

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell those securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “U.S. Securities Act”) and, may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, and any applicable state securities laws, or pursuant to an available exemption from the registration requirements from the U.S. Securities Act and any applicable state securities laws. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in the United States to, or for the account or benefit, of a U.S. Person. See “Plan of Distribution”.

FINAL PROSPECTUS

INITIAL PUBLIC OFFERING

February 12, 2026



NORTH AMERICA HOME FINANCE INC.

Minimum Offering: \$1,700,000 or 3,400,000 Units
Maximum Offering: \$5,000,000 or 10,000,000 Units
Price: \$0.50 per Unit

AND

Up to 926,269 Series 1 Non-Voting Preferred Shares (defined below as Housing Shares)
under the Exchange Offering for all outstanding:

2.70% RealProperty Bonds of North America Home Finance Inc.
(defined below as the RPB Bonds)

Redeemable Capital Growth Participation RP Rights of North America Home Finance Inc.
(defined below as the RPB Rights)

2.70% RealProperty Notes of Saanich Ridge Development Ltd.
(defined below as the SRRPU Notes)

Redeemable Capital Growth Based RPU Rights of Saanich Ridge Development Ltd.
(defined below as the SRRPU Rights)

2.70% Development Property Bonds of North America Home Finance Inc.
(defined below as the FB Development Bonds)

Redeemable DP Rights of North American Home Finance Inc.
(defined below as the FB Development Rights)

This prospectus (the “**Prospectus**”) qualifies the distribution (the “**Offering**”) by North America Home Finance Inc. (the “**Company**”) of a minimum of 3,400,000 units (each, an “**Offered Unit**”) of the Company and a maximum of 10,000,000 Offered Units to be issued and sold at a price of \$0.50 per Offered Unit (the “**Offering Price**”) for gross proceeds of a minimum of \$1,700,000 (the “**Minimum Offering**”) and a maximum of \$5,000,000 (the “**Maximum**

Offering”). The Offering is being made pursuant to an agency agreement to be dated the date hereof (the “**Agency Agreement**”) between the Company and Hampton Securities Limited, as the agent (the “**Agent**”).

Each Offered Unit consists of one common share in the authorized capital of the Company (each, a “**Common Share**”) and one-half of one Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture (as defined herein), one Common Share (a “**Warrant Share**”) at a price of \$0.85 per Warrant Share at any time prior to 5:00 p.m. Vancouver time on the day that is 24 months following the Closing Date (as defined herein) (the “**Expiry Date**”). The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on or before the Closing Date between the Company and Computershare Trust Company of Canada (the “**Warrant Agent**”). See “*Description of the Securities*”.

Price: \$0.50 per Offered Unit

	Price to Public⁽¹⁾⁽⁵⁾	Agent’s Commission⁽²⁾⁽⁵⁾	Net Proceeds to the Company⁽³⁾⁽⁴⁾⁽⁵⁾
Per Offered Unit	\$0.50	\$0.035	\$0.465
Total Minimum Offering	\$1,700,000	\$119,000	\$1,581,000
Total Maximum Offering	\$5,000,000	\$350,000	\$4,650,000

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- (1) The Offering Price was established by arm’s length negotiation between the Company and the Agent.
- (2) The Company has agreed to pay the Agent a cash commission (the “**Agent’s Commission**”) equal to 7% of the gross proceeds received by the Company from the Offering. Unless the context otherwise requires, the Agent’s Commission, when referred to herein, means the maximum Agent’s Commission of 7% of the gross proceeds received by the Company from the Offering, but does not include the flat fee of \$165,000 required to be paid by the Company to the Agent (the “**Corporate Finance Fee**”). The Agent’s Commission will be paid out of the proceeds of the Offering. In addition, the Agent will receive non-transferable warrants (the “**Broker Warrants**”) to purchase that number of Common Shares (each, a “**Broker Warrant Share**”) as is equal to 7.0% of the number of Offered Units sold pursuant to the Offering. The Broker Warrants will be exercisable for a period of 24 months from the Closing Date at a price of \$0.50 per Broker Warrant Share. This Prospectus also qualifies the distribution of the Broker Warrants and the Broker Warrant Shares issuable upon exercise of the Broker Warrants. See “*Plan of Distribution*”.
- (3) After deducting the Agent’s Commission, but before deducting the expenses of the Offering, estimated to be approximately \$610,000 (which includes the unpaid portion of the Corporate Finance Fee of \$115,000). The expenses of the Offering will be paid by the Company out of the proceeds of the Offering. See “*Use of Proceeds*”.
- (4) The Company has granted to the Agent an option (the “**Over-Allotment Option**”), exercisable, in whole or in part, at the sole discretion of the Agent, for a period of 30 days from the closing of the Offering (the “**Closing**”), to offer for sale additional Offered Units up to 15% of the Offered Units issued pursuant to the Offering on the Closing Date (the “**Over-Allotment Offered Units**”). Each Over-Allotment Offered Unit shall consist of one Common Share (each, an “**Over-Allotment Share**”) and one-half of one Warrant (each whole Warrant, an “**Over-Allotment Warrant**”, and together with the Over-Allotment Offered Units and the Over-Allotment Shares, the “**Over-Allotment Securities**”). The Agent may elect to exercise the Over-Allotment Option to purchase Over-Allotment Offered Units only, Over-Allotment Shares only, Over-Allotment Warrants only, or any combination thereof, provided that the aggregate number of Over-Allotment Shares and Over-Allotment Warrants that may be issued under the Over-Allotment Option shall not exceed a number equal to 15% of the number of Common Shares and 15% of the number of Warrants (rounded down to the nearest whole number, as applicable) issued under the Offering, respectively. The purchase price for the Over-Allotment Offered Units purchased upon exercise of the Over-Allotment Option shall be equal to the Offering Price, the purchase price of the Over-Allotment Warrants purchased upon exercise of the Over-Allotment Option is \$ 0.01 per whole Over-Allotment Warrant, and the purchase price per Over-Allotment Share purchased upon exercise of the Over-Allotment Option is \$0.495 per Over-Allotment Share. The Over-Allotment Securities will be sold to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised by the Agent in full for Over-Allotment Offered Units, and assuming completion of the Maximum Offering, the total “Price to the Public”, “Agent’s Commission” and “Net Proceeds to the Company” will be \$5,750,000, \$402,500 and \$5,347,500 respectively, before deducting the expenses of the Offering, estimated to be approximately \$610,000 (which includes the unpaid portion of the Corporate Finance Fee of \$115,000). This Prospectus qualifies the distribution of up to 1,500,000 Over-Allotment Offered Units issued on the exercise thereof, including up to 1,500,000 Over-Allotment Shares and up to 750,000 Over-Allotment Warrants comprising such 1,500,000 Over-Allotment Offered Units. A purchaser who acquires Over-Allotment Securities forming part of the Agent’s over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.
- (5) Assumes no exercise of the Over-Allotment Option.

The following table sets out the number of additional securities for which the Over-Allotment Option may be exercised, and the Broker Warrants:

Agent's Position ⁽¹⁾	Maximum Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	1,500,000 Over-Allotment Units (or 1,500,000 Over-Allotment Shares or 750,000 Over-Allotment Warrants)	Exercisable at any time until 30 days from the Closing Date	\$0.50 per Over-Allotment Unit (or \$0.495 per Over-Allotment Share or \$0.01 per whole Over-Allotment Warrant)
Broker Warrants ⁽²⁾	805,000 Broker Warrant Shares	Exercisable for a period of 24 months from the Closing Date	\$0.50 per Broker Warrant Share

(1) This Prospectus qualifies the grant of the Over-Allotment Option and the Broker Warrants, as well as the Over-Allotment Securities issuable upon the exercise of the Over-Allotment Option and the Broker Warrant Shares issuable upon the exercise of the Broker Warrants.

(2) Assumes the Maximum Offering and that the Over-Allotment Option has been exercised in full.

There is currently no market through which the Offered Units, the Warrants, the Common Shares or Housing Shares may be sold and purchasers may not be able to resell the securities purchased or otherwise acquired under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.

The Exchange Offer Subject Securities

The Company issued the (i) RPB Bonds and RPB Rights pursuant to the RPB Indenture (defined below), (ii) SRRPU Notes and SRRPU Rights pursuant to the SRRPU Indenture (defined below), and (iii) the FB Development Bonds and FB Development Rights pursuant to the FB Indenture (defined below). The RPB Bonds, RPB Rights, SRRPU Notes, SRRPU Rights, FB Development Bonds and FB Development Rights are referred to in this Prospectus as the **“Exchange Offer Subject Securities”**.

The Exchange Offer Subject Securities were originally distributed on varying dates on a private placement basis in reliance on exemptions from the prospectus requirements.

The Exchange Offering

The Company is offering to holders of Exchange Offer Subject Securities as of record on the close of business (Pacific Time) on the business day immediately following the date a final receipt is obtained for this Prospectus (the **“Exchange Offer Record Date”**) who are resident in British Columbia, Alberta or Ontario (the **“Qualifying Jurisdictions”** and such holders being **“Qualifying Holders”**) to exchange such securities for Series 1 Non-Voting Preferred Shares of the Company (**“Housing Shares”**). The offer to exchange will be open from the date that is two business days following the Exchange Offer Record Date (the **“Exchange Offer Commencement Date”**) and will expire at 5:00 p.m. (Pacific time) (the **“Exchange Offer Expiry Time”**) on the date that is 45 days thereafter (the **“Exchange Offer Expiry Date”**), unless the Company decides to extend the offer. This Prospectus qualifies the distribution of the Housing Shares to Qualifying Holders who validly tender their Exchange Offer Subject Securities under the Exchange Offering.

If all the conditions to the offer are satisfied, the Company will exchange the Exchange Offer Subject Securities that are validly tendered for Housing Shares as follows:

- (i) In respect of RPB Bonds, SRRPU Notes and FB Development Bonds, one Housing Share for every \$10.35 of outstanding principal amount and accrued interest in respect of such securities calculated by the Company in good faith as of the Exchange Offer Expiry Date;
- (ii) In respect of the RPB Rights, one Housing Share for every \$10.35 of RPB Right Redemption Amount (defined below) calculated by the Company in good faith as of the Exchange Offer Expiry Date;
- (iii) In respect of the SRRPU Rights, one Housing Share for every \$10.35 of SRRPU Right Redemption Amount (defined below) calculated by the Company in good faith as of the Exchange Offer Expiry Date; and
- (iv) In respect of the FB Development Rights, one Housing Share for every \$10.35 of FB Development Right Redemption Amount (defined below) calculated by the Company in good faith as of the Exchange Offer Expiry Date.

The Housing Share exchange price of \$10.35 per Housing Share (the “**Exchange Price**”) has been determined by the Board of Directors of the Company based on the net asset value per HY Unit (as defined below) as of December 1, 2025 in accordance with the Declaration of Trust (as defined below). The Board of Directors of the Company will also determine the aggregate value of the Exchange Offer Subject Securities held by the holders thereof effective as of the Exchange Offer Expiry Time that will be eligible to be exchanged for Housing Shares, which amounts will be set forth in the Letter of Transmittal (defined below) sent to the Qualifying Holders. See “*Risk Factors – Risks Related to the Exchange Offering*”. The offering of the Housing Shares in exchange for the Exchange Offer Subject Securities is referred to in this Prospectus as the “**Exchange Offering**”. See “*Description of the Securities – Exchange Offering*” and “*Description of the Securities – Housing Shares*”.

The exchange of Exchange Offer Subject Securities by a Qualifying Holder pursuant to the Exchange Offering is subject to such holder tendering such quantity of Exchange Offer Subject Securities that will have a minimum value as set out in the Letter of Transmittal of \$1,035.00 (the “**Minimum Exchange Value**”). Where a Qualifying Holder tenders a number of Exchange Offer Subject Securities that would otherwise entitle the Qualifying Holder to receive fractional Housing Shares, such holder’s entitlement will be reduced to the next lowest whole number of Housing Shares.

The aggregate number of Housing Shares distributed under this Prospectus will be less than 926,269 in the event that any of the Exchange Offer Subject Securities are settled prior to the Exchange Offer Expiry Date, if any of the holders of Exchange Offer Subject Securities exercise their right to have such securities redeemed prior to the Exchange Offer Expiry Date, any of the Qualifying Holders elect not to tender all or part of their Exchange Offer Subject Securities (which the Company expects to be the case) or as a result of the number of Housing Shares to be issued upon the tender of Exchange Offer Subject Securities being rounded down to the next whole number of Housing Shares.

The Exchange Offering is not conditioned upon any amount of Exchange Offer Subject Securities being tendered for exchange. However, the obligation of the Company to accept the Exchange Offer Subject Securities for exchange pursuant to the Exchange Offering is subject to certain conditions set forth herein. A Qualifying Holder may withdraw its tender of Exchange Offer Subject Securities at any time prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date.

To validly tender Exchange Offer Subject Securities for Housing Shares, a completed Letter of Transmittal (as defined below) setting forth the category and number Exchange Offer Subject Securities to be exchanged for Housing Shares, must be received by the Company at its office at 1021 West Hastings Street, 9th Floor, Vancouver, BC V6E 0C3, Canada, Attention: Chief Financial Officer, or by email at info@nahomefince.com by the Exchange Offer Expiry Time on the Exchange Offer Expiry Date.

The Housing Shares are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the Housing Shares. However, the future obligations of the Company will be reduced by the aggregate Exchange Price of the Housing Shares issued in settlement of Exchange Offer Subject Securities tendered for exchange pursuant to the Exchange Offering. Management believes the Housing Shares should be classified as equity instruments in accordance with IFRS and intends to record amounts related to issued and outstanding Housing Shares within shareholders’ equity on the Company’s balance sheet. See “*Risk Factors*” for more information.

If the Exchange Offering is terminated or cancelled, then the Company will not have any obligation with respect to the Exchange Offering.

This Prospectus is not to be construed as an offering of the Exchange Offering or the Housing Shares in any jurisdiction outside of the Qualifying Jurisdictions (a “**Non-Qualifying Jurisdiction**”), except that the Company may elect to make the exchange offer and issue Housing Shares to certain eligible investors in Non-Qualifying Jurisdictions on a private placement basis.

No agent or underwriter (including the Agent) is involved in the Exchange Offering, and the Company will not pay a fee of any kind for the solicitation of holders of Exchange Offer Subject Securities to tender their Exchange Offer Subject Securities under the Exchange Offering.

The Company has applied to list its Common Shares, including the Warrant Shares and the Broker Warrant Shares, the Warrants and the Housing Shares on the Canadian Securities Exchange (the “CSE”). The CSE has conditionally approved the listing of the Common Shares, the Warrants and the Housing Shares on the CSE. Listing is subject to the Company fulfilling all of the requirements of the CSE on or before Closing, including distribution of such securities to a minimum number of public securityholders. There is no guarantee that the CSE will provide approval for the listing of the Common Shares, the Warrants and the Housing Shares. See “*Risk Factors*”.

As at the date of this Prospectus, the Company is not, has not applied to become, and does not intend to apply to become, a CSE senior tier issuer and does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Cboe Canada Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America.

Unless the context otherwise requires, when used herein, all references to “Offered Units” include the Over-Allotment Offered Units issuable upon exercise of the Over-Allotment Option, all references to “Common Shares” include the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option and all references to “Warrants” include the Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option, as applicable.

The Offering is not underwritten or guaranteed by any person or agent. The Agent, as exclusive agent of the Company for the purposes of the Offering, conditionally offer the Offered Units for sale, on a commercially reasonable efforts agency basis, without underwriter liability, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”. Upon the mutual agreement of the Company and the Agent, the Offered Units may also be offered in the United States on a private placement basis, under certain exemptions from the registration requirements of the U.S. Securities Act and the applicable state laws.

The Agent reserves the right to form a selling group of securities dealers in consultation with the Company and in accordance with customary industry procedure, to assist in the sale of the Offered Units under the Offering.

Subscriptions for the Offering will be received subject to rejection or acceptance in whole or in part and the Agent reserves the right to close the subscription books at any time without notice. It is expected that the Closing will occur on or about five business days following a receipt being issued for this Prospectus, or such later date as agreed by the Agent and the Company (the “**Closing Date**”), provided such date is not later than the date that is 90 days after issuance of a receipt for this Prospectus or, if a receipt has been issued for an amendment to this Prospectus, 90 days after issuance of such receipt, and in any event not later than 180 days after issuance of a receipt for this Prospectus. It is expected that the Offered Units will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. or its nominee (“**CDS**”) upon Closing unless the Agent elects for physical share certificates which would be available for delivery upon Closing. If delivered in book entry form, purchases of Offered Units will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Units were purchased.

The completion of the Offering is subject to a minimum subscription of Offered Units for aggregate gross proceeds of \$1,700,000. The Offering will not be completed, and no subscription funds will be advanced to the Company, unless and until the minimum subscription of \$1,700,000 has been raised. If the Minimum Offering is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction unless such subscribers have otherwise instructed the Agent.

The Company is not a related or connected issuer (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*) to the Agent. See “*Relationship Between the Company and the Agent*”.

The Company’s earnings coverage ratio for each of the 12 months ended June 30, 2025 and the 12 months ended September 30, 2025 was less than one-to-one. See “*Earnings Coverage Ratios*”.

The securities of the Company should be regarded as highly speculative, due to the nature of the Company’s business and its formative state of development. An investment in the securities of the Company should only be made by persons who can afford a significant or total loss of their investment. The Company has no present

intention to pay any dividends on its Offered Units. Subscribers must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company. In reviewing this Prospectus, prospective investors should carefully consider the matters described under the heading “*Risk Factors*”.

Prospective investors should rely only on the information contained in this Prospectus. The Company and the Agent have not authorized anyone to provide investors with information different from that contained in this Prospectus. The Agent is offering to sell and seeking offers to buy the Offered Units only in jurisdictions where, and to persons whom, offers and sales are lawfully permitted. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date of this Prospectus.

Prospective investors are advised to consult their own legal counsel and other professional advisors to access legal and other aspects of this investment based upon their own personal circumstances. Prospective investors are also advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Units, Common Shares, Warrants and Housing Shares.

Dan Leverett, a director of the Company, resides outside of Canada. Although Mr. Leverett has appointed the Company, as his agent for service of process in British Columbia, it may not be possible for investors to enforce judgements obtained in Canada against Mr. Leverett. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The head office of the Company is located at 9th Floor, 1021 West Hastings Street, Vancouver, British Columbia V6E 0C3. The registered and records office of the Company is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4.

Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company’s business, financial condition, results of operations and prospects may have changed since that date.

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GLOSSARY OF DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires. Expressions used in this Prospectus and other terms and expressions may be defined throughout this Prospectus.

“1 City Financial Extensions”	has the meaning ascribed to such term under the heading “ <i>Use of Proceeds</i> ”.
“Acquisition Fee”	is the fee payable by the Company to the Manager each time real property is acquired by the Company and/or the subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) during each calendar quarter during the initial term and any renewal term of the Management Agreement from third parties who are associated or affiliated with the Manager or any affiliates thereof, or related thereto for purposes of the Tax Act, and is equal to: (i) 0.75% of the Property Cost of such commercial or apartment building real property; or (ii) 2.85% of the Property Cost of such real property, if it is a single unit/house residential real property.
“Administration and Property Management Agreement”	means the administration and property management agreement made as of May 31, 2022 and amended and restated to June 1, 2024, between the Issuer and the Trust, as amended on May 1, 2025.
“Administrative and Property Management Services”	shall have the meaning ascribed thereto under the heading “ <i>Material Contracts</i> ”.
“Advance Notice Policy”	has the meaning ascribed to such term under “ <i>Corporate Governance – Advance Notice Policy</i> ”.
“Affiliate”	of a Person means a Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, the first mentioned Person.
“Agency Agreement”	has the meaning ascribed to such term on the cover page.
“Agent”	has the meaning ascribed to such term on the cover page.
“Agent’s Commission”	has the meaning ascribed to such term on the cover page.
“allowable capital loss”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“Annuitant”	has the meaning ascribed to such term under “ <i>Material Contracts – Declaration of Trust</i> ”.
“Articles”	means the Articles of the Company, as amended.

“Assets”	means all real estate and real estate assets acquired, held, financed, maintained and in respect of which the Company (including through its subsidiaries (excluding the Trust and its direct and indirect subsidiaries)) provides loans, and if the Company disposes of one or more of the Assets other than to an affiliate(s) of the Company, such Asset or Assets shall be deemed to be deleted from the definition of “Asset” effective on the date of such sale, and provided that if the Company acquires, directly or indirectly, an asset and pays an Acquisition Fee in respect thereof, such Asset shall be deemed to be added to the definition of “Asset” effective on the date of such acquisition and shall be an Asset for all purposes of the Management Agreement as and from such date.
“Awards”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“BCSC”	means the British Columbia Securities Commission.
“BCBCA”	means the British Columbia <i>Business Corporations Act</i> .
“Book Value”	means the value of the Company Assets reflected on the most recent consolidated financial statements of the Company, or if not so shown, as recorded in the books and records of the Company.
“Bond Agent”	means TSX Trust Company of Canada.
“Broker Warrants”	has the meaning ascribed to such term on the cover page.
“Broker Warrant Share”	has the meaning ascribed to such term on the cover page.
“Capital Project”	means any single capital project for the development or redevelopment of any property with a Hard Construction Cost equal to or in excess of \$10,000 for which the Manager has been appointed by the Independent Directors as the project manager prior to the commencement thereof, but specifically excludes any work done on behalf of tenants or any maintenance capital expenditures.
“Cashless Exercise”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“CBCA”	means the <i>Canada Business Corporations Act</i> .
“CD Indenture”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CD Note”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CD Note Interest”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CD Note Maturity Date”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CD Noteholders”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CD Right”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CD Units”	has the meaning ascribed to such term under “ <i>Material Contracts – CD Indenture</i> ”.
“CDS”	means the CDS Clearing and Depositary Services Inc.

“Closing”	has the meaning ascribed to such term on the cover page.
“Closing Date”	has the meaning ascribed to such term on the cover page.
“CMHC”	means the Canadian Mortgage and Housing Corporation.
“Common Share”	has the meaning ascribed to such term on the cover page.
“Company”	means North America Home Finance Inc.
“Company Assets”	means the Assets of the Company as shown on the most recent consolidated balance sheet of the Company excluding assets of the Trust and its direct and indirect subsidiaries.
“Control”	means the possession, directly or indirectly or as trustee or executor, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of stock, including the power to dispose of or vote such stock, as trustee or executor, by contract or otherwise, and includes the terms “Controlled” , “Controlled by” and “under common Control with” .
“Convertible Securities”	has the meaning ascribed to such term under <i>“Options to Purchase Securities – Omnibus Plan”</i> .
“Corporate Finance Fee”	has the meaning ascribed to such term on the cover page.
“Counsel”	has the meaning ascribed to such term under <i>“Eligibility for Investment”</i> .
“CR Monthly Limit”	has the meaning ascribed to such term under <i>“Material Contracts – Declaration of Trust”</i> .
“CR Preferred Returns”	has the meaning ascribed to such term under <i>“Material Contracts – Declaration of Trust”</i> .
“CR Units”	has the meaning ascribed to such term in the Declaration of Trust.
“CRA”	has the meaning ascribed to such term under <i>“Certain Canadian Federal Income Tax Considerations”</i> .
“CSE”	means the Canadian Securities Exchange.
“Declaration of Trust”	means the declaration of trust made as of May 31, 2022, pursuant to which the Trust was created, as amended and restated on September 26, 2023, and as the same may be further as amended, supplemented or restated from time to time.
“Development Management or Pass Through Fees”	means any development management fees receivable from a development limited partnership the Trust had provided financing to or invested in through NAHF Limited Partnership, which are required to be passed through or paid to the Manager by the Company pursuant to the Management Agreement.
“Directors” or “Board” or “Board of Directors”	means the board of directors of the Company.
“Dispersal”	has the meaning ascribed to such term under <i>“Material Contracts – Declaration of Trust”</i> .

“Disposition Fee”	is the fee payable each time real property is sold by the Company and/or the subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) during each calendar quarter during the initial term and any renewal term of the Management Agreement from third parties who are not associated or affiliated with the Manager or any affiliates thereof, or related thereto for purposes of the Tax Act, equal to: (i) 0.85% of the contract sale price of such commercial or apartment building real property; or (ii) 2.85% of the sale price of any single unit residential real property in British Columbia, and 3.85% in Ontario or elsewhere.
“DP Collateral”	means the specific property, as such may be subdivided from time to time, secured by the Collateral Mortgages, for the property/project titled the “Five Bridges Development Project” as subsequent renamed the “Five Crossings Development Project” and includes 6 individual property titles.
“DP Collateral Agreements”	means: (i) the Funding Agreement dated July 5, 2021 between the Company and the DP Collateral Owner in respect of the DP Collateral, as same may be amended from time to time; and (ii) the Profit Sharing Agreement dated July 5, 2021 between the Company and the DP Collateral Owner in respect of the DP Collateral, as same may be amended from time to time.
“DP Collateral Owner”	means the Five Bridges Development Limited Partnership, by its general partner, Five Bridges Development GP Ltd.
“DPSP”	has the meaning ascribed to such term under “ <i>Eligibility for Investment</i> ”.
“DSU Redemption Notice”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“DSU Settlement Date”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“DSUs”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“Elected Amount”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations – Disposition of Exchange Offer Subject Securities – Section 85 Election</i> ”.
“Electing Resident Holder”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations – Disposition of Exchange Offer Subject Securities – Section 85 Election</i> ”.
“Eligible Holder”	means a Qualifying Holder of Exchange Offer Subject Securities immediately prior to the Exchange Offer Expiry Time who is a resident of Canada for purposes of the Tax Act (other than a Tax Exempt Person), or a partnership any member of which is resident of Canada for the purposes of the Tax Act (other than a Tax Exempt Person).
“Escrow Agent”	means, Computershare Investor Services Inc. and shall include any replacement or successor escrow agent.
“Escrow Agreement”	means the escrow agreement to be entered into between directors and executive officers of the Company, certain shareholders of the Company, and the Escrow Agent.

“Escrowed Securities”	has the meaning ascribed to such term under <i>“Escrowed Securities”</i> .
“Exchange Offer Commencement Date”	has the meaning ascribed to such term on the cover page.
“Exchange Offer Expiry Date”	has the meaning ascribed to such term on the cover page.
“Exchange Offer Expiry Time”	has the meaning ascribed to such term on the cover page.
“Exchange Offering”	has the meaning ascribed to such term on the cover page.
“Exchange Offer Record Date”	has the meaning ascribed to such term on the cover page.
“Exchange Offer Subject Securities”	has the meaning ascribed to such term on the cover page.
“Exchange Price”	has the meaning ascribed to such term on the cover page.
“Expiry Date”	has the meaning ascribed to such term on the cover page.
“FB Bond Indenture”	means the bond indenture between the Bond Agent and the Company dated August 30, 2021 providing for terms and conditions of the FB Development Units, FB Development Bonds and FB Development Rights.
“FB Development Bonds”	means the 2.70% development property bonds included in the FB Development Units issued under the FB Bond Indenture.
“FB Development Rights”	means a redeemable DP right granted to a subscriber of FB Development Units by the Company, which comprise part of the FB Development Units issued under the FB Bond Indenture.
“FB Development Right Redemption Amount”	means the “Redemption Amount” as defined in Schedule “B” of the FB Bond Indenture.
“FB Development Units”	means the class FB development property units of the Company comprised of one FB Development Bond and one FB Development Right issued under the FB Bond Indenture.
“FHSA”	has the meaning ascribed to such term under <i>“Eligibility for Investment”</i> .
“Financial Statements”	means the (i) audited consolidated annual financial statements of the Company for the years ended June 30, 2025 and 2024, and (ii) the unaudited condensed consolidated interim financial statements of the Company for the three months ended September 30, 2025 and 2024.

“Financing Fee”	is the fee payable by the Company to the Manager each time real property is financed by the Company and/or the subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) during each quarter during the initial term and any renewal term of the Management Agreement from third parties who are not associated or affiliated with the Manager or any affiliates thereof or related thereto for purposes of the Tax Act, and is equal to 1.0% of the financing amount for senior first mortgages for newly acquired properties, construction loans, or refinancing whether residential or commercial.
“Five Crossings Apartment Property”	has the meaning ascribed to such term under “ <i>Development of the Business – Five Crossings Development</i> ”.
“Five Crossings Apartment Property PSA”	has the meaning ascribed to such term under “ <i>Development of the Business – Five Crossings Development</i> ”.
“Five Crossings Appraisal”	has the meaning ascribed to such term under “ <i>Development of the Business – Five Crossings Development</i> ”.
“Five Crossings Development”	means 207 unit six-story condominium project known by such name with a mixture of studio, one-bedroom and two-bedroom units built in the Capri Landmark district of the City of Kelowna, British Columbia.
“Five Crossings Funding Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – Five Crossings Development</i> ”.
“Five Crossings Profit Sharing Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – Five Crossings Development</i> ”.
“Five Crossings VTB Note”	has the meaning ascribed to such term under “ <i>Development of the Business – Five Crossings Development</i> ”.
“General Partner”	means the general partner of NAHF Limited Partnership, being as of the date hereof, NAHF General Partner Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia.
“GST”	means the goods and services tax of Canada.
“GL Monthly Limit”	has the meaning ascribed to such term under “ <i>Material Contracts – Declaration of Trust – Units – Residential Development Units, Series GL</i> ”.
“GL-OM Agency Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – The GL-OM Offering</i> ”.
“GL-OM Offering”	has the meaning ascribed to such term under “ <i>Development of the Business – The GL-OM Offering</i> ”.
“GL-OM Offered Securities”	has the meaning ascribed to such term under “ <i>Development of the Business – The GL-OM Offering</i> ”.
“GL Preferred Returns”	has the meaning ascribed to such term under “ <i>Material Contracts – Declaration of Trust – Units – Residential Development Units, Series GL</i> ”.
“GL Units”	has the meaning ascribed to such term in the Declaration of Trust.

“GL14 Units”	has the meaning ascribed to such term in the Declaration of Trust.
“GL Tracking Agreement”	means the agreement made as of November 1, 2023, among the Trust, TrustCo, and the Manager with respect to the ultimate distribution of funds received with respect to GL and GL14 Units from the NAHF Limited Partnership or other sources, from time to time. See <i>Material Contracts</i> .
“Glenlake Development”	means a multi-story condominium building project known by that name with a mixture of studio, one-bedroom and two-bedroom units under construction in the greater Victoria area of British Columbia.
“Glenlake Funding and Purchase Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – Glenlake Development</i> ”.
“Hard Construction Cost”	means all direct construction costs incurred by the Manager in the completion of the work associated with any Capital Project. For clarity, this excludes soft costs such as fees charged by architects, designers and engineers, permitting fees and financing costs.
“Holder”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“HomeIndex Mortgage”	means an advanced mortgage financing product for residential real estate purchasers created by 1086353 B.C. Ltd. (the majority shareholder of the Company) that the Company has acquired an exclusive license to use, modify, and commercialize in Canada and the United States.
“HomePlan”	means a purchase agreement program with occupants of residential real estate that provides the terms of the Company’s shared equity housing strategy that the Company has acquired an exclusive license to use, modify, and commercialize in Canada and the United States pursuant to the IP License Agreement.
“HomePlan Agreement”	has the meaning ascribed to such term in “ <i>Development of the Business – IP License Agreement – HomePlan Intellectual Property</i> ”.
“HomePlan Marketing Fees”	for any HomePlan contract where a 1% deposit is collected as part of the equity credit towards the purchase of a home by the tenant, that same 1% amount is payable as a fee by the Company to the Manager pursuant to the Management Agreement.
“Housing Shares”	means the Series 1 Non-Voting Preferred Shares in the authorized share structure of the Company.
“Housing Share Preference Amount”	has the meaning ascribed to such term under “ <i>Description of Securities</i> ”.
“Housing Value Adjustment”	has the meaning ascribed to such term in the HY Unit Terms.
“HY Attribution Amount”	means an amount equal to the percentage market value change to the aggregate acquisition cost and cost of capital additions of a residential real property during the time from acquisition to the relevant date in each case addressing the high-water mark increase or any decrease in that quarter attributable to the equity portion of the asset which determination will be made quarterly concurrent with the approval by the Trustees of such period financial statements.

“HY Collateral”	means all of the Trust’s present and after-acquired personal property, of whatsoever kind and located on, and/or contractual rights in relation to, the HY Housing Income Properties, including the HY Inter-Entity Loan Agreement, the HY Collateral Mortgages and the other HY Security Documents, and without limitation, all proceeds in the form of goods, chattel paper, investment property, documents of title, instruments, intellectual property, money or intangibles arising therefrom.
“HY Collateral Agency Agreement”	has the meaning ascribed to such term under “ <i>Material Contracts – HY Collateral Agency Agreement</i> ”.
“HY Collateral Mortgages”	means those collateral mortgages granted in favour of the Trust (or its nominees, including TrustCo), with respect to the HY Housing Income Properties.
“HY Housing Income Properties”	means the interest in Real Property acquired, directly or indirectly, either by NAHF Limited Partnership or such other limited partnerships, from time to time, through the use, directly or indirectly, of the proceeds of issuances of HY Units.
“HY Inter-Entity Loan Agreement”	means the inter-entity loan agreement dated as of June 1, 2024, between the Trust and NAHF Limited Partnership pursuant to which net proceeds received from offerings of HY Units completed from time to time will be advanced to the NAHF Limited Partnership. See “ <i>Material Contracts</i> ”.
“HY-OM Agency Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – The HY-OM Offering</i> ”.
“HY-OM Broker Warrants”	has the meaning ascribed to such term under “ <i>Development of the Business – The HY-OM Offering</i> ”.
“HY-OM Offering”	has the meaning ascribed to such term under “ <i>Development of the Business – The HY-OM Offering</i> ”.
“HY-OM Offered Securities”	has the meaning ascribed to such term under “ <i>Development of the Business – The HY-OM Offering</i> ”.
“HY Payment Amounts”	means any funds received by TrustCo or the Trust from the NAHF Limited Partnership in respect of the HY Inter-Entity Loan Agreement, the Limited Partnership Agreement or HY Housing Income Properties, as further described and subject to the definition of “HY Payment Amount” as set out in the HY Tracking Agreement.
“HY Redemption Notes”	has the meaning ascribed to such term under “ <i>Material Contracts – Declaration of Trust</i> ”.
“HY Security Documents”	means the HY Collateral Mortgages, the HY Trust GSA, and such further and other documentation, instruments and writings as may be reasonably requested by the Trust and issued by the NAHF Limited Partnership in favor of TrustCo, as nominee for the Trust and/or HY Unitholders.
“HY Senior Indebtedness”	means the principal of, premium (if any) on and any interest associated with secured bank operating or term debt, mortgage financing, construction financing and equipment lease financing or any other type of secured debt and all renewals, extensions and refunding of any such secured indebtedness or any such obligations incurred or granted by the NAHF Limited Partnership relating to or secured against the HY Housing Income Properties, as consented to by the Trust.

“HY Tracking Agreement”	means the agreement made as of June 1, 2024, among the Trust, TrustCo, and the Manager with respect to the ultimate distribution of funds received with respect to HY Units - Series A from the NAHF Limited Partnership or other sources, from time to time. See <i>Material Contracts</i> .
“HY Trust GSA”	has the meaning ascribed to such term under “ <i>Material Contracts – Trust GSA</i> ”.
“HY Unitholders”	means a holder of any HY Units issued from time to time.
“HY Unit Terms”	means the specific terms of the “HY Units” as established by resolution of the Board of the Trust made effective September 26, 2023, as may be amended from time to time.
“HY Units”	means the Housing Yield Units issuable pursuant to the Declaration of Trust.
“HY-A Units”	means the Housing Yield Units, Series A of the Trust issuable by the Trust pursuant to the Declaration of Trust.
“IFRS”	means IFRS Accounting Standards as issued by the International Accounting Standards Board.
“In-the-Money Amount”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“Insolvency”	has the meaning ascribed to such term under “ <i>Management of the Company – Management Agreement – Term and Termination</i> ”.
“Intellectual Property License”	has the meaning ascribed to such term under “ <i>Development of the Business – IP License Agreement</i> ”.
“IP License Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – IP License Agreement</i> ”.
“Land Code”	has the meaning ascribed to such term under “ <i>Material Contracts – Saanich Ridge Head Lease</i> ”.
“Letter of Transmittal”	means the letter of transmittal in the form to be sent to Qualifying Holders along with this Prospectus, the form of which has been filed under the Company’s profile on SEDAR+ at www.sedarplus.ca .
“Limited Partnership Agreement”	means the limited partnership agreement dated as of December 1, 2022 forming the NAHF Limited Partnership.
“Listing Date”	means the date on which the Common Shares are listed for trading on the CSE.
“KV Capital Guarantee”	means the limited guarantee dated May 5, 2025 granted to KV Capital Inc. by Boynton (Kelowna) Limited Partnership, Promintory Developments Limited Partnership, Promintory Developments Inc., Robert Aird Fraser, North America Home Finance Inc., 1509584 B.C. Ltd., NAHF Limited Partnership, NAHF General Partner Inc. and 1289900 B.C. Ltd., as amended by a first amendment to forbearance agreement between KV Capital Inc., Boynton Developments (Kelowna) Ltd., and the guarantors (other than 1509584 B.C. Ltd.), as well as Adam Gant, senior consultant to the Company, dated on or about October 30, 2025.

“Management Agreement”	means the management agreement between the Company and the Manager dated effective January 1, 2025, pursuant to which the Manager agreed to oversee the management of the Company and provide executive oversight on the build-up of a management team over time whether hired by the Manager directly or sub-contracted out to other existing companies on an as needed basis. See “ <i>Material Contracts</i> ”.
“Management Fee”	is the fee payable by the Company to the Manager based on the Adjusted Fair Value of the Company Assets calculated as at the close of business on the last day of each calendar quarter as the greater of (i) \$5,000 per month; or (ii) the aggregate of (A) 0.35% on the Book Value of the Company Assets that are real estate Assets; (B) 1.25% on the principal advanced sum of any bonded deposit financings, preferred equity investments, or mezzanine loans provided to developers plus 20% of any interest collected over an 8% return on capital invested; and (C) 0.50% on the Book Value of the Company’s and its subsidiaries’ (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) securities portfolio including any un-listed direct investments made.
“Manager”	means NAHF Equity Company Management Ltd.
“Manager Services”	has the meaning ascribed to such term under “ <i>Material Contracts – Management Agreement</i> ”.
“Market Price”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“Minimum Exchange Value”	has the meaning ascribed to such term on the cover page.
“Maximum Offering”	has the meaning ascribed to such term on the cover page.
“Minimum Offering”	has the meaning ascribed to such term on the cover page.
“MLI”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“Monthly Limit”	has the meaning ascribed to such term under “ <i>Material Contracts – Declaration of Trust</i> ”.
“Mortgage Management Fee”	is the fee payable by the Company to the Manager based on the cumulative original loan advance value of the Company’s and its subsidiaries’ (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) HomeIndex Mortgage Assets (as defined in the Management Agreement) calculated as at the close of business on the last day of each calendar quarter as follows: (i) 0.35% on the total original loan advance value of the Company’s and such subsidiaries’ HomeIndex Mortgage Assets (as defined in the Management Agreement); and (ii) 0.10% per year any individual HomeIndex Mortgage Asset (as defined in the Management Agreement) outstanding with the Company or such Subsidiaries when the mortgage pays out in full without discount or write down as an incentive reward for good performance and collections management (example: for a loan outstanding for a minimum period of 5 years the fee would be 0.50% upon the repayment of the loan).

“Mountainview Estates Lands Lease”	has the meaning ascribed to such term under “ <i>Development of the Business – Mountainview Estates Land Acquisition</i> ”.
“MVE LP”	means Mountain View Estates Real Estate Development Limited Partnership, a limited partnership formed pursuant to the registration of the Limited Partnership Agreement on December 17, 2024, pursuant to the laws of the Province of British Columbia.
“MVE GP”	means MVE GP Inc., a company incorporated pursuant to the laws of the Province of British Columbia on December 6, 2024, and the general partner of MVE LP.
“NAHF Affiliate”	means the Company and each Affiliate of the Company.
“NAHF Limited Partnership”	means a limited partnership formed pursuant to the registration of the Limited Partnership Agreement on January 21, 2023, pursuant to the laws of the Province of British Columbia.
“NAHF Liquidation Subordination Agreement”	has the meaning ascribed to such term under “ <i>Material Contracts – NAHF Liquidation Subordination Agreement</i> ”.
“NAHF Option Agreement”	means the agreement dated August 29, 2023, between NAHF Limited Partnership and the Company providing NAHF Limited Partnership the option to acquire certain properties from the Company on the terms and conditions described therein.
“Net Book Value”	has the meaning ascribed to such term in the HY Unit Terms.
“NI 41-101”	means National Instrument 41-101 – <i>General Prospectus Requirements</i> .
“Non-Affiliated HY-A Unitholder”	means a holder of HY-A Units, other than a NAHF Affiliate.
“Non-Qualifying Holders”	has the meaning ascribed to such term under “ <i>Description of Securities – Qualifying Distribution – The Exchange Offering – Non-Qualifying Holders</i> ”.
“Non-Qualifying Jurisdiction”	has the meaning ascribed to such term on the cover page.
“Non-Resident”	means a non-resident of Canada for the purposes of the Tax Act.
“Non-Resident Holder”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“NP 46-201”	means National Policy 46-201 – Escrow for Initial Public Offerings.
“Occupancy Bonus Fee”	means the performance bonus fee payable under the Management Agreement to the Manager equal to 20% of the gross revenue collected for the total income property portfolio but only on the portion above and between 98% and 99% occupied for the year, prorated for the number of months a new property is owned during the year in the case of an acquisition, and 50% of the gross revenue collected for the total income property portfolio above and between 99% and 100% occupancy. For greater clarity, this is not on an individual property basis but requires the total portfolio to achieve greater than 98% and 99% occupancy for the whole year before any amount is due to the Manager for this bonus.

“Offered Unit”	has the meaning ascribed to such term on the cover page.
“Offering”	has the meaning ascribed to such term on the cover page.
“Offering Price”	has the meaning ascribed to such term on the cover page.
“Omnibus Plan”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“Ordinary Resolution”	means a resolution proposed to be passed as an ordinary resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the provisions hereof at which a quorum is present, which resolution is passed by the affirmative votes of a majority of the Units represented at the meeting in person or by proxy and voted upon such resolution.
“Over-Allotment Offered Units”	has the meaning ascribed to such term on the cover page.
“Over-Allotment Option”	has the meaning ascribed to such term on the cover page.
“Over-Allotment Securities”	has the meaning ascribed to such term on the cover page.
“Over-Allotment Shares”	has the meaning ascribed to such term on the cover page.
“Over-Allotment Warrant”	has the meaning ascribed to such term on the cover page.
“Peakhill Capital Five Crossings CMHC Commitment Letter”	means the Multi-Family Construction Loan (CMHC insured) commitment letter dated October 23, 2024 from Peakhill Capital and accepted by the Company on October 30, 2024, relating to the Five Crossings Development.
“Peakhill Capital Glenlake Land Commitment Letter”	means the first mortgage commitment letter dated June 24, 2025, from Peakhill Capital and accepted by the Company on June 27, 2025, as amended effective August 28, 2025, relating to the refinancing of the first mortgage debt on the Glenlake Development, with collateral charges on the initial 26 home rental community at Saanich Ridge Estates on Lot 238 and the Five Crossings Apartment Property.
“Peakhill Capital Glenlake CMHC Financing Letter”	means the construction financing loan (CMHC insured) letter of interest dated December 19, 2024 from Peakhill Capital and accepted by the Company on December 20, 2024, relating to the Glenlake Development.
“Peakhill Capital Saanich Commitment Letter”	means the first mortgage commitment letter dated October 2, 2025, from Peakhill Capital and accepted by 1404122 B.C. Ltd. and NAHF Limited Partnership on October 16, 2025, relating to the refinancing of the debt previously owing under the Peoples Group CMHC Commitment Letter, as amended by the Peakhill Extension.
“Peakhill Capital Saanich Ridge CMHC Commitment Letter”	means the Multi-Family Construction Loan (CMHC insured) commitment letter dated September 26, 2024, from Peakhill Capital and accepted by the Company on October 1, 2024, relating to the Saanich Ridge Development.
“Peakhill Extension”	has the meaning ascribed to such term under the heading “ <i>Use of Proceeds</i> ”.

“Peoples Group CMHC Commitment Letter”	means the Multi-Family Construction Loan (CMHC-insured) commitment letter dated January 10, 2023, from Peoples Trust Company and accepted by the Company on January 24, 2023, as amended on March 25, 2025, relating to the Saanich Ridge Development.
“Person”	means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or issuer with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted.
“Plan”	has the meaning ascribed to such term under <i>“Eligibility for Investment”</i> .
“Plan Subscriber”	has the meaning ascribed to such term under <i>“Eligibility for Investment”</i> .
“Pro Rata Basis”	means the number of the HY Units as a percentage of all outstanding HY Units.
“Project Management Fee”	means a graduated fee equal to 8% of all Hard Construction Costs incurred on any Capital Projects on which the Manager has been appointed by the independent directors of the Company as the project manager and where Hard Construction Costs for such Capital Project is over \$50,000 but equal to or less than \$300,000. The Project Management Fee is 5% of all Hard Construction Costs over \$300,000 incurred on any Capital Projects on which the Manager has been appointed by the independent directors of the Company as the project manager.
“Property Cost”	means the contracted purchase cost of an acquired property (for greater certainty whether paid in cash, by the assumption of any mortgage or other indebtedness, the issuance of debt or equity, or in any other manner), excluding the Acquisition Fee payable to the Manager and all out-of-pocket costs incurred by the Company or its subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) in connection with the acquisition, which excluded out-of-pocket costs include legal fees and disbursements, registration and filing fees, land transfer and sales taxes, all calculated in accordance with IFRS, applied on a consistent basis.
“Property Management Fees”	means property management fees payable with respect to any property held by or on behalf of the Company or its Subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) where the Manager is providing Property Management Services to the Company or its subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement) or their properties, such fees not to exceed the fair market value for such services in the market in which such property is located, as determined by the independent directors of the Company, and currently determined to be no more than 3% of the gross rental income from such commercial or apartment building real property or 6% of the gross rental income from such single unit/house residential real property.
“Property Management Services”	means services provided by one or more person(s) who provide property management services and/or leasing services to the Company and/or its subsidiaries (excluding the Trust and its direct and indirect subsidiaries) pursuant to a written contract(s), which may include the Manager and/or its affiliates and associates.
“Prospectus”	has the meaning ascribed to such term on the cover page.

“PSUs”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“Purchase/Lease Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – Saanich Ridge Estates Land Acquisition – Central Saanich, British Columbia</i> ”.
“Purchaser’s Credit”	has the meaning ascribed to such term in “ <i>Development of the Business – IP License Agreement – HomePlan Intellectual Property</i> ”.
“Qualifying Holders”	has the meaning ascribed to such term on the cover page.
“Qualifying Jurisdictions”	has the meaning ascribed to such term on the cover page.
“RDSP”	has the meaning ascribed to such term under “ <i>Eligibility for Investment</i> ”.
“Real Property”	means property which in law is real property and includes whether or not the same would in law be real property, leaseholds, mortgages, undivided joint interests in real property (whether by way of tenancy-in-common, joint tenancy, co-ownership, partnership, joint venture or otherwise), any interests in any of the foregoing and securities of corporations, trusts or partnerships whose sole or principal purpose and activity of which is to invest in, hold and deal in real property, in each case that is substantially residential or intended as residential in use or ancillary to such property.
“Redemption Price”	has the meaning ascribed to such term under “ <i>Material Contracts – Declaration of Trust – Units – HY Units – HY-A Units – Material Terms</i> ”.
“Registered Plan Investors”	means trusts governed by RRSPs, RRIFs, RDSPs, DPSPs, RESPs, TFSAAs and FHSAAs.
“Related Persons”	has the meaning ascribed to such term under “ <i>Escrowed Securities</i> ”.
“Resident Holder”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“Residential Development Units”	has the meaning ascribed to such term in the Declaration of Trust.
“RESP”	has the meaning ascribed to such term under “ <i>Eligibility for Investment</i> ”.
“Revo Development”	means a multi-story condominium building project known by that name with a mixture of studio, one-bedroom and two-bedroom units under construction in the Capri Landmark district of the City of Kelowna, British Columbia.
“Revo Funding and Purchase Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – Revo Development</i> ”.

“REVO Indemnity Agreements”	means, together, the credit agreement dated April 30, 2024 among First West Credit Union, Collinson Rise Limited Partnership, as principal, Collinson Rise Development Inc., Focus Kelowna Homes Inc., and Ryan Tamblyn, as joint indemnitors, the Company, as a several indemnitor, and Travelers Insurance Company of Canada, as surety; and the indemnity agreement dated May 30, 2024 among First West Credit Union, Collinson Rise Limited Partnership, as borrower, and the Company, as indemnitor, provided in each case with respect to the credit facility for Revo Development.
“RPB Bonds”	means the 2.70% RealProperty Bonds (Series 50 or Series 100) issued by the Company under the RPB Indenture.
“RPB Bond Maturity Date”	has the meaning ascribed to such term under “ <i>Material Contracts – RP Indenture</i> ”.
“RPB Right”	has the meaning ascribed to such term under “ <i>Material Contracts – RPB Indenture</i> ”.
“RPB Right Redemption Amount”	has the meaning ascribed to such term in Schedule “B” to the RPB Indenture.
“RPB Indenture”	means the amended and restated indenture dated February 26, 2018, between the Company and the Bond Agent, as manager for and on behalf of the holders of RPB Units, with respect to the issuance and governance of the RPB Units, RPB Bonds and RPB Rights.
“RPB Unit”	means the RealProperty Bond units issued by the Company under the RPB Indenture, with each unit consisting of one RPB Bond and one RPB Right.
“RRIF”	has the meaning ascribed to such term under “ <i>Eligibility for Investment</i> ”.
“RRSP”	has the meaning ascribed to such term under “ <i>Eligibility for Investment</i> ”.
“RSUs”	has the meaning ascribed to such term under “ <i>Options to Purchase Securities – Omnibus Plan</i> ”.
“Saanich Land Certificate Holders”	has the meaning ascribed to it in under “ <i>Material Contracts - Saanich Ridge Head Lease (Lot 8-1)</i> ”.
“Saanich Property”	means a single-family home on a sublease parcel in the Saanich Ridge Development, held by the Company’s wholly-owned subsidiary 1404122 B.C. Ltd. as bare trustee for NAHF Limited Partnership, under the Saanich Ridge head lease with Saanich Ridge Development as head lessor.
“Saanich Ridge Acquisition Agreement”	has the meaning ascribed to such term under “ <i>Development of the Business – Saanich Ridge Estates Land Acquisition – Central Saanich, British Columbia</i> ”.
“Saanich Ridge Acquisition Note”	has the meaning ascribed to such term under “ <i>Development of the Business – Saanich Ridge Estates Land Acquisition – Central Saanich, British Columbia</i> ”.
“Saanich Ridge Estates”	means a single-family home development project known by such name with a mixture of leasehold and rental units being built by Saanich Ridge Development, a subsidiary of the Company on the Saanich Ridge Head Lease lands.
“Saanich Ridge Construction Mortgages”	has the meaning ascribed to such term under the “ <i>Material Contracts – Saanich Ridge Construction Mortgages</i> ”.

“Saanich Ridge Development”	has the meaning ascribed to such term under the “ <i>Corporate Structure – Intercorporate Relationships</i> ”.
“Saanich Ridge Head Lease”	means the long-term land lease dated August 3, 2017, between Saanich Ridge Development and the Saanich Land Certificate Holders, each as to 1/4 interest, for approximately 14 acres within the Tsawout First Nation reserve land located in Central Saanich. See <i>Material Contracts</i> .
“Saanich Ridge Head Lease (Lot 238)”	has the meaning ascribed to such term under the “ <i>Development of the Business – Saanich Ridge Estates Land Acquisition</i> ”.
“Saanich Ridge Lands Lease”	has the meaning ascribed to such term under “ <i>Development of the Business – Saanich Ridge Estates Land Acquisition – Central Saanich, British Columbia</i> ”.
“Saanich Ridge Promissory Notes”	has the meaning ascribed to such term under “ <i>Use of Proceeds</i> ”.
“Section 85 Election”	has the meaning ascribed to such term under “ <i>Description of Securities – Qualifying Distribution – The Exchange Offering – Section 85 Election</i> ”.
“Section 85 Election Deadline Date”	has the meaning ascribed to such term under “ <i>Description of Securities – Qualifying Distribution – The Exchange Offering – Section 85 Election</i> ”.
“Security Interest”	has the meaning ascribed to such term in the HY Trust GSA.
“SEDAR+”	means the System for Electronic Document Analysis and Retrieval +.
“Shareholder”	means a holder of any Shares of the Company issued from time to time.
“Shares”	means, collectively, the Common Shares and the Housing Shares.
“Special Resolution”	means a resolution proposed to be passed as a special resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the provisions of the Declaration of Trust at which a quorum is present, which resolution is passed by the affirmative votes of the holders of at least two-thirds of the Units represented at the meeting in person or by proxy and voted upon such resolution.
“SRRPU Indenture”	means the indenture dated November 1, 2020, between the Saanich Ridge Development and the Company, as manager for and on behalf of the holders of SRRP Units, with respect to the issuance and governance of the SRRPU Units, SRRPU Notes and SRRPU Rights.
“SRRPU Note Maturity Date”	has the meaning ascribed to such term under “ <i>Material Contracts – SRRPU Indenture</i> ”.
“SRRPU Notes”	means the 2.70% RealProperty Notes issued by Saanich Ridge Development issued under the SRRPU Indenture.
“SRRPU Right”	means a redeemable capital growth based RPU right granted with each SRRPU Note, which comprise part of the SRRP Units issued under the SRRPU Indenture.
“SRRPU Right Redemption Amount”	means a the “RP Right Redemption Amount” as defined in Schedule “B” of the SRRPU Indenture.

“SRRP Unit”	means the RealProperty Units issued by Saanich Ridge Development under the SRRPU Indenture, with each unit consisting of one SRRPU Note and one SRRPU Right.
“Subleases”	has the meaning ascribed to such term under “ <i>Material Contracts – Saanich Ridge Head Lease (Lot 8-1)</i> ”.
“Subsidiary”	means, with respect to any Person, a Person who is a “subsidiary” of that first mentioned Person as that term is defined in NI 45-106.
“Tax Act”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“Tax Exempt Person”	means a person who is exempt from tax under Part I of the Tax Act, including Registered Plan Investors.
“Tax Proposals”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“Tax Treaty”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“taxable capital gain”	has the meaning ascribed to such term under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
“Termination Payments”	has the meaning ascribed to such term under “ <i>Management of the Company – Management Agreement – Term and Termination</i> ”.
“TFSA”	has the meaning ascribed to such term under “ <i>Eligibility for Investment</i> ”.
“Transfer Agent”	means, initially, Computershare Investor Services Inc. and shall include any replacement or successor transfer agent.
“Trust”	means NAHF Real Estate Trust, an unincorporated, limited purpose open-ended investment trust formed under and governed by the laws of the Province of British Columbia.
“Trust Property”	means, at any particular time, any and all assets of the Trust, including all proceeds therefrom.
“TrustCo”	means NAHF Trustee Corp., the agent and trustee for and on behalf of the Securityholders for the Collateral and certain proceeds receivable and received from the NAHF Limited Partnership.
“Trustee”	means, as of any particular time, all of the trustees holding office under and in accordance with the Declaration of Trust, in their capacity as trustees hereunder, and “Trustee” means any of them.
“Unitholder”	means a holder of any Units of the Trust issued from time to time.
“Units”	means, collectively, the Common Units, Residential Development Units and HY Unit, or any class of such Units of the Trust, as may be applicable.
“United States”	means the United States of America.

“U.S. Securities Act”	has the meaning ascribed to it on the cover page of this Prospectus.
“Warrant”	has the meaning ascribed to such term on the cover page.
“Warrant Agent”	has the meaning ascribed to such term on the cover page.
“Warrant Indenture”	has the meaning ascribed to such term on the cover page.
“Warrant Share”	has the meaning ascribed to such term on the cover page.
“Waverley”	means Waverley Corporate Financial Services Ltd.
“Wind-up Event”	has the meaning ascribed to such term under “ <i>Management of the Company – Management Agreement – Term and Termination</i> ”.

ABOUT THIS PROSPECTUS

An investor should rely on the information contained in this Prospectus and should not rely on parts of the information contained in this Prospectus to the exclusion of others. Neither the Company nor Agent has authorized anyone to provide investors with additional, different or inconsistent information. If anyone provides investors with additional, different or inconsistent information, including information or statements in media articles about the Company, investors should not rely on it.

The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus or any sale of the Offered Units or exchange of Exchange Offer Subject Securities. The Company's business, financial condition, operating results and prospects may have changed since the date of this Prospectus.

The Company and the Agent are not offering to sell the Offered Units in any jurisdiction where the offer or sale of such securities is not permitted. For investors outside the Qualifying Jurisdictions, neither the Company nor the Agent have done anything that would permit the Offering or possession or distribution of this Prospectus in any jurisdiction where action for that purpose is required, other than in the Qualifying Jurisdictions. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the Exchange Offering, as applicable, and the possession or distribution of this Prospectus.

The information contained on the Company's corporate website is not intended to be included in or incorporated by reference into this Prospectus and investors should not rely on such information when deciding whether to invest in the Offered Units or Housing Shares.

Any graphs, tables or other information demonstrating the historical performance or current or historical attributes of the Company or any other entity contained in this Prospectus are intended only to illustrate historical performance or current or historical attributes of the Company or such entities and are not necessarily indicative of future performance of the Company or such entities.

This Prospectus includes summary descriptions of certain material agreements of the Company (see "*Material Contracts*"). The summary descriptions disclose provisions that the Company considers to be material, but are not complete and are qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and will be available under the Company's profile on SEDAR+ at www.sedarplus.ca. Investors are encouraged to read the full text of such material agreements.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities legislation ("forward-looking statements") about the Company and the development of its business. In some cases, forward-looking statements can be identified by words or phrases such as "may", "might", "will", "should", "could", "expect", "anticipate", "continue", "plan", "seek", "estimate", "indicate", "believe", "intend", "project", "potential", "forecast", "budget", "target", "goal", "objective", "schedule", "is/are likely to" or the negative of these terms and other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the completion of the Offering, Exchange Offering, HY-OM Offering and GL-OM Offering;
- the amount of funds received pursuant to the Offering, the HY-OM Offering and GL-OM Offering;
- the number of securities issued pursuant to the Offering, Exchange Offering, HY-OM Offering and GL-OM Offering;
- the allocation of cost between the securities comprising the Offering;
- the listing of the Common Shares, Warrant Shares, Broker Warrant Shares, Warrants, and Housing Shares on the CSE;
- expected tax elections and tax characteristics of securities of the Company and NAHF Real Estate Trust;

- the proposed use of proceeds from the Offering, the HY-OM Offering and the GL-OM Offering;
- the planned business activities of the Company and the strategy by which it expects to achieve these objectives;
- the Company's vision and growth strategy;
- expectations with respect to the growth of the Company's business;
- the interpretation of financial information, capital costs, and operating costs;
- requirements for additional capital;
- the future financial and operating performance of the Company;
- future financings and the ability to raise capital;
- housing asset prices and availability;
- future dividends or distributions;
- the future issuance of securities of the Company and the terms thereof;
- expectations with respect to the Housing Shares;
- expectations with respect to the HomePlan program and products;
- compensation to the Manager and in turn the Company's executive officers and directors;
- the Omnibus Plan and the issuance of Awards thereunder;
- the identification, acquisition, and development of housing assets;
- future relationships with developers;
- expectations with respect to Saanich Ridge Estates, Five Crossing Developments, Revo Development, the Scene Tower, Glenlake Development, Mountainview Estates, Cannery District, and other development projects, including timing, cost and anticipated proceeds;
- expectations with respect to the process for and receipt of regulatory approvals, permits and licenses under governmental or other applicable regulatory regimes;
- expectations with respect to material contracts, their terms, and the exercise of the parties' the rights thereunder;
- the Escrow Agreement and the transfer of securities thereunder;
- expectations with respect to the Trust, NAHF General Partner, and NAHF Limited Partnership; and
- the future issuance of securities of the Trust and the terms thereof.

Such forward-looking statements and forward-looking information are based on a number of material factors and assumptions, including, but not limited to, expectations and assumptions relating to: the results of planned development activities; the price of housing assets; the cost of identification, acquisition and development activities; that as the business continues to develop, there will be no changes that would materially adversely affect the business; that financing will be available if and when needed and on reasonable terms; that third-parties, supplies and governmental and other approvals required to conduct the business will be available on reasonable terms and in a timely manner; that there will be no revocation of adverse amendments to or delays in granting government approvals; that general business, economic, competitive, social, and political conditions will not change in a material adverse manner; the assumptions underlying the Company's business model; other estimates, assumptions, and forecasts; the proposed use of proceeds of the Offering, HY-OM Offering, and the GL-OM Offering; and the listing of the securities qualified by this document on any securities exchange. While the Company considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements and forward-looking information. Such risks include but are not limited to: the trading price and volatility of the Company's securities; lack of trading market for Company's securities; less than the Maximum Offering being achieved; potential dilution from future financings; shareholders having limited control of the Company's policies and operations; investment eligibility; Company's broad discretion in the use of the proceeds of the Offering; the completion of the Offering, the Exchange Offering, the HY-OM Offering and the GL-OM Offering; the potential issuance of preferred shares; the Company's dividend policy; the subordination of the Common Shares; the listing of the Common Shares and/or Warrants on the CSE; the limited operating history of the Company; risks associated with the real estate industry and operating a business therein; risks associated with the Company having no history of positive earnings; reliance upon key management and other personnel; risks associated with non-binding letters of intent; failure to manage conflicts of interest; uncertainty of additional financing; compliance with the regulatory requirements of a reporting issuer; satisfying the listing requirements of a CSE listed issuer; risks associated with external management

arrangements; development risks; reliance on development partners; absence of non-competition agreements; construction delay risks; reliance on independent mortgage and property management companies; urban real estate market activity; reliance on sales and marketing expertise; bargaining power of suppliers; interest rate volatility and general inflationary pressures; future property acquisitions; failure to obtain or maintain required permits, approvals and licences; mortgage financing risks; reliance on appraisals; risks related to mortgage extensions and mortgage defaults; credit risk; risk related to the Trust's tax status; risks related to environmental protection legislation; climate change risk; risks associated with competition; uninsurable risks; risks related to insurance renewals; litigation risks; reputational risks; uncertainty in market opportunity estimates and growth forecasts; failure to manage growth; illiquidity of real estate and reinvestment risk; changes and compliance with laws, regulations and policy; industry and economic factors that may affect the business; income tax risk; public health crisis; information security and cyber threats; political and regulatory risks; the limited size of Exchange Offering; holders of Exchange Offer Subject Securities being responsible for accuracy and completeness of completed letters of transmittal within set time limits; that the Exchange Price is not an indication of value; and Housing Share liquidity preference. See "Risk Factors" in this Prospectus as well as the risk factors discussed in the management's discussion and analysis appended to this Prospectus for a complete list of risks relating to an investment in the Company and see "*Rights of Withdrawal and Rescission*" for information about the right to withdraw or rescind from an agreement to purchase Offered Units under this Prospectus.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information.

The forward-looking statements and information contained in this Prospectus are made as of the date hereof and, unless so required by applicable law, the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements and forward-looking information contained in this Prospectus are expressly qualified by this cautionary statement.

Following listing on the CSE, the Company intends to discuss in its quarterly and annual Management's Discussion and Analysis documents any events and circumstances that occurred during the relevant period that are reasonably likely to cause actual results or circumstances to differ materially from those disclosed in this Prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The Company will file an amended prospectus if required by applicable securities laws if material changes occur between the date of this Prospectus and the Listing Date.

Readers are cautioned against placing undue reliance on forward-looking statements and forward-looking information.

CURRENCY

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

INTERPRETATION

Unless the context otherwise requires, all references in this Prospectus to "we", "us", "our" or the "Company" refer to North America Home Finance Inc., a British Columbia company, together with its subsidiaries.

Certain capitalized terms and phrases used in this Prospectus are defined under "Glossary". Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

MARKET AND INDUSTRY DATA

Market and industry data presented throughout this Prospectus was obtained from third party sources, industry reports and publications, websites and other publicly available information. The Company believes that the market and

economic data presented throughout this Prospectus is accurate, however there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data presented throughout this Prospectus are not guaranteed and the Company makes no representation as to the accuracy of such data. Actual outcomes may vary materially from those forecasts in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus, analyzed or verified the underlying studies relied upon or referred to by such sources, or ascertained the underlying market, economic and other assumptions relied upon by such sources. Market and economic data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs and other limitations and uncertainties.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined in NI 41-101) that are utilized by the Agent in connection with the Offering is incorporated by reference into this Prospectus. However, any such “template version” of “marketing materials” is not part of this Prospectus to the extent that the contents of the “template version” of “marketing materials” have been modified or superseded by a statement contained in this Prospectus. Any “template version” of “marketing materials” filed under the Company’s profile on SEDAR+ after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any “template version” of any “marketing materials”) will be deemed to be incorporated into this Prospectus. The template version of the marketing materials filed on November 13, 2025 (the “**Original Marketing Materials**”) were superseded by the template version of the marketing materials filed on February 3, 2026 (the “**Revised Marketing Materials**”). The Revised Marketing Materials reflect (i) the reduction in the Minimum Offering to \$1.7 million of gross proceeds from \$3.4 million, and (ii) the increase in the Exchange Price to \$10.35 per Housing Share from \$10.30 per Housing Share.

ELIGIBILITY FOR INVESTMENT

In the opinion of Tingle Merrett LLP (“**Counsel**”), tax counsel to the Company, provided the Common Shares or the Housing Shares are listed on a designated stock exchange under the Tax Act (which currently includes the CSE) at a particular time, the Common Shares and the Housing Shares will at that time be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”), deferred profit sharing plan (“**DPSP**”), first home savings account (“**FHSA**”) and tax-free savings account (“**TFSA**”) (each a “**Plan**”).

The Warrants, if issued at a particular time, will be qualified investments under the Tax Act for a trust governed by a Plan provided the Common Shares or Housing Shares are listed on a designated stock exchange under the Tax Act (which currently includes the CSE) at that time and neither the Company, nor any person with whom the Company does not deal at arm’s length for purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of that particular Plan.

The Common Shares and the Housing Shares are not currently listed on a designated stock exchange and the Company is not currently a “public corporation” (as defined in the Tax Act) and, accordingly, none of the Common Shares, the Warrants or the Housing Shares are currently qualified investments for a Plan. The Company has applied to list the Common Shares and the Housing Shares on the CSE and expects the Common Shares and the Housing Shares will be listed prior to issuance. However, if at the time of issuance, neither the Common Shares nor the Housing Shares are listed on a designated stock exchange under the Tax Act and the Company is not otherwise a “public corporation”, the Common Shares, Warrants and Housing Shares will not be “qualified investments” for a Plan at that time.

There are adverse tax consequences, which are not discussed in this summary, in circumstances where a Plan acquires or holds Common Shares, Warrants or Housing Shares that are not “qualified investments” for Canadian tax purposes. **Any person that intends to acquire or hold Common Shares, Warrants or Housing Shares within a Plan should consult their own tax advisors in this regard.**

Notwithstanding that the Common Shares, Warrants and Housing Shares may be qualified investments for a particular Plan at a particular time, if the Common Shares, Warrants or Housing Shares are a “prohibited investment” (as defined

in the Tax Act), the annuitant of an RRSP or RRIF, holder of a TFSA, FHSA or RDSP or subscriber of a RESP (each such person referred to as a “**Plan Subscriber**”), as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Common Shares, Warrants and Housing Shares will not be a “prohibited investment” for a Plan provided the Plan Subscriber deals at arm’s length with the Company for purposes of the Tax Act and does not have a “significant interest” (within the meaning of the Tax Act for purposes of the prohibited investment rules) in the Company. In addition, the Common Shares and Housing Shares will generally not be a prohibited investment if such securities are “excluded property” as defined in the Tax Act for purposes of the prohibited investment rules. **Plan Subscribers are urged to consult with their own tax advisors as to whether the Common Shares and/or Warrants and/or Housing Shares will be prohibited investments for such Plans in their particular circumstances.**

Additionally, Plan Subscribers will be subject to an additional tax under the Tax Act if the Common Shares, Warrants or Housing Shares provide an “advantage” (as defined in the Tax Act) to the Plan Subscriber or any person who does not deal at arm’s length with the Plan Subscriber. **Plan Subscribers are also urged to consult with their own tax advisors as to whether the Common Shares and/or Warrants and/or Housing Shares will convey an advantage in their particular circumstances.**

No opinion whatsoever is offered by Counsel hereunder as to whether the Common Shares, Warrants or Housing Shares will at any time be Prohibited Investments to any person or provide an “advantage” to any person, and none can or should be implied.

NON-IFRS MEASURES

The Prospectus refers to terms that do not have any standardized meaning prescribed by IFRS. These non-IFRS financial measures and supplementary financial measures may not be comparable to similar measures presented by other companies. The Company believes that the non-IFRS financial measures and supplementary financial measures are useful in assisting investors in understanding components of the Company’s financial results. The non-IFRS financial measures and supplementary financial measures that are referred to in this Prospectus are defined below.

Definitions and Reconciliations

Average annualized contractual recurring cash flow

Average annualized contractual recurring cash flow from income-producing housing assets is a supplementary financial measure that indicates recurring cash inflows for the Company, including rental income and sub-lease income based on a run rate as of a particular date. Specifically, average annualized contractual recurring cash flow is calculated as the sum of (i) the average annual rental rate per square foot for occupied units as of the applicable period end date multiplied by the aggregate square footage rented as of such date, plus (ii) the average monthly sub-lease per unit as of the period end date annualized and multiplied by the number of units subject to a sub-lease as of such date. Average annualized contractual recurring cash flow may not be comparable to similar measures presented by other companies.

As of:	September 30, 2025	June 30, 2025	June 30, 2024
Square feet rented	96,890	97,543	67,453
Average annual rent per square foot	\$35.57	\$35.46	\$26.16
Annualized recurring rent cash flow	\$3,446,377	\$3,458,875	\$1,764,570
Units sold	27	28	22
Average monthly sub-lease per unit	\$460	\$460	\$460
Annualized	12	12	12
Annualized recurring sub-lease cash flow	\$149,040	\$154,560	\$121,440
Average annualized contractual recurring cash flow	\$3,595,417	\$3,613,435	\$1,886,010

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

Principal Business of the Company:

The Company's primary business is focused on residential real estate assets. The Company intends to develop and operate new housing and provide liquidity options to third party real estate developers, landlords, and homebuyers. It also plans to continue to invest in real estate development and to acquire and manage income-producing residential properties through its interest in the Trust. The common goal behind all of these activities is to help provide home-equity-building opportunities for families and ideally expand home ownership in North America by providing developers, landlords and homebuyers with advanced funding tools and mortgage products.

The current focus of the Company is to develop and sell homes at its Saanich Ridge Estates development, invest through the Trust in other developments, and own income-producing residential property. It also intends to acquire homes from third-party developers in bulk at wholesale pricing and may sell some or all of such homes to tenants provided they can obtain financing using its HomePlan program also offered and operated within the Trust. See "*Business of the Company*", "*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*" and "*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*".

Use of Proceeds:

If the Over-Allotment Option is not exercised, the Company estimates that the net proceeds to the Company from the Offering, after deducting the Agent's Commission, the unpaid portion of the Corporate Finance Fee and the other estimated expenses of the Offering, will be approximately \$971,000 under the Minimum Offering and approximately \$4,040,000 under the Maximum Offering.

If the Over-Allotment Option is exercised in full, the Company estimates that the net proceeds to the Company from the Offering, after deducting the Agent's Commission together with the unpaid portion of the Corporate Finance Fee and the other estimated expenses of the Offering, will be approximately \$1,208,150 under the Minimum Offering and approximately \$4,737,500 under the Maximum Offering.

Under the Minimum Offering, the estimated net proceeds from the Offering of \$971,000 will be expended: (i) as to \$250,000, on the partial payment of amounts owing under the Saanich Ridge Promissory Notes; (ii) as to \$400,000, on the partial payment of amounts owing to holders of RPB Bonds and RPB Rights; (iii) as to \$150,000, on the partial payment of the amounts owing under the Five Crossings VTB Note; (iv) as to \$150,000, for general and administrative expenses not covered by cash flows generated from operations; and (v) the remainder of \$21,000 for general working capital purposes. Under the Maximum Offering, the estimated net proceeds from the Offering of \$4,040,000 will be expended: (i) as to \$500,000, on the partial payment of amounts owing under the Saanich Ridge Promissory Notes; (ii) as to \$700,000, on the partial payment of amounts owing to holders of RPB Rights and RPB Bonds; (iii) as to \$2,300,000, on the partial payment of the amounts owing under the Five Crossings VTB Note; (iv) as to \$150,000, for general and administrative expenses not covered by cash flows generated from operations, and (v) the remainder of \$390,000 for general working capital purposes. The Company may reallocate the use of funds from the Offering for sound business reasons. See "*Use of Proceeds*".

Objectives and Milestones:

The primary business objectives of the Company over the next twelve months are as follows:

- complete the Offering, within 90 days after the issue of the receipt for this Prospectus;
- list the Common Shares and Warrants on the CSE as soon as practicable after the Closing;
- pay down a portion of its outstanding liabilities under the Saanich Ridge Promissory Notes, RPB Bonds and RPB Rights and the Five Crossings VTB Note with the net proceeds of the Offering;

- progress the Company's Saanich Ridge Estates development projects, and to the extent capital is readily available, the Company's other development projects; and
- complete the Exchange Offering and list the Housing Shares on the CSE as soon as practicable following the completion of the Exchange Offering.

See "*Business of the Company*" and "*Use of Proceeds*".

While the Company intends to spend the available funds, including the net proceeds from the Offering, as stated above, there may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the Board or management of the Company. See "*Use of Proceeds*" and "*Risk Factors*".

Prior to the end of the most recently completed financial year, the Company had negative cash flows from operating activities since incorporation. The Company anticipates that it will continue to be at risk of generating negative operating cash flow in the future as it grows its business. See "*Risk Factors*".

Offering: The Company is offering a minimum of 3,400,000 Offered Units and a maximum of 10,000,000 Offered Units at a price of \$0.50 per Offered Units for minimum gross proceeds of \$1,700,000 and maximum gross proceeds of \$5,000,000, prior to giving effect to the Over-Allotment Option. This Prospectus qualifies the distribution of the Offered Units. See "*Plan of Distribution – Offering*".

Offering Price: \$0.50 per Offered Unit.

Over-Allotment Option The Company has granted the Agent the Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agent, for a period of 30 days from the Closing, to offer for sale additional Offered Units up to 15% of the Offered Units issued pursuant to the Offering on the Closing Date at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. See "*Plan of Distribution – Offering*".

Exchange Offering The Company is offering to holders of Exchange Offer Subject Securities as of record on the close of business (Pacific Time) on the business day immediately following the date a final receipt is obtained for this Prospectus, who are resident in British Columbia, Alberta or Ontario to exchange such securities for Housing Shares. See "*Plan of Distribution – Exchange Offering*".

Exchange Price: \$10.35 per Housing Share.

Shares Outstanding: Upon completion of the Offering and assuming no exercise of the Over-Allotment Option, 83,162,956 Common Shares will be issued and outstanding in the case of the Minimum Offering and 89,762,956 Common Shares will be issued and outstanding in the case of the Maximum Offering. These figures are prior to the exchange of the outstanding principal amount and accrued interest under CD Notes into Common Shares.

If the Over-Allotment Option is exercised in full, upon the completion of the Offering, 83,672,956 Common Shares will be issued and outstanding in the case of the Minimum Offering and 91,262,956 Common Shares will be issued and outstanding in the case of the Maximum Offering. These figures are prior to the exchange of the outstanding principal amount and accrued interest under CD Notes into Common Shares.

Upon completion of the Exchange Offering, there will be a maximum of 926,269 Housing Shares issued and outstanding.

Agent: Hampton Securities Limited.

Agent's Commission: The Company will pay the Agent the Agent's Commission equal to 7% of the gross proceeds received by the Company from the Offering, including gross proceeds from the sale of Over-Allotment Offered Units under the Over-Allotment Option. See "*Plan of Distribution*".

Offering Jurisdictions: The Offering will be made in British Columbia, Alberta and Ontario, and in the United States on a private placement basis, and with the mutual agreement of the Company and the Agent under certain exemptions from the registration requirements of the U.S. Securities Act and the applicable state laws.

Exchange Offering Jurisdictions: The Exchange Offering will be made in British Columbia, Alberta and Ontario.

Closing: Provided that the Minimum Offering is subscribed for, it is expected that the Closing will take place on or about five business days after a receipt being issued for this Prospectus, or such later date as agreed by the Agent and the Company. See “*Plan of Distribution*”.

The offer to exchange the Exchange Offer Subject Securities for Housing Shares will be open from the date that is two business days following the Exchange Offer Record Date and will expire at 5:00 p.m. (Pacific time) on the date that is 45 days thereafter, unless the Company decides to extend the offer. See “*Plan of Distribution – Exchange Offering*”.

Listing: There is currently no market through which the Offered Units or Housing Shares may be sold.

As at the date of this Prospectus, the Company is not, has not applied to become, and does not intend to apply to become, a CSE senior tier issuer and does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Cboe Canada Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America.

The Company has applied to list its Common Shares, including the Warrant Shares and the Broker Warrant Shares, the Warrants and the Housing Shares on the CSE. The CSE has conditionally approved the listing of the Common Shares, the Warrants and the Housing Shares on the CSE. Listing is subject to the Company fulfilling all of the requirements of the CSE on or before Closing, including distribution of such securities to a minimum number of public securityholders. There is no guarantee that the CSE will provide approval for the listing of the Common Shares, the Warrants and the Housing Shares. See “*Business of the Company*”, “*Risk Factors*” and “*Plan of Distribution*”.

Eligibility for Investment: In the opinion of Counsel, based on the provisions of the Tax Act and the regulations thereto in force as of the date hereof, subject to the provisions of any particular plan: (a) the Common Shares and Housing Shares will be “qualified investments” under the Tax Act for a trust governed by a Plan provided that the Common Shares or Housing Shares are listed on a designated stock exchange for the purposes of the Tax Act (which currently includes the CSE); and (b) the Warrants, if issued at a particular time, will be qualified investments under the Tax Act for a trust governed by a Plan provided the Common Shares or Housing Shares are listed on a designated stock exchange under the Tax Act (which currently includes the CSE) at that time and neither the Company, nor any person with whom the Company does not deal at arm’s length for purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of that particular Plan. See “*Eligibility for Investment*”.

Risk Factors An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to:

Risks Related to the Offering

- Loss of Entire Investment;
- The Market Price of the Common Shares is Unpredictable and can be Volatile;
- Less than Maximum Offering;
- Dilution;
- Limited Control;
- Investment Eligibility;

- Use of Proceeds;
- Completion of the Offering;

Risks Related to the Common Shares

- Ability to Issue Additional Common Shares Diluting Existing Shareholders' Interests;
- Ability to Issue Preferred Shares;
- Control of Common Shares;
- No Market for Securities;
- Volatility of Market Price of Common Shares and Warrants;
- Common Share Dividend Policy;
- Structural Subordination of Common Shares;
- CSE Listing;

Risks Relating to the Company's Business

- Limited Operating History;
- Operating Risk;
- Negative Operating Cash Flow
- Reliance on Manager;
- Non-Binding Letters of Intent;
- Access to Capital;
- Potential Conflicts of Interest;
- Dependence on Key Personnel;
- Reporting Issuer Status;
- Limited Experience of Management with Public Companies;
- Manager Performance;
- Risks Associated with External Management Arrangements;
- Absence of Non-Competition Agreements;
- Manager's Ability to Determine Compensation;
- Development Risk;
- Reliance on Development Partners;
- Liquidity and Capital Availability;
- Construction Delay Risk;
- HomePlan Tenants May Not Qualify for Mortgage Financing;
- HomePlan Agreements are a New Product and may be Subject to Regulation;
- Risks Under Guarantees of Development Partner Debt;
- Reliance on Property Management;
- Urban Real Estate Market Activity;
- Sales and Marketing Expertise;
- Supplier Bargaining Power;
- Interest Rate Volatility;
- Future Property Acquisitions;
- Zoning and Approval;
- Mortgage Financing Risks;
- Reliance on Appraisals;
- Risks Related to Mortgage Extensions and Mortgage Defaults;
- Risks Related to Demand Loans;
- Credit Risk;
- Risk Related to the Trust's Tax Status;
- IP License Agreement;
- The Intellectual Property Subject of the IP License Agreement is not Registered;
- Potential Liability under Environmental Protection Legislation;
- Climate Change Risk;
- Competition;
- Uninsured Losses;

- Risk Related to Insurance Renewals;
- Litigation Risks;
- General Economic Conditions;
- Reputational Risk;
- Difficulty in Forecasting;
- Failure to Manage Growth;
- Illiquidity of Real Estate & Reinvestment Risk;
- Adverse Changes in Laws;
- Foreign Operations Exchange Risk;
- Geographic Concentration and Local Economic Conditions;
- Lack of Diversification of Investment Assets;
- Income Tax Risk;
- Public Health Crises;
- Global Economy Risk; and
- Cybersecurity Risk.

Risks Relating to the Exchange Offering

- There is Currently No Active Trading Market for the Housing Shares;
- Volatility of Market Price for Housing Shares;
- Sales of a Significant Number of Housing Shares in the Public Markets, or the Perception of Such Sales, Could Depress the Market Price of the Housing Shares;
- Limited Size of Exchange Offering;
- Holders of Exchange Offer Subject Securities are Responsible for Accuracy and Completeness of Completed Letters of Transmittal within Set Time Limits;
- The Exchange Price is not an Indication of Value;
- No Guarantee of Eligible Property Status of Exchange Offer Subject Securities;
- Tax Risk to the Company;
- Short Sales by Third Parties Could Depress the Price of the Housing Shares;
- Loss of Entire Investment;
- Performance of HY Units and Housing Shares;
- Housing Share Dividend Policy;
- Housing Share Liquidation Preference; and
- Housing Shares may be Classified as a Liability on the Balance Sheet.

See “Risk Factors”.

The following selected financial information has been derived from and is qualified in its entirety by the: (i) audited consolidated annual financial statements of the Company for the years ended June 30, 2025 and 2024, and (ii) the unaudited condensed consolidated interim financial statements of the Company for the three months ended September 30, 2025 and 2024, and should be read in conjunction with such financial statements and the related notes thereto, along with the associated MD&A, each included in this Prospectus as Appendix “A”. All financial statements of the Company are prepared in accordance with IFRS and are expressed in Canadian dollars.

	As at September 30, 2025 (\$)	As at June 30, 2025 (\$)	As at June 30, 2024 (\$)
Cash and cash equivalents	128,207	105,071	187,182
Total Assets	114,489,098	107,151,457	65,585,432
Total Liabilities	103,607,920	94,847,506	51,602,697
Total Shareholders Equity	10,881,178	12,303,951	13,982,735

	Three months ended September 30, 2025 (\$)	Three months ended September 30, 2024 (\$)	Year ended June 30, 2025 (\$)	Year ended June 30, 2024 (\$)
Revenue	1,654,429	460,831	4,341,361	1,982,205
Net Income or Loss and Comprehensive income or Loss for the Period	(1,511,875)	(667,818)	(1,997,560)	951,255
Net Income or Loss and Comprehensive Loss for the Period per Common Share	(0.02)	(0.01)	(0.03)	0.01

CORPORATE STRUCTURE

Name, Address and Incorporation

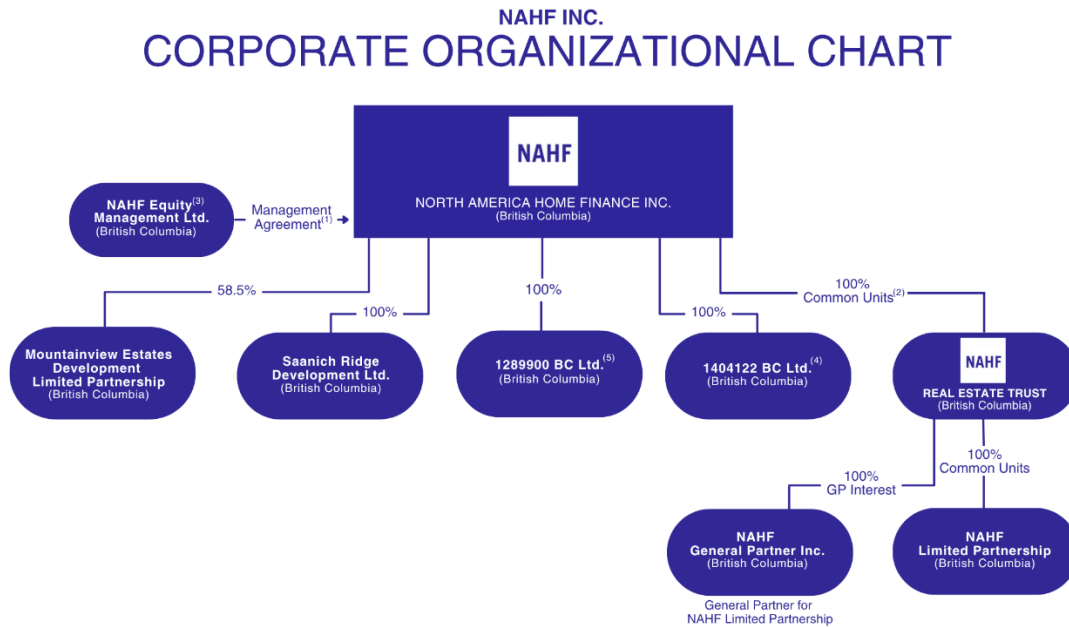
North America Home Finance Inc.

The Company was incorporated under the CBCA on July 27, 2016, and was continued under the BCBCA on December 22, 2023.

The head office of the Company is located at 1021 West Hastings Street, 9th Floor, Vancouver, British Columbia V6E 0C3. The registered and records office of the Company is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4.

Intercorporate Relationships

The following chart sets forth the relationships among the Company and its material direct and indirect subsidiaries as of the date of this Prospectus.



Notes:

1. See “Material Contracts - Management Agreement”.
2. The Trust also issues HY Units and Residential Development Units in series, which are not currently owned by the Company. As of the date of this Prospectus, 6,020,364.89 GL Units, no GL14 Units and 9,795,893.33 CR Units, each of which is a separate series of Residential Development Units, were issued and outstanding. In addition, as of the date of this Prospectus, 322,323.73 HY-A Units were issued and outstanding. See “NAHF Real Estate Trust”, “Description of Securities”, and “Declaration of Trust”.
3. Managed and controlled by CEO and Director of the Company, George Lawton.

4. 1404122 B.C. Ltd. is a bare trust nominee company holding registered title to the existing 26 home rental community and future 52 home community and the overall Lot 8-1 Headlease within Saanich Ridge Estates.
5. 1289900 B.C. Ltd. is a bare trust nominee company holding registered title to the 80 units comprising the Five Crossings Apartment Property.

Subsidiaries

The principal business and operations of each of the Company's material subsidiaries is discussed below.

NAHF Real Estate Trust

The Trust is an unincorporated, limited purpose open-ended investment trust formed under and governed by the laws of the Province of British Columbia and resident in Canada. The Trust was formed on May 31, 2022, by a Declaration of Trust among the Trustees, Daryl S. Fridhandler, as settlor, and all persons who become holders of Units as provided therein, which Declaration of Trust was amended and restated on September 26, 2023.

The Trustees of the Trust are George Lawton and James Pratt. The head office and address for service of the Trust is located at 1021 West Hastings Street, 9th Floor, Vancouver, British Columbia V6E 0C3. For more information regarding the business of the Trust, see "*Description of the Business – Overview - NAHF Real Estate Trust*".

NAHF Limited Partnership

The NAHF Limited Partnership is a limited partnership formed pursuant to the registration of the Limited Partnership Agreement on January 21, 2023, pursuant to the laws of the Province of British Columbia. The head office and address for service of the NAHF Limited Partnership is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4. The NAHF Limited Partnership's registered and records office is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4.

The general partner of the NAHF Limited Partnership is NAHF General Partner Inc., a corporation incorporated under the laws of the Province of British Columbia, having its office at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4. The NAHF GP's registered and records office is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4. For more information regarding the business of NAHF Limited Partnership, see "*Description of the Business – Overview - NAHF Limited Partnership*".

Saanich Ridge Development Ltd.

Saanich Ridge Development was incorporated on June 19, 2017, pursuant to the provisions of the BCBCA under the name "Saanich Ridge Development Ltd." for the purpose of developing homes as part of Saanich Ridge Estates in Victoria, British Columbia ("**Saanich Ridge Development**"). Its head office and registered office is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4. The Company owns 100% of the Class A common voting shares of Saanich Ridge Development. There is also an aggregate of 577.5 Class E non-voting, redeemable preferred shares of Saanich Ridge Development outstanding, all of which are held by 1000463187 Ontario Ltd., which is an arm's length third party to the Company.

Mountainview Estates Real Estate Development Limited Partnership

MVE LP was registered on December 17, 2024, for the purposes of developing homes as part of Mountainview Estates in Duncan, British Columbia. Its head office is at 1021 West Hastings St. 9th floor Vancouver, BC V6E 0C3 and its registered office is located at 800-1070 Douglas Street, Victoria, British Columbia V8W 2C4. The Company owns a 58.5% limited partnership interest in MVE LP, with 35% being owned by a third-party individual who is the lessor under the Mountainview Estates Lands Lease and 6.5% being owned in aggregate by two individuals who are the principals of the third-party construction manager for the Mountainview Estates project.

The general partner of the MVE LP is MVE GP, a corporation incorporated under the laws of the Province of British Columbia, having its office at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4. The MVE GP's registered and records office is located at 800 – 1070 Douglas Street, Victoria, British Columbia V8W 2C4. The

Company owns 65% of the voting securities of MVE GP, with the other 35% being owned by a third-party individual who is the lessor under the Mountainview Estates Lands Lease.

The Manager

NAHF Equity Management Ltd.

The Manager is a privately held company incorporated in British Columbia on September 21, 2016. Pursuant to the Management Agreement, the Manager will oversee the management of the Company and provide executive oversight on the build-up of the management team over time whether hired by the Manager directly or sub-contracted out to other existing companies on an as needed basis. The Manager is a wholly owned subsidiary of NAH Equity Company GP Inc. George Lawton, President and Chief Executive Officer and a director of the Company, is the sole director and officer of both companies and through the ownership position that NAH Equity Company GP Inc. has in the Manager, Mr. Lawton has voting control over the Manager.

DESCRIPTION OF THE BUSINESS

Overview

The Company

The Company is actively engaged in the acquisition, financing, management and operation of a residential real estate asset business. The Company intends to grow its business of providing financing to residential real estate developers and home purchasers, and conducting other business, which is ancillary or incidental thereto, and to derive income therefrom with a view to making a combination of the sales of newly built homes and longer-term revenue from owning certain housing assets. The Company was created to manage and operate interests in revenue-producing residential real estate properties and to fund the development and ownership of new residential real estate in conjunction with homeowners. This allows a means for individual investors in the Company's securities to pool their funds to allow them to invest in larger scale, income-producing real estate opportunities or housing development opportunities. The investment opportunities to be considered by the Company include apartment buildings, condominium developments, detached or semi-attached rental communities, land-lease communities and other forms of housing development or acquisition as well as investing into other housing developers or for residential mortgages.

The Company operates on the principles that: well-located residential properties have historically appreciated in value over time equal to or faster than the prevailing rate of inflation; that the current interest rate environment makes traditional housing ownership more challenging, especially for the Gen-X and millennial demographic groups; and where there is a greater challenge in becoming a homeowner, rents for housing increase and people search for and become open to alternative forms of housing finance. The growing disparity in net worth between households that rent versus households that own as shown in the Stats Canada data¹ demonstrates that capital will be needed to aid tenant households in purchasing homes as well as the correlation of owning a home with a higher median net worth over time.

Management of the Company also believes that properties can be acquired at an attractive price because of market inefficiencies, sub-optimal management practices or incompatibility with the current owner's investment strategy. The housing market in Canada also shows signs of significant ongoing unmet demand and the large gap between the supply of new homes needed and the current level of housing starts.² By providing experienced and proper management, management believes higher returns can be generated from such properties over time. The Company intends to focus part of its strategy on developing and acquiring newer housing assets (generally being properties less than two years old that remain under warranty) which are expected to have longer economic life spans and require less short-term capital maintenance reserve expense. Focusing on newer properties should also provide home occupants with a greater probability of predictable experience in home maintenance with less chance of larger more expensive repairs being needed, such as repairing or replacing a furnace system, roofing membrane, or appliances. In some scenarios, an owner is provided with the additional benefit of a home builder's warranty that may provide coverage for certain repairs or replacements.

¹ <https://www150.statcan.gc.ca/n1/pub/13-604-m/13-604-m2020002-eng.htm>

² <https://www150.statcan.gc.ca/n1/daily-quotidien/240417/dq240417b-eng.htm>

The high price of home ownership in greater Vancouver and Toronto is driving many into rentals or alternative options. 1 in 3 homebuyers are exploring options such as renting out a portion of the primary residence, pooling finances with friends or family, living in a co-op, or shared living arrangement.³

PROJECT DEMAND		PROJECT SUPPLY
In 2021/2022, Canada's population grew by a record 703,404 people (+1.8%) to reach 38,929,902. This surpasses the preceding high observed a year before the COVID-19 pandemic when the population grew by 536,146 people (+1.4%). - Statistics Canada	➤	In 2004, an average income household would have had to dedicate 40% of their disposable income to buy an average house in Ontario or 45% in B.C. In 2021, a household on average income would have had to devote close to 60% of their incomes to housing. - CMHC
International migration is the primary driver of the most recent estimated increase in Canada's population, accounting for 94.5% of the overall growth (269,305 people). - CIC News	➤	In recent years, Canada completes about 200,000 new homes a year – standalone homes, condos, and other types of dwellings. December 2021 New Homes Registry Report shows 53,189 new homes were registered in B.C. in 2021, of which 12,899 were purpose-built rentals. - Globe & Mail, Oct 11, 2022.
To restore accessible housing, CHMC projects that over 22 million housing units will be required by 2030 to help achieve housing affordability for everyone living in Canada. - CMHC	➤	To achieve that goal of 22 million, homes, Canada needs to build 3.5 million additional homes over current housing starts, to address a current shortage as well as rising demand from millennials and boosted immigration targets. - CMHC
4 of the Top Five Fastest Growing Cities in Canada are located in British Columbia: Kelowna, Chilliwack, Kamloops, and Nanaimo. - Statistics Canada 2021 Census	➤	Two-thirds of the 3.5 million housing supply gap is located where housing markets are least affordable — British Columbia and Ontario. Metro Vancouver builders will have to construct about 523,530 units with a current annual completion rate of 23,766 units. - Western Investor/ CMHC

Table Sources⁴

The Company organized the Trust as a subsidiary which is being used to fund housing development projects through segregated unit classes and to hold income-producing housing assets for the long term. The Trust provides third-party unitholders a preferred investment position which is designed to reduce volatility for those unitholders. The Company receives a share of the profits in the development projects and a share of the property appreciation of the income-producing housing assets in exchange for subordinating its equity in the Trust to third-party unitholders. In addition, the Trust has contracted with the Company for all the Trust's operational needs and will not have its own fixed salary costs or office space costs. The Administration and Property Management Agreement provides that the Trust will pay the Company, as manager, a set fee of \$1,000 per month and will reimburse the Company for any third-party costs expended in performing the administrative services. Additional fees are also paid to the Company by the Trust for property management services under the Administration and Property Management Agreement, which fees for property management are in turn payable by the Company to the Manager under the Management Agreement. The Company, on behalf of the Trust, will oversee the advancement of funds to the NAHF Limited Partnership, as well as coordinate, with TrustCo, the administration of the security interests on behalf of holders of HY Units and the Residential Development Units. See “*Material Contracts – Administration and Property Management Services*” and “*Material Contracts – Management Agreement*”.

