management's assumptions and judgments may ultimately prove to be incorrect under varying conditions and circumstances; or (ii) the impact of isolated errors.

Additionally, controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential conditions. Projections of any evaluations of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PART VI - PROPERTY TABLE

Details of the REIT's property portfolio at March 31, 2024 are set out in the table below:

Asset Class	Property Address	Property Name	City	Year Built / Renovated / Expanded	Interest	Square feet of GLA	Occupancy
United States Office							
	20 South Clark	20 South Clark	Chicago, IL	1970 / 2018-2021	100%	371,340	74.0%
	120 South LaSalle	120 South LaSalle	Chicago, IL	1929 / 1998	100%	655,289	82.8%
	275 N Field Drive	275 N Field Drive	Chicago, IL	1989 / 2021	100%	197,527	52.2%
Total United States Office						1,224,156	75.2%
Greater Toronto Area Office							
	7030, 7050, 7100 Woodbine Avenue & 55, 85 Idema Road	Woodbine & Steeles Corporate Centre	Markham, ON	1984 / 2011	75%	359,563	80.2%
	3000 - 3100 Steeles Avenue East	Gateway Centre	Markham, ON	1982 / 1987	75%	243,403	83.5%
	2285 Speakman Drive		Mississauga, ON	1981 / 2016	100%	127,419	73.5%
	2599 Speakman Drive		Mississauga, ON	1971 / 2011	100%	127,782	84.9%
	2251 Speakman Drive		Mississauga, ON	1965/2016	100%	115,582	100.0%
	1189 Colonel Sam Drive		Oshawa, ON	2001	100%	103,179	100.0%
	185-195 The West Mall	West Metro Corporate Centre	Toronto, ON	1986 / 2006	100%	618,003	62.9%
	401-405 The West Mall	Commerce West	Toronto, ON	1982 / 2009	75%	412,464	77.7%
Total Greater Toronto Area Office						2,107,395	77.0%
Atlantic Office							
	440 King Street	Kings Place	Fredericton, NB	1974 / 2001	100%	298,454	74.7%
	250 King Street		Fredericton, NB	2000	100%	80,164	100.0%
	460 Two Nations Crossing		Fredericton, NB	2008	100%	50,229	100.0%
	570 Queen Street		Fredericton, NB	1989	100%	69,677	49.4%
	644 Main Street	Blue Cross Centre	Moncton, NB	1988 / 2006	100%	319,705	98.9%
	81 Albert Street		Moncton, NB	2002	100%	64,954	100.0%
	39 King Street ¹	Brunswick Square	Saint John, NB	1976	100%	515,580	50.0%
	100 New Gower Street	Cabot Place	St. John's, NL	1987	100%	142,283	60.0%
	10 Factory Lane	The Johnson Building	St. John's, NL	1980	100%	210,863	75.5%
	5 Springdale Street	Fortis Place	St. John's, NL	2014	100%	142,960	78.2%
	140 Water Street	TD Place	St. John's, NL	1980 / 2013	100%	108,972	48.9%
	1505 Barrington Street	Maritime Centre	Halifax, NS	1977 / 1985	100%	529,269	81.7%
	84-86 Chain Lake Drive	84-86 Chain Lake	Halifax, NS	2008 / 2011	100%	77,820	75.2%
Total Atlantic Office						2,610,930	73.8%

¹GLA and occupancy stats do not include the Delta Brunswick Hotel.