NAHF Real Estate Trust

The indirect holding of residential rental real estate is the Trust's primary business focus. The Trust intends to indirectly acquire residential housing assets of various types such as single-family detached subdivisions, townhouse complexes, apartment buildings, or condominium titled apartment buildings, all of which would be held by the NAHF Limited Partnership (or other limited partnerships or investment arrangements as may be established by the Trust from time to time), through development for its own account or acquisition of completed assets. The Trust is expected to earn income and other distributions of capital from time to time, from the ownership, rental, management, financing and disposition of the HY Housing Income Properties by NAHF Limited Partnership. Returns of principal, proceeds, profits, and capital

³ <https://www.newswire.ca/news-releases/one-in-three-canadians-considering-workarounds-to-buy-a-home-amidst-rising-prices-supply-shortages-813145821.html>

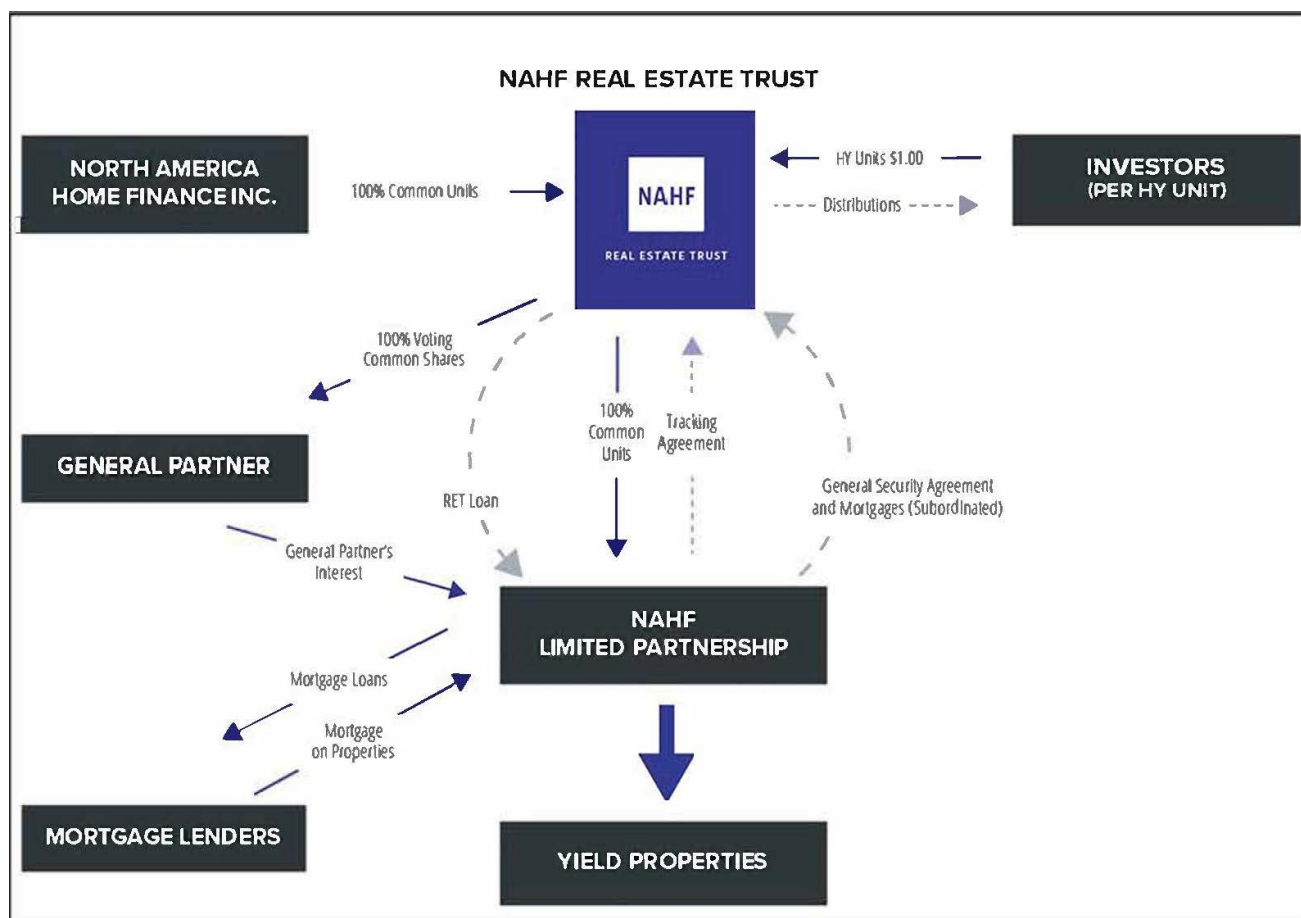
⁴ <https://www150.statcan.gc.ca/n1/daily-quotidien/220928/dq220928c-eng.htm>
<https://cicnews.com/2022/09/immigration-accounts-for-over-94-of-canadas-population-growth-in-q2-of-2022-0931197.html#gs.ieinu4>
<https://www.cmhc-schl.gc.ca/blog/2022/canadas-housing-supply-shortage-restoring-affordability-2030>
<https://www150.statcan.gc.ca/n1/daily-quotidien/220209/dq220209a-eng.htm>
<https://www.bchousing.org/research-centre/housing-data/new-homes-data>
<https://www.westerninvestor.com/british-columbia/affordability-target-demands-570000-new-homes-in-bc-5684572>

will flow solely from the HY Housing Income Properties held by the NAHF Limited Partnership (or other limited partnerships or investment arrangements as may be established by the Trust from time to time) to the Trust and then HY Unitholders.

The Trust provides financing to real estate developers for the development of its own residential rental units and acquires, and where appropriate refurbishes, or redevelops, operating residential rental properties, in each case for the purpose of earning rental income. The Trust may also earn interest from providing secured financing to homebuyers or housing developers.

The Trust has three types of unit classes: (i) the Common Units, all of which are held by the Company, which receive any additional residual growth in value of the properties held, directly or indirectly, by the Trust, to which the tenants under HomePlan Agreements and ordinary residential tenancy arrangements and holders of HY Units are not entitled (ii) the Residential Development Units, which link a specific development project investment to a given series of units, and (iii) the HY Units, which invest into the income producing property portfolio held by the Trust's wholly owned subsidiary, NAHF Limited Partnership, which properties have a mixture of residential tenants under HomePlan Agreements that provide the tenants with the opportunity to share in a portion of the equity growth of the property subject to their respective HomePlan Agreements as well as tenants under ordinary residential tenancy agreements subject to a monthly rental rate with no share in the equity growth of the property.

The following diagram shows the relationship between the Trust and the NAHF Limited Partnership, which is the source of developed residential rental returns to the HY Unitholders:



The Trust has contracted with the Company for all its operational needs and will not have its own fixed salary costs or office space costs. The Administration and Property Management Agreement provides the Trust will pay the Company, as manager, a set fee of \$1,000 per month and will reimburse the Company for any third-party costs expended in performing the Administrative and Property Management Services as well as other fees (see “Material Contracts –

Administration and Property Management Agreement”). This fee along with other costs are reimbursable expenses from the NAHF Limited Partnership as outlined in the HY Tracking Agreement. See “*Material Contracts – Administration and Property Management Agreement*” and “*Material Contracts – HY Tracking Agreement*”.

NAHF Limited Partnership

The NAHF Limited Partnership was set up specifically to invest in residential rental property portfolios in the form of detached or semi-detached rental communities or airspace parcel apartments. Through the NAHF Limited Partnership (or such other controlled enterprise of the NAHF Limited Partnership), the Trust may acquire, develop, redevelop and operate residential housing assets, which will include the HY Housing Income Properties, for the purpose of generating rental income. In line with the Trust’s objectives, going forward, the NAHF Limited Partnership anticipates concentrating on identification of properties for possible acquisition in growth markets and capturing value by negotiating bulk purchase agreements of housing units to enable developers to hit their pre-sale requirements for construction financing in new condominium projects to be designated on airspace parcels.

The General Partner of the NAHF Limited Partnership or a nominee company that is a direct or indirect subsidiary of the Company is expected to hold registered title to the HY Housing Income Properties for the benefit of the NAHF Limited Partnership pursuant to trust/nominee agreements. Title to the existing HY Housing Income Properties of which NAHF Limited Partnership is the beneficial owner are held by nominee companies that are wholly-owned subsidiaries of the Company under bare trust agreements. Further, the Company expects that the net proceeds of closings of Units of the Trust will be advanced to the NAHF Limited Partnership (or other limited partnerships or investments arrangements as may be established by the Trust from time to time), as and when required to acquire additional income producing properties, repay acquisition notes, or paydown senior indebtedness, with a security interest and/or mortgage being secured against the applicable HY Housing Income Properties for the amount advanced and associated matters. The Company, as manager of the Trust, will oversee the advancement of funds to the NAHF Limited Partnership, as well as coordinate, with TrustCo, the administration of the security interests on behalf of HY Unitholders. The security interest and/or mortgage secured against the applicable HY Housing Income Properties, as such properties are acquired will be registered in the name of the Trust and/or TrustCo, as nominee of the Trust. TrustCo was formed to hold and administer the security interests and/or mortgages in accordance with the HY Collateral Agency Agreement and the HY Tracking Agreement. Such security interests and/or mortgages will be subordinated to Senior Indebtedness. The Trust plans to register such collateral mortgages with respect to the initial 26-home rental community on Lot 238 in the Saanich Ridge Estates development and the 80-unit Collinson Rise Apartment Property following the conversion of the Peakhill Capital Saanich Commitment Letter into a CMHC insured mortgage.

The General Partner and the Trust, as limited partner, are intended to continue to be the sole partners of the NAHF Limited Partnership.

Vision

The Company’s core vision is to contribute to the growth in homeownership in North America, with a current focus on Canada and with future plans to expand into selected regions in the United States, through the introduction of advanced financing tools and mortgage products for housing developers and home purchasers. As home price indices rise it is anticipated that there will be increasing demand for new mortgage options, which provide greater flexibility with regard to the down payment and the monthly payment amount.⁵ The specific focus of the Company is to offer shared equity housing agreements to qualified renters to enable them to begin building equity. In the future, when a family has accumulated more equity, the Company also intends to offer qualified shared appreciation mortgage products. Through these products, the Company will share in the equity value appreciation. This approach will allow the Company to offer mortgages with lower monthly payments, thereby delivering a broader range of payment terms to the market. Ultimately, this will help transition families into being able to work with existing conventional mortgage lenders. In order to effectively operate in this way and compete with other real estate investment vehicles for capital, the Company intends to initially grow its balance sheet through the development and acquisition of income-producing housing real estate for an increased asset base.

⁵ <https://www.crea.ca/housing-market-stats/mls-home-price-index/>

As the asset base increases and the total capital available to the Company grows giving it greater economies of scale, there is expected to be greater competitiveness on financing terms and as a result, a wider range of home purchasers can be served.

Each city or urban region carries unique risks and opportunities to access housing inventory from developers. The current market trends and characteristics in Victoria and Kelowna are very different from those in Regina or Ottawa and the unique risks to each market must be qualified and understood by management to provide any new investment into residential units the best chance of success. The demand for housing units in Vancouver is currently high but as a result prices have been driven up to levels which have become increasingly unaffordable for many of the residents. Management must continue to analyze market trends and home purchase activity along with new housing inventory to be able to react through adjusting the pace of negotiation for new inventory. The Company's strategy traces its roots to some of the principles that made Singapore's Housing Development Board successful in raising the country's homeownership rate to approximately 90%.⁶ The Company has researched and worked on implementing its shared equity housing options in ways that can be adapted to the Canadian and American housing and mortgage markets. The need for new options is made clear by the decline in homeownership in Canadian cities over the last 13 years.⁷

The Company has and intends to continue to build relationships with qualified and experienced developers in primary urban markets in order to be top of mind whenever any new project is preparing to be started. From time to time, as additional real estate opportunities are identified (such as new housing developments or existing income-producing housing assets for sale), the Company can analyze and determine if a project is suitable and if so, could proceed with an investment. These investments could be made when the opportunity is attractive enough to warrant them, but they are not expected to be the primary focus for the Company.

Capital

The Company does not intend to adopt a dividend policy for its Common Shares in the short term but instead will focus on growing shareholder equity retained by the Company on behalf of its common shareholders through the development of new housing assets, participation in the development profits earned in third party developer's projects funded by the Trust, and through fair value gains from the Company's share of appreciation realized from the housing assets held by the Trust for the long term.

The Company has created, but has not yet issued, the Housing Shares as the first series of Preferred Shares in the authorized share structure of the Company that, once issued, are intended to track the returns of the HY Units of the Trust that the Company retains, and the Company intends to pay out income received from those HY Units in the form of dividends on those Housing Shares from time to time. See "*Description of the Business – HomePlan*", "*Description of Securities – Company Authorized and Issued Capital – Housing Shares*" and "*Dividends or Distributions*".

Market Regions

The Company is initially targeting urban centres in Canada where the population growth rate is higher than the average across the country, and where housing affordability has become a challenge. These are markets that continue to show strong housing demand, which has contributed to their home price appreciation. These factors make these markets less affordable and create a greater need for new housing options but also make them more attractive housing markets to invest in to participate in that appreciation.

The Company is currently active in the Greater Victoria market as well as the Central Okanagan market, both of which are experiencing housing supply constraints as a result of, among other things, the Agricultural Land Reserve in the Province of British Columbia. The Agricultural Land Reserve or "ALR" is a covenant on a title that prohibits the development of land that has been historically agriculturally zoned and could be used for productive food growth. Greater Victoria and Kelowna, British Columbia have been expanded to the point where there is very little land left outside the ALR where further low-density housing subdivisions can be created, which is now forcing developers to build taller higher-density projects and also causing land values to rise. These two regions along with Greater Vancouver

⁶ <https://tradingeconomics.com/singapore/home-ownership-rate>

⁷ <https://www150.statcan.gc.ca/n1/daily-quotidien/220921/mc-b001-eng.htm>

and Greater Toronto are areas where housing has become less affordable which has created the need and opportunity for new funding programs and appreciation makes these regions attractive for investment.⁸

Identification of New Housing Opportunities

The selection of new housing investment opportunities is based on several factors and in the case of an investment into a new housing development organized by a third-party developer, the selection of that development partner is also based on several factors.

The selection of new properties includes a review of location-specific qualities and local market quantitative characteristics. One key aspect of the housing market that management considers is the size of the potential market for home price points given the family income distribution within a given local market. The Company calculates buying power for each income bracket based on current interest rates and looks at the number of households in that bracket relative to the supply of homes for sale at those price points. The Company seeks to invest in projects that will deliver new housing to the market at price points where there is a significant demand-supply imbalance with a large number of prospective purchaser households at a given price point but a lack of new supply.

Other aspects of building design that the Company considers include the building form, the parking structure design, the mixture of unit sizes, the type of construction, the building efficiency ratio comparing total building area to the portion of the building that is saleable area, and the gross margin percentage of the difference between completed building value and total costs divided by total costs. The higher the margin, the lower the risk and better the opportunity for return on equity invested in the project.

When it comes to the selection of development projects to invest in, the Company places the greatest weight on the choice of the management team and controlling shareholder that will be leading the development management partner. A greater site can generate poor results if a development project is managed by slow-moving or mismanaged development leadership teams, whereas an average site can still produce above average margin if managed by an excellent development leader or team. The Company seeks first to work with great development partners and then to select sites that are attractively located and cost-effectively acquired.

⁸ <https://www.nbc.ca/content/dam/bnc/taux-analyses/analyse-eco/logement/housing-affordability.pdf>

The table below shows the status of development projects that the Company has identified and has a contractual right to pursue, subject to certain conditions, as of the date of this Prospectus.

HOUSING PIPELINE					
	Value of Completed Projects ¹ (\$000,000)	Number of Completed Units	Estimated Value of Future homes (\$000,000) ²	Estimated Number of Units Remaining to be Completed	Project Status ³
Saanich Ridge Estates (Ph1)	\$28.5	26	-	-	Completed
Five Crossings Development	\$27.6	80	-	-	Completed
Saanich Ridge Estates (Ph2 and Ph3)	-	-	\$57	52	Under Construction
Revo Development	-	-	\$27	75	Under Construction
	-	-			Ready for Construction to Begin/ Non-Binding Letter of Intent;
The Scene Highrise Project	-	-	\$33	63	Development Permit Approved;
Glenlake Development	-	-	\$240	474	Contracted
Mountainview Estates	-	-	\$126	180	Non-Binding Letter of Intent
Cannery District	-	-	\$157	320	
TOTAL:	\$56.1	106	\$640	1,164	-

Notes:

- (1) Value of completed project is based on third-party appraisals as of the respective dates set forth in the appraisals and subject to the assumptions, limitations and methodologies in such appraisals – see “*Experts*” and “*Risk Factors – Reliance on Appraisals*”.
- (2) Estimated value of future homes is based on management’s estimate using recent comparable properties from appraisals on the projects listed above.
- (3) See descriptions following below for further information on project status.

Saanich Ridge Estates: The land is subject to a long-term leases held by the Company and has received all development approvals and has committed financing to complete construction on all remaining homes. The project includes approval for 118 homes overall with 78 homes to be held with CMHC insured financing, and 40 homes to be sub-leased land to home purchasers. For more information, see “*Development of the Business – Saanich Ridge Estates Land Acquisition.*”

Five Crossings Development: The 80-unit air space parcel condo-titled within the Five Crossings Development (referred to as the Five Crossings Apartment Property) was acquired by NAHF Limited Partnership at the end of March 2025. A CMHC insured mortgage was obtained for financing the acquisition pursuant to the Peakhill Capital Five Crossings CMHC Commitment Letter, which provided a \$21.5 million loan to facilitate the purchase of the Five Crossing Apartment Property. The Company previously advanced \$6.5 million into the development of the project, which was credited against the purchase price for the Five Crossings Apartment Property. For more information, see “*Development of the Business – Five Crossings Development.*”

Revo Development: As of the date of this Prospectus, the Company has invested approximately \$9.8 million, through the Trust, into the development of the Revo Development, which is secured by a mortgage charge against the lands underlying the development. The Company has a funding and purchase agreement which allows it to acquire residential units in the project similar to the Five Crossings Development. The Company is targeting the acquisition of a 75-unit air space parcel condo-titled within the Revo Development which is intended to be financed with CMHC insured financing. For more information, see “*Development of the Business – Revo Development.*”

The Scene Tower: The Scene tower is a planned 18 storey building which is the second phase of the Scene development project in Langford, British Columbia, part of the greater Victoria, British Columbia area. The Company, through NAHF Limited Partnership, entered into a non-binding letter of intent to acquire a 63-unit air space parcel condo-titled

within the project for a purchase price of \$33,659,000 inclusive of GST but prior to closing adjustments. The project has its development permit and building permit for the first phase and the airspace parcel is already registered. The project is being developed by 1206949 BC Ltd., a company controlled by Navepal Jagpal, a director of the Company. The initial letter of intent, which has subsequently been amended and restated, was entered into between NAHF Limited Partnership and Jagpal Development Ltd. prior to Mr. Jagpal becoming a director of the Company. The letter of intent is non-binding and subject to the satisfaction of various conditions, accordingly there is no assurance that transactions contemplated by the letter of intent will proceed as contemplated thereunder or at all. See “*Risk Factors – Non Binding Letters of Intent*”.

Glenlake Development: As of the date of this Prospectus, the Company has invested approximately \$5.86 million, through the Trust, in the development of the Glenlake Development, which is currently secured by a collateral mortgage charge against two of the four land parcels underlying the development. The collateral mortgage charge is expected to be registered against the remaining two parcels underlying the development upon all funds being advanced under the Glenlake Funding and Purchase Agreement. The Company has a funding and purchase agreement, which allows it to acquire residential units in the project similar to the structure used with the Revo Development. The project’s development permit was approved in October 2024. The Glenlake Development is being developed by the Glenlake Highview Development Limited Partnership and its general partner, which are controlled by Navepal Jagpal, a director of the Company, and in respect of which George Lawton, Chief Executive Officer and Director of the Company, holds an interest. For more information, see “*Development of the Business – Glenlake Development*”.

Mountainview Estates: The Company has organized a subsidiary limited partnership, MVE LP, in respect of which the Company owns a 58.5% interest and also owns 65% of the general partner, MVE GP. MVE LP has signed a head lease for the 18-acre parcel of land in Duncan, British Columbia and designed a layout plan that will accommodate 123 single family homes. The Company, through MVE LP, intends to build out a development project similar in strategy and approach to the Saanich Ridge Estates project. For more information, see “*Development of the Business – Mountainview Estates Land Acquisition*”.

Cannery District: The Company entered into a non-binding letter of intent to acquire a 60% interest in a 5-acre commercial complex in the interior of British Columbia which has a concept drawing for a four phased mixed-use development. The project would need to go through a full rezoning and development approval process before the site is acquired. The purchase price remains to be determined, but is to be assessed based on an underlying property value of \$13,925,000, subject to certain adjustments. The letter of intent is non-binding and subject to the satisfaction of various conditions, accordingly there is no assurance that transactions contemplated by the letter of intent will proceed as contemplated thereunder or at all. See “*Risk Factors – Non Binding Letters of Intent*”.

Revenue In Recent Years

Total home sales revenue and total rental/sublease revenue in 2024 were \$762,400 and \$363,030, respectively. The total home sales revenue and total rental/sublease revenue in 2025 were \$2,325,670 and \$1,746,102, respectively. In the fiscal year ended June 30, 2024, the Company completed CMHC-insured financing for the construction and rental of 26 single-family homes within the broader project, which is a 118-home approved subdivision consisting of 40 lot subleases and three rental communities, with each community consisting of 26 single-family homes. As of June 30, 2025, the Company completed the initial 26 single-family homes, rented them or offered to rent them with HomePlan Agreements or conventional residential tenancy rental agreements. Of the 26 homes, 25 are currently occupied under HomePlan Agreements, and one is subject to conventional residential tenancy rental agreement. The 26 home rental community was completed and sold down into NAHF Limited Partnership through the NAHF Option Agreement. To date, the Company has built 28 of the 40 houses on the 40 lot subleases and is collecting sublease payments on subleases for 27 of those homes. The Company has also started developing the next two 26 home rental communities. For further information, see “*Development of the Business – Saanich Ridge Estates Land Acquisition*”.

Going forward, the Company may look for other similar low rise built to sell or build to rent opportunities while at the same time looking to invest in more housing development projects through the Trust or NAHF Limited Partnership.

Scalability of Housing Finance and Marketing Solutions

The Company is focusing on the scalable aspects of housing finance and marketing, working in conjunction with the Company's real estate project marketing alliance. Rather than carrying a significant amount of development and construction management staff, the Company continues to work with development partners who have their own construction management resources. The Company therefore places primary attention on the capital markets and attracting capital to expand the number of housing projects that it can actively fund at any one time. Working with a real estate project marketing firm is also an important part of the Company's strategy as the majority of the real estate being offered by the Company is new, and the HomePlan program is seeking to find families to move into homes that are already owned by the Company or the Trust, directly or indirectly, rather than allowing families to go out into the real estate market and pick any home currently for sale, as people would normally do when working with realtors who deal only in resale homes.

There is a specific skill set and knowledge associated with organizing funding for new development, overseeing the marketing and sales of newly constructed homes, and with the operation and management of a housing fund vehicle. These are skills that the Company has gathered through an extended team consisting of employees of the Manager, independent contractors, outsourced service providers, and advisors. The Company will continue to depend on the effective and skillful execution of the business plan by the leadership and management team that has been assembled.

Growth Strategies and Additional Housing Assets

The Company has defined seven categories of transaction types it intends to pursue to grow the total portfolio of housing assets available to be offered with a HomePlan Agreement for the occupants (see "*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*" and "*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*"). Following the pipeline of assets described above, which fit into categories 1 and 2 below, the following list includes strategies the Company has used to date and strategies the Company intends to pursue in the future over the long-term once publicly listed.

The seven growth strategies:

- (1) Direct majority owned development;
- (2) Development partner project investments;
- (3) Forward (wholesale) acquisition of to-be-built housing assets;
- (4) Preferred share consideration acquisitions of new assets;
- (5) Apartment building conversions;
- (6) MLS resale asset accumulation; and
- (7) Structured Mortgage AUM (capital light)

(1) Direct Majority Owned Development

Example projects in this category include the Saanich Ridge Estates development and the planned Mountainview Estates project, where the Company controls the development lands and holds the construction debt on its balance sheet. In this case, the Company is responsible for overseeing or subcontracting the management of all aspects of the development, including development approvals, site servicing and construction management. This strategy is less scalable across multiple cities than some of the other strategies, especially in the case of urban high-density development. This strategy provides the Company with the largest share of the development profit margin (of any of the seven strategies) from constructing new housing assets.

(2) Development Partner Project Investments

These investments are typically structured as preferred equity secured by mortgages with a share of profits and include the right to acquire completed housing assets from the project. The developer's equity is subordinated to our preferred equity invested and there is usually a preferred return. Investing in this structure allows the Company to participate in development projects in multiple cities without having to organize and manage staff and deal with municipal and local construction requirements for each project. Current examples include, the Five Crossings Development, the Revo Development and the Glenlake Development.

(3) Forward (wholesale) Acquisition of Third-Party Developed Housing Assets

These investments would involve contracting to buy a block of units within a new housing project and include preferential pricing and terms. The Company would seek to negotiate a credit towards the purchase based on an annual percentage return on the amount of deposit advanced towards the purchase at the start of construction of the project. The contract would also include credits for the marketing and sales costs the developer would save by selling a large portion of the project upfront. The Company would plan to begin marketing the units for lease using a HomePlan contract approximately 6-9 months before construction completion (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”).

(4) Preferred Share Consideration Acquisition of New Housing Assets

The Company believes that, in the future, developers will accept publicly traded shares (our preferred share class called Housing Shares, if qualified for listing) as partial consideration for the sale of part of the housing units within a new development. The potential benefits that a developer could receive from this would include better value on the sale of the homes by waiting to price the transaction until construction has been completed, participation in the appreciation in the value of the homes following construction completion, distributed cash flow from the rental income received as distributions on the Housing Shares, and the ability to hold marketable securities on their balance sheet for construction financing covenant strength on future projects.

(5) Apartment Building Conversions

In cities where geographical constraints would make it unlikely that enough new buildings could be constructed to replace the existing housing stock and provide every household with the opportunity to build equity, existing buildings could be converted into apartments with individually titled units. In some municipalities this is currently allowed, in others, it would have to be petitioned with the support of the tenants within a building. The Company would look to acquire an existing apartment building that are rented, and over time, work with the existing tenants in the building to transition them to HomePlan Agreements, so they could then share in their home’s appreciation (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”).

(6) MLS Resale Housing Asset Accumulation

This strategy is sometimes referred to as a “tenant first” approach where a family that wants to begin building equity is first qualified and then given the chance to pick a home. Once the Company has confirmed an applicant’s financial qualification and provided a budget range for the purchase price, the family and a representative would look through existing homes for sale on MLS and after picking one, the Company would acquire it and hold it as a rental with the family occupying the home and sharing in its value growth through a HomePlan Agreement (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”). This strategy is not expected to be pursued in the short term as it requires a large-scale housing fund (\$2 billion or more in assets) to achieve accretion with a low enough cost of capital.

(7) Structured Mortgage AUM (Capital Light)

This strategy aims to avoid the three aspects of real estate investment that would be expected to slow down the Company’s ability to grow and provide shared equity housing to the largest number of North American households. The three aspects that take the most time in months/years include: raising equity, purchasing property (negotiating and taking ownership of title), and constructing buildings. The Company’s long-term plans include using this Structured Mortgage AUM strategy to provide a better financial experience to landlords by managing the HomePlan Agreement for them and using the Company’s Housing Shares to fulfill any liquidity requirements on the HomePlan Agreement on behalf of the landlord (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”). The Company intends to further develop and test this strategy in the year following the completion of the initial public offering.

Key Competitive Forces

More than 30% of the respective populations in Canada and the United States are renter households and in larger urban centers where the portion of the population renting is greater than 40%.⁹ Within this portion of the market the Company intends to initially target its housing offerings at the highest income earning households that currently rent and then target the other income earning households as the asset base grows. Further narrowing the target market down still leaves the Company with an addressable market that is so large it would take decades for the Company to accumulate enough capital to service this market with housing options.¹⁰ This illustrates the fact that the competition the Company faces is not in the real estate markets against other housing developers or providers, but competition for funding in the capital markets, competing with other alternative investment options where investors may decide to allocate their portfolio.

The Company must also compete with other borrowers to obtain the attention and the support of first mortgage lenders for both construction and long-term financing on the income producing properties the Company plans to hold long-term. Attracting both low-cost senior mortgage financing, and stable patient equity investment is the primary competitive force the Company must manage in order to meet its long-term objectives.

The next force that the Company is exposed to is the bargaining power of suppliers, namely construction sub-trades and material suppliers for housing development. When interest rates come down from current rates, management expects housing development activity to increase, at which time there is expected to be more demand for construction resources and the Company's development partners will likely be exposed to rising construction pricing again. The business cycle has a pronounced effect on real estate companies and especially new development as buyers will often delay moving decisions or home purchase decisions until they are comfortable that interest rates and the value of housing is trending in the right direction. The value of the housing portfolio held by the Company will also fluctuate with changing real estate market conditions, which could affect the equity position the Company has in its existing assets and the Company's ability to finance new projects as a result.

Economic Dependency and Contract Risk

The Company relies on the management expertise of its development partners and their construction management relationships as well as the mortgage financing providers that have contracted with the Company for construction loans or term financing. If the Company's current first mortgage lender was to choose to not renew its loan, the Company would need to find a new source of revolving construction financing for the ongoing home-building business within the Saanich Ridge Estates development. The Company expects it will typically seek 65% to 75% loan-to-value financing on the income-producing residential assets that it acquires in the next 12 to 36 months. In the future, the Company intends to reduce the portfolio leverage level down to 60% and eventually 50% as and when the asset base grows.

The construction management relationships are a key element in each of the development projects the Company undertakes, supporting continuous progress and the timely completion of projects. The Company's development partners have their own capital invested in these projects and maintain important relationships, which generally encourages their ongoing commitment through to completion.

The Company's business model relies on the regular receipt of rental income from its housing assets. As the housing portfolio expands, the Company anticipates that some level of rent delinquency may occur from time to time. To address this, the Company intends to grow and diversify its rental portfolio, thereby reducing the impact of any individual property's missed payment. In addition, the Company focuses on larger urban centres with low residential vacancy rates. It is generally accepted that re-renting residential real estate in larger urban centers carries less uncertainty than re-renting office space or retail shopping center space especially when the Company is targeting and working in markets that have a history of low residential market vacancy rates.¹¹

⁹ <https://www.canada.ca/en/financial-consumer-agency/programs/research/financial-well-being-mortgages.html>

¹⁰ <https://www.statista.com/outlook/fmo/real-estate/Canada>

¹¹ <https://www.cmhc-schl.gc.ca/media-newsroom/news-releases/2024/canadas-vacancy-rate-reaches-new-low-demand-outpaces-supply>

The Company is also dependent on the Manager to provide the expertise of the Company's management team and related services under the terms of the Management Agreement.

Intangible Assets

The Company's intangible assets consist of the Intellectual Property License acquired by the Company pursuant to the IP License Agreement. The Intellectual Property License is treated as indefinite, which the Company believes will provide value to the Company for the foreseeable future. This assessment is based on the typically slow pace of innovation in the construction and real estate sectors, due to the long-term nature of real estate assets and the extended timelines required to complete new housing developments. The Company intends to maintain the relevance and utility of the Intellectual Property License for as long as there remains demand for HomePlan Agreements or as long as population growth in North America sustains the need for additional housing stock. See "*Material Contracts - Intellectual Property Acquisition Agreement*".

The useful life of the Intellectual Property License currently held on the Company's balance sheet is currently treated as indefinite which is tested for impairment annually.

Environmental Factors with Housing Development

The Company is currently subject to energy efficiency standards under local building codes in regions where the Company is investing in new housing development. The Company has taken extra steps to avoid further proliferation of hydrocarbon use in the housing it developed at the Saanich Ridge Estates development by blocking the installation of natural gas service in the subdivision as well as installing electrical conduit into the attic spaces to allow solar panel systems to be more easily added to the homes when the systems become more financially feasible. All of the power meters in the Saanich Ridge Estates development are "net-meters" which allows homeowners to benefit from the electricity bill credits created from any roof top solar electricity generated. To date, two different homes in the Saanich Ridge Estates project have already installed solar arrays.

The Company has considered the types of housing that can be most environmentally sustainable going forward and prefers to support more infill high density housing, developed within existing neighbourhoods where city services already provide enough capacity for population growth. The funding structure designed and created by the Company within the Trust provides a platform for partnering with multiple developers in different cities who can acquire and develop high-density housing within existing neighborhoods, as opposed to the traditional approach of publicly traded home builders buying acreages and expanding cities horizontally with low density suburban style housing.

Properties

As of the date of this Prospectus, the Company has interests in the properties summarized in the tables below. Further information on each property and the Company's interest therein is provided under the "*Development of the Business*".

Summary Information on Existing Rental Properties

	Saanich Ridge Estates	Saanich Property	Edmonton Residential Unit	Five Crossings Development
Year Built	2024 – 2026 ⁽¹⁾	2023	1968	2025
Location	Victoria, BC	Victoria, BC	Edmonton, AB	Kelowna, BC
Number of Units ⁽²⁾	78 Single Family Residences ⁽¹⁾	1 Single Family Residence	1 Condominium	80 Condominiums ⁽²⁾
Sq. Ft. avg	2,361	2,370	674	376
Unit Types	1-4 bedroom units	6 bedroom home	1 bedroom condo	Studios, 1 bedroom and 2 bedroom suites
Occupancy Rate ⁽³⁾⁽⁴⁾	100%	100%	100%	78%
Total Sq. Ft. rented ⁽⁴⁾	62,400	2,370	674	21,488
Avg Monthly Rent per Sq. Ft. ⁽⁴⁾	\$2.30	\$2.26	\$1.56	\$5.00
Cost of Utilities ⁽⁵⁾	Covered by Tenant	Covered by Tenant	Covered by Tenant	Covered by Tenant

- (1) Saanich Ridge Estates is comprised of three 26-home rental communities, the first of which has been fully constructed. The number of units does not include the 40 lots designated for sub-leases.
- (2) The Five Crossings Development project also consists of additional units that were not acquired directly or indirectly by the Company, the Trust or NAHF Limited Partnership.
- (3) Occupancy rate reflects units occupied under HomePlan Agreements or under traditional residential tenancy rental agreements.
- (4) Information is current as of the date of this Prospectus.
- (5) Utilities are covered by the tenants both under HomePlan Agreements and under traditional residential tenancy rental agreements, as applicable.

Summary Information on Contracted Target Properties

	Glenlake Development	REVO Development
Year Built	2028 ⁽¹⁾	2026 ⁽¹⁾
Location	Victoria, BC	Kelowna, BC
Number of Units ⁽²⁾	173 (condominiums)	75 (condominiums)
Sq. Ft. avg	625	525
Unit Types	One-bedroom and two-bedroom suites	Studios, one bedroom and two bedroom suites
Market Occupancy Rate	98% (for market per CMHC)	98% (for market per CMHC)
Cost of Utilities ⁽³⁾	Expected to be covered by tenant	Expected to be covered by tenant

- (1) Anticipated completion date. The actual completion date for each target property may be different.
- (2) Figures represent the estimated number of condominium units to be acquired the Trust or NAHF Limited Partnership within the respective development projects. Each development project also consists of additional units that will not be acquired directly or indirectly by the Company, the Trust or NAHF Limited Partnership.

- (3) Utilities are expected to be covered by the tenants both under HomePlan Agreements and under traditional residential tenancy rental agreements, as applicable.

DEVELOPMENT OF THE BUSINESS

History

The Company was incorporated under the CBCA on July 27, 2016. The Articles of the Company were amended on May 4, 2018 to change the location of its registered office to British Columbia, and were further amended on June 29, 2018 to alter the Company's authorized share structure to: (i) exchange the existing Class C shares for new common shares designated as Common Shares to be created as part of that amendment (on the basis of 1 new Common Share for each 2.442 outstanding Class C Shares); (ii) remove the existing Class A, Class B and Class C shares in their entirety; and (iii) create two new classes of shares to be designated as Common Shares and Preferred Shares, each issuable in series. On December 22, 2023, the Company was continued under the BCBCA and continued to have two classes of shares designated as Common Shares and Preferred Shares. On November 13, 2025, the Articles of the Company were amended to alter the Company's authorized share structure to create the Housing Shares as an initial series of Preferred Shares.

Saanich Ridge Estates Land Acquisition – Central Saanich, British Columbia

On August 24, 2017, the Company, through its wholly-owned subsidiary Saanich Ridge Development, acquired an interest in a 99-year prepaid head lease (the "**Saanich Ridge Lands Lease**") for the property identified as Saanich Ridge Estates. Saanich Ridge Estates is located at Lot 8-1 Tsawout First Nation Lands, Central Saanich, British Columbia and is made up of approximately 14 acres. As of the date hereof, the annual payments required under the Saanich Ridge Lands Lease are now funded by the Saanich Ridge Homeowners Association and all prior deposits and closing payments have been made by the Company.

The Saanich Ridge Lands Lease was acquired by the Company, through its wholly-owned subsidiary Saanich Ridge Development, from 1086353 B.C. Ltd. (the majority shareholder of the Company) pursuant to a purchase agreement dated August 24, 2017 (the "**Saanich Ridge Acquisition Agreement**") for \$2,750,000 with \$2,500,000 being paid via the issuance of 12,672,000 Class C Shares of the Company (since exchanged for 5,189,189 Common Shares) and the balance being paid via the issuance of the promissory note (the "**Saanich Ridge Acquisition Note**"). This Saanich Ridge Acquisition Note has a principal amount owing of \$250,000, has a 5-year term, which has been extended to July 31, 2030, bears interest at the prime rate and is secured by way of a collateral \$250,000 mortgage charge against the Saanich Ridge Lands Lease ranking behind the first mortgage loan.

Saanich Ridge Estates development began an application process in the fall of 2021 to obtain CMHC-insured construction financing for an initial rental community of 26 houses. As of the date of this Prospectus, the CMHC-insured financing has completed, and the Company has been drawing down on the construction loan in the normal course while building out the 26 homes that form the initial rental community. The Company used the precedent documentation established by this first 26-home rental community to create additional rental communities with 52 houses adjacent to the first and obtained another CMHC-insured loan. Outside of the three 26-home rental communities, there are a total of 40 lots in the plan that are designated for individual-owned homes with fifteen remaining lots for homes to be constructed and sold for the project before that portion of the development is completed. The anticipated date for all 118 homes in the development to be completed is March 2027. In connection with the development of the Saanich Ridge Estates development, Saanich Ridge Development has entered into various debt agreements. See "*Material Contracts – RPB Indenture; CD Indenture; SRRPU Indenture; Peakhill Capital Saanich Ridge CMHC Commitment Letter; Peakhill Capital Saanich Commitment Letter and Saanich Ridge Construction Mortgages*".

The property subject to the Saanich Ridge Lands Lease was subdivided in 2023 into two parcels, being (i) Lot 238, on which the first 26 home rental community was constructed and in respect of which the Company's wholly-owned subsidiary 1404122 B.C. Ltd. entered into a 99-year prepaid head lease dated June 1, 2023 (the "**Saanich Ridge Head Lease (Lot 238)**"), and (ii) the remainder continuing to be referred to as Lot 8-1 and subject to the Saanich Ridge Lands Lease. The Saanich Ridge Head Lease (Lot 238) required a one-time pre-paid rental fee of \$24,000 upon the registration of the lease. Concurrent with the execution of the Saanich Ridge Head Lease (Lot 238), Saanich Ridge Development and the lessors under the Saanich Ridge Lands Lease entered into a lease addendum pursuant to which Saanich Ridge

paid one-time amendment fee of \$24,000 in consideration of amending the lease to allow for the creation of Lot 238. See “*Material Contracts – Saanich Ridge Head Lease (Lot 238)*”.

During the year ended June 30, 2025, the Company signed contracts for the future construction of fifty-two homes at the Saanich Ridge Estates development for a total amount of \$25,940,258 (including GST) with its vendor of which \$22,287,385 remained unbilled as of June 30, 2025 (\$13,654,213 remained unbilled as of November 30, 2025) in relation to work not yet performed or invoiced. There are separate contracts for each home, as well as for certain phases of development for each home.

The Trust, through NAHF Limited Partnership, entered into agreements (the “**Purchase/Lease Agreement**”) with Saanich Ridge Development for the acquisition of the Saanich Property. The Saanich Property will be purchased for \$840,000 in the case of “1 Saanich Ridge Drive, Victoria B.C.” with closing expected to be completed on or about March 15, 2026, which is extendable at NAHF Limited Partnership’s sole option so as to provide sufficient time for the Offering to complete and the Company to obtain a new first mortgage for the Saanich Property. Saanich Ridge Development is a related party of the Company, and the purchase price for the transaction is supported by an independent third-party appraisal completed in respect of the Saanich Property.

Under the terms of the Purchase/Lease Agreement, NAHF Limited Partnership can pay the down payment (constituting 45% of the total purchase price) in \$10,000 increments at any time following the beneficial transfer of title. The Trust also has the option to include a vendor take-back/wrap-around mortgage instead of paying the balance. On closing, Saanich Ridge Development would issue a credit for the balance of the purchase price as consideration for an open-term mortgage secured by a mortgage charge on the sublease. NAHF Limited Partnership would make monthly interest-only payments based on a rate of 5% per annum and the mortgage would be redeemable at such time when NAHF Limited Partnership secured new mortgage financing or otherwise paid the principal in full.

No environmental issues are currently known to the Company to exist on the Saanich Ridge Estates development lands, there are no property tax arrears, and no legal proceedings related to these lands. A phase one environmental report was obtained at the start of the Saanich Ridge Estates development which did not identify any existing contamination risks at that time.

As the Saanich Ridge Estates development has been ongoing since 2019, Saanich Ridge Development has successfully put two phases of homes through the regulatory process required by the Tsawout First Nation. All required regulatory approvals in respect of the acquisition of the Saanich Property from the First Nation and other authorities have been obtained.

Other than the purchase price for the acquisition of the Saanich Property, the NAHF Limited Partnership will have conventional legal costs on the closings in the range of \$1750 per unit and may have mortgage brokerage fees in the amount of 1% of the loan amount obtained which has been budgeted at \$4,600 and \$5,200 per unit.

Edmonton Residential Unit

Through the NAHF Limited Partnership, the Trust acquired two existing residential condominium units in Edmonton, Alberta for a price of \$71,735 each, without any mortgage financing. Subsequent to the completion of the purchase of the condos, they were rented out for \$1,050 and \$1,030 per month respectively on seven-year agreements through the “HomePlan” program. NAHF Limited Partnership sold one of the units for \$95,000 on July 25, 2025. At the time of the sale the tenant was not under a HomePlan Agreement and the property was not subject to any financial encumbrances.

The intention for the remaining unit is to hold it through to when the occupants are ready to purchase it and then the Trust will organize a market appraisal to be obtained to determine the sale price used in the transaction with the occupants. If the occupants decide to not proceed with a purchase of the unit, the Company intends to market the unit to be re-rented or sold at market price upon turnover. The NAHF Limited Partnership has no mortgage debt against the remaining condominium unit.

Five Crossings Development – Kelowna, British Columbia

The Company entered into a funding agreement dated July 5, 2021, with the Five Bridges Development Limited Partnership (the “**Five Crossings Funding Agreement**”) pursuant to which the Company agreed to loan certain funds to Five Bridges Development Limited Partnership for purposes of advancing the Five Crossings Development.

The Company raised \$6,500,000 through the issuance of bonds, with the proceeds of the issuances loaned to the Five Bridges Development Limited Partnership under the Five Crossings Funding Agreement. The bonds were issued under an indenture administered by TSX Trust Company of Canada. See “*Material Contracts – FB Bond Indenture*”. The funds advanced to under the Five Crossings Funding Agreement are secured by a collateral mortgage over the property and a general security agreement granted by the Five Bridges Development Limited Partnership in favour of the Company and accrue interest at a rate of 2.7% per annum, subject to adjustment in accordance with the terms of such agreement. This security is held by the Company as agent for the benefit of the holders of bonds. The Five Crossings Funding Agreement provides that the capital advanced into the project under such agreement which is secured by the collateral mortgage charge administered by TSX Trust Company of Canada has the right of capital repayment in priority to the capital invested by the Five Bridges Development Limited Partnership unitholders.

The Company has a share of the residual profits in the project pursuant to a profit-sharing agreement entered into between the Company and Five Bridges Development Limited Partnership dated July 5, 2021 (the “**Five Crossings Profit Sharing Agreement**”). Under the Five Crossings Profit Sharing Agreement, “profits” are determined as the residual profit after deducting (i) the repayment of all indebtedness, including all amounts advanced under the Five Crossings Funding Agreement, (ii) the return of all capital contributions of the class A unitholders of Five Bridges Development Limited Partnership, (iii) equal payments to holders of the class A unitholders of Five Bridges Development Limited Partnership and to the Company on the amounts advanced under the Five Crossings Funding Agreement until each party achieves a 9% return (net of interest previously paid to the Company under the Five Crossings Funding Agreement). Thereafter, the Company receives 70% of the residual profits (net of interest payments previously received by the Company under the Five Crossings Funding Agreement). In addition, the Company agreed to assign 8.57% of its share of the residual profits to a company affiliated with the third-party general partner of Five Bridges Development Limited Partnership.

The Company entered into a contract of purchase and sale dated February 16, 2024, as amended with Five Bridges Development Limited Partnership for the acquisition of 80 condominium units within a single airspace parcel in the Five Crossings Development (the “**Five Crossings Apartment Property**”). The parties elected to complete the purchase and sale of the Five Crossings Apartment Property by way of a transfer of the beneficial interest and indirectly the legal title to the Five Crossings Apartment Property by way of an agreement for sale of beneficial interest dated March 17, 2025 (the “**Five Crossing Apartment Property PSA**”), which superseded the earlier agreement. Pursuant to the Five Crossings Apartment Property PSA, the Company acquired 1289900 B.C. Ltd. as a bare trust nominee company holding registered title to the 80 units comprising the Five Crossings Apartment Property and NAHF Limited Partnership exercised its right under the NAHF Option Agreement to take assignment of the Company’s obligations under the Five Crossings Apartment Property PSA to acquire the beneficial interest in the Five Crossings Apartment Property. The purchase price for such units as well as custom furniture and certain costs of Five Bridges Development Limited Partnership agreed to be reimbursed by the Company was approximately \$27.56 million not including GST and certain adjustments in accordance with the terms of the Five Crossings Apartment Property PSA. The purchase price for the Five Crossings Apartment Property was satisfied through (i) the offset of amounts owing by Five Bridges Development Limited Partnership to the Company under the Five Crossings Funding Agreement, (ii) the grant of a non-interest bearing demand promissory note in the amount of approximately \$5.77 million (the “**Five Crossings VTB Note**”), and (iii) a cash payment for the balance which was funded from the proceeds of the Peakhill Capital Five Crossings CMHC Commitment Letter (see “*Material Contracts – Peakhill Capital Five Crossings CMHC Commitment Letter*”).

NAHF Limited Partnership is the beneficial owner of the Five Crossings Apartment Property, legal title to which is held by the Company’s wholly-owned subsidiary 1289900 B.C. Ltd. as nominee for NAHF Limited Partnership pursuant to an amendment to bare trust agreement dated as of March 25, 2025.

The Company has an ongoing relationship with a project marketing company that specializes in condo sales and will coordinate and oversee the leasing efforts for the apartments under the HomePlan Agreement program on a contracted

basis. The Company has a marketing agreement which provides for a commission of 1% of the apartments' market value with 25% of such fee to be paid upon the HomePlan Agreement being entered into and the remaining 75% to be paid upon the occupants moving into the apartments. The agreement also provides for advances for advertising costs to be paid directly to the sales team to be credited towards the 1% overall commission.

The Five Crossings Apartment Property was appraised on September 23, 2025, for the amount of \$27,600,000, subject to the assumptions, limitations and methodologies described in such appraisal, by Grover, Elliott & Co. Ltd. (the “**Five Crossings Appraisal**”). A copy of the Five Crossings Appraisal is available under the Company's profile on SEDAR+ at www.sedarplus.ca. The Company also obtained an earlier appraisal on the Five Cross Apartment Property prior to entering into the Five Crossings Apartment Property PSA, which appraisal supported the purchased price agreed to under that contract.

Revo Development

The Trust entered into a condominium rental property purchase and funding agreement dated as of June 1, 2022, with the Collinson Rise Limited Partnership (the “**Revo Funding and Purchase Agreement**”) pursuant to which the Trust agreed to advance certain funds in respect of the Revo Development. Under Revo Funding and Purchase Agreement, the Trust agreed to advance funds to the Collinson Rise Limited Partnership to partially fund the Revo Development undertaken by the Collinson Rise Limited Partnership. The Trust has primarily used net proceeds from its issuance of CR Units to fund its obligations under the Revo Funding and Purchase Agreement (see “*Material Contracts – Declaration of Trust – Residential Development Units – CR Units*”). As of the date of this Prospectus, the Trust has advanced an aggregate of \$9.8 million to the Collinson Rise Limited Partnership under the Revo Funding and Purchase Agreement, which funds are secured by a collateral mortgage in the amount of \$9.8 million over the property and a general security agreement granted by the Collinson Rise Limited Partnership, which security is subordinated to the senior indebtedness of the Collinson Rise Limited Partnership of which approximately \$28.7 million was outstanding as of September 30, 2025. Pursuant to the Revo Funding and Purchase Agreement, the amounts advanced accrue interest at a rate of 3.25% per annum, subject to adjustment in accordance with the terms of such agreement.

Under the terms of the Revo Funding and Purchase Agreement, the Trust intends to acquire a 75-unit air-space parcel selected by the Trust within the Revo Development upon the completion of the development. The purchase price for the 75-unit air-space parcel will be offset against the amounts previously advanced by the Trust to the Collinson Rise Limited Partnership (which includes certain account adjustments in favor of the Trust) and additional amounts required under the Revo Funding and Purchase Agreement, depending on the market value of the strata lots comprising the air-space parcel. The additional amounts are expected to be financed with CMHC insured loans. The Revo Development is currently estimated to be completed in 2026.

Pursuant to the terms of the REVO Indemnity Agreements, the Company has agreed to indemnify First West Credit Union and Travelers Insurance Company of Canada, on a joint and several basis, against all losses, costs, expenses and damages relating to or arising out of First West Credit Union's a fixed sum loan in the amount of \$59,595,717 and a line of credit loan having an authorized limit of \$750,000, and the liability of the Company is limited to an aggregate of \$60,846,586 plus accrued interest and costs. See “*Material Contracts – Revo Indemnity Agreements*”.

The Manager has entered into a management agreement with the Collinson Rise Limited Partnership, pursuant to which it manages the Revo Development. Accordingly, the Manager will receive certain management fees in relation to the Revo Development from the Collinson Rise Limited Partnership including (i) an acquisition fee equal to 1.35% of the purchase price of real property acquired by Collinson Rise Limited Partnership acquired by from parties not associated or affiliated with the Manager, and (ii) a development management fee payable from the approval of the development permit of 1.95% on the budgeted costs for the Revo Development payable in equal amounts over the construction timeline for the project. To date, development management fees of \$147,372.60 and other management fees of \$1,104,978.28 in management fees have been charged to the Collinson Rise Limited Partnership by the Company, of which \$552,489.14 have in turn been charged by the Manager under the Management Agreement since January 1, 2025.

Glenlake Development – Victoria, British Columbia

The Trust entered into a condominium rental property purchase and funding agreement dated as of November 1, 2023, with the Glenlake Highview Development Limited Partnership (the “**Glenlake Funding and Purchase Agreement**”)

pursuant to which the Trust agreed to advance certain funds in respect of the Glenlake Development. Under the Glenlake Funding and Purchase Agreement, the Trust agreed to advance funds to the Glenlake Highview Development Limited Partnership to partially fund the Glenlake Development undertaken by the Glenlake Highview Development Limited Partnership. The Trust has primarily used net proceeds from its issuance of GL Units to fund its obligations under the Glenlake Funding and Purchase Agreement (see “*Material Contracts – Declaration of Trust – Residential Development Units – GL Units*”). As of the date of this Prospectus, the Trust has advanced an aggregate of \$5.86 million to the Glenlake Highview Development Limited Partnership under the Glenlake Funding and Purchase Agreement, which funds are secured by a collateral mortgage over two of the four properties underlying the development in the amount of \$15.0 million and a general security agreement granted by the Glenlake Highview Development Limited Partnership, which security is subordinated to the amounts outstanding under the Peakhill Capital Glenlake Land Commitment Letter described further below. The collateral mortgage charge is expected to be registered against the remaining two parcels underlying the Glenlake Development upon all funds being advanced under the Glenlake Funding and Purchase Agreement. Pursuant to the Glenlake Funding and Purchase Agreement, the amounts advanced accrue interest at a rate of 9.6% per annum, subject to adjustment in accordance with the terms of such agreement.

Under the terms of the Glenlake Funding and Purchase Agreement, upon the completion of phase 1 of the development, a minimum of 35% of the condominiums developed by the Glenlake Highview Limited Partnership may be selected by NAHF Limited Partnership under the Glenlake Funding and Purchase Agreement for transfer to the NAHF Limited Partnership in satisfaction of the amounts previously advanced by the Trust under such agreement (which includes certain account adjustments in favor of the Trust) and additional amounts required under the Glenlake Funding and Purchase Agreement, depending on market value of the strata lots so selected. The Glenlake Funding and Purchase Agreement does not provide a maximum number of condominium units that may be selected by Glenlake Highview Limited Partnership for acquisition. Additional financing, which is anticipated to be in the form of CMHC insured mortgage financing, is expected to be required by the Trust or NAHF Limited Partnership to secure the required purchase price for the entirety of the selected condominiums to be acquired under the Glenlake Funding and Purchase Agreement.

The Glenlake Development involves the assembly and acquisition of the lands – four parcels of commercial property in Langford, British Columbia – in the high-density re-development zone published in the official plan document by the City of Langford, with the objective of developing a multi-story condominium building project with a mixture of studio, one-bedroom and two-bedroom units. The Glenlake Highview Development Limited Partnership intends to build out the Glenlake Development in three phases. The Glenlake Highview Development Limited Partnership has submitted an application for a development permit for the first two phases which meets the current zoning for those lands without requiring any variances for a condominium development. The first phase is for 230 residential condominium units. The building is planned to be up to 25 stories tall and includes one level of underground parking and four levels of parking from grade upwards in a parking structure. The total site area of the combined lands is 110,868 square feet (for all three phases) and with a floor area ratio allowed of 6:1. The current planned area for the building based on the parking constraint works out to a floor area ratio of 4.73. The phase one allocation of building areas work out to 141,532 of sellable square feet and 168,213 of finished floor area including common space.

The lands comprising the Glenlake Development have been acquired by the Glenlake Highview Limited Partnership for a total purchase price of \$23,378,600.

The Peakhill Capital Glenlake Land Commitment Letter was obtained for purposes of refinancing the prior mortgage debt secured against the lands underlying the Glenlake Development. The Peakhill Capital Glenlake Land Commitment Letter is dated June 24, 2025, from Peakhill Capital and was accepted by the Glenlake Highview Limited Partnership on June 27, 2025, and amended on August 27, 2025, relating to the refinancing of the first mortgage debt on the Glenlake Development project, with collateral charges on the Saanich Ridge property and the Five Crossings Apartment Property. The financing under the Peakhill Capital Glenlake Land Commitment Letter completed as of October 31, 2025 and provided an aggregate principal amount of \$13.5 million in financing, at a fixed interest rate of 13.0% per annum for a term of nine months. The funds advanced by the Trust to the Glenlake Highview Development Limited Partnership are subordinate to loans advanced under the Peakhill Capital Glenlake Land Commitment Letter. The obligations under the Peakhill Capital Glenlake Land Commitment Letter are guaranteed by, among others, the Company, NAHF Limited Partnership, 1404122 B.C. Ltd., 1289900 B.C. Ltd., Navepal Jagpal (a director of the Company), JGPL Enterprises Holdings Ltd. (a company controlled by Navepal Jagpal, a director of the Company), and NAH Equity Company GP Inc. (the sole shareholder of the Manager, both of which are controlled by George Lawton, Chief Executive Officer, and a director of the Company).

The Glenlake Highview Development Limited Partnership has also entered into the Peakhill Capital Glenlake CMHC Financing Letter with respect to a proposed loan in the aggregate principal amount of \$99,753,900 for purposes of providing construction financing for the Glenlake Development. The proposed loan is expected to have a term of five to ten years, with an interest rate based on a prevailing market spread and an amortize over 50 years. Peakhill Capital Glenlake CMHC Financing Letter provides that it is to be guaranteed by the Company, JGPL Enterprises Holdings Ltd. (a company controlled by Navepal Jagpal, a director of the Company), and NAH Equity Company GP Inc. (the sole shareholder of the Manager, both of which are controlled by George Lawton, Chief Executive Officer, and a director of the Company).

The Manager, which is controlled by George Lawton, has entered into a management agreement with the Glenlake Highview Development Limited Partnership, pursuant to which it will manage the Glenlake Development. Accordingly, the Manager will receive certain management fees in relation to the Glenlake Development from the Glenlake Highview Development Limited Partnership, including (i) an acquisition fee equal to 1.35% of the purchase price of real property acquired by Glenlake Highview Development Limited Partnership acquired by from parties not associated or affiliated with the Manager, and (ii) a development management fee payable from the approval of the development permit of 0.925% on the budgeted costs for the Glenlake Development payable in equal amounts over the construction timeline for the project. To date, acquisition fees of \$315,621.90 and development management fees of \$501,049.44 have been charged by the Manager to the Glenlake Highview Development Limited Partnership. In addition, NAH Equity Company GP Inc., which is the sole shareholder of the Manager, owns one-third of the common shares of the general partner of the Glenlake Highview Limited Partnership, through which it is also entitled to receive distributions from fees derived by the general partner from the Glenlake Highview Development Limited Partnership based on returns generated by the Glenlake Development. JGPL Enterprises Holdings Ltd., a company affiliated with Navepal Jagpal, a director of the Company, owns the remaining two-thirds of the common shares of the general partner of the Glenlake Highview Development Limited Partnership, through which it controls such general partner and is also entitled to receive distributions from fees derived by the general partner from the Glenlake Highview Development Limited Partnership based on the returns generated by the Glenlake Development. NAH Equity Company GP Inc. also owns 1,000 of the total 10,032,000 Class A limited partnership units of the Glenlake Highview Limited Partnership issued and outstanding. JGPL Enterprises Holdings Ltd. and 1400986 B.C. Ltd., both of which are entities controlled by Navepal Jagpal, collectively own the remaining 10,031,000 issued and outstanding Class A limited partnership units of the Glenlake Highview Limited Partnership. The entities controlled by Navepal Jagpal and George Lawton that have equity interests in the Glenlake Highview Limited Partnership will participate in the profits generated by the development, if any. The funds advanced by the Trust under the Glenlake Funding and Purchase Agreement to the Glenlake Highview Limited Partnership are entitled to payment in priority to any returns on such equity, but are subordinate to the amounts outstanding from time to time under the Peakhill Capital Glenlake Land Commitment Letter.

The Glenlake Highview Development Partnership, which is controlled indirectly by Navepal Jagpal, a director of the company, and in respect of which entities owned by George Lawton, Chief Executive Officer and a director of the Company, have equity interests benefit from the guarantees provided by the Company and its subsidiaries in relation to the Peakhill Capital Glenlake Land Commitment Letter and proposed to be provided in respect of the Peakhill Capital Glenlake CMHC Financing Letter as such guarantees support the obtaining of financing for the advancement of the Glenlake Development.

Mountainview Estates Land Acquisition – Duncan, British Columbia

On December 6, 2024, the Company incorporated MVE GP and formed the MVE LP on December 17, 2024. On December 18, 2024, MVE LP acquired an interest in a 99-year prepaid head lease (the “**Mountainview Estates Lands Lease**”) for the property identified as Mountainview Estates. Mountainview Estates is located at Lot 73, Cowichan First Nation Lands, Duncan, British Columbia and is made up of approximately 18 acres.

The Mountainview Estates Lands Lease required the Company to pay \$25,000 as of the commencement and registration of the Mountainview Estates Lands Lease (which amount has been paid), and upon the extension of the term in accordance with the Mountainview Estates Lands Lease, a payment of \$385,000, adjusted for the percentage change in CPI over the 20 year period prior to the date of exercise of the applicable extension option and then discounted back for the number of years that remained in the term prior to the exercise of the applicable option at the then current prime rate. The MVE LP is also required to make payments under the Mountainview Limited Partnership Agreement. See “*Material Contracts – Mountainview Limited Partnership Agreement*”.

Pursuant to the Mountainview Estates Lands Lease, MVE LP has 45 separate consecutive options to extend the initial 99-year term, in each case for a further period of 20 years. Each such extension option is exercisable by providing written notice to the lessor together with the applicable extension fee in respect of the exercised option on or before that day when there is only 59 years left in the term but no earlier than the day when there is 79 years and six months left in the term, provided that at no time can options to extend the term be exercised in a manner that would result in the then unexpired term being longer than 99 years. Each extension term shall be on the same terms and conditions as the initial term of the Mountainview Estates Lands Lease.

The Mountainview Estates Lands Lease is subject to the First Nation's Land Code applicable to the Mountainview Estates which sets out the principles, rules and administration structures pursuant to which the First Nation exercises authority and jurisdiction over a reserve of the First Nation. The use of the lands under the Mountainview Estates Lands Lease is for residential development, subject to the First Nation's Land Code and any other applicable law, statute, by-law, ordinance, regulation or lawful requirement of the federal or provincial government or authority, the First Nation or First Nation Council or any public utility lawfully acting under statutory power, including land use policies arising from the laws of the First Nation. The Mountainview Estates Lands Lease requires the lessor to execute and deliver promptly on request of the lessee from time to time, one or more plans of subdivision in respect of the Lands as may be required for MVE LP to subdivide portions of the lands for the purpose of developing the lands, and to authorize the granting of any easements, rights of way or similar charges of the lands as may be required by the First Nation Council or any other governmental authority or any public utility or a sublessee to enable the lessee or sublessee to develop, redevelop, construct, operate, alter or replace the improvements in accordance with the lease.

NAHF Option Agreement

The following is a summary of certain key commercial terms of the NAHF Option Agreement. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full terms of the NAHF Option Agreement, which has been filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

NAHF Limited Partnership has negotiated the NAHF Option Agreement with the Company, which gives NAHF Limited Partnership the sole and exclusive right but not the obligation to acquire one or more of five separate property packages from the Company. Two of the five separate property packages have already been acquired and the remaining three subject to the NAHF Option Agreement are comprised of: (i) the land lease community in the Saanich Ridge Estates development with a total of 40 potential lots each with its own sublease (providing monthly contractual cash flows without the liability for any capital maintenance); and (ii) two more rental communities in the Saanich Ridge Estates development with 26 homes each (which are intended to be leased out under the HomePlan Agreement program). All of the Saanich Ridge Estates development assets are expected to be complete and available to be acquired into NAHF Limited Partnership by June 30, 2028, with the next property expected to be available for acquisition by NAHF Limited Partnership during 2027. The two properties already acquired under the Option Agreement are the initial 26 home rental community at Saanich Ridge Estates on Lot 238 and the 80-unit rental property comprising the Five Crossings Apartment Property in Kelowna, BC described above.

The process for exercising the option on the remaining three property packages is intended to provide NAHF Limited Partnership with enough time to arrange for mortgage financing once an appraised value has been obtained near the completion of construction. NAHF Limited Partnership (and the Trust) benefit from the NAHF Option Agreement in three ways:

- (i) NAHF Limited Partnership is able to purchase the properties for appraised market value minus a 2% discount representing the sales commission cost if the Company were to hire a brokerage firm to sell the asset to a third party;
- (ii) Should the Company elect under the terms to take part of the purchase price in kind, any HY Units that are issued to the Company in exchange for the portion of the value the Company will retain in equity in the Trust will not be subject to dealer commissions on issuance, which for example, will save approximately 6% compared to the commissions charged in respect of HY Units issued through the current HY-OM Offering; and

- (iii) NAHF Limited Partnership will benefit from the leasing efforts undertaken by the Company prior to closing on any purchase so that the Trust and NAHF Limited Partnership can reliably forecast the contractual income to be generated by the properties once construction is complete and avoid bearing the same risk of stabilizing the properties that NAHF Limited Partnership would have if it developed the properties itself.

NAHF Limited Partnership may exercise its option for any specific property subject to the NAHF Option Agreement at any time from 60 days prior to the projected occupancy date until the 10th anniversary of the NAHF Option Agreement (August 29, 2033). If NAHF Limited Partnership does not exercise an option with respect to one or more of the properties within the foregoing period, then NAHF Limited Partnership will have no further right to exercise the option with respect to those properties for which the option was not exercised, and the Company shall be entitled to discharge a caveat against title to the applicable property with respect to the option.

Upon exercise of a property option under the NAHF Option Agreement, the purchase price of that property will be determined no less than 45 days prior to the closing date for the applicable property by: (i) first, averaging two independent market evaluation appraisals using comparable sales or discounted cash flow analysis of the applicable property as at the date of delivery of the applicable option exercise notice by the NAHF Limited Partnership; then (ii) applying a 2% discount to the aforementioned average to reflect the savings realized by the Company on commission expenses that would usually be incurred for the sale of a property to a third party, subject to typical residential real estate adjustments payable on closing. These appraisals will be ordered from appraisal firms agreed to by both the Company and NAHF Limited Partnership and the costs will be shared equally. In the event that the parties cannot agree on appraisal firms, the parties may each submit the names of two independent appraisal firms and two firms shall be selected from such group.

The Company may elect at its sole discretion on written notice to NAHF Limited Partnership notice at least 30 business days prior to the completion date for the applicable option property to accept payment partially in kind of either: (a) HY Units or (b) a promissory note with interest equal to the then current cash distribution yield on HY Units, providing the NAHF Limited Partnership time to raise subscription proceeds from HY Units issued to third parties. In the case that the Company elects to receive HY Units there shall be no commission or discount provided on those HY Units received by the Company. After the purchase price and form of payment therefore has been determined, the income generated by the applicable option property will accrue to the benefit of the HY Units, and any value beyond the purchase price for that property that would not be accretive will be issued and held in Common Units of the NAHF Limited Partnership and not realized on HY Units.

The NAHF Option Agreement terminates on the earlier of: (i) NAHF Limited Partnership exercising the option with respect to each property before the 10th anniversary of the NAHF Option Agreement, and completion of the sale of each property to NAHF Limited Partnership; or (ii) the 10th anniversary of the NAHF Option Agreement.

IP License Agreement

The following is a summary of certain key commercial terms of the Intellectual Property License (as defined below). This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full terms of the Intellectual Property License, which has been filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

On June 29, 2018, the Company entered into an intellectual property acquisition agreement with 1086353 B.C. Ltd. (the majority shareholder of the Company) which was ratified and approved by the then Board on June 30, 2022 (the “**IP License Agreement**”). Pursuant to the IP License Agreement, the Company acquired an exclusive license (the “**Intellectual Property License**”) in Canada and the United States to use, modify, and commercialize, for an indefinite term, certain intellectual property developed by 1086353 B.C. Ltd. including brands, developed financial products, composed of legal contracts precedents, financial models and formulas, primarily relating to the HomeIndex Mortgage, HomePlan and HomeSaver financial products. The intellectual property subject of the IP License Agreement is not registered in any jurisdiction (see “*Risk Factors – The Intellectual Property Subject of the IP License Agreement is not Registered*”).

In consideration for the Intellectual Property License, the Company paid to 1086353 B.C. Ltd. a one-time license acquisition fee of \$12,500,000, which fee was paid by issuing a total of 62,500,000 Common Shares deemed, pursuant

to the terms of the agreement, to have a value of \$0.20 per Common Share. The Company obtained an independent third-party valuation to support the one-time license acquisition fee. Those Common Shares were issued by the Company to 1086353 B.C. Ltd. on June 30, 2022. Pursuant to the terms of the Intellectual Property License, the Company may request that enhancements be made to the technology licensed thereunder and any enhancements developed are agreed to form part of the technology licensed under the agreement, which enhancements include, among other things, the concepts underlying the terms of the Housing Shares and HY Units. In addition, to the extent the Company develops any improvements to the licensed technology, the Company has agreed to assign the rights to those improvements to 1086353 B.C. Ltd. for use outside of Canada and the United States. Further, the Company agreed to mark all products using the licensed intellectual property with patent marks and any other statements, disclaimers, limitations, instructions or other information required by 1086353 B.C. Ltd., and the Company agreed that it shall not alter, remove, obscure or cover patent markings or any other writing or printed words identifying 1086353 B.C. Ltd. as owner of the intellectual property or any improvements thereto.

HomePlan Intellectual Property

As noted above, the developed financial products covered by the Intellectual Property License governed by the IP License Agreement include the HomePlan products, which intellectual property is not registered in any jurisdiction (see *“Risk Factors – The Intellectual Property Subject of the IP License Agreement is not Registered”*). The below is a summary of the current typical material terms of a HomePlan Agreement (as defined below). The terms of individual HomePlan Agreements may vary.

The Trust utilizes a rental/option to purchase arrangement with respect to the leasing of individually titled rental properties (the **“HomePlan Agreement”**), from time to time. A HomePlan Agreement is executed at the same time as a residential tenancy agreement for a term of 7 years. The lease is structured as a net lease, with the tenant assuming responsibility for maintenance and repairs to the property, plus any changes in the condo/strata monthly maintenance fees and annual property taxes, and including routine structural repairs, thereby benefitting the Trust through a reduction of costs.

HomePlan Agreements typically provide that a tenant pays an additional amount on top of their monthly rent and an option cost (typically 1% of the established option purchase price), which amounts are credited against an option exercise (the **“Purchaser’s Credit”**). The Purchaser’s Credit is applied against the option granted to the tenant to acquire the property, with the option exercisable at any time after the initial 12 months of the term to the end of the lease term. The purchase price of the property is the greater of the price set in the HomePlan Agreement or the average of two independent property appraisals effective at the date of exercise of the option less any mortgage prepayment costs. The tenant receives an additional credit of 20% of any increase in the stipulated purchase price as well as 20% of any of the amortization of the notional mortgage up to the date of notice of exercise. In the event the value of the property increases by an amount that is more than 4% compounded annually (calculated monthly) from the date of signing of the HomePlan Agreement, 50% of that excess increase in value of the property is also credited to the tenant as part of the Purchaser’s Credit against its purchase price. A HomePlan tenant seeking mortgage financing in connection with exercising its purchase option under a HomePlan Agreement may not have some or all of the aforementioned credits considered part of the tenant’s down payment for purposes of mortgage stress tests required to be applied by lending institutions when underwriting residential mortgages in Canada (see *“Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing”* and *“Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation”*).

In the event the tenant does not exercise its option, the Trust may sell the property at its discretion at the best available price determined by the Trust, and the tenant would receive from the proceeds – the tenant’s share of the difference, if any, between the actual sale price and the originally agreed purchase price remaining after deducting any real estate commissions, legal costs in connection with the sale and any past due rent amounts and other unpaid lease charges; provided however the Trust would have a right to match any third party offer following receipt of same and retain the property and pay out the tenant’s equity stake based on that matched price. In such circumstances, the Trust may elect to pay out the tenant’s equity stake in the form of marketable securities of the Company, subject to compliance with applicable securities laws.

An illustrative example of how equity for the home is calculated is as follows:

HomePlan Example Table

Starting Price	\$ 450,000	Monthly Rent	\$ 2,060		
Starting Deposit	\$ 4,500	Monthly Savings ⁽¹⁾	\$ 250		
	End of Year				
	1	2	3	4	5
Savings Credit	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
20% Share of Mortgage Paydown	\$ 1,640	\$ 1,681	\$ 1,723	\$ 1,766	\$ 1,810
20% Share of 3% HPI Appreciation	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700
Total HomePlan Equity ⁽²⁾	\$ 11,840	\$19,221	\$ 26,644	\$ 34,110	\$ 41,620
Forecasted Home Value	\$ 463,500	\$475,700	\$ 490,500	\$ 504,000	\$ 517,500
HomePlan Equity % of Value	2.60%	4.00%	5.40%	6.80%	8.00%

- (1) Represents the illustrative monthly savings contribution made by the HomePlan tenant, paid to the Company and 100% credited to the tenants equity in the property (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”).
- (2) The “Total HomePlan Equity” is illustrative of the aggregate credits which may be applied and credited in favour of the tenant by the Company or its applicable affiliate against the purchase price for the home, should the HomePlan tenant exercise its right to acquire the underlying home after the first year pursuant to the HomePlan Agreement. See the above discussion within this “*Development of the Business – IP License Agreement – HomePlan Intellectual Property*” section of the Prospectus as to how the purchase price for a home under a HomePlan Agreement is determined (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”).

HomePlan Agreements are new products. To date, no tenants have purchased an underlying property under a HomePlan Agreement using the credit amassed under the HomePlan Agreement as a down-payment in connection with obtaining mortgage financing for the purchase of such property. No bank, trust company, financial institution, regulatory body or other lender has approved HomePlan Agreement tenants as purchasers based on the credits received, receivable or available under their HomePlan Agreements, and the Company has not inquired, investigated or discussed lending partnerships or arrangements with any financial institution or lender that may be available to HomePlan program tenants. Such factors may (i) require changes to the terms and structure of HomePlan Agreements, (ii) negatively impact the availability of mortgage financing for HomePlan tenants and their ability to exercise their purchase option, (iii) negatively impact the marketability and adoption levels for HomePlan Agreements, and (iv) subject the Company to program disruption, reputational harm and potential claims. See “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”.

The HY-OM Offering

The Trust is currently conducting an offering (the “**HY-OM Offering**”) by way of an offering memorandum through which the Trust is seeking to raise gross proceeds of up to \$5,150,000 through the issuance of up to 500,000 HY-A Units at a price of \$10.30 per HY-A Unit (the “**OM Offered Securities**”), with no stated minimum offering requirement.

The Trust intends to use the net proceeds of the HY-OM Offering to advance funding to NAHF Limited Partnership pursuant to the HY Inter-Entity Loan Agreement to partially fund the outstanding balance of the Five Crossings VTB Note, repayment of senior debt and to fund working capital.

As of the date of this Prospectus, 5,100 HY-A Units have been sold pursuant to the HY-OM Offering for gross proceeds of \$50,580. These HY-A Units were sold at prices of \$9.80 and \$10.00 per HY-A Units.

The HY-OM Agency Agreement

The Trust has entered into an agency agreement with Waverly dated July 30, 2024, as amended, supplemented or restated from time to time (the “**HY-OM Agency Agreement**”), pursuant to which Waverly has been engaged on a non-exclusive basis to act as agent for the Trust to use its best efforts to sell the OM Offered Securities under the HY-OM Offering to qualified purchasers in one or more of the selling jurisdictions.

In consideration of providing its services to the Trust pursuant to the HY-OM Agency Agreement, the Trust shall pay the following fees to Waverly:

- a one-time “onboarding fee” of \$1,000 plus harmonized sales tax;
- a corporate finance and administration fee of 1.0% of the gross proceeds of the HY-OM Offering through or by the Waverly’s dealing representatives;
- a fee equal to 4% of the gross proceeds from a sale through Waverly from a lead from the Trust;
- a fee equal to 6% of the gross proceeds raised by Waverly representatives without a lead from the Trust;
- a fee equal to 7% of the gross proceeds raised for the HY+ option by Waverly representatives without a lead from the Trust;
- an annual trailer fee equal to 0.5% of the gross proceeds raised, which is payable for the life of the investment starting the second year after closing of the HY-OM Offering; and
- Broker warrants to acquire Common Shares of the Company with an exercise price of \$0.50 per underlying Common Share and an expiry date of June 30, 2027, with a ratio of 6 broker warrants (for 1 Common Share each) for every 10 HY Units placed (collectively, the “**HY-OM Broker Warrants**”). The HY-OM Broker Warrant compensation only applies to the first 400,000 HY Units issued for cash consideration under the HY-OM Offering and excludes any conversion of another series of securities outstanding from either the Trust or the Company which is exchanged for or converted into HY Units.

Assuming all proceeds are sourced by Waverly, Waverly could earn a total of up to \$350,000 in cash at closing, as well 300,000 HY-OM Broker Warrants which would be exercisable for 50,000 Common Shares of the Company if the maximum offering is raised. These amounts do not include the trailer fee.

The HY-OM Agency Agreement also contains customary representations, warranties and covenants of the Trust and Waverly as well as customary obligations of the Trust to indemnify Waverly in connection with the HY-OM Offering.

Under the Administration and Property Management Services, the Company is assisting with the HY-OM Offering and coordinating the distribution of the HY Units with Waverly on behalf of the Trust. No specific fee shall be paid to the Company for these services.

The Trust may in the future engage other dealers to act as its agent in respect of the HY-OM Offering and shall compensate such dealers on commercially reasonable terms.

The Glenlake OM Offering

The Trust is currently conducting an offering (the “**GL-OM Offering**”) by way of an amended and restated offering memorandum dated June 26, 2025, and amended with additional certificate on August 29, 2025 through which the Trust is seeking to raise gross proceeds of up to \$9,010,000 through the issuance of up to 6,700,000 GL Units and 2,500,000 GL 14 Units at a price of \$1.00 per GL Unit and \$1.00 per GL 14 Unit (the “**GL-OM Offered Securities**”). The GL-OM Offering has a minimum offering amount of \$95,000 through the issuance of 100,000 GL Units, which has been achieved.

The GL Units may be offered at a discount as follows:

- \$0.95 per GL Unit until an aggregate 2,000,000 GL Units are issued
- \$0.96 per GL Unit until an aggregate 3,500,000 GL Units are issued;
- \$0.98 per GL Unit until the earlier of (a) an aggregate 5,000,000 GL Units are issued or (b) the issuance of a development permit for the Project; and
- \$1.00 per GL Unit for the remaining 1,700,000 GL Units.

The Trust intends to use the net proceeds of the GL-OM Offering to make pre-payments to the Glenlake Highview Development Limited Partnership pursuant to the Glenlake Funding and Purchase Agreement, which funds are to be used by the Glenlake Highview Development Limited Partnership for its acquisition of the Glenlake Development lands and construction of the Glenlake Development.

As of the date of this Prospectus, 6,020,364.89 GL Units and nil GL 14 Units have been sold pursuant to the GL-OM Offering.

See “*Development of the Business – Glenlake Development*” further details with respect to the Glenlake Development.

The GL-OM Agency Agreement

The Trust has entered into an agency agreement with Waverly dated November 1, 2023, as amended, supplemented or restated from time to time (the “**GL-OM Agency Agreement**”), pursuant to which Waverly has been engaged on a non-exclusive basis to act as agent for the Trust to use its best efforts to sell the GL Offered Securities under the GL-OM Offering to qualified purchasers in one or more of the selling jurisdictions.

In consideration of providing its services to the Trust pursuant to the GL-OM Agency Agreement, the Trust shall pay the following fees to Waverly:

- a corporate finance and administration fee of 2.0% of the gross proceeds of the GL-OM Offering through or by Waverly’s dealing representatives;
- a fee equal to 4% of the gross proceeds from a sale through Waverly from a lead from the Trust;
- a fee equal to 6% of the gross proceeds raised by Waverly representatives without a lead from the Trust; and
- an addition bonus of 8% of the profit share portion of returns realized by investors above the GL Preferred Return.

Assuming all proceeds are sourced by Waverly, Waverly could earn a total of up to \$720,800 in cash if the maximum offering is raised.

The GL-OM Agency Agreement also contains customary representations, warranties and covenants of the Trust and Waverly as well as customary obligations of the Trust to indemnify Waverly in connection with the GL-OM Offering.

Under the Administration and Property Management Services, the Company is assisting with the GL-OM Offering and coordinating the distribution of the GL Units with Waverly on behalf of the Trust. No specific fee shall be paid to the Company for these services.

The Trust may in the future engage other dealers to act as its agent in respect of the GL-OM Offering and shall compensate such dealers on commercially reasonable terms.

USE OF PROCEEDS

Assuming the Over-Allotment Option is not exercised, the net proceeds to the Company from the sale of the Offered Units offered hereunder after deducting the Agent’s Commission (\$119,000 under the Minimum Offering and \$350,000 under the Maximum Offering) together with the estimated expenses of the Offering of \$610,000 (which includes the unpaid portion of the Corporate Finance Fee of \$115,000), are estimated to be \$971,000 under the Minimum Offering and \$4,040,000 under the Maximum Offering. See “*Plan of Distribution*”.

Under the Minimum Offering, the estimated net proceeds from the Offering of \$971,000 will be expended: (i) as to \$250,000, on the partial payment of amounts owing under the unsecured promissory notes granted by the Company to Little Crow Projects Inc., the primary construction contractor for the Saanich Ridge development project, which notes bear a 10% annual interest rate and in respect of which there was an aggregate of approximately \$1.250 million in principal and accrued interest outstanding as of December 31, 2025 (the “**Saanich Ridge Promissory Notes**”); (ii) as to \$400,000, on the partial payment of amounts owing to holders of RPB Rights; (iii) as to \$150,000, on the partial payment of the amounts owing under the Five Crossings VTB Note; (iv) as to \$150,000, for general and administrative expenses not covered by cash flows generated from operations; and (v) the remainder of \$21,000 for general working capital purposes.

Under the Maximum Offering, the estimated net proceeds from the Offering of \$4,040,000 will be expended: (i) as to \$500,000, on the partial payment of amounts owing under the Saanich Ridge Promissory Notes; (ii) as to \$700,000, on the partial payment of amounts owing to holders of RPB Rights; (iii) as to \$2,300,000, on the partial payment of the amounts owing under the Five Crossings VTB Note; (iv) as to \$150,000, for general and administrative expenses not covered by cash flows generated from operations, and (v) the remainder of \$390,000 for general working capital purposes.

Repayment of amounts under the RPB Rights and RPB Bonds is subject to the prior consent of Cathedral Capital Ltd. and MTM Capital Ltd. (in respect of the loans owing thereto that are administered by 1 City Financial Ltd.), given the amounts owing to the holders of the RPB Rights and RPB Bonds are subordinated to amounts owing to such lenders pursuant to a subordination agreement. If such consent is not obtained, the Company intends to re-allocate such amounts to repayment of liabilities owing under the Five Bridges VTB Note.

As at November 30, 2025, the Company had an estimated working capital deficit of approximately \$25.6 million. The Company had positive operating cash flows for the year ended June 30, 2025, of \$3.1 million (2024 – negative \$1.0 million), and for the three months ended September 30, 2025, of \$0.16 million (\$0.55 million for three months ended September 30, 2024). The Company has or intends to address its working capital deficit through a combination of: (i) entering into extension agreements with 1 City Financial Ltd. to extend the maturity date for the amounts owing under the two loans with Cathedral Capital Ltd. and MTM Capital Ltd. that are administered by 1 City Financial Ltd. (being approximately \$4.61 million as of November 30, 2025) to September 1, 2027, copies of which agreements are available under the Company’s profile on SEDAR+ at www.sedarplus.ca (the “**1 City Financial Extensions**”); (ii) entering into an extension agreement with Peakhill Capital to extend the maturity date of the amounts owing under the Peakhill Capital Saanich Commitment Letter (being approximately \$14.5 million as of November 30, 2025) to June 1, 2027 (the “**Peakhill Extension**”), a copy of which extension agreement is available under the Company’s profile on SEDAR+ at www.sedarplus.ca; (iii) the extension or deferral of a portion of these liabilities that the Company has the contractual ability to roll forward into future periods, (iv) refinancing maturing debt, (v) utilizing draws under its construction mortgages, (vi) utilizing funds generated from cash flows from operations, and (vii) the conversion of the outstanding CD Notes of Saanich Ridge Development Ltd. into Common Shares and warrants of the Company in accordance with the CD Rights as discussed further below. For further details, see the subsequent event notes in the financial statements and management’s discussion and analysis appended hereto as Appendix A. See “*Risk Factors*”.

The total funds available to the Company at the Closing of the Offering and to achieve its committed business objectives over the next 12 months are estimated as follows:

<u>Funds Available</u>	<u>Minimum Offering</u>	<u>Maximum Offering</u>
Net proceeds of the Offering ⁽¹⁾	\$971,000	\$4,040,000
Estimated working capital as at November 30, 2025	-\$25,571,983	-\$25,571,983
Adjustment to estimated working capital to reflect the 1 City Financial Extensions ⁽²⁾	\$4,605,487	\$4,605,487
Adjustment to estimated working capital to reflect the Peakhill Extension ⁽³⁾	\$14,500,000	\$14,500,000
Adjustment to estimated working capital to reflect conversion of CD Notes ⁽⁴⁾	\$1,700,000	\$1,700,000
Proceeds from construction draw mortgages for the Saanich Ridge Estates development ⁽⁵⁾	\$3,900,000	\$3,900,000
Total funds available at Closing	\$104,504	\$3,173,504
Estimated net proceeds from the HY-OM Offering ⁽⁶⁾	\$4,655,000	\$4,655,000
Estimated total funds available over next 12 months, excluding cash flow from operations⁽⁷⁾	\$4,759,504	\$7,828,504

Notes:

- (1) Gross proceeds of \$1,700,000 under the Minimum Offering and \$5,000,000 under the Maximum Offering (in each case assuming no exercise of the Over-Allotment Option), less the Agent's Commission of 7% of the gross proceeds received by the Company from the Offering, and the estimated expenses of the Offering of \$610,000 (which includes the unpaid portion of the Corporate Finance Fee). Expenses of the Offering include the unpaid portion of the Corporate Finance Fee of \$115,000, Agent's unpaid estimated reimbursable legal expenses of \$160,000, the Company's estimated legal expenses of \$210,000 and estimated Auditor fees of \$125,000 related to the Offering not previously paid.
- (2) The estimated negative working capital of the Company as at November 30, 2025 is inclusive of an aggregate of approximately \$4.61 million in principal and accrued interest in respect of two construction loans advanced by Cathedral Capital Ltd. and MTM Capital Ltd. that are administered by 1 City Financial Ltd. and mature on July 1, 2026 (see "*Consolidated Capitalization*"). The Company entered into the 1 City Financial Extensions to extend the maturity date for the amounts owing under the two loans with Cathedral Capital Ltd. and MTM Capital Ltd. (being approximately \$4.61 million as of November 30, 2025) to September 1, 2027.
- (3) The estimated negative working capital of the Company as at November 30, 2025, is inclusive of an aggregate of approximately \$14.5 million in respect of the Peakhill Capital Saanich Commitment Letter, which is a short-term loan (see "*Material Contracts – Peakhill Capital Saanich Commitment Letter*"). The Company entered into the Peakhill Extension to extend the maturity date of the amounts owing under the Peakhill Capital Saanich Commitment Letter (being approximately \$14.5 million as of November 30, 2025) to June 1, 2027. The proceeds of the loan were primarily used to pay out the debt under Peoples Group CMHC Commitment letter, which was a term facility. Notwithstanding the Peakhill Extension, the Company intends to convert the debt under the Peakhill Capital Saanich Commitment Letter to a 5-year CMHC insured loan prior to maturity, which financing Peakhill Capital has a right of first refusal to provide under the terms of the Peakhill Capital Saanich Commitment Letter. The Company and Peakhill Capital have commenced the credit underwriting process for that purpose; although, there is no guarantee that such re-financing will be completed or when it would be completed – see "*Risk Factors*".
- (4) As of the date of this Prospectus, an aggregate principal amount of \$1,700,000 of CD Notes are outstanding, which are convertible into 3,400,000 Common Shares. The number of Common Shares issuable upon conversion of the CD Notes pursuant to the CD Rights is based on the outstanding principal amount of the CD Notes and does not factor in the number of Common Shares issuable to cover the interest component of the CD Notes, which figure is variable depending on when the conversion occurs and the accrued interest as of such date. Furthermore, pursuant to the terms of the CD Rights, the Company will be required to issue 1,700,000 warrants to acquire 1,700,000 Common Shares upon a receipt being obtained for this Prospectus. Those warrants will have an exercise price of \$0.85 per underlying Common Share and will have an expiry date that is 24 months after the date of issuance. The Company has obtained irrevocable notices of conversion tendered by the holders of the CD Notes and CD Rights confirming the agreement of such holders to convert their CD Notes into Common Shares and common share purchase warrants pursuant to the terms of the CD Notes and CD Rights. Accordingly, the CD Notes will be converted into Common Shares and common share purchase warrants promptly following a receipt being obtained for this Prospectus in accordance with the CD Rights.
- (5) This represents proceeds from draws under the Peakhill Capital Saanich Ridge CMHC Commitment Letter drawn subsequent to November 30, 2025, to pay current liabilities that comprised a portion of the working capital estimate as of November 30, 2025. For more information with respect to this mortgage see "*Material Contracts – Peakhill Capital Saanich Ridge CMHC Commitment Letter*".
- (6) See "*Development of the Business – The HY-OM Offering*" for further details. While the Trust has raised \$50,580 under the HY-OM Offering to date, this amount assumes the maximum amount of the HY-OM Offering is reached. If less than the maximum amount under the HY-OM Offering is

raised, this will reduce the Company's available working capital and the amount of funds that are available to repay amounts owing under the Five Crossings VTB Note. See "*Risk Factors*".

- (7) The description of the total funds available and estimated total funds available over the next 12 months does not include, or make allowance for, estimated cash flow from operations or funds to be received by the Company upon the (i) the exercise of the Over-Allotment Option, (ii) the exercise of outstanding warrants or Warrants issued in connection with the Offering to purchase Common Shares, or any net proceeds raised under the GL-OM Offering, which will, in each case, be added to the working capital position of the Company.

Principal Use of Available Funds

The net proceeds of the Offering (after deducting the Agent's Commission and estimated expenses of the Offering), together with the Company's estimated working capital as at November 30, 2025 and other sources of funds expected to be available over the next 12 months, excluding cash flow from operations, are intended to be used over the next 12 months as follows:

Estimated Expenditures⁽¹⁾:	Minimum Offering	Maximum Offering
Partial payment of liabilities under the Saanich Ridge Promissory Notes ⁽²⁾⁽³⁾	\$250,000	\$500,000
Partial payment of liabilities under the RPB Bonds and RPB Rights ⁽³⁾⁽⁴⁾	\$400,000	\$700,000
Partial payment of liabilities under the Five Crossings VTB Note ⁽³⁾⁽⁵⁾	\$150,000	\$2,300,000
General and Administrative Expenses for the next 12 months not expected to be covered by cash flow from operations ⁽³⁾⁽⁶⁾	\$150,000	\$150,000
Completion of Listing ⁽⁷⁾	\$100,000	\$100,000
Unallocated Working Capital ⁽⁸⁾	\$3,709,504	\$4,078,504
Total	\$4,759,504	\$7,828,504

Notes:

- (1) This table excludes estimated debt service costs, management fees under the Management Agreement and the portion of general and administrative expenses expected to be covered by cash flow from operations.
- (2) The Saanich Ridge Promissory Notes were obtained for the purpose of bridge financing with Little Crow Projects Inc., the primary contractor in respect of the Saanich Ridge development project. These promissory notes bear a 10% annual interest rate and are repayable at the discretion of the Company.
- (3) This is one of the intended uses of the net proceeds of the Offering.
- (4) Repayment of amounts under the RPB Bonds and RPB Rights is subject to the prior consent of Cathedral Capital Ltd. and MTM Capital Ltd. (in respect of the loans owing thereto that are administered by 1 City Financial Ltd.), given the amounts owing to the holders of the RPB Bonds and RPB Rights are subordinated to amounts owing to Cathedral Capital Ltd. and MTM Capital Ltd. pursuant to a subordination agreement. If such consent is not obtained, the Company intends to re-allocate such amounts to repayment of liabilities owing under the Five Bridges VTB Note.
- (5) The Five Crossings VTB Note was granted to partially satisfy the purchase price for the Five Crossings Apartment Property (see "*Development of the Business – Five Crossings Development*"). The obligations of the Company under the Five Crossings VTB Note are included in current liabilities of the Company given such note is structured as a non-interest-bearing demand loan with no scheduled maturity date. If the Five Crossings VTB Note were called by the holder, it could have a material adverse effect on Company and its financial position (see "*Risk Factors – Risks Related to Demand Loans*"). Upon repayment of all amounts owing under the Five Crossings VTB Note, the Company will be eligible to receive its portion of the profit share under the Five Crossings Profit Sharing Agreement, the proceeds of which the Company intends to use to satisfy its obligations under the FB Development Bonds and FB Development Rights, which are not yet due. If the other expenses listed in this table are greater than expected, the Company expects to reduce the amount of its unallocated working capital and/or the quantum of cash resources applied to the repayment of its liabilities under the Five Crossings VTB Note and reallocate those resources to cover such expense increases.
- (6) These estimated additional general and administrative expenses are comprised of director and officer insurance premiums of approximately \$50,000, bank charges of approximately \$10,000, license and permit fees of approximately \$10,000, trustee fees of approximately \$10,000, and other fees (including public company expenses) of approximately \$65,000.
- (7) The estimated balance of the expenses of the Listing include estimated legal fees of approximately \$50,000, the remaining listing fees payable to the CSE of approximately \$25,000, the remaining fees payable to CDS of approximately \$5,000, and the fees payable to the Transfer Agent, Warrant Agent and Escrow Agent of approximately \$20,000.

- (8) Over the next 12 months, the Company intends to utilize unallocated working capital to, among other things, reduce leverage by making voluntary repayments of amounts outstanding under its secured debt facilities, voluntary payments under the Five Crossings VTB Note, and may hold cash balances from time to time in the ordinary course of business in order to improve the Company's working capital position and liquidity.

The Company estimates that proceeds from the Minimum Offering along with the Company's other sources of funds, including cash flow from operations, will be sufficient to fund operations for 12 months assuming completion of the Offering. Some of the estimated funds available to the Company over the next 12 months are based on assumptions and projections considered and prepared by management of the Company as of the date of this Prospectus, which management believes to be reasonable.

The Company intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Management has, and will continue to have, the discretion to modify the allocation of the Company's available funds. If management determines that a reallocation of funds is necessary, the Company may redirect its available funds towards purposes other than as described in this Prospectus. Accordingly, while it is currently intended by management that the available funds will be expended as set forth above, actual expenditures may in fact differ from these amounts and allocations. See "*Risk Factors*".

Business Objectives and Milestones

The following table sets out the objectives and lists the milestone events for each objective of the Company for the next 12 months, and estimated cost over the next twelve months, in each case, for committed projects and in relation to the primary use of proceeds of the Offering:

Objective	Milestone/Notes	Estimated Cost (12 months)
Phase 5/6 – Saanich Ridge Estates Development	Complete service and construction for a portion of the 52 homes over the next 12 months ⁽¹⁾	\$11,200,000 ⁽¹⁾
	Lease out homes with HomePlan Agreements as completed ⁽²⁾	150,000
Payment of liabilities under Saanich Ridge Promissory Note	Repay liabilities under the Saanich Ridge Promissory Notes	\$250,000 – \$500,000 ⁽³⁾
Payment of liabilities under RPB Bonds and RPB Rights	Repay liabilities under the RPB Bonds and RPB Rights	\$400,000 – \$700,000 ⁽⁴⁾
Payment of liabilities under Five Crossings VTB Note	Repay liabilities under the Five Crossings VTB Note	\$150,000 – \$2,300,000 ⁽⁵⁾
Complete Offering and Exchange Offering	Complete Closing of the Offering, and the Exchange Offering resulting in listing of the Common Shares, Warrants and Housing Shares on the CSE	\$710,000 ⁽⁶⁾

Notes:

- (1) Funding for the construction of the remaining homes in the Saanich Ridge Estates development has been fully secured through the Peakhill Capital Saanich Ridge CMHC Commitment Letter – see “*Material Contracts – Peakhill Capital Saanich Ridge CMHC Commitment Letter*”.
- (2) The Company intends to cover such costs through cash flow from operations.
- (3) The Company intends to pay \$0.25 million, or \$0.5 million of the liabilities owing under the Saanich Ridge Promissory Notes under the Minimum Offering or the Maximum Offering, respectively.
- (4) The Company intends to pay \$0.4 million, or \$0.7 million of the liabilities owing under the RPB Bonds and RPB Rights under the Minimum Offering or the Maximum Offering, respectively. Repayment of amounts under the RPB Bonds and RPB Rights is subject to the prior consent of Cathedral Capital Ltd. and MTM Capital Ltd. (in respect of the loans owing thereto that are administered by 1 City Financial Ltd.), given the amounts owing to the holders of the RPB Bonds and RPB Rights are subordinated to amounts owing to Cathedral Capital Ltd. and MTM Capital Ltd. pursuant to a subordination agreement. If such consent is not obtained, the Company intends to re-allocate such amounts to repayment of liabilities owing under the Five Bridges VTB Note.
- (5) The Company intends to pay \$0.15 million, or \$2.6 million of the liabilities owing under the Five Crossings VTB Note under the Minimum Offering or the Maximum Offering, respectively.
- (6) This amount represents the estimated remaining expenses of the Offering of \$610,000 and completion of listing of \$100,000.

The long-term business objectives the Company is proposing to accomplish are discussed under “*Development of the Business*”.

The Company anticipates that it will have sufficient cash available to execute its business plan and to pay its operating and administrative costs for at least twelve months after the date of this Prospectus (see “*Use of Proceeds – Principal Use of Available Funds*”).

The Trust also intends to raise additional capital from time to time in order to fund additional development projects, to purchase additional residential real estate properties for its HomePlan program (see “*Risk Factors – HomePlan Tenants May Not Qualify for Mortgage Financing*” and “*Risk Factors – HomePlan Agreements are a New Product and may be Subject to Regulation*”). The Trust intends to finance these activities by raising additional proceeds from both the sales of Residential Development Units and HY Units to investors, and from mortgage financings. However, there is no guarantee that the Trust will be able to raise additional proceeds for these purposes or that it will be able to raise sufficient proceeds on terms acceptable to the Trust (see “*Risk Factors*”).

Unallocated Funds

Unallocated funds will be retained in the Company’s bank account and held as part of the working capital of the Company. Based on the Company’s cash flow requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary. There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

Retaining Broad Discretion

The Company will retain broad discretion in allocating (based on sound business principles) the net proceeds from the Offering not applied in the manner set out above and the Company’s actual use of the net proceeds may vary depending on its operating and capital needs from time to time and may be used. As noted above, any unallocated funds will be initially added to its general working capital.

DIVIDENDS OR DISTRIBUTIONS

There are no restrictions in the Company’s articles other than customary general solvency requirements under applicable corporate law, which would prevent the Company from paying dividends. All of the Company’s Common Shares will be entitled to an equal share in any dividends declared and paid in respect of the Common Shares. The Housing Shares, when issued, are entitled to receive dividends in relation to returns received by the Company on any HY Units of the Trust held by the Company, provided, however, that the declaration and payment of such dividends is at the discretion of the Board of Directors. See “*Description of Securities – Company Authorized and Issued Capital – Housing Shares – Dividend Rights*”.

The Company and its subsidiaries are parties to loan agreements which include customary financial covenants, which may, from time to time, prevent the payment of dividends or distributions on the securities of the Company and its subsidiaries (see “*Material Contracts*”). Specifically, the (i) the RPB Indenture and FB Bond Indenture prohibit the payment of dividends or other distributions on any shares of the Company and any redemption or repurchase of shares of the Company until such time as no RPB Bonds and FB Development Bonds, respectively, remain outstanding, and (ii) the SRRPU Indenture and CD Indenture prohibit the payment of dividends or other distributions on any shares of Saanich Ridge Development and any redemption or repurchase of shares of Saanich Ridge Development until such time as no SRRPU Notes and CD Notes, respectively, remain outstanding. In addition, the Trust issues Residential Development Units and HY Units from time to time, which have priority with respect to certain cashflows generated from specific development projects (in the case of the Residential Development Units) and the HY Housing Income Properties in the case of the HY Units. See “*Material Contracts – Declaration of Trust*” for details with respect to the priority of each class and series of units of the Trust.

The Company has not declared or paid any dividends or distributions on its Common Shares since incorporation. The Company currently intends to retain future earnings, if any, in excess of dividends paid on Housing Shares, if any, for use in its business and does not currently anticipate paying cash dividends or distributions on its Common Shares in the near term. Any determination to pay future dividends or distributions on the Common Shares will remain at the discretion of the Board of Directors and will depend on the earnings, financial condition of the Company and such other factors deemed relevant by the Board of Directors and may be subject to allowance under mortgage loans obtained by the Company from time to time and lender’s approval. There can be no assurance that the Company will pay dividends on the Common Shares under any circumstances. See “*Risk Factors*”.

The Company has not issued any Housing Shares as of the date of this Prospectus and accordingly has not declared or paid any dividends on the Housing Shares. As noted above, the Housing Shares, when issued, are entitled to receive dividends in relation to returns received by the Company on any HY Units of the Trust held by the Company, provided, however, that the declaration and payment of such dividends is at the discretion of the Board of Directors. Such dividends may be paid to the exclusion of the payment of any concurrent dividend on the Common Shares; however, Housing Shares have no priority to dividends relative to the Common Shares and there is no restriction in the Articles that prevents the payment of dividends on the Common Shares while the Housing Shares are outstanding (other than the entitlement of holders of Housing Shares to the Housing Share Preference Amount in the event of the liquidation, dissolution or winding-up of the Company). See “*Risk Factors – Risks Related to the Exchange Offering*”. Following the issuance of Housing Shares and the retirement of the securities outstanding under the RPB Indenture and the Bond Indenture, the Board intends to declare and pay a dividend on the Housing Shares on a quarterly basis out of the Housing Share Available Cash (as defined in the Articles) for such quarter, if any. The declaration and payment of dividends on the Housing Shares remains at the complete discretion of the Board of Directors and are not cumulative or guaranteed and if commenced may be reduced or suspended at any time. See “*Risk Factors – Risks Related to the Exchange Offering*”. As of the date of this Prospectus no determinations have been made as to the estimated amount of such dividends on the Housing Shares.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS

Selected Financial Information

The following selected financial information has been derived from and is qualified in its entirety by the: (i) audited consolidated annual financial statements of the Company for the years ended June 30, 2025 and 2024, and (ii) the unaudited condensed consolidated interim financial statements of the Company for the three months ended September 30, 2025 and 2024, and should be read in conjunction with such financial statements and the related notes thereto, along with the associated MD&A, each included in this Prospectus as Appendix “A”. All financial statements of the Company are prepared in accordance with IFRS and are expressed in Canadian dollars.

	As at September 30, 2025 (\$)	As at June 30, 2025 (\$)	As at June 30, 2024 (\$)
Cash and cash equivalents	128,207	105,071	187,182
Total Assets	114,489,098	107,151,457	65,585,432
Total Liabilities	103,607,920	94,847,506	51,602,697
Total Shareholders Equity	10,881,178	12,303,951	13,982,735

	Three months ended September 30, 2025 (\$)	Three months ended September 30, 2024 (\$)	Year ended June 30, 2025 (\$)	Year ended June 30, 2024 (\$)
Revenue	1,654,429	460,831	4,341,361	1,982,205
Net Income or Loss and Comprehensive income or Loss for the Period	(1,511,875)	(667,818)	(1,997,560)	951,255
Net Income or Loss and Comprehensive Loss for the Period per Common Share	(0.02)	(0.01)	(0.03)	0.01

Management's Discussion and Analysis

The MD&A of the Company for the years ended June 30, 2025 and 2024 and for the three months ended September 30, 2025 and 2024 is attached to this Prospectus as Appendix "A".

The MD&A of the Company should be read in conjunction with the financial statements and the accompanying notes thereto included in this Prospectus as Appendix "A". Certain information contained in the MD&A constitutes forward-looking information. This information relates to future events or to the Company's future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking information. See "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*".

DESCRIPTION OF SECURITIES

Qualifying Distribution – The Offering

The Offered Units are being qualified for distribution pursuant to this Prospectus.

The Offering consists of a minimum of a minimum of 3,400,000 Offered Units and a maximum of 10,000,000 Offered Units to be issued and sold at a price of \$0.50 per Offered Unit for gross proceeds of a minimum of \$1,700,000 and a maximum of \$5,000,000. In addition, the Company has granted the Agent the Over-Allotment Option to offer for sale and additional 15% of the aggregate number of Offered Units at the Offering Price, exercisable in whole or in part at any time for a period ending 30 days from the closing of the Offering to offer to sell up to an additional 1,500,000 Over-Allotment Offered Units to cover over-allotments, if any. See "*Plan of Distribution*". Each Offered Unit consists of one Common Share and one-half of one Warrant. Each whole Warrant entitles the holder to purchase one Warrant Share at a price of \$0.85, subject to adjustment in accordance with the Warrant Indenture, at any time following the Closing Date until 5:00 p.m. (Vancouver Time) on the date that is 24 months after the Closing Date.

Qualifying Distribution – The Exchange Offering

The Exchange Offer Subject Securities

The Company and Saanich Ridge Development Ltd., as applicable, issued the Exchange Offer Subject Securities, being the (i) RPB Bonds and RPB Rights pursuant to the RPB Indenture (defined below), (ii) SRRPU Notes and SRRPU Rights pursuant to the SRRPU Indenture (defined below), and (iii) the FB Development Bonds and FB Development Rights pursuant to the FB Indenture (defined below).

The Exchange Offer Subject Securities were originally distributed on varying dates on a private placement basis in reliance on exemptions from the prospectus requirements.

The Exchange Offering

The Company is offering to holders of Exchange Offer Subject Securities as of record on the close of business (Pacific Time) on the Exchange Offer Record Date who are Qualifying Holders to exchange such securities for Housing Shares. The offer to exchange will be open from the Exchange Offer Commencement Date and will expire at the Exchange Offer Expiry Time the Exchange Offer Expiry Date, unless the Company decides to extend the offer. This Prospectus qualifies the distribution of the Housing Shares to Qualifying Holders who validly tender their Exchange Offer Subject Securities under the Exchange Offering.

If all the conditions to the Exchange Offering are satisfied, the Company will exchange the Exchange Offer Subject Securities that are validly tendered for Housing Shares as follows:

- (i) In respect of RPB Bonds, SRRPU Notes and FB Development Bonds, one Housing Share for every \$10.35 of outstanding principal amount and accrued interest in respect of such securities calculated by the Company in good faith as of the Exchange Offer Expiry Date;
- (ii) In respect of the RPB Rights, one Housing Share for every \$10.35 of RPB Right Redemption Amount (defined below) calculated by the Company in good faith as of the Exchange Offer Expiry Date;
- (iii) In respect of the SRRPU Rights, one Housing Share for every \$10.35 of SRRPU Right Redemption Amount (defined below) calculated by the Company in good faith as of the Exchange offer Expiry Date; and
- (iv) In respect of the FB Development Rights, one Housing Share for every \$10.35 of FB Development Right Redemption Amount (defined below) calculated by the Company in good faith as of the Exchange Offer Expiry Date.

The Housing Share Exchange Price of \$10.35 per Housing Share has been determined by the Board of Directors of the Company based on the estimated net asset value per HY Unit (as defined below) as of December 1, 2025 in accordance with the Declaration of Trust (as defined below). The terms of the Housing Shares are summarized below under “*Description of Securities – Company Authorized and Issued Capital – Housing Shares*”.

The Board of Directors of the Company will also determine the aggregate value of the Exchange Offer Subject Securities held by the holders thereof effective as of the Exchange Offer Expiry Time that will be eligible to be exchanged for Housing Shares, which amounts will be set forth in the Letter of Transmittal sent to the Qualifying Holders. Given the Exchange Offer Subject Securities were issued on varying dates, the amount of accrued interest on the RPB Bonds, SRRPU Notes and RB Developments Bonds as well as the RPB Right Redemption Amount, SRRPU Right Redemption and the FB Development Right Redemption Amount will vary as between holders thereof depending on the respective original issuance date of such securities. More specifically for purpose of determining the value of the Exchange Offer Subject Securities eligible to be tendered for Housing Shares as set out in the Letter of Transmittal to be sent to Qualifying Holders:

- (i) the RPB Bonds, SRRPU Notes and FB Development Bonds were each issued in denominations of \$1,000 of principal amount per note, but holders of such classes of securities will be entitled to differing amounts of accrued interest depending on the original date of issuance of such securities.

- (ii) the RPB Right Redemption Amount for one RPB Right as of the Exchange Offer Expiry Date is estimated to range between \$0.74 and \$0.78 per original \$1 invested in RPB Units, depending on the original date of issuance of the RPB Right;
- (iii) the SRRPU Right Redemption Amount for one SRRPU Right as of the Exchange Offer Expiry Date is estimated to range between \$0.83 and \$0.89 per original \$1 invested in SRRPU Units, depending on the original date of issuance of the SRRPU Right; and
- (iv) the FB Development Right Redemption Amount for one FB Development Right as of the Exchange Offer Expiry Date is estimated to range between \$0.68 and \$0.88 per original \$1 invested in FB Development Units, depending on the original date of issuance of the FB Development Right.

The Company has not obtained, and does not intend to obtain, a third party valuation with respect to determining the Exchange Price or the value Exchange Offer Subject Securities for purposes of completing the Exchange Offering. In addition, the exchangeable value ascribed by the Company to Exchange Offer Subject Securities for purposes of the Exchange Offering has been determined based on the good faith determination by the Board of Directors of the principal amount and accrued interest in respect of the RPB Bonds, SRRPU Notes and FB Development Bonds and the RPB Right Redemption Amount, SRRPU Right Redemption Amount and FB Development Right Redemption Amount in the case of the RPB Rights, SRRPU Rights, FB Development Rights, respectively, which amounts may be higher or lower than the carrying amounts on the balance sheet for such securities. If Exchange Offer Subject Securities are tendered for an exchange value that is in excess of the carrying amount of such security on the Company's balance sheet, the Company will incur a loss. If the Exchange Offer Subject Securities are tendered for an exchange value that is less than the carrying amount of such security on the Company's balance sheet, the Company will incur a gain. In determining the exchange value for the Exchange Offer Subject Securities, the Company has estimated accrued interest on each of the Exchange Offer Subject Securities to the Exchange Offer Expiry Date and, with respect to the FB Development Rights, the Company also estimated the profit share entitlement of holders of FB Development Rights, which is payable through the redemption of FB Development Units for the FB Development Right Redemption Amount based on the estimated profit share of the Company in respect of the Five Crossings Development. Carrying amounts in the financial statements do not include profit share entitlements of holders of FB Development Rights. If a holder of Exchange Offer Subject Securities holds such securities to maturity and does not tender such securities for Housing Shares the aggregate amounts paid to such holders may be more or less than the value of the Housing Shares offered to be issued to such holders under the Exchange Offering. For details as to how the Company accounts for the Exchange Offer Subject Securities, see the notes to the Financial Statements (which Financial Statements are attached as Appendix A to this Prospectus). See "*Risk Factors – Risks Related to the Exchange Offering*".

The exchange of Exchange Offer Subject Securities by a Qualifying Holder pursuant to the Exchange Offering is subject to such holder tendering such quantity of Exchange Offer Subject Securities that have an aggregate have a minimum value as set out in the Letter of Transmittal of \$1,035.00 (being the Minimum Exchange Value). Where a Qualifying Holder tenders a number of Exchange Offer Subject Securities that would otherwise entitle the Qualifying Holder to receive fractional Housing Shares, such holder's entitlement will be reduced to the next lowest whole number of Housing Shares.

Upon the terms and subject to the conditions set forth in this Prospectus and in the Letter of Transmittal, all Exchange Offer Subject Securities validly tendered and not withdrawn prior to Exchange Offer Expiry Time on the Exchange Offer Expiry Date will be accepted for exchange for Housing Shares. This Prospectus, together with the Letter of Transmittal, is being sent to all Qualifying Holders Exchange Offer Subject Securities as of the Exchange Offer Record Date.

The aggregate number of Housing Shares distributed under this Prospectus will be less than 926,269 in the event that any of the Exchange Offer Subject Securities are settled prior to the Exchange Offer Expiry Date, if any of the holders of Exchange Offer Subject Securities exercise their right to have such securities redeemed prior to the Exchange Offer Expiry Date, any of the Qualifying Holders elect not to tender all or part of their Exchange Offer Subject Securities (which the Company expects to be the case) or as a result of the number of Housing Shares to be issued upon the tender of Exchange Offer Subject Securities being rounded down to the next whole number of Housing Shares.

The Exchange Offering is not conditioned upon any amount of Exchange Offer Subject Securities being tendered for exchange. However, the obligation of the Company to accept the Exchange Offer Subject Securities for exchange pursuant to the Exchange Offering is subject to certain conditions set forth herein (see "*Description of Securities –*

Qualifying Distribution – The Exchange Offering – Conditions”). A Qualifying Holder may withdraw its tender of Exchange Offer Subject Securities at any time prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date. (see “*Description of Securities – Qualifying Distribution – The Exchange Offering – Withdrawal of Tenders*”).

To validly tender Exchange Offer Subject Securities for Housing Shares, a completed Letter of Transmittal (as defined below) setting forth the category and number Exchange Offer Subject Securities to be exchanged for Housing Shares, must be received by the Company at its offices at 1021 West Hastings Street, 9th Floor, Vancouver, BC V6E 0C3, Canada, Attention: Chief Financial Officer, or by email at info@nahomefince.com by the Exchange Offer Expiry Time on the Exchange Offer Expiry Date. The Company will act as depositary for the tendering holders of Exchange Offer Subject Securities and Computershare Investor Services Inc. will act as the transfer agent for purposes of delivering the Housing Shares to such holders.

Upon consummation of the Exchange Offering, any Exchange Offer Subject Securities validly tendered will be cancelled and any Exchange Offer Subject Securities not tendered will remain outstanding and will continue to be governed by the RPB Indenture, SRRPU Indenture or FB Indenture, as applicable.

This Prospectus is not to be construed as an offering of the Exchange Offering or the Housing Shares in any Non-Qualifying Jurisdiction, provided, however, that the Company may elect to make the exchange offer and issue Housing Shares to certain eligible investors in Non-Qualifying Jurisdictions on a private placement basis.

Qualifying Holders who intend to tender some or all of their Exchange Offer Subject Securities for Housing Shares should be aware that the acquisition or disposition of the securities described in this Prospectus may have tax consequences in Canada or elsewhere, depending on each particular prospective investor's specific circumstances. Holders of Exchange Offer Subject Securities should consult their own tax advisors with respect to such tax considerations, including whether to make a Section 85 Election.

Exchange Offer Commencement Date and Expiry Date

The Exchange Offering will commence on the Exchange Offer Commencement Date and will expire at the Exchange Offer Expiry Time on the Exchange Offer Expiry Date. Qualifying Holders who duly tender their Exchange Offer Subject Securities in accordance with the terms of this Prospectus and the Letter of Transmittal will not become a holder of Housing Shares of record until the Exchange Offer Expiry Time on the Exchange Offer Expiry Date.

The Company expressly reserves the right to terminate the Exchange Offering and refuse to accept any tendered Exchange Offer Subject Securities if any of the conditions set forth under “*Description of Securities – Qualifying Distribution – The Exchange Offering – Conditions*” shall not have been satisfied or waived prior to the Exchange Offer Expiry Date.

Procedure for Tendering

Qualifying Holders wishing to tender their Exchange Offer Subject Securities must complete, sign and date the Letter of Transmittal, or a facsimile of the Letter of Transmittal. The signatures on the Letter of Transmittal must be guaranteed if required by the Letter of Transmittal. The Letter of Transmittal may be delivered by mail along with the certificates representing the tendered Exchange Offer Subject Securities (other than those certificates held in the minute book of the Company, or Saanich Ridge Development, or held by the relevant agent under the RPB Indenture, SRRPU Indenture and FB Indenture, as applicable) and any other required documents to the Company on or before the Exchange Offer Expiry Time on the Exchange Offer Expiry Date.

In the Letter of Transmittal the holder Exchange Offer Subject Securities, must identify, among other things, (i) the classes of Exchange Offer Subject Securities to be exchanged, and (ii) the number of Exchange Offer Subject Securities of each class to be exchanged for Housing Shares.

The Company will serve as the depositary to receive completed Letters of Transmittal from Qualifying Holders, Computershare Investor Services Inc. will serve as transfer agent for the Housing Shares, including for purposes of issuing Housing Shares under the Exchange Offering. The Company will accept completed Letters of Transmittal from Qualifying Holders only by email at info@nahomefince.com or at the following address:

By registered mail, by hand or by courier:

1021 West Hastings Street, 9th Floor, Vancouver, BC
V6E 0C3, Canada, Attention: Chief Financial Officer

By regular mail:

1021 West Hastings Street, 9th Floor, Vancouver, BC
V6E 0C3, Canada, Attention: Chief Financial Officer

Qualifying Holders should direct all executed Letters of Transmittal, withdrawal requests and all questions and requests for assistance, requests for additional copies of this Prospectus or of the Letter of Transmittal to the Company using the above contact information.

The method of delivery of Letters of Transmittal, certificates representing the Exchange Offer Subject Securities and other required documentation to the Company is at the discretion of the Qualifying Holder. The Company will not be liable for the failure to deliver or the delivery of Letters of Transmittal, certificates representing the Exchange Offer Subject Securities and other required documentation to an address other than the address set out above. Delivery to an address other than the address set out above may result in a Letter of Transmittal not being accepted. If mail is used, registered mail, properly insured, with return receipt, is recommended. In all cases, sufficient time should be allowed to assure timely delivery.

Pursuant to the Letter of Transmittal, the Qualifying Holder will be required to make certain representations and warranties to the Company and its directors and officers, including that: (i) the Qualifying Holder is resident and making its investment decision in a Qualifying Jurisdiction, (ii) the holder is the legal owner of the Exchange Offer Subject Securities being tendered free and clear of any encumbrance, (iii) the holder has the power and capacity to execute the Letter of Transmittal and deliver the Exchange Offer Subject Securities being tendered; (iv) the holder is not a Non-Qualifying Holder; (v) the holder is not acquiring the Housing Shares for resale to any person who is a citizen or resident of a Non-Qualifying Jurisdiction; and (vi) the holder is not a person who is prevented by any applicable legal, regulatory or contractual restrictions from acquiring the Housing Shares. The person executing and delivering the Letter of Transmittal will be deemed to know and accept that the Company and its directors and officers are relying upon such representation and warranty in accepting such exchange and issuing and distributing the Housing Shares.

The tender by a Qualifying Holder of Exchange Offer Subject Securities will constitute an agreement between such holder and the Company in accordance with the terms and subject to the conditions set forth herein and in the applicable Letter of Transmittal.

If a Letter of Transmittal is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such person should so indicate when signing and, unless waived by the Company, evidence, in a manner satisfactory to the Company, of their authority to so act must be submitted with such letter of transmittal.

All questions as to the validity, form, eligibility, time of receipt and withdrawal of the tendered Exchange Offer Subject Securities will be determined by the Company in its sole discretion, which determination will be final and binding. The Company reserves the absolute right to reject any and all Exchange Offer Subject Securities not properly tendered or any Exchange Offer Subject Securities which, if accepted, would, in the opinion of counsel for the Company, be unlawful. The Company also reserve the absolute right to waive any irregularities or conditions of tender as to particular Exchange Offer Subject Securities. The Company's interpretation of the terms and conditions of the Exchange Offering, including the instructions in the Letter of Transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Exchange Offer Subject Securities must be cured within such time as the Company determines. Neither the Company nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of Exchange Offer Subject Securities, nor shall any of them incur any liability for failure to give such notification. Tenders of Exchange Offer Subject Securities will not be deemed to have been made until such irregularities have been cured or waived. Any Exchange Offer Subject Securities received by the Company that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned without cost to such holder by the Company, unless otherwise provided in the Letter of Transmittal, promptly following the Exchange Offer Expiry Date.

In addition, the Company reserves the right, in its sole discretion, subject to the provisions of the RPB Indenture, SRRPU Indenture and FB Indenture, as applicable, pursuant to which the Exchange Offer Subject Securities were issued to: (i) purchase or make offers for purchase of any Exchange Offer Subject Securities that remain outstanding

subsequent to the Exchange Offer Expiry Date or, as described under “*Description of Securities – Qualifying Distribution – The Exchange Offering – Conditions*”, to terminate the Exchange Offering; (ii) to payout or redeem, as applicable, the Exchange Offer Subject Securities as a whole, or in part, at any time and from time to time in accordance with the respective terms thereof; or (iii) to the extent permitted under applicable law, to purchase Exchange Offer Subject Securities in privately negotiated transactions or otherwise. The terms of any such purchases or offers could differ from the terms of the Exchange Offering.

Acceptance of Exchange Offer Subject Securities for Exchange and Delivery of Housing Shares

Upon satisfaction or waiver of all of the conditions to the Exchange Offering, all Exchange Offer Subject Securities duly tendered will be accepted promptly after the Exchange Offer Expiration date and the Housing Shares will be issued promptly after acceptance of the Exchange Offer Subject Securities. See “*Description of Securities – Qualifying Distribution – The Exchange Offering – Conditions*”. For purposes of the Exchange Offering, Exchange Offer Subject Securities shall be deemed to have been accepted as validly tendered for exchange when, as and if the Company so determines.

In all cases, issuance of Housing Shares in exchange for Exchange Offer Subject Securities that are accepted for exchange pursuant to the Exchange Offering will be made only after timely receipt by the Company of:

- (a) a properly completed and duly executed Letter of Transmittal;
- (b) the certificates representing the tendered Exchange Offer Subject Securities (other than those certificates held in the minute book of the Company, or Saanich Ridge Development, or held by the relevant agent under the RPB Indenture, SRRPU Indenture and FB Indenture, as applicable); and
- (c) other required documents.

If any tendered Exchange Offer Subject Securities are not accepted for any reason described in the terms and conditions of the Exchange Offering, such unaccepted or such non-exchanged Exchange Offer Subject Securities will be returned promptly without expense to the tendering holder thereof (if in certificated form).

Withdrawal of Tenders

Tenders of Exchange Offer Subject Securities may be withdrawn at any time prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date.

For a withdrawal to be effective, a written notice of withdrawal must be received by the Company prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date at the address set forth in the Letter of Transmittal.

Any such notice of withdrawal must: (i) specify the name of the person having tendered the Exchange Offer Subject Securities to be withdrawn; (ii) identify the Exchange Offer Subject Securities to be withdrawn, including the number of each class of Exchange Offer Subject Securities to be withdrawn; (iii) contain a statement that such holder is withdrawing its election to have such Exchange Offer Subject Securities exchanged for Housing Shares; (iv) be signed by the holder in the same manner as the original signature on the Letter of Transmittal by which such Exchange Offer Subject Securities were tendered including any required signature guarantees, or be accompanied by documents of transfer to have the trustees with respect to the Exchange Offer Subject Securities in the name of the person withdrawing the tender; and (v) specify the name in which such Exchange Offer Subject Securities are registered, if different from the person who tendered such Exchange Offer Subject Securities.

All questions as to the validity, form, eligibility and time of receipt of notices of withdrawal will be determined by the Company, which determination shall be final and binding on all parties. Any Exchange Offer Subject Securities so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offering. Any Exchange Offer Subject Securities which have been tendered for exchange but which are not exchanged for any reason will be returned to the tendering holder thereof without cost to such holder, promptly after withdrawal, rejection of tender or termination of the Exchange Offering. Properly withdrawn Exchange Offer Subject Securities may be re-tendered by following one of the procedure described under “*Description of Securities – Qualifying Distribution – The Exchange Offering – Procedure for Tendering*” at any time prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date.

Conditions

The Company will complete the Exchange Offering only if: (i) there is no action or proceeding instituted or threatened in any court or before any governmental agency or body that in our judgment or in the opinion of our counsel would reasonably be expected to impair the Company's ability to proceed with the Exchange Offering; (ii) the Company obtains all governmental approvals that it deems in its sole discretion necessary to complete the Exchange Offering, and (iii) the number of Exchange Offer Subject Securities validly tendered under the Exchange Offering would result in the issuance of a sufficient number of Housing Shares to satisfy the listing requirements of the CSE.

These conditions are for the sole benefit of the Company. The Company may assert any one of these conditions regardless of the circumstances giving rise to it and may also waive any one of them, in whole or in part, at any time and from time to time, if the Company determines in its reasonable discretion that it has not been satisfied, subject to applicable law. If the Company fails at any time to exercise any of the foregoing rights, this failure will not constitute a waiver of such rights. Notwithstanding the foregoing, all conditions to the Exchange Offering must be satisfied or waived before the expiration of the Exchange Offering. If the Company waives a condition to the Exchange Offering, the waiver will be applied equally to all Qualifying Holders of Exchange Offer Subject Securities. Each of these rights will be deemed an ongoing right which the Company may assert at any time and from time to time.

If the Company determines that it may terminate the Exchange Offering because any of these conditions is not satisfied, the Company may: (i) refuse to accept and return to their holders any Exchange Offer Subject Securities that have been tendered; or (ii) waive any condition that has not been satisfied and accept all properly tendered Exchange Offer Subject Securities that have not been withdrawn or otherwise amend the terms of the Exchange Offering in any respect as provided under the section in this prospectus entitled "*Description of Securities – Qualifying Distribution – The Exchange Offering – Exchange Offer Commencement Date and Expiry Date*".

Fees and Expenses

The Company will bear the expenses of soliciting tenders pursuant to the Exchange Offering, including fees and expenses of serving as the depositary and accounting, legal, printing and related fees and expenses. The principal solicitation for tenders pursuant to the Exchange Offering is being made by email of this Prospectus along with the Letter of Transmittal to Qualifying Holders; however, additional solicitations may be made by telephone, telecopy or in person by the Company's officers and consultants.

Non-Qualifying Holders

Persons who are holders of record of Exchange Offer Subject Securities as at the close of business on the Exchange Offer Record Date who are resident in Non-Qualifying Jurisdictions are referred to herein as "**Non-Qualifying Holders**". Holders of Exchange Offer Subject Securities of record will be presumed to be resident in the place of their address of record, unless the contrary is shown to the satisfaction of the Company.

The Exchange Offering is being made only in the Qualifying Jurisdictions. Accordingly, the Exchange Offering and the Housing Shares are not being offered to persons who are, or appear to be, or who the Company has reason to believe are, residents of any Non-Qualifying Jurisdiction, nor will the Company accept tenders of Exchange Offer Subject Securities from any security holder who is or appears to be, or who the Company has reason to believe is resident of any Non-Qualifying Jurisdiction.

The Exchange Offering does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Exchange Offering is not being made to, nor will tenders of Exchange Offer Subject Securities be accepted from or on behalf of, holders of Exchange Offer Subject Securities in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction.

The completion of a Letter of Transmittal will constitute a representation to the Company that the holder completing the Letter of Transmittal is not a Non-Qualifying Holder an agent of a Non-Qualifying Holder and is not acquiring such Housing Shares for the account or benefit of, or for the resale to, any person in a Non-Qualifying Jurisdiction.

Section 85 Election

While the Company intends that the exchange of Exchange Offer Subject Securities for Housing Shares be an exchange at equal value, in light of valuation complexities the Company will agree to make a joint income tax election, pursuant to Section 85 of the Tax Act (and any analogous provision of provincial income tax Law) in prescribed form (a “**Section 85 Election**”), with Eligible Holders which elect to exchange some or all of their Exchange Offer Subject Securities for Housing Shares hereunder. Eligible Holders which validly make a Section 85 Election may be able to defer some or all of the capital gains tax that might otherwise arise as a result of making an exchange of Exchange Offer Subject Securities for Housing Shares hereunder. See “*Certain Canadian Federal Income Tax Considerations – Disposition of Exchange Offer Subject Securities – Section 85 Election*” for tax considerations related to making a Section 85 Election.

In order to make the Section 85 Election, an electing Qualifying Holder that is an Eligible Holder must complete and sign a form and deliver same to the Company along with its Letter of Transmittal in the manner specified herein prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date. The form must confirm the class and number of Exchange Offer Subject Securities held by such electing Eligible Holder in respect of which such election is to be made, and the electing Eligible Holder must agree to provide such additional documents and instruments as the Company may reasonably require.

Any Qualifying Holder that is an Eligible Holder which does not indicate its intention to make a Section 85 Election on the form attached to its Letter of Transmittal and deliver same to the Company in the manner specified herein before the Exchange Offer Expiry Time on the Exchange Offer Expiry Date will not be able to make a Section 85 Election to receive all or a part of its Housing Shares on a tax-deferred basis.

An Eligible Holder who has indicated its intention to make a Section 85 Election, as described above, shall provide two signed copies of the necessary joint Section 85 Election forms to an appointed representative, as directed by the Company, by the date that is 45 days after the Exchange Offer Expiry Date (the “**Section 85 Election Deadline Date**”), duly completed with the details of the number of Exchange Offer Subject Securities exchanged and the applicable agreed amounts for the purposes of such joint income tax elections. The Company shall, within 30 days after receiving the completed joint income tax election forms from an Eligible Holder, without review sign and return them to such Eligible Holder for filing with the CRA (or the applicable provincial tax authority). Neither the Company nor any successor corporation will review such forms for accuracy or completeness nor accepts any level of responsibility for the proper completion of any joint income tax election form, or for any taxes, interest or penalties resulting from the failure of an Eligible Holder to properly complete or file such joint income tax election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation).

In its sole discretion, the Company or any successor corporation may choose to accept, sign and return a joint election form received by it *after* the Section 85 Election Deadline Date, but accepts no obligation to do so. Upon receipt of a Letter of Transmittal with a completed election form in which an Eligible Holder has indicated that such Eligible Holder intends to make a Section 85 Election, the Company will promptly deliver a tax instruction letter, together with the relevant income tax election forms to the Eligible Holder following the Exchange Offer Expiry Date.

Registration and Delivery of Share Certificates or DRS Advices

Housing Shares acquired through the valid tender of Exchange Offer Subject Securities will be registered in the name of the Qualifying Holder of Exchange Offer Subject Securities executing the Letter of Transmittal for purposes of acquiring those Housing Shares and certificates or DRS advices representing the Housing Shares will be mailed by ordinary pre-paid mail as soon as practicable after the Exchange Offer Expiry Date to such at the address appearing on the Letter of Transmittal.

Reservation of Housing Shares

The Company will, at all times, reserve sufficient unissued Housing Shares as will permit the tender of all the outstanding Exchange Offer Subject Securities for Housing Shares during the period beginning at the Exchange Offer Commencement Date and ending on the Exchange Offer Expiry Date at the Exchange Offer Expiry Time.

Company Authorized and Issued Capital

The authorized capital of the Company consists of an unlimited amount of Common Shares and an unlimited number of Preferred Shares issuable in series, of which 79,762,956 Common Shares and no Preferred Shares (including Housing Shares) are issued and outstanding as at the date of this Prospectus.

The Company's subsidiary Saanich Ridge Development has also issued Convertible Debenture units (the "**CD Units**"), which are comprised of CD Notes and CD Rights. Each CD Right gives the holder the right to receive on the CD Note Maturity Date: (a) such number of Common Shares, at a price of \$0.50 per Common share, with an aggregate value equal to the outstanding principal of the CD Notes being exchange plus 10% interest per year calculated to the day of conversion; and (b) Common Share purchase warrants of the Company on the same terms as those issued under any prospectus offering of the Company in the amount of 1,000 such warrants for each CD Note. Concurrent with the subscription for the CD Units each subscriber received 500 Common Share purchase warrants per CD Unit subscribed for, with each such warrant entitling the holder thereof to purchase one Common Share at a price of \$0.50 per Common Share for a period of 24 months. As of the date of this Prospectus, an aggregate principal amount of \$1,700,000 of CD Notes are outstanding, which are convertible into 3,400,000 Common Shares. The number of Common Shares issuable upon conversion of the CD Notes pursuant to the CD Rights is based on the outstanding principal amount of the CD Notes and does not factor in the number of Common Shares issuable to cover the interest component of the CD Units, which figure is variable depending on when the conversion occurs and the accrued interest as of such date. The Company has obtained irrevocable notices of conversion tendered by the holders of the CD Notes and CD Rights confirming the agreement of such holders to convert their CD Notes into Common Shares and common share purchase warrants pursuant to the terms of the CD Notes and CD Rights. Accordingly, the CD Notes will be converted into 3,400,000 Common Shares as well as additional Common Shares in payment of accrued interest and 1,700,000 common share purchase warrants to acquire 1,700,000 Common Shares promptly following a receipt being obtained for this Prospectus in accordance with the CD Rights. Those warrants will have an exercise price of \$0.85 per Common Share and will have an expiry date that is 24 months after the date of issuance. See "*Material Contracts – CD Indenture*".

The Company has 500,000 common share purchase warrants issued and outstanding which may be exercised at a price of \$0.50 per Common Share that expire on August 30, 2027. The Company has 850,000 common share purchase warrants issued and outstanding which may be exercised at a price of \$0.50 per Common Share that expire on September 30, 2027. See "*Prior Sales*" and See "*Material Contracts – CD Indenture*".

Common Shares

Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the holders of Common Shares of the Company and to receive all notices and other documents required to be sent to holders of Common Shares in accordance with the Company's Articles, corporate law and the rules of any applicable stock exchange, if any. On a poll, every holder of Common Shares has one vote for each Common Share held by such holder. Subject to the rights of the holders of the Preferred Shares of the Company (including the Housing Shares), the holders of Common Shares are entitled (i) to dividends if, as and when declared by the Board and, (ii) upon the liquidation, dissolution or winding-up of its affairs or other distribution of its assets for the purpose of winding-up its affairs, to receive, on a pro rata basis, all of the remaining assets of the Company. The Common Shares do not carry any preemptive, subscription, redemption or conversion rights, nor do they contain any sinking fund or purchase fund provision. Moreover, there are no provisions permitting or restricting the issuance of additional Common Shares or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital.

Warrants

The Warrants will be governed by the terms of the Warrant Indenture. The following summary of certain provisions of the Warrant Indenture does not purport to be complete and is subject in its entirety to the detailed provisions of the Warrant Indenture. Reference is made to the Warrant Indenture for the full text of the attributes of the Warrants which will be filed by the Company under its corporate profile on SEDAR+. A register of holders will be maintained at the principal offices of the Warrant Agent in Vancouver, British Columbia.

Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Common Share at an exercise price of \$0.85 until 5:00 p.m. (Vancouver Time) on the date that is 24 months following the Closing Date.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- (i) the issuance of Common Shares or securities exchangeable or exercisable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than a distribution of Common Shares upon the exercise of warrants or options of the Company);
- (ii) the subdivision, re-division or change of the Common Shares into a greater number of shares;
- (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of shares;
- (iv) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring at the not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable or exercisable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange, exercise or conversion price per Common Share) of less than 95% of the “current market price”, as defined in the Warrant Indenture, for the Common Shares on such record date; and
- (v) the issuance or distribution to all or substantially all of the holders of Common Shares of (i) securities, including rights, options or warrants to acquire shares of any class or securities exchangeable, exercisable or convertible into any such shares or property or assets or (ii) any property or assets, including evidences of indebtedness.

The Warrant Indenture will also provide for adjustments in the class and/or number of securities issuable upon exercise of the Warrants and/or exercise price per Warrant Share in the event of the following additional events: (a) reclassifications of the Common Shares or exchange or change of the Common Shares into other shares or securities, or a capital reorganization of the Company (other than as described in clauses (ii) or (iii) above), (b) consolidations, amalgamations, arrangements, mergers of the Company with or into another entity (other than a consolidation, amalgamation, arrangement, merger or other business combination which does not result in any reclassification of the Company’s outstanding Common Shares or any exchange or change of the Common Shares into other shares), or (c) any sale or conveyance of the property and assets of the Company as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity, in which case each holder of a Warrant which is thereafter exercised will receive, in lieu of Warrant Shares, the kind and number or amount of other securities or property which such holder would have been entitled to receive as a result of such event if such holder had exercised the Warrants prior to the event.

The Company has also covenanted in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, not less than 10 business days prior to such applicable record date or effective date, as the case may be, of such events.

No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Company or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Common Shares.

The Warrant Indenture provides that, from time to time, the Warrant Agent and the Company, without the consent of the holders of Warrants, may be able to amend or supplement the Warrant Indenture for certain purposes, including rectifying any ambiguities, defective provisions, clerical omissions or mistakes, or other errors contained in the Warrant Indenture or in any deed or indenture supplemental or ancillary to the Warrant Indenture, provided that, in the opinion

of the Warrant Agent, relying on the opinion of legal counsel, the rights of the holders of Warrants, as a group, are not prejudiced thereby.

The Warrant Indenture contains provisions making binding upon all holders of Warrants resolutions passed at meetings of such holders in accordance with such provisions or by instruments in writing signed by holders of Warrants holding a specified percentage of the Warrants. Any amendment or supplement to the Warrant Indenture that is prejudicial to the interests of the holders of Warrants, as a group, and certain other amendments or other actions, will be subject to approval by an “Extraordinary Resolution”, which is defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66 2/3% of the aggregate number of Warrants represented at the meeting in person or by proxy and voted on the poll upon such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66 2/3% of the number of all of the then-outstanding Warrants.

The principal transfer office of the Warrant Agent in Vancouver, British Columbia is the location at which Warrants may be surrendered for exercise or transfer.

Preferred Shares

The Preferred Shares are issuable in series and each series of Preferred Shares has such rights, restrictions, conditions and limitations as the Board of Directors of the Company may from time to time determine. The holders of Preferred Shares are entitled, in priority to holders of Common Shares, to be paid ratably with holders of each other series of Preferred Shares the amount of accumulated dividends, if any, specified to be payable preferentially to the holders of such series and upon liquidation, dissolution or winding up of the Company, to be paid ratably with holders of each other series of Preferred Shares the amount, if any, specified as being payable preferentially to holders of such series.

Housing Shares

On November 13, 2025, the Board of Directors passed a resolution creating the Housing Shares, as the first series of Preferred Shares in the authorized share structure of the Company.

Voting Rights

Except as required by applicable law, the holders of the Housing Shares are not entitled to receive notice of, or to attend or to vote at, any meeting of the shareholders of the Company.

Dividend Rights

Subject to the rights of the holders of any other series of Preferred Shares, the Board of Directors may, in their sole discretion, declare:

- (a) dividends on the Housing Shares in respect of any Housing Share Dividend Period (as defined in the Articles) payable to holders of Housing Shares on a Housing Share Dividend Record Date (as defined in the Articles) on a pro rata basis in an aggregate amount up to the amount of the Housing Share Available Cash (as defined in the Articles) for the Housing Share Dividend Period to the exclusion of any other class or series of shares of the Company as and when declared by the Board of Directors; and
- (b) dividends in respect of all or part of the Housing Share Available Assets (as defined in the Articles) *in specie* on the Housing Shares in respect of any Housing Share Dividend Period payable to holders of Housing Shares on a Housing Share Dividend Record Date on a pro rata basis in an aggregate amount up to the aggregate fair market value, as determined by the Board of Directors in their sole discretion, acting reasonably and in good faith, of the Housing Share Available Assets for the Housing Share Dividend Period to the exclusion of any other class or series of shares of the Company as and when declared by the Board of Directors. The Board of Directors shall determine the fair market value of Housing Share

Available Assets distributed by way of any such *in specie dividend* in their sole discretion, acting reasonably and in good faith.

Housing Shares have no priority to dividends relative to the Common Shares and there is no restriction in the Articles that prevents the payment of dividends on the Common Shares while the Housing Shares are outstanding. Accordingly, dividends may be declared and paid on the Common Shares to the exclusion of the Housing Shares as and when declared by the Board of Directors. See “*Risk Factors – Risks Related to the Exchange Offering*”.

The Housing Shares are expected to be “taxable preferred shares” as defined in the Tax Act. The Company will make the necessary election under Part VI.1 of the Tax Act so that a Resident Holder which is a corporation holding Housing Shares will not be subject to Part IV.1 of the Tax Act on dividends received (or deemed to be received) on such shares in accordance with the terms and conditions thereof.

The Company intends to maintain a one-to-one ratio of Housing Shares issued and outstanding to the number of HY-A Units of the Trust held by the Company.

Rights on Liquidation

Subject to the rights of the holders of any other series of Preferred Shares and in priority to the Common Shares and any other shares ranking subordinate to the Housing Shares, in the event of the liquidation, dissolution or winding-up of the Company whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of the Housing Shares then outstanding are entitled to be paid pro rata out of the assets of the Company available for distribution to its shareholders, the aggregate amount, without duplication, of (i) the then applicable Housing Share Available Cash, and (ii) the Housing Share Available Assets *in specie*, or at the discretion of the Board of Directors, the fair market value (determined by the Board of Directors in their sole discretion, acting reasonably and in good faith) of the Housing Share Available Assets (such amounts referred to in subparagraphs (i) and (ii), taken together being the “**Housing Share Preference Amount**”), and thereafter shall not be entitled to share in any further distribution of the remaining property of the Company. Upon the payment of the Housing Share Preference Amount to the holders of the Housing Shares or the deposit of same with a Canadian chartered Bank or trust company, the Housing Shares shall be deemed to have been redeemed and the holders of Housing Shares shall cease to be entitled to dividends to exercise any of the rights of holders of Housing Share in respect thereof.

Common Share Redemption Right

The Company may from time to time redeem Housing Shares in whole or in part for the Housing Share Redemption Price (as defined in the Articles) payable through the issuance of Common Shares, subject to the following conditions:

- (a) the Residential Property Value Ratio (as defined in the Articles) determined as of the last date of the most recently completed financial quarter of the Company prior to the earlier of (i) the Redemption Record Date (as defined in the Articles), and (ii) and the date of mailing of the Redemption Notice (as defined in the Articles), is equal to or greater than 97%;
- (b) the maximum number of Housing Shares that may be redeemed in any financial quarter of the Company, shall be such number of Housing Shares that would cause to Residential Property Value Ratio (as defined in the Articles), as of the last date of the financial quarter of the Company prior to the earlier of (i) the Redemption Record Date, and (ii) and the date of mailing of the Redemption Notice, to be no less than 90% after giving effect to such redemption;
- (c) the issuance of Common Shares in satisfaction of the Housing Share Redemption Price to holders of Housing Shares to be redeemed shall be made in accordance with applicable securities laws;
- (d) if the Common Shares are traded on a designated stock exchange in Canada or the United States immediately prior to (i) the Redemption Record Date, or (ii) and the date of mailing of the Redemption Notice, the Common Shares issuable in satisfaction of the Housing Share Redemption Price to holders of Housing Shares to be redeemed shall be approved for listing on a designated stock exchange in Canada or the United States; and

- (e) concurrent with the redemption of any Housing Shares hereunder, the Company will cause such number of HY Units registered in the name of the Company to be redeemed, retired or cancelled that have an aggregate redemption price determined in accordance with the Declaration of Trust as of the last date of the financial quarter of the Company prior to the earlier of (i) the Redemption Record Date, and (ii) the date of mailing of the Redemption Notice that is equal to the aggregate Housing Share Redemption Price of the Housing Shares to be so redeemed.

If only part of the then outstanding Housing Shares is at any time to be redeemed, the number of Housing Shares to be redeemed shall be selected by the Board of Directors in their absolute discretion pro rata based on the shareholdings of the Housing Shares on the Redemption Date, unless otherwise consented to by the holders of Housing Shares. If only a part of the Housing Shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Company.

If the Company desires to redeem all or any part of the Housing Shares for Common Shares, the Company shall at least 21 days before the Redemption Date, provide the Redemption Notice of the Redemption Record Date set by the Board of Directors for purposes of determining the registered holders of the Housing Shares to be redeemed, which notice will be given to each person who is a registered holder of Housing Shares by mail or by way of publication. Any notice given by mail will be deemed to have been effectively given on the date that is three days after the day of mailing, and any notice given by publication will be deemed to have been effectively given on the date that the notice is published publicly by the Company. The Redemption Notice shall set out the Housing Share Redemption Price, the Redemption Date and if part of the Housing Shares held by such holder is to be redeemed, the number thereof so to be redeemed. The holders of the Housing Shares to be redeemed may waive notice of any such redemption by written instrument(s).

On the Redemption Date, the Company shall pay, or cause to be paid, to or to the order of the registered holders of the Housing Shares to be redeemed, the Housing Share Redemption Price for each such share on presentation and surrender, at the registered office of the Company, or the transfer agent for the Housing Shares, if applicable, or any other place(s) in Vancouver, British Columbia designated in the Redemption Notice, of the certificate(s) for the Housing Shares called for redemption. Such Housing Shares shall thereupon be deemed to be redeemed and shall be cancelled. Payment of the Housing Share Redemption Price (less any amount required to be withheld by the Company) for the Housing Shares to be redeemed shall be made by the issuance of Common Shares of the Company with each holder of Housing Shares being entitled such number of Common Shares that is equal to the quotient of (A) being, the aggregate number of Housing Shares held thereby that are subject to redemption pursuant to the applicable Redemption Notice multiplied by the Housing Share Redemption Price, divided by (B) being, the Fair Market Value (as defined in the Articles) of the Common Shares as of the date of the Redemption Notice, rounded down to the nearest whole Common Share. No fractional Common Shares will be issued upon the redemption of any Housing Shares. The issuance and delivery of such Common Shares shall discharge all liability of the Company for the Housing Share Redemption Price, to the extent of the amount represented thereby, unless such Common Shares are not issued on due presentation.

From and after the Redemption Date, the Housing Shares called for redemption shall cease to be entitled to receive dividends, except for any dividends that are declared and unpaid on such Housing Shares called for redemption in which case the holder of such Housing Shares on the record date for that dividend shall remain entitled to receive payment of such dividend, and shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Housing Share Redemption Price shall not be made upon presentation of certificate(s) in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected.

The holder of Housing Shares to be redeemed and in respect of which the Housing Share Redemption Price is paid, in whole or in part, in Common Shares, shall be deemed to have become a holder of Common Shares for all intents and purposes on the Redemption Date, regardless of any delay in the delivery of the certificate or certificates representing the Common Shares issued as payment of the Housing Share Redemption Price.

The Company shall have the right, at any time on or after the date of the mailing of the Redemption Notice, to deposit the Common Shares representing the Housing Share Redemption Price of the Housing Shares called for redemption, or of such of the Housing Shares which are represented by certificate(s) which have not at the date of such deposit been surrendered by the holders in connection with such redemption to the transfer agent for the Housing Shares or any trust company in Vancouver, British Columbia designated by the Company in the Redemption Notice as trustee to be paid

without interest to or to the order of the respective holders of such Housing Shares called for redemption upon presentation and surrender to such trustee of the certificate(s) representing such shares. Upon such deposit being made, the Housing Shares in respect whereof such deposit shall have been made shall be deemed to be redeemed and shall be cancelled. The rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total number of Common Shares so deposited against presentation and surrender to the transfer agent or trustee, as applicable, of the certificate(s) representing the Housing Shares to be redeemed.

If the Housing Share Redemption Amount to which a holder of Housing Shares is entitled is subject to withholding taxes, the Company may, or provide a written direction to the transfer agent for the Housing Shares, or trustee appointed to hold the Common Shares comprising the Housing Share Redemption Amount to which the Common Shares representing the Housing Share Redemption Amount have been delivered, as applicable, for the account of the holder (i) sell, or cause to be sold, through the investment banks, brokers or dealers specified by the Company, out of the Common Shares issued by the Company for the account of such holder for this purpose, such number of Common Shares that is sufficient to yield net proceeds (after payment of all costs) to cover the amount of taxes required to be withheld, and (ii) will remit such amount withheld on behalf of the Company to the proper tax authorities within the period of time prescribed for this purpose under applicable laws.

Certificates representing Common Shares issued in payment of the Housing Share Redemption Price may have imprinted or otherwise reproduced thereon such legend or legends or endorsements as may be required to comply with any law or with any rules or regulations pursuant thereto or with any rules or regulations of any securities exchange or securities regulatory authority or to conform to general usage. The Company shall direct the transfer agent for the Common Shares prior to the issuance of the Common Shares in payment of the Housing Share Redemption Price as to the legends which are to appear on certificates representing such Common Shares.

The Company shall be under no obligation to redeem any Housing Shares under the Common Share redemption right to the extent that such redemption would, in the reasonable opinion of the Board of Directors, be in violation of the laws of the Province of British Columbia or any other applicable law.

Cash Redemption Right

The Company may from time to time redeem Housing Shares in whole or in part for the Housing Share Redemption Price (as defined in the Articles) payable in cash, subject to the following conditions:

- (a) concurrent with the redemption of any Housing Shares hereunder, the Company will cause such number of Housing Yield Units registered in the name of the Company to be redeemed, retired or cancelled that have an aggregate redemption price determined in accordance with the Declaration of Trust as of the last date of the financial quarter of the Company prior to the earlier of (A) the Optional Redemption Record Date (as defined in the Articles), and (B) the date of mailing of the Optional Redemption Notice (as defined in the Articles) that is equal to the aggregate Housing Share Redemption Price of the Housing Shares to be so redeemed; and
- (b) the payment of the Housing Share Redemption Price will be made in cash and there being no reasonable grounds for believing that:
 - (i) the Company is insolvent, or
 - (ii) the payment of the Housing Share Redemption Price in respect of the Housing Shares to be redeemed would render the Company insolvent.

If only part of the then outstanding Housing Shares is at any time to be redeemed, the number of Housing Shares to be redeemed shall be selected by the Board of Directors in their absolute discretion pro rata based on the shareholdings of the Housing Shares on the Optional Redemption Date, unless otherwise consented to by the holders of Housing Shares. If only a part of the Housing Shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Company.

If the Company desires to redeem all or any part of the Housing Shares for cash, the Company shall at least 21 days before the Optional Redemption Date, provide the Optional Redemption Notice of the Optional Redemption Record

Date set by the Board of Directors for purposes of determining the registered holders of the Housing Shares to be redeemed, which notice will be given to each person who is a registered holder of Housing Shares by mail or by way of publication. Any notice given by mail will be deemed to have been effectively given on the date that is three days after the day of mailing, and any notice given by publication will be deemed to have been effectively given on the date that the notice is published publicly by the Company. The Optional Redemption Notice shall set out the Housing Share Redemption Price, the Optional Redemption Date and if part of the Housing Shares held by such holder is to be redeemed, the number thereof so to be redeemed.

On the Optional Redemption Date, the Company shall pay, or cause to be paid, to or to the order of the registered holders of the Housing Shares to be redeemed, the Housing Share Redemption Price in cash for each such share on presentation and surrender, at the registered office of the Company, or the transfer agent for the Housing Shares, if applicable, or any other place(s) in Vancouver, British Columbia designated in the Optional Redemption Notice, of the certificate(s) for the Housing Shares called for redemption. Such Housing Shares shall thereupon be deemed to be redeemed and shall be cancelled. Payment of the Housing Share Redemption Price (less any amount required to be withheld by the Company) for the Housing Shares to be redeemed shall be made by payment in cash by cheque with each holder of Housing Shares being entitled an amount that is equal to the product of (A) being, the aggregate number of Housing Shares held thereby that are subject to redemption pursuant to the applicable Optional Redemption Notice, multiplied by (B) being the Housing Share Redemption Price. The payment of such amount or the setting aside of such amount with the transfer agent for the Housing Share shall discharge all liability of the Company for the Housing Share Redemption Price.

From and after the Optional Redemption Date, the Housing Shares called for redemption shall cease to be entitled to receive dividends, except for any dividends that are declared and unpaid on such Housing Shares called for redemption in which case the holder of such Housing Shares on the record date for that dividend shall remain entitled to receive payment of such dividend, and shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Housing Share Redemption Price shall not be made upon presentation of certificate(s) in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected.

The Company shall have the right, at any time on or after the date of the mailing of the Optional Redemption Notice, to deposit the amount representing the Housing Share Redemption Price of the Housing Shares called for redemption, or of such of the Housing Shares which are represented by certificate(s) which have not at the date of such deposit been surrendered by the holders in connection with such redemption to the transfer agent for the Housing Shares or any trust company in Vancouver, British Columbia designated by the Company in the Optional Redemption Notice as trustee to be paid without interest to or to the order of the respective holders of such Housing Shares called for redemption upon presentation and surrender to such trustee of the certificate(s) representing such shares. Upon such deposit being made, the Housing Shares in respect whereof such deposit shall have been made shall be deemed to be redeemed and shall be cancelled. The rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total number of Common Shares so deposited against presentation and surrender to the transfer agent or trustee, as applicable, of the certificate(s) representing the Housing Shares to be redeemed.

If the aggregate Housing Share Redemption Amount to which a holder of Housing Shares is entitled is subject to withholding taxes, the Company may (i) withhold and remit such amount required to be withheld on behalf of the Company to the proper tax authorities within the period of time prescribed for this purpose under applicable laws, or (ii) provide a written direction to the transfer agent for the Housing Shares, or trustee appointed to hold funds comprising the Housing Share Redemption Amount to withhold will remit such amount required to be withheld on behalf of the Company to the proper tax authorities within the period of time prescribed for this purpose under applicable laws.

The Company shall be under no obligation to redeem any Housing Shares under the cash redemption right to the extent that such redemption would, in the reasonable opinion of the Board of Directors, be in violation of the laws of the Province of British Columbia or any other applicable law.

Ranking

The Housing Shares shall rank on a parity with each other and with any other shares by their terms ranking equally therewith with respect to the payment of dividends and on winding-up, and on winding-up rank in priority to the Common Shares.

No Housing Shares are issued and outstanding as of the date of this Prospectus.

Trust Authorized and Issued Capital

The Trust is authorized to issue an unlimited number of Common Units, an unlimited number of Residential Development Units, issuable in series, and an unlimited number of HY Units, issuable in series. See “*Material Contracts – Declaration of Trust*”.

Common Units

Holders of Common Units are entitled to receive notice of and to attend and vote at all meetings of Unitholders, except meetings of holders of another class of Units. Each Common Unit shall entitle the holder thereof to one vote.

Subject to the preferences accorded to holders of Residential Development Units, HY Units and any other Units of the Trust ranking senior to the Common Units from time to time with respect to the payment of distributions, holders of Common Units shall be entitled to receive, if, as and when declared by the Trustees, such distributions as may be declared thereon by the Trustees from time to time or otherwise deemed to be declared in accordance with the provisions of the Declaration of Trust.

In the event of the voluntary or involuntary liquidation, dissolution or winding-up of the Trust, or any other distribution of its assets among its Unitholders for the purpose of winding-up its affairs (such event referred to herein as a “**Dispersal**”), holders of Common Units shall be entitled, subject to the preferences accorded to holders of the Residential Development Units, HY Units and any other Units of the Trust ranking senior to the Common Units from time to time with respect to payment on a Dispersal, to share equally, Unit for Unit, in the remaining Trust Property.

The Trust has issued 1,000 Common Units to the Company, which is currently the sole owner of Common Units of the Trust.

Residential Development Units

The Trustees may at any time and from time to time create, by Trustee resolution and subject to a Tracking Agreement, and issue the Residential Development Units in one or more series (which may include a sub-series within the series), each series to consist of such number of Residential Development Units as may, before the issuance thereof, be determined by the Trustees.

The Trustees may from time to time fix, before issuance, the designation, rights (including redemption rights), privileges, restrictions and conditions attaching to each series of Residential Development Units including, without limiting the generality of the foregoing, the amount, if any, specified as being payable preferentially to such series on a Dispersal, the extent, if any, of further participation on a Dispersal, and distribution rights (including whether such dividends be preferential, or cumulative or non-cumulative), if any.

In the event of a Dispersal, holders of each series of Residential Development Units shall be entitled, in priority to holders of Common Units, HY Units and any other series of Residential Development Units and any other Units of the Trust, in accordance with any Tracking Agreement or Trustee resolution executed with respect to payment on a Dispersal, to be paid rateably with holders of such series of Residential Development Units the amount, if any, specified as being payable preferentially to the holders of such series on a Dispersal.

The holders of each series of Residential Development Units shall be entitled, in priority to holders of Common Units, HY Units, other series of Residential Development Units and any other Units of the Trust ranking junior to the Residential Development Units from time to time with respect to the payment of distributions, to be paid rateably with holders of such series of Residential Development Units, the amount of distributions, if any, specified as being payable preferentially to the holders of such series.

The Trust currently has two series of Residential Development Units outstanding, being the CR Units and the GL Units. For a summary of the terms of each such series of Residential Development Units, see “*Material Contracts – Declaration of Trust*”.

HY Units

Each HY Unit may, at any time and from time to time, be issued in one or more series. The Trustees may, at any time and from time to time, create by Trustee resolution and, subject to a Tracking Agreement, issue the HY Units in one or more series (which may include a subseries within the series), with each series to consist of such number of HY Units as may, before the issuance thereof, be determined by the Trustees.

The Trustees may from time to time fix, before issuance, the designation, rights (including redemption rights), privileges, restrictions and conditions attaching to each series of HY Units including, without limiting the generality of the foregoing, the amount, if any, specified as being payable preferentially to such series on a Dispersal, the extent, if any, of further participation on a Dispersal, and distribution rights (including whether such distributions be preferential, or cumulative or non-cumulative), if any.

In the event of a Dispersal, holders of each series of HY Units shall be entitled, in priority to holders of Common Units, Residential Development Units or other series of HY Units and any other Units of the Trust, in accordance with any Tracking Agreement and Trustee resolution associated with such series with respect to payment on a Dispersal, to be paid ratably with holders of such series of HY Units the amount, if any, specified as being payable preferentially to the holders of such series on a Dispersal.

The holders of each series of HY Units shall be entitled, in priority to holders of Common Units, Residential Development Units, other series of HY Units and any other Units of the Trust ranking junior to the series of HY Units from time to time with respect to the payment of dividends, to be paid ratably with holders of such series of HY Units, the amount of distributions, if any, specified as being payable preferentially to the holders of such series.

The HY-A Units are the initial series of HY Units created under and pursuant to the Declaration of Trust, having been approved by resolution of the Trustees as of September 26, 2023, as amended by resolution of the trustees dated June 1, 2024. For a summary of the terms of the HY-A Units, see “*Material Contracts – Declaration of Trust*”.

EARNINGS COVERAGE RATIOS

The following table sets forth the earnings coverage ratios for the twelve months ended June 30, 2025 and September 30, 2025. The earnings coverage ratios set forth below were prepared in accordance with applicable Canadian securities law requirements derived from the annual financial statements of the Company attached hereto as Appendix A.

		(\$)					
		12 Months Ended June 30, 2025	12 Months Ended September 30, 2025	12 Months Ended June 30, 2025 (Pro Forma After Giving Effect to the Minimum Offering and Use of Proceeds) ⁽¹⁾	12 Months Ended June 30, 2025 (Pro Forma After Giving Effect to the Maximum Offering and Use of Proceeds) ⁽²⁾	12 Months Ended September 30, 2025 (Pro Forma After Giving Effect to the Minimum Offering and Use of Proceeds) ⁽¹⁾	12 Months Ended September 30, 2025 (Pro Forma After Giving Effect to the Maximum Offering and Use of Proceeds) ⁽²⁾
Net income (loss) and comprehensive income (loss)		(1,997,559)	(2,841,616)	(1,961,759)	(1,928,659)	(2,805,816)	(2,772,716)
Add:	Borrowing costs ⁽³⁾	1,959,461	2,680,835	1,923,661	1,890,561	2,645,035	2,611,935
	Income tax expense	—	-	-	-	-	-
Earnings before borrowing costs and income tax expense		(38,098)	(160,781)	(38,098)	(38,098)	(160,781)	(160,781)
Borrowing costs and dividends ⁽⁴⁾		3,725,476	4,434,727	3,689,675	3,656,575	4,398,927	4,365,827
Earnings coverage ratio ⁽⁵⁾		(0.01)	(0.04)	(0.01)	(0.01)	(0.04)	(0.04)

(1) Assumes under the Minimum Offering aggregate estimated borrowing cost savings of \$35,800 related to the partial payment of liabilities under the Saanich Ridge Promissory Notes and RPB Bonds and RPB Rights.

(2) Assumes the Maximum Offering aggregate estimated borrowing cost savings of \$68,900 related to the partial payment of liabilities under the Saanich Ridge Promissory Notes and RPB Bonds and RPB Rights.

(3) Borrowing costs in this line item includes cash borrowing costs, non-cash borrowing costs, but excludes capitalized borrowing costs.

(4) Borrowing costs in this line item includes cash borrowing costs, non-cash borrowing costs and capitalized borrowing costs. The dividend amount is set at zero for the 12-months ended June 30, 2025 given dividends on the Common Shares and Housing Shares are discretionary and no dividends were declared during the covered periods. However, during the three months ended September 30, 2025, the Trust paid \$47,976.03 in distributions on the outstanding HY-A Units, which amount has been included for the 12 months ended September 30, 2025.

(5) Earnings coverage ratio is calculated as earnings of the Company before borrowing costs (excluding capitalized borrowing costs) and income tax expense divided by borrowing costs (including capitalized borrowing costs) and dividends.

The Company's dividend requirements on all of its preferred shares, after giving effect to the issue of the Housing Shares to be distributed under the Prospectus amount to zero dollars for the 12 months ended June 30, 2025 and September 30, 2025, given dividends under the Housing Shares are discretionary and there is no assurance that any such dividends will be declared or paid. See "Risk Factors". However, during the three months ended September 30, 2025, the Trust paid \$47,976.03 in distributions on the outstanding HY-A Units, which amount has been included for the 12 months ended September 30, 2025. The Company's borrowing cost requirements (including capitalized borrowing costs) amounted to approximately \$3.7 million and \$4.4 million for the 12 months ended June 30, 2025 and September 30, 2025, respectively. The earnings of the Company before borrowing costs (excluding capitalized borrowing costs) and income tax expense for the 12 months ended June 30, 2025 and September 30, 2025 were approximately (\$0.04) million and (\$0.16) million, respectively, resulting in an earnings coverage ratios of (0.01) and (0.04) for such periods.

In order for the earnings coverage ratio for the 12 months ended June 30, 2025 and September 30, 2025 to be equal to 1.0, the earnings of the Company before borrowing costs (excluding capitalized borrowing costs) and income tax expense would have needed to be \$3.7 million and \$4.4 million, respectively.

After giving effect to the Minimum Offering and the Exchange Offering and including *pro forma* adjustments for the use of the proceeds therefrom for the partial payment amounts owing under the Saanich Ridge Promissory Notes, the RPB Bonds, RPB Rights, and the Five Crossings VTB Note, and before any exercise of the Over-Allotment Option,

the *pro forma* earnings of the Company before borrowing costs (excluding capitalized borrowing costs) and income tax expense for the 12 months ended June 30, 2025 and September 30, 2025 would have amounted to approximately (\$0.04) million and (\$0.16) million, respectively, and the *pro forma* dividend requirements and borrowing cost requirements (including capitalized borrowing costs) of the Company would have amounted to approximately \$3.7 million and \$4.4 million, respectively, resulting in an earnings coverage ratios of (0.01) and (0.04) for such periods, respectively. In order for the *pro forma* earnings coverage ratio for the 12 months ended June 30, 2025 and September 30, 2025 to be equal to 1.0 in the case of the Minimum Offering, the *pro forma* earnings of the Company before interest and income tax expense would have needed to be \$3.7 million and \$4.4 million, respectively.

After giving effect to the Maximum Offering and the Exchange Offering and including *pro forma* adjustments for the use of the proceeds therefrom for the partial payment amounts owing under the Saanich Ridge Promissory Notes, the RPB Bonds, the RPB Rights and the Five Crossings VTB Note, and before any exercise of the Over-Allotment Option, the *pro forma* earnings of the Company before borrowing costs (excluding capitalized borrowing costs) and income tax expense for the 12 months ended June 30, 2025 and September 30, 2025 would have amounted to approximately \$0.04 million and \$0.16 million, respectively, and the *pro forma* dividend requirements and borrowing cost requirements (including capitalized borrowing costs) of the Company would have amounted to approximately \$3.7 million and \$4.4 million, respectively, resulting in an earning coverage ratios of (0.01) and (0.04) for such periods, respectively. In order for the *pro forma* earnings coverage ratio for the 12 months ended June 30, 2025 and September 30, 2025 to be equal to 1.0 in the case of the Maximum Offering, the *pro forma* earnings of the Company before interest and income tax expense would have needed to be \$3.7 million and \$4.4 million, respectively.

CONSOLIDATED CAPITALIZATION

Other than as disclosed below, there have been no material changes in the Company's share and loan capital since September 30, 2025, the date of its most recently completed financial period for which financial statements are included in this Prospectus.

The following table outlines the capitalization of the Company as at September 30, 2025, and the date of this Prospectus. The table should be read in conjunction with the Financial Statements and the accompanying notes thereto, along with the associated MD&A, included in Appendix "A" to this Prospectus.

Description of the Security	Authorized Amount	Issued and Outstanding as at September 30, 2025	Issued and Outstanding as at the date of this Prospectus	Outstanding upon Completion of the Minimum Offering ⁽²⁾	Outstanding upon Completion of the Maximum Offering ⁽²⁾
<i>Common Shares and securities convertible, exercisable or exchangeable for Common Shares</i>					
Common Shares ⁽¹⁾	Unlimited	79,762,956	79,762,956	86,562,956	93,162,956
Warrants forming part of the Offering	N/A	Nil	Nil	1,700,000	5,000,000
Broker Warrants	N/A	Nil	Nil	238,000	700,000
Warrants not forming part of the Offering ⁽³⁾	N/A	1,350,000	1,350,000	3,050,000	3,050,000
CD Notes ⁽⁴⁾	\$1,700,000	\$1,700,000	\$1,700,000	\$0	\$0
Options ⁽⁵⁾	N/A	Nil	Nil	Nil	Nil
HY-OM Broker Warrants ⁽⁹⁾	N/A	Nil	Nil	Nil	Nil
<i>Housing Shares and Exchange Offer Subject Securities that may be tendered for Housing Shares under the Exchange Offering</i>					
Housing Shares	Unlimited	Nil	Nil	Nil	Nil

Description of the Security	Authorized Amount	Issued and Outstanding as at September 30, 2025	Issued and Outstanding as at the date of this Prospectus	Outstanding upon Completion of the Minimum Offering ⁽²⁾	Outstanding upon Completion of the Maximum Offering ⁽²⁾
FB Development Bonds and FB Development Rights ⁽⁶⁾	N/A	\$1,133,531	\$1,133,531	\$1,133,531	\$1,133,531
RPB Bonds and RPB Rights ⁽⁷⁾	N/A	\$1,838,405	\$1,865,000	\$1,865,000	\$1,165,000
SRRPU Notes and SRRPU Rights ⁽⁸⁾	N/A	\$2,576,994	\$2,707,061	\$2,707,061	\$2,707,061
<i>Units of the Trust and securities convertible, exercisable or exchangeable for Units of the Trust</i>					
GL Units	6,700,000	5,656,364.89	6,020,364.89	6,020,364.89	6,020,364.89
GL Units (liability)	N/A	\$5,656,365	\$6,020,365	\$6,020,365	\$6,020,365
GL14 Units	2,500,000	Nil	Nil	Nil	Nil
GL14 Units (liability)	N/A	\$0	\$0	\$0	\$0
CR Units	9,800,000	9,795,893.33	9,795,893.33	9,795,893.33	9,795,893.33
CR Units (liability)	N/A	\$9,795,893	\$9,795,893	\$9,795,893	\$9,795,893
HY-A Units	8,620,000	322,323.73	324,306.83	324,306.83	324,306.83
HY-A Units (liability)	N/A	\$3,298,392	\$3,245,313	\$3,245,313	\$3,245,313
<i>Debt instruments</i>					
Promissory Note ⁽¹⁰⁾	N/A	\$250,000	\$250,000	\$250,000	\$250,000
Construction Loan ⁽¹¹⁾⁽¹³⁾	N/A	\$2,384,298	\$2,408,321	\$2,408,321	\$2,408,321
Construction Loan ⁽¹²⁾⁽¹³⁾	N/A	\$1,095,625	\$242,944	\$242,944	\$242,944
Mortgage ⁽¹⁴⁾	N/A	\$546,000	\$546,000	\$546,000	\$546,000
Peoples Group CMHC Commitment Letter ⁽¹⁵⁾	N/A	\$13,205,750	\$0	\$0	\$0
Peakhill CMHC Rental Loan ⁽¹⁶⁾	N/A	\$21,958,031	\$21,915,296	\$21,915,296	\$21,915,296
Peakhill Capital Saanich Ridge CMHC Commitment Letter	N/A	\$14,436,732	\$21,397,266	\$21,397,266	\$21,397,266
Saanich Ridge Promissory Notes ⁽¹⁷⁾	N/A	\$1,240,443	\$1,170,105	\$920,105	\$670,105
Five Bridges VTB Note	N/A	\$5,774,407.40	\$5,774,407.40	\$5,624,407.40	\$3,474,407.40

Description of the Security	Authorized Amount	Issued and Outstanding as at September 30, 2025	Issued and Outstanding as at the date of this Prospectus	Outstanding upon Completion of the Minimum Offering ⁽²⁾	Outstanding upon Completion of the Maximum Offering ⁽²⁾
Peakhill Capital Saanich Commitment Letter	N/A	\$0	\$14,500,000	\$14,500,000	\$14,500,000

Notes:

- (1) Excluding Common Shares issuable upon exercise of convertible securities outstanding as at September 30, 2025.
- (2) Assumes no exercise of the Over-Allotment Option, but includes the conversion of the outstanding principal amount of the CD Notes into 3,400,000 Common Shares pursuant to the CD Rights (but does not include the number of Common Shares to be issued to pay accrued interest under the CD Notes).
- (3) See “Options to Purchase Securities” and “Prior Sales” for more details with respect to the outstanding common share purchase warrants of the Company that do not form part of the Offering. This figure includes the 1,700,000 warrants to acquire an equivalent number of Common Shares to be issued upon the conversion of the CD Notes pursuant to the CD Rights (see “Material Contracts – CD Indenture”).
- (4) The Company has obtained irrevocable notices of conversion tendered by the holders of the CD Notes and CD Rights confirming the agreement of such holders to convert their CD Notes into Common Shares and warrants to acquire Common Shares pursuant to the terms of the CD Notes and CD Rights. Accordingly, the CD Notes will be converted into Common Shares and Common Share purchase warrants promptly following a receipt being obtained for this Prospectus in accordance with the CD Rights (see “Material Contracts – CD Indenture”).
- (5) See “Options to Purchase Securities” for more details with respect to the authorized number of Options.
- (6) Secured by a mortgage against the Five Crossings Development land and subject to the FB Bond Indenture. The figure stated reflects the balance sheet carrying amount for these securities and does not include the entirety of the estimated aggregate future profit share entitlement of the holders of the FB Development Rights, which together with the balance sheet component is estimated by the Company to be \$5,501,531 as of the date of this Prospectus and in respect of which aggregate holders of FB Development Bonds and FB Developments Rights may tender such securities for Housing Shares of equal deemed value subject to the terms of the Exchange Offering. See “Description of the Securities – Exchange Offering” and “Risk Factors – Risk Factors Related to the Exchange Offering”.
- (7) Issued pursuant to the RPB Bond Indenture, and is secured by mortgage against Lot 8-1 being the Saanich Ridge Estates development site. Maturity was postponed with the agreement of the applicable creditors to following the repayment of senior financing on the Saanich Ridge Estates development provided under the Saanich Ridge Construction Mortgages and associated release of priority. The figure stated reflects the balance sheet carrying amount for these items and does not include the entirety of the estimated aggregate future entitlement of the holders of the RPB Bonds and RPB Rights, which is estimated by the Company to be \$2,177,375 as of the date of this Prospectus and in respect of which holders of RPB Bonds and RPB Rights may tender such securities for Housing Shares of equal deemed value subject to the terms of the Exchange Offering. See “Description of the Securities – Exchange Offering” and “Risk Factors – Risk Factors Related to the Exchange Offering”.
- (8) Issued pursuant to the SRRPU Indenture, and is secured by a general security interest in all present and after acquired personal property of Saanich Ridge Development. The figure stated reflects the balance sheet carrying amount for these securities, which is in excess of the aggregate amount of the exchange value for such securities of \$1,908,000 determined by the Company and in respect of which holders of SRRPU Notes and SRRPU Rights may tender such rights for Housing Shares of equal deemed value subject to the terms of the Exchange Offering. See “Description of the Securities – Exchange Offering” and “Risk Factors – Risk Factors Related to the Exchange Offering”.
- (9) See “Development of the Business – The HY-OM Offering”.
- (10) The holder of the promissory note is 1086353 B.C. Ltd., a majority shareholder of the Company, which is controlled by George Lawton, and is secured by mortgage against Lot 8-1 being the Saanich Ridge Estates development site.
- (11) Loan from Cathedral Capital Ltd. and MTM Capital Ltd. that is administered by 1 City Financial Ltd., at 12% per annum until July 1, 2027, at 24% per annum thereafter.
- (12) Loan from Cathedral Capital Ltd. and MTM Capital Ltd. that is administered by 1 City Financial Ltd., at 13% per annum until July 1, 2027, at 24% per annum thereafter.
- (13) Aggregate accrued interest on the two loans from 1 City Financial Ltd. was: \$1,465,064 as of September 30, 2025 and is \$1,558,253 as of the date of this Prospectus as well as assuming completion of the Minimum Offering or the Maximum Offering.
- (14) Mortgage from Robert D. Gibbens Law Corporation at 9.75% until May 1, 2026 and 21% per annum calculated monthly thereafter for the term maturing on July 1, 2026.
- (15) The Peoples Group CMHC Commitment Letter was paid out in full out of the net proceeds of the Peakhill Capital Saanich Commitment Letter.
- (16) Peakhill Capital Five Crossings CMHC Commitment Letter, as defined above.
- (17) Figure represents the aggregate principal amount and accrued interest thereon as of September 30, 2025. The Saanich Ridge Promissory Notes were obtained for the purpose of bridge financing with Little Crow Projects Inc., the primary contractor in respect of the Saanich Ridge development project. These promissory notes bear a 10% annual interest rate and are repayable at the discretion of the Company.

Other Commitments

The Company and or its subsidiaries have provided guarantees with respect to certain debts of developers of certain real estate projects, which guarantees remain outstanding and are described further below. The Company has not adjusted the financial statements with respect to the potential liabilities that could result from these guarantees because the Company has determined that it is not probable that any liability will arise from these guarantees as of the date of such financial statements.

(1) ***Peakhill Capital Glenlake Land Commitment Letter***

The Peakhill Capital Glenlake Land Commitment Letter was obtained for purposes of refinancing the prior mortgage debt secured against the lands underlying the Glenlake Development. The Peakhill Capital Glenlake Land Commitment Letter is dated June 24, 2025, from Peakhill Capital and was accepted by the Glenlake Highview Limited Partnership on June 27, 2025, and amended on August 27, 2025, relating to the refinancing of the first mortgage debt on the Glenlake Development project, with collateral charges on the Saanich Ridge property and the Five Crossings Apartment Property. The financing under the Peakhill Capital Glenlake Land Commitment Letter completed as of October 31, 2025 and provided an aggregate principal amount of \$13.5 million in financing, at a fixed interest rate of 13.0% per annum for a term of nine months. The funds advanced by the Trust to the Glenlake Highview Development Limited Partnership are subordinate to loans advanced under the Peakhill Capital Glenlake Land Commitment Letter. The obligations under the Peakhill Capital Glenlake Land Commitment Letter are guaranteed by, among others, the Company, NAHF Limited Partnership, 1404122 B.C. Ltd., 1289900 B.C. Ltd., Navepal Jagpal (a director of the Company), JGPL Enterprises Holdings Ltd. (a company controlled by Navepal Jagpal, a director of the Company), and NAH Equity Company GP Inc. (the sole shareholder of the Manager, both of which are controlled by George Lawton, Chief Executive Officer, and a director of the Company). See “*Development of the Business – Glenlake Development*”.

(2) ***Peakhill Capital Glenlake CMHC Financing Letter***

The Glenlake Highview Development Limited Partnership has also entered into the Peakhill Capital Glenlake CMHC Financing Letter with respect to a proposed loan in the aggregate principal amount of \$99,753,900 for purposes of providing construction financing for the Glenlake Development. The proposed loan is expected to have a term of five to ten years, with an interest rate based on a prevailing market spread and an amortize over 50 years. Peakhill Capital Glenlake CMHC Financing Letter provides that it is to be guaranteed by the Company, JGPL Enterprises Holdings Ltd. (a company controlled by Navepal Jagpal, a director of the Company), and NAH Equity Company GP Inc. (the sole shareholder of the Manager, both of which are controlled by George Lawton, Chief Executive Officer, and a director of the Company). See “*Development of the Business – Glenlake Development*”.

(3) ***Revo Indemnity Agreements***

Pursuant to the terms of the REVO Indemnity Agreements, the Company has agreed to indemnify First West Credit Union and Travelers Insurance Company of Canada, on a joint and several basis, against all losses, costs, expenses and damages relating to or arising out of First West Credit Union’s a fixed sum loan in the amount of \$59,595,717 and a line of credit loan having an authorized limit of \$750,000, and the liability of the Company is limited to an aggregate of \$60,846,586 plus accrued interest and costs. See “*Development of the Business – REVO Development*” and “*Material Contracts – Revo Indemnity Agreements*”.

(4) ***KV Capital Guarantee***

Pursuant to the KV Capital Guarantee, the Company, NAHF Limited Partnership, NAHF General Partner Inc., 1289900 B.C. Ltd., Adam Gant (senior consultant to the Company) and certain other parties have guaranteed certain financing provided by KV Capital Inc. to Boynton Developments (Kelowna) Ltd. and Highland Promintory Developments Limited Partnership with an aggregate indebtedness of \$7,559,693 at June 30, 2025 under a commitment letter dated April 30, 2025 (the “**KV Capital Commitment Letter**”). The obligations of NAHF Limited Partnership, NAHF General Partner Inc., 1289900 B.C. Ltd. and Adam Gant are limited to \$1.0 million, whereas the liability of the Company and certain other guarantors is not limited. The obligations of the borrowers and the guarantors under the KV Capital Commitment Letter are secured by a mortgage in the amount of \$20.0 million registered against the Five Bridges Apartment Property. The Company advanced \$250,000 to KV Capital Inc. in order for KV Capital Inc. to subordinate its mortgage to the Five Crossings Apartment Property mortgage registered in favour of Peak Hill Capital as security for funds advanced under the Peakhill Capital Glenlake Land Commitment Letter. The underlying townhome real estate project has been placed in receivership by KV Capital Inc., with MNP Ltd. acting as receiver and is seeking to sell the assets to cover the debts owed to KV Capital Inc.. If the assets are sold for less than the loan value, the Company, NAHF Limited Partnership, NAHF General Partner Inc., 1289900 B.C. Ltd. and Adam Gant may be subject to liability under the KV Capital Guarantee.

OPTIONS TO PURCHASE SECURITIES

Outstanding Warrants

As of the date of this Prospectus, the Company has the following warrants to acquire an equivalent number of Common Shares outstanding:

Security	Number of Warrants	Exercise Price per underlying Common Share	Expiry Date
HY-OM Broker Warrant ⁽¹⁾	Nil	\$0.50	June 30, 2027
Warrant ⁽²⁾	500,000	\$0.50	August 30, 2027
Warrant ⁽³⁾	850,000	\$0.50	September 30, 2027

(1) See “*Development of the Business – The HY-OM Offering*”.

(2) These warrants were issued in a private placement. See “*Prior Sales*”.

(3) These warrants were issued in a private placement. See “*Prior Sales*”.

In addition, the Company will issue Warrants and Broker Warrants upon closing of the Offering. Each Warrant issued in the Offering will have an exercise price of \$0.85 per underlying Warrant Share and an expiry date that is 24 months following Closing Date. Each Broker Warrant will have an exercise price of \$0.50 per underlying Broker Warrant Share and an expiry date that is 24 months following the Closing Date. Assuming the Maximum Offering, 5,000,000 Warrants and 700,000 Broker Warrants will be issued. The Company has obtained irrevocable notices of conversion tendered by the holders of the CD Notes and CD Rights confirming the agreement of such holders to convert their CD Notes into Common Shares and common share purchase warrants pursuant to the terms of the CD Notes and CD Rights. Accordingly, the CD Notes will be converted into 3,400,000 Common Shares as well as additional Common Shares in payment of accrued interest and 1,700,000 common share purchase warrants to acquire 1,700,000 Common Shares promptly following a receipt being obtained for this Prospectus in accordance with the CD Rights. Those warrants will have an exercise price of \$0.85 per Common Share and will have an expiry date that is 24 months after the date of issuance.

Outstanding Options

As of the date of this Prospectus, the Company has no Options or other Awards outstanding.

Omnibus Plan

A Long-Term Incentive Plan was approved by the Company’s Board of Directors effective as of November 13, 2025 (the “**Omnibus Plan**”). The Omnibus Plan provides flexibility to the Company to grant equity-based incentive awards in the form of equity-based incentive awards in the form of Options, restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and deferred share units (“**DSUs**”, and together with Options, RSUs and PSUs, “**Awards**”), as described in further detail below. The purpose of the Omnibus Plan is to, among other things, attract, retain and motivate key personnel to contribute to the success of the Company; to encourage Consultants, Employees and Directors to acquire an increased proprietary interest in the Company; to promote a further alignment of interests between Consultants, Employees and Directors of the Company and its shareholders; and reward Employees for sustained contributions to the Company and/or significant performance achievements of the Company.

The following is a summary of the Omnibus Plan, which is qualified in its entirety by the full text of the Omnibus Plan, a copy of which will be filed on SEDAR+. Capitalized terms in the summary below which are not otherwise defined shall have the meaning ascribed thereto in the Omnibus Plan.

Shares Subject to the Omnibus Plan

The Omnibus Plan is a fixed plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Shares), provides that the aggregate maximum number of Shares that may be issued upon the exercise or settlement of awards granted under the Omnibus Plan shall not exceed 10% of the issued and outstanding Shares.

Awards granted under the Omnibus Plan shall not be paid in Shares if, at the time of an issuance to satisfy such payment, such issuance could result, at any time, the number of Shares reserved for issuance or issued to any one individual under the Omnibus Plan exceeding 5% of the issued and outstanding Shares.

Administration of the Omnibus Plan

The Omnibus Plan shall be administered by the Board or a committee thereof as the Board considers appropriate and designates from time to time. Subject to the terms and limitations of the Omnibus Plan, the Board shall have the authority and discretion to administer the Omnibus Plan and to exercise all of the powers and authorities granted to it under the Omnibus Plan or necessary or advisable in the administration of the Omnibus Plan, including: to construe and interpret the Omnibus Plan and apply its provisions; to promulgate, amend, and rescind rules and regulations relating to the administration of the Omnibus Plan; to determine those Participants to whom Awards shall be granted and when such grants are made (provided that in no event shall a Director be granted PSUs or RSUs); to determine from time to time, and to specify in the applicable Award Agreement, the terms and conditions of each Award, including any vesting provisions and, in the case of PSUs, the performance metrics and the performance period applicable to such PSUs, the manner in which such performance metrics will be calculated and whether such performance metrics have been achieved and, if applicable, any peer comparison group; subject to the terms of any Award Agreement, to determine the method by which an Award may be settled, cancelled, forfeited or suspended; to determine the duration and purpose of leaves of absences that may be granted to a Participant, or changes to the nature of the employment or service of a Participant, without constituting termination of their employment for purposes of the Omnibus Plan, which periods shall be no shorter than the periods generally applicable to Employees under the Company's employment policies, if any; to make decisions with respect to outstanding Awards that may become necessary upon a Change of Control or an event that triggers an adjustment to the number of outstanding Awards; to engage or replace a trustee, purchasing agent, custodian or administrator to administer the Omnibus Plan (or a portion of the Awards); and to make all other determinations deemed necessary or advisable for the administration of the Omnibus Plan.

Eligibility

All directors, officers, employees and consultants are eligible to participate in the Omnibus Plan. The extent to which any such individual is entitled to receive a grant of an award pursuant to the Omnibus Plan will be determined in the sole and absolute discretion of the Board. The persons eligible to receive RSUs and PSUs under the Omnibus Plan are the consultants and employees determined by the Board from time to time. The persons eligible to receive Options and DSUs under the Omnibus Plan shall be Consultants, Employees and Directors determined by the Board from time to time. For greater certainty, directors are ineligible to receive RSUs or PSUs, unless such director is also a consultant or employee of the corporation or its affiliate.

Types of Awards

Awards of Options, RSUs, PSUs and DSUs may be made under the Omnibus Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board, in its sole discretion, subject to such limitations provided in the Omnibus Plan, and will generally be evidenced by an Award Agreement.

Options

An Option entitles a holder thereof to purchase a prescribed number of treasury Shares at an exercise price set at the time of the grant.

The Board will establish the exercise price at the time each Option is granted, which exercise price must in all cases be the greater of the closing market price of the Shares on (i) the trading day prior to the date of grant and (ii) the date of grant, and as otherwise required pursuant to the policies of the any stock exchange on which the Shares are listed (the “**Market Price**”), unless otherwise permitted by applicable securities laws or the policies of a stock exchange on which the Shares are listed. Subject to any accelerated termination as set forth in the Omnibus Plan, each Option expires on its respective expiry date. The Board of Directors will have the authority to determine the vesting terms applicable to grants of Options. Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Board of Directors or as otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and the participant. The Board of Directors has the right to accelerate the date upon which any Option becomes exercisable. The Board of Directors may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in the Omnibus Plan, such as vesting conditions relating to the attainment of specified performance goals.

Unless otherwise specified by the Board of Directors at the time of granting an Option and set forth in the particular Award Agreement, an exercise notice must be accompanied by payment of the exercise price. Subject to the policies of any stock exchange on which the Shares are listed, a participant may, in lieu of exercising an Option pursuant to an exercise notice, elect to surrender such Option to the Company (a “**Cashless Exercise**”) in consideration for an amount from the Company equal to (i) the Market Price of the Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate exercise price of the Option (or portion thereof) surrendered relating to such Shares (the “**In-the-Money Amount**”) by written notice to the Company indicating the number of Options such participant wishes to exercise using the Cashless Exercise, and such other information that the Company may require. Subject to the provisions of the Omnibus Plan and the policies of any stock exchange on which the Shares are listed, the Company will satisfy payment of the In-the-Money Amount by delivering to the participant such number of Shares having a fair market value equal to the In-the-Money Amount.

Restricted Share Units

The Board may grant RSUs to a Participant or Participants in such number and at such dates and times as the Board may determine. An RSU is a right granted to a Participant to receive a Share or, in the determination of the Board, a cash payment based on the Market Value of a Share that generally becomes vested, if at all, subject to the conditions relating to a Participant’s continued service with the Company and/or an Affiliate thereof for a period of time determined by the Board at the time of granting the Award.

Each RSU must be confirmed by an Award Agreement that sets forth the terms, conditions and limitations for each RSU and may include the vesting and terms of the RSUs and shall contain such terms that may be considered necessary in order that the RSUs will comply with any provisions respecting RSUs in the Tax Act and any other applicable law in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Unless otherwise determined by the Board and specifically set out in the Award Agreement, and subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement, a RSU granted to a Participant on any particular Grant Date shall become a Vested RSU on the Vesting Date applicable to such RSU. The Board may, in its determination, subsequent to the Grant Date, but prior to the Vesting Date determined at the time of grant, designate an earlier date for vesting of all or any portion of the RSUs then outstanding and granted to a Participant under the Omnibus Plan.

Subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement, as soon as practicable following the Vesting Date and, in any event, on or before the RSU Payment Date, the Board shall, in its determination: (a) provide the Participant with a Payout in such number of Shares issued by the Company, equal to the number of Vested RSUs in the Participant’s Account on the Vesting Date; or (b) pay the Participant a cash Payout calculated by multiplying $A \times B$ where A is the number of Vested RSUs in the Participant’s Account on the Vesting Date and B is the Market Value of a Common Share on the Vesting Date, in each case, subject to withholding tax and other required source deductions.

Performance Share Units

The Board may grant PSUs to a Participant or Participants in such number and at such dates and times as the Board may determine. A PSU is a right granted pursuant to a Participant to receive a Share or, in the determination of the Board, a cash payment based on the Market Value of a Share that generally becomes vested, if at all, subject to the PSU Vesting Conditions, being conditions relating to: (a) a Participant's continued service with the Company and/or an Affiliate thereof for a period of time; and (b) the achievement of performance criteria, determined by the Board at the time of granting the Award.

Each PSU must be confirmed by an Award Agreement that sets forth the terms, conditions and limitations for each PSU and may include the vesting and terms of the PSUs and shall contain such terms that may be considered necessary in order that the PSUs will comply with any provisions respecting PSUs in the Tax Act and any other applicable law in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Unless otherwise determined by the Board and specifically set out in the Award Agreement, and subject to the terms of the Omnibus Plan and the applicable Award Agreement, a PSU granted to a Participant on any particular Grant Date shall become a Vested PSU on the Vesting Date applicable to such PSU. The Board may, in its determination, subsequent to the Grant Date, but prior to the Vesting Date determined at the time of grant, designate an earlier date for vesting of all or any portion of the PSUs then outstanding and granted to a Participant under the Omnibus Plan.

As soon as reasonably practicable following the last day of a Performance Period and, in any event, on or before the PSU Payment Date, the Board shall determine the Performance Multiplier for such Performance Period in accordance with the specific performance metrics established at the time of grant of a PSU and any adjustments considered reasonable by the Board as a result of any one-time or extraordinary events that occurred during the Performance Period. The determination of the Performance Multiplier by the Board shall be conclusive and binding on the Participants. Following the determination of the Performance Multiplier for a Performance Period, the Board shall, in its determination and subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement: (a) provide the Participant with a Payout no later than the PSU Payment Date in such number of Shares issued by the Company, calculated by multiplying $A \times B$ where A is the number of Vested PSUs in the Participant's Account on the Vesting Date relating to the relevant Performance Period and B is the Performance Multiplier for the Performance Period; or (b) pay the Participant a cash Payout no later than the PSU Payment Date calculated by multiplying $A \times B \times C$ where A is the number of Vested PSUs in the Participant's Account on the Vesting Date relating to the relevant Performance Period, B is the Performance Multiplier for the Performance Period and C is the Market Value of a Common Share on the Vesting Date, in each case, subject to withholding tax and other required source deductions.

Deferred Share Units

The Board may grant DSUs to a Participant or Participants in such number, or in such dollar values, and at such dates and times as the Board may determine. A DSU is a right granted to a Participant to receive a Share or, in the determination of the Board, a cash payment based on the Market Value of a Share on the redemption date for all or part of the Vested DSUs of the Participant. DSUs are intended to compensate the holder with benefits after retirement from the Company, and to comply with provisions of paragraph 6801(d) of the Income Tax Regulation.

Each DSU must be confirmed by an Award Agreement that sets forth the terms, conditions and limitations for each DSU and shall contain such terms that may be considered necessary in order that the DSUs will comply with the provisions of paragraph 6801(d) of the Income Tax Regulation and any other applicable law respecting DSUs in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Unless otherwise determined by the Board and specifically set out in the Award Agreement, and subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement, a DSU granted to a Participant on any particular Grant Date shall become a Vested DSU on the Vesting Date applicable to such DSU. The Board may, in its determination, subsequent to the Grant Date, but prior to the Vesting Date determined at the time of grant, designate an earlier date for vesting of all or any portion of the DSUs then outstanding and granted to a Participant under the Omnibus Plan. No DSU, including no Vested DSU, shall become payable at any time prior to the DSU Settlement Date.

The Vested DSUs credited to a Participant's Account shall be redeemable at the option of the Participant (or where the Participant has died, the appropriate legal representative or estate, as the case may be) following the occurrence of an event on a particular day causing the Participant to no longer be a Consultant, Director or Employee as a consequence of the death or retirement of the Participant or the loss by the Participant of the office or employment with the Company or an Affiliate thereof, as the case may be (the "**DSU Settlement Date**").

Vested DSUs shall be redeemed by the filing of a written notice of redemption (a "**DSU Redemption Notice**") by such Participant with the Chief Financial Officer of the Company, specifying (i) either a single DSU Redemption Date or two DSU Redemption Dates, and (ii) the percentage of such Vested DSUs held by the Participant to be redeemed on each such DSU Redemption Date. Where a Participant provides a single DSU Redemption Date in the DSU Redemption Notice, but provides for less than 100% of such Participant's Vested DSUs being redeemed on such date, such Participant must file a second DSU Redemption Notice no later than December 15 of the first calendar year after the DSU Settlement Date specifying the second DSU Redemption Date. Each DSU Redemption Date specified in a DSU Redemption Notice shall occur during the period commencing on the later of the DSU Settlement Date and five (5) Business Days following the date on which such notice is filed with the Chief Financial Officer of the Company and ending not later than December 15 of the first calendar year commencing after the DSU Settlement Date. If no DSU Redemption Notice, or no second DSU Redemption Notice, as applicable, has been filed by December 15 of the first calendar year after the DSU Settlement Date, then the DSU Redemption Date shall be deemed to be the DSU Payment Date in respect of all of such Participant's Vested DSUs that have not already been redeemed.

Subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement, as soon as practicable following the DSU Redemption Date(s), and in any event no later than the DSU Payment Date, the Board shall, in its determination and subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement: (i) provide the Participant with a Payout in such number of Shares issued by the Company, equal to the number of Vested DSUs in the Participant's Account on the DSU Redemption Date(s) (or the percentage of such Vested DSUs specified in the applicable DSU Redemption Notice(s)); or (ii) pay the Participant a cash Payout calculated by multiplying $A \times B$ where A is the number of Vested DSUs in the Participant's Account on the DSU Redemption Date(s) (or the percentage of such Vested DSUs specified in the applicable DSU Redemption Notices(s)) and B is the Market Value of a Common Share on the DSU Redemption Date(s), in each case, subject to withholding tax and other required source deductions.

Dividend Equivalents

Except as otherwise determined by the Board or as set forth in the particular Award Agreement, RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Shares until the Vesting Date in respect of RSUs and PSUs and until the DSU Settlement Date in respect of DSUs. Dividend equivalents shall be subject to the same terms and conditions (including vesting in proportions), and settle in the same manner as, the awards to which they relate. Such dividend equivalents shall be computed for DSUs, PSUs and or RSUs by dividing: (a) the amount of the dividends that would have been paid to the Participant if the DSUs, PSUs and/or RSUs of the Participant on the relevant dividend record date had been Shares, by (b) the Market Value as of the date of the payment of such dividend.

Black-out Periods

In the event that any Payout is proposed to be made during a Blackout Period, such Payout shall be deferred until the Business Day following the expiration of the Blackout Period to the extent permitted by applicable law. The Board will ensure that all actions taken, and decisions made pursuant to the Omnibus Plan comply with applicable securities regulatory requirements and policies of the Company.

Term

The Omnibus Plan shall remain in effect until it is terminated by the Board. Subject to Omnibus Plan, upon any termination of the Omnibus Plan, in whole or in part, the Board may, in its discretion, determine whether any Awards then credited to a Participant's Account and affected by the termination shall be vested on the date of the termination of the Omnibus Plan or held for the credit of such Participant and vested and settled at a later date in accordance with the terms of the Omnibus Plan in effect immediately prior to the termination of the Omnibus Plan. The Omnibus Plan

will cease to operate for all purposes when the last remaining Participant receives the final Payout in satisfaction of all Awards recorded in the Account of such Participant, or all Awards recorded in the Account of such Participant are cancelled, terminated or forfeited pursuant to the terms of the Omnibus Plan.

Termination of Employment or Services

Unless otherwise determined by the Board, if a Participant is Terminated with Cause, the Participant shall cease to be a Participant effective on the Participant's Termination Date and all of such Participant's Options, DSUs, PSUs and RSUs, whether or not vested (or exercisable), shall automatically expire or otherwise be forfeited and shall terminate immediately effective as of the Participant's Termination Date, subject to the requirements of the *Employment Standards Act* (British Columbia) or any other applicable minimum employment standards legislation.

Subject to Omnibus Plan and the minimum requirements of the *Employment Standards Act* (British Columbia) or any other applicable minimum employment standards legislation, unless otherwise determined by the Board, if a Participant Terminates prior to a Vesting Date for any reason other than for Cause, the Participant shall cease to be a Participant effective on the Participant's Termination Date and will not be entitled to exercise any Option which is not a Vested Option on such Termination Date or to any Payout in respect of DSUs, PSUs and RSUs which are not Vested DSUs, Vested PSUs and Vested RSUs, respectively, on such Termination Date. All Options, DSUs, PSUs and RSUs recorded in a Participant's Account that are not Vested Options, Vested DSUs, Vested PSUs or Vested RSUs shall be forfeited and shall terminate immediately effective as of the Participant's Termination Date. Any Vested DSUs, Vested PSUs and Vested RSUs shall be paid out by the Company in accordance with their terms. Any vested Options may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the expiry date of such Option; and (B) the date that is 90 days after the Termination Date. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period.

Change in Control

Subject to the details in any Award Agreement or other agreement with a Participant: (i) all unvested Options, unvested DSUs, unvested PSUs and unvested RSUs shall automatically become Vested Options, Vested PSUs, Vested RSUs and Vested DSUs upon the completion of the Change of Control; and (ii) the Board will provide Participants with written notice of any proposed Change of Control and will take such action as is required to ensure that, following the Change of Control, the Omnibus Plan and the Awards granted hereunder are either (i) continued, as adjusted if necessary in the determination of the Board to prevent substantial dilution or enlargement of the rights granted to or available for a Participant, or (ii) substituted for options, deferred share units, performance share units and restricted share units, as applicable, of the acquiring or surviving entity and that such adjustments are made to the Options, PSUs, RSUs and DSUs as required to prevent substantial dilution or enlargement of the rights granted to or available for a Participant and to ensure compliance at all times with the intention of the Omnibus Plan.