Asset Class	Property Address	Property Name	City	Year Built / Renovated / Expanded	Interest	Square feet of GLA	Occupancy
Ireland Office							
	Three Gateway, East Wall Road	Three Gateway	Dublin, Dublin	2006	100%	43,212	100.0%
	One Gateway, East Wall Road	One Gateway	Dublin, Dublin	2006	100%	51,495	0.0%
	Ashtown Gate Road	Ashtown Gate Blocks B&C	Dublin, Dublin	2000	100%	33,149	100.0%
	Citywest Business Campus	Citywest Blocks E&F	Dublin, Dublin	1998	100%	45,972	73.0%
	Birch House, Millennium Park	Birch House	Naas, Kildare	2006	100%	40,333	100.0%
	Chestnut House, Millennium Park	Chestnut House	Naas, Kildare	2006	100%	31,596	66.7%
	Hazel House, Millennium Park	Hazel House	Naas, Kildare	2006	100%	19,326	100.0%
	Ash House, Millennium Park	Ash House	Naas, Kildare	2006	100%	19,108	100.0%
	Willow House, Millennium Park	Willow House	Naas, Kildare	2006	100%	17,865	100.0%
	Beech House, Millennium Park	Beech House	Naas, Kildare	2006	100%	12,778	100.0%
	Athlone Business & Technology Park	Teleflex	Athlone, Westmeath	2016	100%	45,370	100.0%
	Cork Airport Business Park	Unit 2600, Cork Airport	Cork, Cork	1999	100%	40,827	49.6%
	Mallow Business Park	Blackwater House	Mallow, Cork	2000	100%	29,930	94.7%
	Letterkenny Business & Technology Park	Optum Buildings	Letterkenny, Donegal	1999 / 2007	100%	90,548	100.0%
	Waterford Business & Technolgy Park	IDA Waterford Block A	Waterford, Waterford	2005	100%	28,027	100.0%
	IDA Athlone Block A, Athlone Business & Technology Park	IDA Athlone Block A	Athlone, Westmeath	2009	100%	33,693	100.0%
	IDA Athlone Blocks B & B2, Athlone Business & Technology Park	IDA Athlone Blocks B & B2	Athlone, Westmeath	2009	100%	101,230	100.0%
	IDA Athlone Block C, Athlone Business & Technology Park	IDA Athlone Block C	Athlone, Westmeath	2008	100%	26,447	100.0%
	IDA Athlone Block C - Extension, Athlone Business & Technology Park	IDA Athlone Block C - Extension	Athlone, Westmeath	2022	100%	35,897	100.0%
Total Ireland Office						746,803	87.1%
Western Office							
	280 Broadway Avenue ²		Winnipeg, MB	1957	100%	105,341	86.2%
	114 Garry Street		Winnipeg, MB	1950 / 1995	100%	74,246	100.0%
	365 Hargrave		Winnipeg, MB	Various	100%	70,719	100.0%
	1870 Albert Street	Saskatchewan Place	Regina, SK	1985	100%	84,882	57.7%
Total Western Office						335,188	85.0%
Office						7,024,472	80.2 %
Non-office							
	Naas Enterprise Park	Unit L2 Toughers	Naas, Kildare	2000	100%	34,494	100.0%
	Coes Road	Tanola House	Dundalk, Louth	2019	100%	86,451	100.0%
	Bridge Street	Bridge Centre	Tullamore, Offaly	1995	100%	6,238	100.0%
	1450 Waverley Street	Bell MTS Data Centre	Winnipeg, MB	2015	100%	64,218	100.0%
	200 Manitoba 10	Walmart Flin Flon	Flin Flon, MB	2002	100%	63,439	100.0%
Non-office						254,840	100.0%
Total Portfolio						7,279,312	77.7%

²Includes a seven-storey office building at 280 Broadway Avenue, a three-storey multi-family residential building located at 70 Smith Street and two parking lots located at 286 Broadway Avenue and 68 Smith Street; excludes occupancy from residential tenants at 70 Smith Street.

Corporate Information

Slate Office REIT is an unincorporated, open-ended investment trust fund under and governed by the laws of the Province of Ontario. The REIT focuses on acquiring, owning and leasing a portfolio of diversified revenue-producing commercial real estate office properties.

Trustees

Monty Baker, Chair^{1 2 3}
Corporate Director

Michael Fitzgerald^{2 3}
Corporate Director

Meredith Michetti¹
Corporate Director

Lori-Ann Beausoleil²
Corporate Director

George Armoyan³
Corporate Director

Jean-Charles Angers^{1 2 3}
Corporate Director

Blair Welch³
Partner and Co-founder,
Slate Asset Management

Brady Welch
Partner and Co-founder,
Slate Asset Management

¹ Compensation, Governance and Nomination Committee

² Audit Committee

³ Investment Committee

Head Office

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Independent Auditors

KPMG LLP
Chartered Professional Accountants
Toronto, Canada

Toronto Stock Exchange Listings

SOT.UN: trust units
SOT.DB: 9.00% convertible unsecured subordinated debentures
SOT.DB.A: 5.50% convertible unsecured subordinated debentures
SOT.DB.B: 7.50% convertible unsecured subordinated debentures

Registrar and Transfer Agent

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The REIT's website www.slateofficereit.com provides additional information regarding the REIT's portfolio, investment strategy, management and corporate governance. Additionally, the Investor section includes news, presentations, events, regulatory filings and stock information.



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