If the PSUs are continued (with or without adjustment) or substituted following the Change of Control and a Participant, who is an Consultant or Employee, is terminated by the Company or its Affiliates, as applicable, without Cause or resigns for Good Reason within 12 months following the occurrence of a Change of Control or a Participant who is a Director, ceases to be a Director of the Company and its Affiliates within 12 months following the occurrence of a Change of Control: (i) with respect to all PSUs credited to such Participant's Account (which shall have become Vested PSUs) as soon as practicable following the Termination Date the Board shall, at its determination and subject to the terms and limitations of the Omnibus Plan and the applicable Award Agreement: (A) provide the Participant with a Payout of such number of Shares, issued by the Company (which shall have become Vested PSUs), calculated by multiplying $A \times B$ where A is the number of Vested PSUs in the Participant's Account on the Termination Date and B is the applicable Performance Multiplier determined by the Board as of the Termination Date, provided that such Performance Multiplier shall not be less than 1.0; or (B) pay the Participant a cash Payout calculated by multiplying $A \times B \times C$ where A is the number of Vested PSUs in the Participant's Account on the Termination Date, B is the applicable Performance Multiplier determined by the Board as of the Termination Date, provided that such Performance Multiplier shall not be less than 1.0, and C is the Market Value of a Common Share on the Termination Date; and subject to applicable withholding tax and other required source deductions.

For purposes of the Omnibus Plan, “Change of Control” means, unless otherwise specified in a Participant’s employment agreement or Award Agreement, the occurrence of any of the following events: (a) the purchase or acquisition of Shares and/or securities (“**Convertible Securities**”) convertible into or exchangeable for Shares or carrying the right to acquire Shares as a result of which a person, group of persons or persons acting jointly or in concert, or persons associated or affiliated within the meaning of the BCBCA with any such person, group of persons or any of such persons acting jointly or in concert (excluding, for this purpose, the Participant and any corporation controlled (as such term is defined in the BCBCA), directly or indirectly, by the Participant or any employee benefit or other plan of the Company or an Affiliate thereof) (collectively, the “Holders”) beneficially own or exercise control or direction over Shares and/or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned by the Holders, the Holders would beneficially own Shares which would entitle the holders thereof to cast more than 50% of the votes attaching to all Shares which may be cast to elect directors of the Company (regardless of whether a meeting has been called to elect directors); (b) a transaction or series of transactions that results in the Company ceasing to be a reporting issuer (or equivalent) under applicable Canadian securities laws or no longer having its securities listed on a recognized stock exchange in Canada (or a alternative foreign exchange acceptable to the Board); (c) approval by the shareholders of the Company of an amalgamation, arrangement, merger, business combination, reorganization, acquisition or other consolidation involving the Company and another corporation or other entity pursuant to which the shareholders of the Company immediately prior thereto do not immediately thereafter own shares of the successor or continuing corporation or entity which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of such successor or continuing corporation or entity which may be cast to elect directors of that corporation or entity (regardless of whether a meeting has been called to elect directors); (d) a liquidation, dissolution or winding up of the Company or a sale, lease, transfer or other disposition of all or substantially all the assets of the Company other than a sale, lease, transfer or other disposition to a subsidiary of the Company or which does not result in a change in the ultimate shareholders of the Company or such subsidiary; or (e) the Board adopts a resolution to the effect that a Change of Control for the purposes of the Omnibus Plan has occurred or is imminent; provided that, notwithstanding any provision in the Omnibus Plan, a Change of Control shall be deemed not to have occurred if the transaction involved the acquisition of Shares or Convertible Securities by George Lawton, 1086353 B.C. Ltd., or any of their Affiliates.

Non-Transferability of Awards

Each Award granted to a Participant and the right to receive a Payout (if any) is personal to the Participant and is non-assignable and non-transferable and, except in the case of the Participant’s death or incapacity, shall be exercisable only by the Participant. Without limiting the foregoing, no Award granted hereunder may be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of by the Participant, whether voluntarily or by operation of law, other than by testate succession, will or the laws of descent and distribution, and any attempt to do so will cause such Award to terminate and be null and void.

Adjustments

Appropriate adjustments to the Awards and the number of Shares subject to the Plan shall be made by the Board, in accordance with applicable law, in its determination, to give effect to adjustments in the number of Shares resulting from subdivisions, consolidations or reclassifications of the Shares or the payment of stock dividends by the Company (other than stock dividends paid in lieu of cash dividends in the ordinary course) or to give effect to reclassifications, conversions or exchanges of the Shares or any other relevant changes in the authorized or issued capital of the Company or any other event, including an amalgamation, arrangement, merger, business combination, reorganization, acquisition or other consolidation involving the Company or any of its Affiliates, in respect of which, in the opinion of the Board, such an adjustment would be necessary to preserve the Participants’ rights hereunder and under the Award Agreements.

In the event that the Company is not the successor or surviving entity in an amalgamation, arrangement, merger, business combination, reorganization, acquisition, consolidation or other similar transaction involving another entity, the Board shall make appropriate adjustments to the Awards in accordance with applicable law, and shall replace or substitute Shares for the securities of the surviving entity in a manner that substantially preserves the terms and conditions of the Omnibus Plan and as necessary to preserve the Participants’ rights hereunder and under the Award Agreements.

Amendments to the Omnibus Plan

The Board reserves the right to amend, modify, suspend or terminate the Omnibus Plan at any time if and when it is advisable in the determination of the Board without notice to or approval by the shareholders of the Company, which such amendments, modifications or changes may include the following: (a) amendments to the Omnibus Plan to ensure continuing compliance with applicable law; (b) amendments of a “housekeeping” nature, which include amendments relating to the administration of the Omnibus Plan or to eliminate any ambiguity or correct or supplement any provision herein which may be incorrect or incompatible with any other provision hereof; (c) amendments necessary for Awards to qualify for favourable treatment under applicable tax laws; (d) amendments to change the class of Participants eligible to participate in the Omnibus Plan; (e) changes to the Vesting Date of any Awards; and (f) amendments to impose restrictions on the sale, transfer or other disposal of Shares by Participants under the Omnibus Plan.

Notwithstanding anything to the contrary contained in the Omnibus Plan or an Award Agreement, no amendment to the Omnibus Plan requiring the approval of the shareholders of the Company under any applicable law shall become effective until such approval is obtained. Without limitation of the foregoing, the approval of a majority of the shareholders of the Company present in person or represented by proxy and entitled to vote at a meeting of shareholders shall be required for the following matters, to the extent required by applicable law: (a) any amendment to the provisions of the Omnibus Plan governing amendments to the Omnibus Plan (other than amendments required to comply with applicable law or amendments that are of a “housekeeping” nature); (b) any amendment that would permit Awards to be transferred or assigned other than for normal estate settlement purposes; (c) any amendment to remove or to exceed the participation limits set out in the Omnibus Plan; and (d) any amendment to increase the maximum number of Shares reserved for issuance under the Omnibus Plan pursuant to certain sections of the Omnibus Plan.

The shareholders’ approval of an amendment, if required pursuant to the terms hereof, shall be given by approval of the holders of a majority of the Shares present and voting in person or by proxy at a duly called meeting of the shareholders and shall, if and only to the extent required under applicable securities laws and stock exchange requirements, exclude the votes cast by certain interested shareholders. Awards may be granted under the Omnibus Plan prior to the approval of the amendment, provided that no Shares may be issued pursuant to the amended terms of the Omnibus Plan until the shareholders’ approval of the amendment, and if required pursuant to applicable stock exchange requirements, the grants, has been obtained.

Anti-Hedging Policy

Participants are restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Awards granted to them.

PRIOR SALES

In the 12-month period preceding the date of this Prospectus, the Company did not issue any Common Shares. In the 12-month period preceding the date of this Prospectus, the Company issued the following securities convertible or exchangeable into Common Shares:

Date	Type of Security⁽¹⁾	Number of Common Shares Issuable	Exercise Price Per Common Share
June 27, 2025	CD Units ⁽¹⁾⁽³⁾	1,900,000	\$0.50
June 27, 2025	Warrants ⁽²⁾⁽³⁾	475,000	\$0.50
August 29, 2025	CD Units ⁽¹⁾	1,500,000	\$0.50
August 29, 2025	Warrants ⁽²⁾	375,000	\$0.50
Total		4,250,000	

Notes:

- (1) The CD Units are comprised of CD Notes and CD Rights. The CD Notes (which comprise a part of the CD Units) are convertible into Common Shares pursuant to the CD Rights (which also comprise a part of the CD Units) in conjunction with a prospectus distribution by the Company at the conversion price of \$0.50 per Common Share. In addition, on conversion of the CD Notes pursuant to the CD Rights, the holder will also receive 1,000 warrants per CD Note to acquire Common Shares at an exercise price of \$0.85 per Common Share and will expire 24 months after the date of issuance. The number of Common Shares issuable

as expressed in the above table upon conversion of the CD Notes pursuant to the CD Rights is based on the outstanding principal amount of the CD Notes and does not factor in the number of Common Shares issuable to cover the interest component of the CD Units, which figure is variable depending on when the conversion occurs and the accrued interest as of such date.

- (2) The warrants were issued as part of the private placement of CD Units and have an exercise price of \$0.50 per Common Share and expire on September 30, 2027.
- (3) The financial statements of the Company as of June 30, 2025 only note \$150,000 principal amount of CD Notes convertible into 300,00 Common Shares issued and outstanding as of June 30, 2025 and 75,000 Warrants exercisable at \$0.50 a share issued and outstanding as of such date as the subscription funds for the remaining \$800,000 principal amount of CD Notes convertible into 600,000 Common Shares and related 400,000 Warrants exercisable at \$0.50 were received after June 30, 2025, but the certificates representing such securities have an effective date of June 27, 2025 and were delivered to the subscribers after June 30, 2025.

ESCROWED SECURITIES

As of the date of this Prospectus, no securities of the Company are held, to the knowledge of the Company, in escrow or are subject to a contractual restriction on transfer, except as noted below:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Share purchase warrants expiring August 30, 2027 ⁽¹⁾	500,000	100%
Common Share purchase warrants expiring September 30, 2027 ⁽¹⁾	850,000	100%
HY-OM Broker Warrants ⁽¹⁾	Nil	100%

- (1) These warrants to acquire Common Shares, when issued are expected to be non-transferable in accordance with the respective terms of the certificates governing such warrants.

Pursuant to National Policy 46-201 - *Escrow for Initial Public Listings* (previously defined as “NP 46-201”), securities of an issuer held by principals (as defined herein) as of the date of this Prospectus are subject to escrow restrictions. A Principal that holds securities carrying less than 1% of the voting rights attached to an issuer’s outstanding securities is not subject to escrow requirements under NP 46-201.

The policies of CSE require that securities of an issuer held by Related Persons (as defined herein) are required to be subject to an escrow agreement. Under the policies of the CSE, “Related Persons” of an issuer include a Related Entity (as defined in the policies of the CSE) of the issuer, the issuer’s directors and officers, the issuer’s promoter, and any person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total Common Shares.

The following securities of the Company (the “**Escrowed Securities**”) will be held by, and will be subject to the terms of an escrow agreement to be entered into on or before the Closing, among the Company, the Escrow Agent, and the Principals, being George Lawton, 1086353 B.C. Ltd. (the majority shareholder of the Company and a company controlled by George Lawton) and the other persons noted below (the “**Escrow Agreement**”):

Name	Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class as at the date of this Prospectus ⁽¹⁾
George Lawton	Common Shares	270,760	0.34%
1086353 B.C. Ltd.	Common Shares	62,568,000 ⁽²⁾	78.44%
Gaylyn Lawton	Common Shares	238,000	0.30%

Dan Leverett	Common Shares	25,000	0.03%
Navepal Jagpal	Common Shares	950,000	1.19%
Adam Gant	Common Shares	4,976,196 ⁽³⁾	6.24%
Total		69,027,956	86.54%

Notes:

- (1) Based on 79,762,956 Common Shares issued and outstanding as at the date of this Prospectus, and prior to giving effect to Common Shares issuable on conversion of the CD Notes pursuant to the CD Rights.
- (2) 100% of such Common Shares will be subject to escrow for a period of five years from the Listing Date pursuant to the Escrow Agreement, subject to certain exceptions set out therein.
- (3) Represents the aggregate number of Common Shares beneficially owned by, or under the control or direction of, Adam Gant.

As the Company anticipates being an “emerging issuer” as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow (other than the Common Shares held by 1086353 B.C. Ltd., 100% of which will be subject to escrow for a period of five years from the Listing Date in accordance with the Escrow Agreement, subject to certain exceptions set out therein):

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

* *Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.*

Under NP 46-201, a “**principal**” is: (a) a person who has acted as a promoter of the Company within two years of the date of this Prospectus; (b) a director or senior officer of the Company at the time of this Prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company’s outstanding securities immediately before and immediately after the Company’s initial public Listing; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company’s outstanding securities immediately before and immediately after the Company’s initial public Listing; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company.

A company, trust, partnership or other entity more than 50% held by one or more principals will be treated as a principal and any securities of the Company that this entity holds will be subject to escrow requirements. And a principal’s spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to “established issuers” provide that 25% of each principal’s Escrowed Securities are released on the listing date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the listing date, the Company meets the “established issuer” criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Company had been an “established issuer” on the listing date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the listing date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a)

pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the Escrow Agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Company's Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) subject to the approval of the Company's Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Company's outstanding securities; (c) subject to the approval of the Company's Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of Escrowed Securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of Escrowed Securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a RRSP, RRIF or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holder's spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Under the terms of the Escrow Agreement, 10% of each Escrow Securities holder's Escrowed Securities (a total of 645,995 Escrowed Securities) other than 1086353 B.C. Ltd., will be released from escrow on the Listing Date. The remaining 67,831,961 Escrowed Securities will be held in escrow immediately following the Listing Date.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of the Company, as of the date of this Prospectus, no person beneficially owns or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, other than as set out in the following table:

Name	Number and Class of Securities	Type of ownership	Percentage of outstanding class ⁽¹⁾	Percentage of outstanding class (fully diluted) ⁽¹⁾⁽⁴⁾
George Lawton	62,838,760 Common Shares	Direct and Indirect ⁽¹⁾	78.78% ⁽²⁾⁽³⁾	72.89%

Notes:

- (1) Includes shares owned by George Lawton (270,760 shares) and shares owned by 1086353 B.C. Ltd. (62,568,000 shares), a company controlled by George Lawton. A trust, in respect of which George Lawton is the sole trustee and sole beneficiary, is the sole shareholder of 1086353 B.C. Ltd.
- (2) Based on 79,762,956 Common Shares issued and outstanding as at the date of this Prospectus, and prior to giving effect to Common Shares issuable on conversion of the CD Notes pursuant to the CD Rights.
- (3) The total percentage ownership assuming the Minimum Offering would be 75.56% and assuming the Maximum Offering would be 70.01%, in each case, on a non-diluted basis and without giving effect to any exercise of the Over-Allotment Option. In the event that the Maximum Offering is completed, together with the full exercise of the Over Allotment Option, the total percentage ownership on a fully diluted basis would be 60.27% of the then outstanding Common Shares.
- (4) The fully diluted calculation assumes the (i) exercise of all 1,350,000 warrants outstanding as of the date hereof for an equal number of Common Shares, (ii) the conversion of \$1.7 million of principal amount of CD Notes into 3,400,000 Common Shares pursuant to the CD Rights, but does not include any amount for the number of Common Shares to be issued as payment for accrued interest under the CD Notes, and (iii) the exercise of all 1,700,000 warrants to be issued upon the conversion of the CD Notes pursuant to the CD Rights for an equal number of Common Shares.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Company, the name, municipality of residence, age, principal occupation during the preceding five years, position(s) and office(s) held with the Company and the date on which the person became a Director, as applicable, and the percentage of Common Shares they beneficially own, or control or direct, directly or indirectly. Each Director's term will expire immediately prior to the first annual general meeting of Shareholders of the Company.

Name, Municipality of Residence and Age	Director or Officer Since	Position with the Company	Principal Occupations during past five years ⁽⁶⁾	Securities Held ⁽¹⁾	Percentage of Securities Held ⁽²⁾
George Lawton ⁽⁴⁾ Vancouver, BC Canada	July 27, 2016 (incorporation)	President, CEO and Director	Senior Finance Executive	62,838,760 ⁽³⁾ Common Shares	78.78%
Gaylyn Lawton Vancouver, BC Canada	September 1, 2024	Chief Financial Officer	Senior Finance Executive	238,000 Common Shares	0.30%
Navepal Jagpal ⁽⁴⁾ Surrey, BC Canada	December 20, 2023	Director	Real Estate Developer	950,000 Common Shares	1.19%
Dan Leverett ⁽⁴⁾ Washington, TX USA	December 20, 2023	Director	Real Estate Developer	25,000 Common Shares	0.03%
Adam Gant Victoria, BC Canada	N/A	Contractor/ Advisor	Real Estate Development consultant	4,976,196 Common Shares ⁽⁵⁾	6.24%

Notes:

- (1) Ownership is direct unless otherwise noted.
- (2) Based on 79,762,956 Common Shares issued and outstanding as at the date of this Prospectus, and prior to giving effect to Common Shares issuable on conversion of the CD Notes pursuant to the CD Rights.
- (3) Includes shares owned by George Lawton and shares owned by 1086353 B.C. Ltd., a company controlled by George Lawton. A trust, in respect of which George Lawton is the sole trustee and sole beneficiary, is the sole shareholder of 1086353 B.C. Ltd. George Lawton is also considered a promoter of the Company under applicable securities laws.
- (4) Member of the Audit Committee.
- (5) Shares directly or indirectly controlled by Adam Gant.
- (6) See “*Directors and Executive Officers – Biographical Information*” for further information.

Pursuant to the Management Agreement, the Manager currently provides the services of (i) George Lawton, as CEO of Company, on approximately a three quarter-time basis, (ii) Gaylyn Lawton, as CFO of the Company, on a full-time basis, and (iii) Adam Gant as Senior Advisor to the Company on approximately a three quarter-time basis. Outside of their respective time commitments to the Company, George Lawton provides consulting services within the real estate and technology industries and Adam Gant provides consulting services within the real estate industry.

Term of Office

The Directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The term of office of the executive officers expires at the discretion of the Board.

Aggregate Ownership of Securities

To the Company's knowledge, as at the date of this Prospectus, its Directors and executive officers as a group beneficially own, or control or direct, directly or indirectly, 69,027,956 Common Shares, representing approximately 86.54% of the outstanding Common Shares on a non-diluted basis. Following completion of the Offering, the total percentage ownership of the Company's Directors and executive officers as a group assuming the Minimum Offering would be 83.00% and assuming the Maximum Offering would be 76.90%, in each case, on a non-diluted basis and

without giving effect to any exercise of the Over-Allotment Option and prior to giving effect to Common Shares issuable on conversion of the CD Notes pursuant to the CD Rights.

Biographical Information

The following is a brief description of each of the Directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

George Lawton – President, Chief Executive Officer and Director – Age 60

George Lawton has been involved in the financial, accounting, and operational systems functions across a broad spectrum of technology and industrial companies. He has been a senior executive at companies with a staff count ranging from 1,300 to 3,000, as well as entrepreneurial start-ups. Mr. Lawton received a Bachelor of Commerce degree in 1986 and a Post Graduate Diploma in Accounting in 1988 from the University of Natal in Durban, South Africa. Mr. Lawton holds the designation of Chartered Professional Accountant and worked as a Chartered Accountant for Ernst & Young from 1987 to 1990.

Mr. Lawton has also been the Chief Financial Officer of The Answer Company since June 2015. The Answer Company is a leading supplier of business management software and technology consulting services. His achievements include implementing a cloud-based ERP system, integrating their professional services management with their accounting and finance system, realizing significant synergies and eliminating \$65,000 in administration salaries; successfully negotiating and integrating two acquisitions in a twelve-month period; and obtaining \$400,000 in BDC funding for the two acquisitions.

Mr. Lawton is currently Chief Financial Officer of Bionic Power Inc., a position he has held since October 2013. Bionic Power Inc. is a Canadian, privately held company that has developed and holds IP rights on wearable technology. This technology addresses the rapidly growing market for mobility assistance in patients with knee pathologies. His achievements include implementing a cloud-based ERP system with an advanced project accounting module for costing the various development projects; developing a 5-year financial model to accompany the business plan to raise \$1-5 million of equity financing to complete commercialization of the product; and sourcing potential equity investors including raising \$500,000.

Mr. Lawton held the position of Interim President and Chief Executive Officer of Rhema Health Products between June 2017 and August 2019. Rhema Health Products is a private company manufacturing natural health products and dietary supplements, including powders, capsules and tablets to customers in Canada and the United States.

Gaylyn Lawton – Chief Financial Officer – Age 57

Ms. Gaylyn Lawton joined the Company as CFO in September 2024. Ms. Lawton received her Bachelor of Commerce degree majoring in financial management, accounting and management accounting from the University of Natal, Durban South Africa in 1993. She articulated with Ernst & Young in South Africa before moving to Canada and holds the designation of Chartered Professional Accountant. Ms. Lawton is known as a transformational CFO, focused on building strong, evolving foundations to support sustained growth in private and publicly traded ownership structures.

With over 30 years of experience in all aspects of finance, she is responsible for financial management and operations including financial reporting, statutory and management reporting, treasury, budgeting and forecasting, systems design and implementation, tax planning and compliance. Ms. Lawton also participates in mergers & acquisitions and corporate strategy processes within the business.

Ms. Lawton was the CFO of Open Mind Developments Corporation prior to joining the Company and has held various senior positions including Executive Vice President Finance at LGM Financial Services Inc, Chief financial Officer North America at Cerelia SA, Vice President Finance at Sierra Systems Group Inc., Vice President Finance at WebTech Wireless (TSX: WEW), and Vice President, Finance at Seacor Environmental Inc.

Navepal (Navi) Jagpal – Director – Age 46

Mr. Jagpal's experience spans over twenty-seven years in the real estate development and construction industry. Mr. Jagpal is a principal at Emerge Building Solutions, a real estate development company concentrating on general contracting, land development, land acquisition and construction development.

Mr. Jagpal's construction experience counts over 2 million square feet of industrial/commercial projects in the lower mainland, British Columbia, and also includes low rise to midrise condominium projects, townhouses to luxury residential homes. He prides himself in being directly involved in the development, design and construction of over 40 large quality projects throughout British Columbia.

Mr. Jagpal brings proficiency in construction and project management, contributing all expertise at every stage of the development cycle in Emerge Building Solutions' projects.

Dan Leverett – Director – Age 66

Mr. Leverett leads a team to create and maximize value in real estate investment opportunities for U.S. and International equity partners. He has a passion for place- making and creating places that enhance communities and change everyday lives. Mr. Leverett has completed over \$1.5 billion (5 MSF) of mixed-use, commercial and residential projects.

Mr. Leverett's background in corporate and commercial real estate development spans over 35 years. It includes employment with notable companies such as ExxonMobil Corporation (as a senior executive with treasury and controller responsibilities), Friendswood Development, The Woodlands Development Company, and Atwood Oceanics. During this time, he spent eight years overseas in international business.

Mr. Leverett had P&L responsibility for commercial operations and development of urban mixed-use, office, retail, hotel, and multi-family projects. Mr. Leverett played critical roles in numerous award-winning developments. He currently serves as a professor of practice at Texas A&M University, teaching graduate programs in real estate development and finance.

Adam Gant – Senior Consultant/Advisor - Age 45

Mr. Gant has been involved in the real estate industry for 22 years and has experience with residential condo development, shopping center development and commercial office and industrial asset management.

Adam Gant became a CFA Charter holder in 2022 and has been working on the application of capital markets solutions to housing affordability. Mr. Gant has been consulting with residential real estate development companies over the last several years, working with them on debt and equity financing and development strategy.

Mr. Gant has been working with the Company and the Trust on the implementation of its HomePlan program within the rental communities that are developed or acquired. Mr. Gant is also licensed as a dealing representative with Waverley and works with Waverley on behalf of the Trust. Mr. Gant has from time to time received fees from Waverly in his capacity as a licensed dealing representative.

None of the executive officers or directors of the Company have entered into non-competition agreements or confidentiality agreements with the Company.

Cease Trade Orders

No Director, executive officer or promoter of the Company, is or has been, within the ten years preceding the date of this Prospectus, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of this Prospectus, an “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

Bankruptcies

No Director, executive officer or promoter of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the ten years preceding the date of this Prospectus:

- (a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Penalties or Sanctions

Except as disclosed below, no director, executive officer or promoter of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

On September 27, 2013, Mr. Gant entered into a settlement agreement with the BCSC whereby he was required to pass a securities course for exempt market dealer representatives and fined \$150,000 for recommending investment in entities without disclosing his relationship or connection to such entities in the same medium of communication. In coming to this settlement agreement, the BCSC considered that the required disclosure was included in the offering memorandums and subscription agreements distributed and executed during the relevant period.

Personal Bankruptcies

No director, executive officer or promoter of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

Conflicts of Interest

There are no existing or potential material conflicts of interest between the Company and any Director or officer of the Company except as disclosed herein. Directors and officers of the Company may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, certain Directors of the Company may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. If such conflict of interest arises at a meeting of the Board, a Director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such a transaction. See also “*Risk Factors*” and “*Interests of Management and Others in Material Transactions*”.

The information as to ownership of securities of the Company, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Company individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's senior management consists of individuals retained by the Manager through such individuals' respective holding companies. The Manager provides asset management and other services to the Company pursuant to the Management Agreement, for which the Company pays the Manager certain fees. See "*Material Contracts – Management Agreement*". Any variability in cash compensation to be paid by the Manager to the named executive officers retained by the Manager will not impact the Company's financial obligations.

The Company does not have any employment agreements with members of senior management and does not pay any cash compensation to any individuals serving as officers or senior consultants. Rather, as service providers to the Manager, those individuals are compensated by the Manager through their respective holding companies. A portion of the compensation paid to senior management by the Manager will be attributable to time spent on the activities of the Company and its subsidiaries.

The officers and senior consultant named in the table under the heading "*Director and NEO Compensation, Excluding Compensation Securities*" below are retained by the Manager through their respective holding companies. These officers and senior consultant are referred to herein as the "named executive officers".

The Manager will have sole responsibility for determining the compensation of the named executive officers, other than the granting of Awards under the Omnibus Plan, which will be the responsibility of the Board.

As a private company, the Manager has discretion in determining executive compensation. There is no specific formula for determining the amount of each element, nor is there a formal approach applied by the Manager for determining how one element of compensation fits into the overall compensation objectives. Objectives and performance measures may vary from year to year as determined to be appropriate by the Manager, which may seek input from the Board.

The Manager is a wholly owned subsidiary of NAH Equity Company GP Inc. George Lawton (President, CEO and a director of the Company) is the sole director and officer of both companies and through the ownership position that NAH Equity Company GP Inc. has in the Manager, Mr. Lawton has voting control over the Manager. Accordingly, George Lawton has discretion with respect to the amounts paid by the Manager to himself, as well as the other service providers and employees of the Manager, which include Gaylyn Lawton, Chief Financial Officer of the Company, and Adam Gant, Senior Consultant to the Company, other than Awards granted under the Omnibus Plan, which will be determined at the discretion of the Board. See "*Risk Factors*".

The Board of Directors of the Company has not appointed a compensation committee. The responsibilities relating to director compensation, including reviewing and recommending director compensation, recommending securities-based compensation under the Omnibus Plan for all participants thereunder, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole. The Board also administers the Omnibus Plan and will determine the compensation for non-executive directors.

Principal Elements of Compensation

The following discussion is intended to describe the portion of the compensation of the named executive officers that is attributable to time spent on the Company's activities, and supplements the more detailed information concerning executive compensation that appears in the table under the heading "*Director and NEO Compensation, Excluding Compensation Securities*".

The compensation of the named executive officers paid by the Manager is currently comprised solely of cash fees charged based on time spent on NAHF related activities as well as reimbursement for reasonable expenses incurred in

connection with the delivery of services by the Chief Executive Officer, Chief Financial Officer, and Senior Consultant to the Manager.

Cash fees are intended to provide an appropriate level of non-at risk cash compensation that will assist in retention and recruitment of named executive officers by the Manager. These cash fees are determined on an individual basis by the Manager, taking into consideration the past, current and potential contribution to the Manager's and Company's success, the position and responsibilities of the named executive officers and competitive industry pay practices for similar issuers. The Manager does not engage compensation consultants for the purposes of performing benchmarking or apply specific criteria for the selection of comparable real estate or alternative finances businesses. Changes in cash fees are at the sole discretion of the Manager, which may seek input from the Board if the Manager so choses. These cash fees are paid by the Manager, not the Company.

The Manager does not currently have, but may create in the future, a cash incentive bonus structure for the named executive officers. To the extent any such cash incentive bonus structure is adopted by the Manager, the Manager will be solely responsible for paying any bonuses earned thereunder, not the Company. No discussions or determinations have taken place by the Manager or the Company regarding any potential adoption, quantum or terms of any cash incentive bonus structure as of the date of this Prospectus.

The named executive officers will be eligible to receive Awards under the Omnibus Plans at the discretion of the Board. Grants of Awards under the Omnibus Plan may be used to align the interests of the named executive officers more closely with the interests of the Shareholders, since Awards are tied to the Company's financial and Common Share trading performance and typically will vest or accrue over a number of years. The Board may designate individuals eligible to receive Awards. In determining grants of Awards, an individual's performance and contributions to the Company's success, relative position, tenure and past grants will be taken into consideration. No Awards will be issued under the Omnibus Plan to named executive officers in connection with, or prior to, Closing. In addition, no Awards are currently contemplated to be granted to the named executive officers in relation to the Company's fiscal year ending June 30, 2026.

Director Compensation

The Directors of the Company do not currently receive compensation for serving on the Board. The Company does not intend to provide additional compensation to any member of the Board in their capacity as a director if such individual is also a named executive officer of the Company.

It is expected that the compensation provided to non-executive directors for serving on the Board and any committee thereof will initially be comprised solely of Awards granted under the Omnibus Plan. Cash retainers and/or meeting fees for non-executive directors may be considered in the future but are not expected to be paid in the current financial year of the Company. It is anticipated that the Board will meet following Closing to consider a grant of Options have a grant date value of approximately \$25,000 (determined in accordance with the Black Scholes pricing model) to serve as the initial compensation to the non-executive directors for the Company's fiscal year ending June 30, 2026.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets out all compensation estimated to be paid by the Manager or the Company, as applicable, to the named executive officers and directors in the fiscal year of the Company ending June 30, 2026:

Table of compensation excluding compensation securities							
Name and position	Year ⁽¹⁾	Salary, Consulting Fee, Retainer or Commission	Bonus ⁽⁴⁾	Committee or Meeting Fees ⁽⁵⁾	Value of Perquisites	Value of All Other Compensation	Total Compensation
George Lawton ⁽²⁾ <i>President, CEO & Director</i>	2026	\$150,000 ⁽³⁾	—	—	—	—	\$150,000
Gaylyn Lawton <i>CFO</i>	2026	\$275,000 ⁽³⁾	—	—	—	—	\$275,000
Adam Gant <i>Senior Advisor</i>	2026	\$150,000 ⁽³⁾	—	—	—	—	\$150,000
Navepal Jagpal <i>Director</i>	2026	—	—	—	—	—	— ⁽⁶⁾
Dan Leverett <i>Director</i>	2026	—	—	—	—	—	— ⁽⁶⁾

Notes:

- (1) Refers to the fiscal year of the Company ending June 30, 2026.
- (2) George Lawton does not, and is not expected to, receive any compensation in his capacity as a director of the Company, given he is also the Chief Executive Officer.
- (3) Represents portion of hourly cash consulting fees in the case of George Lawton and Gaylyn Lawton, and portion of cash retainer in the case of Adam Gant, estimated to be paid by the Manager to the holding companies of such individuals attributable to time expected to be spent on the Company's activities.
- (4) There is currently no bonus structure in place at the Company or the Manager in respect of the named executive officers or directors. No discussions or determinations have taken place by the Manager or the Company regarding any potential adoption, quantum or terms of any cash incentive bonus structure as of the date of this Prospectus.
- (5) Cash retainers and/or meeting fees for non-executive directors may be considered in the future but are not expected to be paid in the current financial year of the Company.
- (6) It is expected that the compensation provided to non-executive directors for serving on the Board and any committee thereof will initially be comprised solely of Awards granted under the Omnibus Plan. It is anticipated that the Board will meet following Closing to consider the grant of Awards under the Omnibus Plan to the non-executive directors of the Company. No discussions or determinations have taken place regarding the potential category, quantum or terms of any such Awards as of the date of this Prospectus.

Stock Options and Other Compensation Securities

No stock options or other compensation securities were granted to any director or named executive officer of the Company by the Company in the most recently completed financial year for services provided, directly or indirectly, to the Company. As of the date hereof, there are no awards outstanding under the Omnibus Plan.

The Company's Omnibus Plan provides eligible directors, officers, employees and consultants with the opportunity to acquire an ownership interest in the Company. See "Options to Purchase Securities".

No Awards will be issued under the Omnibus Plan to named executive officers in connection with Closing. It is anticipated that the Board will meet following Closing to consider the grant of Awards under the Omnibus Plan to the

non-executive directors of the Company. No discussions or determinations have taken place regarding the potential category, quantum or terms of any such Awards as of the date of this Prospectus.

Employment, Consulting and Management Agreements

The Company is not party to any employment, consulting or management agreements, except for the Management Agreement.

The Company and the Manager have entered into the Management Agreement pursuant to which the Manager has agreed to oversee the management of the Company and provide executive oversight on the build-up of a management team over time whether hired by the Manager directly or sub-contracted out to other existing companies on an as needed basis. The Company will not have any salary costs or hired staff but instead will have all management functions compensated for by way of the Management Agreement. See “*Material Contracts – Management Agreement*”.

The named executive officers provide their services to the Manager through their respective holding companies. There are no written agreements governing the arrangements between the respective holding companies and the Manager. Accordingly, the named executive officers are not subject to any non-competition or non-solicitation provisions, and have no change of control benefits, defined severance benefits or specified terms with respect to constructive dismissal or termination. The Board believes the absence of such provisions is reasonable given the Chief Executive Officer, whose spouse is the Chief Financial Officer, as well as the Senior Consultant to the Company have significant equity positions in the Company (which will be subject to escrow on Closing) creating natural alignment with holders of Common Shares. See “*Escrowed Securities*”.

Pension Plan Benefits

The Company and the Manager do not have and do not anticipate having any deferred compensation plan or pension plan that provide for payments or benefits at, following or in connection with retirement of its named executive officers or directors or than the potential grant by the Company of DSUs to non-executive directors under the Omnibus Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this Prospectus, nor has there been since inception on July 27, 2016, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEE

Audit Committee

The Audit Committee’s role is to assist the Board in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures on behalf of the Company and its direct and indirect subsidiaries, the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Company. In addition, the Audit Committee is responsible for overseeing the audits of the financial statements of the Company, for directing the auditors’ examination of specific areas, for the selection of the independent external auditors of the Company and for the approval of all non-audit services for which the auditors of the Company may be engaged. NI 52-110, NI 41-101 and Form 52-110F2 require the Company to disclose certain information relating to the Company’s Audit Committee and its relationship with the Company’s independent auditors in this Prospectus.

Audit Committee Charter

The full text of the Company’s Audit Committee Charter is attached as Appendix “B” to this Prospectus.

Composition of the Audit Committee

The members of the Company's Audit Committee are:

Dan Leverett (Chair)	Independent ⁽¹⁾	Financially Literate ⁽²⁾
George Lawton	Not Independent ⁽¹⁾	Financially Literate ⁽²⁾
Navepal Jagpal	Not Independent ⁽¹⁾	Financially Literate ⁽²⁾

Notes:

- (1) A member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment and otherwise satisfies the requirements for independence set forth in Section 1.4 and 1.5 of NI 52-110.
- (2) An individual is "financially literate" if such individual has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

George Lawton, the Company's President and CEO is not "independent" as defined in NI 52-110 as Mr. Lawton is an executive officer of the Company, a "control person" of the Company and controls the Manager. Dan Leverett, the Chair of the Audit Committee, is independent. Navepal Jagpal is not "independent" as defined in NI 52-110 as he is viewed as being in a material relationship with the Company given (i) Mr. Jagpal, through entities he controls, controls the general partner of Glenlake Highview Development Limited Partnership, has a significant ownership position in the Glenlake Highview Development Limited Partnership, and the Company and certain of its subsidiaries have guaranteed the debt of Glenlake Highview Development Limited Partnership under the Peakhill Capital Glenlake Land Commitment Letter (see "*Development of the Business – Glenlake Development*"), and (ii) has personally guaranteed the debts of the Company and its subsidiaries under the Peakhill Capital Five Crossings CHMC Commitment Letter, Peakhill Capital Saanich Ridge CMHC Commitment Letter and Peakhill Capital Saanich Commitment Letter. As a "venture issuer", the Company is relying on the exemption in Section 6.1 of NI 52-110 from the audit committee composition requirement in NI 52-110 which otherwise require all audit committee members to be independent.

All of the audit committee members are "financially literate", as defined in NI 52-110, as all of the audit committee members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

Each audit committee member has had extensive experience reviewing financial statements. Each member has an understanding of the Company's business and has an appreciation for the relevant accounting principles for that business. See "*Directors and Executive Officers – Biographical Information*" for more information concerning each Audit Committee member's relevant education and experience.

Audit Committee Oversight

The Audit Committee was formed on November 13, 2025. To date, no recommendations have been made to date by the Audit Committee as to the nomination or compensation of the Company's external auditors.

Pre-Approval Policies and Procedures

The Company has adopted specific policies and procedures for the engagement of non-audit services in its Audit Committee Charter. Pursuant to Section 14 of the Audit Committee Charter, all non-audit services (being all services other than "audit services" (as such term is defined in NI 52-110)) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the Audit Committee. The Audit Committee may delegate to one or more independent members of the Audit Committee the authority to pre-approve non-audit services, provided any non-audit services approved in this manner must be presented to the Audit Committee at its next scheduled meeting. The Audit Committee shall pre-approve all non-audit services to

be provided to the Company or its subsidiaries by the Company's external auditor and permit all non-audit services, other than non-audit services where: (i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the Company's external auditor during the fiscal year in which the services are provided; (ii) the Company or its subsidiary, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and (iii) the services are promptly brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Audit Committee.

External Auditor Service Fees

The aggregate fees billed by the external auditors to the Company in relation to the financial years of the Company ended June 30, 2025, and 2024, are as set forth in the below table.

Year Ended June 30	Auditor	Audit Fees ⁽¹⁾ (\$)	Audit-Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2025	Deloitte LLP	589,570	—	—	—
2024	Deloitte LLP	569,755	—	—	—

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

Corporate Governance

Set out below is a description of the Company's current corporate governance practices and other information relating to the Board, pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and related disclosure requirements.

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. Set forth below is a brief discussion of the Company's approach to corporate governance.

Board of Directors

The Board facilitates its exercise of independent supervision over management through the participation of Directors under the terms of the Charter of the Board of Directors. Currently, the Board has three directors of whom one is independent within the meaning of NI 52-110 and two of which are not independent. The Board members are George Lawton, Dan Leverett and Navepal Jagpal. The rules of the CSE do not have independent director requirements.

Dan Leverett is an independent director in that he does not have a direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of the director's independent judgment.

George Lawton, the Company's President and CEO is not "independent" as defined in NI 52-110 as Mr. Lawton is an executive officer of the Company, a "control person" of the Company and controls the Manager. Dan Leverett, the Chair of the Audit Committee, is independent. Navepal Jagpal is not "independent" as defined in NI 52-110 as he is viewed as being in a material relationship with the Company given (i) Mr. Jagpal, through entities he controls, controls the general partner of Glenlake Highview Development Limited Partnership, has a significant ownership position in the Glenlake Highview Development Limited Partnership, and the Company and certain of its subsidiaries have guaranteed the debt of Glenlake Highview Development Limited Partnership under the Peakhill Capital Glenlake Land Commitment Letter (see "*Development of the Business – Glenlake Development*"), and (ii) has personally guaranteed the debts of the Company and its subsidiaries under the Peakhill Capital Five Crossings CHMC Commitment Letter, Peakhill Capital Saanich Ridge CMHC Commitment Letter and Peakhill Capital Saanich Commitment Letter.

Dan Leverett is the Chair of the Board. His role and responsibilities include but are not limited to: (i) providing leadership to the Board; (ii) chairing Board meetings; (iii) ensuring the duties and responsibilities of the Board's committees are carried out in accordance with the charters of such committees; and (iv) working with senior executives of the Company to discharge the duties of the Board.

Directorships

None of the directors are presently directors of other reporting issuers.

Orientation and Continuing Education

Due to the size of the Company's Board, no formal program currently exists for the orientation of new directors. The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans-, short-, medium- and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board of Directors believes that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the director has an interest are sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with and are subject to such other procedures and remedies as applicable under the BCBCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Prior to each annual general meeting of holders of Shares and any special meeting of holders of Shares at which directors are to be elected and so long as the number of directors to be elected is at least five, the Manager is entitled to designate two individuals (which may include the reappointment of an incumbent director) to stand for election as a Director at such meeting, subject to certain requirements set forth in the Management Agreement (see “*Material Contracts – Management Agreement – Nomination Rights*”).

Advance Notice Policy

The Company’s Articles, include provisions to: (i) ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual general or special meetings of shareholders of the Company (the “**Advance Notice Policy**”). The Advance Notice Policy fixes the deadlines by which holders of record of Common Shares must submit director nominations to the Company prior to any annual or special meetings of shareholders and sets forth the information that a shareholder must include in a written notice to the Company for any director nominee to be eligible for election at such annual or special meeting of shareholders.

In the case of an annual general meeting of shareholders, notice to the Company must be given no less than 40 days prior to the date of the annual general meeting and not earlier than 65 days prior to the meeting; provided, however, that in the event that the annual general meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual general meeting was made, notice may be given no later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual general meeting) called for any purpose which includes the election of directors to the Board, notice to the Company must be given no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

Compensation

The Board of Directors will review the compensation of its directors and executive officers annually. The Directors will determine compensation of directors and any Awards to executive officers under the Omnibus Plan, taking into account the Company’s business ventures and the Company’s financial position. The Company’s executive officers are currently employed by the Manager. Accordingly, the Manager provides the executive officers with their primary compensation. The only compensation the Company intends to pay directly to its executive officers during such time as the Management Agreement remains in place, will be Awards granted under the Omnibus Plan from time to time to ensure ongoing alignment as between management and the shareholders of the Company. See “*Executive Compensation*”.

Other Board Committees

The Company has an audit committee of the Board of Directors. See “*Audit Committee*” above, for further information.

Assessments

The Charter of the Board of Directors provides that the Board, each committee of the Board and each director will perform an annual self-assessment on its or their contribution and effectiveness, and that the Board and any committee will consider its respective charter, and any director will consider their position description, if any, when performing a self-assessment. The Charter of the Board of Directors also provides that the Board will assess, on at least an annual basis, any policy, procedure, guideline or standard, including the Charter of the Board of Directors, created by the Board to manage or fulfill its roles, duties and responsibilities, to ensure that they remain current and relevant, and that each Committee shall perform the same assessment in relation to any Committee policy, procedure, guideline or standard. Given the recent reconstitution of the composition of the Board, no such assessments have been carried out to date.

Governance of the Trust

In addition to the Board, the Trust is governed by a board of trustees consisting of George Lawton (the CEO of the Company), and James Pratt, an independent trustee.

Mr. Pratt graduated from the Richard Ivey School of Business at Western University with an MBA, after which he became an investment banker and Vice President at a national investment dealer in Toronto. Mr. Pratt has been a c-level executive in three companies that were sold to publicly listed entities, including two companies that were sold to NYSE listed companies.

In the early 1990's Mr. Pratt co-invested in Sepp's Food Group, a specialty food manufacturing company located in Vancouver, which was later listed on the TSX. He held various positions over the years, including President, CFO and ultimately CEO when it was sold in 2010.

Prior to joining Rhema Health Products as CEO, Mr. Pratt was President and Director at Mazza Innovation, a botanical extract company, CFO of Timia Capital, a Revenue Based Finance lender targeting SaaS companies, and co-owner of Prosnack Natural Foods, a manufacturer of healthy snack foods.

Mr. Pratt has served as a Director of the Food Innovation Centre of BC, Food Processors of Canada, Canadian Food Innovation Network (Chairman of the Audit Committee), Timia Capital Corporation, and has served as Chairman of the Functional Foods Alberta Centre of Excellence and the BC Food Processors Association and is currently Vice-Chairman of the Investment Agriculture Foundation of BC.

For further details with respect to the responsibilities and decision-making power of the trustees pursuant to the terms of the Declaration of Trust, see "*Material Contracts – Declaration of Trust*".

Disclosure Policy and Insider Trading Policy

The Company has adopted a Disclosure Policy and Insider Trading Policy, each of which will be implemented upon Closing.

The Disclosure Policy, among other things, sets guidelines for the proper and timely disclosure of material information with respect to the Company as well as maintaining confidentiality with respect to sensitive Company information. The Disclosure Policy sets forth the procedures for handling and disclosing of material information and assigns responsibility with respect thereto as between the Board, the Chief Executive Officer and Chief Financial Officer. The Disclosure Policy also provides guidelines for communications with analysts, the media and for persons providing investor relations functions.

The Insider Trading Policy, among other things, prohibits directors, officers, employees, consultants and other insiders from trading, tipping and recommending in respect of the securities of the Company while in possession of material undisclosed information. In addition, the policy provides the Board, the Chief Executive Officer and Chief Financial Officer to establish regular blackout periods in relation to annual and quarterly reporting dates as well as discretionary blackout periods in relation to business milestones and unscheduled material corporate developments.

PLAN OF DISTRIBUTION

Offering

Pursuant to the Agency Agreement, the Company has appointed the Agent as its exclusive agent to offer for sale, on a commercially reasonable efforts agency basis, without underwriter liability, to the public in each of the Qualifying Jurisdictions, and the Company has agreed to issue and sell, a minimum of 3,400,000 Offered Units and a maximum of 10,000,000 Offered Units at the Offering Price for minimum gross proceeds of \$1,700,000 (and up to 510,000 Over-Allotment Units for additional gross proceeds of up to \$255,000 if the Over-Allotment Option is exercised by the Agent in full) and maximum gross proceeds of \$5,000,000 (and up to 1,500,000 Over-Allotment Units for additional gross proceeds of up to \$750,000 if the Over-Allotment Option is exercised by the Agent in full), upon the terms and subject to the conditions contained in the Agency Agreement.

The terms of the Offering, including the Offering Price, were determined by arm's length negotiation between the Agent and the Company in the context of the market.

The Company has granted to the Agent the Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agent at any time until the date which is 30 days after the Closing Date, to increase the number of Offered Units to be sold pursuant to the Offering under the same terms as set forth above for the purposes of covering over-allotments, if any, and for market stabilization purposes. The total number of Offered Units issuable pursuant to the terms of the Over-Allotment Option shall not exceed 15% of the number of Offered Units sold on the Closing Date pursuant to the terms of the Offering. The Agent may elect to exercise the Over-Allotment Option to purchase Over-Allotment Offered Units only, Over-Allotment Shares only, Over-Allotment Warrants only, or any combination thereof, provided that the aggregate number of Over-Allotment Shares and Over-Allotment Warrants that may be issued under the Over-Allotment Option shall not exceed a number equal to 15% of the number of Common Shares and 15% of the number of Warrants (rounded down to the nearest whole number, as applicable) issued under the Offering, respectively. The purchase price for the Over-Allotment Offered Units purchased upon exercise of the Over-Allotment Option shall be equal to the Offering Price, the purchase price of the Over-Allotment Warrants purchased upon exercise of the Over-Allotment Option is \$0.01 per whole Over-Allotment Warrant, and the purchase price per Over-Allotment Share purchased upon exercise of the Over-Allotment Option is \$0.495 per Over-Allotment Share. If exercised in full, the Over-Allotment Option will result in the issuance of an additional 510,000 Offered Units (or an additional 510,000 Over-Allotment Shares or 255,000 Over-Allotment Warrants) and additional aggregate gross proceeds to the Company of up to \$255,000 under the Minimum Offering and an additional 1,500,000 Offered Units (or an additional 1,500,000 Over-Allotment Shares or 750,000 Over-Allotment Warrants) and additional aggregate gross proceeds to the Company of up to \$750,000 under the Maximum Offering. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Offered Units issuable upon the exercise of the Over-Allotment Option. A purchaser who acquires Offered Units forming part of the Agent's over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The Agent is not obligated to take up and pay for any Offered Units for which it is unable, on a commercially reasonable efforts basis, to secure subscriptions prior to Closing. The obligations of the Agent under the Agency Agreement are subject to certain closing conditions and may be terminated at their discretion in certain circumstances, including on the basis of industry standard "due diligence out", "disaster out", "material change out", "regulatory out", "breach out" and "market out" provisions in the Agency Agreement and may also be terminated upon the occurrence of certain stated events. The Agent is not obligated to purchase any Offered Units under the Agency Agreement nor is the Agent obligated, directly or indirectly, to advance its own funds to purchase any of the Offered Units.

The Agent reserves the right to form a selling group of investment dealers in consultation with the Company and in accordance with customary industry procedure, to assist in the sale of the Offering.

Pursuant to the Agency Agreement and in consideration for the services to be rendered by the Agent in connection with the Offering, the Agent will receive the Agent's Commission, being a cash fee equal to 7% of the aggregate gross proceeds from the sale of Offered Units under the Offering, including gross proceeds from the sale of Over-Allotment Units under the Over-Allotment Option. The Agent will also be entitled to a Corporate Finance Fee in the amount of \$165,000, of which \$50,000 has been paid as of the date hereof. In addition, the Agent will receive Broker Warrants to purchase that number of Broker Warrant Shares as is equal to 7% of the number of Offered Units sold pursuant to the Offering. The Broker Warrants will be exercisable for a period of 24 months from the Closing Date at a price of \$0.50 per Broker Warrant Share. This Prospectus also qualifies the distribution of the Broker Warrants and the Broker Warrant Shares issuable upon exercise of the Broker Warrants.

The Company has agreed to reimburse the Agent for certain costs and expenses in connection with the Offering, which are included in the estimated expenses of the Offering. See "*Use of Proceeds*".

The Company has agreed to indemnify the Agent and each other member of the syndicate and soliciting dealer group, and each of their respective subsidiaries and affiliates, and each of their respective directors, officers, employees, partners, shareholders and agents and to hold them harmless from and against certain losses, claims, suits, liabilities, costs, action, damages or expenses, joint or several, including liabilities under Canadian securities legislation in certain circumstances or to contribute to payments the Agent may have to make because of such liabilities.

Pursuant to the Agency Agreement, the Company has agreed it will not, and it is a closing condition in favour of the Agent that each of its officers, Directors and certain shareholders, and each such person's associates and affiliates, will execute an undertaking in favour of the Agent agreeing that they will not, directly or indirectly, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or securities convertible into, exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities of the Company for a period of 180 days after the Closing Date, without the prior written consent of the Agent, such consent not to be unreasonably withheld, subject to certain customary exemptions.

The completion of the Offering is subject to conditions customary for similar offerings of securities.

Subscriptions under the Offering will be subject to rejection or acceptance, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice.

There is no minimum individual subscription amount for subscribers.

The completion of the Offering is subject to the receipt by the Agent of subscriptions of Offered Units for aggregate gross proceeds of not less than \$1,700,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the Minimum Offering amount of \$1,700,000 has been raised. In the event that the Minimum Offering is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction unless such subscribers have otherwise instructed the Agent.

It is expected that the Closing will occur on or about five business days after a receipt being issued for this Prospectus, 2026, or such later date as the Agent and the Company may agree. Notwithstanding the above, the Offering will be discontinued in the event that the Closing in respect of the Minimum Offering has not occurred on or prior to the date which is 90 days after issuance of a receipt for this Prospectus or, if a receipt has been issued for an amendment to this Prospectus, 90 days after issuance of such receipt, and in any event not later than 180 days after issuance of a receipt for this Prospectus. Funds received from subscriptions within this 90 day period will be held in trust by the Agent pursuant to the terms of the Agency Agreement and, if the Minimum Offering condition is not met during the 90 day period or any extension thereof, the Offering will be discontinued and the Agent will return all amounts received without interest or deduction unless the subscriber otherwise instructs the Agent to the contrary.

The Exchange Offering

The Exchange Price was determined by the board of directors of the Company based on the net asset value per HY Unit as of December 1, 2025 in accordance with the Declaration of Trust.

A Letter of Transmittal will be mailed or emailed to Qualifying Holders of Exchange Offer Subject Securities as of record as at the close of business (Pacific time) on the Exchange Offering Record Date along with a copy of this Prospectus.

No agent or underwriter (including the Agent) is involved in the Exchange Offering, and the Company will not pay a fee of any kind for the solicitation of holders of Exchange Offer Subject Securities to tender their Exchange Offer Subject Securities under the Exchange Offering.

The Housing Shares are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the Housing Shares. However, the future obligations of the Company will be reduced by the aggregate Exchange Price of the Housing Shares issued in settlement of Exchange Offer Subject Securities tendered for exchange pursuant to the Exchange Offering. Management believes the Housing Shares should be classified as equity instruments in accordance with IFRS and intends to record amounts related to issued and outstanding Housing Shares within shareholders' equity on the Company's balance sheet. See "*Risk Factors*" for more information.

If the Exchange Offering is terminated or cancelled, then the Company will not have any obligation with respect to the Exchange Offering.

Offering Jurisdictions – the Offering

The Offering is being made in British Columbia, Alberta and Ontario. The Offered Units will be offered in each of such provinces through the Agent or its affiliates who are registered to offer Offered Units for sale in such provinces and such other registered dealers as may be designated by the Agent. Subject to applicable law, the Agent may offer the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons and in such other jurisdictions outside of Canada and the United States as agreed between the Company and the Agent, in each case in accordance with applicable laws provided that no prospectus, registration statement or similar document is required to be filed in any such jurisdiction.

Offering Jurisdictions – the Exchange Offering

The Exchange Offering and the issuance of Housing Shares thereunder is made only to Qualifying Holders in the Qualifying Jurisdictions. This Prospectus is not to be construed as an offering of the Exchange Offering or the Housing Shares in any Non-Qualifying Jurisdiction; provided however, that the Company may elect to make the exchange offer and issue Housing Shares to certain eligible investors in Non-Qualifying Jurisdictions on a private placement basis. The Housing Shares are not qualified for distribution under this Prospectus under the securities laws of any Non-Qualifying Jurisdiction.

Listing

As at the date of this Prospectus, the Company is not, has not applied to become, and does not intend to apply to become, a CSE senior tier issuer and does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Cboe Canada Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America.

The Common Shares, Warrants and Housing Shares do not currently trade on any exchange or recognized market. Accordingly, there is no public market through which the Common Shares, Warrants and Housing Shares may be sold, and purchasers may not be able to resell securities purchased or otherwise acquired under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. An investment in the Company involves a significant degree of risk. See “*Risk Factors*”.

The Company has applied to list its Common Shares, including the Warrant Shares and the Broker Warrant Shares, the Warrants and the Housing Shares on the Canadian Securities Exchange (the “CSE”). The CSE has conditionally approved the listing of the Common Shares, the Warrants and the Housing Shares on the CSE. Listing is subject to the Company fulfilling all of the requirements of the CSE on or before Closing, including distribution of such securities to a minimum number of public securityholders. There is no guarantee that the CSE will provide approval for the listing of the Common Shares, the Warrants and the Housing Shares. See “*Risk Factors*”.

If and until such time as the Common Shares, Warrants and Housing Shares are listed or quoted for trading on a stock exchange or quotation system that is recognized by the investing public, there will be no organized or public market for the sale of the Common Shares, Warrants or Housing Shares, as applicable, and, therefore, holders of Common Shares, Warrants and Housing Shares will have no practical means to sell the Common Shares or Warrants, as applicable. See “*Risk Factors*”.

Settlement

It is expected that the Offered Units will be delivered in electronic book entry form through CDS upon Closing unless the Agent elects for physical share certificates which would be available for delivery upon Closing. If delivered in book entry form, purchases of Offered Units will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Units were purchased.

Housing Shares will be issued in definitive form or DRS advice to each Qualifying Holder who validly tenders their Exchange Offer Subject Securities prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date. See “*Description of Securities – Qualifying Distribution – Exchange Offering – Registration and Delivery of Share Certificates and DRS Advices*”.

United States Securities Laws Matters

The Offered Units have not been and will not be registered under the U.S. Securities Act or any securities laws of any state of the United States, and subject to registration under the U.S. Securities Act and applicable state securities laws or to certain exemptions therefrom, may not be offered for purchase or sale, sold, transferred, delivered or otherwise disposed of, directly or indirectly, within the United States or its territories or possessions or to or for the account or benefit of any U.S. Person (as defined in Regulation S under the U.S. Securities Act). The Agent has agreed that it (or such U.S. affiliate of the Agent which conducts U.S. offers and sales) will not offer or sell the Offered Units within the United States or to U.S. Persons. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Offered Units in the United States.

The Housing Shares have not been and will not be registered under the U.S. Securities Act or any securities laws of any state of the United States, and subject to registration under the U.S. Securities Act and applicable state securities laws or to certain exemptions therefrom, may not be offered for purchase or sale, sold, transferred, delivered or otherwise disposed of, directly or indirectly, within the United States or its territories or possessions or to or for the account or benefit of any U.S. Person (as defined in Regulation S under the U.S. Securities Act). This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Housing Shares in the United States.

Upon the mutual agreement of the Company and the Agent, the Offered Units may be offered in the United States on a private placement basis, under certain exemptions from the registration requirements of the U.S. Securities Act and the applicable state laws.

RISK FACTORS

Investments in the Offered Units and Housing Shares are speculative and involve a number of risks and uncertainties. Investments in the Units and Housing Shares should only be made by persons who can afford the total loss of their investment. This section describes the general material risks that the Company believes may impact it and the holders of its Common Shares, Warrants or Housing Shares. If any of the following risks actually occur, the Company’s business, results of operations and financial conditions could suffer. Further, the risks described below are not the only risks that the Company and the holders of its Common Shares, Warrants or Housing Shares may face. Potential investors should carefully consider the risks described below and elsewhere in this Prospectus. The risks described below and elsewhere in this Prospectus do not purport to be an exhaustive summary of the risks affecting the Company and additional risks not currently known to the Company, or that are currently considered immaterial, may also have a negative impact on the Company and the holders of its securities. Accordingly, prospective investors should carefully consider the foregoing statements and the risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company.

Please see “*Management’s Discussion and Analysis*” for a description of additional risks affecting the Company.

Risks Related to the Offering

Loss of Entire Investment

An investment in the Offered Units is speculative and involves a significant degree of risk. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. An investment in the Company’s securities may result in the loss of an investor’s entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

The Market Price of the Common Shares and Warrants is Unpredictable and can be Volatile

The prices at which the Common Shares and Warrants will trade cannot be predicted. The market price of the Common Shares and the Warrants could be subject to significant fluctuations in response to various factors, including the following, many of which are beyond the Company's control: (i) actual or anticipated fluctuations in the Company's quarterly and annual results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of any of the Company's executive officers and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding Common Shares; (vi) the actual or anticipated acquisition of new assets and projects; (vii) sales or perceived sales of additional Common Shares; (viii) liquidity of the Common Shares and the Warrants; (ix) prevailing and anticipated interest rates; (x) significant acquisitions or business combinations, strategic partnerships, joint ventures, capital commitments by or involving the Company or its competitors; (xi) significant dispositions by the Company; (xii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industries or target markets; and (xiii) general economic and socioeconomic conditions. Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the Common Shares and Warrants will not necessarily trade at values determined by reference to the underlying value of its business, and the market price of the Common Shares and Warrants may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in limited or no investment in the Common Shares and Warrants by those institutions, which could materially adversely affect the trading price of the Common Shares and Warrants. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations could be materially adversely impacted, and the trading price of the Common Shares and Warrants may be materially adversely affected.

Less than Maximum Offering

If less than the Maximum Offering is achieved, this may not be sufficient to fund certain objectives as set out in "Use of Proceeds" or sufficient to achieve such objectives together with third-party financing.

Dilution

The Company may issue an unlimited number of Common Shares or other securities for such consideration and on such terms and conditions as shall be established by the Board without the approval of Shareholders. Any further issuance of securities, including Common Shares issued from time to time under the Company's Omnibus Plan, will dilute the interests of existing Shareholders. Shareholders will have no pre-emptive rights in connection with such future issuances.

Limited Control

Shareholders have limited control over changes in the Company's policies and operations, which increases the uncertainty and risks of an investment in the Offered Units. The Board determines major policies, including, among others, policies regarding financing, growth, debt capitalization and the amount and timing of the payment of dividends. The Board may amend or revise these and other policies without a vote of Shareholders. Shareholders have a right to vote only on limited matters. The Board's broad discretion in setting policies and Shareholders' inability to exert control over those policies increases the uncertainty and risks of an investment in the Offered Units.

Investment Eligibility

The Company will endeavour to ensure that the Common Shares and Warrants will be, once the Common Shares or Housing Shares are listed on a designated stock exchange under the Tax Act (which currently includes the CSE),

qualified investments under the Tax Act for trusts governed by Plans, although there is no assurance that the conditions for qualified investment status will be adhered to at any particular time. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments or prohibited investments. See “*Eligibility for Investment*”.

Use of Proceeds

The Company intends to use the net proceeds from the Offering as set out under “*Use of Proceeds*” in this Prospectus. The use of proceeds as set out herein is based on the current expectations of management of the Company; however, there may be circumstances where, for business reasons, a reallocation of funds may be necessary as determined at the discretion of the Company, and there can be no assurance as of the date of this Prospectus as to how those funds may be reallocated. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company’s business, including the Company’s ability to achieve its stated business objectives.

Completion of the Offering

There can be no certainty that the Offering will be completed. The Offering is subject to normal commercial risks that the Offering may not be completed on the terms negotiated, or at all. Although it is expected that all of the closing conditions pursuant to the Offering will be satisfied, there is no certainty that such conditions will be satisfied or waived on a timely basis, or at all. If closing of the Offering does not take place as contemplated, the Company could suffer adverse consequences, including the loss of investor confidence.

Risk Factors Relating to the Common Shares

Ability to Issue Additional Common Shares Diluting Existing Shareholders’ Interests

The Company’s Articles authorize the Company to issue an unlimited number of Common Shares without further approval or action by the Company’s shareholders. The Company may issue additional Common Shares or other securities to raise funds, to pay for acquisitions, upon conversion, redemption or at maturity of convertible securities or for other reasons. The Company expects to issue securities under its Omnibus Plan that are convertible into or that settle for Common Shares, which will be dilutive to the Company’s Shareholders (see “*Options to Purchase Securities*”). The Manager has the ability, subject to applicable securities laws and exchange approval, to elect to receive all or any portion of its management fees under the Management Agreement in the form of Common Shares. If the Manager exercises such right, the issuance of Common Shares as a result thereof will be dilutive to shareholders. The Company cannot predict the number of Common Shares it may issue, or the effect, if any, that an issue will have on the market price of the Common Shares or Warrants. While the Board is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree. Additional Common Shares or other securities issued by the Company may be dilutive to holders the Company’s securities and such dilution could be significant.

Ability to Issue Preferred Shares

The Company’s articles authorize the Company to issue from time to time in one or more series an unlimited number of Preferred Shares, including the Housing Shares. The Company may issue one or more series of Preferred Shares from time to time to raise funds, including the Housing Shares. At this time, the Company cannot predict the number of Preferred Shares, including the Housing Shares, it may issue, or the effect, if any, that an issue will have on the market price of the Common Shares or the Warrants.

Control of Common Shares

As of the date of this Prospectus, 78.78% of the Common Shares of the Company are beneficially owned and controlled by George Lawton together with 1086353 B.C. Ltd., a company controlled by George Lawton. George Lawton is the Company’s President and CEO and is also a director of the Company. George Lawton is also the controlling shareholder and the sole director and officer of the Manager. As a result of such ownership and control interest, 1086353 B.C. Ltd., via George Lawton, will be able to exert significant influence over matters that are to be determined by votes of the holders of Common Shares. Further, if 1086353 B.C. Ltd. were to sell substantial amounts of Common Shares in the public market (including, without limitation, the sale of Common Shares in the market following the expiry of the

escrow period under the Escrow Agreement), the market price of the Common Shares could fall. The perception among the public that these sales will occur could also produce such effect. Further, the timing and receipt of any takeover or control premium by holders of Common Shares could depend on the determination of 1086353 B.C. Ltd. as to when to sell Common Shares. This concentration of ownership may discourage, delay or prevent a change in control of the Company, which could deprive shareholders of opportunities to receive a premium for their Common Shares as part of a sale of the Company or its assets and provide liquidity to other shareholders, and might reduce the price of the Common Shares. The interests of 1086353 B.C. Ltd. may not always be aligned with the interests of the Company or the interests of other shareholders. 1086353 B.C. Ltd. will have significant influence over the Company, including on matters relating to mergers, consolidations and sale of all or substantially all of the Company's assets, the election of directors, and other significant corporate actions. Due to 1086353 B.C. Ltd.'s significant shareholding position, these actions may be taken even if they are opposed by other shareholders of the Company.

No Market for Securities

There is currently no market through which the Common Shares or Warrants may be sold and there is no assurance that they will be listed for trading on a stock exchange, or if listed, that a liquid market for the Common Shares or Warrants will develop. Until the Common Shares or Warrants are listed on a stock exchange, holders of the Common Shares or Warrants may not be able to sell their Common Shares or Warrants. If a listing of the Common Shares or Warrants is obtained at some point in the future, there can be no assurance that an active public market for the Common Shares or Warrants will develop or be sustained after completion of such listing. If a market does not develop or is not sustained, it may be difficult for investors to sell the Common Shares or the Warrants at an attractive price or at all. The Company cannot predict the prices at which the Common Shares or the Warrants will trade. The holding of Common Shares or Warrants involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Offered Units should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Volatility of Market Price of Common Shares and Warrants

The market price of the Common Shares and the Warrants may be volatile. The volatility may affect the ability of holders of Common Shares and Warrants to sell the Common Shares or the Warrants at an advantageous price. Market price fluctuations in the Common Shares and the Warrants may be due to our operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors, including, without limitation, those set forth under this "Risk Factors" section. In addition, the market price for securities in the stock markets can experience significant price and trading fluctuations. These fluctuations can result in volatility in the market prices of securities that is often unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Common Shares or the Warrants.

Common Share Dividend Policy

The Company has never declared, nor paid, any dividend since its incorporation and does not intend to pay any dividend on the Common Shares in the near future since all available funds will be used to achieve the business objectives of the Company. The payment and amount of any future dividends is entirely within the discretion of the Board will depend upon, among other things, the Company's results of operations, cash flow, financial condition, debt covenants, debt obligations and operating and capital requirements. The Company has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operation of its business. There is no assurance as to whether the Company will ever pay dividends and, if dividends are paid, there is no assurance with respect to the amount of any such dividends. Further, under the BCBCA, the Company is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent. In addition, (i) the RPB Indenture and FB Bond Indenture prohibit the payment of dividends or other distributions on any shares of the Company and any redemption or repurchase of shares of the Company until such time as no RPB Bonds and FB Development Bonds, respectively, remain outstanding, and (ii) the SRRPU Indenture and CD Indenture prohibit the payment of dividends or other distributions on any shares of Saanich

Ridge Development and any redemption or repurchase of shares of Saanich Ridge Development until such time as no SRRPU Notes and CD Notes, respectively, remain outstanding.

Structural Subordination of Common Shares

In the event of a bankruptcy, liquidation or reorganization of the Company or its subsidiaries, holders of certain of the Company's indebtedness and certain trade creditors will generally be entitled to payment of their claims from the Company's assets or those of its subsidiaries before any assets are made available for distribution to the Company and/or its shareholders. The Common Shares will be effectively subordinated to most of the indebtedness and other liabilities of the Company and its subsidiaries as well as the Housing Shares. The Warrants do not entitle their holders to any rights of liquidation. Neither the Company nor its subsidiaries will be limited in the ability to incur secured or unsecured indebtedness.

In addition, the Common Shares are directly in the case of the Housing Shares, and indirectly in the case of the GL Units, CR Units and HY-A Units, subordinated to such classes of securities which have preferred positions with respect to certain cash flows and assets of the Company and the Trust in the ordinary course and on liquidation or dissolution. These restrictions directly or indirectly restrict the ability of the Company to pay dividends on the Common Shares, and may result in there being no residual assets in respect of which the Common Shares will participate in the event of the liquidation or dissolution of the Company.

CSE Listing

In the future, the Company may fail to meet the continued listing requirements for the Common Shares and/or the Warrants to be listed on the CSE. If the CSE delists such securities from trading on its exchange, the Company could face significant material adverse consequences, including: a limited availability of market quotations for the Common Shares and/or Warrants; a determination that such securities are "penny stocks" which will require brokers trading to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for such securities; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

Risk Factors Relating to the Company's Business

Limited Operating History

The Company is in the early stage of its development and has a limited operating history. Its operations are subject to the risks inherent in a company in the early stages of its development. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. Future profits, if any, will depend upon various factors, many of which are out of the Company's control. There is no assurance that the Company will achieve profitability.

An investment in the Company's securities carries a high degree of risk and should be considered speculative by investors. There is no assurance that we the Company will be successful in achieving a return on Shareholders' investment and the likelihood of the Company's success must be considered in light of its early stage of operations. An investor should consider any purchase of the Company's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

Operating Risk

Investment in real estate is subject to numerous risks, including the highly competitive nature of the real estate industry, changes in general or local conditions, failure of tenants to pay rent, changes in neighbourhood property values, interest rates, availability of mortgage funds, increases in real estate tax rates and other operating expenses, the possibility of competitive overbuilding and of the inability to obtain full occupancy of the properties the Company acquires or develops, governmental rules and fiscal policies, including rent control legislation, which limit potential rent increases (which is discussed further below), and other events and factors which are beyond the control of the Company.

Real estate has a high fixed cost associated with ownership, and income lost from rental properties due to vacancies cannot easily be minimized through cost reduction. Rental properties generate income through rental payments made by the tenants thereof. Upon acquisition or development of a rental property, there can be no assurance that the Company will find a suitable tenant for that property or be able to lease it on favourable terms. Upon the expiry of any lease, there can be no assurance that such lease will be renewed, or the tenant replaced. The terms of any subsequent lease may be less favourable to the Company than the existing lease. The most important factor in real estate ownership is occupancy and the risk to occupancy is therefore the highest priority risk factor.

Certain significant capital expenditures, including upgrading and maintaining building's structure, balconies, parking garages, roofing, and electrical and mechanical systems, and other expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made throughout the period of ownership of real property regardless of whether a property is producing any income. If the Company is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or of sale.

The Company is also subject to utility and property tax risk relating to increased costs that the Company may experience as a result of higher resource prices, as well as its exposure to significant increases in property taxes. There is a risk that property taxes may be raised as a result of revaluations of municipal properties and their adherent tax rates. In some instances, enhancements to properties may result in a significant increase in property assessments following a revaluation. Additionally, utility expenses, mainly consisting of natural gas, water and electricity service charges, have been subject to considerable price fluctuations over the past several years. The Company reduces its utility and property tax risk but utilizing "net" leases where possible which allow a landlord to recover expenditures.

The Company currently relies on third-party vendors, developers, co-owners and strategic partners to provide the Company with various services or to complete projects. The lack of an effective process for developing joint venture arrangements or for contract tendering, drafting, review, approval and monitoring may pose a risk for the Company. The Company may not be able to negotiate contract terms, service levels and rates that are optimal for the Company.

Negative Operating Cash Flow

Prior to the completion of the Company's most recently completed financial year, the Company had generated negative operating cash flows and there is no assurance that the Company will not experience negative cash flow from operations in the future. The Company cannot guarantee that it will have positive or negative cash flow from operating activities in future periods. The Company cannot provide any assurances that it will achieve sufficient revenues (if at all) or maintain profitability or positive cash flow from operating activities. If the Company does not achieve or maintain profitability or positive cash flow from operating activities, then there could be a material adverse effect on the Company's business, financial condition and results of operation, and the Company may need to deploy a portion of its working capital to fund such negative operating cash flows or seek additional sources of funding.

Reliance on Manager

Prospective investors assessing the risks and rewards of an investment in the Offered Units or Housing Shares should appreciate that they shall, in large part, be relying on the skill and experience of the directors and management team of the Company, and George Lawton in particular. George Lawton is the President and CEO of the Company. He is also sole director and officer, and the controlling shareholder, of the Manager. In addition, he has other business interests, including as a director and officer of other companies, that will divert his time and attention from time to time. Prospective investors will be relying on his discretion and ability and continued involvement. George Lawton is not required by contract to dedicate himself to the Company on a full-time basis, but only as, and when, he determines his involvement shall be beneficial to the Company. If his management services are lost, then the business, financial condition and results of operations of the Company might be materially adversely affected.

Non-Binding Letters of Intent

The Company, directly or indirectly, has entered into non-binding letters of intent with third-parties to acquire certain properties for its business. Such letters of intent are non-binding, and there is no guarantee that a definitive agreement will be reached on the terms set out in the applicable letter of intent or at all. If a definitive agreement is reached, it may

be subject to conditions including due diligence, financing, and regulatory approvals, which may negatively impact the likelihood of a successful transaction on the intended terms or at all. As a result, the possible transactions contemplated in the letters of intent may not close or may be completed on materially different terms or under different timelines than currently anticipated. In addition, non-binding letters of intent may include binding provisions that could restrict the ability of the Company to carry out certain actions or disclosure and could have negative impacts on the Company and its business if the Company breaches any such binding provisions.

Access to Capital

The real estate industry is highly capital intensive. Although the Company expects to have access to debt financing, there can be no assurances it will have access to sufficient capital or access to capital on terms favourable to the Company to complete its acquisition of HY Housing Income Properties and investment in real estate developments. Further, in certain circumstances, the Company may not be able to borrow additional funds. Market conditions and unexpected volatility or illiquidity in financial markets may inhibit the Company's access to capital. As a result, it is possible that financing which a project of the Company may require, may not be available or, if it is available, may not be available on favourable terms to the Company. Failure by the Company to access required capital could have a material adverse effect on its business, cash flow, financial condition and results of operations and ability to make distributions to holders of Housing Shares and Common Shares.

The proceeds of the Offering will not be sufficient to accomplish all of the Company's proposed objectives with respect to the funding of the NAHF Limited Partnership and additional financing will be required by the NAHF Limited Partnership in order to complete its currently contemplated acquisitions and business objectives. The NAHF Limited Partnership will require acquisition financing to supplement its acquisition of HY Housing Income Properties and investment in real estate developments. There can be no guarantee that such additional financing will be available, or if available will be available on terms satisfactory to either Company, NAHF Limited Partnership, or the Trust. There is no assurance that additional or alternative financing will be available or, if available, may be obtained by the Company, NAHF Limited Partnership, or the Trust on reasonable terms. The cost of any alternative financing may be higher than anticipated and if obtained could result in a lower-than-expected return on investment or the potential for erosion of principal investment value.

Potential Conflicts of Interest

The Company may be subject to various conflicts of interest because certain of the Directors and officers of the Company are engaged in a wide range of real estate and other business activities and do not devote their full time to the affairs of the Company. The Company may become involved in transactions which conflict with the interests of the foregoing. In accordance with applicable Canadian corporate law, directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. Certain of the directors and officers of the Company may have other employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers. As a result, if any such conflicts are not resolved in favour of the Company, the Company may be adversely affected.

The Declaration of Trust contains conflict of interest provisions requiring the Trustees to disclose their interest in certain contracts and transactions and to refrain from voting on those matters. In addition, certain decisions regarding matters that may give rise to conflict of interest must be made by a majority of Independent Trustees only.

Additionally, the Company may from time-to-time deal with persons, firms, institutions or corporations with which the Company may be dealing, or which may be seeking investments similar to those desired by the Company. The interests of these persons could conflict with those of the Company. In addition, from time to time these persons may be competing with the Company for available investment opportunities.

See “*Directors and Executive Officers – Conflicts of Interest*”, and “*Interests of Management and Others in Material Transactions*”.

Dependence on Key Personnel

The Company's success depends to a certain degree upon certain key members of the management provided by the Manager, namely the Chief Executive Officer (George Lawton), Chief Financial Officer (Gaylyn Lawton) and Senior Consultant (Adam Gant). It is expected that these individuals will be a significant factor in the Company's growth and success. The loss of the service of such members of senior management could have a material adverse effect on the Company. Further, the Company's performance and future operating results are substantially dependent on the continued service and performance of such key members of management via the Manager and the Company is entirely reliant on the Manager's ability to retain such persons and to provide them with sufficient compensation to incentivize retention given the Company does not control the compensation of such individuals other than any Awards that may be granted under the Omnibus Plan from time to time. Competition for such personnel is intense, and there can be no assurance that the Manager can retain the key individuals through which its services are provided to the Company or that the Manager will be able to attract or retain highly qualified personnel in the future for purposes of delivering services under the Management Agreement to the Company. The loss of the services of any of the Manager's key members of management or the inability to attract and retain the necessary personnel could have a material adverse effect upon its and the Company's business, financial condition, operating results and cash flows. Neither the Company nor the Manager currently maintains "key man" insurance for any senior management of the Company.

Reporting Issuer Status

On becoming a reporting issuer, the Company will be subject to reporting requirements under applicable securities law, the listing requirements of the CSE and other applicable securities rules and regulations. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual and quarterly disclosure as well as other timely reporting requirements with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company or Manager may need to hire additional employees to comply with these requirements in the future.

Being a reporting issuer increases the cost to obtain and maintain director and officer liability insurance, and the Company may in the future be required to accept reduced coverage or incur substantially higher costs to obtain or maintain adequate coverage. It may be difficult for the Company to retain qualified directors and executive officers if the Company is seen to have inadequate director and officer liability insurance.

Limited Experience of Management with Public Companies

The Company's management team has limited experience in the operation and management of a public company, including compliance with the reporting requirements and other obligations imposed on public companies under applicable securities laws. The Company's management team may not be able to successfully manage the Company's transition to a public company, and the Company may not be able to operate effectively as a public company.

Manager Performance

The success of an investment in the Offered Units will be based in large part on the ability and performance of the Manager in its duties including developing and selling the residential properties the Company develops, negotiating the acquisition and sale of the residential properties the Company acquires from third party developers, and operating the properties the Company owns (including leasing and maintaining such properties). If management does not perform these tasks well, the financial results of the Company and the value of the Common Shares, Warrants and Housing Shares could be materially impacted.

The Company will rely on the Manager's expertise in identifying strategic, advisory and asset management services. The Company will also rely on the Manager with respect to certain advisory services, including the services of the Chief Executive Officer, Chief Financial Officer and Senior Consultant and the management of its properties.

Consequently, the Company's ability to achieve its business objectives depends in large part on the Manager and its ability to advise the Company. This means that the Company's investments are dependent upon the Manager's business contacts, its ability to successfully hire, train, supervise and manage personnel that have strong knowledge of real estate and its ability to operate its business in a manner that supports the Company. If the Company were to lose the services provided by the Manager or its key personnel or if the Manager fails to perform its obligations under its agreements with the Company, the Company's business operations and growth prospects may decline. The Company may be unable to duplicate the quality and depth of management available to it by becoming a self-managed company or by hiring another asset manager or property manager. Additionally, the Company and its subsidiaries are not permitted to retain any other person to perform any asset management or Administration and Property Management Services, subject to certain exceptions, without the consent of the Manager. While the Board has oversight responsibility with respect to the services provided by the Manager pursuant to the Management Agreement, the services provided by the Manager under such agreement will not be performed by employees of the Company or its subsidiaries, but by the Manager directly, and through entities to which it may subcontract its duties (see "*Material Contracts – Management Agreement*"). As a result, the Manager directly, and through entities to which it may subcontract, will have the ability to influence many matters affecting the Company and the performance of its properties now and in the foreseeable future. Prospective investors should not purchase any Offered Units or acquire any Housing Shares unless they are prepared to rely on the Board, executive officers and the Manager.

Risks Associated with External Management Arrangements

The Management Agreement has an initial term of five years and, subject to earlier termination and, will automatically renew for an additional five-year term.

At the end of the initial five-year term and the five-year renewal terms, there could be circumstances whereby the fees payable to the Manager under the Management Agreement or indirectly under the Administration and Property Management Agreement to carry out its duties thereunder are in excess of those expenses that would be incurred by the Company on an annual basis if management of the Company was performed by individuals employed directly by the Company rather than by the Manager under such management agreements but the Management Agreement may not be terminated by the Company in accordance with the provisions of the agreement, except in certain circumstances. Furthermore, there is a risk that, because of the term and termination provisions of the Management Agreement, the termination of such agreements may be uneconomical for the Company and accordingly not in the best interest of the Company.

Accordingly, there can be no assurance that the Company will continue to have the benefit of the Manager's advisory services, including its executive officers, or that the Manager will continue to provide the services required under such agreement. If the Manager should cease for whatever reason to provide such services, the Company may be unable to engage a replacement manager on acceptable terms or the cost of obtaining substitute services, whether through an external manager or by internalizing its management, may be greater than the fees the Company pays the Manager, and this may adversely impact the Company's ability to meet its objectives and execute its strategy which could materially and adversely affect the Company's cash flow, operating results and financial condition.

Absence of Non-Competition Agreements

The named executive officers are not subject to any non-competition or non-solicitation provisions, and have no change of control benefits, defined severance benefits or specified terms with respect to constructive dismissal or termination. The Board believes the absence of such provisions is reasonable given the Chief Executive Officer, whose spouse is the Chief Financial Officer, as well as the Senior Consultant to the Company have significant equity positions in the Company (which will be subject to escrow on Closing) creating natural alignment with holders of Common Shares. However, there is a risk that such persons could resign or otherwise depart from the Company and commence a competing business or solicit the customers or suppliers of the Company or utilize the Company's confidential information in a manner that is materially adverse to the Company and its subsidiaries.

Manager's Ability to Determine Compensation

Other than Awards issued under the Omnibus Plan, the Manager (which is controlled by George Lawton) has the discretion to determine the compensation of the Chief Executive Officer, Chief Financial Officer, Senior Consultant

and other employees of the Manager that provides services to the Company under the Management Agreement. The compensation policies and programs determined by the Manager may not be aligned with the goals of the Company and interests of Shareholders. This could cause such persons to take risks in performing their duties that such persons may not otherwise take if their compensation was structured differently and or to receive compensation at levels that is not commensurate with the performance or size of the Company.

Development Risk

One of the current focuses of the Company is to develop and sell homes at its Saanich Ridge Estates development. The Company may acquire additional land from time to time and initiate other residential real estate development projects. Any development commitments made by the Company will be subject to those risks customarily attributable to development projects, which include: (i) construction or other unforeseeable delays; (ii) cost overruns; (iii) poor market for sales and/or leasing; and/or (iv) the inability to sell and/or lease the residential real estate properties that are developed profitably. These risks could have a material adverse effect on the Company's business, cash flows, financial condition, and results of operation. There can be no assurance that the Company will be able to acquire assets on an accretive basis or that it will be able to successfully develop assets in the future.

Reliance on Development Partners

The Company relies on the management expertise of its development partners and their construction management relationships as well as the mortgage financing providers that have contracted with the Company and its subsidiaries and development partners for construction loans or term financing. Certain projects of the Company will be subject to a number of risks inherent in the Company's real estate projects, which may be increased by reliance on such development and other partners, including: (i) construction or development costs may exceed original estimates, possibly making a project less profitable than originally estimated, or unprofitable; (ii) the time required to complete the construction or development of a project may be greater than anticipated, thereby adversely affecting the Company's cash flow and liquidity projections; (iii) the cost and timely completion of construction (including risks beyond the Company's or its development partners' control, such as weather, labour conditions, labour and material shortages and increased labour and materials costs); (iv) contractor and subcontractor disputes, strikes, labour disputes or supply disruptions; (v) the failure to achieve expected occupancy levels within the projected time frame, if at all; (vi) delays with respect to obtaining additional required permits and governmental approvals; (vii) changes in real estate, tax, zoning, environmental and land use laws; (viii) environmental risks, including environmental conditions not identified in due diligence and future environmental concerns; (ix) the Company's ability to sell a project could be impacted by the ability of prospective buyers to obtain financing; (x) the potential for undisclosed liabilities relating to a project; and (xi) the availability and pricing of financing to fund the Company's development activities on favourable terms or at all.

A project's viability and profitability are also dependent on a certain construction timeline being met. If there should be a significant delay in the provision of services to meet the construction timeline or construction of a project, the project's viability and/or profitability may be materially adversely affected.

The above risks could result in substantial unanticipated delays or increased costs and expenses and, under certain circumstances, could prevent the initiation of development activities or the completion of development activities once undertaken and affect the operation, profitability and viability of a project. In addition, development projects entail risks that investments may not perform in accordance with expectations and can carry an increased risk of litigation (and its attendant risks) with contractors, subcontractors, suppliers, partners and others, which may be increased by reliance on such development and other partners. Any of these risks could have an adverse effect on the Company's cash flows, financial condition or results of operations.

Liquidity and Capital Availability

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company is subject to the risks associated with the use of debt financing, which is included in liquidity risk. Revenues from the properties developed or owned by the Company may not be sufficient or may not increase sufficiently to meet increases in operating expenses or debt service payments under any loans, to fund changes in the variable rates of interest charged in respect of such loans, or

fund the repayment of such loans. If the Company is unable to meet interest payments and principal repayment obligations, it could be required to renegotiate such payments or issue additional equity or debt or obtain other financing. The failure of the Company to make or renegotiate interest or principal payments or issue additional equity or debt or obtain other financing could have a material adverse effect on the Company's business, cash flows, financial condition and results of operations.

The real estate industry is highly capital intensive. The Company requires access to capital to fund operating expenses, to maintain its properties, to fund its growth strategy and certain other capital expenditures from time to time, and to refinance indebtedness. Although the Company expects to have access to the existing revolving credit facilities, there can be no assurance that it will otherwise have access to sufficient capital or access to capital on favourable terms. Failure by the Company to access the required capital could have a material adverse effect on the Company's business, cash flows, financial condition and results of operations.

Liquidity and capital availability risks are mitigated by maintaining appropriate levels of liquidity, by diversifying the Company's sources of funding, by maintaining a well-diversified debt maturity profile and by actively monitoring market conditions.

Construction Delay Risk

An investment in the Company is exposed to construction cost delay that could cause profits to be substantially lower than projected or the loss of some or all of the amounts invested, as the HY Housing Income Properties that the NAHF Limited Partnership is looking to acquire are still under development and construction. Construction times fluctuate and the commencement of development of HY Housing Income Properties could experience unforeseen delays due to shortage in the supply of construction labour or materials or obtaining requisite regulatory approvals.

HomePlan Tenants May Not Qualify for Mortgage Financing

A HomePlan tenant seeking mortgage financing in connection with exercising its purchase option under a HomePlan Agreement may not have some or all of the credits it accrues under its HomePlan Agreement considered part of the tenant's down payment for purposes of mortgage stress tests required to be applied by lending institutions when underwriting residential mortgages in Canada, which will negatively impact the availability of mortgage financing for HomePlan tenants and their ability to exercise their purchase option and may negatively impact the marketability and adoption levels for HomePlan Agreements.

To the extent a HomePlan Agreement tenant receives securities of the Company in satisfaction of the Company's obligations to provide credits to such tenant under a HomePlan Agreement, the tenant may be required by a lender to sell all such securities immediately on receipt to apply cash proceeds to completion of closing, and there may not be a market, liquidity or value for such shares to satisfy lender underwriting requirements, and, even if a market does exist, such securities may not be available for immediate sale if applicable hold periods apply under applicable securities law.

HomePlan Agreements are a New Product and may be Subject to Regulation

HomePlan Agreements are new products. To date, no tenants have purchased an underlying property under a HomePlan Agreement using the credit amassed under the HomePlan Agreement as a down-payment in connection with obtaining mortgage financing for the purchase of such property. No bank, trust company, financial institution, regulatory body or other lender has approved HomePlan Agreement tenants as purchasers based on the credits received, receivable or available under their HomePlan Agreements, and the Company has not inquired, investigated or discussed lending partnerships or arrangements with any financial institution or lender that may be available to HomePlan program tenants.

The Company has not sought approval, clearance, advance rulings or determinations of compliance from applicable banking and financial regulatory bodies including Office of the Superintendent of Financial Institutions, Canada Mortgage and Housing Corporation and BC Financial Services Authority respecting compliance of HomePlan and/or purchasers' credits thereunder with relevant banking regulations including, without limitation, Office of the Superintendent of Financial Institutions Guideline B-20.

These factors may (i) require changes to the terms and structure of HomePlan Agreements, (ii) negatively impact the availability of mortgage financing for HomePlan tenants and their ability to exercise their purchase option, (iii) negatively impact the marketability and adoption levels for HomePlan Agreements, and (iv) may subject the Company to program disruption, reputational harm and potential claims.

Risks Under Guarantees of Development Partner Debt

The Company and or its subsidiaries has guaranteed, and in the future may from time to time guarantee, debts of real estate developers to, among other things, assist such developers in obtaining financing to advance such projects in respect of which the Company and or its subsidiaries has advanced funds or intends to acquire underlying real estate upon completion. If any such real developers defaults under the credit facilities so guaranteed by the Company and or its subsidiaries, the Company and or its subsidiaries who are the guarantors may become liable for some or all of such debts, which may materially adversely affect the financial position of the Company and or its subsidiaries. See “*Consolidated Capitalization – Other Commitments*”.

Reliance on Property Management

The Company or the Manager, through subcontractors, may rely upon independent asset mortgage and property management companies to perform the function of manager for the income properties that it owns. The employees of the management companies shall be expected to devote so much of their time to the management of such properties as in their judgment is reasonably required. However, they may have conflicts in allocating their time, services and functions among other properties and their other development, investment and/or management activities.

Urban Real Estate Market Activity

The Company’s business depends on the continued normal transaction volume and activity within each city or greater urban region in which properties are developed, financed or acquired. If employment levels or the general economy in any of these individual markets suffer the resulting value of the real estate assets in those locations could be detrimentally affected impeding the investments chances for successful realization.

Sales and Marketing Expertise

The Company depends also on the expertise and active involvement of outside real estate sales and marketing professionals to sell the housing inventory developed or contracted for. If these professionals are not available to focus time on these sales or they are not effective in their roles the results of the investment could be compromised.

Supplier Bargaining Power

The Company is also affected by the bargaining power of suppliers, particularly construction sub-trades and material suppliers for housing development. When interest rates come down from current rates, housing development activity is expected to increase, at which time there will be more demand for construction resources and the Company’s development partners will likely be exposed to rising construction pricing.

Interest Rate Volatility

The Company’s business is dependent on the health of the residential real estate markets which are highly reliant on mortgage capital to finance development as well as ownership and purchase transactions. If interest rates change significantly in a short period of time the value of real estate of all types could be detrimentally affected and it could hurt the chance for success of the Company’s investments. An increase in interest rates may cause a decrease in the value of rental properties and could also have a material adverse effect on the Company’s ability to sell any of its properties. This could have an adverse effect on the trading price of the Company’s securities and effect the Company’s costs of borrowing. The Company’s financial condition and results of operations could be adversely affected if it were unable to obtain adequate or cost-effective financing.

Future Property Acquisitions

The Company intends to acquire additional residential real estate properties from time to time. However, there can be no assurance that such properties will be acquired by the Company. Accordingly, there can be no assurance that the Company will be able to acquire any such properties at the rates of return that the Company is targeting. Acquired properties may not meet financial or operational expectations due to unexpected costs associated with acquiring the property, as well as the general investment risks inherent in any real estate investment or acquisition, including future financing risks. Acquired properties may also be subject to unexpected or undisclosed liabilities which could have a material adverse impact on the business, cash flows, financial condition and results of operations of the Company. Representations and warranties given by third parties to the Company by way of contract or otherwise may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties. Moreover, newly acquired properties may require significant management attention or property capital investments that would otherwise be allocated to other properties. No forecast has been made for the acquisition of properties under review.

Zoning and Approval

Future acquisitions and development projects may require zoning and other approvals from local government agencies. The process of obtaining such approvals may take months or years, and there can be no assurance that the necessary approvals for any particular project will be obtained. Holding costs accrue while regulatory approvals are being sought, and delays could render future acquisitions and developments uneconomical and may have a material adverse effect on the Company's business, cashflows, financial condition and results of operations.

Mortgage Financing Risks

There is no assurance that any mortgage loan provided to the Company to finance its property acquisitions shall be available or renewed when it matures or, if renewed, renewed on the same or commercially reasonable terms and conditions (including the rate of interest). In the absence of mortgage financing, the projected return from the ownership of residential real estate properties owned by the Company shall be reduced. There is a risk that the Company may not be able to generate sufficient funds through the operation of its residential real estate properties to service future mortgage loans. If a default occurs under any mortgage, the mortgage lenders could exercise their rights including, without limitation, foreclosure or sale of the Company's properties.

Reliance on Appraisals

An appraisal is an estimate of market value and caution should be used in evaluating the appraisals. Appraisals are not precise measures of value but are based on a subjective comparison of related activity taking place in the real estate market and on various assumptions of future expectations of property performance. Some of these assumptions may not materialize or may differ materially from actual experience in the future. The Common Shares, Warrants and Housing Shares may not necessarily trade at values determined solely by reference to the underlying value of the Company's real estate assets. Accordingly, the Common Shares, Warrants and Housing Shares may trade at a premium or a discount to values implied by appraisals.

Risks Related to Mortgage Extensions and Mortgage Defaults

The Company intends to provide mortgage financing to home buyers from time to time. The Company may from time to time deem it appropriate to extend or renew the term of a mortgage past its maturity, or to accrue the interest on a mortgage, in order to provide the borrower with increased repayment flexibility. The Company generally will do so if it believes that there is a very low risk to the Company of not being repaid the full principal and interest owing on the mortgage. In these circumstances, however, the Company is subject to the risk that the principal and/or accrued interest of such mortgage may not be repaid in a timely manner or at all, which could impact the cash flows of the Company during and after the period in which it is granting this accommodation. Further, in the event that the valuation of the asset has fluctuated substantially due to market conditions, there is a risk that the Company may not recover all or substantially all of the principal and interest owed to it in respect of such mortgage.

When a mortgage is extended past its maturity, the loan can either be held over on a month-to-month basis, or renewed for an additional term at the time of its maturity. Notwithstanding any such extension or renewal, if the borrower subsequently defaults under any terms of the loan, the mortgage administrator has the ability to exercise its mortgage enforcement remedies in respect of the extended or renewed mortgage. Exercising mortgage enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact the business, cash flows, financial condition and results of operations of the Company during the period of enforcement. In addition, as a result of potential declines in residential real estate property values, the priority ranking of the mortgage and other factors, there is no assurance that the Company will be able to recover all or substantially all of the outstanding principal and interest owed to it in respect of such mortgage by the exercise of mortgage enforcement remedies for the benefit of the Company. Should the Company be unable to recover all or substantially all of the principal and interest owed to it in respect of such mortgage loans, the assets of the Company would be reduced, and the business, cash flows, financial condition and results of operations of the Company could be adversely impacted.

Risks Related to Demand Loans

The Company and its subsidiaries may from time to time have loans that are structured as demand loans, such as the Five Crossings VTB Note, that may be called on little or no notice by the applicable lender. If such loans are called by the lender, and the Company and or its subsidiaries do not have sufficient resources to satisfy its liabilities under the demand loan or are unable to refinance such amounts, the Company may have to sell assets to cover such liabilities or may be subject to legal action by the lender, all of which may have a material adverse effect on the business, cash flows, financial condition and results of operations of the Company.

Credit Risk

The Trust intends to enter into lease agreements with respect to prospective tenants from time to time. The income stream generated by tenants paying rent can be affected by general and local economic conditions and by a change in the credit and financial stability of tenants. Examples of local conditions that could adversely affect income include oversupply of space or reduced demand for rental space, the attractiveness of the Company's properties compared to other residential properties and fluctuation in real estate taxes, insurance and other operating costs. The Company may be adversely affected if tenants become unable to meet their financial obligations under their leases.

Risk Related to the Trust's Tax Status

Management has determined that the Trust qualifies as a "mutual fund trust" as defined under the Tax Act and is not a SIFT trust for the purposes of the specified investment flow through trust ("SIFT") rules in the Tax Act (as investments in the Trust are not listed or publicly traded). There are no plans for investments in the Trust to become publicly traded. Management believes that in the event investments in the Trust were to become listed or publicly traded it should be eligible for an exemption from the SIFT rules affecting the tax treatment of real estate investment trusts ("REITs") under the Tax Act (the "REIT Exemption"). Accordingly, the Trust is not taxable on any income that is distributed or made payable to unitholders. If the Trust does not qualify or ceases to qualify as a mutual fund trust under the Tax Act or is or becomes a SIFT trust that does not qualify for the REIT Exemption, adverse consequences could arise including a non-deductible distribution amount being taxable to the Trust (with the result that the amount of cash available for distribution by the Trust would be reduced) and such amount also being included in the income of unitholders (which include the Company) for purposes of the Tax Act as taxable dividends.

There can be no assurances that Canadian federal income tax laws respecting the definition or treatment of mutual fund trusts and of REITs under the Tax Act will not be changed, or that administrative and assessing practices of the CRA will not develop in a manner which adversely affects the Trust or its unitholders, and indirectly the Company and holders of Common Shares, Warrants and Housing Shares.

IP License Agreement

The IP License Agreement has an indefinite term and does not contain any prescribed termination provisions. However, the IP License Agreement could still be terminated under common law in the event of a breach of the agreement by the Company. If the IP License Agreement was terminated and the Company ceased to have the right to utilize the intellectual property that is the subject of the license (including without limitation HomePlan Agreements), the

Company could be materially adversely affected as the Company's long term strategies are predicated upon the ongoing right of use of the intellectual property subject of the IP License Agreement.

The Intellectual Property Subject of the IP License Agreement is not Registered

The intellectual property subject of the IP License Agreement is not registered in any jurisdiction. Accordingly, the intellectual property subject of the IP License Agreement may be subject to challenge by other parties and/or may not be able to be protected against infringement or use by other parties, which may erode the value of such intellectual property, which would negatively impact the Company's financial position, earnings and results of operations and may negatively impact the Company's prospects as the Company's long term strategies are predicated upon the ongoing right of use of the intellectual property subject of the IP License.

Potential Liability under Environmental Protection Legislation

Environmental and ecological legislation and policies have become increasingly important in recent years. Under various laws, the Company could become liable for the costs of removal or remediation of certain hazardous or toxic substances located on properties owned by the Company, released from properties owned by the Company, or removed from properties owned by the Company and disposed of at other locations. The failure to remove or remediate such substances, if any, may adversely affect the Company's ability to sell the properties it owns, or to borrow using such properties as collateral, and could potentially also result in claims against the Company by private parties.

Climate Change Risk

Climate-related risks refer to the potential for climate change to create adverse consequences for human or ecological systems, including impacts on people, livelihoods, health and well-being, economic, social and cultural assets and investments, infrastructure, services provision, ecosystems and species. An increase in the frequency and magnitude of climate-related risks such as floods, fires, windstorms, ice storms and wildfires in certain locales can lead to a surge in capital expenditure and interruptions to business operations. Any of these events might have a material adverse effect on the Company's business, cash flows, financial condition and results of operations. Ongoing operating expenses such as energy costs can potentially be impacted more by extreme weather, and anticipation of more frequent and severe weather events may have an adverse effect on insurance premiums. Investment properties located in areas with higher climate-related vulnerabilities could experience negative pressure on their valuations.

Competition

The Company competes for suitable residential real estate investments with individuals, corporations and institutions (both Canadian and foreign) and other institutional real estate investors which are presently seeking, or which may seek in the future, residential real estate investments similar to those desired by the Company. A number of these investors may have greater financial resources than those of the Company or operate without the investment or operating guidelines of the Company or according to more flexible conditions. An increase in the availability of investment funds, and an increase in interest in residential real estate investments, may tend to increase competition for residential real estate investments, which may increase the cost of acquiring such investments and may result in such investments being acquired by the Company at prices or on terms that are comparatively less favourable to the Company or may result in such assets being acquired by competitors of the Company. Additionally, this competition could cause a reduction in rental rates or sale prices, or both.

The Company may own a variety of residential property types, including apartment buildings, condominiums, single detached homes, etc. The relative demand for each such housing type may change by changes in mortgage interest rates, government programs that promote home ownership or other events or initiatives that increase the affordability of certain housing types. Such changes could materially adversely affect certain holdings of the Company and the ability of the Company to retain tenants, lease suites and increase or maintain rental rates, reduce occupancy rates and rental revenues, and could have a material effect on the Company's business, cash flows, financial condition and results of operations.

Uninsured Losses

The Company intends to arrange for comprehensive insurance, including fire, liability and extended coverage, of the type and in the amounts customarily obtained for properties similar to those to be owned by the Company, and shall endeavour to obtain coverage where warranted and if available against earthquakes and floods. However, in many cases certain types of losses (generally of a catastrophic nature) are either uninsurable or not economically insurable. Additionally, there may be situations where losses are not adequately covered by insurance. Should such a disaster occur with respect to a property owned by the Company, the Company could suffer a loss of capital invested and not realize any profits, which might be anticipated from the disposition of the property. Although the Company intends to obtain insurance which is adequate, assurance cannot be provided that the Company will not incur losses in excess of insurance coverage. Claims against the Company, regardless of their merit or eventual outcome, will require the Company's management to devote time to matters unrelated to the operation of the business.

Risk Related to Insurance Renewals

Certain events could make it more difficult and expensive to obtain insurance. When the Company's insurance policies expire, the Company may encounter difficulty in obtaining or renewing insurance on its properties at the same levels of coverage and under similar terms, including limits and deductibles customarily carried for similar properties. Such insurance may be more limited and, for catastrophic risks (for example, earthquake, hurricane, flood and terrorism), may not be generally available to fully cover potential losses. Even if the Company were able to renew its policies at levels and with limitations consistent with its current policies, the Company cannot be sure that it will be able to obtain such insurance at premium rates that are commercially reasonable. If the Company were unable to obtain adequate insurance on its properties for certain risks, it could cause the Company to be in default under specific covenants on certain of its indebtedness or other contractual commitments it has that require the Company to maintain adequate insurance on its properties to protect against the risk of loss. If this were to occur or if the Company were unable to obtain adequate insurance and its properties experienced damages that would otherwise have been covered by insurance, it could adversely affect the Company's business, cash flows, financial condition and results of operations.

Litigation Risks

The Company may, from time to time, become involved in legal proceedings in the course of its business. The costs of litigation and settlement can be substantial and there is no assurance that such costs will be recovered in whole or at all. During litigation involving a borrower in respect of a mortgage provided by the Company, the Company may not be receiving payments of interest on the mortgage that is the subject of litigation, thereby impacting cash flows. The unfavourable resolution of any legal proceedings could have an adverse effect on the Company and its business, cash flows, financial condition and results of operations that could be material. Even if the Company prevails in any such legal proceeding, the proceedings could be costly and time-consuming and may divert the attention of management and key personnel from the Company's business operations, which could have a material adverse effect on the Company's business, cash flows, financial condition and results of operations.

General Economic Conditions

The Company is affected by general economic conditions, local real estate markets, competition from other available rental premises or housing purchase options, including new developments, and various other factors. The value of real property and any improvements thereto depend on the credit and financial stability of residents and the vacancy rates of such properties. The Company is affected by changes in general economic conditions (such as the availability and cost of financing, inflation, unemployment), local real estate markets (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations, changing demographics, competition from other available rental premises, including new developments, and various other factors. As properties may generate revenue through rental payments made by residents, the inability of residents to pay rent may impact the rent receivables the Company anticipates to receive on its properties. The current rate of inflation and increases in interest rates may adversely affect consumer spending and debt levels, and as a result, the Company's financial performance (including, but not limited to, in connection with potential increases in tenant activism related to the foregoing). If, as a result of the foregoing, a significant number of residents are unable to meet their obligations under their leases or if a significant amount of available space in the properties becomes vacant and cannot be leased on economically favourable lease terms, cash available for distribution may be adversely affected. In addition, there is no guarantee that rental rates on renewals of

existing rental agreements with residents, or market rents for available suites, will grow at levels similar to increasing rates of inflation, which may cause growth of operating expenditures to outpace growth in revenues.

The global economy may face increasing uncertainty due to trade protectionism, an increase in interest rates, disputes, international conflict and other political and economic events around the world, which could potentially impact international and domestic supply chains, trade, and the global economy at large. This could have an impact on employment in the markets in which the Company operates and in turn have an adverse effect on the Company. In addition, the Company's operating costs could increase further due to inflationary pressures, equipment limitations or other input cost escalations. The Company's inability to control these costs could have an adverse effect on the Company's business, cash flows, financial condition and results of operations.

Reputational Risk

Reputational damage can result from the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views, whether true or not. Reputation loss may result in decreased stakeholder confidence and an impediment to the Company's overall ability to advance its business and projects, thereby having a material adverse impact on its financial performance, financial condition, cash flows and growth prospects.

Difficulty in Forecasting

Market opportunity estimates and growth forecasts, whether obtained from third-party sources or developed internally, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The Company's estimates and forecasts relating to the size and expected growth of certain real estate markets and projects, and its target market, market demand, sales forecasts, capacity to address this demand, and pricing, may prove to be inaccurate. The Company must rely largely on its and its development partners' own market research to forecast sales and tenancy as detailed forecasts are not generally obtainable from other sources. A failure in the demand for the Company's products and services to materialize as a result of competition, market changes or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Failure to Manage Growth

The Company anticipates growing demand for the Company's services, including the HomePlan, and such anticipated demand could place significant challenges on the Company's management and resources. The scalability of the Company's business will depend on the Manager's ability to scale its resources, including hiring and retaining qualified personnel. Moreover, as the Company's business grows, the Manager will need to devote additional resources to improving its internal processes and project management and to continue to enhance its scalability in order to maintain its performance in current markets and to expand into new markets.

As the Company grows, it will be required to continue to improve its operational and financial controls and reporting procedures and the Manager may not be able to do so effectively. In managing the Company's growing operations, the Manager is also subject to the risks of over-hiring and/or overcompensating its employees and over-committing to its projects. As a result, the Manager may be unable to manage its expenses effectively in the future, which may negatively impact its profit or operating expenses.

As the Company continues to grow and develop, the Company and the Manager must effectively integrate, develop and motivate a growing number of new employees and stakeholders, some of whom may be based in other provinces. In addition, the Company must maintain and adapt its business to these new jurisdictions. As a result, the Company may find it difficult to maintain its vision for growth in homeownership in North America, which could limit the Company's ability to operate effectively.

Illiquidity of Real Estate & Reinvestment Risk

Real estate investments are relatively illiquid and, therefore, tend to limit the Company's ability to adjust its portfolio in response to changes in economic or other investment conditions. To affect the Company's operating strategy, the Company will seek to raise additional funds from time to time, both through outside financing and through the orderly disposition of assets that no longer meet the Company's investment criteria. Depending upon interest rates, current development and acquisition opportunities and other factors, generally the Company will reinvest the proceeds in additional residential real estate investments, although such funds may be employed in other uses. In the markets the Company has targeted for future acquisition of residential real estate investments, there is considerable buying competition from other real estate companies, some of which may have greater resources, experience or expertise than the Company has. In some cases, this competition for acquisition properties will result in an increase in property prices and a decrease in property yields.

Adverse Changes in Laws

Increases in real estate taxes and income, service and transfer taxes, or introductions of new taxes such as a carbon taxes, cannot always be passed through to residential real estate purchasers or tenants in the form of higher sale prices or rents, and may adversely affect the Company's operating results. Similarly, changes or interpretations of existing laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions, as well as changes in laws affecting development, construction and safety requirements, may result in significant unanticipated expenditures, which could have a material adverse effect on the Company and its business, cash flows, financial condition and results of operations. In addition, rent control or rent stabilization laws or other laws regulating residential real estate leasing, and any changes thereto, limit and may reduce rental revenues or increase operating costs.

Residential tenancy legislation can impose, among other things, rent control guidelines that limit the Company's ability to raise rental rates at its properties. Limits on the Company's ability to raise rental rates at its properties may adversely affect the Company's ability to increase income from its properties. Additionally, residential tenancy legislation, such as in British Columbia, can prescribe certain stringent procedures which must be followed by a landlord in order to terminate a residential tenancy. As certain proceedings may need to be brought before the applicable administrative body governing residential tenancies as appointed under relevant residential tenancy legislation, it may take several months to terminate a residential lease, even where the tenant's rent is in arrears.

Further, residential tenancy legislation may provide the tenant with the right to bring certain claims to the respective administrative body seeking an order to, among other things, compel the landlord to comply with health, safety, housing and maintenance standards. As a result, the Company may, in the future, incur capital expenditures that may not be fully recoverable from tenants. The inability to fully recover substantial capital expenditures from tenants may have a material adverse effect on the Company's business, cash flows, financial condition and results of operations.

Residential tenancy legislation may be subject to further regulations or may be amended, repealed or enforced, or new legislation may be enacted, in a manner that will materially adversely affect the level of earnings of the Company's properties.

Foreign Operations Exchange Risk

In addition to operating in Canada, the Company intends to purchase investment properties and operate in the United States. As a result, the Company could be exposed to foreign currency exchange rate risk with respect to future cash flows derived from the properties located in the United States. The Company's exposure to exchange rate risk could increase if the proportion of income from properties located in the United States increases as a result of property acquisitions.

The United States real estate markets differ from the Canadian environment and experience and expertise in management one may not apply perfectly to the other. Additionally, the United States market may differ from Canadian markets with respect to laws and regulations, economic conditions and market norms. Operating success in the United States will depend on the Company's ability to recognize these differences and adapt its business model accordingly.

the Company's growth in foreign jurisdictions also requires management oversight and resources that may have been otherwise focused on its Canadian properties.

Geographic Concentration and Local Economic Conditions

The Company's projects are all currently located in British Columbia, in particular Kelowna, British Columbia and southern Vancouver Island, British Columbia. As such, the Company is susceptible to local economic conditions, which impact the supply of and demand for residential properties in this area. If there is a downturn in the local economy, the Company's projects could be materially adversely affected to a greater extent than if the Company's projects were in a more geographically diversified portfolio. An important part of the Company's business plan is based on the belief that property values for residential properties in such markets will improve over the next several years. There can be no assurance as to the extent property values in such markets will remain high or grow. If these markets experience economic downturns in the future, the value of the Company's projects could decline and the Company's ability to execute its business plan may be adversely affected, which could adversely affect the Company's financial condition and operating results.

Lack of Diversification of Investment Assets

By specializing in a particular type of real estate, the Company is exposed to adverse effects on that segment of the real estate market and does not benefit from a broader diversification of its portfolio by property class.

Income Tax Risk

The Company intends to file all required income tax returns and believes that it will be in full compliance with the provisions of the Tax Act and all applicable provincial tax legislation. However, such returns are subject to reassessment by the applicable taxation authority. In the event of a successful reassessment of the Company, whether by re-characterization and development expenditures or otherwise, such reassessment may have an impact on current and future taxes payable.

Public Health Crises

Public health crises relating to any virus, flu, epidemic, pandemic or any other similar disease or illness (each a "**Health Crisis**") could adversely impact the Company, including through: a general or acute decline in economic activity in the countries and regions in which the Company's properties and investments are located; increased unemployment, reduced immigration, closure of college and university campuses, household consolidation (young adults moving back in with their parents), supply shortages, temporary service disruptions due to illness, the Company or government-imposed isolation programs and restrictions on the movement of personnel, and other mobility restrictions and quarantine measures; increased government regulation, inability to access governmental programs or processes on a timely basis, efficacy of governmental relief efforts; and the quarantine or contamination of one or more of the Company's properties. Contagion in a property or market in which the Company operates could negatively impact its occupancy, reputation or attractiveness of that market. Furthermore, increased government regulation relating to a Health Crisis could result in legislation or regulations that may restrict the Company's ability to enforce material provisions under its leases among other potential adverse impacts. All of these occurrences may have a material adverse effect on the business, cash flows, financial condition and results of operations of the Company, including, but not limited to: the ability to implement rent increases; rent collection and receivables; vacancy levels; mortgage renewals and refinancings on attractive terms; submission and processing of various applications and approvals; deferral of certain capital expenditures and repair and maintenance expenditures; valuation of investment properties; and the Company's ability to meet its debt covenants.

Global Economy Risk

The volatility of global capital markets over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future

and on terms favourable to the Company and its management. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Company's securities could be adversely impacted.

Cybersecurity Risk

The Company uses information technology for general business operations, the effective achievement of strategic business objectives, and to streamline operations. Consequently, the Company faces information technology risk from its continuous adoption and use of information technology. The risk consists of information technology-related events such as cybersecurity incidents that could potentially have an adverse impact on the Company's business, cash flows, financial condition and results of operations, IT systems, operations and tenants. Although the Company makes efforts to maintain the security and integrity of its IT networks and related systems and has implemented various measures to manage the risk of a security breach or disruption, there can be no assurance that these security efforts will be effective or that attempted security breaches or disruptions will not be successful or damaging.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of the Company's information resources. More specifically, a cyber-incident is an intentional attack or an unintentional event that can include gaining unauthorized access to information systems to disrupt operations, corrupt data or steal confidential information. As the Company's reliance on technology increases over time, so will the risks posed to its systems. The Company's primary risks that could directly result from the occurrence of a cyber-incident include operational interruption, damage to its reputation, damage to the Company's business relationships and disclosure of confidential information regarding the purchaser or tenants of its properties. The Company has implemented processes, procedures and controls to help mitigate these risks, but these measures, as well as its increased awareness of a risk of a cyber-incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Risk Relating to the Exchange Offering

There is Currently No Active Trading Market for the Housing Shares

There is currently no public market for the Housing Shares and there can be no assurance that a public market for such securities will ever develop. As at the date of this Prospectus, the Company has applied to list the Housing Shares on the CSE; however, there is no guarantee that the Housing Shares will be listed on the CSE (or any other securities exchange). This may affect the pricing of the Housing Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Housing Shares, and the extent of issuer regulation and may adversely affect the ability the ability of holders of Housing Shares to sell the Housing Shares.

Volatility of Market Price for Housing Shares

There can be no assurance about the market price of the Housing Shares and the market price of the Housing Shares may be volatile. Market price fluctuations in the Housing Shares may be due to, among other things, the Company's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors.

Sales of a Significant Number of Housing Shares in the Public Markets, or the Perception of Such Sales, Could Depress the Market Price of the Housing Shares

To the extent that Qualifying Holders tender their Exchange Offer Subject Securities to acquire Housing Shares and sell the Housing Shares, the market price of the Housing Shares may decrease due to the additional selling pressure in the market. The risk of dilution from issuances of Housing Shares may cause shareholders to sell their Housing Shares, which may have a material adverse impact on the Company and its share price. Sales by holders of Housing Shares might also make it more difficult for the Company to issue and sell equity securities in the future at a time and price that it deems appropriate. In addition, Sales of other equity-related securities in the public markets by the Company or by the Company's significant shareholders could depress the market price of the Housing Shares. The Company cannot predict the effect that future sales of Housing Shares or other equity-related securities would have on the market price

of the Housing Shares. The price of the Housing Shares could be affected by possible sales of Housing Shares or by hedging or arbitrage trading activity.

Limited Size of Exchange Offering

The Company may decide not to continue with the Exchange Offering or to terminate the Exchange Offering in certain circumstances. The Company currently has no intention to terminate the Exchange Offering, but is reserving the right to do so. If the Exchange Offering does not proceed for any reason, or the number of holders of Exchange Offer Subject Securities tendering same to acquire Housing Shares is limited, it may negatively affect the market price for the Housing Shares or result in the Company failing to meet the public float or other listing requirements of the CSE applicable to the Housing Shares.

Holders of Exchange Offer Subject Securities are Responsible for Accuracy and Completeness of Completed Letters of Transmittal within Set Time Limits

Qualifying Holders who wish to tender their Exchange Offer Subject Securities to acquire Housing Shares must act promptly to ensure that their Letter of Transmittal and all other required documents are actually received by the Company prior to the Exchange Offer Expiry Time on the Exchange Offer Expiry Date. If a Qualifying Holder fails to complete and sign the Letter of Transmittal, sends incorrect information or otherwise fails to follow the procedures that apply to the transaction in question, the Company may, depending on the circumstances, reject a tender of Exchange Offer Subject Securities or accept it. The Company does not undertake to contact a Qualifying Holder concerning, or attempting to correct, an incomplete or incorrect Letter of Transmittal or Section 85 Election form. The Company has the sole discretion to determine whether a submitted Letter of Transmittal follows the required procedures.

The Exchange Price is not an Indication of Value

The Exchange Price of \$10.35 was determined by the Board and does not necessarily bear any relationship to the book value of the Company's assets, past operations, cash flows, losses, financial condition or any other established criteria for value. The Exchange Price is not an indication of the Company's or Trust's value.

The Exchange Value Offered by the Company to Qualifying Holders for Exchange Offer Subject Securities may be Different than the Carrying Amount for Such Securities on the Company's Balance Sheet.

The exchangeable value ascribed by the Company to Exchange Offer Subject Securities for purposes of the Exchange Offering has been determined based on the good faith determination by the Board of Directors of the principal amount and accrued interest in respect of the RPB Bonds, SRRPU Notes and FB Development Bonds and the RPB Right Redemption Amount, SRRPU Right Redemption Amount and FB Development Right Redemption Amount in the case of the RPB Rights, SRRPU Rights, FB Development Rights, respectively, which amounts may be higher or lower than the carrying amounts on the balance sheet for such securities. If Exchange Offer Subject Securities are tendered for an exchange value that is in excess of the carrying amount of such security on the Company's balance sheet, the Company will incur a loss. If the Exchange Offer Subject Securities are tendered for an exchange value that is less than the carrying amount of such security on the Company's balance sheet, the Company will incur a gain. In determining the exchange value for the Exchange Offer Subject Securities, the Company has estimated the accrued interest on each of the Exchange Offer Subject Securities to the Exchange Offer Expiry Date and, with respect to the FB Development Rights, the Company also estimated the profit share entitlement of holders of FB Development Rights, which is payable through the redemption of FB Development Units for the FB Development Right Redemption Amount based on the estimated profit share of the Company in respect of the Five Crossings Development. Carrying amounts in the financial statements do not include profit share entitlements of holders of FB Development Rights. In addition, if a holder of Exchange Offer Subject Securities holds such securities to maturity and does not tender such securities for Housing Shares the aggregate amounts paid to such holders may be more or less than the value of the Housing Shares offered to be issued to such holders under the Exchange Offering. For details as to how the Company accounts for the Exchange Offer Subject Securities, see the notes to the Financial Statements (which Financial Statements are attached as Appendix A to this Prospectus).

No Guarantee of Eligible Property Status of Exchange Offer Subject Securities

While the Company believes that the Exchange Offer Subject Securities are “eligible property” for purposes of the Section 85 Election, there can be no assurance that such securities or certain attributes thereof would not be considered interests in real property inventory to an Eligible Holder by a taxing authority. Should an Exchange Offer Subject Security not be “eligible property” for purposes of the Section 85 Election, an election to defer tax would not be wholly or partially valid.

Tax Risk to the Company

To the extent the settlement of Exchange Offer Subject Securities with Housing Shares results in the settlement or extinguishment of one or more debt obligations of the Company that are “commercial obligations” and not “excluded obligations” the amount settled without payment, including tax deductible interest, must be applied to reduce certain tax attributes of the Company (such as operating losses, capital losses and the tax cost base of the Company’s property) and the Company may be deemed to have an income inclusion equal to one-half of the amount not so applied. This would increase the tax payable by the Company.

Short Sales by Third Parties Could Depress the Price of the Housing Shares

Upon the Housing Shares being listed on the CSE (or another securities exchange), any downward pressure on the price of Housing Shares caused by the sale of Housing Shares could encourage short sales by third parties. In a short sale, a prospective seller borrows shares from a shareholder or broker and sells the borrowed shares. The prospective seller hopes that the share price will decline, at which time the seller can purchase shares at a lower price for delivery back to the lender. The seller profits when the share price declines because it is purchasing shares at a price lower than the sale price of the borrowed shares. Such sales could place downward pressure on the price of the Housing Shares by increasing the number of Housing Shares being sold, which may have a material adverse impact on the Company and its share price.

Loss of Entire Investment

An investment in Housing Shares is highly speculative and may result in the loss of an investor’s entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company, including by way of tendering Exchange Offer Subject Securities for Housing Shares under the Exchange Offering.

Performance of HY Units and Housing Shares

The value of the Housing Shares is dependent on the underlying value of the HY Units that the Company holds. If the value of the HY Units is adversely effected then the value of the Housing Shares may be adversely effected, which may or may not be a true reflection of the underlying asset value of the applicable assets on which the HY Unit value is based. If the HY Unit underlying assets do not perform as expected, whether due to defaults, project or payment delays, or other factors, the cash flows available to the holders of these securities may be reduced, delayed, or eliminated. As a result, investors could lose part or all of their investment, and the market value of the Housing Shares may decline. The historical performance of similar assets may not be indicative of the future performance of the assets underlying the securities offered.

Further, the share terms of the Housing Shares provide for the Company to be able to convert the Housing Shares into Common Shares in certain circumstances. If a circumstance arose which permitted the Company to convert Housing Shares into Common Shares, holders of Housing Shares could end up owning Common Shares and not have any interest in the Housing Shares or, indirectly, in the underlying HY Units.

Housing Share Dividend Policy

The Company has not issued any Housing Shares as of the date of this Prospectus and accordingly has not declared or paid any dividends on the Housing Shares. As noted above, the Housing Shares, when issued, are entitled to receive dividends in relation to returns received by the Company on any HY Units of the Trust held by the Company, with the

declaration and payment of such dividends being at the discretion of the Board. See “*Description of Securities – Company Authorized and Issued Capital – Housing Shares – Dividend Rights*”. Following the issuance of Housing Shares and the retirement of the securities outstanding under the RPB Indenture and FB Bond Indenture, the Board intends to declare and pay a dividend on the Housing Shares on a quarterly basis out of the Housing Share Available Cash (as defined in the Articles) for such quarter, if any. The declaration and payment of dividends on the Housing Shares remains at the complete discretion of the Board of Directors and are not cumulative or guaranteed and if commenced may be reduced or suspended at any time. In addition, (i) the RPB Indenture and FB Bond Indenture prohibit the payment of dividends or other distributions on any shares of the Company and any redemption or repurchase of shares of the Company until such time as no RPB Bonds and FB Development Bonds, respectively, remain outstanding, and (ii) the SRRPU Indenture and CD Indenture prohibit the payment of dividends or other distributions on any shares of Saanich Ridge Development and any redemption or repurchase of shares of Saanich Ridge Development until such time as no SRRPU Notes and CD Notes, respectively, remain outstanding. Housing Shares have no priority to dividends relative to the Common Shares and there is no restriction in the Articles that prevents the payment of dividends on the Common Shares while the Housing Shares are outstanding (other than the entitlement of holders of Housing Shares to the Housing Share Preference Amount in the event of the liquidation, dissolution or winding-up of the Company). Accordingly, dividends may be declared and paid on the Common Shares to the exclusion of the Housing Shares, including out of the Housing Share Available Cash.

Housing Share Liquidation Preference

Holders of the Housing Shares are entitled to the Housing Share Preference Amount in priority to holders of Common Shares in the event of the liquidation, dissolution or winding-up of the Company whether voluntary or involuntary. However, there is no restriction in the Articles of the Company that prevents the payment of dividends or other distributions on any class or series of shares of the Company, including the Common Shares, that would cause the net realizable value of the Company’s Assets to be reduced below the Housing Share Preference Amount. Accordingly, upon the liquidation, dissolution or winding-up of the Company, the Company may not have sufficient funds to pay the Housing Share Preference amount in full or in part to the holders of Housing Shares.

Housing Shares may be Classified as a Liability on the Balance Sheet

Management believes, based on its analysis, that the Housing Shares should be classified as equity instruments in accordance with IFRS and intends to record amounts related to issued and outstanding Housing Shares within shareholders’ equity on the Company’s balance sheet. However, if further analysis results in the identification of characteristics that result in a determination that amounts related to issued and outstanding Housing Shares are to be classified as a liability, this may have an adverse effect on the Company’s financial position by way of reducing shareholders’ equity and increasing the liabilities of the Company.

The foregoing risk factors do not purport to be a complete explanation of all risks involved in purchasing the Offered Units of the Company or acquiring Housing Shares under the Exchange Offering. Potential investors should read this entire Prospectus carefully and consult with their legal and other professional advisors before determining to invest in securities of the Company.

PROMOTERS

George Lawton, the Company’s Chief Executive Officer and a director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Lawton beneficially owns, or has control and direction over, an aggregate of 62,838,760 Common Shares of the Company, which represents 78.78% of the Common Shares outstanding as of the date of this Prospectus prior to giving effect to Common Shares issuable on conversion of the CD Notes pursuant to the CD Rights. Mr. Lawton is the President, Chief Executive Officer and a director of the Company. He is also the sole director and officer of, and controls, the Manager and is therefore an indirect beneficiary of the fees to be paid to the Manager under the Management Agreement. Mr. Lawton also has received and may in the future receive remuneration for serving as the Chief Executive Officer and a director of the Company. See “*Principal Securityholders*”, “*Management Agreement*”, “*Directors and Executive Officers*”, “*Executive Compensation*” and “*Interests of Management and Others in Material Transactions*”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since July 1, 2023, and there are no such legal proceedings that the Company knows to be contemplated.

There have been no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since the Company's incorporation on July 27, 2016; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Offered Units; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since the Company's incorporation on July 27, 2016.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as set out below and elsewhere in this Prospectus, none of the Directors or executive officers of the Company, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

Management Agreement and Administration and Property Management Agreement

The Company and the Manager are parties to the Management Agreement pursuant to which the Manager was appointed to provide or procure the Manager Services (as defined below). The Manager is a wholly owned subsidiary of NAH Equity Company GP Inc. George Lawton, the Chief Executive Officer and a director of the Company, is the sole director and officer of both companies and through the ownership position that NAH Equity Company GP Inc. has in the Manager, Mr. Lawton has voting control over the Manager. Mr. Lawton has an economic interest in the Management Agreement and the fees payable to the Manager thereunder. Pursuant to the Management Agreement the management fees earned by the Company from the Trust under the Administration and Property Management Agreement flow through to the Manager. For further information with respect to Management Agreement and the Administration and Property Management Agreement and the fees payable thereunder, see "*Material Contracts – Management Agreement*" and "*Material Contracts – Administration and Property Management Agreement*".

IP License Agreement

The Company entered into the IP License Agreement with 1086353 B.C. Ltd., the majority shareholder of the Company, which company is controlled by George Lawton, the Chief Executive Officer, and a director of the Company. In consideration for the Intellectual Property License, the Company paid to 1086353 B.C. Ltd. a one-time license acquisition fee of \$12,500,000, which fee was paid by issuing a total of 62,500,000 Common Shares deemed, pursuant to the terms of the agreement, to have a value of \$0.20 per Common Share. The Company obtained an independent third-party valuation to support the one-time license acquisition fee. Those Common Shares were issued by the Company to 1086353 B.C. Ltd. on June 30, 2022. For further information, see "*Development of the Business – IP License Agreement*".

Saanich Ridge Lands Lease and Saanich Ridge Acquisition Note

The Saanich Ridge Lands Lease was acquired by the Company, through its wholly-owned subsidiary Saanich Ridge Development, from 1086353 B.C. Ltd., the majority shareholder of the Company which is controlled by George Lawton, the Chief Executive Officer and a director of the Company, pursuant to the Saanich Ridge Acquisition Agreement for \$2,750,000 with \$2,500,000 being paid via the issuance of 12,672,000 Class C Shares of the Company (since exchanged for 5,189,189 Common Shares) and the balance being paid via the issuance of the Saanich Ridge Acquisition Note. This Saanich Ridge Acquisition Note has a principal amount owing of \$250,000, has a 5-year term, which has been extended to July 31, 2030, bears interest at the prime rate and is secured by way of a collateral \$250,000 mortgage charge against the Saanich Ridge Lands Lease ranking behind the first mortgage loan.

Glenlake Development

The Manager, which is controlled by George Lawton, has entered into a management agreement with the Glenlake Highview Development Limited Partnership, pursuant to which it will manage the Glenlake Development. Accordingly, the Manager will receive certain management fees in relation to the Glenlake Development from the Glenlake Highview Development Limited Partnership, including (i) an acquisition fee equal to 1.35% of the purchase price of real property acquired by Glenlake Highview Development Limited Partnership acquired by from parties not associated or affiliated with the Manager, and (ii) a development management fee payable from the approval of the development permit of 0.925% on the budgeted costs for the Glenlake Development payable in equal amounts over the construction timeline for the project. To date, acquisition fees of \$315,621.90 and development management fees of \$501,049.44 have been charged by the Manager to the Glenlake Highview Development Limited Partnership. In addition, NAH Equity Company GP Inc., which is the sole shareholder of the Manager, owns one-third of the common shares of the general partner of the Glenlake Highview Limited Partnership, through which it is also entitled to receive distributions from fees derived by the general partner from the Glenlake Highview Development Limited Partnership based on returns generated by the Glenlake Development. JGPL Enterprises Holdings Ltd., a company affiliated with Navepal Jagpal, a director of the Company, owns the remaining two-thirds of the common shares of the general partner of the Glenlake Highview Development Limited Partnership, through which it controls such general partner and is also entitled to receive distributions from fees derived by the general partner from the Glenlake Highview Development Limited Partnership based on the returns generated by the Glenlake Development. NAH Equity Company GP Inc. also owns 1,000 of the total 10,032,000 Class A limited partnership units of the Glenlake Highview Limited Partnership issued and outstanding. JGPL Enterprises Holdings Ltd. and 1400986 B.C. Ltd., both of which are entities controlled by Navepal Jagpal, collectively own the remaining 10,031,000 issued and outstanding Class A limited partnership units of the Glenlake Highview Limited Partnership. The entities controlled by Navepal Jagpal and George Lawton that have equity interests in the Glenlake Highview Limited Partnership will participate in the profits generated by the development, if any. The funds advanced by the Trust under the Glenlake Funding and Purchase Agreement to the Glenlake Highview Limited Partnership are entitled to payment in priority to any returns on such equity, but are subordinate to the amounts outstanding from time to time under the Peakhill Capital Glenlake Land Commitment Letter.

The Glenlake Highview Development Limited Partnership obtained the Peakhill Capital Glenlake Land Commitment Letter for purposes of refinancing the prior mortgage debt secured against the lands underlying the Glenlake Development. The financing under the Peakhill Capital Glenlake Land Commitment Letter completed as of October 31, 2025 and provided an aggregate principal amount of \$13.5 million in financing, at a fixed interest rate of 13.5% per annum for a term of nine months. The funds advanced by the Trust to the Glenlake Highview Development Limited Partnership are subordinate to loans advanced under the Peakhill Capital Glenlake Land Commitment Letter. The obligations under the Peakhill Capital Glenlake Land Commitment Letter are guaranteed by, among others, the Company, NAHF Limited Partnership, 1404122 B.C. Ltd., 1289900 B.C. Ltd., Navepal Jagpal (a director of the Company), JGPL Enterprises Holdings Ltd. (a company controlled by Navepal Jagpal, a director of the Company), and NAH Equity Company GP Inc. (the sole shareholder of the Manager, both of which are controlled by George Lawton, Chief Executive Officer, and a director of the Company).

The Glenlake Highview Development Limited Partnership has also entered into the Peakhill Capital Glenlake CMHC Financing Letter with respect to a proposed loan in the aggregate principal amount of \$99,753,900 for purposes of providing construction financing for the Glenlake Development. The proposed loan is expected to have a term of five to ten years, with an interest rate based on a prevailing market spread and an amortize over 50 years. The Peakhill Capital Glenlake CMHC Financing Letter provides that it is to be guaranteed by the Company, JGPL Enterprises Holdings Ltd. (a company controlled by Navepal Jagpal, a director of the Company), and NAH Equity Company GP Inc. (the sole shareholder of the Manager, both of which are controlled by George Lawton, Chief Executive Officer, and a director of the Company).

The Glenlake Highview Development Partnership, which is controlled indirectly by Navepal Jagpal, a director of the company, and in respect of which entities owned by George Lawton, Chief Executive Officer and a director of the Company, have equity interests benefit from the guarantees provided by the Company and its subsidiaries in relation to the Peakhill Capital Glenlake Land Commitment Letter and proposed to be provided in respect of the Peakhill Capital Glenlake CMHC Financing Letter as such guarantees support the obtaining of financing for the advancement of the Glenlake Development.

For further information about the Glenlake Development, see “*Development of the Business – Glenlake Development*”.

Revo Development

The Manager has entered into a management agreement with the Collinson Rise Limited Partnership, pursuant to which it manages the Revo Development. Accordingly, the Manager will receive certain management fees in relation to the Revo Development from the Collinson Rise Limited Partnership including (i) an acquisition fee equal to 1.35% of the purchase price of real property acquired by Collinson Rise Limited Partnership acquired by from parties not associated or affiliated with the Manager, and (ii) a development management fee payable from the approval of the development permit of 1.95% on the budgeted costs for the Revo Development payable in equal amounts over the construction timeline for the project. To date, development management fees of \$147,372.60 and other management fees of \$1,104,978.28 in management fees have been charged to the Collinson Rise Limited Partnership by the Company, of which \$552,489.14 have in turn been charged by the Manager under the Management Agreement since January 1, 2025.

For further information about the Revo Development, see “*Development of the Business – Revo Development*”.

Guarantees

Navepal Jagpal, a director of the Company, and entities he beneficially owns and controls have provided guarantees for the obligations of the Company and its subsidiaries in respect of the following loan agreements: (i) the obligations of 1404122 B.C. Ltd. under the Peakhill Capital Saanich Commitment Letter; (ii) Peoples Group CMHC Commitment Letter, which was paid out in full from the proceeds of the Peakhill Capital Saanich Commitment Letter; (iii) the Peakhill Capital Five Crossings CMHC Commitment Letter, and (iv) the Peakhill Capital Saanich Ridge CMHC Commitment Letter.

1086353 B.C. Ltd., the majority shareholder of the Company, which is controlled by George Lawton, the Chief Executive Officer and a director of the Company, has provided guarantees for the obligations of the Company and its subsidiaries in respect of the following loan agreements: (i) the obligations of 1404122 B.C. Ltd. under the Peakhill Capital Saanich Commitment Letter; (ii) Peoples Group CMHC Commitment Letter, which was paid out in full from the proceeds of the Peakhill Capital Saanich Commitment Letter; (iii) the Peakhill Capital Five Crossings CMHC Commitment Letter, and (iv) the Peakhill Capital Saanich Ridge CMHC Commitment Letter.

Pursuant to the KV Capital Guarantee, the Company, NAHF Limited Partnership, NAHF General Partner Inc., 1289900 B.C. Ltd., Adam Gant (senior consultant to the Company) and certain other parties have guaranteed certain financing provided by KV Capital Inc. to Boynton Developments (Kelowna) Ltd. and Highland Promintory Developments Limited Partnership with an aggregate indebtedness of \$7,559,693 at June 30, 2025 under the KV Capital Commitment Letter. The obligations of NAHF Limited Partnership, NAHF General Partner Inc., 1289900 B.C. Ltd. and Adam Gant are limited to \$1.0 million, whereas the liability of the Company and certain other guarantors is not limited. The obligations of the borrowers and the guarantors under the KV Capital Commitment Letter are secured by a mortgage in the amount of \$20.0 million registered against the Five Bridges Apartment Property. The Company advanced \$250,000 to KV Capital Inc. in order for KV Capital Inc. to subordinate its mortgage to the Five Crossings Apartment Property mortgage registered in favour of Peak Hill Capital as security for funds advanced under the Peakhill Capital Glenlake Land Commitment Letter. The underlying townhome real estate project has been placed in receivership by KV Capital Inc., with MNP Ltd. acting as receiver and is seeking to sell the assets to cover the debts owed to KV Capital Inc. If the assets are sold for less than the loan value, the Company, NAHF Limited Partnership, NAHF General Partner Inc., 1289900 B.C. Ltd. and Adam Gant may be subject to liability under the KV Capital Guarantee.

The Scene Tower

The Scene tower is a planned 18 storey building which is the second phase of the Scene development project in Langford, British Columbia, part of the greater Victoria, British Columbia area. The Company, through NAHF Limited Partnership, entered into a non-binding letter of intent to acquire a 63-unit air space parcel condo-titled within the project for a purchase price of \$33,659,000 inclusive of GST but prior to closing adjustments. The project has its development permit and building permit for the first phase and the airspace parcel is already registered. The project is being developed by a 1206949 BC Ltd., a company controlled by Navepal Jagpal, a director of the Company. The initial letter of intent, which has subsequently been amended and restated, was entered into between NAHF Limited

Partnership and Jagpal Development Ltd. prior to Mr. Jagpal becoming a director of the Company. The letter of intent is non-binding and subject to the satisfaction of various conditions, accordingly there is no assurance that transactions contemplated by the letter of intent will proceed as contemplated thereunder or at all. See “*Risk Factors*”.

Interests of Associates

Gaylyn Lawton, Chief Financial Officer of the Company, is the spouse of George Lawton and may indirectly benefit from the transactions described above in respect of which entities controlled by George Lawton have an interest.

Other Transactions with Related Parties.

See the disclosure under the heading “Transactions between related parties” in the MD&A attached hereto as Appendix “A” for a summary of certain other transactions in respect of which funds have been advanced to, or advanced from, to cover operating expenses in respect of entities controlled by George Lawton and Navepal Jagpal.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is neither a “related issuer” nor a “connected issuer” of or to any Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*). The Company is not an underwriter of the distribution.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The current auditor of the Company is Deloitte LLP, located in Calgary, Alberta. See “*Experts*”.

The transfer agent and registrar for the Common Shares will be Computershare Investor Services Inc., located at its principal office in Vancouver, British Columbia.

The warrant agent for the Warrants will be Computershare Trust Company of Canada, located at its principal office in Vancouver, British Columbia.

The transfer agent and registrar for the Housing Shares will be Computershare Investor Services Inc., located at its principal transfer offices in Vancouver, British Columbia.

MATERIAL CONTRACTS

There are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to the Company, other than the contracts listed below, with the below summaries being solely summaries of certain key commercial terms of such contracts, which do not purport to be complete and are subject to, and qualified in its entirety by reference to, the full terms of such contracts, which have been filed under the Company’s profile on SEDAR+ at www.sedarplus.ca:

(1) Administration and Property Management Agreement

The Company has entered into the Administration and Property Management Agreement with the Trust to oversee the day-to-day management of the Trust and provide the Administrative and Property Management Services, subject always to the overriding supervision of the Trustees of the Trust.

Administrative and Property Management Services

The Company has agreed to provide, or cause to be provided through qualified service providers, to the Trust and its subsidiaries the following administrative and property management services (collectively, the “**Administrative and Property Management Services**”) including providing the following strategic, advisory and asset management services:

- (i) the services of certain members of the Company’s senior management team, including the provision of George Lawton’s services as a Trustee and an executive of the Trust;

- (ii) advisory, consultation and investment management services and monitor financial performance;
- (iii) advice to the Trustees on strategic matters, including potential acquisitions, dispositions, financings and development;
- (iv) guidance to the Trustees on operations, expenses and capital expenditures;
- (v) identification, evaluation, recommendation and assistance in the structuring of financings, acquisitions, dispositions and other transactions;
- (vi) advice and assistance with borrowings, issuances of securities and other capital requirements, including assistance in dealings with banks and other lenders, investment dealers, institutions and investors;
- (vii) accounting and treasury services;
- (viii) recommendations with respect to the payment of distributions;
- (ix) advice in connection with business strategy and budgets, and implementation of such strategy and budgets and monitoring of financial performance;
- (x) advice with respect to investor relations strategies and activities;
- (xi) advice with respect to regulatory compliance requirements, risk management policies and manage litigation matters and insurance placement;
- (xii) management, property management, and general Administrative and Property Management Services, including keeping and maintaining books and records and collecting rents and other payments;
- (xiii) preparation of tax returns, tax services and other regulatory filings and documents and the determinations necessary for the discharge of the obligations of the Trust, the Trustees and the NAHF Limited Partnership;
- (xiv) administrative and support services, including office space, office equipment and communications services and computer systems, secretarial support personnel and reception and telephone answering services, installation and maintenance of signage and promotional materials and such other Administrative and Property Management Services as may be reasonably required from time to time;
- (xv) preparation and distribution of tax and financial information and distributions for Unitholders and management of Unit redemption matters;
- (xvi) information technology and associated support services (including website management);
- (xvii) data storage and processing services; and
- (xviii) such other similar services, functions and responsibilities that are reasonably related to and required for the proper performance and provision of all services as set out above.

The Company may provide such additional services to the Trust under the Administration and Property Management Services as the parties may from time to time agree in writing, which are to be performed by the Company for the Trust and for which the Manager shall be compensated on terms to be agreed upon prior to the performance of any such additional services.

Except for the gross negligence, willful misconduct or any act of fraud committed by the Company, its agents or employees, or if the Company does not carried out its obligations under the Administration and Property Management Services or the written directions of the Trust, the Trust shall, during the term and after the termination of the Administration and Property Management Services, indemnify and save the Company completely free and harmless from any and all damages or injuries to persons to property, or claims, actions, obligations, liabilities, costs, expenses and fees incurred by the Company in accordance with or as a result of the Company carrying out the provisions of the Administration and Property Management Services or the directions of the Trust.

Fees

In consideration for the performance by the Company of Administrative and Property Management Services, the Trust shall pay the Company a fixed fee of \$1,000 per month, as well as reimburse the Company for all reasonable out-of-pocket costs and expenses incurrent in connection with the performance of the Administrative and Property Management Services.

In addition to the fixed fee, there is also a: (i) property management fee equal to 3% of the gross annual rental revenue for apartment buildings or commercial property and 6.0% of annual gross rental revenue for single-unit residential properties; (ii) financing fee equal to 1% of the financing amount for acquisition financing,

construction loans, or refinancing obtained by the Trust with the assistance of the Company; (iii) an acquisition fee for 0.75% of a property's contract cost for any apartment or commercial property acquired by NAHF Limited Partnership from third parties who are not associated or affiliated with the Company or the Trust or related thereto for purposes of the Tax Act and 2.85% of the property's contract cost for any single-unit residential property acquired, (iv) disposition fee equal to the same percentages as the acquisition fees on the same property types, (v) a HomePlan marketing fee for each HomePlan Agreement where a 1% deposit is collected as part of the equity credit towards the purchase of a home by the tenant, the same 1% amount will be payable as a fee to the Company. The Administration and Property Management Agreement also provides for the payment of an occupancy bonus fee, which pays the Company a fee equal to 20% of the gross revenue collected for the total income property portfolio but only on the portion above and between 98% and 99% occupied for the year, prorated for the number of months owned in the year of acquisition, and 50% of the gross revenue collected for the total income property portfolio above and between 99% and 100% occupancy. For greater clarity, this is not on an individual property basis but requires the total portfolio to achieve greater than 98% and 99% occupancy for the year before any amount is due to Company for this bonus. The Administration and Property Management Agreement also provides that any development management fees receivable by the Trust from a development limited partnership the Trust has provided financing to or in invested in through NAHF Limited Partnership will be passed through to the Company. All fees other than the fixed fee and expense reimbursement paid to the Company by the Trust pursuant to the Administration and Property Management Agreement, are in turn payable by the Company to the Manager pursuant to the Management Agreement (see "*Material Contracts – Management Agreement*" below).

Term and Termination

The initial term of the Administration and Property Management Services, subject to earlier termination in accordance with its terms, ends on May 31, 2028, and it shall be automatically renewed for successive one-year terms following the initial term, unless terminated earlier: (i) by either party immediately upon the occurrence of an event of default by the other party; (ii) by the Trust, on 90 days' prior written notice to the Company before each renewal date; or (iii) by the Company, on 90 days' prior written notice to the Trust at any time.

The Administration and Property Management Agreement may also be terminated immediately by written notice from one party to the other in the event of certain uncured defaults, voluntary or involuntary windup or dissolution, or insolvency matters.

George Lawton, one of the Trustees of the Trust, is also a control person of the Company. Issues arising or decisions to be made where there is a conflict of interest of the Trust under the Administration and Property Management Services and the Company will be addressed on the part of the Trust by the independent trustee, who at present is James Pratt.

(2) FB Bond Indenture

The FB Bond Indenture dated August 30, 2021, is between the Company and Bond Agent, as trustee for and on behalf of the holders of FB Development Bonds under the FB Bond Indenture.

The Company initially issued FB Development Units on August 30, 2021, with each Development Unit being comprised of one Development Bond and one Development Right. The FB Development Bonds are governed by the FB Bond Indenture. The Company used the net proceeds from the sale of FB Development Bonds to loan money to Five Bridges Development Limited Partnership to advance the acquisition of lands associated with the Five Bridges Development. In exchange for such loan, Five Bridges Development Limited Partnership provided the Company with a collateral mortgage, which was executed and registered following the initial closing with amendments adding the additional two properties upon their closings.

The aggregate principal amount of FB Development Bonds which may be issued and outstanding from time to time under the FB Bond Indenture is unlimited and such FB Development Bonds are designated as "Five Bridges Development Property Bonds" and may be issued only upon the terms and subject to the conditions provided in the FB Bond Indenture.

Bond Attributes

The FB Development Bonds shall have the following attributes: (a) the FB Development Bonds shall be dated as of the date of issue and shall mature on the July 30, 2026; (b) other than as provided for in the FB Bond Indenture, the FB Development Bonds are non-voting; (c) the FB Development Bonds shall be issued only as fully registered FB Development Bonds in denominations and multiples of \$1,000; (d) the Company may, in its discretion, issue up to \$6,500,000 principal amount of FB Development Bonds for a subscription price equal to 97% of the principal amount of such Bonds, otherwise, the subscription price for each Development Bond shall be equal to the principal amount of the Development Bond; (e) the FB Development Bonds may be issued in certificated or uncertificated form; (f) subject to certain conditions in the FB Bond Indenture, on the maturity date, the Company shall repay the FB Development Bonds; (g) subject to the availability of an exemption from the prospectus and registration requirements of any applicable securities legislation, after the Company may repay the FB Development Bonds by providing the holder with the option to reinvest in new units at a discounted rate such that they can purchase the same number of units for 97% of the principal amount of their repaid units; (h) the FB Development Bonds shall be secured by the certain security documents; (i) subject to the conditions therein, the holders shall be entitled to receive interest with such payment being payable on the maturity date; and (j) holders (or their designates) are entitled to be issued FB Development Rights in accordance with the FB Bond Indenture.

The FB Development Bonds shall be direct obligations of the Company and shall rank equally and *pari passu* with each other (regardless of their actual dates or terms of issue).

The Company shall keep registers on which shall be entered the names and addresses of the holders and particulars of the fully registered FB Development Bonds held by them respectively and of all exchanges of fully registered FB Development Bonds. No exchange of a fully registered Development Bond shall be valid unless made by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Bond Agent or other registrar, upon compliance with such reasonable requirements as the Trustee may prescribe, and unless such exchange shall have been duly entered on one of the appropriate registers.

Interest

Each Development Bond accrues simple interest against the principal balance outstanding at the rate of 2.70% per annum, subject to adjustment, and payable to the holders by the Company solely out of the net proceeds that the Company receives from the DP Collateral Owner pursuant to the DP Collateral Agreements, and in priority to the shareholders of the Company and other creditors (other than the holders of senior indebtedness, the Saanich Ridge Mortgage and a \$250,000 mortgage granted to 1086353 B.C. Ltd.), on the maturity of the FB Development Bonds.

The principal amount of the FB Development Bonds, the return on the FB Development Bonds and any amounts payable pursuant to the DP Rights, is payable solely out of the net proceeds that the Company has received from the DP Collateral Owner pursuant to the DP Collateral Agreements and not from any other assets of the Company and, if such proceeds are less than the amount required to pay the full return to all holders, the interest rate payable to each holder shall be adjusted downward to reflect the amount available for payment to all holders on a pro rata basis, and this shall not constitute an event of default under the FB Bond Indenture.

Interest on FB Development Bonds shall be computed on the basis of a 365 day year (or 366 days in the case of a leap year). With respect to any FB Development Bonds, whenever interest is computed on the basis of a year (referred to as the “deemed year”) which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

Maturity Date

The maturity date for the FB Development Bonds is July 30, 2026. The Company may extend the maturity date by three additional terms of six months subject to the Company giving the Bond Agent and holders at least 30 days written notice prior to the maturity date.

Upon certain events of default occurring, including but not limited to: (i) default in the payment of the principal amount, interest or DP Rights when the same becomes due and payable, and such default is not remedied within 30 days or waived by not less than 66 2/3% of the holders; (ii) if a decree or order of a court having jurisdiction in the premises is entered adjudging the Company or a material subsidiary a bankrupt or insolvent under any bankruptcy, insolvency or analogous laws; or issuing sequestration or process of execution against, or against any substantial part of the property of, the Company or a material subsidiary, or appointing a receiver of, or of any substantial part of the property of, the Company or a material subsidiary or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 30 days; (iii) a resolution is passed for the dissolution, winding-up or liquidation of the Company; and (iv) other events of default typical of similar FB Bond Indentures, then in each and every such event the Bond Agent may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the FB Development Bonds then outstanding, subject to certain conditions, by notice in writing to the Company declare the principal on all FB Development Bonds then outstanding and all other moneys outstanding hereunder to be due and payable and the same shall forthwith become immediately due and payable to the Bond Agent and the security documents thereunder shall forthwith become enforceable.

Redemption

The FB Development Bonds will be redeemable by the Company at any time prior to the maturity date for the Bonds at a redemption price for the FB Development Bonds equal to the then-outstanding principal amount of such FB Development Bonds, plus all accrued and unpaid interest thereon up to and excluding the date of redemption. Notwithstanding the foregoing, the Company may at any time and from time to time, in its sole discretion and without penalty, repay a portion of the principal amount of the FB Development Bonds to the holders prior to the maturity date and add any accrued but unpaid interest up to and excluding such date to the principal amount outstanding of such FB Development Bonds.

Subject to: (i) applicable securities laws; (ii) the Company's sole approval and acceptance; (iii) the holder subscribing for another series of bonds of the Company (or its affiliate) in an amount equal to or greater than the redemption proposed; and (iv) the request occurring within the first 12 months after a holder was originally issued the FB Development Bonds, the holder may elect and request that the Company redeem, in whole, FB Development Bonds outstanding in an amount equal to the principal outstanding amount of FB Development Bonds to be redeemed plus all accrued but unpaid interest on such principal amount to the redemption date, if any. The approval and acceptance by the Company of the holder's election to redeem any FB Development Bonds shall be evidenced by a resolution of the board of directors of the Company.

Security

As general and continuing collateral security for the due payment and performance of any obligations owing to the Bond Agent or the holders or under any of the FB Development Bonds, the Company has granted, mortgaged, charged, transferred and assigned to the Bond Agent a security interest in the Company's right, title, interest and property in and to all of its present and after-acquired personal property, of whatsoever kind and located on and/or contractual rights in relation to the DP Collateral Agreements and the DP Collateral, including, without limitation, all proceeds in the form of goods, chattel paper, investment property, documents of title, instruments, intellectual property, money or intangibles.

(3) RPB Indenture

The RPB Indenture dated as of February 26, 2018, is between the Company and Bond Agent, as trustee for and on behalf of the holders of RPB Bonds under the RPB Indenture.

The Bond Agent initially issued the RPB Units comprised of RPB Bond, a redeemable capital growth based Right (the “**RPB Right**”) and a number of common share purchase warrants as specified by the Company, on February 26, 2018. The RPB Bonds are governed by the RPB Indenture. The Company used the net proceeds from the sale of RPB Bonds to fund development of the Saanich Ridge Estates development project through Saanich Ridge development. As security for the RPB Bonds, the Company granted to the Bond Agent, as manager for the RPB Bond-holders, a security interest in the Company’s right, title, interest and property in and to all of its present and after-acquired personal property.

The aggregate principal amount of RPB Bonds which may be issued and outstanding from time to time under the RPB Indenture is \$1,250,000 and may be issued only upon the terms and subject to the conditions provided in the RPB Indenture.

RPB Bond Attributes

The RPB Bonds have the following attributes: (a) the RPB Bonds shall be dated as of the date of issue and shall mature on (i) with respect to any Series 50 Bond, the date that is 60 months from the date of issuance of such Series 50 Bond; and (ii) with respect to any Series 100 Bond, the date that is 90 months from the date of issuance of such Series 100 Bond (the “**RPB Bond Maturity Date**”); (b) other than as provided for in the RPB Indenture, the RPB Bonds shall be non-voting; (c) the RPB Bonds shall be issued only as fully registered RPB Bonds in denominations of \$1,000, with a minimum subscription amount per RPB Bond-holder of \$5,000 or 5 RPB Bonds; (d) on the RPB Bond Maturity Date, The Bond Agent shall repay the RPB Bonds; (e) after the Bond Agent repays the RPB Bonds in accordance with the RPB Indenture, the RPB Bond-holder shall have the option to reinvest in new RPB Bonds at a discounted rate such that they can purchase the same number of RPB Bonds for 97% of the principal amount of their repaid RPB Bonds; (f) the RPB Bonds shall be secured by, *inter alia*, collateral mortgages granted by the Company in favour of the Bond Agent (on behalf of the RPB Bond-holders) with respect to the Saanich Ridge Lease Lands; (g) the RPB Bonds shall be secured by a security interest; (h) the RPB Bond-holders shall be entitled receive the priority return at a rate of 2.7% per annum in priority over the shareholders of the Bond Agent with such payment being payable on the RPB Bond Maturity Date; (i) regardless of when a RPB Bond is subscribed for or issued in a quarter, the RPB Bond-holder shall be entitled to receive the priority returns for the entire quarter; and (j) RPB Bond-holders (or their designates) shall be entitled to be issued RPB Rights.

The RPB Bonds shall be direct obligations of the Company and shall rank equally and *pari passu* with each other (regardless of their actual dates or terms of issue).

The RPB Right grants the holder the right to receive: (i) for Series 50 Bonds, \$500 minus the accrued interest earned on the corresponding bond issued to the 60th month; or (ii) for Series 100 Bonds, \$1,000 minus the accrued interest earned on the corresponding bond issued to the 90th month.

The Bond Agent shall keep registers on which shall be entered the names and addresses of the holders and particulars of the fully registered RPB Bonds held by them respectively and of all exchanges of fully registered RPB Bonds. No exchange of a fully registered RPB Bonds shall be valid unless made by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Company, as manager, or other registrar, upon compliance with such reasonable requirements as the Bond Agent may prescribe, and unless such exchange shall have been duly entered on one of the appropriate registers.

Interest

Each RPB Bond accrues simple interest against the original principal balance at the rate of 2.70% per annum, subject to adjustment, and payable to the holders by the Company, and in priority to the shareholders of the Company and other creditors (other than the holders of senior indebtedness, the Saanich Ridge Construction Mortgages and a \$250,000 mortgage granted to 1086353 B.C. Ltd.), on the maturity of the RPB Bonds.

Maturity Date

The RPB Bond Maturity Date is: (i) with respect to any Series 50 Bond, the date that is 60 months from the date of issuance of such Series 50 Bond; and (ii) with respect to any Series 100 Bond, the date that is 90 months from the date of issuance of such Series 100 Bond.

Upon certain events of default occurring, including but not limited to: (i) default in the payment of the principal amount, interest or RPB Rights when the same becomes due and payable, and such default is not remedied within 30 days or waived by not less than 66 2/3% of the holders; (ii) if a decree or order of a court having jurisdiction in the premises is entered adjudging the Company or a material subsidiary a bankrupt or insolvent under any bankruptcy, insolvency or analogous laws; or issuing sequestration or process of execution against, or against any substantial part of the property of, the Company or a material subsidiary, or appointing a receiver of, or of any substantial part of the property of, the Company or a material subsidiary or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 30 days; (iii) a resolution is passed for the dissolution, winding-up or liquidation of the Company; and (iv) other events of default typical of similar RPB Indenture, then in each and every such event the Bond Agent, as manager, may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 15% in principal amount of the RPB Bonds then outstanding, subject to certain conditions, by notice in writing to the Bond Agent declare the principal on all RPB Bonds then outstanding and all other moneys outstanding hereunder to be due and payable and the same shall forthwith become immediately due and payable to the Bond Agent, as manager, and the security documents thereunder shall forthwith become enforceable.

Redemption

Subject to: (i) applicable securities laws; (ii) the Company's sole approval and acceptance; (iii) the holder subscribing for another series of bonds of the Company (or its affiliate) in an amount equal to or greater than the redemption proposed; and (iv) the request occurring within the first 12 months after a holder was originally issued the RPB Bonds, the holder may elect and request that the Company redeem, in whole, RPB Bonds outstanding in an amount equal to the principal outstanding amount of RPB Bonds to be redeemed plus all accrued but unpaid interest on such principal amount to the redemption date, if any. The approval and acceptance by the Company of the holder's election to redeem any RPB Bonds shall be evidenced by a resolution of the board of directors of the Company.

Security

As general and continuing collateral security for the due payment and performance of any obligations owing to the Bond Agent or the holders or under any of the RPB Bonds, the Company has granted, mortgaged, charged, transferred and assigned to the Bond Agent a security interest in the Company's right, title, interest and property in and to all of its present and after-acquired personal property, of whatsoever kind and located on lands subject to the collateral mortgages granted by the Company in favour of the Bond Agent with respect to the Saanich Ridge Lease Lands.

(4) CD Indenture

The CD Indenture dated as of June 26, 2025 (the "**CD Indenture**"), is between Saanich Ridge Development and the Company, as manager for and on behalf of the holders of Convertible Debenture units of the Company (the "**CD Units**"). Each CD Unit is comprised of a common share conversion right (a "**CD Right**") and a debenture note (a "**CD Note**").

Saanich Ridge Development initially issued a first tranche of CD Units on June 27, 2025 in a private placement, with a second tranche of the private placement closing on August 29, 2025. The CD Units are governed by the CD Indenture. The net proceeds have been used to fund the continued development of Saanich Ridge Estates and other general corporate expenses.

The aggregate principal amount of CD Notes which may be issued and outstanding from time to time under the CD Indenture is \$1,700,000 and may be issued only upon the terms and subject to the conditions provided

in the CD Indenture. As of the date of this Prospectus, there is \$1,700,000 aggregate principal amount of CD Notes issued and outstanding.

CD Unit Attributes

The CD Notes have the following attributes: (a) the CD Notes shall be dated as of the date of issue and shall mature on the date that July 31, 2026 (the “**CD Note Maturity Date**”); (b) other than as provided for in the CD Indenture, the CD Notes shall be non-voting; (c) the CD Notes shall be issued only as fully registered CD Notes in denominations of \$1,000, with a minimum subscription amount per CD Unit-holder of \$10,000 or 10 CD Units; (d) on the CD Note Maturity Date, Saanich Ridge Development shall repay the CD Note; (e) holders of CD Notes (“**CD Noteholders**”) are entitled to receive simple interest against the principal balance outstanding at the rate of 10.00% per annum (the “**CD Note Interest**”) and payable to the CD Noteholder by Saanich Ridge Development in priority to the shareholders of Saanich Ridge Development and other creditors (other than the holders of the principal of, premium (if any) on and any interest associated with (i) secured bank operating or term debt, mortgage financing, construction financing and equipment lease financing or any other type of secured debt; and (ii) all renewals, extensions and refunding of any such secured indebtedness or any such obligations) with such payment being payable on the CD Note Maturity Date; (f) regardless on when a CD Note is subscribed for or issued in a quarter, the CD Noteholder shall be entitled to receive the CD Note Interest for the entire quarter; (g) the CD Notes shall be secured as further described below under “*Security*”; and (h) CD Noteholders shall be entitled to be issued CD Rights under the CD Right Certificate in the form attached to the CD Indenture as Schedule “B”.

Provided that no Event of Default has occurred or is continuing, Saanich Ridge Development may upon prior written notice to the Company and the CD Noteholders, at any time and from time-to-time, in its sole discretion and without penalty, repay any principal amount of the CD Notes to the CD Noteholders prior to the CD Note Maturity Date.

Each CD Right gives the holder the right to receive on the CD Note Maturity Date: (a) such number of Common Shares, at a price of \$0.50 per Common share, with an aggregate value equal to the outstanding principal of the CD Notes being exchanged plus 10% interest per year calculated to the day of conversion; and (b) Common Share purchase warrants of the Company on the same terms as those issued under any prospectus offering of the Company in the amount of 1,000 such warrants for each CD Note. Concurrent with the subscription for the CD Units each subscriber received 500 Common Share purchase warrants per CD Unit subscribed for, with each such warrant entitling the holder thereof to purchase one Common Share at a price of \$0.50 per Common Share for a period of 24 months.

The CD Notes are direct obligations of Saanich Ridge Development and shall rank equally and *pari passu* with each other (regardless of their actual dates or terms of issue).

Saanich Ridge Development shall keep registers on which shall be entered the names and addresses of the holders and particulars of the fully registered CD Notes held by them respectively and of all exchanges of fully registered CD Notes. No exchange of a fully registered CD Notes shall be valid unless made by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Company, or other registrar, upon compliance with such reasonable requirements as the Company may prescribe, and unless such exchange shall have been duly entered on one of the appropriate registers.

Subject to applicable laws and Saanich Ridge Development’s approval and acceptance, CD Noteholders may redeem their CD Notes for another series of notes of Saanich Ridge Development in an amount equal to or greater than the outstanding principal and unpaid interest on the date of such redemption.

Security

As general and continuing collateral security for the due payment and performance of any obligations owing to the Company or the CD Noteholders under the CD Indenture or the CD Notes, Saanich Ridge Development assigns to the Company a security interest in Saanich Ridge Development’s right, title, interest, and property

in and to all of its present and after-acquired personal property, of whatsoever kind and located on and/or contractual rights in relation to the CD Property (as defined in the CD Indenture), including, without limitation, all proceeds in the form of goods, chattel paper, investment property, documents of title, instruments, intellectual property, money or intangibles. In addition, a mortgage has been secured on behalf of the CD Noteholders over the leaseholder property within the Saanich Ridge Estates development Lot 8-1.

The indebtedness evidenced by the CD Notes shall be subordinate and subject in right of payment, to the prior payment in full of all the holders of the principal of, premium (if any) on and any interest associated with (a) secured bank operating or term debt, mortgage financing, construction financing and equipment lease financing or any other type of secured debt; and (b) all renewals, extensions and refunding of any such secured indebtedness or any such obligations.

Maturity Date

The maturity date for the CD Units is July 31, 2026. Upon certain events of default occurring, including but not limited to: (i) default in the payment of the principal amount when the same becomes due and payable, and such default is not remedied within 30 days or waived by not less than 66 2/3% of the holders; (ii) if a decree or order of a court having jurisdiction in the premises is entered adjudging the Saanich Ridge Development or a material subsidiary a bankrupt or insolvent under any bankruptcy, insolvency or analogous laws; or issuing sequestration or process of execution against, or against any substantial part of the property of, Saanich Ridge Development or a material subsidiary, or appointing a receiver of, or of any substantial part of the property of, Saanich Ridge Development or a material subsidiary or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 30 days; (iii) a resolution is passed for the dissolution, winding-up or liquidation of Saanich Ridge Development Ltd. or a material subsidiary except as provided for in section 6.1(c) of the CD Indenture; and (iv) if Saanich Ridge Development shall neglect to observe or perform any other covenant or condition herein contained on its part to be observed or performed and, after notice in writing has been given by the Company to Saanich Ridge Development specifying the default and requiring Saanich Ridge Development to put an end to the same, Saanich Ridge Development shall fail to remedy such default within a period of 30 days, unless the Company agrees to a longer period, within such longer period; and (v) if, after the date of the CD Indenture, any proceedings with respect to Saanich Ridge Development are taken with respect to a compromise or arrangement, with respect to creditors of Saanich Ridge Development generally, under the applicable legislation of any jurisdiction, and in each and every such event the Company, as manager, may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the CD Notes then outstanding, subject to certain conditions, by notice in writing to the Company declare the principal on all CD Notes then outstanding and all other moneys outstanding hereunder to be due and payable and the same shall forthwith become immediately due and payable to the agent under the CD Unit Indenture, as manager, and the security documents thereunder shall forthwith become enforceable.

The Company has obtained irrevocable notices of conversion tendered by the holders of the CD Notes and CD Rights confirming the agreement of such holders to convert their CD Notes into Common Shares and common share purchase warrants pursuant to the terms of the CD Notes and CD Rights. Accordingly, the CD Notes will be converted into Common Shares and common share purchase warrants promptly following a receipt being obtained for this Prospectus in accordance with the CD Rights.

(5) SRRPU Indenture

The SRRPU Indenture dated November 1, 2020 is between the Saanich Ridge Development and the Company, as manager for and on behalf of the holders of SRRP Units.

Saanich Ridge Development initially issued SRRP Units on November 9, 2020 with each SRRP Unit being comprised of one SRRPU Note and one SRRPU Right. The SRRP Units are governed by the SRRPU Indenture. Saanich Ridge Development used the net proceeds from the sale of SRRP Units to fund development of the Saanich Ridge Estates development. As security for the SRRPU Units, Saanich Ridge Developments granted to the Company, as manager for the SRRP Unit holders, a security interest in Saanich Ridge Development's right, title, interest and property in and to all of its present and after-acquired personal property.

The aggregate principal amount of SRRP Units which may be issued and outstanding from time to time under the SRRPU Indenture is \$1,000,000 and may be issued only upon the terms and subject to the conditions provided in the SRRPU Indenture.

SRRPU Unit Attributes

The SRRPU Notes have the following attributes: (a) the SRRPU Notes shall be dated as of the date of issue and shall mature on the date that is three months from the date of the completion of the sale of the 40th house in the Saanich Ridge Estates development (the “**SRRPU Note Maturity Date**”); (b) other than as provided for in the SRRPU Indenture, the SRRPU Notes shall be non-voting; (c) the SRRPU Notes shall be issued only as fully registered SRRPU Notes in denominations of \$1,000, with a minimum subscription amount per SRRPU Note-holder of \$5,000 or 5 SRRPU Notes; (d) on the SRRPU Note Maturity Date, Saanich Ridge Development shall repay the SRRPU Notes; (e) after Saanich Ridge Development repays the SRRPU Notes in accordance with the SRRPU Indenture, the SRRPU Note-holder shall have the option to reinvest in new SRRP Units at a discounted rate such that they can purchase the same number of SRRP Units for 97% of the principal amount of their repaid SRRP Units; (f) the SRRPU Notes shall be unsecured; (g) the SRRPU Notes shall be secured by a security interest; (h) the SRRPU Note-holders shall be entitled receive the priority return at a rate of 2.7% per annum in priority over the shareholders of the Company with such payment being payable on the SRRPU Note Maturity Date; (i) regardless of when a SRRPU Note is subscribed for or issued in a quarter, the SRRPU Note-holder shall be entitled to receive the priority returns for the entire quarter; and (j) SRRPU Note-holders (or their designates) shall be entitled to be issued SRRPU Rights.

The SRRPU Notes shall be direct obligations of Saanich Ridge Development and shall rank equally and *pari passu* with each other (regardless of their actual dates or terms of issue).

The SRRPU Right grants the holder the right to receive on the SRRPU Note Maturity Date a payment in the amount of; (i) the total of \$80 per year the note is outstanding minus the accrued priority return for the applicable SRRPU Note (described above), plus \$1,350 per SRRPU Note.

Saanich Ridge Development shall keep registers on which shall be entered the names and addresses of the holders and particulars of the fully registered SRRPU Notes held by them respectively and of all exchanges of fully registered SRRPU Notes. No exchange of a fully registered SRRPU Notes shall be valid unless made by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Company, as manager, or other registrar, upon compliance with such reasonable requirements as the Company may prescribe, and unless such exchange shall have been duly entered on one of the appropriate registers.

Interest

Each SRRPU Note accrues simple interest against the principal balance outstanding at the rate of 2.70% per annum, subject to adjustment, and payable to the holders by Saanich Ridge Development, and in priority to the shareholders of the Company and other creditors (other than the holders of senior indebtedness), on the maturity of the SRRPU Notes.

Maturity Date

The SRRPU Note Maturity Date is the date that is 3 months from the date of the completion of the sale of the 40th house in the Saanich Ridge Estates development.

Upon certain events of default occurring, including but not limited to: (i) default in the payment of the principal amount, interest or SRRPU Rights when the same becomes due and payable, and such default is not remedied within 30 days or waived by not less than 66 2/3% of the holders; (ii) if a decree or order of a court having jurisdiction in the premises is entered adjudging Saanich Ridge Development or a material subsidiary a bankrupt or insolvent under any bankruptcy, insolvency or analogous laws; or issuing sequestration or process of execution against, or against any substantial part of the property of, Saanich Ridge Development or a material subsidiary, or appointing a receiver of, or of any substantial part of the property of, Saanich Ridge

Development or a material subsidiary or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 30 days; (iii) a resolution is passed for the dissolution, winding-up or liquidation of Saanich Ridge Development; and (iv) other events of default typical of similar SRRPU Indentures, then in each and every such event the Company, as manager, may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 15% in principal amount of the SRRPU Notes then outstanding, subject to certain conditions, by notice in writing to Saanich Ridge Development declare the principal on all SRRPU Notes then outstanding and all other moneys outstanding hereunder to be due and payable and the same shall forthwith become immediately due and payable to the Company, as manager, and the security documents thereunder shall forthwith become enforceable.

Redemption

Subject to: (i) applicable securities laws; (ii) Saanich Ridge Development's sole approval and acceptance; (iii) the holder subscribing for another series of bonds of Saanich Ridge Development (or its affiliate) in an amount equal to or greater than the redemption proposed; and (iv) the request occurring within the first 12 months after a holder was originally issued the SRRPU Notes, the holder may elect and request that Saanich Ridge Development redeem, in whole, SRRPU Notes outstanding in an amount equal to the principal outstanding amount of SRRPU Notes to be redeemed plus all accrued but unpaid interest on such principal amount to the redemption date, if any. The approval and acceptance by Saanich Ridge Development of the holder's election to redeem any SRRPU Notes shall be evidenced by a resolution of the board of directors of Saanich Ridge Development.

Security

As general and continuing collateral security for the due payment and performance of any obligations owing to the Bond Agent, as manager, or the holders or under any of the SRRPU Notes, the Company has granted, mortgaged, charged, transferred and assigned to the Bond Agent a security interest in Saanich Ridge Development's right, title, interest and property in and to all of its present and after-acquired personal property.

(6) Saanich Ridge Head Lease (Lot 8-1)

The Saanich Ridge Head Lease was registered on August 24, 2017, between Saanich Ridge Development and four holders of the Certificates of Possession in the lands, each as to 1/4 interest (collectively, the "**Saanich Land Certificate Holders**").

Saanich Ridge Development, a wholly owned Subsidiary of the Company, acquired a 100% interest in a long-term land lease for approximately 14 acres within the Tsawout First Nation reserve land located in Central Saanich, British Columbia.

Land Code

Title to all reserve lands in British Columbia is held in the name of the federal Crown; however, the Tsawout First Nation has assumed control of the management of their reserve lands under the *First Nations Land Management Act* and has enacted the Tsawout Land Code (the "**Land Code**") as the Tsawout First Nation's land law. Under the *First Nations Land Management Act* and the Land Code, the federal Crown plays no role in the Tsawout First Nation's leasing and development approval process and is not a party to leases of Tsawout lands, nor is its consent required for any aspect of the leasing process. The federal Crown is also not due any payments under the lease with Saanich Ridge Development.

The Land Code provides for the recognition and issuance of various interests in Tsawout lands. One such interest is a "Permanent Interest", which can only be held by members of the Tsawout First Nation. A holder of a Certificate of Possession issued under the *Indian Act* holds the Permanent Interest in the lands to which the Certificate of Possession relates. A Permanent Interest is somewhat similar to fee simple ownership in that the holder is entitled to permanent possession of the land and can grant subsidiary interests in the land, including a leasehold interest over the parcel of land to which his or her interest relates, subject to obtaining the consent of the Tsawout First Nation council. The Saanich Land Certificate Holders are collectively the

landlord under the lease granted to Saanich Ridge Development with respect to the Saanich Ridge Head Lease and all payments due under the Lease are to be made to the Saanich Land Certificate Holders. The Tsawout First Nation council has consented to the Lease, any future subleases of the Saanich Ridge Head Lease (the “**Subleases**”), and any future mortgages of the lease or subleases pursuant to a council resolution dated August 18, 2017.

Under the Land Code, a leasehold interest gives Saanich Ridge Development the exclusive right to use and possess the Saanich Ridge Head Lease for a specified time pursuant to the terms and conditions of the lease, including granting Subleases.

The development of the Saanich Ridge Head Lease is subject to, and governed by, the Land Code and the other land laws of the Tsawout First Nation from time to time and any policies arising therefrom. The Tsawout First Nation has granted a development permit for the first phase of the Saanich Ridge Estates development and is the authority for future approvals such as building permits and subdivision approvals.

Rent

The Company originally contracted to purchase the leasehold interest in the property for \$3,500,000 prior to any engineering or design work, and before development permits were applied for, or financing commitment was in place for acquisition and development. Out of the total \$3,500,000, the first \$500,000 was paid by August 24, 2017, which is the date the registration of the head lease was completed. This lease registration coincided with the completion of the Saanich Ridge Acquisition Agreement, pursuant to which the Saanich Ridge Development acquired the Saanich Ridge Lands Lease from 1086353 B.C. Ltd. (that had acquired it from the Company).

A further \$1,000,000, less any off-site development costs, is required to be paid as the individual homes are sold. Saanich Ridge Development is required to pay a portion of this amount within two business days after the sale of each residential lot, with such portion being equal to: (x) the \$1,000,000, less any off-site development costs, divided by (y) the total number of residential lots within the project (anticipated to be \$8,000 per residential lot on the completion of each residential lot’s sale). If the aggregate of such payments during any year, commencing on August 24, 2018, is less than \$75,000 per year during the lease term, then the Saanich Ridge Development must pay the difference to ensure that the lessors receive at least \$75,000 per year, provided however that once an aggregate of \$1,000,000, less any off-site development costs, has been paid by the Saanich Ridge Development, then Saanich Ridge Development will have no further obligations to make payments to the lessor on the sale of residential lot.

During the term, (A) before all residential lots are sold, Saanich Ridge Development is required to pay the lessor a monthly amount equal to the product of (x) the number of residential lots that have been sold as of the first day of the applicable month, by (y) for the first year, an amount equal of \$5,333.33 divided by the total number of residential lots in the project as shown in the development plan, and for each subsequent year, an amount equal to the monthly payment amount for the prior year, as adjusted for CPI, and (B) after the sale of all residential lots, Saanich Ridge Development will pay to the lessor a monthly amount equal to the product of (x) the total number of residential lots in the project by (y) for the first year, an amount equal of \$5,333.33 divided by the total number of residential lots in the project as shown in the development plan, and for each subsequent year, an amount equal to the monthly payment amount for the prior year, as adjusted for CPI.

The lease is meant to be a completely carefree net lease and except as otherwise set out therein, the lessor is not to be responsible during the term for any costs, charges, expenses or outlays of any nature in respect of the premises.

Term

The Saanich Ridge Head Lease is structured as a 99-year head lease commencing on August 24, 2017, for the 14 acres, with the right to extend the lease up to 999 years (45 extension rights with each extension being 20 years). Each extension is exercisable by Saanich Ridge Development providing written notice to the lessor together with the payment of an extension fee, with such extension fee for a particular extension term being an

amount equal to \$300,000 adjusted for the percentage change in CPI over the 20 year period prior to the date of exercise of the application extension option and then discounted back for the number of years that remained in the term prior to the exercise of the applicable option at the then current prime rate.

Termination

If Saanich Ridge Development fails to pay rent when due, is in actual default of a material obligation, or ceases to exist, then the lessor may give Saanich Ridge Development notice of such default. Upon receipt of such notice, Saanich Ridge Development will have 60 days to cure such default if curable or, if it not curable within 60 days, then Saanich Ridge Development must commence curing the default within 60 days, and if Saanich Ridge Development fails to do so, then the lessor may by notice in writing to Saanich Ridge Development declare the term ended. If the lease is terminated, subject to certain rights, the lease will terminate without re-entry or any other act or legal proceedings, and the lessor may re-enter the lands and possess and enjoy them as if the lease had not been made. The lessor may still recover from Saanich Ridge Development the rent then accrued or accruing and enforce any right of action against Saanich Ridge Development.

Insurance

Saanich Ridge Development Ltd. is required to effect and maintain at its expense comprehensive general liability insurance in the amount of not less than \$5.0 million per occurrence, with the lessor as additional insured against claims for personal injury, death or property damage or loss occurring on or about the premises subject to the lease. If applicable, Saanich Ridge Development, acting reasonably, is required to effect and maintain at its expense property insurance insuring the improvements on the lands against loss or damage by fire and other perils under customary supplementary coverage.

Mortgage

Saanich Ridge Development may mortgage and grant an assignment of rents over the whole or any part of its interest in the Saanich Ridge Head Lease without the consent of the lessor or the First Nation Council, subject to the mortgage complying with the conditions of the Saanich Ridge Head Lease.

Assignment and Subletting

Saanich Ridge Development may assign the Saanich Ridge Head Lease subject to, among other things, the assignee agreeing to observe and perform all the covenants and agreements to be observed and performed under the lease. Saanich Ridge Development will not be released or discharged from its obligations except to the extent they are assumed by the assignee.

Saanich Ridge Development may sublet, grant easements, licenses or other interests to one or more third parties in any part of the premises or lands, or any portion thereof, without the consent of the lessor or First Nation Council, subject to complying with the conditions set forth in the Saanich Ridge Head Lease.

Addendum

The Saanich Ridge Head Lease was amended by an addendum to lease dated June 1, 2023 to reflect the subdivision of Lot 8-1 and the lessors entering into the Saanich Ridge Head Lease Lot (238) on such date.

(7) Saanich Ridge Head Lease (Lot 238)

The Saanich Ridge Head Lease (Lot 238) is dated June 1, 2023 and was registered on August 24, 2023, between the Company's wholly-owned subsidiary 1404122 B.C. Ltd. and the Saanich Land Certificate Holders.

Lot 238 was subdivided from Lot 8-1, which is subject to the Saanich Ridge Head Lease.

Land Code

Title to all reserve lands in British Columbia is held in the name of the federal Crown; however, the Tsawout First Nation has assumed control of the management of their reserve lands under the Land Code as the Tsawout First Nation's land law. Under the *First Nations Land Management Act* and the Land Code, the federal Crown plays no role in the Tsawout First Nation's leasing and development approval process and is not a party to leases of Tsawout lands, nor is its consent required for any aspect of the leasing process. The federal Crown is also not due any payments under the lease with 1404122 B.C. Ltd.

The Land Code provides for the recognition and issuance of various interests in Tsawout lands. One such interest is a "Permanent Interest", which can only be held by members of the Tsawout First Nation. A holder of a Certificate of Possession issued under the *Indian Act* holds the Permanent Interest in the lands to which the Certificate of Possession relates. A Permanent Interest is somewhat similar to fee simple ownership in that the holder is entitled to permanent possession of the land and can grant subsidiary interests in the land, including a leasehold interest over the parcel of land to which his or her interest relates, subject to obtaining the consent of the Tsawout First Nation council. The Saanich Land Certificate Holders are collectively the landlord under the lease granted to 1404122 B.C. Ltd. with respect to the Saanich Ridge Head Lease (Lot 238) and all payments due under the Lease are to be made to the Saanich Land Certificate Holders. The Tsawout First Nation council has consented to the Lease, any future subleases of the Saanich Ridge Head Lease (Lot 238), and any future mortgages of the lease or subleases pursuant to a council resolution dated May 31, 2023.

Under the Land Code, a leasehold interest gives 1404122 B.C. Ltd. the exclusive right to use and possess the Saanich Ridge Head Lease (Lot 238) for a specified time pursuant to the terms and conditions of the lease, including granting subleases.

The development of the Saanich Ridge Head Lease (Lot 238) is subject to, and governed by, the Land Code and the other land laws of the Tsawout First Nation from time to time and any policies arising therefrom. The Tsawout First Nation has granted a development permit for the first phase of the Saanich Ridge Estates development and is the authority for future approvals such as building permits and subdivision approvals.

Rent

The Saanich Ridge Head Lease (Lot 238) required a one-time pre-paid rental fee of \$24,000 upon the registration of the lease.

Term

The Saanich Ridge Head Lease (Lot 238) is structured as a 99-year head lease commencing August 24, 2023 and ending on August 23, 2122, with the right to extend the lease up to 999 years (45 extension rights with each extension being 20 years). Each extension is exercisable by 1404122 B.C. Ltd. providing written notice to the lessor together with the payment of an extension fee, with such extension fee for a particular extension term being an amount equal to \$70,000 adjusted for the percentage change in CPI over the 20 year period prior to the date of exercise of the application extension option and then discounted back for the number of years that remained in the term prior to the exercise of the applicable option at the then current prime rate.

Termination

If 1404122 B.C. Ltd. fails to pay rent when due, is in actual default of a material obligation, or ceases to exist, then the lessor may give 1404122 B.C. Ltd. notice of such default. Upon receipt of such notice, 1404122 B.C. Ltd. will have 60 days to cure such default if curable or, if it not curable within 60 days, then 1404122 B.C. Ltd. must commence curing the default within 60 days, and if 1404122 B.C. Ltd. fails to do so, then the lessor may by notice in writing to 1404122 B.C. Ltd. declare the term ended. If the lease is terminated, subject to certain rights, the lease will terminate without re-entry or any other act or legal proceedings, and the lessor may re-enter the lands and possess and enjoy them as if the lease had not been made. The lessor may still recover from 1404122 B.C. Ltd. the rent then accrued or accruing and enforce any right of action against 1404122 B.C. Ltd.

Insurance

1404122 B.C. Ltd. is required to effect and maintain at its expense comprehensive general liability insurance in the amount of not less than \$5.0 million per occurrence, with the lessor as additional insured against claims for personal injury, death or property damage or loss occurring on or about the premises subject to the lease. If applicable, 1404122 B.C. Ltd., acting reasonably, is required to effect and maintain at its expense property insurance insuring the improvements on the lands against loss or damage by fire and other perils under customary supplementary coverage.

Mortgage

1404122 B.C. Ltd. may mortgage and grant an assignment of rents over the whole or any part of its interest in the Saanich Ridge Head Lease (Lot 238) without the consent of the lessor or the First Nation Council, subject to the mortgage complying with the conditions of the Saanich Ridge Head Lease (Lot 238).

Assignment and Subletting

1404122 B.C. Ltd. may assign the Saanich Ridge Head Lease (Lot 238) subject to, among other things, the assignee agreeing to observe and perform all the covenants and agreements to be observed and performed under the lease. 1404122 B.C. Ltd. will not be released or discharged from its obligations except to the extent they are assumed by the assignee.

1404122 B.C. Ltd. may sublet, grant easements, licenses or other interests to one or more third parties in any part of the premises or lands, or any portion thereof, without the consent of the lessor or First Nation Council, subject to complying with the conditions set forth in the Saanich Ridge Head Lease (Lot 238).

(8) Saanich Ridge Acquisition Agreement

Saanich Ridge Acquisition Agreement entered into as of August 24, 2017 among the Company, 1086353 B.C. Ltd. and Saanich Ridge Development for the purpose of acquiring the Saanich Ridge Property.

Under a Contract of Purchase and Sale dated January 5, 2017 among the Saanich Land Certificate Holders and the Company, as amended by a Modification of Contract of Purchase and Sale dated May 5, 2017, among the Saanich Land Certificate Holders and NAHF, as bare trustee on behalf of 1086353, which was subsequently assigned by the Company to 1086353 B.C. Ltd. by way of an Assignment and Assumption dated as of August 24, 2017, the Saanich Land Certificate Holders agreed to grant to 1086353 B.C. Ltd. the Saanich Ridge Head Lease.

The Company, through its wholly owned subsidiary, Saanich Ridge Development, completed the acquisition of the Saanich Ridge Head Lease pursuant to the Saanich Ridge Acquisition Agreement, by way of the assignment and transfer from 1086353 B.C. Ltd. to Saanich Ridge Development of all of the right, title, benefit and interest of 1086353 B.C. Ltd. in, to and under the original purchase agreement.

The purchase price was \$2,750,000, with \$2,500,000 being paid via the issuance of 12,672,000 Class C Shares of the Company (since exchanged for 5,189,189 Common Shares) and the balance being paid via the issuance of the Saanich Ridge Acquisition Note. This Saanich Ridge Acquisition Note has a principal amount owing of \$250,000, has a 5-year term, which has been extended to July 31, 2030, bears interest at the prime rate and is secured by way of a collateral \$250,000 mortgage charge against the Saanich Ridge Lands Lease ranking behind the first mortgage loan.

Under the Saanich Ridge Acquisition Agreement, Saanich Ridge Development is required to perform and observe all covenants, conditions and obligations of 1086353 B.C. Ltd. under the original purchase agreement; and indemnify and save 1086353 B.C. Ltd. harmless from any losses or damages suffered or incurred by 1086353 B.C. Ltd., if Saanich Ridge Development defaults in respect of any of 1086353 B.C. Ltd.'s obligations or covenants under the original purchase agreement.

(9) **REVO Indemnity Agreements**

The REVO Indemnity Agreements, being comprised of: (i) the credit agreement dated April 30, 2024 among First West Credit Union, Collinson Rise Limited Partnership, as principal, Collinson Rise Development Inc., Focus Kelowna Homes Inc., and Ryan Joel Tamblyn, as joint indemnitors, the Company, as a several indemnitor, and Travelers Insurance Company of Canada, as surety; and (ii) the indemnity agreement dated May 30, 2024 among First West Credit Union, Collinson Rise Limited Partnership, as borrower, and the Company, as indemnitor, were entered into with respect to the credit facility for Collinson Rise Development.

Pursuant to the terms of the REVO Indemnity Agreement, the Company has agreed to indemnify First West Credit Union and Travelers Insurance Company of Canada, on a joint and several basis, against all losses, costs, expenses and damages relating to or arising out of First West Credit Union's a fixed sum loan in the amount of \$59,595,717 and a line of credit loan having an authorized limit of \$750,000, and the liability of the Company is limited to an aggregate of \$60,846,586 plus accrued interest and costs.

The REVO Indemnity Agreements also include standard obligations of indemnitors in similar indemnity agreements, including but not limited to: paying the premiums of any insurance, advance funds or satisfy guarantees to allow the surety to perform any or all of its obligations under the insurance, and to advance funds sufficient to satisfy any judgment or arbitration award which could be rendered against a surety. Interest may be charged by the surety at a rate of 18% per annum for payments owed under the REVO Indemnity Agreements which have not been paid within 30 days after the demand for payment thereunder.

(10) **Peakhill Capital Saanich Commitment Letter**

The Peakhill Capital East Saanich Commitment Letter is dated October 2, 2025, and was accepted by 1404122 B.C. Ltd. and NAHF Limited Partnership on October 16, 2025, the net proceeds of which were primarily used to refinance the amounts owing under the Peoples Group CMHC Commitment Letter secured against the Saanich Ridge Estates development. The facility provides an aggregate principal amount of \$14.5 million in financing, at a floating rate of the RBC Prime Rate plus 2.75%, with a minimum interest rate of 7.45%. As a result of the Peakhill Extension, the facility is payable on June 1, 2027, and the Company will be required to pay a one-time extension fee equal 1.0% of the loan amount if the loan has not been repaid or refinanced as of May 1, 2026.

Under the Peakhill Capital Saanich Commitment Letter, Peakhill Capital has the first right of refusal to finance the CMHC insured mortgage at a market spread equal to 68bps over the 5-year Canada Mortgage Bond once the CMHC Certificate of Insurance has been obtained. The Company and Peakhill Capital have commenced the credit underwriting process for that purpose; although, there is no guarantee that such re-financing will be completed or when it would be completed (see "*Risk Factors*").

The loan is secured by a mortgage charge over Lot 238 within the Saanich Ridge Estates development. The obligations of 1404122 B.C. Ltd. and NAHF Limited Partnership under Peakhill Capital Saanich Commitment Letter are guaranteed by the Company, 1086353 B.C. Ltd. (a company controlled by George Lawton), and Navepal Jagpal (a director of the Company).

(11) **Peakhill Capital Five Crossings CMHC Insured Loan**

Pursuant to the Peakhill Capital Five Crossings CMHC Commitment Letter, the Company has obtained a CMHC-insured credit facility through Peakhill Capital Inc. for a loan in the gross amount of \$22,114,000. The interest rate will be equal to 50 basis points plus hedge costs over the bid-side yield of the 5-year Canada Mortgage Bond as determined by the lender's investment dealers.

The Company closed the registration of the mortgage security for this loan on March 30th, 2025. The committed rate on the loan is 3.43% which was a yield set at the time of closing of the registration of the mortgage charge based on a spread over the 5-year government of Canada bond yield and is fixed for a for a 5-year term and the amortization period on the loan is 50 years.

The Company cannot sell or transfer of the property in whole or in part (or sell, transfer or pledge of any ownership interest in the Company) without the prior written consent of the lender, such consent not to be unreasonably withheld without delayed.

The loan is amortized over 600 months with a term of 5 years, or closest maturity date thereof, determined by lender's investment dealers. The Company does not have the right to prepay any part of the loan amount prior to the maturity date.

The lender has first and last right of renewal of the loan upon maturity. The lender may, in its absolute discretion, offer to renew the loan by delivering a renewal offer to the Company no less than three business days before the maturity date which may have varying terms and prepayment privileges. If on the maturity date, the Company has not either: (i) repaid the loan in full; or (ii) accepted the renewal offer by delivering an executed copy to the lender confirming the Company's choice of term, together with all other required documents and information and paid the renewal fee specified in the renewal offer and any other outstanding fees, then the lender may extend the term of the loan for a period of one month at an interest rate equal to the Royal Bank of Canada Prime Rate plus 10% per annum, calculated daily, and be subject to a 3% overholding fee.

The loan is secured by, among other things, a mortgage charge and assignment of rents and leases over the Five Crossings Apartment Property at 1301 Belaire Avenue, Kelowna BC, V1Y 0L6, a general security agreement on all present and after-acquired personally property located on or used in connection with the Five Crossings Apartment Property at 1301 Belaire Avenue, Kelowna BC, V1Y 0L6. The loan is guaranteed by 1086353 B.C. Ltd., a company controlled by George Lawton, and also guaranteed by Navepal Jagpal, a director of the Company.

(12) **Peakhill Capital Saanich Ridge CMHC Commitment Letter**

Pursuant to the Peakhill Capital Saanich Ridge CMHC Commitment Letter, the Company has obtained a CMHC-insured credit facility through Peakhill Capital Inc. for a loan in the gross amount of \$36,244,755.60. The proceeds of the Loan will be used to provide CMHC insured construction financing for the site located at 0 Tsawout East Saanich IR No. 2, Saanich BC. The loan security was registered and the financing closed on January 30, 2025, and the subject project is currently under construction for 52 homes within the Saanich Ridge Estate community that the loan is designed to fund.

The interest rate will be annual interest rate shall be the RBC Prime Rate less 5 basis points calculated and compounded monthly, not in advance, both before and after maturity, default, and judgement and in any event shall not be less than 6.15%.

The loan is comprised of a construction loan which shall be due the earlier of 24 months from the Interest Adjustment Date, and the date of the final advance as per the CMHC COI and shall then convert into a term loan with an amortization period of 600 months.

Prior to the advancement of funds under the loan, the Company is required to deliver to the lender, among other things, evidence that the Leasehold Interest must be good and marketable and free from all easements, rights of way agreements, restrictions, mortgages, hypothecs, charges, liens, executions and other encumbrances; an environmental assessment; engineering report; evidence of compliance with all applicable building and zoning by-laws and governmental and municipal regulations; requisite insurance coverage; confirmation of project equity; confirmation that a firm fixed price contract is in place per CMHC requirements; general contractor agreement; requisite material and performance bonding; list of the project team; construction timeline, and a review of the assets and liabilities of the borrowing group.

If the Company sells, conveys, transfers or enters into an agreement for sale or transfer of its legal or beneficial interest in the lands (including without limitation a sale of shares or other interest or an amalgamation resulting in a transfer of majority ownership or voting control in the Company) to a purchaser or transferee not approved in writing by the lender and CMHC, which approval shall not be unreasonably withheld, then the loan shall forthwith become due and payable by the Company at the lender's and CMHC's option and sole discretion.

The lender has first and last right of renewal of the loan upon maturity. The lender may, in its absolute discretion, offer to renew the loan by delivering a renewal offer to the Company no less than three days before the maturity date which may have varying terms and prepayment privileges. If on the maturity date, the Company has not either: (i) repaid the loan in full; or (ii) accepted the renewal offer by delivering an executed copy to the lender confirming the Company's choice of term, together with all other required documents and information and paid the renewal fee specified in the renewal offer and any other outstanding fees, then the lender may, at its option, automatically extend the loan for at 3 month open term, commencing on the maturity date at a fixed interest rate equal to the RBC Prime Rate, plus 5%. The Company is required to pay all applicable fees under the renewal offer within three business days of the maturity date.

The loan is secured by a mortgage charge over 0 Tsawout East Saanich IR No. 2, Saanich, BC. The loan is guaranteed by 1086353 B.C. Ltd., a company controlled by George Lawton, and Navepal Jagpal, a director of the Company.

(13) **NAHF Liquidation Subordination Agreement**

The Company entered into the NAHF Liquidation Subordination Agreement dated effective as of February 24, 2023 with TrustCo and the Trust, whereby each of the NAHF Affiliates, including the Company, agreed in the event of the liquidation, dissolution or winding up of the Trust or other distribution of the assets of the Trust for the purpose of winding up its affairs, the rights of the NAHF Affiliates to receive distributions in accordance with the terms of the HY Unit Terms shall be subordinated as follows:

- (i) prior to any distribution of any HY Payment Amounts to any NAHF Affiliates, the Non-Affiliated HY-A Unitholders shall receive up to Net Book Value of each such HY Unit held by the Non-Affiliated HY-A Unitholders;
- (ii) upon payment of the Net Book Value of each such HY-A Unit held by the Non-Affiliated HY-A Unitholders in accordance with (i), above, the NAHF Affiliates shall receive up to the Net Book Value of each such HY Unit held by the NAHF Affiliates, should there be any such distributions; and
- (iii) upon such payments being paid in accordance with (i) and (ii), above, the NAHF Affiliates and Non-Affiliated HY-A Unitholders shall on a *pro rata* basis share in any further distributions, if any, to be made to such HY-A Unitholders in accordance with the HY Unit Terms.

Each NAHF Affiliate who acquires HY Units, from time to time, as a condition of acquiring such HY Units, shall become a party to the NAHF Liquidation Subordination Agreement. Furthermore, all Non-Affiliated HY-A Unitholders who acquire HY Units from NAHF Affiliates are to be deemed NAHF Affiliates for a period of six (6) months after acquiring HY Units from a NAHF Affiliate, and the transferor NAHF Affiliate is to ensure such transferee becomes bound by the terms of the NAHF Liquidation Subordination Agreement for a period of six (6) months after acquiring HY Units from a NAHF Affiliate.

(14) **NAHF Option Agreement**

The Company and NAHF Limited Partnership have entered into the NAHF Option Agreement. See "*Development of the Business – NAHF Option Agreement*".

(15) **Declaration of Trust**

The rights and obligations of the Unitholders are governed by the Declaration of Trust. **Capitalized terms in this summary which are not defined in this Prospectus are defined in the Declaration of Trust.**

Units

The Trust is authorized to issue an unlimited number of Common Units, an unlimited number of Residential Development Units, issuable in series, and an unlimited number of HY Units, issuable in series.

Common Units

Holders of Common Units are entitled to receive notice of and to attend and vote at all meetings of Unitholders, except meetings of holders of another class of Units. Each Common Unit shall entitle the holder thereof to one vote.

Subject to the preferences accorded to holders of Residential Development Units, HY Units and any other Units of the Trust ranking senior to the Common Units from time to time with respect to the payment of distributions, holders of Common Units shall be entitled to receive, if, as and when declared by the Trustees, such distributions as may be declared thereon by the Trustees from time to time or otherwise deemed to be declared in accordance with the provisions of the Declaration of Trust.

In the event of the voluntary or involuntary liquidation, dissolution or winding-up of the Trust, or any other distribution of its assets among its Unitholders for the purpose of winding-up its affairs (such event referred to herein as a “**Dispersal**”), holders of Common Units shall be entitled, subject to the preferences accorded to holders of the Residential Development Units, HY Units and any other Units of the Trust ranking senior to the Common Units from time to time with respect to payment on a Dispersal, to share equally, Unit for Unit, in the remaining Trust Property.

The Trust has issued 1,000 Common Units to the Company, which is currently the sole owner of Common Units of the Trust.

Residential Development Units

The Trustees may at any time and from time to time create by Trustee resolution and, subject to a Tracking Agreement, issue the Residential Development Units in one or more series (which may include a sub-series within the series), each series to consist of such number of Residential Development Units as may, before the issuance thereof, be determined by the Trustees.

The Trustees may from time to time fix, before issuance, the designation, rights (including redemption rights), privileges, restrictions and conditions attaching to each series of Residential Development Units including, without limiting the generality of the foregoing, the amount, if any, specified as being payable preferentially to such series on a Dispersal, the extent, if any, of further participation on a Dispersal, and distribution rights (including whether such dividends be preferential, or cumulative or non-cumulative), if any.

In the event of a Dispersal, holders of each series of Residential Development Units shall be entitled, in priority to holders of Common Units, HY Units and any other series of Residential Development Units and any other Units of the Trust, in accordance with any Tracking Agreement or Trustee resolution executed with respect to payment on a Dispersal, to be paid rateably with holders of such series of Residential Development Units the amount, if any, specified as being payable preferentially to the holders of such series on a Dispersal.

The holders of each series of Residential Development Units shall be entitled, in priority to holders of Common Units, HY Units, other series of Residential Development Units and any other Units of the Trust ranking junior to the Residential Development Units from time to time with respect to the payment of distributions, to be paid rateably with holders of such series of Residential Development Units, the amount of distributions, if any, specified as being payable preferentially to the holders of such series.

Residential Development Units, Series CR

The CR Units are the Residential Development Units, Series CR created by resolution of the Trustees on May 31, 2022.

There are 9,800,000 CR Units authorized for issuance, which rank in priority to Common Units and as a series as to all returns and distributions, including a preferred return of 9% calculated monthly and non-compounded from the date of the subscription to the effective date of the redemption (“**CR Preferred Returns**”), and in respect to any voluntary or involuntary legislation, dissolution or winding up of the Trust with all CR Units.

Returns on CR Units are specific to amounts derived by the Trust from the Collinson Rise Limited Partnership and under the Revo Funding and Purchase Agreement pursuant to which funds were advanced to the Collinson Rise Limited Partnership, as advanced consideration for the condominiums to be completed as part of the Revo Development as to be selected and acquired by the Trust on completion of the Revo Development. See *“Development of the Business – Revo Development”*.

The CR Units are non-voting unless required by applicable law or if the Trust proposes to take any action that would result in material adverse consequences to CR Unitholders as a class or series, such action must be approved by Special Resolution of the affected class or series of Unitholders, voting as a single class or series, as the case may be, and the general provisions of the Declaration of Trust shall apply to any meeting of those Unitholders called for such purpose.

The CR Units shall accrue the CR Preferred Return from the time of the CR Unitholder’s initial subscription for CR Units. The Subscription Price of the CR Units and the CR Preferred Return shall be payable solely out of the net proceeds that the Trust receives from the Collinson Rise Limited Partnership pursuant to the Revo Funding and Purchase Agreement and not from any other assets of the Trust and, after completion of the transaction contemplated by the Revo Funding and Purchase Agreement, from net revenues and sales of future condominiums acquired in accordance with the Revo Funding and Purchase Agreement. If such proceeds are less than the amount required to pay the Prepayment amount of the CR Units and the full CR Preferred Return to all CR Unitholders, the amounts payable to such Persons (other than to Unitholders whose CR Units have already been redeemed in accordance with the terms hereof) shall be adjusted downward to reflect the amount available for payment to all such Persons on a pro rata basis.

The CR Units are redeemable by the Trust at any time at the Redemption Price.

In addition, a CR Unitholder may elect and request that the Trust redeem the CR Units held by the CR Unitholder for an amount equal to the Redemption Price discounted by 10% if the redemption is requested by the CR Unitholders prior to the Completion Date. If the total amount payable by the Trust in respect of CR Units tendered for redemption in the same calendar month exceeds the CR Monthly Limit (defined below), unless the Trustees in their sole discretion waive such limitation for additional CR Units, for cash on a Pro Rata Basis up to the CR Monthly Limit. Unless any regulatory approvals are required, upon agreement of the CR Unitholder, redemptions may be made by CR Redemption Notes or a distribution in specie of the Trust assets for the balance of CR Units, or any combination of CR Redemption Notes or other assets held by the Trust.

If the total amount payable by the Trust in respect of CR Units tendered for redemption in the same calendar month exceeds \$10,000 (the **“CR Monthly Limit”**), unless the Trustees in their sole discretion waive such limitation, the CR Units tendered for redemption in such calendar month shall be redeemed for cash on a pro rata basis in an amount up to the CR Monthly Limit and, unless any applicable regulatory approvals are obtained and the Securityholder agrees to such non-cash redemption, by: (i) the Trust distributing CR Redemption Notes having such commercially reasonable terms as the Trustees may prescribe, subject to a maximum term of 10 years from the date of issue, with recourse limited to CR Payment Amount as set out in the CR Tracking Agreement; (ii) other assets held by the Trust, as determined in the sole discretion of the Trustees, and with recourse limited to CR Payment Amount as set out in the CR Tracking Agreement; or (iii) any combination of CR Redemption Notes or other assets held by the Trust.

CR Units tendered for redemption above the CR Monthly Limit, and not redeemed for cash, CR Redemption Notes or other assets will be placed in a redemption queue for redemption in subsequent months from the then applicable CR Monthly Limit, and on a priority basis tied to the calendar month tendered for redemption. CR Units may be withdrawn from redemption if in the redemption queue and not yet taken up for redemption.

The Trust may also purchase CR Units by private agreement with any holder of CR Units.

Subject to the availability of an exemption from the prospectus and registration requirements of any applicable securities laws, CR Units may also be convertible into other Units of the Trust, as specified to holders upon resolution of the Trustees.

No transfer of a CR Unit is valid unless made on the register maintained by the Trustees by the registered CR Unitholder or such CR Unitholder's executors, administrators or other legal representatives or an attorney duly appointed by an instrument in writing acceptable to the Trust and upon compliance with such other reasonable requirements as the transfer agent for the CR Units may prescribe, nor unless the name of the transferee shall have been noted on the CR Unit by the Trustees or other registrar.

The CR Tracking Agreement was entered into as of May 31, 2022, between the Trust, TrustCo and the Company providing that the CR Payment Amounts are received on behalf of, and for distribution to, the CR Unitholders in accordance with the terms of the CR Units.

Unless and until there is a default under the CR Tracking Agreement by the Trust with respect use of, or payment to CR Unitholders, of CR Payment Amounts, such amounts will be received and distributed by the Trust in accordance with the terms of the Declaration of Trust, the terms of the CR Units, and applicable agreements. In the event the Trust shall default with respect to such obligations, TrustCo may serve notice on the Collinson Rise Limited Partnership and the Trust that all CR Payment Amounts are to be paid to TrustCo, as agent of the Trust and Trustees for the benefit of the CR Unitholders, and TrustCo shall thereafter distribute the CR Payment Amounts to the CR Unitholders as otherwise would have been required of the Trust under the terms of applicable arrangements.

Residential Development Units, Series GL

The GL Units are the Residential Development Units, Series GL created by resolution of the Trustees on November 1, 2023.

There are unlimited GL Units authorized for issuance, which rank in priority to Common Units and as a series as to all returns and distributions, including a preferred return of 9.6% calculated monthly and non-compounded from the date of the subscription to the effective date of the redemption ("**GL Preferred Returns**"), and in respect to any voluntary or involuntary legislation, dissolution or winding up of the Trust with all GL Units. Returns on GL Units are specific to amounts derived by the Trust from the Glenlake Highview Development Limited Partnership and the Glenlake Development pursuant to the Condominium Rental Property Purchase and Funding Agreement dated as of November 1, 2023 between the NAHF Limited Partnership and Glenlake Highview Development Limited Partnership pursuant to which funds were advanced to the Glenlake Highview Development Limited Partnership, as consideration for the condominiums to be completed as part of the Glenlake Development as selected and acquired by NAHF Limited Partnership on completion of the Glenlake Development.

The GL Units are non-voting unless required by applicable law or if the Trust proposes to take any action that would result in material adverse consequences to GL Unitholders as a class or series, such action must be approved by Special Resolution of the affected class or series of Unitholders, voting as a single class or series, as the case may be, and the general provisions of the Declaration of Trust shall apply to any meeting of those Unitholders called for such purpose.

The GL Units shall accrue the GL Preferred Return from the time of the GL Unitholder's initial subscription for GL Units. The Subscription Price of the GL Units and the GL Preferred Return shall be payable solely out of the net proceeds that the Trust receives from the Glenlake Highview Development Limited Partnership pursuant to the Purchase Agreement and not from any other assets of the Trust and, after completion of the transaction contemplated by the Purchase Agreement, from net revenues and sales of Future Condominiums acquired in accordance with the Purchase Agreement. If such proceeds are less than the amount required to pay the Prepayment amount of the GL Units and the full GL Preferred Return to all GL Unitholders, the amounts payable to such Persons (other than to Unitholders whose GL Units have already been redeemed in accordance with the terms hereof) shall be adjusted downward to reflect the amount available for payment to all such Persons on a pro rata basis.

The GL Units are redeemable by the Trust at any time at the Redemption Price.

In addition, a GL Unitholder may elect and request that the Trust redeem the GL Units held by the GL Unitholder for an amount equal to the Redemption Price discounted by 10% if the redemption is requested by the GL Unitholders prior to the Completion Date. If the total amount payable by the Trust in respect of GL Units tendered for redemption in the same calendar month exceeds the GL Monthly Limit (defined below), unless the Trustees in their sole discretion waive such limitation for additional GL Units, for cash on a Pro Rata Basis up to the GL Monthly Limit. Unless any regulatory approvals are required, upon agreement of the GL Unitholder, redemptions may be made by GL Redemption Notes or a distribution in specie of the Trust assets for the balance of GL Units, or any combination of GL Redemption Notes or other assets held by the Trust.

If the total amount payable by the Trust in respect of GL Units tendered for redemption in the same calendar month exceeds \$10,000 (the “**GL Monthly Limit**”), unless the Trustees in their sole discretion waive such limitation, the GL Units tendered for redemption in such calendar month shall be redeemed for cash on a pro rata basis in an amount up to the GL Monthly Limit and, unless any applicable regulatory approvals are obtained and the Securityholder agrees to such non-cash redemption, by: (i) the Trust distributing GL Redemption Notes having such commercially reasonable terms as the Trustees may prescribe, subject to a maximum term of 10 years from the date of issue, with recourse limited to GL Payment Amount as set out in the GL Tracking Agreement; (ii) other assets held by the Trust, as determined in the sole discretion of the Trustees, and with recourse limited to GL Payment Amount as set out in the GL Tracking Agreement; or (iii) any combination of GL Redemption Notes or other assets held by the Trust.

GL Units tendered for redemption above the GL Monthly Limit, and not redeemed for cash, GL Redemption Notes or other assets will be placed in a redemption queue for redemption in subsequent months from the then applicable GL Monthly Limit, and on a priority basis tied to the calendar month tendered for redemption. GL Units may be withdrawn from redemption if in the redemption queue and not yet taken up for redemption.

The Trust may also purchase GL Units by private agreement with any holder of GL Units.

Subject to the availability of an exemption from the prospectus and registration requirements of any Applicable Securities Laws, GL Units may also be convertible into other Units of the Trust, as specified to holders upon resolution of the Trustees.

No transfer of a GL Unit is valid unless made on the register maintained by the Trustees by the registered GL Unitholder or such GL Unitholder’s executors, administrators or other legal representatives or an attorney duly appointed by an instrument in writing acceptable to the Trust and upon compliance with such other reasonable requirements as the transfer agent for the GL Units may prescribe, nor unless the name of the transferee shall have been noted on the GL Unit by the Trustees or other registrar.

The GL Tracking Agreement was entered into as of November 1, 2023, between the Trust, TrustCo and the Company providing that the GL Payment Amounts are received on behalf of, and for distribution to, the GL Unitholders in accordance with the terms of the GL Units.

Unless and until there is a default under the GL Tracking Agreement by the Trust with respect use of, or payment to GL Unitholders, of GL Payment Amounts, such amounts will be received and distributed by the Trust in accordance with the terms of the Declaration of Trust, the terms of the GL Units, and applicable agreements. In the event the Trust shall default with respect to such obligations, TrustCo may serve notice on the Glenlake Highview Development Limited Partnership and the Trust that all GL Payment Amounts are to be paid to TrustCo, as agent of the Trust and Trustees for the benefit of the GL Unitholders, and TrustCo shall thereafter distribute the GL Payment Amounts to the GL Unitholders as otherwise would have been required of the Trust under the terms of applicable arrangements.

HY Units

See “*Description of Securities – HY Units*”.

HY-A Units - Material Terms

The HY-A Units are the initial series of HY Units created by resolution of the Trustees and designated as “Housing Yield Units, Series A”. The HY-A Units are non-voting unless required by applicable law, if there is proposed amendment to the HY-A Unit Terms, or if the Trust proposes to take any action that would result in material adverse consequences to such unitholders as a class or series, such action must be approved by Special Resolution of the affected class or series of unitholders, voting as a single class or series, as the case may be, and the general provisions of the Declaration of Trust shall apply to any meeting of those unitholders called for such purpose. There are currently 322,323.73 HY-A Units outstanding.

The HY-A Units are direct obligations of the Trust and shall rank equally and *pari passu* with each other in the series regardless of their actual dates or terms of issue, subject to the provisions of the NAHF Liquidation Subordination Agreement. The HY-A Units authorized for issuance rank in priority to Common Units of the Trust and *pari passu* as a series as to all returns and distributions.

The Trustees may declare distribution of income or capital on the HY-A Units up to the HY Payment Amounts, and shall allocate and distribute the aggregate HY Payment Amounts (less any distributions previously declared on HY Payment Amounts during the calendar year) at the end of each calendar year to HY Unitholders of record on December 31 of each year. Distributions shall be paid in cash, through the issuance of additional HY-A Units, through the transfer of assets or the issuance of HY Redemption Notes.

The redemption price of the HY-A Units is payable solely out of: (i) funds held by the Trust from time to time; and (ii) the net proceeds that the Trust receives from the NAHF Limited Partnership pursuant to a Limited Partnership Agreement, including received from the NAHF Limited Partnership in respect of the Inter Entity Loan Agreement, and as further set out in a HY Tracking Agreement.

The redemption price of the HY-A Units (the “**Redemption Price**”) shall be an amount equal to the Net Book Value as at the most recently completed quarterly fiscal period of the Trust immediately preceding the Redemption Date, based on the financial statements of the Trust for that most recently completed fiscal period; and:

- (a) if deemed necessary or desirable by the Trustees in their sole and unfettered discretion, adjusted upward, reflecting additions in HY Unitholders’ equity entered in the books of account during the applicable period, by the Trustees in their sole and unfettered discretion, acting reasonably; or
- (b) if deemed necessary or desirable by the Trustees in their sole and unfettered discretion, adjusted downward, reflecting reductions in HY Unitholders’ equity entered in the books of account during the applicable period, by the Trustees in their sole and unfettered discretion, acting reasonably,

which shall be reduced where applicable by the Housing Value Adjustment and adjusted by the HY Attribution Amount.

The HY-A Units are redeemable by the Trust at any time for an amount equal to the Redemption Price calculated up to and including the Redemption Date.

A holder of HY-A Units may elect and request that the Trust redeem the HY-A Units held by such unitholder for an amount equal to the Redemption Price discounted by a percentage determined at the applicable Redemption Date, where the redemption request from the unitholder falls within the following schedule of timeframes from the initial subscription date with respect to the applicable HY-A Units:

- (i) if redeemed in 1st year, 5.0%;
- (ii) if redeemed in 2nd year, 4.0%;
- (iii) if redeemed in 3rd year, 3.0%;
- (iv) if redeemed in 4th year, 2.0%;
- (v) if redeemed in 5th year, 1.0%; and
- (vi) after the 5th year, 0.0%.

The total amount payable by the Trust in respect of HY-A Units tendered for redemption in the same calendar month is limited to \$10,000 (the “**Monthly Limit**”), unless the trustees of the Trust in their sole discretion waive such limitation for additional HY-A Units. Unless any regulatory approvals are required, upon agreement of a unitholder, redemption may be made by issuance of notes issued under an indenture with recourse limited to HY Payment Amounts (“**HY Redemption Notes**”) or a distribution *in specie* of the Trust assets for the balance of HY-A Units, or any combination of HY Redemption Notes or other assets held by the Trust.

HY-A Units tendered for redemption above the Monthly Limit, and not redeemed for cash, HY Redemption Notes or other assets, will be placed in a redemption queue for redemption in subsequent months from the then applicable Monthly Limit, and on a priority basis tied to the calendar month tendered for redemption.

HY-A Units may be withdrawn from redemption by written request of a unitholder requesting redemption if in the redemption queue and not yet taken up and paid the Redemption Price for redemption.

The Trust may also purchase HY-A Units by private agreement with any holder of HY-A Units.

HY-A Units may also be convertible into other units of the Trust, as specified to holders upon resolution of the Trustees.

No transfer of an HY-A Unit shall be valid unless made on the register maintained by the transfer agent of the Trust by the registered unitholder or such unitholder’s executors, administrators or other legal representatives, and upon compliance with such other reasonable requirements as the transfer agent may prescribe.

Distributions

Subject to the rights of Residential Development Unitholders under any Residential Development Unit Terms and HY Unitholders under HY Unit Terms, the Trustees shall declare payable to the holders of Common Units on a distribution records date all or any part of the Common Unit Cash Flow for the distribution period, as determined by the Trustees in their sole discretion. The proportionate share for each Common Unit of the amount of such Common Unit Cash Flow (or portion thereof declared payable) shall be determined by dividing such amount by the number of issued and outstanding Common Units on such distribution record date. Common Unit Cash Flow which has been declared to be payable to holders of Common Units in respect of a distribution period may be paid in Common Units, cash or any combination of Common Units and cash, as determined by the Trustees in their sole discretion.

The “**Common Unit Cash Flow**” for, or in respect of, a distribution period will be equal to the sum of all amounts received by the Trust, including interest, dividends, distributions, proceeds from the distribution of securities, returns of capital and repayments of indebtedness, net proceeds from the issuance of Units or any other securities of the Trust, and all amounts received by the Trust to the extent not otherwise distributed; less any amount that the Trustees may reasonably consider to be necessary to provide for the payment of any costs or expenses, all amounts related to the redemption of Units, debt repayments and interest costs and expenses, costs and expenses related to capital expenditures, amounts loaned or contributed to an associate or affiliate of the Trust, and any other amounts (including taxes) required by law or under the Declaration of Trust.

In addition to the distributions which are made payable to holders of Common Units, subject to the rights of Residential Development Unitholders or HY Unitholders, the Trustees may declare to be payable and make distributions to holders of Common Units, from time to time, out of: (i) Common Unit Income; (ii) Common Unit Net Realized Capital Gains; (iii) the capital of the Trust, or otherwise; in any year, in such amount or amounts, and on such dates as the Trustees may determine.

For the purpose of the Declaration of Trust summary:

“**Common Unit Income**” means, for any year shall be the income of the Trust for that year computed in accordance with the provisions of the Tax Act provided, however, that capital gains and capital losses shall be excluded and provided further that: (i) the portion of the Trust’s

income comprised of taxable dividends received from corporations resident in Canada shall be calculated on the basis that the amount included in the Trust's income is the actual amount of the dividend received, which excludes the gross-up adjustment provided in sub-section 82(1)(b) of the Tax Act; (ii) no amount is deductible in respect of amounts paid or payable to Unitholders; (iii) the Trust shall claim the maximum amount of deductions available to it in computing the Common Unit Income for the year, without generating a loss and after taking into account all losses (other than net capital losses) of the Trust for prior years that may be deducted in computing the Trust's taxable income under the Tax Act for that year; and (iv) no amount shall be included in the Common Unit Income for that year if such amount is designated to a redeeming Unitholder pursuant to Section 6.10 or any Residential Development Unit Terms or HY Unit Terms; and

“Common Unit Net Realized Capital Gains” mean, for any taxation year of the Trust shall be determined as the amount, if any, calculated after taking into account the provisions provided for in the Residential Development Unit Terms and HY Unit Terms and the rights, privileges and restrictions hereunder of each such Units, by which the aggregate of the capital gains of the Trust, for the year exceeds: (i) the aggregate of the capital losses of the Trust for the year; (ii) any capital gains which are realized by the Trust as a result of a redemption of Units pursuant to Article 6; and (iii) the amount determined by the Trustees in respect of any net capital losses for prior taxation years which the Trust is permitted by the Tax Act to deduct in computing the taxable capital gains of the Trust for the year.

The Trustees intend to, subject to the rights of Residential Development Unitholders and HY Unitholders, allocate, distribute and make payable to holders of Common Units all of the Common Unit Income, Common Unit Net Realized Capital Gains and any other applicable amounts so that the Trust will not have any liability for tax under Part I of the Tax Act in any taxation year, the following amounts shall, subject to the rights of Residential Development Unitholders and HY Unitholders but without any further actions on the part of the Trustees, be due and payable to holders of Common Units of record on December 31 in each such year: (i) an amount equal to the amount, if any, by which the Common Unit Income for such year exceeds the aggregate of the portions, if any, of each distribution made by the Trust which have been determined by the Trustees to have been payable by the Trust out of Common Unit Income for such year; and (ii) an amount equal to the amount, if any, by which the Common Unit Net Realized Capital Gains of the Trust for such year exceeds the aggregate of the portions, if any, of each distribution made by the Trust which have been determined by the Trustees to have been payable by the Trust out of Common Unit Net Realized Capital Gains for such year.

The Trustees may designate for tax purposes any income or capital gains realized by the Trust as a result of the redemption of Units (including any income or capital gains realized by the Trust on an *in specie* redemption of Units) as being paid to the redeeming Unitholders, with the result that the taxable portion of such gains and income may generally be deductible by the Trust.

Distributions payable to Unitholders pursuant to the Declaration of Trust shall be deemed to be distributions of income of the Trust (including dividends), net realized taxable capital gains of the Trust, foreign source income, Trust capital or other items in such amounts as the Trustees, in their discretion determine and shall be so designated, where required, and allocated to the Unitholders in the same proportions as distributions received by the Unitholders, subject to the discretion of the Trustees to adopt an allocation method which the Trustees consider to be more reasonable in the circumstances. For greater certainty, any distribution of net realized capital gains of the Trust shall include the non-taxable portion of the capital gains of the Trust which are included in such distribution.

Where the Trustees determine that the Trust does not have available cash in an amount sufficient to make payment of the full amount of any distribution that has been declared payable, or otherwise made payable, pursuant to the Declaration of Trust on the due date for such payment, the payment may, at the option of the Trustees, include or consist entirely of the issuance of additional Units, or fractions of Units, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution declared to be payable and the amount of cash that has been determined by the Trustees to be available for the payment of such distribution. Such additional Units will be issued pursuant to applicable

exemptions under applicable securities laws, discretionary exemptions granted by applicable securities regulatory authorities or a prospectus or similar filing.

Each distribution declared pursuant to the Declaration of Trust constitutes a binding obligation of the Trust on the date so declared. Each Unitholder has the legal right to enforce payment on the distribution payment date, of any amount payable to such Unitholder as a result of any distribution declared or otherwise made payable on the applicable distribution record date to, and not yet received by, such Unitholder.

Distribution on Termination of the Trust

On the termination of the Trust, the assets of the Trust shall be liquidated and the proceeds distributed in the following order: (a) to pay the liabilities of the Trust and to establish reserves for the contingent liabilities of the Trust; and (b) to distribute to the Unitholders in accordance with their entitlements as set out in the Declaration of Trust. Such distribution may be made in cash or in kind or partly in each, all as the Trustees in their sole discretion may determine.

Meetings of Unitholders and Resolutions

The Trustees may, at any time, convene a meeting of the Unitholders and will be required to convene a meeting on receipt of a request in writing of Unitholders holding, in aggregate, 30% or more of all the Units outstanding. Any matter to be considered at a meeting of Unitholders, other than certain matters requiring the approval of Unitholders by Special Resolution, will require the approval of Unitholders by an Ordinary Resolution. A quorum for any meeting convened to consider such matter will consist of two or more Unitholders present in person or by proxy and representing not less than 10% of the Units. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened pursuant to a request of Unitholders, will be cancelled, but otherwise will be adjourned to another day, not less than ten days later, selected by the chair of the adjourned meeting and notice will be given to the Unitholders of such adjourned meeting. The Unitholders present at any adjourned meeting will constitute a quorum.

Each Unitholder is entitled to one vote per Unit held.

The following matters require approval by Ordinary Resolution and shall be deemed approved, consented to or confirmed, as the case may be, upon the adoption of such Ordinary Resolution:

- (a) matters relating to the administration of the Trust for which the approval of the Unitholders is required by policies of the securities regulatory authorities or other applicable laws and regulations in effect from time to time, and such policies, laws or regulations do not require approval by Special Resolution;
- (b) subject to the requirements for a Special Resolution, any matter or thing stated in the Declaration of Trust to be required to be consented to or approved by the Unitholders; and
- (c) any matter which the Trustees consider appropriate to present to the Unitholders for their confirmation or approval.

Each of the following actions requires approval by Special Resolution, the terms of which shall specify the date upon which the proposed action shall be undertaken and the party who shall undertake the action:

- (a) the amendment of the Declaration of Trust or changes to the Trust, including changes to the investment objectives of the Trust;
- (b) increase or decrease the maximum or minimum number of Trustees;
- (c) an exchange, reclassification or cancellation of all or part of the Units (other than as provided in the Declaration of Trust);
- (d) the change or removal of the rights, privileges, restrictions or conditions attached to the Units and, including, without limiting the generality of the foregoing:
 - i. the removal or change of rights to distributions;
 - ii. the removal of or change to conversion privileges, options, voting, transfer or pre-emptive rights; or
 - iii. the reduction or removal of a distribution preference or liquidation preference;

- (e) the creation of new rights or privileges attaching to Common Units;
- (f) the sale of all or substantially all of the Trust Property as an entirety or substantially as an entirety (other than as a part of an internal reorganization of the Trust Property including by way of the transfer of Trust Property or assets or property of the subsidiaries of the Trust as approved by the Trustees);
- (g) the combination, amalgamation or arrangement of any of the Trust or its subsidiaries with any other entity that is not the Trust or a Subsidiary of the Trust (other than as part of an internal reorganization as approved by the Trustees); or
- (h) any other matter expressly required by the terms of the Declaration of Trust to require approval by Special Resolution.

Notwithstanding the above or any other provision herein, no confirmation, consent or approval shall be sought or have any effect and no Unitholders shall be permitted to effect, confirm, consent to or approve, in any manner whatsoever, where the same increases the obligations of or reduces the compensation payable to or protection provided to the Trustees, except with the prior written consent of the Trustees.

Notwithstanding the foregoing, if the Trust proposes to take any action that would result in material adverse consequences to Residential Development Unitholders or HY Unitholders as a class or series, such action must be approved by special resolution of the affected class or series of Unitholders, voting as a single class or series, as the case may be.

Termination of the Trust

The Trust may be terminated by a Special Resolution at a meeting of the Unitholders duly called by the Trustees for the purpose of considering termination of the Trust. Upon termination, the liabilities of the Trust shall be discharged with commercially reasonable speed, the net assets of the Trust shall be liquidated and the proceeds distributed to the Unitholders in accordance with their entitlements as provided herein. Such distribution may be made in cash or in kind or partly in each, all as the Trustees in their sole discretion may determine.

Amendments to the Declaration of Trust

Subject to matters requiring approval by Special Resolution, the provisions of the Declaration of Trust, except where specifically otherwise therein provided, may be amended only by Ordinary Resolution; provided that the provisions of the Declaration of Trust may be amended by a majority of the Trustees without the consent, approval or ratification of the Unitholders or any other Person in the following circumstances:

- (a) ensuring continuing compliance with applicable laws (including the Tax Act and maintaining the status of the Trust as a “unit trust”, “mutual fund trust” and, if then listed on a stock exchange, a “real estate investment trust” under the Tax Act) regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees; (ii) the Trust or (iii) the distribution of Units;
- (b) providing additional protection or added benefits, which are, in the opinion of the Trustees necessary to maintain the rights of the Unitholders set out in the Declaration of Trust;
- (c) removing any conflicts or inconsistencies in the Declaration of Trust or making corrections, including the rectification of any ambiguities, defective provisions, errors, mistakes or omissions, which are, in the opinion of the Trustees necessary or desirable and not prejudicial to the Unitholders;
- (d) making amendments of a minor or clerical nature or to correct typographical mistakes, ambiguities or manifest omissions or errors, which amendments, in the opinion of the Trustees, are necessary or desirable and not prejudicial to the Unitholders;
- (e) making amendments which, in the opinion of the Trustees, are necessary or desirable as a result of changes in taxation or other laws or accounting standards from time to time which may affect the Trust or the Unitholders to ensure the Units qualify as equity for purposes of GAAP;
- (f) making amendments which, in the opinion of the Trustees are necessary or desirable to enable the Trust to implement a Unit option or purchase plan or a distribution reinvestment plan;
- (g) making amendments deemed necessary or advisable to ensure that the Trust has not been established nor maintained primarily for the benefit of persons who are not resident Canadians; or

- (h) making an amendment for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to Unitholders and is necessary or desirable.

In no event may the Trustees amend the Declaration of Trust if such amendment would: (i) amend the list of provisions of the Declaration of Trust that may be amended by a majority of the Trustees without the consent, approval or ratification of the Unitholders or any other Person; (ii) amend the Unitholders' voting rights; (iii) cause the Trust to fail or cease to qualify as a "mutual fund trust", "real estate investment trust" after such time as Units are listed on a stock exchange, or "unit trust" under the Tax Act; or (iv) cause the Trust or a Subsidiary of the Trust to be subject to tax under paragraph 122(1)(b), subsection 197(2) or Part XII.2 of the Tax Act.

Reports to the Unitholders

Prior to each annual and special meeting of Unitholders, the Trustees shall provide the Unitholders (along with notice of such meeting and a form of proxy) information similar to that required to be provided to shareholders of a public corporation governed by the BCA and as required by applicable tax and securities laws.

Liability of the Unitholders and Others

Notwithstanding any other provision of the Declaration of Trust, no Unitholder or annuitant or beneficiary of a registered plan, or of any plan of which a Unitholder acts as trustee or a carrier (a "**Annuitant**"), in its capacity as such, shall be held to have any personal liability as such, and no resort shall be had to, nor shall recourse or satisfaction be sought from, the private property of any Unitholder or Annuitant for any liability whatsoever, in tort, contract or otherwise, to any Person in connection with the Trust Property or the affairs of the Trust, including for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of the Trust or of the Trustees or any obligation which a Unitholder or Annuitant would otherwise have to indemnify a Trustee for any personal liability incurred by the Trustee as such, but rather the Trust Property only is intended to be liable and subject to levy or execution for satisfaction of such trust liability. Each Unitholder and Annuitant shall be entitled to be reimbursed out of the Trust Property in respect of any payment of such trust liability made by such Unitholder or Annuitant.

In addition, the Trustees shall cause the operations of the Trust to be conducted, with the advice of lawyers and other professional advisors, in such a way and in such jurisdictions as to avoid, to the extent which they determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Unitholders, any material risk of liability on the Unitholders for claims against the Trust, and shall, to the extent available on terms which they determine to be practicable, including the cost of premiums, cause the insurance carried by the Trust, to the extent applicable, to cover the Unitholders and annuitants as additional insureds.

No Transfer of Units

The Units are not transferable without the prior written approval of the Trustees, in their sole discretion, or the Company, on their behalf, and subject to compliance with applicable securities laws. Notwithstanding the foregoing, no transfer of Units shall be effective as against the Trustees or shall be in any way binding upon the Trustees until the transfer has been recorded on the register and no transfer of a Unit shall be recognized unless such transfer is of a whole Unit.

Redemption of Common Units

Common Units may be redeemed by: (a) the Trust, at any time and from time to time at the demand of the Trust, upon determination by the Trustees that to do so would be in the best interests of the Trust, and need not be pro rata amongst holders of Common Units, but may be of one or more holders in such number of Common Units as the Trustees so determine; or (b) each holder of Common Units at any time or from time to time at the demand of such holder of Common Units all or any part of the Common Units registered in the name of such holder of Common Units. In either instance, the Trustees are entitled in their discretion to determine and designate whether any payments in respect of any redemption are on account of income or capital.

Limitations on Non-Resident Ownership of Units

In order for the Trust to maintain its status as a mutual fund trust under the Tax Act, it must not be established or maintained primarily for the benefit of “non-residents” persons of Canada within the meaning of the Tax Act. Accordingly, the Declaration of Trust provides that at no time may Non-Residents be the beneficial owners of more than 49% of any class of Units outstanding and the Trustees shall inform transfer agent or registrar of this restriction. Additionally, at no time shall Non-Residents hold or beneficially own, directly or indirectly, Units or any other rights or options, including convertible debentures that may entitle them (conditionally or otherwise) to acquire Units that would result in more than 49% of the Units, at any time, being held or beneficially owned, directly or indirectly, by Non-Residents.

The Trustees may require a Unitholder to provide them with a declaration as to the jurisdictions in which beneficial owners of Units registered in such holder’s name are resident and as to whether such beneficial owner is Non-Resident (and, in the case of a partnership, whether the partnership is Non-Resident). If the Trustees become aware, as a result of such declarations as to beneficial ownership or as a result of any other investigations, that the beneficial owners of more than 49% of the Units, and/or other securities exercisable or exchangeable for Units, are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make an announcement thereof to Unitholders and will not accept a subscription for Units from, or issue or register a transfer of Units to, a person unless the person provides a declaration in form and content satisfactory to the Trustees that the person is not a Non-Resident and does not hold such Units for the benefit of Non-Residents. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units, and/or other securities exercisable or exchangeable for Units, are held by Non-Residents, the Trustees may send or cause to be sent a notice to such Non-Resident Unitholders, or holders, chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Units, and/or other securities exercisable or exchangeable for Units, to a Permitted Transferee that is a Resident, or to tender their Units, and/or other securities exercisable or exchangeable for Units, for redemption subject to the limitations in of the Declaration of Trust, or a portion thereof within a specified period of not more than 30 days. If the Unitholders or holders receiving such notice have not so transferred or redeemed the specified number of Units, and/or other securities exercisable or exchangeable for Units, or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may on behalf of such persons sell or cause to be sold such Units, and/or other securities exercisable or exchangeable for Units, and, in the interim, will suspend the voting and distribution rights attached to such Units, and/or other securities exercisable or exchangeable for Units, as applicable. Upon such sale, the affected holders will cease to be holders of the relevant Units, and/or other securities exercisable or exchangeable for Units, and their rights will be limited to receiving the net proceeds of sale upon surrender of the certificates, if any, representing such Units.

The Trustees shall have the sole right and authority to make any determination required or contemplated in respect of the foregoing. The Trustees shall make all determinations necessary for the administration of the foregoing and, without limiting the generality of the foregoing, if the Trustees consider that there are reasonable grounds for believing that a contravention of the Non-Resident ownership restriction has occurred or will occur, the Trustees shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding except to the extent modified by any subsequent determination by the Trustees. Notwithstanding the foregoing, the Trustees may delegate, in whole or in part, their power to make a determination to any officer of the Trust.

Standard of Care by Trustees

The Trustees, in exercising the powers and authority conferred upon it hereunder, must act honestly and in good faith with a view to the best interests of the Trust and must exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Trustees will not be liable in carrying out their duties under the Declaration of Trust except in cases where the Trustees fail to act honestly and in good faith with a view to the best interests of the Trust or to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Powers and Responsibilities of the Trustees

Except as otherwise provided in the Declaration of Trust, the Unitholders do not have the right to elect Trustees. The Trustees have exclusive authority to manage the operations and affairs of the Trust and to make all decisions regarding the business of the Trust, and have authority to bind the Trust. The powers, authorities and responsibilities of the Trustees are limited to those expressly set forth in the Declaration of Trust. The Trustees are responsible for managing the business and administration of the Trust and the conduct of the affairs of the Trust, including without limitation:

- (a) to retain, invest and re-invest the capital or other funds of the Trust in real or personal property of any kind, all without regard to whether any such properties are authorized by law for the investment of trust funds, and to possess and exercise all the rights, powers and privileges appertaining to the ownership of the Trust Property;
- (b) subject to Non-Resident ownership constraints, to increase the capital of the Trust at any time by the issuance of additional Units (or other securities convertible to or exchangeable for Units) for such consideration as they deem appropriate;
- (c) for such consideration as they deem proper, to invest in, purchase or otherwise acquire for cash or other property or through the issuance of Units or through the issuance of notes, or other obligations or securities of the Trust and hold for investment notes, units or other obligations or securities of any Person;
- (d) to sell, rent, lease, hire, exchange, release, partition, assign, mortgage, pledge, hypothecate, grant security interests in, encumber, negotiate, convey, transfer or otherwise dispose of any or all of the Trust Property by deeds, trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust or the Trustees by one or more of the Trustees or by a duly authorized officer, employee, agent or any nominee of the Trust;
- (e) to enter into leases, contracts, obligations and other agreements for a term extending beyond the term of office of the Trustees and beyond the possible termination of the Trust or for a lesser term, and perform the obligations of the Trust thereunder;
- (f) without limit as to amount, to issue any type of debt securities or convertible debt securities and to borrow money from or incur indebtedness to any Person; to guarantee, indemnify or act as surety with respect to payment or performance of obligations of wholly-owned Subsidiaries; to enter into other obligations on behalf of the Trust; and to assign, convey, transfer, mortgage, subordinate, pledge, grant security interests in, encumber or hypothecate the Trust Property to secure any of the foregoing;
- (g) to lend money, whether secured or unsecured;
- (h) to maintain records and provide reports to Unitholders;
- (i) to establish systems to monitor the qualification of the Trust as a “mutual fund trust”, a “unit trust” and, at such time as the Trust may be listed on a stock exchange, a “real estate investment trust”, within the meaning of the Tax Act and ensure that the Trust does not take any action or acquire, retain or hold any investment that would cause the Trust or a Subsidiary of the Trust to become liable to tax under paragraph 122(1)(b), subsection 197(2) or Part XII.2 of the Tax Act;
- (j) to pay all taxes or assessments, of whatever kind or nature, whether within or outside Canada, imposed upon or against the Trustees in connection with the Trust Property, the undertaking or taxable income of the Trust, or imposed upon or against the Trust Property, the undertaking or taxable income of the Trust, or any part thereof and to settle or compromise disputed tax liabilities and for the foregoing purposes to make such returns, take such deductions, and make such designations, elections and determinations in respect of the Trust Income or Net Realized Capital Gains distributed to Unitholders

and any other matter as shall be permitted under the Tax Act (provided that to the extent necessary the Trustees will seek the advice of the Trust's counsel or its Auditors), and do all such other acts and things as may be deemed by the Trustees in their sole discretion to be necessary, desirable or convenient in connection with such matters;

- (k) to incur and pay out of the Trust Property any charges or expenses and disburse any funds of the Trust, which charges, expenses or disbursements are, in the opinion of the Trustees, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the affairs of the Trust including taxes or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Trustees in connection with the Trust or the Trust Property or upon or against the Trust Property or any part thereof and for any of the purposes herein;
- (l) to deposit funds of the Trust in banks or trust companies, whether or not such deposits will earn interest, the same to be subject to withdrawal on such terms and in such manner and by such Person or Persons (including one or more Trustees, officers, agents or representatives) as the Trustees may determine;
- (m) to possess and exercise all the rights, powers and privileges appertaining to the ownership of or interest in all or any mortgages or securities, issued or created by, or interest in, any Person, forming part of the Trust Property, to the same extent that an individual might and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in person or by proxy or power of attorney, with or without power of substitution, to one or more Persons, which proxies and powers of attorney may be for meetings or action generally or for any particular meeting or action and may include the exercise of discretionary power;
- (n) to exercise any conversion privilege, subscription right, warrant or other right or option available in connection with any Trust Property at any time held by it and to make payments incidental thereto; to consent, or otherwise participate in or dissent from, the reorganization, consolidation, amalgamation, merger or readjustment of the finances of any Person (other than the Trust), any of the securities of which may at any time be held, directly or indirectly, by the Trust or to the sale, mortgage or lease of the property of any such Person; and to do any act with reference thereto, including the delegation of discretionary powers, the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions, which it may consider necessary or advisable in connection therewith;
- (o) to elect, appoint, engage or employ officers for the Trust, who may be removed or discharged at the discretion of the Trustees, such officers to have such powers and duties, and to serve such terms as may be prescribed by the Trustees or by the Trustees' regulations; to engage, appoint, employ or contract with any Persons as agents, representatives, employees or independent contractors or otherwise (including real estate advisors, investment advisors, registrars, underwriters, accountants, lawyers, real estate agents, property managers, asset managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, and to pay compensation from the Trust for services in as many capacities as such Persons may be so engaged or employed; and, except as prohibited by law or this Declaration of Trust, to delegate any of the powers and duties of the Trustees (including the power of delegation) to any one or more Trustees, agents, representatives, officers, employees, independent contractors or other Persons without regard to whether such power, authority or duty is normally granted or delegated by trustees;
- (p) to collect, sue for and receive sums of money coming due to the Trust, and to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, demands or other litigation relating to the Trust, the Trust Property or the Trust's affairs, to enter into agreements therefor whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding the arbitration, adjudication or settlement thereof;

- (q) to renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust;
- (r) to purchase and pay for, out of the Trust Property, insurance contracts and policies insuring the Trust Property against any and all risks and insuring the Trust and/or any or all of the Trustees, the Unitholders or officers or employees of the Trust against any and all claims and liabilities of any nature asserted by any Person arising by reason of any action alleged to have been taken or omitted by the Trust or by the Trustees, the Unitholders or the officers of the Trust;
- (s) to cause legal title to any of the Trust Property to be held by and/or in the name of the Trustees or, except as prohibited by law, by and/or in the name of the Trust or one or more of the Trustees or any other Person, on such terms, in such manner, with such powers in such Person as the Trustees may determine and with or without disclosure that the Trust or Trustees are interested therein; provided, however, that should legal title to any of the Trust Property be held by and/ or in the name of any Person or Persons other than the Trust or the Trustees, the Trustees shall require such Person or Persons to execute a declaration of trust acknowledging that legal title to such assets is held in trust for the benefit of the Trust;
- (t) to determine conclusively the allocation to capital, income or other appropriate accounts for all receipts, expenses, disbursements and Trust Property;
- (u) to issue Units and other securities of the Trust from time to time and, if necessary or desirable to prepare, sign and file or cause to be prepared, signed and filed a prospectus, offering memorandum or similar document and any amendment thereto and all agreements contemplated therein or ancillary thereto relating to or resulting from any offering of the Units or other securities issued or held by the Trust and to pay the cost thereof and related thereto out of the Trust Property whether or not such offering is or was of direct benefit to the Trust or those Persons (if any) who were Unitholders immediately prior to such offering;
- (v) to make or cause to be made application for the listing on any stock exchange of any Units or other securities of the Trust, and to do all things which in the opinion of the Trustees may be necessary or desirable to effect or maintain such listing or listings;
- (w) to determine conclusively the value of any or all of the Trust Property from time to time and, in determining such value, to consider such information and advice as the Trustees, in their sole judgment, may deem material and reliable;
- (x) subject to obtaining all required regulatory approvals, to establish one or more distribution reinvestment plans, Unit purchase plans, Unit option plans, deferred Unit plans, restricted Unit plans, performance unit plans or any other Unit compensation, incentive plan or similar plan with respect to the Units;
- (y) to the extent permitted by law, to indemnify, or enter into agreements with respect to the indemnification of any Person with whom the Trust has dealings including the Trustees, any directors or trustees of any Subsidiary of the Trust, officers or employees of the Trust or of any Subsidiary, the depositary, Registrar, transfer agent of the Trust or any escrow agent, to such extent as the Trustees shall determine;
- (z) to do all such acts and things and to exercise such powers which are delegated to the Trustees by any Person who co-owns residential real property with the Trust;
- (aa) to vote in favour of the Trust's nominees to serve as directors or trustees, as applicable, of any Subsidiary of the Trust and to otherwise exercise the rights attached to any securities held by the Trust or any Subsidiary of the Trust; and

(bb)to do all such other acts and things as are incidental to the foregoing, and to exercise all powers that are necessary or useful to carry on the activities of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of this Declaration of Trust.

Resignation, Removal or Death of Trustees

A Trustee may resign at any time by an instrument in writing signed by him and delivered or mailed to the chairman or, if there is no chairman, the Chief Executive Officer of the Trust or, if there is no Chief Executive Officer, the other Trustees then serving. A resignation of a Trustee becomes effective on date such notice is given or at any later time specified in the notice.

A Trustee may be removed at any time with or without cause by an Ordinary Resolution of holders of Common Units or with cause by a resolution passed by an affirmative vote of not less than two-thirds of the other Trustees. Any removal of a Trustee shall take effect immediately following the aforesaid vote or resolution and any Trustee so removed shall be so notified by the chairman or another officer of the Trust, or if there is no officer of the Trust, by any remaining Trustee, or if there is no Trustee, then by the remaining Unitholders, forthwith following such removal.

Upon the incapacity or death of any Trustee, such Trustee's legal representative shall execute and deliver on such Trustee's behalf such documents as the remaining Trustees may require. In the event that a Trustee or his legal representatives, as applicable, are unable or unwilling to execute and deliver such required documents, each of the remaining Trustees is hereby appointed as the attorney of such Trustee for the purpose of executing and delivering such required documents.

Indemnification and Liability of Trustees

The Trustees shall at all times (including such time as they have ceased to be Trustees) be indemnified and held harmless out of the Trust Property from and against all liabilities, damages, losses, debts and claims whatsoever, including costs, charges and expenses in connection therewith, threatened, sustained, incurred, brought, commenced or prosecuted against them, and any appeal thereof, for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of their duties as Trustees or directors or trustees of any Subsidiary of the Trust and also from and against all other liabilities, damages, losses, debts, claims, costs, charges, expenses, fines, penalties and settlements (including legal fees and disbursements on a solicitor and its client basis) which they sustain or incur in or about or in relation to the affairs of the Trust. Further, the Trustees shall not be liable to the Trust or to any Unitholder or Annuitant for any loss or damages relating to any matter regarding the Trust, including any loss or diminution in the value of the Trust or the Trust Property. The foregoing provisions in favour of any Trustee do not apply unless: (1) the Trustee acted honestly and in good faith with a view to the best interests of the Trust and the Unitholders; and (2) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Trustee had reasonable grounds for believing his or her conduct was lawful.

The Trustees shall not be liable to the Trust or to any Unitholder, Annuitant or any other Person for the acts, omissions, receipts, neglects or defaults of any Person, firm or corporation employed or engaged by them as permitted hereunder, or for joining in any receipt or act of conformity or for any loss, damage or expense caused to the Trust through the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Trust shall be paid out or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any Person, firm or corporation with whom or which any monies, securities or Trust Property shall be lodged or deposited, or for any loss occasioned by error in judgment or oversight on the part of the Trustees, or for any other loss, damage or misfortune which may happen in the execution by the Trustees of their duties hereunder, except to the extent the Trustees have not acted in accordance with items (1) and (2) in the preceding paragraph.

Remuneration and Expenses of Trustees

Trustees who are not officers of, or otherwise employed by and receive a salary from the Trust or its Subsidiaries or Affiliates, may be paid such remuneration for their services in such amounts and in such form

as the Trustees, or if applicable a committee thereof, may from time to time determine and shall be entitled to be reimbursed for their out-of-pocket expenses incurred in acting as Trustees. Nothing herein contained shall preclude any Trustee from serving the Trust in any other capacity and receiving remuneration therefor.

The Trustees have established that the Trustees will be paid an annual remuneration of \$15,000.

Rights and Liability of Unitholders

Units of the Trust do not represent a traditional investment and should not be viewed by investors as “shares” in the Trust. As holders of Units, the Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions.

Units of the Trust are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that act or any other legislation. Furthermore, the Trust is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

The Declaration of Trust provides that no Unitholder, in its capacity as such, shall incur or be subject to any liability, direct or indirect, absolute or contingent, in contract or in tort or of any other kind to any Person, and no resort will be had to, nor will recourse or satisfaction be sought from, the private property of any Unitholder for any liability whatsoever in connection with the Trust’s assets, the obligations or the activities or affairs of the Trust, any actual or alleged act or omission of the Trustees, any transaction entered into by the Trustees or any taxes, levies, imposts or charges or fines, penalties or interest in respect thereof payable by the Trust. In the event that a court determines Unitholders are subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of, the Unitholder’s share of the Trust’s assets represented by its Units.

The Declaration of Trust provides that the Trustees, Company, on behalf of the Trust, and the Trust must make all reasonable efforts to include as a specific term of any contract of the Trust, a provision to the effect that none of the Unitholders, the Trustees or Company shall have any personal liability or obligations in respect thereof. The omission of any such statement shall not render any of such parties liable to any Person for such omission.

Notwithstanding the terms of the Declaration of Trust, Unitholders may not be protected from liabilities of the Trust to the same extent a shareholder is protected from the liabilities of a corporation. Personal liability may also arise in respect of claims against the Trust (to the extent that claims are not satisfied by the Trust) that do not arise under contracts, including claims in tort, claims for taxes and possibly certain other statutory liabilities.

The activities of the Trust will be conducted, upon the advice of counsel, in such a way and in such jurisdictions as to avoid as far as possible any material risk of liability to the Unitholders for claims against the Trust, including by obtaining appropriate insurance, where available and to the extent commercially feasible, for its operations and having contracts signed by or on behalf of the Trust include a provision that such obligations are not binding upon Unitholders personally.

The *Income Trust Liability Act* (British Columbia) came into force on March 30, 2006. The legislation provides that a unitholder of a reporting issuer will not be, as a beneficiary, liable for any act, default, obligation or liability of the trustees that arises after the legislation came into force. The Trust is not a reporting issuer and as such this legislation is not applicable to Unitholders.

Investment Guidelines and Operating Policies

The Declaration of Trust contains investment guidelines and operating policies. The investment guidelines include, among other things, criteria with respect to the types of properties which the Trust can acquire and

other guidelines. The operating policies address, among other things, the level of the Trust's debt and the requirements for appraisals, insurance coverage and environmental audits.

(16) **Limited Partnership Agreement:**

The NAHF Limited Partnership was established under the laws of British Columbia on January 21, 2023 and is a wholly-owned Subsidiary of the Trust. The Limited Partnership was established to carry on the active business of acquiring HY Housing Income Properties and other real estate and developing, renting/leasing and/or selling, to derive profits in any other manner permitted by law from the real estate it acquires. The General Partner of the Limited Partnership is also a wholly-owned Subsidiary of the Trust.

The NAHF Limited Partnership is authorized to issue an unlimited number of Common Units and an unlimited number of Preferred Units, issuable in series. The current capital of the NAHF Limited Partnership is comprised of \$1,000 contributed by the Trust, in consideration of 1,000 common units (\$1.00 per unit).

Distributions by the NAHF Limited Partnership are to be made first in payment of fees and expenses of the General Partner incurred on behalf of the Partnership, then the payment to holders of any outstanding preferred units (of which there currently are none) in accordance with their terms, then as to the balance 0.001% to the General Partner and 99.999% to the holders of the common units of the Partnership on a *pari passu* basis.

(17) **Mountainview Limited Partnership Agreement:**

The MVE LP was established under the laws of British Columbia on December 17, 2024 and is owned 65% by the Company and 35% by the lessee under the Mountainview Estates Lands Lease. The MVE LP was established to carry on the active business of the purchase, development, marketing and otherwise deal with land located in the Cowichan Tribes reservation, British Columbia, including the Mountainview Estates property, and other operations and business as may be necessary or appropriate for the foregoing purpose. The general partner of the MVE LP is also owned 65% by the Company and 35% by the lessee under the Mountainview Estates Lands Lease.

The MVE LP is authorized to issue an unlimited number of Class A, B, C and D Units, which may be issued in series, 6,500 Series Class E Units (5,850 of which are owned by the Company) and 3,500 Series 2 Class E Units (all of which are owned by the lessee under the Mountainview Estates Lands Lease). The current capital of the MVE LP is \$10,100, which is comprised of a cash contribution by the Company of \$6,500 and the holder of the Class E Units Series 2 entering into the Mountainview Estates Lands Lease (\$1.00 per unit).

After the payment of fees and expenses of the general partner incurred on behalf of the MVE LP, distributions by the MVE LP are made first to the Class E Series 2 Units upon receipt of both confirmation of development approval by Cowichan First Nation for the project on the Mountainview Estates property as well as financing approval and registration of the mortgage charge against the Mountainview Estates Lands Lease, the amount of \$1,000,000 minus any advances already made including the total of \$25,000 paid in conjunction with the execution of the Mountainview Estates Lands Lease also including a further \$15,000 paid following with \$5,000 paid every 60 days for 180 days. Following these two priority amounts, then the paid-up capital contributions thereof, together with an amount equal to 35% of the net assets and net income of the MVE LP after any annual financing costs, plus any prior declared but unpaid distributions. A minimum of \$100,000 is required to be paid on the one-year anniversary of the registration of the Mountainview Estates Lands Lease and in any year thereafter, where the lessee under the Mountainview Estates Lands Lease's share of cash distributed from the profits on the sale of homes or net rental income does not meet or exceed \$100,000 in the preceding twelve-month period until all homes on the entire development project have been constructed. Any distributions made to the Class E Series 2 Unitholders to top up the annual income to \$100,000 prior to complete home build out will be considered credited towards future distributions. Second, the Class D shall receive the paid-up capital contribution therefore, together with an amount equal to any prior declared but unpaid preferred distributions. Third, the Class C shall receive the paid-up capital contribution therefore, together with an amount equal to any prior declared but unpaid preferred distributions. Fourth, the Class B and Class A, shall each receive the paid-up capital contribution therefore, together with an amount equal to any

prior declared but unpaid preferred distributions, *pro rata* among all Class A and Class B Unitholders. Fifth, to the Class E Series 1 Unitholders.

A copy of the Mountainview Limited Partnership Agreement is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

(18) **HY Inter-Entity Loan Agreement**

The Trust and NAHF Limited Partnership entered into the Inter-Entity Loan Agreement dated as of June 1, 2024 pursuant to which proceeds raised from offerings of HY Units completed from time to time will be advanced to NAHF Limited Partnership, which NAHF Limited Partnership will use towards the construction and development of HY Housing Income Properties identified in Schedule "B" to such agreement or for such other purposes as consented to in writing by the Trust, such consent which may be withheld, conditioned or delayed at the sole and unfettered discretion of the Trust. The Trust has sole discretion as whether to advance funds under the HY Inter-Entity Loan Agreement when requested by NAHF Limited Partnership. In addition, the Trust may, but shall not be obligated to, loan additional funds to NAHF Limited Partnership at the sole and unfettered discretion of the Trust upon the request of the Operator.

Under the Inter Entity Loan Agreement, the funds advanced by the Issuer to NAHF Limited Partnership will be subject to interest at a rate equal to 3.5% per annum, which interest accrues and is payable at maturity of the loan.

The NAHF Limited Partnership has covenanted and agreed to duly and punctually pay all indebtedness as required under the HY Inter-Entity Loan Agreement at the times and places and in the manner provided for in the HY Inter-Entity Loan Agreement.

The HY Security Documents serve as security for, among other things, the obligations of NAHF Limited Partnership under the HY Inter-Entity Loan Agreement.

If any event of default occurs under the HY Inter-Entity Loan Agreement, the Trust and/or any other holder of security on behalf of the Trust or HY Unitholders (i.e. TrustCo) shall immediately be entitled, at any time and from time to time thereafter, to enforce any or all of its rights, powers and remedies under the HY Inter-Entity Loan Agreement or the HY Security Documents or at law or under statute.

NAHF Partnership shall require the prior written consent of the Trust prior to incurring any HY Senior Indebtedness (as defined in the HY Inter-Entity Loan Agreement). In the event such consent is provided by NAHF the Trust, the Trust shall subordinate the loan evidenced by the HY Inter-Entity Loan Agreement and the security represented by the HY Security Documents to the lender of the applicable HY Senior Indebtedness.

No funds have been advanced under the Inter-Entity Loan Agreement as of the date of this Prospectus.

(19) **HY Trust GSA**

As security for the due, prompt and complete payment of the indebtedness of the NAHF Limited Partnership to the Trust and fulfilment of the obligations to the Trust under the HY Inter-Entity Loan Agreement, the HY Tracking Agreement and any other obligations of the NAHF Limited Partnership to the Trust, the NAHF Limited Partnership will deliver to the Trust, and/or TrustCo as nominee for the Trust a general security agreement (the "HY Trust GSA") to be granted by NAHF Limited Partnership in favour of the Trust, and/or TrustCo, as nominee for the Trust. The HY Trust will create a mortgage and charge on, and a security interest in and to, all present and after-acquired personal property of the NAHF Limited Partnership, including deposits, as well as a floating charge on all real property present and future, legal or equitable in which NAHF Limited Partnership may be possessed or to which it may be entitled.

Subject always to the consent required from the Trust and/or any other holder of the Security Interest in relation to any HY Senior Indebtedness to be granted by the NAHF Limited Partnership, the Security Interest shall be subordinate and subject in right of payment, to the prior payment of all HY Senior Indebtedness of the NAHF Limited Partnership. Upon request of the NAHF Limited Partnership and/or a lender of HY Senior

Indebtedness, the Trust and/or any other holder of the Security Interest on behalf of the Trust or the Unitholders (i.e. TrustCo) shall enter into a written agreement or agreements with the NAHF Limited Partnership and/or lender of HY Senior Indebtedness providing for the subordination of the Security Interest in favour of the security of lender of HY Senior Indebtedness, and any registrable documents required to effect such subordination. Such agreement shall be conclusive evidence that the indebtedness specified therein is HY Senior Indebtedness. The NAHF Limited Partnership shall require the prior written consent of the Trust and/or any other holder of a Security Interest, which consent may be withheld, conditioned or delayed at the sole and unfettered discretion of the Trust and/or any other holder of a Security Interest, to any and all HY Senior Indebtedness to be incurred by the NAHF Limited Partnership.

The HY Trust GSA contains covenants, events of default and remedies customary for contracts of its nature.

In addition to the HY Trust GSA to be granted by the NAHF Limited Partnership in favour of the Trust and/or TrustCo, as nominee for the Trust, as security for the due, prompt and complete payment of the indebtedness of the NAHF Limited Partnership to the Trust and fulfilment of the obligations to the Trust under the Inter-Entity Loan Agreement, the HY Tracking Agreement and any other obligations of the NAHF Limited Partnership to the Trust, NAHF Limited Partnership will deliver to the Trust, and/or TrustCo as nominee for the Trust the HY Collateral Mortgages to be granted by the NAHF Limited Partnership, and any other Person(s) required to sign, in favour of the Trust and/or TrustCo, as nominee for the Trust, that will create a mortgage and charge on, and a security interest in and to, the HY Housing Income Properties, as such properties are acquired. The HY Collateral Mortgages will be subordinated to any HY Senior Indebtedness. For clarity, no HY Collateral Mortgages have been registered as of the date of this Prospectus. The Company intends to register HY Collateral Mortgages following the conversion of the Peakhill Capital Saanich Commitment Letter into a CMHC insured mortgage. See “*Material Contracts – Peakhill Capital Saanich Commitment Letter*”.

(20) **HY Collateral Agency Agreement**

TrustCo has been established to act as trustee for the benefit of the HY Unitholders, in respect of the HY Security Documents, rights and funds received by the Trust from the NAHF Limited Partnership (including the HY Payment Amounts), all HY Collateral held by the Trust for the benefit of, or due to, HY Unitholders addressed in the HY Unit Terms, and the HY Tracking Agreement, all of which is provided for pursuant to the terms of the collateral agency agreement dated June 1, 2024 (the “**HY Collateral Agency Agreement**”) between the Trust, TrustCo and the Trust on behalf of the HY Unitholders.

The HY Collateral Agency Agreement between the Trust, TrustCo, and the Trust on behalf of the HY Unitholders creates a security interest granted by the Trust to TrustCo over the HY Security Documents, the HY Inter-Entity Loan Agreement, the Tracking Agreement and funds received thereunder for the benefit of the HY Unitholders and commits the Trust to grant a security interest in the HY Housing Income Properties to TrustCo on behalf of the HY Unitholders, as and when acquired, and rentals from the HY Housing Income Properties.

The HY Collateral Agency Agreement provides that the security interest created and held via the agreement shall rank and be applied *pari passu* amongst the HY Unitholders and that all amounts realized thereunder, and payments made by TrustCo to the holders of HY Units are to be made on a pro-rata basis, based on the proportion of HY Units held.

The HY Collateral Agency Agreement provides TrustCo with the sole authority to enforce, or waive the enforcement, of the security interests granted through the HY Collateral Agency Agreements and includes customary indemnities and rights to reimbursement of expenses in favour of TrustCo. In addition, pursuant to the authority granted to TrustCo under the HY Collateral Agency Agreement, TrustCo has the power and authority to sign any postponement or subordination and standstill agreements, and any registrable documents required to effect such subordination, in the form presented to TrustCo by the Trust and as required by any lender providing HY Senior Indebtedness in respect of HY Housing Income Properties.

(21) **HY Tracking Agreement**

The HY Tracking Agreement was entered into as of June 1, 2024 between the Trust, TrustCo, and the Company, providing that the HY Payment Amounts are received on behalf of, and for distribution to, the HY Unitholders in accordance with the terms of the HY Units.

The HY Tracking Agreement requires the Trust to certify the determination of all HY Payment Amounts and provides for an audit procedure allowing both the TrustCo, on behalf of the HY Unitholders, and the Trust to review all HY Payment Amounts. If an HY Payment Amount, through such audit procedure, is determined to have been inaccurate, any adjustment shall be applied to future HY Payment Amounts.

In the event that the Trust or NAHF Limited Partnership defaults with respect to such obligations, TrustCo may, at its discretion pursuant to the terms of the HY Collateral Agency Agreement and the related HY Security Documents, serve notice on the NAHF Limited Partnership and the Trust that all HY Payment Amounts are to be paid to TrustCo, as agent of the Trust and Trustees for the benefit of the HY Unitholders, and TrustCo shall thereafter distribute the HY Payment Amounts to the HY Unitholders as otherwise would have been required of the Trust under the terms of applicable arrangements.

(22) **HY-OM Agency Agreement**

The Trust has entered into the HY-OM Agency Agreement with the Agent in connection with the HY-OM Offering. See “*Business of the Company – The HY-OM Offering*”.

(23) **Management Agreement**

Overview

The Company and the Manager are parties to the Management Agreement pursuant to which the Manager was appointed to provide or procure the Manager Services (as defined below). The Company limits and fixes its overhead and salary costs through the use of percentage fee compensation under the Management Agreement with the Manager, described further below. This is done to ensure the compensation costs for management and administration of the business follow the revenue and economic growth of the business.

The fees are all calculated based on measurable balance sheet or income statement amounts and value-added activities. The Company believes this is preferable to paying management salaries on a fixed monthly basis regardless of financial results achieved. This approach to compensation is also suitable for a company in the early stages of growth to ensure that the Company is not saddled with excess overhead.

NAHF Equity Management Inc. (the “**Manager**”) is a wholly owned subsidiary of NAH Equity Company GP Inc. George Lawton is the sole director and officer of both companies and through the ownership position that NAH Equity Company GP Inc. has in the Manager, Mr. Lawton has voting control over the Manager.

The initial term of the Management Agreement ends on October 15, 2028. Upon expiry of the initial term, the Management Agreement will renew automatically for successive five-year terms, unless terminated in accordance with its terms. Services provided to the Company under the Management Agreement include:

Manager’s Services

The Manager provides, and may cause to be provided through qualified service providers, the following manager services (collectively, the “**Manager Services**”) to the Company and its subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement), including providing the following strategic, advisory and asset management services:

- managing the day-to-day operations of the Company;
- preparing or overseeing the preparation of annual budgets and business plans for presentation to the directors;

- advising the directors on strategic matters relating to properties, potential acquisitions, dispositions and development, and share value maximization;
- searching for, identifying, introducing, evaluating and screening Asset acquisition opportunities;
- conducting and/or managing due diligence with respect to potential acquisitions;
- structuring, sourcing, negotiating and organizing the financing of acquisitions;
- organizing and coordinating the completion of investments, including structuring and negotiating the business terms on which acquisitions are made;
- monitoring and maintaining the Company's properties (including retaining property management and leasing agents) and advising the Company with respect to all capital projects that are required or recommended to be implemented with respect to any of the Company's properties;
- in respect of each capital project:
 - determining the quality and completeness of the design and construction documents;
 - confirming the reasonableness of the project schedule;
 - verifying the completeness and adequacy of the construction budget;
 - confirming the existence and appropriateness of project control procedures;
 - reviewing and commenting on all engineering test data, soils reports, zoning approvals;
 - advising the Company of any recommended changes to the construction documents; and
 - making available individuals to serve as officers of the Company as requested by the Company from time to time;
- overseeing the lease negotiations and provide leasing guidelines with respect to the leasing of the Company's properties;
- re-developing or re-selling the Company's properties;
- providing investor relations services to the Company;
- providing advice and assistance in connection with the Company's borrowings, raising of capital and issuance of securities, including representing the Company in its dealings with banks and other lenders, investment dealers, institutions and investors;
- conducting day-to-day relations on behalf of the Company with third parties, including property managers, developers, suppliers, joint venturers, lenders, brokers, consultants, advisors, accountants, lawyers, insurers and appraisers; and
- managing and providing direction to the property manager(s) and negotiating arrangements for the engagement of any new property manager(s) or the renewal of the arrangements with existing property manager(s).

The Manager also provides Administrative and Property Management Services to the Company and its subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement), including, among other things:

- accounting, reporting and financial preparation relating to the Company, including record-keeping, preparation of financial statements and filing tax returns;
- if applicable, activities related to the Company's public company and reporting issuer status, assistance in determining and making distributions payable to Shareholders and advice with respect to the Company's obligations as a reporting issuer (including its continuous disclosure obligations);

- Administrative and Property Management Services, including administrative support with respect to the holding of meetings of securityholders, provision of office space, provision of any necessary equipment and personnel, and provision of all corporate accounting, clerical, secretarial, corporate and Administrative and Property Management Services as may be reasonably necessary; and
- such further administrative duties as may be reasonably required by the Company and its subsidiaries (excluding the Trust and its direct and indirect subsidiaries that are subject, directly or indirectly, to the Administration and Property Management Agreement).

The Company reimburses the Manager for the reasonable out-of-pocket expenses directly incurred by the Manager in performing any of the services required of it under the Management Agreement including, without limitation, all reasonable expenses incurred and fees payable to third parties in connection with the acquisition, disposition, development, improvement and management of investments of the Company and its subsidiaries that have been approved by the directors or are incurred in connection with the furtherance of a business plan approved by the directors, including, without limitation, airline travel and accommodation expenses of the Manager, and professional reports prepared by independent parties which may be relevant to a real estate investment decision but which do not fall within the purview of real estate investment analysis, such as engineering reports on structural soundness and soil tests, environmental audits, architectural reports, appraisals and other comparable professional activities. The Manager has agreed to present receipts and/or other documentation to the Company or its subsidiaries as may be reasonably necessary in order for the Manager to claim the foregoing reimbursements.

Notwithstanding the above, the following expenses of the Company and its subsidiaries are paid by the Company or its subsidiaries and are not paid by the Manager:

- interest and other costs of money borrowed by the Company;
- fees and expenses of lawyers, accountants, auditors, appraisers and other agents or consultants employed by or on behalf of the Company and its subsidiaries;
- fees and expenses of the Directors;
- fees and expenses of the property manager(s) that are payable by the Company and/or its applicable subsidiaries under the applicable property management agreement, provided that if the Manager, or any affiliate thereof, is the property manager, the fees and expenses shall be on market terms and shall have been approved by the independent Directors;
- fees and expenses connected with the acquisition, disposition and ownership of real property interests, mortgage loans or other Assets held by or entered into by the Company;
- insurance as considered necessary to protect the Directors, including Directors' and officers' liability insurance;
- expenses in connection with payments or distributions on any Shares and other securities of the Company;
- expenses in connection with the communications to holders of Shares and other securityholders of the Company, including annual reports, and the other bookkeeping and clerical work necessary in maintaining relations with holders of Shares and other securities of the Company;
- expenses in connection with any employees or independent contractors employed directly or retained directly by the Company or its subsidiaries, including all compensation costs, benefits and severance costs, so long as such employees or independent contractors are not providing services required to be provided by the Manager pursuant to the terms of the Management Agreement;
- expenses of reorganizing, terminating or winding up the Company or any of its subsidiaries;

- fees and charges of transfer agents, registrars, indenture trustees and other trustees and custodians;
- all fees, expenses, taxes and other costs incurred in connection with the issuance, distribution, transfer and qualification for distribution to the public of securities of the Company or its subsidiaries and other required government filings;
- all costs and expenses in connection with the incorporation, organization and maintenance of any corporation formed to hold real property or other Assets of the Company; and
- all costs and expense in connection with stock options, securities-based compensation arrangements and share escrow agreements.

Nomination Rights

Prior to each annual general meeting of holders of Shares and any special meeting of holders of Shares at which directors are to be elected and so long as the number of directors to be elected is at least five, the Manager is entitled to designate two individuals (which may include the reappointment of an incumbent director) to stand for election as a Director at such meeting, subject to certain requirements set forth in the Management Agreement.

Fees

Pursuant to the terms of the Management Agreement, the Company pays the Manager the following fees:

- (a) the Management Fee;
- (b) the Mortgage Management Fee;
- (c) the Acquisition Fee;
- (d) the Disposition Fee
- (e) the Financing Fee;
- (f) the Property Management Fees;
- (g) the Project Management Fee;
- (h) the Occupancy Bonus Fee;
- (i) the Development Management or Pass Through Fees; and
- (j) the HomePlan Marketing Fees.

In the event a party unrelated to, and not affiliated with, the Company its subsidiaries, or the Manager acquires, directly or indirectly, in one transaction or a series of connected transactions, (A) the beneficial ownership of, or control or direction over, 100% of the Shares or (B) all or substantially all of the Assets, then in either case there shall be deemed to be a Disposition (as defined in the Management Agreement) of all Assets held by the Company immediately prior to such change in ownership, control or direction over the Shares, or sale of the Assets, and the Manager shall be entitled to a payment in the amount of the Disposition Fee.

The Manager may, subject to compliance with applicable securities laws and the rules of any applicable stock exchange, elect to take all or any percentage of all fees payable to it under the Management Agreement and under any property management agreement in the form of Common Shares and not cash. Any such Common Share will be issued at a price per Common Share equal to the greater of:

- (a) 95% of the weighted closing price of the Common Shares for the five previous days on the exchange on which the Common Shares are the most actively traded during that period; and
- (b) such price stipulated by such stock exchange, to a maximum of the weighted closing price of the Common Shares for the five previous days on the exchange on which the Common Shares are the most actively traded during that period.

During periods where the Common Shares are not listed or posted for trading on any Canadian stock exchange, the Manager may elect to accrue the fees owing under the Management Agreement and defer payment by the Company

until such time as the Common Shares are listed and posted for trading on a stock exchange, with issuance and listing of such Common Shares being subject to compliance with applicable securities laws and the rules of any applicable stock exchange.

Prior to the issuance of Common Shares in lieu of fees, the Manager will enter into an escrow agreement or other arrangement satisfactory to the independent Directors that prohibits the trading of such Common Shares for a period of one year from the date of issuance of the Common Shares, subject to certain exceptions.

Although the Manager does not provide services to or receive fees directly from the Trust under the terms of the Management Agreement, the personnel of the Manager who serve as officers of the Company, indirectly provide administrative and property management services to the Trust in their capacities as officers of the Company under the terms of the Administration and Property Management Agreement between the Company in the Trust. Accordingly, all fees other than the fixed fee and expense reimbursement paid to the Company by the Trust pursuant to the Administration and Property Management Agreement, are in turn payable by the Company to the Manager pursuant to the Management Agreement (see “*Material Contracts – Administration and Property Management Agreement*” above).

For the year ended June 30, 2025, the Company has accrued the following fees under the Management Agreement:

Fee Category	Accrued Amount
Management Fee	\$105,981
Mortgage Management Fee	Nil
Acquisition Fee	\$207,491
Disposition Fee	Nil
Financing Fee	\$129,201
Property Management Fees	\$28,797
Project Management Fee	Nil
Occupancy Bonus Fee	Nil
Development Management or Pass Through Fees	\$236,781
HomePlan Marketing Fees	\$55,378

For the three months ended September 30, 2025, the Company has accrued the following fees under the Management Agreement:

Fee Category	Accrued Amount
Management Fee	Nil
Mortgage Management Fee	\$57,192
Acquisition Fee	Nil
Disposition Fee	Nil
Financing Fee	\$712
Property Management Fees	Nil
Project Management Fee	\$32,707
Occupancy Bonus Fee	Nil
Development Management or Pass Through Fees	\$326,374
HomePlan Marketing Fees	\$22,474

Exclusivity

During the term of the Management Agreement, the Company and its Subsidiaries are not permitted to retain any other person to perform any asset management or Administrative and Property Management Services without the consent of the Manager. The Manager’s services are provided on a non-exclusive basis to the Company and its subsidiaries, and nothing in the Management agreement prevents the Manager or its Affiliates from providing similar services to other clients or engaging in other activities.

Term and Termination

The initial term of the Management Agreement ends, subject to earlier termination in accordance with the Management Agreement, on October 15, 2028. The term of the Management Agreement is automatically renewed for successive five-year terms following the initial term unless terminated pursuant to the terms of the Management Agreement as provided below.

The Manager may terminate the Management Agreement on the expiry date of any term upon not less than 180 days' prior written notice to the Company. Notwithstanding the foregoing, the Manager may terminate the Management Agreement immediately by written notice to the Company at any time within 180 days following a change of control of the Company, except where such change of control of the Company has occurred due to the Manager or any of their respective affiliates acquiring additional common shares in the Company, or control or direction over, common shares in the Company.

The Management Agreement may also be terminated immediately by written notice from:

- the Company (by decision of a majority of the independent Directors) to the Manager in the event of:
 - a material breach by the Manager of its obligations under the Management Agreement that is not cured within the time periods provided by the Management Agreement; or
 - the commission by the Manager or any of its agents or employees of any act constituting fraud, misconduct, breach of fiduciary duty, negligence or a willful breach of applicable laws; or
- the Manager to the Company in the event of a material breach by the Company of its obligations under the Management Agreement that is not cured within the time periods provided by the Management Agreement; or
- one party to the other party, in the event that:
 - the other party or its shareholders or security holders (as applicable) passes a resolution or otherwise authorizes or proceeds with a termination, winding up, dissolution or a sale of all or substantially all of its assets to a person or persons that are not parties to the Management Agreement other than pursuant to an internal reorganization (a “**Wind-up Event**”); or
 - the other party:
 - institutes proceedings for it to be adjudicated a voluntary bankrupt, or consents to the filing of a bankruptcy proceeding against it;
 - files a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or similar relief under any bankruptcy law;
 - consents to the appointment of a receiver, liquidator, manager or assignee in bankruptcy; or
 - makes an assignment for the benefit of its creditors generally;
 - a court having jurisdiction enters a decree or order adjudging the other party a bankrupt or insolvent or for the appointment of a receiver, manager or assignee in bankruptcy; or
 - any proceeding with respect to the other party is commenced under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors' Arrangement Act* (Canada) or similar legislation relating to a compromise or arrangement with creditors or claimants.

In the event of the termination of the Management Agreement by the Manager (i) following a change of control of the Company (except where the change of control of the Company that has resulted in the termination of the

Management Agreement occurred or was agreed to at any time that the Manager or its affiliates held or controlled, in aggregate, 20% or more of the issued and outstanding common shares of the Company immediately prior to the Change of Control (as defined in the Management Agreement)), (ii) due to the material breach by the Company of its obligations under the Management Agreement, or (iii) a Wind-up Event of the Company, the company and/ or its Subsidiaries must pay, within 90 days of such termination, the following amounts (the “**Termination Payments**”) to the Manager:

- (a) an amount equal to five times the total annual Management Fees, Mortgage Management Fee, Property Management Fee and Project Management Fee paid in respect of the last full calendar year of the Management Agreement completed prior to termination provided that the Manager pays:
 - (i) all costs associated with terminating the employment or services of any named executive officers and all other employees of the Manager who perform services Manager under the Management Agreement; and
 - (ii) all other costs and expenses incurred or required to be incurred by the Manager in terminating contracts the Manager (or entities providing services to the Manager) entered into in respect of the performance by the Manager of its obligations under the Management Agreement; and
- (b) all other amounts owed to the Manager under the Management Agreement.

(24) **The Intellectual Property License Acquisition Agreement dated June 29, 2018 between the Company and 1086353 B.C. Ltd.**

See “*Development of the Business – IP License Agreement*”.

(25) **Saanich Ridge Construction Mortgages**

Saanich Ridge Development has entered into the following construction mortgages (collectively, the “**Saanich Ridge Construction Mortgages**”) that are, in each case, secured against the lands that are subject of the Saanich Ridge Lands Lease:

- (a) \$1,610,000 original principal amount fixed rate revolving construction second mortgage loan provided by Cathedral Capital Ltd. and MTM Capital Ltd., which is administered by 1 City Financial Ltd., bearing interest at 12% per annum until April 15, 2023, and an interest rate of 24% per annum thereafter for the term maturing on June 15, 2023. After a series of amendments (including the 1 City Financial Extensions), the loan now bears a 13% interest rate per annum until July 1, 2027, and 24% thereafter and maturing on September 1, 2027. See “*Consolidated Capitalization*”. Following the 1 City Financial Extensions, the Company is required to make monthly payments of \$5,600 per month under this facility as well as pay aggregate quarterly extension processing and lending fees of \$3,600 on each of July 1, 2026, October 1, 2026, January 1, 2027 and April 1, 2027.
- (b) \$2,335,000 original principal amount revolving construction first mortgage loan provided by Cathedral Capital Ltd. and MTM Capital Ltd., which is administered by 1 City Financial Ltd., bearing interest at 12% per annum until April 1, 2023, and 24% per annum thereafter and maturing on September 7, 2023. After a series of amendments (including the 1 City Financial Extensions), the original principal amount was increased to \$4,920,000 with an interest rate of 12% until July 1, 2027, and a 24% thereafter and maturing on September 1, 2027. See “*Consolidated Capitalization*”. Following the 1 City Financial Extensions, the Company is required to make monthly payments of \$42,000 per month under this facility as well as pay aggregate quarterly extension processing and lending fees of \$20,000 on each of July 1, 2026, October 1, 2026, January 1, 2027 and April 1, 2027.
- (c) the \$551,000 original principal amount fixed first construction mortgage loan, as amended, provided by Robert D. Gibbens Law Corporation bearing interest at 9.75% per annum calculated and payable monthly until May 1, 2026, and 21% per annum thereafter and with a maturity date of July 1, 2026. This loan is secured against

the single family home on sublease lot 140 with civic address 1 Saanich Ridge Dr. See “*Consolidated Capitalization*”.

EXPERTS

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this Prospectus as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

- (a) The audited financial statements for the years ended June 30, 2025 and 2024 included in this Prospectus have been subject to audit by Deloitte LLP, and their audit report is included herein.
- (b) The Narrative Appraisal of the Leasehold Interest of the Single Family Rental Development 101-120 Gregory Drive & 102-112 G.P. Joseph Street Central Saanich, British Columbia with a valuation date of June 13, 2025 by Grover, Elliott & Co. Ltd.
- (c) The Narrative Appraisal Saanich Ridge Estates 10 Saanich Ridge Drive, East Saanich 2, British Columbia with a valuation date of March 30, 2024 prepared by Colliers International Realty Advisors Inc.
- (d) The Narrative Appraisal of the Low-rise Apartment Units at Units 217-236, 317-336, 417-436 & 517-536, 1301 Balaire Avenue, Kelowna, British Columbia with a valuation date of September 23, 2025 by Grover, Elliott & Co. Ltd., referred to herein as the Five Crossings Appraisal.

Deloitte LLP is independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

In addition, to the knowledge of management of the Company, as of the date hereof, none of the other experts, nor any associate or affiliate thereof has any beneficial interest, direct or indirect, in the property of the Company or of an associate or affiliate of the Company, and, as of the date hereof, each such expert, or any associate or affiliate of such person, as a group, beneficially owns, directly or indirectly, less than 1% of the outstanding securities of the Company and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of an associate or affiliate of the Company.

Certain legal matters in respect of this Prospectus have been passed upon on behalf of the Company by Farris LLP and Tingle Merrett LLP as applicable. As of the date hereof the partners and associates of each of Farris LLP and Tingle Merrett LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding Common Shares.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Income Tax Act (Canada) and the regulations thereunder, as amended (collectively, the “**Tax Act**”) generally applicable to a holder of Common Shares, Warrants and Housing Shares acquired pursuant to this Offering as well as Warrant Shares acquired on the exercise of such Warrants. This summary only applies to a person that, for the purposes of the Tax Act and at all relevant times: (i) acquires and holds such Common Shares, Warrants and Housing Shares as capital property, and (ii) is not affiliated with and deals at arm’s length with the Company, the Agent and any subsequent purchasers of Common Shares or Housing Shares held by them (a “**Holder**”). A Common Share, Warrant or Housing Share will generally be capital property to a Holder for Canadian income tax purposes unless held in the course of carrying on a business of trading in or dealing in securities or acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) (“**Tax Proposals**”) before the date of this Prospectus, and the current administrative policies of the Canada Revenue Agency (“**CRA**”), published in writing by it before the date of this Prospectus. No assurance can be given that any Tax Proposals will be enacted in the form proposed or at all. Except as mentioned above, this summary does not take into account or anticipate any changes in law, whether by legislative, administrative or judicial decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary does not apply to a Holder: (i) that is a “financial institution” for purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a “specified financial institution” as defined in the Tax Act; (iii) that has made a functional currency reporting election under the Tax Act; (iv) that has entered into or will enter into a “synthetic disposition arrangement” or “derivative forward arrangement”, as such terms are defined in the Tax Act, with respect to the Common Shares, Warrants or Housing Shares; (v) an interest in which is a “tax shelter investment” for purposes of the Tax Act; or (vi) that receives dividends on the Common Shares or Housing Shares under or as part of a “dividend rental arrangement”, as defined in the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of acquiring Common Shares, Warrants or Housing Shares.

This summary does not describe the income tax consequences related to the deductibility of interest on borrowed money or other debt incurred in connection with the acquisition of the Common Shares, Warrants or Housing Shares. Such Holders should consult their own tax advisors having regard to their particular circumstances.

This summary is not exhaustive of all possible Canadian federal income tax considerations, is of a general nature only, and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders are urged to consult their own tax advisors about the specific tax consequences to them of acquiring, holding and disposing of a Common Share, Warrant or Housing Share.

Allocation of Cost

Holders of Common Shares and Warrants comprising Offered Units will be required to allocate, on a reasonable basis, the cost to them of each Offered Unit between the Common Share and the one-half of one Warrant in order to determine the respective adjusted cost bases thereof for purposes of the Tax Act. The Company intends to allocate \$0.495 to each Common Share and \$0.005 to each one-half of one Warrant. As of the date of this Prospectus, the Company believes that such allocation is reasonable, but such allocation is not binding on the CRA or a Holder, and counsel does not express an opinion with respect to such allocation.

Qualifying Holders which validly exchange their Exchange Offer Subject Securities for Housing Shares under a Section 85 Election (See “*Description of Securities – Qualifying Distribution – The Exchange Offering – Section 85 Election*” for the applicable exchange procedures) will be required to allocate the lesser of the “elected amount” thereunder and the fair market value of their Exchange Offer Subject Securities to the adjusted cost base of their Housing Shares.

The adjusted cost base to a Holder of each Common Share comprising a part of an Offered Unit and each Housing Share acquired pursuant to this Offering will be determined by averaging the cost of such Common Share and Housing Share with the adjusted cost base to such Holder of any other common shares and Housing Shares (as the case may be) of the Company held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act and consequently no gain or loss will be realized by a Holder upon such exercise. When a Warrant is exercised, the Holder’s cost of a Warrant Share acquired thereby will be equal to the aggregate of the Holder’s adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. A Holder’s adjusted cost base of the Warrant Shares so acquired will be determined by averaging the cost of such Warrant Shares with the adjusted cost base to the Holder of all Common Shares of the Company held as capital property immediately before the exercise of the Warrant.

Residents of Canada

The following portion of the summary is generally applicable to a Holder that, at all relevant times for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be a resident of Canada (a “**Resident Holder**”).

Certain Resident Holders that might not otherwise be considered to hold their Shares as capital property may, in certain circumstances, be entitled to have their Shares and all other “Canadian securities” (as defined in the Tax Act) owned in the taxation year of the election and all subsequent taxation years deemed to be capital property by making the

irrevocable election permitted by subsection 39(4) of the Tax Act. Such Resident Holders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances.

Expiry of Warrants

The expiry of an unexercised Warrant will generally result in a capital loss to the Resident Holder equal to the adjusted cost base of the Warrant to the Resident Holder immediately before its expiry. The taxation of capital gains and losses generally is described below under the heading “*Treatment of Capital Gains and Capital Losses*”.

Receipt of Dividends on Shares

Dividends received or deemed to be received on Common Shares and Housing Shares by a Resident Holder that is an individual (other than certain trusts) will be included in computing the individual’s income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received by an individual from a “taxable Canadian corporation” (as defined in the Tax Act). Taxable dividends received or deemed to be received by such individual which are validly designated by the Company as “eligible dividends” in accordance with the Tax Act will be subject to enhanced gross-up and dividend tax credit rules under the Tax Act. There may be limitations on the ability of the Company to designate any particular dividend as an “eligible dividend” fully or at all, and the Company can make no commitments in this regard.

Dividends received or deemed to be received on Common Shares and Housing Shares by a Resident Holder that is a corporation will be included in computing that corporation’s income and generally will be deductible in computing the taxable income of that corporation. In certain circumstances, taxable dividends received by a Resident Holder that is a corporation may be treated as proceeds of disposition or a capital gain pursuant to the rules in subsection 55(2) of the Tax Act.

The Housing Shares are expected to be “taxable preferred shares” as defined in the Tax Act. The Company will make the necessary election under Part VI.1 of the Tax Act so that a Resident Holder which is a corporation holding Housing Shares will not be subject to Part IV.1 of the Tax Act on dividends received (or deemed to be received) on such shares in accordance with the terms and conditions thereof.

In addition, a Resident Holder that is a “private corporation” or a “subject corporation” (as such terms are defined in the Tax Act) will generally be liable to pay a tax under Part IV of the Tax Act (which may be refundable, subject to the detailed rules in the Tax Act) on dividends received or deemed to be received to the extent such dividends are deductible in computing such Resident Holder’s taxable income.

Disposition of a Common Share, Warrant or Housing Share

On a disposition or a deemed disposition of a Common Share, Housing Share (other than to the Company, unless purchased by the Company on the open market in the manner in which shares are normally purchased by any member of the public in the open market) or Warrant (other than on the exercise of a Warrant), a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Share or Warrant exceed (or are exceeded by) the aggregate of the Resident Holder’s adjusted cost base thereof immediately before the disposition or deemed disposition, and any reasonable costs of disposition. The adjusted cost base to a Holder of Shares and Warrants is described above under the headings “Allocation of Cost” and “Exercise of Warrants”. Generally, the expiry of an unexercised Warrant will give rise to a capital loss equal to the adjusted cost base to the Resident Holder of such expired Warrant.

Accrued Unpaid Interest – Exchange Offer Subject Securities

The Canadian income tax treatment of accrued, unpaid interest on Exchange Offer Subject Securities which are exchanged by an Eligible Holder for Housing Shares, whether or not pursuant to a Section 85 Election, can be expected to vary among Eligible Holders and all Eligible Holders which determine to make an exchange are advised to contact their own tax advisors in respect of their own specific circumstances. (See “*Qualifying Distribution – The Exchange Offering*” for a description of the Exchange Offer and the exchange procedures.)

Disposition of Exchange Offer Subject Securities – No Section 85 Election

A Resident Holder that disposes of Exchange Offer Subject Securities hereunder and is not eligible to, or does not choose to, make a Section 85 Election, will be taxed in the same manner as a Resident Holder which disposes of Common Shares or Housing Shares. See “*Disposition of a Common Share, Warrant or Housing Share*” above and “*Qualifying Distribution – The Exchange Offering*” for a description of the Exchange Offering and the exchange procedures.)

Disposition of Exchange Offer Subject Securities – Section 85 Election

A Resident Holder that (a) is an Eligible Holder, (b) disposes of Exchange Offer Subject Securities for Housing Shares, and (c) validly makes a Section 85 Election as contemplated herein in respect of the disposition of the Exchange Offer Subject Securities (an “**Electing Resident Holder**”), may defer all or a portion of any capital gain otherwise arising on the disposition of Exchange Offer Subject Securities, depending on the Elected Amount (as defined below) and the adjusted cost base to the Eligible Holder of the Exchange Offer Subject Securities immediately before the disposition, as described a further detail below. (See “*Description of Securities – Qualifying Distribution – The Exchange Offering – Section 85 Election*” for the procedures an Eligible Holder must follow for making a Section 85 Election).

An Electing Resident Holder’s Section 85 Election will set out its desired transfer price for its Exchange Offer Subject Securities in accordance with the specific limitations under the Tax Act (the “**Elected Amount**”). Subject to such limitations as generally described below, the Elected Amount will be treated for the purposes of the Tax Act as the Electing Resident Holder’s proceeds of disposition of its Exchange Offer Subject Securities. In general, the Elected Amount for an Electing Resident Holder (a) may not be less than the lesser of (i) the adjusted cost base to the Electing Resident Holder of the Exchange Offer Subject Securities disposed of and (ii) the fair market value thereof, in each case determined at the time of disposition; and (b) may not be greater than the fair market value at the time of the disposition of the Exchange Offer Subject Securities disposed of. Elected Amounts which do not comply with these limitations will be automatically adjusted by the provisions of the Tax Act so that they do comply. Any reference to an Elected Amount herein refers to the Elected Amount that complies (or is adjusted to comply) with these limitations.

An Electing Resident Holder that validly makes a Section 85 Election will generally (a) be deemed to realize proceeds of disposition for the Exchange Offer Subject Securities equal to the Elected Amount; (b) realize no capital gain or capital loss if the Elected Amount is equal to the aggregate of the adjusted cost base to the Eligible Holder of its Exchange Offer Subject Securities, determined immediately before the disposition, and any reasonable costs of disposition; (c) realize a capital gain (or a capital loss) equal to the amount by which the Elected Amount, net of any reasonable costs of disposition, exceeds (or is less than) the adjusted cost base to the Electing Resident Holder of the Exchange Offer Subject Securities immediately before their transfer to the Company; and (d) have an aggregate cost of its Housing Shares received as consideration equal to the Elected Amount.

The treatment of capital gains and capital losses is discussed below under the heading “*Certain Canadian Federal Income Tax Considerations – Tax Treatment of Capital Gains and Capital Losses*”.

Any Resident Holder which does not indicate its intention to make a Section 85 Election in a Letter of Transmittal and Section 85 Election form, does not deliver the Letter of Transmittal and Section 85 Election form to the Company by the Election Deadline, or does not ensure that the Corporation has received the necessary Section 85 Election forms by the Section 85 Election Deadline Date, may not be able to benefit from the rollover provisions of the Tax Act. Accordingly, all Resident Holders who are Eligible Holders and wish to make a Section 85 Election are urged to give their immediate attention to this matter.

The comments herein with respect to Section 85 Elections are provided for general assistance only. The law in this area is complex and gives rise to numerous technical requirements. Resident Holders wishing to consider making a Section 85 Election must consult their own tax advisors in respect of their own circumstances.

Treatment of Capital Gains and Capital Losses

Generally, one-half of the amount of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder must be included in computing the Resident Holder’s income for the taxation year in which the disposition occurs. Subject to and in accordance with the provisions of the Tax Act, one-half of the amount of any capital loss (an “**allowable capital loss**”) incurred by a Resident Holder in a taxation year must generally be deducted from taxable capital gains realized by the Resident Holder in the taxation year in which the disposition occurs. Allowable capital losses in excess of taxable capital gains realized in a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year, but only against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Share by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by the Resident Holder on the Share (or on a share for which such Share has been substituted) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Shares, directly or indirectly through a partnership or a trust. Resident Holders to which these rules may be relevant should consult their own tax advisors having regard to their particular circumstances.

Additional Refundable Tax

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) throughout the relevant taxation year, or that is or is deemed to be a “substantive CCPC” (as defined in the Tax Act) at any time in a taxation year may be liable for an additional tax (refundable in certain circumstances) on its “aggregate investment income”, which is defined in the Tax Act as an amount in respect of taxable capital gains as well as dividends or deemed dividends that are not deductible in computing taxable income for the year. Resident Holders should consult their own tax advisors in this regard.

Alternative Minimum Tax

Capital gains realized and taxable dividends received by a Resident Holder who is an individual (including certain trusts) may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Resident Holders who are individuals, should consult their own tax advisors in this regard.

Non-Residents of Canada

The following portion of the summary is generally applicable to a Holder that, at all relevant times for purposes of the Tax Act, is (i) neither a resident nor deemed to be a resident of Canada (including as a consequence of an applicable income tax treaty or convention) and (ii) does not use or hold, and will not be deemed to use or hold, Common Shares, Housing Shares or Warrants in connection with carrying on a business in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act). Such Holders should consult their own tax advisors. Non-resident Holders will not be Eligible Holders for purposes of making a Section 85 Election.

Receipt of Dividends on Common Shares and Housing Shares

Dividends on Common Shares and Housing Shares paid or credited, or deemed to be paid or credited, to a Non-Resident Holder will generally be subject to Canadian withholding tax under the Tax Act at a rate of 25% of the gross amount of the dividend, subject to reduction under the provisions of an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident for tax purposes. Under the *Canada-US Tax Convention (1980)* as amended (the “**Tax Treaty**”), the withholding tax rate for dividends is reduced to 15% if the beneficial owner of the dividend is a “U.S. Holder”. The applicable rate of withholding tax is further reduced to 5% if the beneficial owner of the dividend is a “U.S. Holder” that is a corporation that owns, directly or indirectly, at least 10% of the voting stock of the Company. The *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profiting Shifting* (the “**MLI**”) affects many of Canada’s tax treaties (but not the Tax Treaty), including the ability to claim benefits under such tax treaties.

Dispositions of Shares or Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition of Common Shares, Warrants or Housing Shares unless the Common Shares, Warrants or Housing Shares disposed of constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition, and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident (as may be affected by the MLI).

Generally, a Common Share, Warrant or Housing Share will not be “taxable Canadian property” within the meaning of the Tax Act of a Non-Resident Holder at a particular time provided the Common Shares and Housing Shares are listed on a “designated stock exchange” (which currently includes the CSE) unless, at any time during the 60-month period preceding the particular time, (a) the Common Shares or Housing Shares derived more than 50% of their fair market value directly or indirectly from one or any combination of: (i) real or immovable properties situated in Canada, (ii) Canadian resource properties, (iii) timber resource properties (as such terms are defined in the Tax Act), and (iv) options in respect of, or interests in, or for civil law rights in, property described in (a)(i) to (a)(iii) above, whether or not the property exists; and (b) at such time, 25% or more of the issued shares of any class or series of Company’s shares were owned by one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at “arm’s length” (within the meaning of the Tax Act), and (iii) partnerships in which the Non-Resident Holder or a person described in (b)(ii) holds a membership interest directly or indirectly through one or more partnerships. Notwithstanding the foregoing, the Common Shares, Warrants and Housing Shares may also be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain circumstances.

If the Common Shares, Warrants or Housing Shares are, or deemed to be, taxable Canadian property of a Non-Resident Holder and any capital gain realized on a disposition, or deemed disposition, of such Common Shares, Housing Shares or Warrants is not entitled to relief under an applicable income tax treaty or convention, the tax treatment of any such capital gain (or capital loss) as described under the heading “*Treatment of Capital Gains and Capital Losses*” will generally apply to the Non-Resident Holder. In addition, Non-Resident Holders may be subject to additional compliance and reporting requirements, including under section 116 of the Tax Act.

Non-Resident Holders are advised to consult with their own tax advisor regarding the specific tax consequences of the acquisition, ownership and disposition of Shares, Warrants and Housing Shares including Canadian, domestic, treaty and other tax consequences of such acquisition, ownership and disposition and of potential changes in applicable tax laws.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within 2 business days after the later of (a) the date that the issuer (i) filed the prospectus or any amendment on SEDAR+ and a receipt is issued and posted for the document, and (ii) issued and filed a news release on SEDAR+ announcing that the document is accessible through SEDAR +, and (b) the date that the purchaser or subscriber has entered into an agreement to purchase the securities or a contract to purchase or a subscription for the securities. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of this right of action for damages or consult with a legal adviser.

Under the Warrant Indenture, original purchasers of Warrants pursuant to the Offering will have a non-assignable contractual right of rescission if this Prospectus (including documents incorporated herein by reference) or any amendment hereto contains a misrepresentation (within the meaning of the *Securities Act* (British Columbia)). This contractual right of rescission shall be subject to the defences, limitations and other provisions described under Part 16 of the *Securities Act* (British Columbia) and is in addition to any other right or remedy available to original purchasers under section 138 of the *Securities Act* (British Columbia) or otherwise at law. For greater certainty, the contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, as well as the amount paid for the original Warrant, upon surrender of the underlying securities acquired thereby, in the event that this Prospectus contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Units under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the Units under this Prospectus. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages, or consult with a legal adviser.

FINANCIAL STATEMENTS AND MD&A

The (i) audited consolidated financial statements of the Company for the years ended June 30, 2025 and 2024 and the corresponding management's discussion and analysis, and (ii) the unaudited condensed consolidated interim financial statements of the Company for the three months ended September 30, 2025 and the corresponding management's discussion and analysis, in each case, are attached as Appendix "A" to this Prospectus.

APPENDIX A –FINANCIAL STATEMENTS AND MD&A

(see attached)

North America Home Finance Inc.
Consolidated Financial Statements

As at and for the years ended June 30, 2025, and 2024

Independent Auditor's Report

To the Board of Directors of
North America Home Finance Inc.

Opinion

We have audited the consolidated financial statements of North America Home Finance Inc. (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024, and the consolidated statements of income (loss) and comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred net loss of \$1,997,560 during the year ended June 30, 2025 and, as of that date, the Company had an accumulated deficit of \$3,813,198. Additionally, the Company had a working capital deficit of \$5,891,659 as at June 30, 2025 and a positive cash flows from operating activities of \$3,061,915. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Calgary, Alberta
February 11, 2026

North America Home Finance Inc.

Consolidated Statements of Financial Position

Canadian Dollars

As at June 30

	2025	2024
Assets		
Current		
Cash and cash equivalents (<i>Note 4</i>)	105,071	187,182
Accounts receivable	498,846	141,083
Prepaid expenses	173,658	196,002
Other receivables	305,537	389,955
Due from related parties (<i>Note 23</i>)	1,109,191	1,281,813
Current portion of loans receivable (<i>Note 5</i>)	5,998,478	-
Current portion of net investment in sub-leases (<i>Note 8</i>)	143,520	126,960
	8,334,301	2,322,995
Non-current		
Loans receivable (<i>Note 5</i>)	75,687	11,343,716
Development properties (<i>Note 6</i>)	1,148,925	806,499
Investment properties (<i>Note 7</i>)	60,023,326	21,804,744
Net investment in sub-leases (<i>Note 8</i>)	1,514,833	1,363,738
Deposits for condominium units (<i>Note 9</i>)	20,254,843	13,488,414
Intangible assets (<i>Note 10</i>)	12,500,000	12,500,000
Right-of-use assets (<i>Note 11</i>)	3,299,542	1,955,326
	98,817,156	63,262,437
Total assets	107,151,457	65,585,432

Continued on next page

North America Home Finance Inc.

Consolidated Statements of Financial Position

Canadian Dollars

As at June 30

	2025	2024
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 12)	6,045,564	2,183,024
Current portion of promissory note (Note 13)	6,866,816	584,896
Current portion of redeemable preference shares (Note 14)	577,500	641,056
Current portion of lease liabilities (Note 15)	100,003	6,509
Current portion of residential development units (Note 17)	360,000	240,000
Current portion of mortgages payable (Note 18)	3,770	12,695,613
Current portion of interest payable	173,461	547,192
Due to related parties (Note 24)	98,846	121,688
	14,225,960	17,019,978
Non-current		
HomePlan Contribution	285,750	116,469
Promissory note with related party (Note 15), (Note 24)	250,000	250,000
Lease liabilities (Note 15)	1,282,489	-
Real property bonds (Note 16)	4,246,375	3,604,187
Residential development units (Note 17)	19,335,637	21,540,017
Variable return on real property bonds and development units (Note 17)	7,508,485	4,495,351
Interest payable	1,384,672	453,223
Mortgages payable (Note 18)	46,188,717	4,123,472
Convertible debentures (Note 21)	139,421	-
	80,621,546	34,582,719
Total liabilities	94,847,506	51,602,697
Shareholders' Equity		
Share capital (Note 22)	16,029,700	15,798,373
Contributed Surplus (Note 21)	87,449	-
Income/(Deficit)	(3,813,198)	(1,815,638)
Total Equity	12,303,951	13,982,735
Total liabilities and shareholders' equity	107,151,457	65,585,432

Commitments (Note 29)

Subsequent events (Note 30)

Nature of operations and going concern (Note 1)

Approved on behalf of the Board

"George Lawton"

Director

"Navepal Jagpal"

Director

The accompanying notes are an integral part of these consolidated financial statements

North America Home Finance Inc.
Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

Canadian Dollars
For the years ended June 30

	2025	2024
Revenue		
Home sales	2,325,670	762,400
Acquisition and development management fees	269,589	856,775
Rental income	1,642,575	244,349
Sub-lease income	103,527	118,681
	4,341,361	1,982,205
Cost of sales	1,820,828	849,589
Gross margin	2,520,533	1,132,616
Expenses		
Depreciation	1,483,521	153,730
General and administrative expenses	955,039	236,849
Salaries, wages and benefits	46,484	16,550
Professional fees	1,621,920	766,817
Sales and marketing expenses	65,226	138,717
	4,172,190	1,312,663
Other income (expense)		
Other income (expense)	78,839	(5,407)
Financing costs (Note 19)	(1,959,461)	(1,137,255)
Change in fair value (Note 20)	1,535,515	2,269,839
Finance income	(796)	4,125
	(345,903)	1,131,302
Net Income (Loss) and comprehensive income (loss)	(1,997,560)	951,255
Weighted average outstanding shares	79,229,175	78,436,072
Basic and diluted Earnings (loss) per share (Note 3)	\$(0.03)	\$0.01

The accompanying notes are an integral part of these consolidated financial statements

North America Home Finance Inc.

Consolidated Statements of Changes in Equity

Canadian Dollars
For the years ended June 30

	<i>Share capital</i>	<i>Contributed Surplus</i>	<i>Income/ (Deficit)</i>	<i>Total equity</i>
Balance June 30, 2023	15,608,373	190,000	(2,766,893)	13,031,480
Issuance of common shares	190,000	(190,000)	-	-
Net Income (loss) and comprehensive income (loss) for the year	-	-	951,255	951,255
Balance June 30, 2024	15,798,373	-	(1,815,638)	13,982,735
Issuance of common shares	231,327	-	-	231,327
Contributed surplus	-	87,449	-	87,449
Net Income (loss) and comprehensive income (loss) for the year	-	-	(1,997,560)	(1,997,560)
Balance June 30, 2025	16,029,700	87,449	(3,813,198)	12,303,951

North America Home Finance Inc.

Consolidated Statements of Cash Flows

Canadian Dollars
For the years ended June 30

	2025	2024
Cash provided by (used for) the following activities		
Operating activities		
Net Income (Loss)	(1,997,560)	951,255
Items not affecting the flow of cash:		
Depreciation (Note 7), (Note 11)	1,483,522	153,730
Financing costs (Note 19)	1,491,005	1,096,035
Amortization of transaction costs	468,457	41,220
Change in fair value (Note 20)	(1,535,515)	(2,269,839)
Revaluation of net investment in sub-leases	-	46,446
Sub-lease income	(103,527)	(118,681)
Gain on recognition of sublease (Note 8)	(112,660)	(37,684)
Redeemable preference shares adjustment	(2,058)	-
Change in non-cash working capital (Note 28)	4,172,701	(821,310)
Cash (used in) generated from operations	3,864,365	(958,828)
Interest paid	(1,292,371)	(655,773)
Additions to development properties	489,921	587,386
Net Cash (used in) generated from operations	3,061,915	(1,027,215)
Financing activities		
Advances from HomePlan contributions	169,281	116,469
Repayment of lease liability (Note 15)	(79,006)	(42,186)
Advances from Promissory Notes	2,963,657	799,803
Repayment of Promissory Notes	(2,459,426)	(214,905)
Proceeds from residential development units (Note 17)	2,666,821	9,661,036
Repayment of residential development units (Note 17)	(4,958,629)	-
Proceeds from issuance of convertible debentures (Note 21)	150,000	-
Proceeds from mortgages payable (Note 18)	32,496,531	11,390,499
Repayment of mortgage payable (Note 18)	(3,591,586)	-
Redemption of preferred shares (Note 14)	(61,500)	(358,944)
Proceeds net of issuance costs from issuance of common shares	305,697	-
	27,601,840	21,351,772
Investing activities		
Sub-lease payments (Note 8)	133,400	126,020
Deposits for condominium units (Note 9)	(2,800,096)	(6,990,315)
Additions to investment properties (Note 7)	(28,079,170)	(13,876,347)
	(30,745,866)	(20,740,642)
(Decrease) Increase in cash and cash equivalents	(82,111)	(416,085)
Cash and cash equivalents, beginning of year	187,182	603,267
Cash and cash equivalents, end of year	105,071	187,182

The accompanying notes are an integral part of these consolidated financial statements

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

Canadian Dollars
For the years ended June 30

1. Nature of operations and going concern

North America Home Finance Inc. (the "Company"), a privately held company, was incorporated under the Canada Business Corporations Act on July 27, 2016, and then continued to British Columbia under the Business Corporations Act (British Columbia) on December 22, 2023. The head office is located at 1021 West Hastings Street, 9th Floor, Vancouver, British Columbia, V6E 0C3. The ultimate parent of North America Home Finance Inc. is 1086353 B.C. Ltd.

The Company directly or through its subsidiaries is engaged in the business of acquiring, developing, and administering housing communities as well as providing developers and homebuyers with advanced funding tools and mortgage products, with the goal of increasing home-equity-building opportunities for families.

These consolidated financial statements include the operations of the Company as well as those of wholly owned subsidiaries - Saanich Ridge Development Ltd, a company responsible for the development of the Saanich property, Westcoast Home Ownership Ltd. (incorporated on June 18, 2014), and NAHF Real Estate Trust, (the "Trust") (established on May 31, 2022), 1289900 B.C. Ltd (acquired on March 17, 2025) and 1404122 BC Ltd (incorporated on March 7, 2023). Out of the subsidiaries, Westcoast Home Ownership Ltd. is currently dormant.

On December 6, 2024, the Company incorporated the wholly owned subsidiary MVE Development GP Inc ("MVE GP"). On December 12, 2024, the Company entered the Mountain View Estates Real Estate Development Limited Partnership ("MVE LP") with a third party as a Limited Partner and MVE GP as the General Partner.

These consolidated financial statements have been prepared on a going-concern basis, with the assumption that the Company will continue operating for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations.

The Company incurred net loss of \$1,997,560 during the year ended June 30, 2025 (2024 – net income of \$951,255), and as of that date, the Company had an accumulated deficit of \$3,813,198 (2024 - \$1,815,638). Additionally, the Company has a working capital deficit of \$5,891,659 as at June 30, 2025 (2024 - \$14,696,983). The Company has positive operating cash flows of \$3,061,915 for the year ended June 30, 2025 (2024 – negative \$1,027,215). The Company's continuing operations are dependent upon the Company's ability to obtain additional capital, successfully develop and sell the Saanich property, develop and/or lease the rental units, and identify, evaluate, and negotiate the acquisition of an interest in properties, assets or a business. As such, there is a material uncertainty related to these events and conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to develop and sell the remaining homes under development in the Saanich property in the next fifteen months. The Company has also started developing the next two 26-home rental communities. The outcome of these matters cannot be predicted at this time. In assessing whether the going concern assumption is appropriate, management evaluated all available information about the future which is at least, but not limited to, twelve months from the end of the reporting period. These consolidated financial statements do not include adjustments to amounts and classifications of assets, liabilities and expenses that might be necessary should the Company be unable to continue as a going concern and that such adjustments could be material.

2. Basis of preparation

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards"). The consolidated financial statements were approved and authorized for issue by the Board of Directors on February 11, 2026.

Basis of preparation

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is based on the fair value of the consideration given in exchange for assets.

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

Canadian Dollars
For the years ended June 30

2. Basis of preparation (Continued from previous page)

Basis of consolidation

Subsidiaries are all entities over which the Company has control. Control is achieved when the entity has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee or subsidiary if facts, circumstances, and events indicate that there are changes to one or more of the three elements of control listed above. Currently, the Company has control over all of the subsidiaries reported in the consolidated financial statements (either directly or indirectly) and there are no non-controlling interests to report at this time. These consolidated financial statements include the accounts of Saanich Ridge Development Ltd., NAHF Real Estate Trust, Westcoast Home Ownership Ltd., 1289900 B.C. Ltd., MVE GP, MVE LP and 1404122 BC Ltd., companies incorporated in British Columbia, Canada. All inter-company balances, and gains and losses on intercompany transactions, have been eliminated for consolidation purposes.

Use of estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Judgment is used mainly in determining how a balance or transaction should be recognized in the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas where significant management estimates and judgments have been applied include:

Significant accounting judgments

i.) Going concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the year ended June 30, 2025. Management prepares the consolidated financial statements on a going concern basis unless management either intends to liquidate the entity or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management considers all available information about the future which is at least but is not limited to, twelve months from the end of the reporting period. As a result of the assessment, management concluded the going concern basis of accounting is appropriate.

ii.) Development properties

In applying the Company's policy with respect to development properties, judgment is applied in determining whether certain costs are additions to the carrying amount of the properties and, for properties under development, identifying the point at which capitalization of borrowing and other costs ceases.

Further, judgment is also applied in determining the number of homes to be sold in the next 12 months for current vs. noncurrent classification of development properties.

iii.) Impairment of non-financial assets

Judgment is used in analysing whether the non-financial assets are to be impaired in accordance with the requirements of IAS 36 which includes the analysis of impairment indicators at each reporting date. The Company shall estimate the recoverable amount of the asset when there is an indicator of impairment.

Significant accounting estimates

i.) Intangible assets

Management has exercised judgments and assumptions for determining the recoverable amount of the intangible assets, to assess whether the intangible assets have been impaired as of June 30, 2025.

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

Canadian Dollars
For the years ended June 30

2. Basis of preparation (Continued from previous page)

Use of estimates and judgments

ii.) Leases

The application of IFRS 16 requires the Company to make judgments in determining whether certain leases are operating or financing and to make estimates that affect the value of the right-of-use assets and the lease liabilities, which mainly relate to the implicit and incremental rates of borrowing and to whether purchase, renewal or termination options are reasonably certain of being exercised.

iii.) Net Investment in sub-leases

In applying the requirements of IFRS 16 for accounting of net investment in sub-leases, the Company has used an actual area per home for the allocation of the right-of-use asset to the homes sold during the year. The average area is derived based on the area of homes sold and homes to be sold in the coming year.

iv.) Development properties

The Company evaluates the carrying value of its development properties at the lower of cost and net realizable value. The net realizable value is estimated based on current market prices that the Company would expect to receive from the sale of the properties.

v.) Financial instruments at fair value through profit or loss

In determining the fair value of financial instruments measured at fair value, the Company estimates the fair value based on the expected return on the underlying agreements or investments. The resulting fair value estimates may not be indicative of the amounts realized at settlement and as such are subject to measurement uncertainty.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. All financial information presented in Canadian dollars has been rounded to the nearest dollar.

3. Material accounting policies

Operating segments

The Company determines its operating segments based on the differences in the nature of operations, sales, economic characteristics and regulatory environments. The chief operating decision maker is the Chief Executive Officer, who reviews operating results at this level to assess financial performance and make resource allocation decisions. The Company has one reportable operating segment which is made up of its real estate operations based in British Columbia and Alberta, Canada. All of the Company's noncurrent assets are located in and revenue is earned in Canada.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured at fair value through profit or loss. Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at FVTPL.

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

Canadian Dollars
For the years ended June 30

3. Material accounting policies (Continued from previous page)

Financial instruments (Continued from previous page)

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value. Financial assets are classified into the following categories:

- amortized cost;
- fair value through other comprehensive income ("FVOCI"); or
- fair value through profit or loss ("FVTPL").

The classification is determined by both:

- the Company's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent measurement of financial assets

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method.

Financial assets with an embedded derivative, including those with a variable return that is not closely related to the underlying host contract are measured at fair value through profit or loss with changes in fair value recognized in net income (loss) and comprehensive income (loss). The fair value of these assets is determined based on level 3 inputs including the expected return on the underlying development project.

Financial Assets	Classification and Measurement
Cash and cash equivalents	Amortized Cost
Accounts receivable	Amortized Cost
Other receivables	Amortized Cost
Due from related parties	Amortized Cost
Loan receivable	FVTPL
Net investment in sub-leases	Amortized Cost
Deposits for condominium units	FVTPL

Impairment of financial assets

The impairment of financial assets uses forward-looking information to recognize expected credit losses – the 'expected credit loss ("ECL") model'.

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

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The Company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, subsequently measured at amortized cost unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss.

The carrying value of certain financial liabilities at initial recognition is at amortized cost, with an embedded derivative bifurcated to recognize the variable return based on the profitability of the corresponding investment project or an embedded conversion option, when the embedded derivative is not closely related to the underlying host contract. The host contract is subsequently measured at amortised cost using the effective interest method. The embedded derivative is subsequently measured at fair value at the end of each reporting period with the fair value gain or loss recognized in net income (loss) and comprehensive income (loss).

There are no financial liabilities classified as fair value through OCI.

Financial Liabilities	Classification and Measurement
Accounts payable and accrued liabilities	Amortized Cost
Interest payable	Amortized Cost
Promissory note	Amortized Cost
Redeemable preference shares	Amortized Cost
Mortgages payable	Amortized Cost
Lease liability	Amortized Cost
Due to related parties	Amortized Cost
HomePlan contribution	Amortized Cost
Promissory note with related party	Amortized Cost
Real property bond units	Amortized Cost
Residential development units:	
Five bridges development units	Amortized Cost

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

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For the years ended June 30

Financial Liabilities	Classification and Measurement
Collinson rise units	Amortized Cost
Glenlake units	Amortized Cost
Saanich DCUs	Amortized Cost
Conversion of Saanich DCUs into HY units	FVTPL
Variable return on residential development units	FVTPL

The fair values of the Saanich discounted convertible units and the Variable return on residential development units are based on level 3 inputs including the expected return on the underlying development project.

Cash and cash equivalents

Cash consists of cash at bank, and on hand that is highly liquid. The Company considers all highly liquid investments with terms to maturity of three months or less when acquired, to be cash equivalents. Cash consist of cash held in the Company's US and Canadian denominated accounts.

Development properties

Development property costs are associated with land held for development for future sale and is measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Development costs include all pre-construction costs essential and directly attributable to the development of the property which include, but are not limited to, consulting fees, professional fees, construction costs, direct and indirect borrowing costs, real estate taxes and other costs incurred during the period of development. Capitalization of costs continues until the development is complete and ready for sale.

Where development projects include units to be held for rental income purposes, costs related to the rental units are accounted for under investment property.

Borrowing costs

Borrowing costs on funds directly attributable to finance the acquisition, production or construction of a qualifying asset are capitalized until such time as substantially all the activities necessary to prepare the qualifying asset for its intended use are complete. A qualifying asset is one that takes a substantial period of time to prepare for its intended use. Capitalization is discontinued when the asset enters the production stage or development ceases. Where the funds used to finance a project form part of general borrowings, interest is capitalized based on the interest rate applicable to the general borrowings outstanding during the period of construction.

Investment properties

Investment properties are measured initially at cost, including related transaction costs and where applicable borrowing costs. The Company has elected to apply the cost model for measuring its investment property. Under the cost model, the investment property is measured at cost less accumulated depreciation using a useful life of 20 years.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at least annually. Impairment is tested at an individual asset level unless the asset does not generate cash flows independently from other assets, in which case the Company allocates the intangible asset to the cash-generating units to which the asset belongs.

North America Home Finance Inc.

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The recoverable amount is the higher of fair value less costs of disposal and value in use. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be appropriate. If the intangible assets no longer have an indefinite life, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statements of Net Income (loss) and comprehensive income (loss).

Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lease obligation and corresponding ROU asset are recognized at the commencement of the lease. Lease liabilities are initially measured at the present value of the unavoidable lease payments and discounted using the Company's incremental borrowing rate when an implicit rate in the lease is not readily available. The Company determines the incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of the asset leased. The Company used a weighted average incremental borrowing rate of 5.64% for the continuing lease arrangements for the year ended June 30, 2025 (June 30, 2024 – 8.72%). Interest expense is recognized on the lease obligations using the effective interest rate method. The ROU assets are recognized at the amount of the lease liabilities, adjusted for lease incentives received and initial direct costs, on commencement of the leases. ROU assets are depreciated on a straight-line basis over the lease term. The Company is required to make judgments and assumptions on incremental borrowing rates and lease terms. Short-term and low value leases have not been included in the measurement of lease liabilities.

The Company amortizes the right-of-use asset on a straight-line basis from the lease commencement date to the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured when there is change in future lease payments arising from a change in index or rate, if there is a change in the Company's estimate of the amounts expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or net income if the right-of-use asset is already reduced to zero.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

At the commencement date of a finance lease, the Company recognizes assets held under a finance lease as an amount equal to the net investment in the lease, discounted using the interest rate implicit in the lease. The lease payments included in the measurement of the net investment in the lease comprise of payments for the right to use the underlying asset that are not received at the commencement date, including fixed payments less any lease incentives payable, variable lease payments that depend on an index or a rate, any residual value guarantees provided to the lessor, the exercise price of a purchase option if the lessee is reasonably certain to exercise and payments of penalties for termination of the lease if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the Company recognizes sub-lease income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease.

Impairment of non-financial assets

Assets which are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). Non-financial assets are reviewed for possible impairment or reversal of a previously recorded impairment at each reporting date.

Revenue recognition

Revenue is recognized to the extent that the Company's performance obligations are satisfied.

North America Home Finance Inc.

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Revenue is generated primarily from the sale of homes under development, sub-lease income, rental income as well as acquisition and development management fees.

Revenue from home sales is recognized at a point in time when possession or title passes to the purchaser and all performance obligations of the sales contract have been met. At this time, all proceeds are received, or collectability is reasonably assured.

The Company acquired an interest in a 99-year lease for the property identified as Saanich Ridge Estates with 45 renewal options of 20 years each. The Company develops and constructs homes on the leased land and subsequently sells these homes to the customers.

Revenue from sub-lease income comprises the finance income and is recognised over the initial sub-lease term in accordance with IFRS 16.

Revenue from acquisition and development management fees is recognised as and when the Company provides the services under the terms of the acquisition and development management fee agreement.

The Company has retained substantially all of the risks and benefits of ownership of its rental properties, and, therefore, accounts for leases with its tenants as operating leases. Revenue recognition under a lease commences when the tenant has a right to use the leased asset. Generally, this occurs on lease inception date when the tenant occupies their leased space. Rental revenue is recognized systematically over the term of the lease. Any suite specific incentives offered, or initial direct costs incurred in negotiating and arranging an operating lease are also amortized over the term of the operating lease. Rental revenue is recorded based on the amount received or to be received in accordance with the operating lease. Lease revenue earned directly from leasing the asset is recognized and measured in accordance with IFRS 16.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity.

Earnings per share

Basic and diluted earnings (loss) per share is calculated using the weighted average number of shares outstanding during the year. Redeemable preference shares have been excluded from the calculation of diluted earnings (loss) per share as they are anti-dilutive.

Year Ended June 30	2025	2024
Net Income (Loss)	(1,997,560)	951,255
Weighted average outstanding shares	79,229,175	78,436,072
Basic and diluted earnings (loss) per share	\$(0.03)	\$0.01

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in comprehensive income (loss). Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Trust qualified as a "mutual fund trust" as defined under the Income Tax Act (Canada) (the "Tax Act") and as a Real Estate Investment Trust ("REIT") is eligible for the 'REIT Exemption' in accordance with the rules affecting the tax treatment. Accordingly, the Trust is not taxable on any income that is distributed or made payable to unitholders. This exemption, however, does not extend to the Company or the corporate subsidiaries of the Company that are subject to income tax.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: differences relating to investments in subsidiaries and jointly controlled entities to the extent that it

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

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For the years ended June 30

is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Provisions

A provision is recognized, if, as a result of a past event, the Company has a legal or constructive obligation that can be estimated reliably, and it is probable that a future outflow of economic benefits will be required to settle the obligation. The timing or amount of the outflow may still be uncertain.

Provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and specific risks of the obligation. Where there are a number of obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. All provisions are reviewed at each reporting date and adjusted accordingly to reflect the current best estimate.

New accounting pronouncements adopted

The Company adopted the following new amendments to standards during the year ended June 30, 2025.

Amendments to IAS 1 – Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The adoption of these amendments had no impact on the Financial Statements.

Standards issued but not yet effective

The Company has not yet applied the following new standards, interpretations and amendments to standards that have been issued as at June 30, 2025, but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

Classification and measurement of financial instruments (IFRS 9 and IFRS 7 – Classification and measurement of financial instruments)

IFRS 9 and IFRS 7 Classification and measurement of financial instruments issued May 2024, clarifies the requirements for timing of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system and new disclosure requirements for certain instruments that can change cash flows. Disclosure requirements for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI) are also updated.

The amendments are effective for annual periods beginning on or after January 1, 2026. The Company does not expect this standard to have a material impact on its consolidated financial statements.

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Presentation and Disclosures in Financial Statements (IFRS 18 - Presentation and Disclosure in Financial Statements)

IFRS 18 Presentation and Disclosure in Financial Statements issued April 19, 2024, while carrying forward many of the requirements of IAS1 introduces new requirements to present specified categories and defined subtotals in the statements of profit or loss, provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, applied retroactively to comparative Financial Statements. Based on a preliminary assessment, the Company expects this standard to impact the structure and mapping of income and expenses into operating, investing and financing categories and disaggregating other income, including updates to the financial system. The Company is continuing to assess additional impacts of these amendments on its consolidated financial statements.

4. Cash and Cash Equivalents

As at June 30, 2025, the Company held cash and cash equivalents of \$105,071 (June 30, 2024- \$187,182). The credit risk associated with the Company's cash and cash equivalents was considered low as the Company's balances were held with large Canadian chartered banks.

5. Loans receivable

On July 5, 2021, the Company entered into an agreement with Five Bridges Development Limited Partnership ('Five Bridges') pursuant to which, the Company will advance up to \$6,500,000 with a return based on 2.70% interest per annum and a pro rata share in the excess of proceeds over disposition of the development project. The amount advanced will be used for construction and development of a real estate property located in Kelowna. The loan along with the accrued interest and pro rata share of profit on the development project is repayable by Five Bridges by June 30, 2026. The amount advanced is secured by a mortgage on the six real estate properties located in Kelowna.

On February 16, 2024, the Company entered into a purchase and sale agreement for 80 condominium units in the Five Crossings development for \$26.5 million subject to certain closing conditions that were met on March 31, 2025. The Company received repayments of \$5,579,800 in the form of a credit applied to the settlement of the purchase of the 80 condominium units and \$407,840 in the form of condominium credits provided to those investors that purchased condominium units in the development.

Several loans totalling \$92,620 were made to other parties during the year ended June 30, 2025, repayable in 2026.

	2025	2024
Loans Receivable		
Balance – beginning of the year	11,343,716	6,677,516
Advances during the year	92,751	-
Repayments during the year	(5,987,640)	-
Change in fair value (Note 20)	625,338	4,666,200
Balance - end of the year	6,074,165	11,343,716
Less current portion of loan receivable	5,998,478	-
Balance - end of year	75,687	11,343,716

At June 30, 2025, the Company recognized a liability of \$3,887,040 relating to the pro rata return owed to the Five Bridges development unit holders (Note 17).

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6. Development properties

	2025	2024
Balance - beginning of year	806,499	1,842,230
Development projects under construction additions during the year	1,787,140	323,861
	2,593,639	2,166,091
Less: Reclassified to cost of sales representing homes sold	(2,202,694)	(694,774)
Subtotal	390,945	1,471,317
Less: Reclassified as investment properties (Note 7)	-	(664,818)
Subtotal	390,945	806,499
Development projects held for sale additions	757,980	-
Balance - end of year	1,148,925	806,499
Less: Reclassified as current	-	-
Balance - end of year	1,148,925	806,499

The development property under construction has been divided into 7 phases and is made up of 118 units of single family detached homes of which 27 have been sold and 13 are being developed for sale and 78 are for inclusion in the Company's rental pool of properties. The Company's HomePlan model for rental homes is structured for a minimum term of five years after which the tenants under such model have the option to purchase the home between the end of fifth year up to the end of seventh year. Costs associated with the development of the rental units of \$Nil (2024 - \$664,818) are now classified as investment properties.

7. Investment properties

The Company records investment properties at cost less accumulated depreciation.

	2025		
Description	Cost	Depreciation	Carrying Value
Edmonton Properties	158,987	15,301	143,686
Lot 142 Saanich Ridge	54,000	5,400	48,600
Lot 140 Saanich Ridge	709,798	62,108	647,690
Saanich - Rental Community #1			
Development costs	21,638,529	1,048,661	20,589,868
Right-of-Use Asset (Note 11)	1,257,528	37,479	1,220,049
Saanich - Rental Community #2 and #3			
Development costs	7,710,415	-	7,710,415
Right-of-Use Asset (Note 11)	2,126,849	-	2,126,849
Five Crossings	27,884,727	348,558	27,536,169
	61,540,833	1,517,507	60,023,326

	2024		
Description	Cost	Depreciation	Carrying Value
Edmonton Properties	158,987	6,964	152,023
Lot 142 Saanich Ridge	54,000	2,700	51,300
Lot 140 Saanich Ridge	709,798	26,618	683,180
Saanich - Rental Community #1			
Development costs	17,608,847	85,230	17,523,617
Right-of-Use Asset (Note 11)	1,257,528	24,777	1,232,751
Saanich - Rental Community #2 and #3			
Right-of-Use Asset (Note 11)	2,126,848	-	2,126,848
Five Crossings	35,025	-	35,025
	21,951,033	146,289	21,804,744

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On July 25, 2025, the Company sold one of the Edmonton properties for \$95,000 and has determined that the fair value at June 30, 2025, for both properties is \$190,000 (2024 – fair value approximated the carrying value).

The Company has determined that the fair value at June 30, 2025, and 2024 of Lot 142 Saanich and Development costs and Right of use asset for the Saanich Rental Communities #2 and #3 approximates the carrying value of these assets shown above.

The fair value of Lot 140 Saanich Ridge has been independently appraised at a value of \$840,000 on June 30, 2025, and 2024.

The Company has determined that the fair value of the Saanich Rental Community #1 is \$24,232,247 (2024 - \$24,342,116) based on the option to purchase agreements signed by HomePlan tenants and the discounted cash flows from these agreements.

The fair value of Five Crossings has been independently appraised at \$28,950,000.

The Company earned rental income during the year ended June 30, 2025, of \$1,642,575 (2024- \$244,349) from these investment properties which has been recognized in rental income in the statements of net income (loss) and comprehensive income (loss).

8. Net investment in sub-leases

During the year ended June 30, 2025, the Company entered into sub-lease agreements to lease the land associated with 3 homes (2024 - 1 home) which were sold during the year in connection with Saanich Ridge Estates (Note 11). The Company is the head lessee on the land and enters into sub-lease agreements with customers when a sale of a home occurs (Note 6). As per the agreement, the Company has a right to terminate the term of the lease in case of events of default. The terms of the subleases are for the majority of the remaining economic life of the right-of-use asset and therefore, is classified as a finance lease.

During the year ended June 30, 2025, the Company entered into sublease agreements which resulted in the derecognition of \$84,867 (2024 - \$29,721) of the related right of use asset and recognized a gain on the resulting recognition of the sublease of \$112,660 (2024- \$37,682) and recorded the gain in other income on the statement of income (loss) and comprehensive income (loss). During the year ended June 30, 2025, sublease payments were discounted to present value at a rate of 8% over 99 years (2024 – 8% over 99 years).

The Company has recognized the following net receivables for the sub-leases:

	2025	2024
Net investment in sub-leases		
Balance – beginning of the year	1,490,698	1,477,099
Revaluation of net investment in sub-leases	-	(46,446)
Additions during the year	197,528	67,384
Interest accretion	103,527	118,681
Lease payment received	(133,400)	(126,020)
Balance - end of the year	1,658,353	1,490,698
Less: Current portion of net investment in sub-leases	(143,520)	(126,960)
	1,514,833	1,363,738

Sub-leases as lessor

The future undiscounted lease payments receivable under sub-leases are as follows:

	Undiscounted lease payments
2026	143,520
2027	143,520
2028	143,520

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	<i>Undiscounted lease payments</i>
2029	143,520
2030	143,520
Thereafter	13,490,880
Total undiscounted lease payments receivable	14,208,480
Less: unearned finance income	(12,693,647)
Net investment in sub-leases	1,514,833

9. Deposits for condominium units

	2025	2024
Collinson Rise		
Balance, beginning of period	10,786,673	5,498,242
Advances during the period	-	4,484,630
Discount capitalized	(13,447)	40,729
Change in fair value (Note 20)	3,491,142	763,072
Balance, end of period	14,264,368	10,786,673
Glenlake Highview (a related party)		
Balance, beginning of period	2,701,741	-
Advances during the period	2,800,096	2,503,185
Discount capitalized	56,469	138,497
Change in fair value (Note 20)	432,169	60,059
Balance, end of period	5,990,475	2,701,741
Total	20,254,843	13,488,414

i.) Collinson Rise

On June 1, 2022, the Trust entered into an agreement with Collinson Rise Limited Partnership ("Collinson Rise"), an independent third party, pursuant to which, the Trust will advance up to \$9,500,000 to be applied against the future purchase price of condominiums in the respective projects as and when elected by the Company.

The amounts advanced are secured by a collateral mortgage registered against the lands as security for Collinson Rise's obligations. The Trust would be obtaining seventy-five units in the future condominium to be built by Collinson Rise, and the amount advanced would be considered part of the total consideration to be paid for the units by the Trust.

The amounts advanced under the agreement may be repaid by:

- a. the transfer of future condominiums, free of any prior encumbrances, to the Trust in accordance with a purchase agreement for the purchase price applicable to the transferred future condominiums.
- b. the return by Collinson Rise to the Trust of any cash amount or other asset of a value agreed to by the Trust.
- c. the return by Collinson Rise to the Trust of any credit amount of prepayment after completion of selection and conveyance to the Trust of any applicable strata lots in the project; or
- d. following the occurrence of any event of default, the net recovery by the Trust from the enforcement of the collateral mortgage or any other security documents held to secure the obligations of Collinson Rise to the Trust under this agreement.

The amounts advanced have been measured at fair value through profit or loss.

On April 30, 2024, the Company signed an indemnity agreement in return for First West Credit Union to make a loan to Collinson Rise Limited Partnership. The Company indemnifies the Credit Union and holds the Credit Union harmless against all losses, costs, expenses and damages relating to or arising out of the Credit Union making the loan, including principal monies advanced and readvanced, interest, costs, charges and expenses due to the Credit Union in connection with the loan totaling \$59,595,717. The Company did not receive a premium associated with the indemnity agreement. On May 30, 2024, the Company signed an indemnity agreement among Collinson Rise Limited

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Partnership, as principal, Collinson Rise Development Inc., focus Kelowna Homes Inc., and Ryan Joel Tamblyn, as joint indemnitors, the Company, as a several indemnitor, and Travelers Insurance Company of Canada, as surety for the same loan.

ii.) Glenlake Highview

On November 1, 2023, the Trust entered into an agreement with Glenlake Highview Limited Partnership ("Glenlake Highview"), a related party, pursuant to which, the Trust will advance up to \$9,010,000 to be applied against the future purchase price of condominiums in the respective projects as and when elected by the Company.

The amounts advanced are secured by a collateral mortgage registered against the lands as security for the Glenlake Highview's obligations. The Trust would be obtaining 35% of the total number of units in the future condominium to be built by Glenlake Highview, and the amount advanced would be considered as a part of the total consideration to be paid for the units by the Trust.

The amounts advanced under the agreement may be repaid by:

- a. the transfer of future condominiums, free of any prior encumbrances, to the Trust in accordance with a purchase agreement for the purchase price applicable to the transferred future condominiums.
- b. the return by Glenlake Highview to the Trust of any cash amount or other asset of a value agreed to by the Trust;
- c. the return by Glenlake Highview to the Trust if any credit amount of prepayment after completion of selection and conveyance to the Trust of any applicable strata lots in the project; or
- d. following the occurrence of any event of default, the net recovery by the Trust from the enforcement of the collateral mortgage or any other security documents held to secure the obligations of Glenlake Highview to the Trust under this agreement.

The amounts advanced have been measured at fair value through profit or loss.

10. Intangible assets

The Company entered into a license agreement with 1086353 BC Ltd (majority shareholder) on June 29, 2018, to acquire intellectual property relating to HomeIndex Mortgage, HomePlan, and HomeSaver. The intellectual property includes, brands, developed financial products composed of legal contracts precedents, financial models and formulas. In consideration for the intellectual property, the Company issued 62,500,000 common shares valued at \$12,500,000. The Company initially fair valued the shares at \$0.20 which is used for the purpose of valuing the aforementioned shares.

The intellectual property has an indefinite useful life and is not amortized since the Company foresees no limit to the period during which the intellectual property can be expected to generate future cash flows. At the year ended June 30, 2025, the Company performed an annual impairment test on the intellectual property, revising assumptions to incorporate the impact of economic changes on future cash flows. On the date of this test, the recoverable amounts exceeded the carrying amounts. The useful life is reviewed annually to determine whether events and circumstances continue to support an indefinite useful life assessment.

11. Right-of-use assets

On August 24, 2017, the Company entered a 99-year front ended head lease with renewal options (the "Lease") for the property identified as Saanich Ridge Estates. Saanich Ridge Estates is located at Lot 8-1 Tsawout First Nation Lands, Central Saanich, British Columbia and is made up of approximately 14 acres.

Management has assessed the terms of this arrangement and concluded that it meets the definition of a lease given management has control over the leased property. Accordingly, a right-of-use asset and lease liability has been recorded which represents the discounted value of the land lease over the initial lease term being 99 years. Refer to Note 15 for details related to the lease liability.

On June 1, 2023, pursuant to the agreement signed by the Company with the lessor, the land was subdivided into 2 land parcels, one parcel which would be governed by the original lease arrangement and the other parcel, on which 26 rental homes would be constructed, would be governed by the amended lease agreement. The Company has paid a one-time amendment fee of \$24,000, as per the terms of the agreement, to the lessor. (Note 7).

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On November 29, 2024, the Company entered into a 99-year front ended head lease with renewal options (the "MVE Lease") for the property identified as Mountain View Estates. Mountain View Estates is located at Lot 73, CLSR Plan No. 52745 Cowichan Indian Reserve No. 1, Duncan, British Columbia and is made up of approximately 19.6 acres.

Management has assessed the terms of this arrangement and concluded that it meets the definition of a lease given management has control over the leased property. Accordingly, a right-of-use asset and lease liability has been recorded which represents the discounted value of the land lease over the initial lease term being 99 years. Refer to Note 15 for details related to the lease liability.

	2025	2024
Balance - beginning of the year	1,955,326	1,995,477
Add: Initial recognition of right of use asset	1,422,398	-
Add: Remeasurement of lease liability	37,453	-
Less: Derecognition related to net investment in sub-leases (Note 8)	(84,867)	(29,721)
Less: Depreciation during the year	(30,768)	(10,430)
Balance - end of the year	3,299,542	1,955,326

12. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities is made up of the following:

	2025	2024
Trade Accounts Payable	3,952,469	1,788,038
Accrued liabilities	1,820,325	120,070
Payroll withholdings	-	4,916
Customer advance payments	2,770	-
Financing fee payable	270,000	270,000
	6,045,564	2,183,024

13. Promissory note

In the year ended June 30, 2024, the Company entered into two promissory notes totaling \$799,802 for the purpose of bridge financing. These notes bear a 10% annual interest rate and are repayable at the discretion of the Company. At June 30, 2024, \$584,896 remained outstanding.

In the year ended June 30, 2025, the Company entered into a promissory note without interest totaling \$5,774,407 for the purpose of final settlement of the acquisition of the Five Crossings investment property. This note is repayable on demand.

In the year ended June 30, 2025, the Company entered into a promissory note totaling \$2,324,295 for the purpose of settlement of development costs. This note bears interest at an annual rate of 10% and is repayable at the discretion of the Company. At June 30, 2025, \$1,092,409 remained outstanding.

14. Redeemable preference shares

	2025	2024
Balance - beginning of the year	641,056	1,000,000
Less: Shares redeemed during the year	(63,556)	(358,944)
Balance - end of the year	577,500	641,056
Less: Current portion of redeemable preference shares	(577,500)	(641,056)
Non-Current balance – end of the year	-	-

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During the year ended June 30, 2025, 61.5 redeemable preference shares were redeemed at a price of \$1,000 per share for total consideration of \$61,500.

15. Lease Liability

Description	2025	2024
Saanich Ridge Estates		
Balance – beginning of year	6,509	48,695
Lease payments	(6,509)	(67,006)
Interest accrued	-	24,820
Balance – June 30, 2025	-	6,509
Mountain View Estates		
Balance – beginning of the year	-	-
Initial recognition	1,422,400	-
Lease payments	(72,500)	-
Interest accrued	32,592	-
Balance – June 30, 2025	1,382,492	-
Total Lease Liability	1,382,492	6,509
Current portion	100,003	6,509
Long term portion	1,282,489	-

The promissory note payable of \$250,000 to a related party is considered as a part of lease consideration and has been included in the maturity analysis. This note had a 5-year term originally due on August 24, 2022, which was extended to July 31, 2030, bears interest at the prime rate and is secured by way of a collateral \$250,000 mortgage charge against the head lease for Saanich Ridge Estates ranking behind the first mortgage loan with 1 City Financial Ltd. Accrued interest of \$105,629 (2024 - \$86,132) has been recognized under interest payable.

On November 29, 2024, the Company signed the MVE lease a formal head lease for the development of the property identified as Mountain View Estates located at Lot 73, CLSR Plan No. 52745 Cowichan Indian Reserve No. 1, Duncan, British Columbia and recognized \$1,422,400 lease liability. Accrued interest of \$32,591 (2024 - \$Nil) has been recognized under interest payable.

The following table sets out a maturity analysis of lease liabilities:

	2025	2024
Maturity analysis – contractual undiscounted cash flows		
2025	-	6,509
2026	100,000	250,000
2027	100,000	-
2028	100,000	-
2029	100,000	-
Thereafter	1,232,492	-
Total undiscounted lease liability	1,632,492	256,509
Current - Lease liability	100,003	6,509
Non-current – Lease liability	1,282,489	-
Non-current - Promissory note with related party	250,000	250,000

Amounts recognized

During the year, the Company expensed \$Nil (2024 - \$24,821) of interest on the lease liability as financing costs and made lease payments of \$Nil (2024 - \$42,186) for Saanich Ridge Estates.

During the year, the Company expensed \$32,592 (2024 - \$Nil) of interest on the MVE lease liability as financing costs and made lease payments of \$72,500 (2024 - \$Nil) for Mountain View Estates.

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16. Real property bonds

	Real Property Bonds	Saanich RPUs	Total
Balance, beginning of year	1,407,523	1,617,061	3,024,584
Development rights accrual	141,959	336,082	478,041
Interest accrual	33,301	27,041	60,342
Amortization of transaction costs	20,000	21,220	41,220
Balance, year ended June 30, 2024	1,602,783	2,001,404	3,604,187
Development rights accrual	163,456	418,555	582,011
Interest accrual	33,210	26,967	60,177
Amortization of transaction costs	-	-	-
Balance, year ended June 30, 2025	1,799,449	2,446,926	4,246,375

The Company's Real property bonds' amortized cost is equivalent to the fair value of these liabilities.

The Company issued participating debt securities to third parties, the terms of which are disclosed as follows:

- i.) Real property bond units ("RPB Units"): 1,250 RPB Units were issued, each RPB Unit consisting of a real property bond ("RP Bond"), a redeemable capital growth based right ("RP Right") and up to 2,000 Common share purchase warrants (the "RPB Warrants"). Each RP Bond carries an interest rate of 2.70% per annum (simple interest paid on maturity) with the Series 50 RP Bonds having a term of 60 months. The RP Right will payout \$500 per RP Right minus the accrued interest to the 60th month on the Series 50 RP Bonds or it will payout \$1,000 per RP Right minus accrued interest to the 90th month on the Series 100 RP Bonds. Each RPB Warrant entitled the holder to purchase one common share of the issuer at an exercise price of \$0.001 per common share. The Company concluded that the value of the warrants was deemed to be negligible. As such, the Company has allocated the value of the monies received to the debt instrument. All warrants were exercised in 2018. The subscription price is \$1,000 per RPB Unit (\$999.99 per RP Bond, and \$0.01 per RP Right).

The bonds had a maturity period of 60 months, which matured prior to the beginning of the year ended June 30, 2024. However, the bondholders approved the postponement of repayment of the bond until the time of repayment of the 1 City mortgage borrowed by the Company due September 1, 2026. Accordingly, the entire balance of bonds payable has been classified as non-current liability as the mortgages are not due within next 12 months.

During the year ended June 30, 2025, the Company has capitalized interest and development rights of \$190,664 (2024 - \$33,301) on real property bond units as part of the development property (Note 6).

- ii.) Saanich RPUs: In October 2020, the Company issued 1,020 Saanich RPUs to accredited investors on an exempt private placement basis for Saanich Real Property units with each RP Unit, for the first \$750,000 of aggregate investment, at a price of ninety-seven cents (\$0.97) per RP Unit and subsequently at a price of \$1.00 per RP Unit up to a maximum of \$1,000,000. The securities offer an 8% cumulative annual preferred return and a share of profit equal to 35% of the unit value invested. The units mature on the sale of the 40th home in the Saanich Ridge Estates Development.

During the year ended June 30, 2025, the Company has capitalized interest and development rights of \$418,555 (2024 - \$27,041) on real property bond units as part of the development property (Note 6).

17. Residential development units

	Five Bridges	Collinson Rise	Glenlake (a related party)	Saanich DCUs	Housing Yield Units	Total
Balance, beginning of year	6,500,000	5,593,148	-	-	-	12,093,148
Issued during the year	-	4,180,912	2,900,124	2,580,000	-	9,661,036
Amortization of deferred discount	-	25,833	-	-	-	25,833
Other	-	(4,000)	-	-	4,000	-
Balance, year ended June 30, 2024	6,500,000	9,795,893	2,900,124	2,580,000	4,000	21,780,017

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	Five Bridges	Collinson Rise	Glenlake (a related party)	Saanich DCUs	Housing Yield Units	Total
Issued during the year	-	-	2,561,241	55,000	50,580	2,666,821
Repaid during the year	(4,958,629)	-	-	-	-	(4,958,629)
Repaid by way of condominium credits	(407,840)	-	-	-	-	(407,840)
Conversion of DCUs into Housing Yield Unit	-	-	-	(2,635,000)	2,635,000	-
Distribution in kind	-	-	-	-	16,018	16,018
Premium on conversion	-	-	-	-	599,250	599,250
Balance, year ended June 30, 2025	1,133,531	9,795,893	5,461,365	-	3,304,848	19,695,637
Current portion	-	(120,000)	(120,000)	-	(120,000)	(360,000)
Non-current	1,133,531	9,675,893	5,341,365	-	3,184,848	19,335,637

Variable gain on residential development units	Five Bridges	Collinson Rise	Glenlake (a related party)	Saanich DCUs	Housing Yield Units	Total
Balance, beginning of year	1,029,730	246,129	-	-	-	1,275,859
Change in fair value	2,419,482	739,951	60,059	-	-	3,219,492
Balance, year ended June 30, 2024	3,449,212	986,080	60,059	-	-	4,495,351
Change in fair value	437,828	2,143,137	432,169	-	-	3,013,134
Balance, year ended June 30, 2025	3,887,040	3,129,217	492,228	-	-	7,508,485

The Company issued participating debt securities to third parties, the terms of which are disclosed as follows:

- i.) 6,500 development units were issued by the Company to raise funds to loan to Five Bridges Development Limited Partnership. Each development unit consists of one development property bond ("Development Bond") and one redeemable right ("Development Right"). The Development Bond bears simple interest from the date of issuance accrued on the principal amount of the Development Bonds outstanding from time to time at the rate of 2.7% per annum. Interest shall accrue up to and become payable on the date that is earlier of July 30, 2026 (i.e. the Maturity date) and date of redemption. Additionally, each Development Right can be redeemed and cancelled at face value by the Company, or the Development Right Holder is entitled to, on the Maturity Date of the Development Bonds, an amount equal to the aggregate of 9.6% return per year on the principal amount of the associated Development Bond, plus either:
 - a. where the Five Bridges development property is sold on or before the Maturity Date, 70% pro rata share of the amount that is or was the issuer's excess of proceeds of disposition of its interest in the Five Bridges development project and the issuer's adjusted cost base therein or;
 - b. where the Five Bridges development property is not sold on or before maturity, 70% pro rata share of the issuer's appreciated value in the Five Bridges development project.

In either case, the return is net of the accrued interest expense on the associated Development Bond accrued to the time of redemption.

The portion of the return on the Five Bridges investment related to the pro rata share of the amount that is the issuer's excess of proceeds over disposition of its interest in the Five Bridges development project was bifurcated from the development units and recorded in Variable Return on Property Bonds and measured at FVTPL. At June 30, 2025, the change in fair value of the loan receivable related to the Five Bridges project was \$5,552,915, which is ultimately used to settle this obligation when it comes due to the development unit holders.

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During the year ended June 30, 2025, \$4,958,629 of the principal amount of the development units was repaid to investors. Additionally, certain investors exchanged their development units for credits against the purchase of units in the Five Crossings property.

- ii.) The Trust issued 9,795,893 Collinson Rise units (the "CR units"), at subscription prices between \$0.96 and \$1 per unit. Each unit has a face value of \$1 and includes a non-compounded preferred return of 9% on the aggregate subscription price of a unitholder.

On April 30, 2023, the Trust entered into an agreement with Collinson Rise Limited Partnership, wherein, the amount of discount offered on the securities by the Company would be required to be automatically re-invested back into the deposit for condominium units by Collinson Rise Limited Partnership. "Discount" means the difference between the face value and offered subscription price of the Securities, instituted at the discretion of the Trust for the purpose of incentivizing purchases of the Securities.

The CR Units are non-voting, rank in priority to the common trust units and can be converted to common trust units. The aggregate subscription price on a redemption is payable solely out of the net proceeds that the Trust receives from Collinson Rise Limited Partnership and, after completion of the purchase transaction, from net rental revenues and sales of condominium units acquired and not from any other assets of the Trust. If such proceeds are less than the amount required to pay the principal amount of the CR Units and the full preferred return to all unitholders, the amounts payable to such persons shall be adjusted downward to reflect the amount available for payment to all such persons on a pro rata basis.

The CR Units are redeemable by the Trust at any time for an amount equal to the outstanding (and not previously returned) aggregate subscription price of such CR Units, plus the preferred return (the "Redemption Price") calculated up to and including the redemption date. A unitholder may elect and request that the Trust redeem the CR Units for an amount equal to the Redemption Price discounted by 10% if the redemption is requested by the holder prior to the completion date of the project as set out in note 9. Redemptions are paid out on a pro rata basis up to a maximum monthly amount of \$10,000 in total for all CR unitholders.

The portion of the return on the Collinson Rise investment related to the pro rata share of the amount that is the issuer's excess of proceeds over disposition of its interest in the Collinson Rise development project was bifurcated from the Collinson Rise Units and recorded in Variable Return on Property Bonds and measured at FVTPL. At June 30, 2025, the fair value of the embedded derivative on condominium units related to the Collinson Rise project was \$4,437,310 which is ultimately used to settle this obligation when it comes due to the CR unitholders.

- iii.) During the year, the Trust issued 2,561,241 (2024: 2,900,124) Glenlake units (the "GL units"), at subscription prices between \$0.96 and \$1 per unit. Each unit has a face value of \$1 and includes a non-compounded preferred return of 9.6% on the aggregate subscription price of a unitholder.

On November 1, 2023, the Trust entered into an agreement with Glenlake Highview Limited Partnership, a related party, wherein, the amount of discount offered on the securities by the Company would be required to be automatically re-invested back into the deposit for condominium units by Glenlake Highview Limited Partnership. "Discount" means the difference between the face value and offered subscription price of the Securities, instituted at the discretion of the Trust for the purpose of incentivizing purchases of the Securities. During the year ended June 30, 2025, an amount of \$56,468 (2024 - \$138,498) has been considered as re-investment to the deposit for condominium units.

The GL Units are non-voting, rank in priority to the common trust units and can be converted to common trust units. The aggregate subscription price on a redemption is payable solely out of the net proceeds that the Trust receives from Glenlake Highview Limited Partnership and, after completion of the purchase transaction, from net rental revenues and sales of condominium units acquired and not from any other assets of the Trust. If such proceeds are less than the amount required to pay the principal amount of the GL Units and the full preferred return to all unitholders, the amounts payable to such persons shall be adjusted downward to reflect the amount available for payment to all such persons on a pro rata basis.

The GL Units are redeemable by the Trust at any time for an amount equal to the outstanding (and not previously returned) aggregate subscription price of such GL Units, plus the preferred return (the "Redemption Price") calculated up to and including the redemption date. A unitholder may elect and request that the Trust redeem the GL Units for an amount equal to the Redemption Price discounted by 10% if the redemption is requested by the holder prior to the completion date of the project as set out in note 9. Redemptions are paid out on a pro rata basis up to a maximum monthly amount of \$10,000 per month.

The portion of the return on the Glenlake investment related to the pro rata share of the developer's profit, and the discounted purchase option of the condominium units, was bifurcated from the GL units and measured at FVTPL. At June 30, 2025, the fair value of the embedded derivative was \$492,228 (2024 - \$60,059).

North America Home Finance Inc.

Notes to the Consolidated Financial Statements

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- iv.) During the year, the Company issued 55,000 (2024: 2,580,000) Saanich Discounted Convertible units (the 'DC units'). The DC Units were issued on an exempt private placement basis under and pursuant to the provisions of the Discounted Convertible Unit Indenture and DC Unit Terms.

The DC Units offer a 20% premium upon conversion after 12 months into any other class of securities offered by the Company or any subsidiary entity of the Company. The first \$1,000,000 subscribed into this offering will receive a 24% premium upon conversion into Housing Yield Units ("HY units") issued by the Trust and the second \$1,000,000 (up to \$2,000,000) will have a 22% premium.

The DC Units will rank behind any registered mortgage charges on the 26-home rental community parcel abstract. The securities may not be transferred except with the consent of the Company. The DC Units are subject to a right of first refusal in favor of the Company. The DC units are not redeemable within 12-months of issuance, which ends between October 2024 and July 2025, subject to acceptance by the Company. Conversion into HY Units is required to receive the 20% lift in value when converting to HY units, in conjunction with the sale of the 26-home rental community into the Trust.

A subscriber in DC units will have the same redemption right available to HY unitholders following conversion into HY units.

During the year, all of the DCU unitholders converted 2,635,000 DCUs into 323,425 HY units.

- v.) During the year, the Company issued 5,058 (2024: Nil) HY units as part of an offering memorandum to issue up to 500,000 HY units which would raise gross proceeds of \$5,000,000 at a price of \$10.00 per HY unit. HY units are redeemable (subject to a monthly limit), non-voting units which entitle the holder to distributions of income or capital as declared by the trustees of the Trust.

18. Mortgages payable

	2025	2024
On January 7, 2021, the Company secured a second mortgage on the Saanich Ridge property in the amount of \$2,335,000 payable by way of draws based on development expenses incurred. The mortgage bears interest on the advanced balance at 12% per annum calculated monthly until April 1, 2023, and 24% per annum calculated monthly thereafter for a term of 20 months maturing on September 7, 2022. In addition, the un-advanced balance will accrue interest at 6% per annum. Monthly payments have been waived and interest will accrue on the balance advanced and un-advanced each month. On November 17, 2021, the loan amount for the second mortgage on the Saanich Ridge property was increased to \$3,760,000. In addition, the maturity date was amended to June 1, 2023. On May 11, 2023, the loan amount was refinanced for a total drawdown amount of \$4,510,000, the interest rate changed to 12% until August 1, 2024, and 24% thereafter with the maturity date amended to October 1, 2024. Subsequent to June 30, 2024, the maturity date was further amended to July 1, 2025, and the interest rate changed to 12% until December 1, 2025, and 24% thereafter. The maturity date was further amended to September 1, 2026, and the interest rate changed to 12% until July 1, 2026, and 24% thereafter. Interest of \$637,179 (2024 - \$421,132) has been capitalized as part of the development property (Note 6). As at June 30, 2025, \$3,100,516 (2024 - \$4,500,000) has been drawn on the mortgage. Accrued interest of \$1,005,990 (2024 - \$421,132) has been recognized under interest payable. As of June 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$4,566,292.	3,100,516	4,500,000
On November 25, 2022, the Company secured an additional mortgage on the Saanich Ridge property in the amount of \$1,610,000 from 1 City Financial Ltd. The mortgage bears interest on the advanced balance at 12% per annum calculated monthly until April 15, 2023, and 24% per annum calculated monthly thereafter for the term maturing on June 15, 2023. In addition, the un-advanced balance will accrue interest at 6% per annum. Monthly payments have been waived and interest will accrue on the balance advanced and un-advanced each month. On March 29, 2023, the maturity date was amended to August 1, 2024. In addition, the interest rate was amended to 13% per annum compounded monthly until December 1, 2023, on the advanced balance, and 24% thereafter. The amendment was accounted for as a debt modification under IFRS 9, resulting in a non-cash loss of \$57,667 in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). On August 19, 2024, the maturity date was further	1,113,625	1,122,625

North America Home Finance Inc.

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	2025	2024
amended to July 1, 2025. In addition, the interest rate of 13% per annum compounded monthly was extended to December 1, 2024, on the advanced balance, and 24% thereafter. The maturity date was further amended to September 1, 2026, and the interest rate of 13% per annum compounded monthly was extended to July 1, 2026, and 24% thereafter. For the year ending June 30, 2025, interest of \$213,249 (2024 - \$152,894) has been capitalized as part of the development property (Note 6). As at June 30, 2025, \$1,113,625 (2024 - \$1,122,625) has been drawn on the mortgage. Accrued interest of \$268,149 (2024 - \$56,815) has been recognized under interest payable. As of June 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$1,537,026.		
On April 26, 2023, the Company secured an additional mortgage on the Saanich Ridge property in the amount of \$551,000 from Robert D. Gibbens Law Corporation. The mortgage bears interest of higher of Royal Bank Prime Rate plus 2.80% or 9.50% per annum until May 1, 2024, and 21% per annum calculated monthly thereafter for the term maturing on July 1, 2024. Interest of \$Nil (2023 - \$Nil) has been capitalized as part of the development property (Note 6). As at June 30, 2025, \$546,000 (2024 - \$546,000) has been drawn on the mortgage. Accrued interest of \$78,836 (2024 - \$9,858) has been recognized under interest payable. On September 26, 2024, the maturity date was extended to July 1, 2025. The maturity date was further amended to July 1, 2026, and the interest rate changed to 9.75% until May 1, 2026, and 21% thereafter. As of June 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$682,841.	546,000	546,000
On January 10, 2023, the Company obtained a mortgage from People's Trust for an amount of \$12,780,000 at an annual rate of Prime + 0.25%, subject to a minimum rate of 6.70%. Interest of \$149,946 (2024 - \$444,090) has been capitalized as part of investment properties (Note 7). As at June 30, 2025, \$13,205,750 (2024 - \$11,190,256) has been drawn on the mortgage. The mortgage had a due date of December 1, 2024. On May 7, 2025 the mortgage was converted into a 5-year mortgage with a maturity date of December 1, 2030. As of June 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$12,307,814.	13,205,750	11,190,256
On March 31, 2025, the Company obtained a mortgage for an amount of \$22,114,000 for a first mortgage for the acquisition of 80 units in the Five Crossings development as part of investment properties (Note 6). The CMHC-insured mortgage bears an annual rate equal to the 5-year Canada Mortgage Bond + 0.50%. The mortgage matures on June 1, 2030. At June 30, 2025, accrued interest of \$62,628 (June 30, 2024 - \$nil) has been recognized under interest payable. As of June 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$20,047,993.	21,997,693	-
On January 31, 2025, the Company obtain a construction loan for an amount of up to \$36,244,756 for the development of the Saanich Ridge rental development properties (Note 5). As at June 30, 2025, \$8,031,328 has been drawn on the mortgage. The mortgage is due on February 1, 2027. The mortgage bears an annual rate equal to RBC Prime - 0.05% with a minimum rate at 6.15%. For the period ended June 30, 2025, interest of \$156,421 (2024 - \$Nil) has been capitalized as part of the development property (Note 5). At June 30, 2025, accrued interest of \$38,111 has been recognized under interest payable. As of June 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$8,155,883.	8,031,328	-
Total mortgages payable	47,994,912	17,358,881
Unamortized transaction costs	(1,802,425)	(539,796)
Mortgages payable	46,192,487	16,819,085

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	2025	2024
Current portion of mortgages payable	3,770	12,695,613
Long term portion of mortgages payable	46,188,717	4,123,472

19. Financing Costs

For the year ending June 30, 2025

	Cash financing costs paid	Non-cash financing costs	Financing costs capitalized	Financing costs expensed
Mortgages	1,176,391	894,332	1,156,795	913,928
Related party promissory notes	-	19,497	-	19,497
Promissory Notes	44,940	-	-	44,940
HYU distributions	21,830	16,018	-	37,848
Other financing costs	49,210	1,503,257	609,219	943,248
Total	1,292,371	2,433,104	1,766,014	1,959,461

For the year ending June 30, 2024

	Cash financing costs paid	Non-cash financing costs	Financing costs capitalized	Financing costs expensed
Mortgages	533,450	553,989	1,018,116	69,323
Related party promissory notes	-	34,320	-	34,320
Promissory Notes	55,250	(6,793)	-	48,457
Other financing costs	67,073	691,610	27,300	731,383
Amortization of costs	-	253,772	-	253,772
Total	655,773	1,526,898	1,045,416	1,137,255

20. Change in Fair Value

	2025	2024
Loan receivable (Note 5)	625,338	4,666,200
Deposit for condominium units – Collinson Rise (Note 9)	3,491,142	763,072
Deposit for condominium units – Glenlake Highview (Note 9)	432,169	60,059
Residential Development units – Five bridges (Note 17)	(437,828)	(2,419,482)
Residential Development units – Collinson Rise (Note 17)	(2,143,137)	(739,951)
Residential Development units – Glenlake Highview (Note 17)	(432,169)	(60,059)
Change in fair value	1,535,515	2,269,839

21. Convertible debentures

On June 26, 2025, the Company issued and sold convertible debenture units comprised of debenture notes totaling \$150,000. The convertible debentures contain common share conversion rights to the common shares of the Company ("CD Rights") and 75,000 common stock purchase warrants in the Company.

The aggregate principal number of convertible debentures which may be issued and outstanding from time to time is \$1,700,000.

The convertible debentures incur interest at an annual rate of 10% and have a maturity date that is July 31, 2026, or upon the date the Company becomes a Reporting Issuer.

The CD Rights are recorded with the liability and the warrants have been measured at \$13,079 and are recorded as contributed surplus in equity.

North America Home Finance Inc.

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22. Share capital

Authorized

Unlimited common shares no par value - Voting and participating
Unlimited preferred shares at no par value - Non-voting and non-participating

Issued

	Number of shares	Share capital
Common shares		
Balance at June 30, 2023	78,040,456	15,608,373
Issue of shares	950,000	190,000
Balance of June 30, 2024	78,990,456	15,798,373
Issue of shares	772,500	231,327
Balance at June 30, 2025	79,762,956	16,029,700

On July 17, 2024, the Company issued 272,500 common shares at \$0.20 per share.

On December 12, 2024, the Company issued 500,000 common shares at \$0.50 per share. Additionally, warrants to purchase 500,000 common shares at \$0.50 expiring August 30, 2027, were also issued and valued at \$74,370 which has been recorded as contributed surplus.

i.) Warrants

The following warrants were outstanding at June 30, 2025

Date issued	Number of warrants	Expiry	Strike price
December 12, 2024	500,000	August 31, 2027	\$0.50
June 26, 2025	75,000	August 31, 2027	\$0.50
Total	575,000		

23. Due from related parties

On January 1, 2025, the Company signed a management agreement with NAHF Equity Management Ltd. ("the Manager") whereby the Manager will provide strategic, advisory, asset management, development management and administrative services to the Company and its subsidiaries, among other things.

	2025	2024
Due from NAH Equity Company GP Inc. a company controlled by George Lawton		
Funds advanced for operating expenses	273,289	181,092
Due from NAHF Equity Management Ltd., a company owned by NAH Equity Company GP Inc. a company controlled by George Lawton		
Funds advanced for operating expenses	-	287,525
Due from Se-Mi-Ah-Mu LLP, an entity controlled by George Lawton and Navi Jagpal		
Funds advanced for operating expenses	199,590	65,938
Due from Glenlake Highview Development LP, an entity controlled by George Lawton and Navi Jagpal		
Funds advanced for operating expenses	550,640	743,215
Due from Emerge Modular Ltd., a company where Navi Jagpal has significant influence		
Construction cost of modular homes	77,691	-

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	2025	2024
Due from Pacific Hwy Industrial Development GP Inc. a company controlled by George Lawton and Navi Jagpal	4,446	4,043
Funds advanced for operating expenses		
Due from Steve Alphonse	3,535	-
Funds advanced for cost sharing		
	1,109,191	1,281,813

The amounts due from related parties are not interest bearing and are due upon demand.

24. Due to related parties

	2025	2024
Transactions		
Consulting fees to key management personnel	378,223	283,114
	378,223	283,114

	2025	2024
Balance with related parties		
Due to 1086353 BC Ltd., the majority shareholder and a company controlled by George Lawton	10,292	10,693
Funds advanced by parent company for operating expenses		
Due to NAHF Equity Management Ltd., a company owned by NAH Equity Company GP Inc. a company controlled by George Lawton	80,971	-
Funds advanced for operating expenses		
Due to Emerge Modular Ltd., a company where Navi Jagpal has significant influence	-	107,494
Construction cost of modular homes		
Due to NA Equity Co. LP, an entity controlled by NAH Equity Company GP Inc. a company controlled by George Lawton	7,583	3,501
Funds advanced for operating expenses		
	98,846	121,688

The balances with related parties are not interest bearing and are due upon demand.

Related party transactions also include promissory note with 1086353 BC Ltd, a majority shareholder for \$250,000 (2024 - \$250,000) (Note 15).

25. Financial risk management Overview

The Company's activities expose it to certain financial risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. These risks include credit risk, liquidity risk, foreign exchange risk and interest rate risk. The actions taken to manage them are outlined below. The directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

i.) Credit risk

Credit risk is defined as the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, net investment in sub-lease and deposit for condominium units. The Company is exposed to credit risk as some tenants may experience financial difficulty and may default in payment of rent in the current economic environment. The Company attempts to minimize possible risks by collecting security deposits from tenants. At June 30, 2025, the Company has provided for \$91,580 (2024 - \$Nil) expected credit losses.

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The Company has mortgage title and security over properties financed by the loan receivable and the deposits for condominium units. Further, cash balances are deposited with a major Canadian banking institution. The Company's maximum exposure to credit risk is the value of its cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, deposit for condominium units, net investment in subleases and due from related parties.

ii.) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company ensures that there is sufficient capital to meet short term business requirements, after considering cash flows from operations and the Company's holdings of cash. The Company acquires mortgages from financial institutions and completion of private debt placement to meet ongoing financial obligation, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Company's future net cash flows for the possibility of negative net cash flow.

The Company's liquidity risk arises from obligations in normal course of operations including accounts payable and accrued liabilities, interest payable, lease liability, promissory note with related party, due to related parties, real property bonds, residential development units, convertible debentures, mortgages payable, and redeemable preference shares. After examining the economic factors that could cause liquidity risk, the Company believes it will have sufficient liquidity to support its operations and meet its financial obligations for at least twelve months. If the Company is not successful, then this uncertainty may cast significant doubt with respect to the ability of the Company to continue as a going concern (see Note 1).

The following table details the Company's contractual maturities of its financial liabilities at June 30, 2025, and 2024:

	Year ended June 30, 2025		Year Ended June 30, 2024	
	Less than one year	Greater than one year	Less than one year	Greater than one year
Accounts payable and accrued liabilities	6,045,564	-	2,183,024	-
Interest payable	173,461	1,384,672	547,192	453,223
Current portion of promissory note	6,866,816	-	584,896	-
HomePlan contribution	-	285,750	-	116,469
Promissory note with related party	-	250,000	-	250,000
Lease liabilities	100,003	1,282,489	6,509	-
Redeemable preference shares	577,500	-	641,056	-
Real property bonds	-	4,246,375	-	3,604,187
Residential development units	360,000	19,335,637	240,000	21,540,017
Convertible debentures	-	139,421	-	-
Mortgages payable	3,770	46,188,717	12,695,613	4,123,472

iii.) Foreign exchange risk

The Company holds minimal cash balances in US dollar denominated accounts which have exposure to currency fluctuations. As the Company's cash balance in the US dollar denominated account is not considered significant, the Company's exposure to foreign exchange rate risk is minimal.

iv.) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's Real Property Bonds, Residential Development Units, mortgages

North America Home Finance Inc.

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and promissory note are based on both fixed and variable interest rates and are therefore impacted by fluctuations in market interest rates. A fluctuation of 1% on the prime interest rate would lead to a \$365,459 change in interest payments on the mortgages payable that have an interest rate linked to the prime rate and the promissory note with related parties.

26. Capital disclosures

The Company manages its capital, consisting of shareholders' equity, promissory notes with a related and unrelated parties, real property bonds and mortgages payable, in a manner consistent with the risk characteristics of the assets it holds. All sources of financing are analysed by management and approved by the directors. As of June 30, 2025, the Company has a net current liability position of \$5,891,659 (2024 - \$14,696,983).

The Company's objectives when managing capital are:

- a) to safeguard the Company's ability to continue as a going concern; and
- b) to facilitate the completion of corporate objectives.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity, and quarterly review of financial results. There is no change to the Company's approach to management of capital during the period. The Company is not subject to any externally imposed capital requirements.

27. Income tax

The following table reconciles the expected income tax expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of loss and comprehensive loss for the period ended June 30, 2025, and 2024:

	2025	2024
Income (loss) and comprehensive income (loss) before tax	(1,997,560)	951,255
Statutory tax rate (in percentage)	27	27
Expected income tax (recovery)	(539,341)	256,839
Non-deductible items	11,062	(297,490)
Change in estimates	(730,004)	55,251
Change in deferred tax asset not recognized	1,125,317	(52,768)
Other	132,966	38,168
Total income tax expense (recovery)	-	-

The unrecognized deductible temporary differences as at June 30, 2025, and 2024 are comprised of the following:

	2025	2024
Non-capital losses carry forward – Canada	4,514,307	3,006,321
Development properties	4,259,082	24,920
Investment properties	-	2,700
Real property units	8,311,383	1,090,173
Financing costs	473,639	-
Total unrecognized deductible temporary differences	17,558,411	4,124,114

The Company has not recognized a deferred tax asset in respect of non-capital loss carry forward of approximately \$4,514,307 (2024 - \$3,006,321) which may be carried forward to apply against future income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring between 2040 and 2045.

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28. Changes in non-cash working capital

	2025	2024
Decrease (increase) in accounts receivable	(357,763)	80,598
(Increase) decrease in prepaid expenses	528,037	(28,121)
Increase in due from related parties	172,622	(1,071,846)
(Decrease) Increase in due to related parties	(22,841)	69,182
Increase in accounts payable and accrued liabilities	3,860,977	349,547
Increase in other receivables	(8,331)	(220,670)
	4,172,701	(821,310)

29. Commitments

During the year ended June 30, 2025, the Company signed contracts for the future construction of fifty-two homes for a total amount of \$25,940,258 (including GST) with its vendor of which \$22,287,385 remains unbilled.

The Company has guaranteed certain financing provided by KV Capital to Boynton Developments (Kelowna) Ltd and Highland Promontory Development Limited Partnership with an aggregate indebtedness of \$7,559,693 at June 30, 2025.

The Company has guaranteed certain financing provided by Peakhill Capital to Glenlake Highview Development Limited Partnership, a related party, with an aggregate indebtedness of \$13,500,000. The financing is secured with collateral charges on the Saanich Ridge property and the Five Crossings Apartment Property. The funds advanced by the Company to the Glenlake Highview Development Limited Partnership are subordinate to loans advanced under this Peakhill Capital financing. The obligations under this Peakhill Capital financing are guaranteed by, among others, the Company, NAHF Limited Partnership, 1404122 B.C. Ltd., and 1289900 B.C. Ltd. The Company has not adjusted the financial statements because the Company has determined that it is not probable that any liability will arise from this guarantee.

30. Subsequent events

On October 30, 2025, the Company completed a first mortgage of \$14,500,000 for the replacement of the existing mortgage from People's Trust and a \$1,500,000 pay down of the 1 City Mortgage. The mortgage is a demand facility payable at any time upon demand by the lender at an interest rate equal to the RBC Prime Rate plus 275 basis points with a minimum of 7.45%. In February 2026 Peakhill Capital changed the facility to a term loan with a maturity date of June 1, 2027.

In February 2026, the mortgage maturity date of the 2021 second mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027 and the mortgage maturity date of the 2022 mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027.



NORTH AMERICA HOME FINANCE INC.

Management's Discussion and Analysis

For the year ended June 30, 2025

This management's discussion and analysis ("MD&A") in respect of the results of operations of North America Home Finance Inc. ("NAHF Inc." or the "Company") should be read in conjunction with the Company's audited consolidated financial statements and related notes for the years ended June 30, 2025, and June 30, 2024 (the "Financial Statements").

The Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") unless otherwise noted. All dollar amounts and references included in this MD&A are in Canadian dollars.

NAHF Inc.'s Board of Directors, approved the content of this MD&A on February 11, 2026.

Non-GAAP measures

The MD&A refers to terms that are not specifically defined in IFRS and do not have any standardized meaning prescribed by IFRS. These non-GAAP financial measures and supplementary financial measures may not be comparable to similar measures presented by other companies. We believe that the non-GAAP financial measures and supplementary financial measures are useful in assisting investors in understanding components of our financial results. For a definition of these measures refer to the section "Non-GAAP Measures".

Forward looking information

Refer to the cautionary statement regarding forward-looking information under the heading "Forward-Looking Information" in the Prospectus of the Company to which this MD&A is attached as Appendix A.

Business overview

NAHF Inc. is a corporation, initially incorporated under the *Canada Business Corporation Act* on July 27, 2016, and then continued to British Columbia under the *Business Corporations Act* (British Columbia) on December 22, 2023. The Company was created to manage and operate revenue-producing residential real estate properties and to fund the development and ownership of new residential real estate in conjunction with homeowners. The Company directly or through its subsidiaries is engaged in the business of acquiring, financing, developing, holding, maintaining, improving, leasing, managing or otherwise dealing with income producing residential real property through the issuance of subsidiary trust units to subscribers, and investing the proceeds from such issuance in the development of real estate properties and growing the business of providing financing to residential real estate developers and home purchasers.

The Company's core vision is to contribute to growth in home ownership in North America through the introduction of advanced financing tools and mortgage products for housing developers and home purchasers.

The Company is specifically focused on offering shared equity housing agreements through its HomePlan Equity Building Program ("HomePlan") to qualified employed renters to enable them to begin building equity. In the future when a family has accumulated more equity the Company also intends to offer qualified shared appreciation mortgage products with lower monthly payments to deliver a broader range of payment terms to the market and transition families into being able to work with existing conventional mortgage lenders. To effectively operate in this way and compete with other real estate investment vehicles for capital, the Company intends to increase its asset base through the development and acquisition of income-producing housing real estate.

As the asset base increases and the total capital available to the Company grows giving it greater economies of scale, there is expected to be greater competitiveness on financing terms allowing a wider range of home purchasers to be served.

The Company intends to focus part of its strategy on developing and acquiring newer housing assets which have longer economic life spans and require less short-term capital maintenance reserve expense. Focusing on newer properties should also provide home occupants with a greater probability of predictable experience in home maintenance with less chance of larger more expensive repairs being needed.

The Company's focus is on the development, acquisition, and management of a portfolio of high-quality housing communities in both suburban and high-density urban locations, in cities with projected ongoing population growth. As of June 30, 2025, the Company had investments either directly, or through its subsidiary NAHF Real Estate Trust, in five residential locations including the Saanich Ridge Development, Mountain View Estates Development, and Glenlake Highview Development, all on Southern Vancouver Island, BC, as well as the Five Crossings Apartments and Revo Development ("Collinson Rise" or "Revo") in Kelowna, BC, and non-binding letters of intent to invest in or acquire additional housing communities on Vancouver Island and in the Okanagan Valley.

The Company organized the Trust (defined below) as a subsidiary to fund housing development projects through segregated unit classes and to hold income-producing housing assets for the long term. The Trust provides third-party unitholders a preferred investment position which is designed to reduce volatility for those unitholders. The Company receives a share of the profits in the development projects and a share of the property appreciation of the income-producing housing assets in exchange for subordinating its equity in the Trust to third-party unitholders.

NAHF Real Estate Trust

NAHF Real Estate Trust (the "**Trust**") is an unincorporated, limited purpose open-ended investment trust formed under and governed by the laws of the Province of British Columbia. The Trust is governed by an Amended and Restated Declaration of Trust dated September 26, 2023, as amended and supplemented from time to time, a copy of which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

The Trust's primary business focus is the indirect holding of residential rental real estate, through its wholly owned subsidiary, NAHF Limited Partnership (or other limited partnerships or investment arrangements as may be established by the Trust from time to time). Returns of principal, profits, and capital will flow solely from the housing income properties held by the NAHF Limited Partnership (or other limited partnerships or investment arrangements as may be established by the Trust from time to time) to the Trust and certain unit holders of the Trust.

The Trust has three types of unit classes:

- (i) Common Units, all of which are held by the Company,
- (ii) Residential Development Units, which link a specific development project investment to a given series of units and,
- (iii) Housing Yield (HY) Units, which invest into the revenue producing property portfolio held by NAHF Limited Partnership.

The Trust provides financing to real estate developers for the development of its own residential rental units and intends to acquire, and where appropriate refurbish, or redevelop, operating residential rental properties, in each case for the purpose of earning rental income. The Trust may also earn interest from providing secured financing to homebuyers or housing developers.

The Trust has contracted with the Company for all its operational needs and does not have its own fixed salary costs or office space costs pursuant to an Administration and Property Management Services Agreement, a copy of which is available under the Company's profile on SEDAR+ at www.sedar.plus.ca.

Strategy

In addition to driving sustainable occupancy rates within its existing housing assets described in points 1 and 2 below, NAHF Inc. expects to grow the total portfolio of housing assets available to be offered with a HomePlan Agreement for the occupants in 2025 and beyond through:

1. Direct majority owned development.
2. Development partner project investments.
3. Forward (wholesale) acquisition of to-be-built housing assets
4. Preferred share consideration acquisitions of new assets.
5. Apartment building conversions.
6. MLS resale asset accumulation which is a “tenant first” approach allowing potential tenants, who are pre-qualified by the Company, to select a home that is for sale on MLS which will be acquired by the Company and held as a rental property rented to the tenant under a HomePlan agreement.
7. Structured Mortgage AUM (capital light).

HomePlan Equity Building Program

The Company offers and operates the HomePlan program under an exclusive license to provide shared equity housing options to qualified employed renters. A HomePlan agreement provides that a tenant pays an additional amount over and above the monthly rent payment, representing an option cost which accumulates over the term of the agreement and can be credited against the purchase price for the home together with a share of the appreciation in value of the home over that term.

HomePlan agreement status as of June 30, 2025, is outlined in the table below:

HomePlan agreements	June 30, 2025	June 30, 2024
Signed	30	19
Active	30	13

Property portfolio

The Company is currently active in the Greater Victoria market as well as the Central Okanagan market, both of which are experiencing housing supply constraints due to various factors, including as a result of land scarcity. Land scarcity has resulted in increased land values and necessitated taller higher density building projects in these markets.

Wholly owned homes are currently being developed, sold and rented at the Company's Saanich Ridge Development in greater Victoria.

The Company continued its strategy of forward acquisition (wholesale) of to-be-built housing assets by closing the finance offering for its investment in the Revo Development in May 2024, which funds were advanced to the Collinson Rise Limited Partnership and serve as a deposit for 75 condominiums projected to be completed in 2026. Additionally in 2024, an agreement to acquire 35% of the total number of units upon completion of phase 1 of the Glenlake Development in the Langford, greater Victoria area was signed and a portion of the financing raised.

The Company believes it is well positioned to use its HomePlan program offered through the NAHF Real Estate Trust to accelerate sales at the Revo Development, the construction of which was fully financed by the developer in fiscal 2025, and the Saanich Ridge Development.

HomePlan agreements	June 30, 2025	June 30, 2024
Saanich Ridge Development	23	19
Five Crossings Development	7	-

The Company also intends to pursue its other five growth strategy transactions over the long term.

Development partners

In addition to selecting cost effective and attractively located sites the Company selects development partners with strong track records.

Key Performance Measures

Homes pipeline and homes held

Given that NAHF Inc.'s principal objective is to increase the number of households that can grow an equity stake in their own homes, key measurements for the Company overall are the number of homes that are in the pipeline for future occupancy, and the number of homes already held for HomePlan purchasers.

The table below outlines the housing assets held and the pipeline of housing assets that are intended to be held in NAHF Real Estate Trust and operated within the Company.

Homes pipeline and homes held measures are operational measures and therefore may not be comparable to similar measures presented by other companies.

As at June 30, 2025 Property description	Planned Homes	Homes Held (Completed)	% Construction Complete	Pipeline (homes to be constructed)
Edmonton properties	2	2	n/a	-
Home sales and sub-lease income				
Saanich Ridge Estates Land Leases	40	28	70%	12
Rental Income				
Saanich Ridge Rental Community #1	26	26	100%	-
Saanich Ridge Rental Community #2	26	-	49%	26
Five Crossings Development	80	80	100%	-
Revo Development	75	-	0%	75
Rental Income				
Mountain View Estates	123	-	0%	123
Saanich Ridge Rental Community #3	26	-	2%	26
Glenlake Development Tower 1	82	-	0%	82
Total	480	136		344

The Saanich Ridge Development investment is a residential subdivision with approval for 118 homes in total with a mixture of 40 lot subleases and 3 potential rental communities with 26 houses each. At June 30, 2025,

the Company has built out 28 of the 40 houses and is collecting sub lease payments on those subleases. The first rental community was completed as of March 31, 2025. The Company is continuing to develop the next two 26 home rental communities.

The Five Crossings Development 80-unit condominium air-space parcel was acquired as of March 31, 2025.

The Revo Development condominium building where the Company or its subsidiary has an agreement in place pursuant to which it has the right to acquire 75 units as a distinct air-space parcel within the building, subject to standard closing conditions, is at approximately 54% completion and continues to be developed.

On December 6, 2024, the Company incorporated MVE GP and formed the MVE LP on December 17, 2024. On December 18, 2024, MVE LP acquired an interest in a 99-year prepaid head lease (the "Mountainview Estates Lands Lease") for the property identified as Mountainview Estates. Mountainview Estates is located at Lot 73, Cowichan First Nation Lands, Duncan, British Columbia and is made up of approximately 18 acres. The Mountain View Estates Development is a residential subdivision in which the Company expects to build 123 homes in total with a mixture of subleases and potential rental communities.

The Glenlake Development project includes 3 towers with a mixture of studio, one-bedroom and two-bedroom units. Tower 1 has a 24-storey residential building with 230 proposed strata lots containing 279 rental units of which the Company intends to acquire a minimum of 35% upon completion. The Company intends to enter similar arrangements for towers 2 and 3.

The Company believes it has created a pipeline of residential assets that have the potential to provide reliable and stable cash flow and continues to pursue opportunities that will increase the diversification of income-producing assets through other acquisitions and/or development.

The portfolio of development projects is progressing as anticipated, and management remains confident that there will be continued demand for housing and positive absorption in the markets and locations the Company has selected to pursue new housing development.

The Company intends to use its HomePlan program to generate sales at these developments and build its asset base.

Occupancy Levels

The Company strives to achieve average 98% occupancy within its portfolio of properties to maximize cash flow and margin beyond its debt service requirements.

Occupancy levels is an operating measure and therefore may not be comparable to similar measures presented by other companies.

Occupancy levels are measured by property at the end of each reporting period to ensure the Company is achieving sustainable occupancy rates. As of June 30, 2025 occupancy levels were:

Property	Occupancy rate
Saanich Ridge rental community	92%
Five Crossings 80 units	84%
Total	88%

The Saanich Ridge rental community was completed on March 31, 2025, and as of the date of this report occupancy for the rental community has increased to 96%.

The Five Crossings units were acquired on March 31, 2025, and as of the date of this report occupancy for these units is 80%.

The Company expects to continue to increase newly built, housing assets intended to enable us to maintain high occupancy levels through tenant purchaser retention.

Average annualized contractual recurring cash flow from income-producing housing assets

Average Annualized contractual recurring cash flow from income-producing housing assets is a supplementary financial measure that indicates recurring cash inflows for the Company, including rental income and sub-lease income based on a run rate as of a particular date. Specifically, average annualized contractual recurring cash flow is calculated as the sum of (i) the average annual rental rate per square foot for occupied units as of the applicable period end date multiplied by the aggregate square footage rented as of such date, plus (ii) the average monthly sub-lease per unit as of the period end date annualized and multiplied by the number of units subject to a sub-lease as of such date. Average annualized contractual recurring cash flow may not be comparable to similar measures presented by other companies. See "Non-GAAP Measures".

As of June 30	2025	2024
Square feet rented	97,543	67,453
Average annual rent per square foot	\$35.46	\$26.16
Annualized recurring rent cash flow	3,458,875	1,764,570
Units sublet	27	22
Average monthly sub-lease per unit	460	460
Number of months	12	12
Annualized recurring sub-lease cash flow	149,040	121,440
Average Annualized contractual recurring cash flow	3,607,915	1,886,010

In 2025, the Company completed additional homes in the Saanich Ridge rental community and acquired 80 units in the Five Crossings Development, expanding its recurring cash flow from rental income producing housing assets.

During the year, the Company sold and sub-leased 3 homes in the Saanich Ridge Development, bringing the total homes under sub-lease to external third parties to 27 (one completed home is still owned by the head lessor for a total of 28 completed homes). All sub-leased homes generate monthly sub-lease income as well as reducing the net investment in sub-leases. The remaining 12 homes are under construction.

In 2025, the Company increased its average annualized contractual recurring cash flow from income producing housing assets by \$1.7 million from \$1.89 million to \$3.6 million.

The Company expects its average annualized recurring cash flow to increase as additional rental community housing units are completed in 2026 and beyond.

2025 Highlights

Years ending June 30	2025	2024
Summarized statement of loss and comprehensive loss data		
Total Revenue	4,341,361	1,982,205
Net Income (Loss)	(1,997,560)	951,255
Per share data		
Weighted average number of shares	79,229,175	78,436,072
Basic and diluted loss per share	\$(0.025)	\$ 0.012
Summarized statement of financial position data		
Total Assets	107,151,457	65,585,432
Total Non-current Financial Liabilities	80,621,546	34,582,719

Throughout the year we maintained a conservative, focused approach to strengthening our financial position and earnings capability, by increasing our income producing housing asset base, financing the development of investment property and investing in wholesale development housing acquisition.

Revenue in 2025 consisted of home sales, acquisition and development fees, rental income and sub-lease income totalling \$4.3 million, which was \$2.36 million higher than 2024. Home sales increased from 38% of revenue in 2024 to 54% in 2025 and rental income accounted for 38% of revenue in 2025 up from 12% in 2024, as the Company finalized Phase 1 of the Saanich Ridge Development rental community, completing and renting 26 homes by the end of Fiscal 2025. The Company also earned sub-lease income associated with the land related to homes sold in prior years and an additional 3 homes sold in 2025.

Net losses of \$2 million were incurred for the year ended June 30, 2025, due to \$2.95 million additional costs incurred by the Company to generate higher rental and home sales revenue and acquire more income producing assets.

Total assets increased \$41.57 million to \$107 million in 2025 as the Company expanded its income producing housing asset base by completing the first Saanich rental community and acquiring 80 condominium units in the Five Crossings development. Additionally, the Company increased deposits for condominiums in alignment with its Forward (wholesale) acquisition of to-be-built housing assets strategy.

Non-current financial liabilities increased \$46 million to \$80.62 million primarily as the Company financed development of the Saanich rental community and the acquisition of the 80 Five Crossings units.

The Company issued \$2.67 million of Residential Development Units ("RDUs") to investors as it financed deposits for condominiums. Additionally, the Company converted the Saanich Discounted Convertible Debentures into Housing Yield Units as expected.

With the acquisition of the 80 units in Five Crossings, the Company repaid \$4.96 million of the Five Bridges RDUs and the Company was able to exchange \$0.4 million of the RDUs for credits toward the purchase of condominium units in the Five Crossings development for those investors.

Review of financial and operating results

Readers are reminded that established key performance measures may be non-standard or non-GAAP measures. Refer to the "Non-GAAP Measures" section below.

Segments

The Company has one reportable operating segment which is made up of its real estate operations based in British Columbia and Alberta, Canada. All of the Company's noncurrent assets are located in and revenue is earned in Canada.

Discussion of operations

Revenue

The Company earns revenue from the sale of homes, sub-lease income and rental income, as well as acquisition and development management fees.

Years ending June 30	%	2025	%	2024
Home sales	54%	2,325,670	38%	762,400
Acquisition and development management fees	6%	269,589	43%	856,775
Rental income	38%	1,642,575	12%	244,349
Sub-lease income	2%	103,527	6%	118,681
Total Revenue	100%	4,341,361	100%	1,982,205

Home sales increased from \$0.76 million for 1 home sold in 2024 to \$2.3 million for 3 homes sold in 2025.

The 28 homes sold up to June 30, 2025, generated sublease income in 2025 of \$0.1 million. The Company expects to build the remaining 12 homes designated to be built for sale and begin generating home sales revenue and sub lease income from those homes as they are built starting in 2026.

Acquisition and development management fees are recognised as and when the Company provides services under the terms of the agreements with developers.

Effective January 1, 2025, the Company entered into a management agreement (the "Management Agreement") with NAHF Equity Management Ltd. (the "Manager"). Pursuant to the Management Agreement, acquisition, development and other fees will be earned by the Manager, which is expected to reduce net income of the Company. As this change in activity occurred, Acquisition and development management fees decreased by \$0.59 million from 2024 to \$0.27 million in 2025.

Rental income increased \$1.4 million in 2025 to \$1.6 million as the Company rented the units in the Five Crossings Development and the Saanich rental community homes to qualified renters at the time those homes were completed and available to be rented. Existing rental homes on HomePlan are each expected to begin being sold to occupants the later of five to seven years into the future when renters become eligible to exercise their option to purchase the home.

Cost of sales and gross margin

Years ending June 30	%	2025	%	2024
Revenue		4,341,361		1,982,205
Cost of Sales		1,820,828		849,589
Gross Margin	58%	2,520,533	57%	1,132,616

Cost of sales is primarily comprised of the costs of developing homes for sale, property management and maintenance costs. In 2025, cost of sales was higher than 2024 as the Company sold 3 homes, whereas in 2024 it sold 1 home. Additional costs were also incurred to market the 80 units acquired from Five Crossings to renters.

Gross margin of \$2.5 million and 58% is \$1.39 million higher than gross margin achieved in 2024, attributable to higher home sales and expanding rental income from the expanding recurring income producing housing asset base.

Expenses

Years ending June 30	2025	2024
Expenses		
Depreciation	1,483,521	153,730
General and administrative expenses	955,039	236,849
Salaries, wages and benefits	46,484	16,550
Professional fees	1,621,920	766,817
Sales and marketing expenses	65,226	138,717
	4,172,190	1,312,663

As the Company focused on scaling for growth in 2025, expenses increased overall by \$2.9 million.

Depreciation expense is associated with the rental income producing properties, representing the cost of development and capitalized financing over the life of properties developed by the Company, or the cost of acquisition of properties acquired by the Company. Depreciation expense on the investment properties is \$1.3 million higher than in 2024 as the Company increased its rental income producing properties through the completion of the first Saanich rental community and the acquisition of 80 units in the Five Crossings development.

General and administrative expenses increased \$0.7 million to \$0.96 million in 2025 as the Company incurred expenses to generate higher rental and home sales revenue and acquire more income producing assets.

Salaries, wages and benefits increased \$0.03 million to \$0.05 million in 2025 related to recruiting.

Professional fees increased by \$0.86 million in 2025 to \$1.6 million primarily due to increased audit and consulting fees as the Company expanded.

Sales and marketing expenses decreased by \$0.07 million as most homes available for rent were rented and less marketing was required.

Other income

Other income is comprised of gains on conversion of the right of use asset into net investment in sub-leases when 3 homes were sold in 2025.

Financing costs

Years ending June 30	2025	2024
Mortgage interest	913,928	69,323
Related party promissory notes	19,497	34,320
Promissory notes	44,940	48,457
HYU distributions	37,848	-
Other financing costs	943,248	731,383
Amortization of deferred financing costs	-	253,772
	1,959,461	1,137,255

Most of the Company's financing costs are capitalized to specific projects which are financed by real property bonds, and residential development units issued by the Trust, mortgages and promissory notes. The remaining financing costs are attributable to other financing costs, interest on mortgages and interest on long term debt.

Financing costs increased \$0.82 million to \$1.95 million in 2025 primarily due to increased mortgages and premium on conversion of the Saanich discounted convertible units into Housing Yield Units which is reflected in other financing costs. Please refer to Note 19 of the notes to the consolidated financial statements for more information.

The Company expects to be more focused on raising project specific debt in 2026 and beyond as it continues to build its income producing asset base.

Change in fair value

The Company recognized a gain on the change in fair value of its financial instruments of \$1.5 million compared with a fair value gain of \$2.3 million in the prior year. The gain in the current year was attributable to the Company's share of expected profit in the Five Crossings and Glenlake Highview Developments.

Finance income

Finance income of \$(0.0008) million in 2025 is comprised of interest adjustments on the loan receivable. In 2024 finance income of \$0.004 million was comprised of interest earned on the loan receivable.

Income Tax Expense

The statutory tax rate for the year ended June 30, 2025, is 27% (2024 - 27%). The most significant adjustment impacting the 2025 effective tax rate was loss carried forward from prior years. Other items that impacted the effective tax rate include temporary timing differences related to real property bonds and residential development units.

Properties

The Company's properties as at June 30, 2025, consisted of the Saanich Ridge Development property, net investment in sub-leases of 27 of 40 lots sublet and investment properties in Edmonton and the Saanich Ridge rental communities. There is also a right of use asset associated with a 99-year lease for Saanich Ridge.

At June 30	2025	2024
Development properties	1,148,925	806,499
Net investment in sub-leases	1,658,353	1,490,698
Right of use asset	3,299,542	1,955,326
Investment properties		
Edmonton properties	143,686	152,023
Saanich Ridge Rental Community #1		
Development costs	20,589,868	17,523,617
Right of use asset	1,220,049	1,232,751
Saanich Ridge Rental Community #2 & #3		
Development costs	7,710,415	-
Right of use asset	2,126,849	2,126,848
Saanich Ridge Lot 140	647,690	683,180
Saanich Ridge Lot 142	48,600	51,300
Five Crossings Development	27,536,169	35,025
	60,023,326	21,804,744
Loan receivable (Five Crossings)	6,074,165	11,343,716
Deposits for condominiums		
Collinson Rise/Revo Development	14,264,368	10,786,673
Glenlake Development	5,990,475	2,701,741
	20,254,843	13,488,414

Development properties

The Saanich Ridge Development property is planned to be divided into 7 phases and is made up of 118 units of single family detached homes of which 40 are being developed for sale (with 27 sold to date) and 78 are for inclusion in the Company's rental pool of properties (with 26 completed to date). The Company plans to rent out the rental homes using its HomePlan model for a minimum term of five years post which the tenants under such model would have option to purchase the home between the end of fifth year up to the end of seventh year. The Carrying value of \$1.15 million is attributable to development costs for the remaining 12 of 40 single family detached homes under development for sale.

Net investment in sub-leases

During the year ended June 30, 2025, the Company entered into sub-lease agreements to lease the land associated with 3 homes, which were sold during the year in connection with the Saanich Ridge Development. The Company is the head lessee on the land and enters into sub-lease agreements with customers when a sale of a home occurs. As per the agreement, the Company has a right to terminate the term of the lease in case of events of default. The terms of the subleases are for the majority of the remaining economic life of the right-of-use asset and therefore, are classified as finance leases. Please refer to Notes 8 and 11 of the notes to the consolidated financial statements for more information. During the year ended June 30, 2025, the Company recognized a gain on recognition of the sublease of \$0.113 million and recorded

the gain in other income on the statement of income (loss) and comprehensive income (loss). During the year ended June 30, 2024, sublease payments were discounted to present value at a rate of 8% over 99 years.

The Company recognized \$1.66 million net receivable for the subleases at June 30, 2025.

Right of use asset

On August 24, 2017, the Company entered a 99-year front ended head lease with renewal options (the "Lease") for the property identified as Saanich Ridge Estates. Saanich Ridge Estates is located at Lot 8-1 Tsawout First Nation Lands, Central Saanich, British Columbia and is made up of approximately 14 acres.

Management has assessed the terms of this arrangement and concluded that it meets the definition of a lease given management has control over the leased property. Accordingly, a right-of-use asset and lease liability has been recorded which represents the discounted value of the land lease over the initial lease term being 99 years. Refer to Note 15 of the notes to the consolidated financial statements for details related to the lease liability.

On June 1, 2023, pursuant to the agreement signed by the Company with the lessor, the land was subdivided into 2 land parcels, one parcel which would be governed by the original lease arrangement and the other parcel, on which 26 rental homes would be constructed, would be governed by the amended lease agreement.

On November 29, 2024, the Company entered into a 99-year front ended head lease with renewal options (the "MVE Lease") for the property identified as Mountain View Estates. Mountain View Estates is located at Lot 73, CLSR Plan No. 52745 Cowichan Indian Reserve No. 1, Duncan, British Columbia and is made up of approximately 19.6 acres.

Management has assessed the terms of this arrangement and concluded that it meets the definition of a lease given management has control over the leased property. Accordingly, a right-of-use asset and lease liability has been recorded which represents the discounted value of the land lease over the initial lease term being 99 years. Refer to Note 15 of the notes to the consolidated financial statements for details related to the lease liability.

During the year ended June 30, 2025, the right of use asset increased \$1.3 million to \$3.3 million. The Company recognized \$1.4 million initial recognition of the right of use asset for the MVE Lease. The right of use asset depreciated \$0.03 million and there was a transfer of \$0.08 million to net investment in subleases because of the home sales and associated underlying sublease of land.

Investment properties

Investment properties of \$60 million include the first completed Saanich rental community at a carrying value of \$21.8 million, the 80 units acquired from Five Crossings at a carrying value of \$27.5 million and a right of use asset being the value of the head lease attributable to Saanich Ridge rental communities 2 and 3 of \$2.1 million.

The Company intends to rent these new rental homes using the HomePlan shared equity program.

The Company has determined that the fair value of the Saanich Rental Community #1 is \$24.3 million based on the option to purchase agreements signed by HomePlan tenants and the discounted cash flows from these agreements.

A commitment letter to finance additional development costs for Phases 2 and 3 of the rental community was also signed by the Company on October 1, 2024. These additional development phases are expected to be completed within 2 years, with rental homes being rented as they are completed throughout the 2-year period. Please refer to Note 29 of the notes to consolidated financial statements for further information.

Additionally, the Company holds Saanich Ridge Lot 140, a \$0.65 million home held for sale in the Saanich Ridge Development which is currently being rented to tenants by the Company and being held as an investment property for rental.

Loans receivable

On July 5, 2021, the Company entered into an agreement with Five Bridges Development Limited Partnership whereby a loan was advanced to be used for the construction and development of a six-story condominium project on six parcels of real estate located in Kelowna. The loan along with the interest accrued is repayable by Five Bridges Development Limited Partnership by June 30, 2026. The amount advanced is secured by a mortgage on the six real estate properties underlying the development located in Kelowna. Management believes the fair value of this loan is equal to its carrying value. On March 31, 2025, the Company completed the purchase of 80 condominium units in the Five Crossings development, at which time Five Bridges Development Limited Partnership provided a purchase price credit of \$5.58 million and \$0.4 million in condominium credits as partial repayment of the outstanding loan amount. A change in fair value of \$0.6 million in the loan receivable was recognized in the year ended June 30, 2025. The remaining balance of \$5.98 million remains repayable by June 30, 2026.

Several additional loans totalling \$0.09 million were made to other parties during the year ended June 30, 2025, repayable in 2026 and future years.

Please refer to Note 5 of the notes to the consolidated financial statements for additional information.

Deposits for condominium units

Deposits for condominium units increased \$6.77 million to \$20.25 million in the year ended June 2025.

In May 2024, the Trust closed the finance offering for its investment in the Revo Development, which funds were advanced to the Collinson Rise Limited Partnership and serve as a deposit for 75 condominiums projected to be completed in 2026.

An agreement to acquire 35% of the total number of condominium units upon completion of phase 1 of the Glenlake Development in the Langford, greater Victoria area was also signed, and a \$2.5 million portion of the financing was raised. Development permits were received in October 2024, and construction is estimated to commence in 2026 with the condominium units expected to be completed on a three-year timeline.

The Revo Development and the Glenlake Development increased in fair value by \$3.5 million and \$0.43 million, respectively in 2025.

Please refer to Note 9 of the notes to consolidated financial statements for more detailed information.

Capital Resources and liquidity

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to facilitate the completion of corporate objectives.

Property development is a capital-intensive activity. Sufficient capital is required to develop new property and participate in property investments that align with deploying shared housing equity options.

The Company anticipates that it will make substantial capital expenditures for the development and acquisition of properties in the future. There can be no assurance that debt or equity financing or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly.

The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, the result of its operations or its overall prospects.

We have developed strong relationships with our lenders and property owners, which has to date provided the Company access to attractive development properties and reasonable financing terms, despite fluctuating credit markets and ongoing changes in the economic environment.

Capital, consisting of shareholders' equity, convertible debentures, promissory notes with a related and unrelated party, real property bonds and mortgages payable, is managed in a manner consistent with the risk characteristics of the assets the Company holds.

The Company, through the Trust, has issued Residential Development Units, which are liabilities of the Company, are linked to specific development project investments and allow the investor to participate in the returns of that development project. The Trust benefits from not having to pay any returns on such units until the development is complete and any profits have been distributed, thereby reducing its need for cash. While certain unit holders do have the option to redeem prior to maturity, the redemption terms are structured so as to disincentivize early redemption. No holders of residential development units have exercised this option to date.

The balance of the capital is sourced from fixed and variable rate mortgages. The \$11.9 million fixed rate mortgages account for approximately 54% of the mortgage borrowings with higher than market interest rates. These fixed rate mortgages are actively being repaid.

The \$35.2 million variable rate mortgages, accounting for the remaining 46% of mortgage financing, are CMHC insured allowing the Company to reduce the overall interest rate and extend the amortization period.

Management completes detailed reviews and performs due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity, and performs quarterly reviews of financial results.

All sources of financing are analysed by management and approved by the directors. As of June 30, 2025, the Company had a net current liability position of \$5.9 million.

The Company's activities expose it to certain financial risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. These risks include credit risk, liquidity risk, foreign exchange risk and interest rate risk which are discussed in the MD&A as well as in the "Risk Factors" section of the Prospectus of the Company to which this MD&A is attached as Appendix A.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity, and quarterly review of financial results. There is no change to the Company's approach to management of capital during the period. The Company is not subject to any externally imposed capital requirements.

The Company does not intend to adopt a dividend policy for its common stock in the short term but instead will focus on growing the shareholder equity retained by the Company on behalf of its common shareholders through the development of new housing assets, participation in the development profits earned in third party developer's projects funded by the Trust, and through fair value gains from the Company's share of appreciation realized from the housing assets held by the Trust for the long term.

Subsequent to year end, the Company created, but has not yet issued, a preferred class of stock referred to as the Housing Shares that, once issued, are intended to track returns of HY Units of the Trust that the Company retains, and the Company intends to pay out any income received from those HY Units in the form of a dividend on those Housing Shares.

Certain agreements to which the Company and its subsidiaries are parties restrict the payment of dividends. See the "Dividends and Distributions" section of the Prospectus of the Company to which this MD&A is attached as Appendix A.

The Company's main liquidity requirements arise from ongoing working capital requirements, debt servicing and repayment obligations, capital and leasing expenditures on existing properties, property acquisitions and distributions to shareholders. All of the aforementioned liquidity requirements, except for debt repayment obligations at maturity and property acquisitions, are generally funded from cash flows from operations. Debt repayment obligations are generally funded from refinancing the related debt. Property acquisitions are generally funded from capital raises as well as obtaining debt financing on the related property.

Going Concern

The consolidated financial statements have been prepared on a going-concern basis, with the assumption that the Company will continue operating for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations.

The Company incurred a net loss of \$1.998 million during the year ended June 30, 2025 (2024 – net income of \$0.95 million), and as of that date, the Company had an accumulated deficit of \$3.8 million (2024 - \$1.8 million). Additionally, the Company had a working capital deficit (calculated as current assets less current liabilities) of \$5.89 million as at June 30, 2025 (2024 – \$14.7 million). The Company had positive operating cash flows of \$3.06 million for the year ended June 30, 2025 (2024 – negative 1.03 million). The Company's continuing operations are dependent upon the Company's ability to obtain additional capital, successfully develop and sell the Saanich property, develop and/or lease the rental units, and identify, evaluate, and negotiate the acquisition of an interest in properties, assets or a business. As such, there is a material uncertainty related to these events and conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to develop and sell the remaining homes under development in the Saanich property in the next fifteen months. The Company has also started developing the next two 26-home rental communities. The outcome of these matters cannot be predicted at this time. In assessing whether the going concern assumption is appropriate, management evaluated all available information about the future which is at least, but not limited to, twelve months from the end of the reporting period. These consolidated financial statements do not include adjustments to amounts and classifications of assets, liabilities and expenses that might be necessary should the Company be unable to continue as a going concern and that such adjustments could be material.

Cash flows

Years ending June 30	2025	2024	Change
Cash (used in) generated from operating activities	3,061,915	(1,027,215)	4,089,130
Cash used by investing activities	(30,745,866)	(20,740,642)	(10,005,224)
Cash provided by financing activities	27,601,840	21,351,772	6,250,068
(Decrease) increase in cash	(82,111)	(416,085)	333,974
Cash, beginning of period	187,182	603,267	(416,085)
Cash, end of period	105,071	187,182	(82,111)

As at June 30, 2025, the Company held cash and cash equivalents of \$0.11 million. The credit risk associated with the Company's cash and cash equivalents was considered low as the Company's balances were held with large Canadian chartered banks.

Cash used by operating activities

Analysis of changes in cash used by operating activities

Years ending June 30	2025	2024	Change
Operating revenues and other income	4,315,879	1,871,005	2,444,874
Goods and services purchased	(4,624,216)	(2,008,522)	(2,615,694)
Financing costs paid	(1,292,371)	(655,773)	(636,598)
Other operating working capital changes	4,172,701	(821,311)	4,994,012
Additions to development properties	489,922	587,386	(97,464)
Cash used by operating activities	3,061,915	(1,027,215)	4,089,130

Cash used by operating activities increased by \$4.09 million in 2025 to \$3.06 million as the Company increased its income producing housing assets by completing the first Saanich Ridge rental community and acquired 80 units in the Five Crossings development. Operating revenues and other income increased by \$2.4 million to \$4.3 million and goods and services purchased increased \$2.6 million to \$4.6 million. Cash was used to generate higher rental and home sales revenue. In 2025, 3 homes were sold during the year compared with 1 home sold in 2024. Other operating and working capital changes occurred as the first Saanich Ridge rental community was completed and the Five Crossings units were rented.

Cash provided by financing activities

Analysis of changes in cash provided by financing activities

Years ending June 30	2025	2024	Change
Proceeds from mortgages payable	32,496,531	11,390,499	21,106,032
Repayment of mortgage payable	(3,591,586)	-	(3,591,586)
Proceeds from real property bonds and residential development units	2,666,821	9,661,036	(6,994,215)
Repayment of residential development units	(4,958,629)	-	(4,958,629)
Proceeds net of issuance costs from issuance of common shares	305,697	-	305,697
Proceeds from issuance of convertible debentures	150,000	-	150,000
Advances from HomePlan contributions	169,281	116,469	52,812
Advances from promissory notes	2,963,657	799,803	2,163,854
Repayment of promissory notes	(2,459,426)	(214,905)	(2,244,521)
Other	(140,506)	(401,130)	260,624
Cash provided by financing activities	27,601,840	21,351,772	6,250,068

Cash provided by financing activities increased by \$6.25 million to \$27.6 million in 2025 compared to 2024.

Proceeds from mortgages payable

In 2025 proceeds from mortgages payable increased by \$21.1 million as the Company obtained a mortgage to acquire the 80 units in the Five Crossings Development.

Repayment of mortgages payable

In 2025 the Company paid down \$3.6 million of a revolving mortgage

Proceeds from and repayment of real property bonds and residential development units

Proceeds from residential development units decreased \$6.99 million as the Company issued \$2.67 million of residential development units to investors compared to \$9.66 million in the prior year.

In 2025, the Company repaid \$4.96 million of residential development units related to the Five Crossings development when the 80 units were acquired by the Company.

Residential development units are participating debt securities issued to third parties and used by the Company to finance deposits for condominiums and loans to developers. Refer to notes 16 and 17 of the notes to the consolidated financial statements for detailed outlines of real property bonds and residential development units issued by the Company, and their associated terms.

Proceeds net of issuance costs from issuance of common shares

On July 17, 2024, the Company issued 272,500 common shares at \$0.20 per share. On December 12, 2024, the Company issued 500,000 common shares at \$0.50 per share.

Proceeds from issuance of convertible debentures

On June 26, 2025, the Company issued and sold convertible debenture units comprised of debenture notes totaling \$150,000 and 75,000 warrants to acquire 75,000 common shares at a price of \$0.50 per share. The convertible debentures contain common share conversion rights to the common shares of the Company and common stock purchase warrants in the Company. The convertible debentures incur interest at an annual rate of 10% and have a maturity date that is July 31, 2026, or upon the date the Company becomes a Reporting Issuer.

Advances from HomePlan contributions

HomePlan contributions represent the additional amount renters pay over and above their monthly payment, which is an option cost which accumulates over the term of the agreement and can be credited against the purchase price for the home together with a share of the appreciation in value of the home over that term. In the year ended June 30, 2025, \$0.05 million HomePlan contribution savings were collected from renters under the HomePlan equity sharing program.

Advances from and repayment of promissory notes

During the year ended June 30, 2025, the Company entered into a promissory note for \$5.8 million which does not bear interest in connection with the purchase of the 80 units in the Five Crossings development. This has been shown as part of the acquisition of investment properties. At June 30, 2025, \$5.8 million promissory notes remained outstanding.

Additionally, the Company entered into a promissory note totalling \$2.3 million of which \$1.2 million was repaid. These notes bear a 10% annual interest rate and are repayable at the discretion of the Company. At June 30, 2025, \$1.1 million promissory notes remained outstanding.

During the year ended June 30, 2024, the Company entered into two promissory notes totalling \$0.8 million of which \$0.2 million was repaid. These notes bear a 10% annual interest rate and are repayable at the discretion of the Company. At June 30, 2024, \$0.58 million promissory notes remained outstanding.

Other

During the year ended June 30, 2025, the Company paid redeemable preference shareholders \$0.06 million when it redeemed 61.5 redeemable preference shares. Lease payments of \$0.08 million which were \$0.04 million more than were paid in 2024, were also paid.

Cash used by investing activities

Analysis of changes in cash used by investing activities

Years ending June 30	2025	2024	Change
Additions to investment properties	(28,079,170)	(13,876,347)	(14,202,823)
Deposits for condominium units	(2,800,096)	(6,990,315)	4,190,219
Sub-lease payments	133,400	126,020	7,380
Cash used by investing activities	(30,745,866)	(20,740,642)	(10,005,224)

Cash used by investing activities increased by \$10 million to \$30.75 million in 2025 compared to 2024.

The increase in additions to investment properties of \$14.2 million was for the completion of Phase 1 of the Saanich Ridge rental community, the purchase of the 80 units in the Five Crossings Development.

Funding from deposits of \$2.8 million to be applied against the future purchase price of condominiums in the Glenlake Development when elected by the Company, were also made in 2025, but were \$4.2 million less than deposits made in 2024 as the Company has completed its raise for REVO.

Sub-lease payments received from the homes sold on leased land, increased \$0.007 million over 2024.

Financial instruments and commitments

Financial instruments

The Company's financial instruments, their accounting classifications and the Company's policies with respect to the recognition and measurement of financial instruments are described in Note 3 of the notes to the consolidated financial statements.

The Company's activities expose it to certain financial risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. These risks include credit risk, liquidity risk, foreign exchange risk and interest rate risk. The actions taken to manage them are outlined below. The directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

i.) Credit risk

Credit risk is defined as the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, net investment in sub-lease and deposit for condominium units. The Company is exposed to credit risk as some tenants may experience financial difficulty and may default in payment of rent in the current economic environment. The Company attempts to minimize possible risks by collecting security deposits from tenants. At June 30, 2025, the Company has provided for \$91,580 (2024 - \$Nil) expected credit losses.

The Company has mortgage title and security over properties financed by the loan receivable and the deposits for condominium units. Further, cash balances are deposited with a major Canadian banking institution. The Company's maximum exposure to credit risk is the value of its cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, deposit for condominium units, net investment in subleases and due from related parties.

ii.) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company ensures that

there is sufficient capital to meet short term business requirements, after considering cash flows from operations and the Company's holdings of cash. The Company acquires mortgages from financial institutions and completion of private debt placement to meet ongoing financial obligation, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Company's future net cash flows for the possibility of negative net cash flow.

The Company's liquidity risk arises from obligations in normal course of operations including accounts payable and accrued liabilities, interest payable, lease liability, promissory note with related party, due to related parties, real property bonds, residential development units, convertible debentures, mortgages payable, and redeemable preference shares. After examining the economic factors that could cause liquidity risk, the Company believes it will have sufficient liquidity to support its operations and meet its financial obligations for at least twelve months. If the Company is not successful, then this uncertainty may cast significant doubt with respect to the ability of the Company to continue as a going concern.

Commitments

During the year ended June 30, 2025, the Company signed contracts for the future construction of fifty-two homes for a total amount of \$25.94 million (including GST) with its vendor of which \$22.3 million remains unbilled.

On April 30, 2024, the Company signed an indemnity agreement in return for First West Credit Union to make a loan to Collinson Rise Limited Partnership. The Company indemnifies the Credit Union and holds the Credit Union harmless against all losses, costs, expenses and damages relating to or arising out of the Credit Union making the loan, including principal monies advanced and readvanced, interest, costs, charges and expenses due to the Credit Union in connection with the loan totaling \$59,595,717. The Company did not receive a premium associated with the indemnity agreement. On May 30, 2024, the Company signed an indemnity agreement among Collinson Rise Limited Partnership, as principal, Collinson Rise Development Inc., focus Kelowna Homes Inc., and Ryan Joel Tamblyn, as joint indemnitors, the Company, as a several indemnitor, and Travelers Insurance Company of Canada, as surety for the same loan.

The Company has guaranteed certain financing provided by KV Capital to Boynton Developments (Kelowna) Ltd and Highland Promontory Development Limited Partnership with an aggregate indebtedness of \$7.6 million at June 30, 2025.

The Company has guaranteed certain financing provided by Peakhill Capital to Glenlake Highview Development Limited Partnership, a related party, with an aggregate indebtedness of \$13.5 million. The financing is secured with collateral charges on the Saanich Ridge property and the Five Crossings Apartment Property. The funds advanced by the Company to the Glenlake Highview Development Limited Partnership are subordinate to loans advanced under this Peakhill Capital financing. The obligations under this Peakhill Capital financing are guaranteed by, among others, the Company, NAHF Limited Partnership, 1404122 B.C. Ltd., and 1289900 B.C. Ltd.

North America Home Finance Inc.
Managements' Discussion and Analysis

The Company has the following contractual obligations:

Contractual obligations	Payments due by period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Accounts payable and accrued liabilities	6,045,564	6,045,564	-	-	-
Interest payable	1,558,133	173,461	1,384,672	-	-
Promissory notes	6,866,816	6,866,816	-	-	-
Promissory notes with related party	250,000	-	250,000	-	-
HomePlan contribution	285,750	-	-	-	285,750
Lease liabilities	1,382,492	100,003	200,000	200,000	882,489
Redeemable preference shares	577,500	577,500	-	-	-
Real property bonds	4,246,375	-	-	-	4,246,375
Residential development units	19,695,637	360,000	1,133,531	9,675,893	8,526,213
Convertible debentures	139,421	-	139,421	-	-
Mortgages payable	46,192,487	3,770	10,989,044	-	35,199,673
Total contractual obligations	87,240,175	14,127,114	14,096,668	9,875,893	49,140,500

Outstanding share information

As at June 30, 2025, the Company had 79,762,956 common shares issued and outstanding. There is only one class of shares issued as of June 30, 2025. See the Prospectus to which this MD&A is attached as Appendix A for details of the current issued and outstanding share capital of the Company.

Please refer to Note 22 of the notes to the consolidated financial statements for information related to our outstanding shares.

Transactions between related parties

The Company works with several related parties to contribute to growth in home ownership in North America through advanced financing tools and mortgage products for housing developers and home purchasers.

NAHF Equity Management Ltd. (the Manager as defined above) which provides services of certain executives, consultants and other employees to the Company is a wholly owned subsidiary of NAH Equity Company GP Inc.

NAH Equity Company GP Inc. is controlled by George Lawton (the Chief Executive Officer and one of the directors of the Company and has part ownership in each of the following:

- NA Equity Co. LP
- Se-Mi-Ah-Mu LLP
- Glenlake Highview Development GP Inc.
- Pacific Hwy Industrial Development GP Inc.

The Company provides funding for the operations of these related parties in the normal course of their business as they are developing properties and initiating projects.

1086353 BC Ltd. is under common ownership, owned and controlled by George Lawton but not controlled by the Company. The Company receives funding for its operations in the normal course of business from this related party.

North America Home Finance Inc.
Managements' Discussion and Analysis

Emerge Modular Inc. was engaged in 2024 by the Company to produce 5 modular homes for the Saanich Ridge Estates development and is partly owned and controlled by Navi Jagpal, a director of the Company.

At June 30	2025	2024
Due from related parties for operating expenses		
Due from NAHF Equity Management Ltd., a company owned by NAH Equity Company GP Inc. a company controlled by George Lawton	-	287,525
Funds advanced for operating expenses		
Due from NAH Equity Company GP Inc. a company controlled by George Lawton	273,289	181,092
Funds advanced for operating expenses		
NA Equity Co. LP, a company related to shareholders	-	-
Due from Se-Mi-Ah-Mu LLP, an entity controlled by George Lawton and Navi Jagpal	199,590	65,938
Funds advanced for operating expenses		
Due from Glenlake Highview Development LP, an entity controlled by George Lawton and Navi Jagpal	550,640	743,215
Funds advanced for operating expenses		
Due from Emerge Modular Ltd., a company where Navi Jagpal has significant influence	77,691	-
Construction cost of modular homes		
Due from Pacific Hwy Industrial Development GP Inc. a company controlled by George Lawton and Navi Jagpal	4,446	4,043
Funds advanced for operating expenses		
Due from Steve Alphonse who is a minority shareholder in MVE Development GP Inc.	3,535	-
Funds advanced for cost sharing		
Total due from related parties	1,109,191	1,281,813

At June 30	2025	2024
Due to related parties for operating expenses		
Due to 1086353 BC Ltd., the majority shareholder and a company controlled by George Lawton	10,292	10,693
Funds advanced by parent company for operating expenses		
Due to NAHF Equity Management Ltd., a company owned by NAH Equity Company GP Inc. a company controlled by George Lawton	80,971	-
Funds advanced for operating expenses		
Due to NA Equity Co. LP, an entity controlled by NAH Equity Company GP Inc. a company controlled by George Lawton	7,583	3,501
Funds advanced for operating expenses		
Due to related party for construction of modular homes		
Due to Emerge Modular Ltd., a company where Navi Jagpal has significant influence	-	107,494
Construction cost of modular homes		
Total due to related parties	98,846	121,688

Accounting matters

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with IFRS Accounting Standards. In applying IFRS Accounting Standards, we make estimates and assumptions that affect the carrying amounts of assets and liabilities, disclosure of contingent liabilities and the reported amount of income for the period. Actual results could differ from estimates previously reported. Our significant accounting policies and accounting estimates are contained in the consolidated financial statements. Please refer to Note 2 of the notes to the consolidated financial statements for a discussion of accounting estimates and judgments and Note 3 of the notes to the consolidated financial statements for a description of our accounting policies.

Changes in Accounting Policies and Adoption of IFRS Accounting Standards

Refer to Note 3 of the notes to the consolidated financial statements for information pertaining to accounting pronouncements that will be effective in future years.

Outlook

Economic

The Canadian Mortgage and Housing Corporation (CMHC) has published forecasts of the number of new homes needing to be built in Canada to meet the annual population growth expectations resulting from immigration. Based on the current unmet demand and future construction of housing needed, management believes there is currently a large-scale opportunity to invest in housing development and because of supply constraints in South-Western British Columbia and Southern Ontario, in part, due to greenbelt protection zones, there will be a continued challenge in affordability in those regions.

NAHF Inc. plans to pursue new development investments with current its developer relationships for growing its pipeline of additional housing assets that can be added to its portfolio of investment income properties. In addition, using a variety of transaction structures, additional income producing assets will be targeted for acquisition or management with the potential to securitize the equity in those assets using “housing shares” of the Company.

NAHF Inc. will continue to monitor both the economy and real estate markets with a view to ensuring adequate access to new equity and debt that will enable the Company to meet its existing operational requirements and maximize opportunities that may become available.

Interest Rates

While the current level of policy interest rates and benchmark bond yields have come down, they are still elevated above where they were when the market value of homes was peaking in the late spring of 2022. Borrowing costs have a significant effect on the “buying power” of home purchasers affecting the ability for buyers to obtain financing approval and the ability for buyers with variable mortgages to sustain their monthly payments. These factors reduce the ability for households to purchase a home and in some cases cause families to need rental housing instead. In some cases, families may be forced to sell their home and walk away with less equity than they will need to re-purchase a home when the interest rates come down, and these families along with first time buyers represent an additional candidate market for the Company’s programs.

Subsequent Events

On October 30, 2025, the Company completed a first mortgage of \$14,500,000 for the replacement of the existing mortgage from People's Trust and a \$1,500,000 pay down of the 1 City Mortgage. The mortgage is a demand facility payable at any time upon demand by the lender at an interest rate equal to the RBC Prime Rate plus 275 basis points with a minimum of 7.45%. The Company expects to convert this demand facility into a CMHC insured term mortgage within six months. In February 2026 Peakhill Capital changed the facility to a term loan with a maturity date of June 1, 2027.

In February 2026, the mortgage maturity date of the 2021 second mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027 and the mortgage maturity date of the 2022 mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027.

Risks and Risk Management

In addition to the risks noted herein, see the risks discussed under the heading "Risk Factors" in the Prospectus of the Company to which this MD&A is attached as Appendix A.

Non-GAAP Measures

The Company's financial statements are prepared in accordance with IFRS Accounting Standards. Throughout this MD&A, we refer to terms known as non-GAAP financial measures and supplementary financial measures that are not specifically defined in IFRS Accounting Standards. These non-GAAP financial measures and supplementary financial measures may not be comparable to similar measures presented by other companies.

We believe that these non-GAAP financial measures and supplementary financial measures are useful in assisting investors in understanding components of our financial results. The non-GAAP financial measures and supplementary financial measures that we refer to in this MD&A are defined below.

Calculations and definitions

Average annualized contractual recurring cash flow from income-producing housing assets

Average Annualized contractual recurring cash flow from income-producing housing assets is a supplementary financial measure that indicates recurring cash inflows for the Company, including rental income and sub-lease income based on a run rate as of a particular date. Specifically, Average annualized contractual recurring cash flow is calculated as the sum of (i) the average annual rental rate per square foot for occupied units as of the applicable period end date multiplied by the aggregate square footage rented as of such date, plus (ii) the average monthly sub-lease per unit as of the period end date annualized and multiplied by the number of units subject to a sub-lease as of such date. Average annualized contractual recurring cash flow may not be comparable to similar measures presented by other companies.

As of June 30	2025	2024
Square feet rented as of June	97,543	67,453
Average annual rent per square foot	\$35.46	\$26.16
Annualized recurring rent cash flow	3,458,875	1,764,570
Units sold as of June	27	22
Average monthly sub-lease per unit	460	460
Number of months	12	12
Annualized recurring sub-lease cash flow	149,040	121,440

North America Home Finance Inc.
Managements' Discussion and Analysis

As of June 30	2025	2024
Average Annualized contractual recurring cash flow	3,607,915	1,886,010

North America Home Finance Inc.
Condensed Consolidated Interim Financial Statements
(UNAUDITED)

Three months ended September 30, 2025, and 2024

North America Home Finance Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
Canadian Dollars

	<i>September 30, 2025</i>	<i>June 30, 2025</i>
Assets		
Current		
Cash and cash equivalents	128,207	105,071
Accounts receivable	434,684	498,846
Prepaid expenses	169,303	173,658
Other receivables	339,585	305,537
Due from related parties (<i>Note 14</i>)	1,113,328	1,109,191
Current portion of loans receivable	5,998,478	5,998,478
Current portion of net investment in sub-leases	143,520	143,520
	8,327,105	8,334,301
Non-current		
Loans receivable	75,687	75,687
Development properties (<i>Note 4</i>)	552,626	1,148,925
Investment properties (<i>Note 5</i>)	66,730,128	60,023,326
Net investment in sub-leases	1,505,332	1,514,833
Deposits for condominium units (<i>Note 6</i>)	21,507,745	20,254,843
Intangible assets	12,500,000	12,500,000
Right-of-use assets	3,290,475	3,299,542
	106,161,993	98,817,156
Total assets	114,489,098	107,151,457

Continued on next page

North America Home Finance Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
Canadian Dollars

	<i>September 30, 2025</i>	<i>June 30, 2025</i>
Liabilities		
Current		
Accounts payable and accrued liabilities	5,937,130	6,045,564
Current portion of promissory note	7,014,851	6,866,816
Current portion of redeemable preference shares	577,500	577,500
Current portion of lease liabilities	100,003	100,003
Current portion of convertible debentures	1,606,032	-
Current portion of residential development units (<i>Note 8</i>)	360,000	360,000
Current portion of mortgages payable (<i>Note 9</i>)	4,007,036	3,770
Current portion of interest payable	1,700,821	173,461
Due to related parties (<i>Note 15</i>)	336,261	98,846
	21,639,634	14,225,960
Non-current		
HomePlan Contribution	321,975	285,750
Promissory note with related party	250,000	250,000
Lease liabilities	1,289,712	1,282,489
Real property bonds (<i>Note 7</i>)	4,415,399	4,246,375
Residential development units (<i>Note 8</i>)	19,524,181	19,335,637
Variable return on real property bonds and development units (<i>Note 8</i>)	8,268,648	7,508,485
Mortgages payable (<i>Note 9</i>)	47,788,406	46,188,717
Interest payable	109,965	1,384,672
Convertible debentures (<i>Note 12</i>)	-	139,421
	81,968,286	80,621,546
Total liabilities	103,607,920	94,847,506
Shareholders' Equity		
Share capital (<i>Note 13</i>)	16,029,700	16,029,700
Contributed Surplus	176,551	87,449
Income/(Deficit)	(5,325,073)	(3,813,198)
Total Equity	10,881,178	12,303,951
Total liabilities and shareholders' equity	114,489,098	107,151,457

Subsequent events (*Note 18*)

Nature of operations and going concern (*Note 1*)

Approved on behalf of the Board

"George Lawton"

Director

"Navepal Jagpal"

Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements

North America Home Finance Inc.
Condensed Consolidated Interim Statements of (Loss) Income and Comprehensive (Loss)
Income
(Unaudited)

Canadian Dollars

For the three months ended September 30

	2025	2024
Revenue		
Home sales	830,000	-
Acquisition and development management fees	89,593	151,198
Rental income	708,457	284,816
Sub-lease income	26,379	24,817
	1,654,429	460,831
Cost of sales	806,372	-
Gross margin	848,057	460,831
Expenses		
Depreciation	661,964	319,680
General and administrative expenses	859,064	150,665
Professional fees	130,142	326,765
Sales and marketing expenses	16,416	32,237
	1,667,586	829,347
Other income (expense)		
Other income (expense)	30,472	(4,507)
Financing costs (Note 10)	(988,056)	(266,682)
Change in fair value (Note 11)	265,238	(28,113)
	(692,346)	(299,302)
Net Loss and comprehensive loss	(1,511,875)	(667,818)
Weighted average outstanding shares	79,762,956	78,413,127
Basic and diluted Loss per share	(0.02)	(0.01)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

North America Home Finance Inc.
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited)

Canadian Dollars

For the three months ended September 30

	<i>Share capital</i>	<i>Contributed Surplus</i>	<i>Income/ (Deficit)</i>	<i>Total equity</i>
Balance June 30, 2024	15,798,373	-	(1,815,638)	13,982,735
Issuance of common shares	52,000	-	-	52,000
Net Loss and comprehensive loss	-	-	(667,818)	(667,818)
Balance September 30, 2024	15,850,373	-	(2,483,456)	13,366,917
 Balance June 30, 2025	 16,029,700	 87,449	 (3,813,198)	 12,303,951
Value of warrants issued with convertible debentures	-	89,102	-	89,102
Net Loss and comprehensive loss	-	-	(1,511,875)	(1,511,875)
Balance September 30, 2025	16,029,700	176,551	(5,325,073)	10,881,178

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**North America Home
Finance Inc.**
**Condensed Consolidated Interim
Statements of Cash Flows
(Unaudited)**

Canadian Dollars

For the three months ended September 30

	2025	2024
Cash provided by (used for) the following activities		
Operating activities		
Net loss	(1,511,875)	(667,818)
Items not affecting the flow of cash:		
Depreciation	661,838	319,680
Financing costs	840,257	266,682
Amortization of transaction costs	147,799	190,000
Change in fair value (Note 11)	(265,238)	28,113
Gain on sale of investment property	(30,139)	-
Sub-lease income	(26,379)	-
Gain on recognition of sublease	-	(39,825)
Change in non-cash working capital (Note 17)	331,541	980,026
Cash (used in) generated from operations	147,804	1,076,858
Interest paid	(776,477)	(172,584)
Additions to development properties	790,295	(356,557)
Net Cash (used in) generated from operations	161,622	547,717
Financing activities		
Advances from HomePlan contributions	36,225	58,897
Repayment of lease liability	(5,000)	(5,643)
Repayment of Promissory Notes	(82,191)	(40,058)
Proceeds from residential development units (Note 8)	195,000	1,644,158
Repayment of residential development units (Note 8)	(30,000)	-
Proceeds from issuance of convertible debentures (Note 12)	1,550,000	-
Proceeds from mortgages payable	6,499,904	775,111
Repayment of mortgage payable (Note 9)	(868,380)	(720,019)
Distribution to HYUs	(100,252)	-
Redemption of preferred shares	-	(29,500)
Proceeds net of issuance costs from issuance of common shares	-	52,000
	7,195,306	1,734,946
Investing activities		
Sub-lease payments	35,880	7,383
Deposits for condominium units (Note 6)	(227,500)	(1,375,729)
Proceeds on sale of investment property (Note 5)	95,000	-
Additions to investment properties (Note 5)	(7,237,172)	(1,020,592)
	(7,333,792)	(2,388,938)
Increase (Decrease) in cash and cash equivalents	23,136	(106,275)
Cash and cash equivalents, beginning of year	105,071	187,181
Cash and cash equivalents, end of year	128,207	80,906

The accompanying notes are an integral part of these condensed consolidated interim financial statements

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

1. Nature of operations and going concern

North America Home Finance Inc. (the "Company"), a privately held company, was incorporated under the Canada Business Corporations Act on July 27, 2016, and then continued to British Columbia under the Business Corporations Act (British Columbia) on December 22, 2023. The head office is located at 1021 West Hastings Street, 9th Floor, Vancouver, British Columbia, V6E 0C3. The ultimate parent of North America Home Finance Inc. is 1086353 B.C. Ltd.

The Company directly or through its subsidiaries is engaged in the business of acquiring, developing, and administering housing communities as well as providing developers and homebuyers with advanced funding tools and mortgage products, with the goal of increasing home-equity-building opportunities for families.

These consolidated financial statements include the operations of the Company as well as those of its subsidiaries - Saanich Ridge Development Ltd, a company responsible for the development of the Saanich property, Westcoast Home Ownership Ltd. (incorporated on June 18, 2014), and NAHF Real Estate Trust, (the "Trust") (established on May 31, 2022), MVE Development GP Inc.(incorporated December 6, 2024), the general partner of the Mountain View Estates Real Estate Development Limited Partnership which is responsible for the development of the Mountain View Estates property, 1289900 B.C. Ltd (acquired on March 17, 2025) and 1404122 BC Ltd (incorporated on March 7, 2023). Out of the subsidiaries, Westcoast Home Ownership Ltd. is currently dormant.

These condensed consolidated interim financial statements have been prepared on a going concern basis, with the assumption that the Company will continue operating for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations.

The Company incurred a net loss of \$1,511,875 during the three months ended September 30, 2025 (2024 - \$667,818), and as of that date, the Company had an accumulated deficit of \$5,325,073 (June 30, 2025 - \$3,813,198). Additionally, the Company has a working capital deficit of \$13,312,529 as at September 30, 2025 (June 30, 2025 - \$5,891,659). The Company has positive operating cash flows of \$161,622 for the three months ended September 30, 2025 (2024 - \$547,717). The Company's continuing operations are dependent upon the Company's ability to obtain additional capital, successfully develop and sell the Saanich property, develop and/or lease the rental units, and identify, evaluate, and negotiate the acquisition of an interest in properties, assets or a business. As such, there is a material uncertainty related to these events and conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to develop and sell the remaining homes under development in the Saanich property in the next fifteen months. The Company has also started developing the next two 26-home rental communities. The outcome of these matters cannot be predicted at this time. In assessing whether the going concern assumption is appropriate, management evaluated all available information about the future which is at least, but not limited to, twelve months from the end of the reporting period. These consolidated financial statements do not include adjustments to amounts and classifications of assets, liabilities and expenses that might be necessary should the Company be unable to continue as a going concern and that such adjustments could be material.

2. Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements ("Interim Financial Statements") have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). The condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on February 11, 2026.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value. Historical cost is based on the fair value of the consideration given in exchange for assets.

Use of estimates and judgments

The preparation of these condensed consolidated interim financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Judgment is used mainly in determining how a balance or transaction should be recognized in the condensed consolidated interim financial statements. Estimates and assumptions are continuously evaluated and are

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Significant accounting estimates and assumptions have been set out in Note 2 of the Annual Consolidated Financial Statements for the year ended June 30, 2025. There have been no changes to the significant accounting estimates and assumptions during the three months ended September 30, 2025.

3. Material accounting policies

The accounting policies followed in these Interim Financial Statements are consistent with those presented in the Annual Consolidated Financial Statements at June 30, 2025.

4. Development properties

	September 30, 2025	June 30, 2025
Balance - beginning of period	1,148,925	806,499
Development projects under construction - additions	202,092	1,787,140
	1,351,017	2,593,639
Less: Cost of homes sold	(798,391)	(2,202,694)
Development projects held for sale additions	-	757,980
Balance - end of period	552,626	1,148,925

5. Investment properties

The Company records investment properties at cost less accumulated depreciation.

	September 30, 2025		
Description	Cost	Accumulated Depreciation	Carrying Value
Edmonton Properties	87,251	9,517	77,734
Lot 142 Saanich Ridge	54,000	6075	47,925
Lot 140 Saanich Ridge	709,798	70,981	638,817
Saanich - Rental Community #1			
Development costs	22,380,330	1,339,184	21,041,146
Right-of-Use Asset (Note 11)	1,257,528	40,655	1,216,873
Saanich - Rental Community #2 and #3			
Development costs	14,393,173	-	14,393,173
Right-of-Use Asset (Note 11)	2,126,849	-	2,126,849
Five Crossings	27,884,728	697,117	27,187,611
	68,893,657	2,163,529	66,730,128

	June 30, 2025		
Description	Cost	Accumulated Depreciation	Carrying Value
Edmonton Properties	158,987	15,301	143,686
Lot 142 Saanich Ridge	54,000	5,400	48,600
Lot 140 Saanich Ridge	709,798	62,108	647,690
Saanich - Rental Community #1			
Development costs	21,638,529	1,048,661	20,589,868
Right-of-Use Asset (Note 11)	1,257,528	37,479	1,220,049
Saanich - Rental Community #2 and #3			
Development costs	7,710,415	-	7,710,415
Right-of-Use Asset (Note 11)	2,126,849	-	2,126,849
Five Crossings	27,884,727	348,558	27,536,169
	61,540,833	1,517,507	60,023,326

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

Saanich Ridge Rental Community #2 and #3 are under construction and not available for use as of September 30, 2025.

On July 25, 2025, the Company sold one of the Edmonton properties for \$95,000 and has determined that the fair value at September 30, 2025, for the remaining property is \$95,000 (June 30, 2025 – \$190,000 for both properties).

The Company has determined that the fair value at September 30, 2025, and June 30, 2025, of Lot 142 Saanich and development costs and right of use asset for the Saanich Rental Communities #2 and #3 approximates the carrying value of these assets shown above.

The Company has determined that the fair value of Lot 140 Saanich Ridge is \$840,000 (June 30, 2025 - \$840,000) based on independent appraisals.

The Company has determined that the fair value of the Saanich Rental Community #1 is \$24,232,247 (June 30, 2025 - \$24,232,247) based on the option to purchase agreements signed by HomePlan tenants and the discounted cash flows from these agreements.

The Company has determined that the fair value of Five Crossings is \$27,600,000 (June 30, 2025 - \$28,950,000) based on independent appraisals.

6. Deposits for condominium units

	September 30, 2025	June 30, 2025
Collinson Rise		
Balance, beginning of period	14,264,368	10,786,673
Discount capitalized	-	(13,447)
Change in fair value (Note 11)	884,128	3,491,142
Balance, end of period	15,148,496	14,264,368
Glenlake Highview (a related party)		
Balance, beginning of period	5,990,475	2,701,741
Advances during the period	239,500	2,800,096
Repayments during the period	(12,000)	-
Discount capitalized	-	56,469
Change in fair value (Note 11)	141,274	432,169
Balance, end of period	6,359,249	5,990,475
Total	21,507,745	20,254,843

7. Real property bonds

	Real Property Bonds	Saanich RPUs	Total
Balance, June 30, 2024	1,602,783	2,001,404	3,604,187
Development rights accrual	163,456	418,555	582,011
Interest accrual	33,210	26,967	60,177
Balance, period ended June 30, 2025	1,799,449	2,446,926	4,246,375
Development rights accrual	30,585	123,270	153,855
Interest accrual	8,372	6,797	15,169
Balance, period ended September 30, 2025	1,838,406	2,576,993	4,415,399

8. Residential development units

	Five Bridges	Collinson Rise	Glenlake (a related party)	Saanich DCUs	Housing Yield Units	Total
Balance, June 30, 2024	6,500,000	9,795,893	2,900,124	2,580,000	4,000	21,780,017

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

	Five Bridges	Collinson Rise	Glenlake (a related party)	Saanich DCUs	Housing Yield Units	Total
Issued during the year	-	-	2,561,241	55,000	50,580	2,666,821
Repaid during the year	(4,958,629)	-	-	-	-	(4,958,629)
Repaid by way of condominium credits	(407,840)	-	-	-	-	(407,840)
Conversion of DCUs into Housing Yield Units	-	-	-	(2,635,000)	2,635,000	-
Distribution in kind	-	-	-	-	16,018	16,018
Premium on conversion	-	-	-	-	599,250	599,250
Balance, year ended June 30, 2025	1,133,531	9,795,893	5,461,365	-	3,304,848	19,695,637
Issued during the period	-	-	195,000	-	-	195,000
Repaid during the Period	-	-	-	-	(30,000)	(30,000)
Distribution in kind	-	-	-	-	23,544	23,544
Balance, period ended September 30, 2025	1,133,531	9,795,893	5,656,365	-	3,298,392	19,884,181
Current portion	-	(120,000)	(120,000)	-	(120,000)	(360,000)
Non-current	1,133,531	9,675,893	5,536,365	-	3,178,392	19,524,181

Variable gain on residential development units	Five Bridges	Collinson Rise	Glenlake (a related party)	Saanich DCUs	Housing Yield Units	Total
Balance, June 30, 2024	3,449,212	986,080	60,059	-	-	4,495,351
Change in fair value	437,828	2,143,137	432,169	-	-	3,013,134
Balance, year ended June 30, 2025	3,887,040	3,129,217	492,228	-	-	7,508,485
Change in fair value	-	618,890	141,273	-	-	760,163
Balance, period ended September 30, 2025	3,887,040	3,748,107	633,501	-	-	8,268,648

9. Mortgages payable

	September 30, 2025	June 30, 2025
On August 14, 2024, the maturity date for the second mortgage on the Saanich Ridge property was further amended to July 1, 2025, and the interest rate changed to 12% until December 1, 2025, and 24% thereafter. On June 29, 2025, the maturity date was further amended to September 1, 2026, and the interest rate changed to 12% until July 1, 2026, and 24% thereafter. As at September 30, 2025, interest of \$787,464 (June 30, 2025 - \$637,179) has been capitalized as part of the development property (Note 6). As at September 30, 2025, \$2,384,298 (June 30, 2025 - \$3,100,516) has been drawn on the mortgage. Accrued interest of \$1,156,446 (June 30, 2025 - \$1,005,990) has been recognized under interest payable. As of September 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$4,492,121 (June 30, 2025: \$4,566,292).	2,384,298	3,100,516
On August 19, 2024, the maturity date on the additional mortgage on the Saanich Ridge property from 1 City Financial Ltd. was further amended to July 1, 2025. In addition, the interest rate of 13% per annum compounded monthly was extended to December 1, 2024, on the advanced balance, and 24% thereafter. The maturity date was further amended to September 1, 2026, and the interest rate of 13% per annum compounded	1,095,625	1,113,625

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

	September 30, 2025	June 30, 2025
monthly was extended to July 1, 2026, and 24% thereafter. As at September 30, 2025, interest of \$256,960 (June 30, 2025 - \$213,249) has been capitalized as part of the development property (Note 6). As at September 30, 2025, \$1,095,625 (June 30, 2025 - \$1,113,625) has been drawn on the mortgage. Accrued interest of \$300,428 (June 30, 2025 - \$268,149) has been recognized under interest payable. As of September 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$1,512,772 (June 30, 2025: \$1,537,026).		
On September 26, 2024, the maturity date on the additional mortgage on the Saanich Ridge property in the amount of \$551,000 from Robert D. Gibbens Law Corporation was extended to July 1, 2025. The maturity date was further amended to July 1, 2026, and the interest rate changed to 9.75% until May 1, 2026, and 21% thereafter. Interest of \$Nil (2023 - \$Nil) has been capitalized as part of the development property (Note 6). As at September 30, 2025, \$546,000 (June 30, 2025 - \$546,000) has been drawn on the mortgage. Accrued interest of \$8,190 (June 30, 2025 - \$4,903) has been recognized under interest payable. As of September 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$678,751 (June 30, 2025: \$682,841).	546,000	546,000
On May 7, 2025, the mortgage from People's Trust for an amount of \$12,780,000 was converted into a 5-year mortgage with a maturity date of December 1, 2030. At September 30, 2025, interest of \$594,036 (June 30, 2025 - \$594,036) has been capitalized as part of investment properties (Note 7). As at September 30, 2025, \$13,205,750 (June 30, 2025 - \$13,205,750) has been drawn on the mortgage. As of September 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$12,373,050 (June 30, 2025: \$12,307,814).	13,205,750	13,205,750
On March 31, 2025, the Company obtained a mortgage for an amount of \$22,114,000 for a first mortgage for the acquisition of 80 units in the Five Crossings development as part of investment properties (Note 6). The CMHC-insured mortgage bears an annual rate equal to the 5-year Canada Mortgage Bond + 0.50%. The mortgage matures on June 1, 2030. At September 30, 2025, accrued interest of \$61,849 (June 30, 2025 - \$62,628) has been recognized under interest payable. As of September 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$20,178,701 (June 30, 2025: \$20,047,993).	21,958,031	21,997,693
On January 31, 2025, the Company obtained a construction loan for an amount of up to \$36,244,756 for the development of the Saanich Ridge rental development properties (Note 5). As at September 30, 2025, \$14,436,732 (June 30, 2025 - \$8,031,328) has been drawn on the mortgage. The mortgage is due on February 1, 2027. The mortgage bears an annual rate equal to RBC Prime - 0.05% with a minimum rate at 6.15%. As at September 30, 2025, interest of \$341,409 (June 30, 2025 - \$156,421) has been capitalized as part of the development property (Note 5). At September 30, 2025, accrued interest of \$73,508 (June 30, 2025 - \$38,111) has been recognized under interest payable. As of September 30, 2025, the fair value of this mortgage, estimated using a discounted cash flow model based on current market interest rates and the company's credit rating, is \$14,568,133 (June 30, 2025: \$8,155,883).	14,436,732	8,031,328
Total mortgages payable	53,626,436	47,994,912
Unamortized transaction costs	(1,830,994)	(1,802,425)
Mortgages payable	51,795,442	46,192,487
Current portion of mortgages payable	4,007,036	3,770
Long term portion of mortgages payable	47,788,406	46,188,717

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

10. Financing Costs

For the period ending September 30, 2025				
	Cash financing costs paid	Non-cash financing costs	Financing costs capitalized	Financing costs expensed
Mortgages	580,423	223,746	378,984	425,185
Related party promissory notes	-	4,335	-	4,335
Promissory Notes	9,554	20,379	-	29,933
Real property bonds	-	169,023	-	169,023
HYU distributions	100,252	22,124	-	122,376
Convertible debentures	-	31,313	-	31,313
Other financing costs	5,667	200,224	-	205,891
Total	695,896	671,144	378,984	988,056

For the period ending September 30, 2024				
	Cash financing costs paid	Non-cash financing costs	Financing costs capitalized	Financing costs expensed
Mortgages	172,584	245,401	391,106	26,879
Related party promissory notes	-	8,643	-	8,643
Real property bonds	-	160,426	-	160,426
Other financing costs	-	70,734	-	70,734
Total	172,584	485,204	391,106	266,682

11. Change in Fair Value

	2025	2024
Loan receivable (Note 5)	-	8,665
Deposit for condominium units – Collinson Rise (Note 9)	884,128	222,219
Deposit for condominium units – Glenlake Highview (Note 9)	141,274	84,008
Residential Development units – Five bridges (Note 17)	-	(36,778)
Residential Development units – Collinson Rise (Note 17)	(618,890)	(222,219)
Residential Development units – Glenlake Highview (Note 17)	(141,274)	(84,008)
Change in fair value	265,238	(28,113)

12. Convertible debentures

	September 30, 2025	June 30, 2025
Balance – beginning of period	139,421	2,500
Issued during the period	1,460,901	136,921
Accretion for the period	5,710	-
Balance – end of period	1,606,032	139,421
Current portion of convertible debentures	1,606,032	-
Long term portion of convertible debentures	-	139,421

The convertible debentures contain common share conversion rights to the common shares of the Company (“CD Rights”) and common stock purchase warrants in the Company.

The aggregate principal number of convertible debentures which may be issued and outstanding from time to time is \$1,700,000.

The convertible debentures incur interest at an annual rate of 10% and have a maturity date that is July 31, 2026, or upon the date the Company becomes a Reporting Issuer.

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

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For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

During the period ended September 30, 2025, the Company issued convertible debentures totalling \$1,550,000 (June 30, 2025 - \$150,000). The CD Rights were valued at \$66,929 are recorded as a liability with changes in fair value recognized through profit and loss, and the warrants have been measured at \$102,178 (June 30, 2025: \$13,079) and are recorded as contributed surplus in equity.

13. Share capital

Authorized

Unlimited common shares no par value - Voting and participating

Unlimited preferred shares at no par value - Non-voting and non-participating

Issued

	Number of shares	Share capital
Common shares		
Balance of June 30, 2024	78,990,456	15,798,373
Issue of shares	772,500	231,327
Balance of June 30, 2025	79,762,956	16,029,700
Issue of shares	-	-
Balance at September 30, 2025	79,762,956	16,029,700

14. Due from related parties

	September 30, 2025	June 30, 2025
Due from NAH Equity Company GP Inc. a company controlled by George Lawton	304,316	273,289
Funds advanced for operating expenses		
Due from Se-Mi-Ah-Mu LLP, an entity controlled by George Lawton and Navi Jagpal	210,390	199,590
Funds advanced for operating expenses		
Due from Glenlake Highview Development LP, an entity controlled by George Lawton and Navi Jagpal		
Funds advanced for operating expenses	512,950	550,640
Due from Emerge Modular Ltd., a company where Navi Jagpal has significant influence		
Construction cost of modular homes	77,691	77,691
Due from Pacific Hwy Industrial Development GP Inc. a company controlled by George Lawton and Navi Jagpal		
Funds advanced for operating expenses	4,446	4,446
Due from Steve Alphonse		
Funds advanced for cost sharing	3,535	3,535
	1,113,328	1,109,191

The amounts due from related parties are not interest bearing and are due upon demand.

15. Due to related parties

North America Home Finance Inc.

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Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

	September 30, 2025	June 30, 2025
Balance with related parties		
Due to 1086353 BC Ltd., the majority shareholder and a company controlled by George Lawton	10,292	10,292
Funds advanced by parent company for operating expenses		
Due to NAHF Equity Management Ltd., a company owned by NAH Equity Company GP Inc. a company controlled by George Lawton	314,879	80,971
Funds advanced for management fees owing		
Due to NA Equity Co. LP, an entity controlled by NAH Equity Company GP Inc. a company controlled by George Lawton	11,090	7,583
Funds advanced for operating expenses		
	336,261	98,846

The balances with related parties are not interest bearing and are due upon demand.

Related party transactions also include promissory note with 1086353 BC Ltd, a majority shareholder for \$250,000 (June 30, 2025 - \$250,000). The promissory note payable is considered as a part of lease consideration and is due July 31, 2030 and bears interest at the prime rate. Accrued interest of \$109,965 to September 30, 2025 (June 30, 2025 - \$105,629) has been recognized under interest payable.

16. Financial risk management Overview

The Company's activities expose it to certain financial risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. These risks include credit risk, liquidity risk, foreign exchange risk and interest rate risk. The actions taken to manage them are outlined below. The directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

i.) Credit risk

Credit risk is defined as the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, net investment in sub-lease and deposit for condominium units. The Company is exposed to credit risk as some tenants may experience financial difficulty and may default in payment of rent in the current economic environment. The Company attempts to minimize possible risks by collecting security deposits from tenants. At September 30, 2025, the Company has provided for \$124,109 (June 30, 2025 - \$91,580) expected credit losses.

The Company has mortgage title and security over properties financed by the loan receivable and the deposits for condominium units. Further, cash balances are deposited with a major Canadian banking institution. The Company's maximum exposure to credit risk is the value of its cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, deposit for condominium units, net investment in subleases and due from related parties.

ii.) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company ensures that there is sufficient capital to meet short term business requirements, after considering cash flows from operations and the Company's holdings of cash. The Company acquires mortgages from financial institutions and completion of private debt placement to meet ongoing financial obligation, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Company's future net cash flows for the possibility of negative net cash flow.

The Company's liquidity risk arises from obligations in normal course of operations including accounts payable and accrued liabilities, interest payable, lease liability, promissory note with related party, due to related parties, real property bonds, residential development units, convertible debentures, mortgages payable, and redeemable preference shares. After examining the economic factors that could cause liquidity risk, the Company believes it will have sufficient liquidity to support its operations and meet its financial obligations for at least twelve months. If the Company is not

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

successful, then this uncertainty may cast significant doubt with respect to the ability of the Company to continue as a going concern (see Note 1).

The following table details the Company's contractual maturities of its financial liabilities at September 30, 2025, and June 30, 2025:

	Period ended September 30, 2025		Year ended June 30, 2025	
	Less than one year	Greater than one year	Less than one year	Greater than one year
Accounts payable and accrued liabilities	5,937,130	-	6,045,564	-
Interest payable	1,700,821	109,965	173,461	1,384,672
Current portion of promissory note	7,014,851	-	6,866,816	-
HomePlan contribution	-	321,975	-	285,750
Promissory note with related party	-	250,000	-	250,000
Lease liabilities	100,003	1,289,712	100,003	1,282,489
Redeemable preference shares	577,500		577,500	
Real property bonds	-	4,415,399	-	4,246,375
Residential development units	360,000	19,524,181	360,000	19,335,637
Convertible debentures	1,606,032	-	-	139,421
Mortgages payable	4,007,036	47,788,406	3,770	46,188,717

iii.) Foreign exchange risk

The Company holds minimal cash balances in US dollar denominated accounts which have exposure to currency fluctuations. As the Company's cash balance in the US dollar denominated account is not considered significant, the Company's exposure to foreign exchange rate risk is minimal.

iv.) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's Real Property Bonds, Residential Development Units, mortgages and promissory note are based on both fixed and variable interest rates and are therefore impacted by fluctuations in market interest rates. A fluctuation of 1% on the prime interest rate would lead to a \$496,005 change in interest payments on the mortgages payable that have an interest rate linked to the prime rate and the promissory note with related parties.

17. Changes in non-cash working capital

	September 30, 2025	September 30, 2024
Decrease (increase) in accounts receivable	64,162	(63,989)
(Increase) decrease in prepaid expenses	4,355	588
Increase in due from related parties	(4,137)	-
(Decrease) Increase in due to related parties	237,415	420,052
(Decrease) Increase in accounts payable and accrued liabilities	63,794	848,282
Increase in other receivables	(34,048)	(224,907)
	331,541	980,026

North America Home Finance Inc.

Notes to the Condensed Consolidated Interim Financial Statements

Canadian Dollars

For the three months ended September 30, 2025 and 2024 and year ended June 30, 2025

18. Subsequent event

On October 30, 2025, the Company completed a first mortgage of \$14,500,000 for the replacement of the existing mortgage from People's Trust and a \$1,500,000 pay down of the 1 City Mortgage. The mortgage is a demand facility payable at any time upon demand by the lender at an interest rate equal to the RBC Prime Rate plus 275 basis points with a minimum of 7.45%. In February 2026 Peakhill Capital changed the facility to a term loan with a maturity date of June 1, 2027.

In February 2026, the mortgage maturity date of the 2021 second mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027 and the mortgage maturity date of the 2022 mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027.



NORTH AMERICA HOME FINANCE INC.

Management's Discussion and Analysis

For the three months ended September 30, 2025

This management's discussion and analysis ("MD&A") in respect of the results of operations of North America Home Finance Inc. ("NAHF Inc." or the "Company") should be read in conjunction with the Company's unaudited condensed interim consolidated interim financial statements and related notes for the three months ended September 30, 2025, and September 30, 2024 (the "Interim Financial Statements"), the Company's audited consolidated financial statements and related notes for the years ended June 30, 2025, and June 30, 2024 (the "Financial Statements") and the Company's MD&A for the year ended June 30, 2025.

The Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") unless otherwise noted. All dollar amounts and references included in this MD&A are in Canadian dollars.

NAHF Inc.'s Board of Directors, approved the content of this MD&A on February 11, 2026.

Non-GAAP measures

The MD&A refers to terms that are not specifically defined in IFRS and do not have any standardized meaning prescribed by IFRS. These non-GAAP financial measures and supplementary financial measures may not be comparable to similar measures presented by other companies. We believe that the non-GAAP financial measures and supplementary financial measures are useful in assisting investors in understanding components of our financial results. For a definition of these measures refer to the section "Non-GAAP Measures".

Forward looking information

Refer to the cautionary statement regarding forward-looking information under the heading "Forward-Looking Information" in the Prospectus of the Company to which this MD&A is attached as Appendix A.

Business overview

NAHF Inc. is a corporation, initially incorporated under the *Canada Business Corporation Act* on July 27, 2016, and then continued to British Columbia under the *Business Corporations Act* (British Columbia) on December 22, 2023. The Company was created to manage and operate revenue-producing residential real estate properties and to fund the development and ownership of new residential real estate in conjunction with homeowners. The Company directly or through its subsidiaries is engaged in the business of acquiring, financing, developing, holding, maintaining, improving, leasing, managing or otherwise dealing with income producing residential real property through the issuance of subsidiary trust units to subscribers, and investing the proceeds from such issuance in the development of real estate properties and growing the business of providing financing to residential real estate developers and home purchasers.

The Company's core vision is to contribute to growth in home ownership in North America through the introduction of advanced financing tools and mortgage products for housing developers and home purchasers.

The Company is specifically focused on offering shared equity housing agreements through its HomePlan Equity Building Program ("HomePlan") to qualified employed renters to enable them to begin building equity. In the future when a family has accumulated more equity, the Company also intends to offer qualified shared appreciation mortgage products with lower monthly payments to deliver a broader range of payment terms to the market and transition families into being able to work with existing conventional mortgage lenders. To effectively operate in this way and compete with other real estate investment vehicles for capital, the Company intends to increase its asset base through the development and acquisition of income-producing housing real estate.

As the asset base increases and the total capital available to the Company grows giving it greater economies of scale, there is expected to be greater competitiveness on financing terms allowing a wider range of home purchasers to be served.

The Company intends to focus part of its strategy on developing and acquiring newer housing assets which have longer economic life spans and require less short-term capital maintenance reserve expense. Focusing on newer properties should also provide home occupants with a greater probability of predictable experience in home maintenance with less chance of larger more expensive repairs being needed.

The Company's focus is on the development, acquisition, and management of a portfolio of high-quality housing communities in both suburban and high-density urban locations, in cities with projected ongoing population growth. As of September 30, 2025, the Company had investments either directly, or through its subsidiary NAHF Real Estate Trust, in five residential locations including the Saanich Ridge Development, Mountain View Estates Development, and Glenlake Highview Development, all on Southern Vancouver Island, BC, as well as the Five Crossings Apartments and Revo Development ("Collinson Rise" or "Revo") in Kelowna, BC, and non-binding letters of intent to invest in or acquire additional housing communities on Vancouver Island and in the Okanagan Valley.

The Company organized the Trust (defined below) as a subsidiary to fund housing development projects through segregated unit classes and to hold income-producing housing assets for the long term. The Trust provides third-party unitholders a preferred investment position which is designed to reduce volatility for those unitholders. The Company receives a share of the profits in the development projects and a share of the property appreciation of the income-producing housing assets in exchange for subordinating its equity in the Trust to third-party unitholders.

NAHF Real Estate Trust

NAHF Real Estate Trust (the "**Trust**") is an unincorporated, limited purpose open-ended investment trust formed under and governed by the laws of the Province of British Columbia. The Trust is governed by an Amended and Restated Declaration of Trust dated September 26, 2023, as amended and supplemented from time to time, a copy of which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

The Trust's primary business focus is the indirect holding of residential rental real estate, through its wholly owned subsidiary, NAHF Limited Partnership (or other limited partnerships or investment arrangements as may be established by the Trust from time to time). Returns of principal, profits, and capital will flow solely from the housing income properties held by the NAHF Limited Partnership (or other limited partnerships or investment arrangements as may be established by the Trust from time to time) to the Trust and certain unit holders of the Trust.

The Trust has three types of unit classes:

- (i) Common Units, all of which are held by the Company,
- (ii) Residential Development Units, which link a specific development project investment to a given series of units and,
- (iii) Housing Yield (HY) Units, which invest into the revenue producing property portfolio held by NAHF Limited Partnership.

The Trust provides financing to real estate developers for the development of its own residential rental units and intends to acquire, and where appropriate refurbish, or redevelop, operating residential rental properties, in each case for the purpose of earning rental income. The Trust may also earn interest from providing secured financing to homebuyers or housing developers.

The Trust has contracted with the Company for all its operational needs and does not have its own fixed salary costs or office space costs pursuant to an Administration and Property Management Services Agreement, a copy of which is available under the Company's profile on SEDAR+ at www.sedar.plus.ca.

Strategy

In addition to driving sustainable occupancy rates within its existing housing assets described in points 1 and 2 below, NAHF Inc. expects to grow the total portfolio of housing assets available to be offered with a HomePlan Agreement for the occupants through:

1. Direct majority owned development.
2. Development partner project investments.
3. Forward (wholesale) acquisition of to-be-built housing assets
4. Preferred share consideration acquisitions of new assets.
5. Apartment building conversions.
6. MLS resale asset accumulation which is a "tenant first" approach allowing potential tenants, who are pre-qualified by the Company, to select a home that is for sale on MLS which will be acquired by the Company and held as a rental property rented to the tenant under a HomePlan agreement.
7. Structured Mortgage AUM (capital light).

HomePlan Equity Building Program

The Company offers and operates the HomePlan program under an exclusive license to provide shared equity housing options to qualified employed renters. A HomePlan agreement provides that a tenant pays an additional amount over and above the monthly rent payment, representing an option cost which accumulates over the term of the agreement and can be credited against the purchase price for the home together with a share of the appreciation in value of the home over that term.

HomePlan agreement status as of September 30, 2025, is outlined in the table below:

HomePlan agreements	September 30, 2025	June 30, 2025
Signed	31	30
Active	31	30

Property portfolio

The Company is currently active in the Greater Victoria market as well as the Central Okanagan market, both of which are experiencing housing supply constraints due to various factors, including as a result of land scarcity. Land scarcity has resulted in increased land values and necessitated taller higher density building projects in these markets.

Wholly owned homes are currently being developed, sold and rented at the Company's Saanich Ridge Development in greater Victoria.

The Company continued its strategy of forward acquisition (wholesale) of to-be-built housing assets by closing the finance offering for its investment in the Revo Development in May 2024, which funds were advanced to the Collinson Rise Limited Partnership and serve as a deposit for 75 condominiums projected to be completed in 2026. Additionally in 2024, an agreement to acquire 35% of the total number of units upon completion of phase 1 of the Glenlake Development in the Langford, greater Victoria area was signed and a portion of the financing raised.

The Company believes it is well positioned to use its HomePlan program offered through the NAHF Real Estate Trust to accelerate sales at the Revo Development, the construction of which was fully financed by the developer in fiscal 2025, and the Saanich Ridge Development.

HomePlan agreements	September 30, 2025	June 30, 2025
Saanich Ridge Development	24	23
Five Crossings Development	7	7

The Company also intends to pursue its other five growth strategy transactions over the long term.

Development partners

In addition to selecting cost effective and attractively located sites the Company selects development partners with strong track records.

Key Performance Measures

Homes pipeline and homes held

Given that NAHF Inc.'s principal objective is to increase the number of households that can grow an equity stake in their own homes, key measurements for the Company overall are the number of homes that are in the pipeline for future occupancy, and the number of homes already held for HomePlan purchasers.

The table below outlines the housing assets held and the pipeline of housing assets that are intended to be held in NAHF Real Estate Trust and operated within the Company.

Homes pipeline and homes held measures are operational measures and therefore may not be comparable to similar measures presented by other companies.

As at September 30, 2025 Property description	Planned Homes	Homes Held (Completed)	% Construction Complete	Pipeline (homes to be constructed)
Home sales and sub-lease income				
Saanich Ridge Estates Land Leases	40	28	70%	12
Rental Income				
Edmonton properties	1	1	n/a	-
Saanich Ridge Rental Community #1	26	26	100%	-
Saanich Ridge Rental Community #2	26	-	49%	26
Five Crossings Development	80	80	100%	-
Revo Development	75	-	55%	75
Mountain View Estates	123	-	0%	123
Saanich Ridge Rental Community #3	26	-	2%	26
Glenlake Development Tower 1	82	-	0%	82
Total	479	135	n/a	344

On July 25, 2025, the Company sold one of the Edmonton properties for \$95,000.

The Revo Development condominium building where the Company or its subsidiary has an agreement in place pursuant to which it has the right to acquire 75 units as a distinct air-space parcel within the building, subject to standard closing conditions, is at approximately 55% completion and continues to be developed.

The Company believes it has created a pipeline of residential assets that have the potential to provide reliable and stable cash flow and continues to pursue opportunities that will increase the diversification of income-producing assets through other acquisitions and/or development.

The portfolio of development projects is progressing as anticipated, and management remains confident that there will be continued demand for rental housing and positive absorption in the markets and locations the Company has selected to pursue new housing development.

The Company intends to use its HomePlan program to generate sales at these developments and build its asset base.

Occupancy Levels

The Company strives to achieve average 98% occupancy within its portfolio of properties to maximize cash flow and margin beyond its debt service requirements.

Occupancy levels is an operating measure and therefore may not be comparable to similar measures presented by other companies.

Occupancy levels are measured by property at the end of each reporting period to ensure the Company is achieving sustainable occupancy rates. As of September 30, 2025, occupancy levels were:

Property	Occupancy rate
Saanich Ridge rental community	92%
Five Crossings 80 units	83%
Total	88%

The Saanich Ridge rental community was completed on March 31, 2025, and as of the date of this report occupancy for the rental community has increased to 96%.

The Five Crossings units were acquired on March 31, 2025, and as of the date of this report occupancy for these units is 80%.

The Company expects to continue to increase newly built, housing assets intended to enable us to maintain high occupancy levels through tenant purchaser retention.

Average annualized contractual recurring cash flow from income-producing housing assets

Average Annualized contractual recurring cash flow from income-producing housing assets is a supplementary financial measure that indicates recurring cash inflows for the Company, including rental income and sub-lease income based on a run rate as of a particular date. Specifically, average annualized contractual recurring cash flow is calculated as the sum of (i) the average annual rental rate per square foot for occupied units as of the applicable period end date multiplied by the aggregate square footage rented as of such date, plus (ii) the average monthly sub-lease per unit as of the period end date annualized and multiplied by the number of units subject to a sub-lease as of such date. Average annualized contractual recurring cash flow may not be comparable to similar measures presented by other companies. See "Non-GAAP Measures".

As of:	September 30, 2025	June 30, 2025
Square feet rented	96,890	97,543
Average annual rent per square foot	\$35.57	\$35.46
Annualized recurring rent cash flow	3,446,377	3,458,875
Units sublet	27	28

As of:	September 30, 2025	June 30, 2025
Average monthly sub-lease per unit	460	460
Number of months	12	12
Annualized recurring sub-lease cash flow	149,040	154,560

Average Annualized contractual recurring cash flow	3,595,417	3,613,435

In the three months ended September 30, 2025, the Company sold one of the Edmonton properties reducing its annualized contractual recurring cash flow from rental income producing housing assets by \$0.01 million.

The Company expects its average annualized recurring cash flow to increase as additional rental community housing units are completed in 2026 and beyond.

Three months ending September 30, 2025, Highlights

Periods ending September 30	2025	2024
Summarized statement of loss and comprehensive loss data		
Total Revenue	1,654,429	460,831
Net Loss and comprehensive loss	(1,511,875)	(667,818)
Per share data		
Weighted average number of shares	79,762,956	78,413,127
Basic and diluted loss per share	\$(0.019)	\$(0.009)

Periods ending	September 30, 2025	June 30, 2025
Summarized statement of financial position data		
Total Assets	114,489,098	107,151,457
Total Non-current Financial Liabilities	81,968,286	80,621,546

Throughout the period we maintained a conservative, focused approach to strengthening our financial position and earnings capability, by continuing work to increase our income producing housing asset base, financing the development of investment property and investing in wholesale development housing acquisition.

Revenue in the three months ended September 30, 2025, consisted of home sales, acquisition and development fees, rental income and sub-lease income totalling \$1.7 million, which was \$1.2 million higher than September 30, 2024. Home sales increased from 0% of revenue in the three months ended September 2024 to 50% in the three months ended September 2025. For the three months ended September 30, 2025 rental income increased 149% over the three months ended September 30, 2024, as the Company had finalized Phase 1 of the Saanich Ridge Development rental community, completing and renting 26 homes by the end of Fiscal 2025. The Company also acquired 80 units and rented a portion thereof in the Five Crossings development by the end of fiscal 2025. Sub-lease income associated with the land related to homes sold in prior years at Saanich Ridge and an additional 3 homes sold in 2025 was also earned by the Company.

Net losses of \$1.5 million for the three months ended September 30, 2025, were higher than the three months ended September 30, 2024, due to \$1.2 million of additional costs incurred by the Company to generate higher rental and home sales revenue and build and acquire more income producing assets.

Total assets increased \$7.34 million to \$114.5 million in the three months ended September 30, 2025, as the Company expanded its income producing housing asset base by continuing to build the next two Saanich rental communities. Additionally, the Company increased deposits for condominiums in alignment with its Forward (wholesale) acquisition of to-be-built housing assets strategy.

Non-current financial liabilities increased \$1.3 million to \$82.0 million in the three months ended September 30, 2025, primarily as the Company continued to finance the development of the next two Saanich rental communities.

The Company also issued \$1.55 million principal amount of convertible debentures for general working capital needs.

Review of financial and operating results

Readers are reminded that established key performance measures may be non-standard or non-GAAP measures. Refer to the "Non-GAAP Measures" section below.

Segments

The Company has one reportable operating segment which is made up of its real estate operations based in British Columbia and Alberta, Canada. All of the Company's noncurrent assets are located in and revenue is earned in Canada.

Discussion of operations

Revenue

The Company earns revenue from the sale of homes, sub-lease income and rental income, as well as acquisition and development management fees.

Three months ending September 30	%	2025	%	2024
Home sales	50%	830,000	0%	-
Acquisition and development management fees	5%	89,593	33%	151,198
Rental income	43%	708,457	62%	284,816
Sub-lease income	2%	26,379	5%	24,817
Total Revenue	100%	1,654,429	100%	460,831

Home sales of \$0.83 million were generated for 1 home sold in the three months ended September 30, 2025. No homes were sold in the three months ended September 30, 2024.

Acquisition and development management fees are recognised as and when the Company provides services under the terms of the agreements with developers.

Effective January 1, 2025, the Company entered into a management agreement (the "Management Agreement") with NAHF Equity Management Ltd. (the "Manager"). Pursuant to the Management Agreement, acquisition, development and other fees will be earned by the Manager, which is expected to reduce revenue of the Company. As this change in activity occurred, Acquisition and development management fees are lower in the three months ended September 30, 2025, by \$0.06 million than they were in the three months ended September 30, 2024.

Rental income increased \$0.42 million in the three months ended September 30, 2025, compared with the same period in 2024 as the Company rented Saanich rental community homes to qualified renters at the time those homes were completed and available to be rented and units in Five Crossings. Existing rental

homes on HomePlan are each expected to begin being sold to occupants the later of five to seven years into the future when renters become eligible to exercise their option to purchase the home.

Cost of sales and gross margin

Three months ending September 30	%	2025	%	2024
Revenue		1,654,429		460,831
Cost of Sales		806,372		-
Gross Margin	51%	848,057	100%	460,831

Cost of sales is comprised of the costs of developing homes for sale. In the three months ended September 30, 2025, the Company incurred \$0.8 million cost of sales. The Company did not incur cost of sales in the prior comparable period.

Gross margin of \$0.85 million and 51% is \$0.39 million higher than gross margin achieved in the three months ended September 30, 2024, attributable to higher rental income from the expanding recurring income producing housing asset base and the sale of 1 home.

Expenses

Three months ending September 30	2025	2024
Expenses		
Depreciation	661,964	319,680
General and administrative expenses	859,064	150,665
Professional fees	130,142	326,765
Sales and marketing expenses	16,416	32,237
	1,667,586	829,347

As the Company focused on scaling for growth, expenses in the three months ended September 30, 2025, were \$0.84 million higher than the three months ended September 30, 2024.

Depreciation expense is associated with the rental income producing properties, representing the cost of development and capitalized financing over the life of properties developed by the Company, or the cost of acquisition of properties acquired by the Company. Depreciation expense on the investment properties is \$0.34 million higher in the three months ended September 30, 2025, than the same period in the prior year as the Company increased its rental income producing properties through the completion of the first Saanich rental community and the acquisition of 80 units in the Five Crossings development.

Effective January 1, 2025, the Company entered into a management agreement (the "Management Agreement") with NAHF Equity Management Ltd. (the "Manager"). Pursuant to the Management Agreement, the Manager provides management and resources to operate the Company and charges fees for its services.

General and administrative expenses were \$0.71 million higher than the three months ended September 30, 2025, than in the same period in the prior year as the Company incurred more expenses to increase its rental income producing investment properties. Fees charged by the Manager to the Company are also included in general and administrative expenses. For the three months ended September 30, 2025, the Manager charged the following fees:

Three months ending September 30	2025	2024
Administration	57,192	-
Development management	326,374	-
Disposition	712	-
HomePlan marketing fee	22,474	-
Property management	32,707	-

Three months ending September 30	2025	2024
	444,460	-

Professional fees were \$0.2 million lower in the three months ended September 30, 2025, compared with the prior year as consulting fees are now incurred by the Manager, and the Manager charges the Company fees for its services which are disclosed as general and administrative expenses.

Sales and marketing expenses were \$0.02 million lower in the three months ended September 30, 2025, than in the same period in the prior year, as most homes available for rent were rented and less marketing was required.

Other income

Other income of \$0.03 million is primarily comprised of the gain on sale of the Edmonton Property.

Financing costs

Three months ending September 30	2025	2024
Mortgages	425,185	26,879
Related party promissory notes	4,335	8,643
Promissory notes	29,933	-
Real property bonds	169,023	160,426
HYU distributions	122,376	-
Convertible debentures	31,313	-
Other financing costs	205,891	70,734
	988,056	266,682

Most of the Company's financing costs are comprised of mortgage interest on the Company's growing portfolio of rental properties with interest on construction mortgages being capitalized to specific projects.

Financing costs associated with real property bonds, HYUs issued by the Trust, promissory notes, and Convertible debentures, issued by Saanich Ridge Development Ltd., are to finance general working capital.

Financing costs were \$0.72 million higher in the three months ended September 30, 2025, than in the same period in the prior year primarily due to increased mortgages and other financing costs. Other financing costs comprise primarily of amortization of deferred financing fees relating to the mortgages. Please refer to Note 10 of the notes to the condensed interim consolidated interim financial statements for more information.

The Company expects to be more focused on raising project specific debt in 2026 and beyond as it continues to build its income producing asset base.

Change in fair value

The Company recognized a gain on the change in fair value of its financial instruments of \$0.3 million compared with a fair value loss of \$0.03 million in the prior year. The gain in the current year was attributable to the Company's share of expected profit in the REVO development.

Properties

The Company's properties as at September 30, 2025, consisted of the Saanich Ridge Development property, net investment in sub-leases for 27 of 40 lots sublet and investment properties in Edmonton, the Saanich Ridge rental communities and the Five Crossings Development. There is also a right of use asset associated with a 99-year lease for Saanich Ridge and a right of use asset associated with a 99-year lease for Mountain View Estates. The Company has also made deposits for condominiums in the Collinson Rise (REVO) and Glenlake developments.

North America Home Finance Inc.
Managements' Discussion and Analysis

Periods ending	September 30, 2025	June 30, 2025
Development properties	552,626	1,148,925
Net investment in sub-leases	1,648,852	1,658,353
Right of use asset	3,290,475	3,299,542
Investment properties		
Edmonton properties	77,734	143,686
Saanich Ridge Rental Community #1		
Development costs	21,041,146	20,589,868
Right of use asset	1,216,873	1,220,049
Saanich Ridge Rental Community #2 & #3		
Development costs	14,393,173	7,710,415
Right of use asset	2,126,849	2,126,849
Saanich Ridge Lot 140	638,817	647,690
Saanich Ridge Lot 142	47,925	48,600
Five Crossings Development	27,187,611	27,536,169
	66,730,128	60,023,326
Loan receivable (Five Crossings)	6,074,165	6,074,165
Deposits for condominiums		
Collinson Rise/Revo Development	15,148,496	14,264,368
Glenlake Development	6,359,249	5,990,475
	21,507,745	20,254,843
	99,803,991	92,459,154

Development properties

The Saanich Ridge Development property is planned to be divided into 7 phases and is made up of 118 units of single family detached homes of which 40 are being developed for sale (with 27 sold to date to third parties) and 78 are for inclusion in the Company's rental pool of properties (with 26 completed to date). The Company plans to rent out the rental homes using its HomePlan model for a minimum term of five years post which the tenants under such model would have option to purchase the home between the end of fifth year up to the end of seventh year. The Carrying value of \$1.15 million is attributable to development costs for the remaining 12 of 40 single family detached homes under development for sale.

Net investment in sub-leases

The Company recognized \$1.64 million net receivable for the subleases at September 30, 2025.

Right of use asset

The Company recognized \$3.29 million right of use asset.

Investment properties

Investment properties increased by \$6.7 million to \$66.7 million as the Company primarily continued to develop the next two income producing Saanich Ridge rental communities.

The Company intends to rent these new rental homes using the HomePlan shared equity program.

Deposits for condominium units

Deposits for condominium units increased \$1.25 million to \$21.5 million in the three months ended September 30, 2025. Deposits for condominium units is measured at fair value through profit and loss and the fair value increased by \$1.02 million relating to the Collinson Rise and Glenlake deposits for condominiums. Additionally, in the three months ended September 30, 2025 the Company made \$0.23 million net advances of condominium deposits for the Glenlake development.

Capital Resources and liquidity

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to facilitate the completion of corporate objectives.

Property development is a capital-intensive activity. Sufficient capital is required to develop new property and participate in property investments that align with deploying shared housing equity options.

The Company anticipates that it will make substantial capital expenditures for the development and acquisition of properties in the future. There can be no assurance that debt or equity financing or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly.

The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, the result of its operations or its overall prospects.

We have developed strong relationships with our lenders and property owners, which has to date provided the Company access to attractive development properties and reasonable financing terms, despite fluctuating credit markets and ongoing changes in the economic environment.

Capital, consisting of shareholders' equity, convertible debentures, promissory notes with a related and unrelated party, real property bonds and mortgages payable, is managed in a manner consistent with the risk characteristics of the assets the Company holds.

The Company, through the Trust, has issued Residential Development Units, which are liabilities of the Company, are linked to specific development project investments and allow the investor to participate in the returns of that development project. The Trust benefits from not having to pay any returns on such units until the development is complete and any profits have been distributed, thereby reducing its need for cash. While certain unit holders do have the option to redeem prior to maturity, the redemption terms are structured so as to disincentivize early redemption. No holders of residential development units have exercised this option to date.

The balance of the capital is sourced from fixed and variable rate mortgages. The \$4.0 million fixed rate mortgages account for approximately 7.73% of the mortgage borrowings with higher than market interest rates. These fixed rate mortgages are actively being repaid.

The \$47.8 million variable rate mortgages, accounting for the remaining 92% of mortgage financing, are mostly CMHC insured allowing the Company to reduce the overall interest rate and extend the amortization period.

Management completes detailed reviews and performs due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity, and performs quarterly reviews of financial results.

All sources of financing are analysed by management and approved by the directors. As of September 30, 2025, the Company had a net current liability position of \$13.3 million. The majority of this deficit is made up

of mortgages with a term less than 12 months which have been successfully extended in prior years and accounts payable for the development of the rental communities which is fully funded by a construction mortgage.

The Company's activities expose it to certain financial risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. These risks include credit risk, liquidity risk, foreign exchange risk and interest rate risk which are discussed in the MD&A as well as in the "Risk Factors" section of the Prospectus of the Company to which this MD&A is attached as Appendix A.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity, and quarterly review of financial results. There is no change to the Company's approach to management of capital during the period. The Company is not subject to any externally imposed capital requirements.

The Company does not intend to adopt a dividend policy for its common stock in the short term but instead will focus on growing the shareholder equity retained by the Company on behalf of its common shareholders through the development of new housing assets, participation in the development profits earned in third party developer's projects funded by the Trust, and through fair value gains from the Company's share of appreciation realized from the housing assets held by the Trust for the long term.

Subsequent to year end, the Company created, but has not yet issued, a preferred class of stock referred to as the Housing Shares that, once issued, are intended to track returns of HY Units of the Trust that the Company retains, and the Company intends to pay out any income received from those HY Units in the form of a dividend on those Housing Shares.

Certain agreements to which the Company and its subsidiaries are parties restrict the payment of dividends. See the "Dividends and Distributions" section of the Prospectus of the Company to which this MD&A is attached as Appendix A.

The Company's main liquidity requirements arise from ongoing working capital requirements, debt servicing and repayment obligations, capital and leasing expenditures on existing properties, property acquisitions and distributions to shareholders. All of the aforementioned liquidity requirements, except for debt repayment obligations at maturity and property acquisitions, are generally funded from cash flows from operations. Debt repayment obligations are generally funded from refinancing the related debt. Property acquisitions are generally funded from capital raises as well as obtaining debt financing on the related property.

Going Concern

The consolidated financial statements have been prepared on a going-concern basis, with the assumption that the Company will continue operating for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations.

The Company incurred a net loss of \$1.5 million during the three months ended September 30, 2025 (2024 – \$0.67 million), and as of that date, the Company had an accumulated deficit of \$5.3 million (June 30, 2025 – \$3.8 million). Additionally, the Company had a working capital deficit (calculated as current assets less current liabilities) of \$13.3 million as at September 30, 2025 (June 30, 2025 – \$5.9 million). The Company had positive operating cash flows of \$0.16 million for the three months ended September 30, 2025 (2024 – \$0.55 million). The Company's continuing operations are dependent upon the Company's ability to obtain additional capital, successfully develop and sell the Saanich property, develop and/or lease the rental units, and identify, evaluate, and negotiate the acquisition of an interest in properties, assets or a business. As such, there is a material uncertainty related to these events and conditions that may cast significant

doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to develop and sell the remaining homes under development in the Saanich property in the next fifteen months. The Company has also started developing the next two 26-home rental communities. The outcome of these matters cannot be predicted at this time. In assessing whether the going concern assumption is appropriate, management evaluated all available information about the future which is at least, but not limited to, twelve months from the end of the reporting period. These condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets, liabilities and expenses that might be necessary should the Company be unable to continue as a going concern and that such adjustments could be material.

Cash flows

Three months ending September 30	2025	2024	Change
Cash generated from operating activities	161,622	547,717	(386,095)
Cash used by investing activities	(7,333,792)	(2,388,938)	(4,944,854)
Cash provided by financing activities	7,195,306	1,734,946	5,460,360
Increase (decrease) in cash	23,136	(106,275)	129,411
Cash, beginning of period	105,071	187,181	(82,110)
Cash, end of period	128,207	80,906	47,301

As at September 30, 2025, the Company held cash and cash equivalents of \$0.13 million. The credit risk associated with the Company's cash and cash equivalents was considered low as the Company's balances were held with large Canadian chartered banks.

Cash (used in) generated by operating activities

Analysis of changes in cash used by operating activities

Three months ending September 30	2025	2024	Change
Operating revenues and other income	1,628,383	416,499	1,211,884
Goods and services purchased	(1,812,120)	(319,667)	(1,492,453)
Financing costs paid	(776,477)	(172,584)	(603,893)
Other operating working capital changes	331,541	980,026	(648,485)
Additions to development properties	790,295	(356,557)	1,146,852
Cash generated from operating activities	161,622	547,717	(386,095)

Cash generated from operating activities was \$0.39 million lower in the three months ended September 30, 2025, than in the prior year. The Company increased its income producing housing assets by completing the first Saanich Ridge rental community and acquiring 80 units in the Five Crossings development with operating revenues and other income increasing by \$1.2 million to \$1.6 million. Goods and services purchased increased \$1.5 million to \$1.8 million offsetting any gains from increased revenue resulting in lower cash generated from operating activities. Cash was used to generate higher rental and home sales revenue.

Cash provided by financing activities

Analysis of changes in cash provided by financing activities

Three months ending September 30	2025	2024	Change
Proceeds from mortgages payable	6,499,904	775,111	5,724,793
Repayment of mortgage payable	(868,380)	(720,019)	(148,361)

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Three months ending September 30	2025	2024	Change
Proceeds from residential development units	195,000	1,644,158	(1,449,158)
Repayment of residential development units	(30,000)	-	(30,000)
Proceeds net of issuance costs from issuance of common shares	-	52,000	(52,000)
Proceeds from issuance of convertible debentures	1,550,000	-	1,550,000
Advances from HomePlan contributions	36,225	58,897	(22,672)
Repayment of promissory notes	(82,191)	(40,058)	(42,133)
HYU distributions	(100,252)	-	(100,252)
Other	(5,000)	(35,143)	30,143
Cash provided by financing activities	7,195,306	1,734,946	5,460,360

Cash provided by financing activities was \$5.46 million higher in the three months ending September 30, 2025, than the prior comparable period.

Proceeds from mortgages payable

In the three months ending September 30, 2025, the Company received \$6.5 million of mortgage financing, \$5.7 million more than in the prior comparable period as the Company is financing the next two Saanich Ridge rental communities.

Repayment of mortgages payable

In the three months ending September 30, 2025, the Company repaid \$0.86 million of mortgages, \$0.15 million higher than the comparable prior period as the Company is making principal payments on the mortgages for the income producing rental properties.

Proceeds from and repayment of residential development units

Proceeds from residential development units in the three months ended September 30, 2025, were \$1.45 million lower than the prior comparable period as the Company nears the completion of its capital raise for Glenlake.

In the three months ended September 30, 2025, the Company redeemed \$0.03 million of HYU's.

Proceeds from issuance of convertible debentures

During the three months ended September 30, 2025, the Company issued and sold convertible debenture units comprised of debenture notes totaling \$1,550,000 and 775,000 warrants to acquire 775,000 common shares at a price of \$0.50 per share, completing the capital raise.

Advances from HomePlan contributions

HomePlan contributions represent the additional amount renters pay over and above their monthly payment, which is an option cost which accumulates over the term of the agreement and can be credited against the purchase price for the home together with a share of the appreciation in value of the home over that term. In the three months ended September 30, 2025, \$0.04 million HomePlan contribution savings were collected from renters under the HomePlan equity sharing program, \$0.23 million less than the comparable prior period as the first Saanich Ridge rental community homes were all already rented.

Repayment of promissory notes

The Company repaid \$0.08 million from the promissory note entered into in the prior year. These notes bear a 10% annual interest rate and are repayable at the discretion of the Company. At September 30, 2025, \$1.2 million of promissory notes together with \$5.7 million of the promissory note for the purchase of the 80 units in Five Crossings remained outstanding.

HYU distributions

In May 2025, the Company made its first income distribution for the HYU holders. The Company makes distributions on a quarterly basis and distributed \$0.1 million in the period ended September 30, 2025.

Other

In the prior comparable period, the Company redeemed preferred shares for consideration of \$0.03 million.

Cash used by investing activities

Analysis of changes in cash used by investing activities

Period ending September 30	2025	2024	Change
Additions to investment properties	(7,237,172)	(1,020,592)	(6,216,580)
Deposits for condominium units	(227,500)	(1,375,729)	1,148,229
Proceeds on sale of investment property	95,000	-	95,000
Sub-lease payments	35,880	7,383	28,497
Cash used by investing activities	(7,333,792)	(2,388,938)	(4,944,854)

Cash used by investing activities increased by \$4.9 million to \$7.3 million in the three months ended September 30, 2025, from the prior comparable period.

The increase in additions to investment properties of \$6.2 million was for the continued development of Phase 2 and 3 of the Saanich Ridge rental community.

Funding from deposits of \$0.2 million to be applied against the future purchase price of condominiums in the Glenlake Development when elected by the Company, were also made in the three months ended September 30, 2025, but were \$1.1 million less than deposits made in the same comparable period in the prior year as the Company nears completion of its raise for Glenlake.

For the three months ended September 30, 2025, sub-lease payments received from the homes sold on leased land, increased \$0.03 million over the prior comparable period.

Financial instruments and commitments

Financial instruments

The Company's financial instruments, their accounting classifications and the Company's policies with respect to the recognition and measurement of financial instruments are described in Note 3 of the notes to the consolidated financial statements.

The Company's activities expose it to certain financial risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. These risks include credit risk, liquidity risk, foreign exchange risk and interest rate risk. The actions taken to manage them are outlined below. The directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

i.) Credit risk

Credit risk is defined as the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, net investment in sub-lease and deposit for condominium units. The Company is exposed to credit risk as some tenants may experience financial difficulty and may default in payment of rent in the current economic environment. The Company attempts to minimize possible risks by collecting security deposits from tenants. At September 30, 2025, the Company has provided for \$124,109 (June 30, 2025 - \$91,580) expected credit losses.

The Company has mortgage title and security over properties financed by the loan receivable and the deposits for condominium units. Further, cash balances are deposited with a major Canadian banking institution. The Company's maximum exposure to credit risk is the value of its cash and cash equivalents, accounts receivable, other receivable, mortgage receivable, loan receivable, deposit for condominium units, net investment in subleases and due from related parties.

ii.) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company ensures that there is sufficient capital to meet short term business requirements, after considering cash flows from operations and the Company's holdings of cash. The Company acquires mortgages from financial institutions and completion of private debt placement to meet ongoing financial obligation, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Company's future net cash flows for the possibility of negative net cash flow.

The Company's liquidity risk arises from obligations in normal course of operations including accounts payable and accrued liabilities, interest payable, lease liability, promissory note with related party, due to related parties, real property bonds, residential development units, convertible debentures, mortgages payable, and redeemable preference shares. After examining the economic factors that could cause liquidity risk, the Company believes it will have sufficient liquidity to support its operations and meet its financial obligations for at least twelve months. If the Company is not successful, then this uncertainty may cast significant doubt with respect to the ability of the Company to continue as a going concern.

The Company has the following contractual obligations:

Contractual obligations	Payments due by period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Accounts payable and accrued liabilities	5,937,130	5,937,130	-	-	-
Interest payable	1,810,786	1,700,821	109,965	-	-
Promissory notes	7,014,851	7,014,851	-	-	-
Promissory notes with related party	250,000	-	250,000	-	-
HomePlan contribution	321,975	-	-	-	321,975
Lease liabilities	1,389,715	100,003	200,000	200,000	889,712
Redeemable preference shares	577,500	577,500	-	-	-
Real property bonds	4,415,399	-	-	-	4,415,399
Residential development units	19,884,181	360,000	1,133,531	9,675,893	8,714,757
Convertible debentures	1,606,032	1,606,032	-	-	-
Mortgages payable	51,795,442	4,007,036	14,436,732	-	33,351,674
Total contractual obligations	95,003,011	21,303,373	16,130,228	9,875,893	47,693,517

Outstanding share information

As at September 30, 2025, the Company had 79,762,956 common shares issued and outstanding. There is only one class of shares issued as of September 30, 2025. See the Prospectus to which this MD&A is attached as Appendix A for details of the current issued and outstanding share capital of the Company.

Please refer to Note 13 of the notes to the consolidated financial statements for information related to our outstanding shares.

Transactions between related parties

The Company works with several related parties to contribute to growth in home ownership in North America through advanced financing tools and mortgage products for housing developers and home purchasers.

NAHF Equity Management Ltd. (the Manager as defined above) which provides services of certain executives, consultants and other employees to the Company is a wholly owned subsidiary of NAH Equity Company GP Inc.

NAH Equity Company GP Inc. is controlled by George Lawton (the Chief Executive Officer and one of the directors of the Company) and has part ownership in each of the following:

- NA Equity Co. LP
- Se-Mi-Ah-Mu LLP
- Glenlake Highview Development GP Inc
- Pacific Hwy Industrial Development GP Inc.

The Company provides funding for the operations of these related parties in the normal course of their business as they are developing properties and initiating projects.

1086353 BC Ltd. is under common ownership, owned and controlled by George Lawton but not controlled by the Company. The Company receives funding for its operations in the normal course of business from this related party.

	September 30, 2025	June 30, 2025
Due from related parties for operating expenses		
Due from NAH Equity Company GP Inc. a company controlled by George Lawton	304,316	273,289
Funds advanced for operating expenses		
Due from Se-Mi-Ah-Mu LLP, an entity controlled by George Lawton and Navi Jagpal	210,390	199,590
Funds advanced for operating expenses		
Due from Glenlake Highview Development LP, an entity controlled by George Lawton and Navi Jagpal	512,950	550,640
Funds advanced for operating expenses		
Due from Emerge Modular Ltd., a company where Navi Jagpal has significant influence	77,691	77,691
Construction cost of modular homes		
Due from Pacific Hwy Industrial Development GP Inc. a company controlled by George Lawton and Navi Jagpal	4,446	4,446
Funds advanced for operating expenses		
Due from Steve Alphonse who is a minority shareholder in MVE Development GP Inc.	3,535	3,535
Funds advanced for cost sharing		
Total due from related parties	1,113,328	1,109,191

	September 30, 2025	June 30, 2025
Due to related parties for operating expenses		

	September 30, 2025	June 30, 2025
Due to 1086353 BC Ltd., the majority shareholder and a company controlled by George Lawton	10,292	10,292
Funds advanced by parent company for operating expenses		
Due to NAHF Equity Management Ltd., a company owned by NAH Equity Company GP Inc. a company controlled by George Lawton	314,879	80,971
Funds advanced for management fees owing		
Due to NA Equity Co. LP, an entity controlled by NAH Equity Company GP Inc. a company controlled by George Lawton	11,090	7,583
Funds advanced for operating expenses		
Total due to related parties	336,261	98,846

Accounting matters

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with IFRS Accounting Standards. In applying IFRS Accounting Standards, we make estimates and assumptions that affect the carrying amounts of assets and liabilities, disclosure of contingent liabilities and the reported amount of income for the period. Actual results could differ from estimates previously reported. Our significant accounting policies and accounting estimates are contained in the Financial Statements. Please refer to Note 2 of the notes to the Financial Statements, for a discussion of accounting estimates and judgments and Note 3 of the notes to the Annual consolidated financial statements for the year ended June 30, 2025, for a description of our accounting policies.

Changes in Accounting Policies and Adoption of IFRS Accounting Standards

Refer to Note 3 of the notes to the Financial Statements for information pertaining to accounting pronouncements that will be effective in future years.

Outlook

Economic

The Canadian Mortgage and Housing Corporation (CMHC) has published forecasts of the number of new homes needing to be built in Canada to meet the annual population growth expectations resulting from immigration. Based on the current unmet demand and future construction of housing needed, management believes there is currently a large-scale opportunity to invest in housing development and because of supply constraints in South-Western British Columbia and Southern Ontario, in part, due to greenbelt protection zones, there will be a continued challenge in affordability in those regions.

The Company plans to pursue new development investments with current its developer relationships for growing its pipeline of additional housing assets that can be added to its portfolio of investment income properties. In addition, using a variety of transaction structures, additional income producing assets are intended to be targeted for acquisition or management with the potential to securitize the equity in those assets using "housing shares" of the Company.

The Company intends to continue to monitor both the economy and real estate markets with a view to ensuring adequate access to new equity and debt that will enable the Company to meet its existing operational requirements and maximize opportunities that may become available.

Interest Rates

While the current level of policy interest rates and benchmark bond yields have come down, they are still elevated above where they were when the market value of homes was peaking in the late spring of 2022. Borrowing costs have a significant effect on the “buying power” of home purchasers affecting the ability for buyers to obtain financing approval and the ability for buyers with variable mortgages to sustain their monthly payments. These factors reduce the ability for households to purchase a home and in some cases cause families to need rental housing instead. In some cases, families may be forced to sell their home and walk away with less equity than they will need to re-purchase a home when the interest rates come down, and these families along with first time buyers represent an additional candidate market for the Company’s programs.

Subsequent Events

On October 30, 2025, the Company completed a first mortgage of \$14,500,000 for the replacement of the existing mortgage from People’s Trust and a \$1,500,000 pay down of the 1 City Mortgage. The mortgage is a demand facility payable at any time upon demand by the lender at an interest rate equal to the RBC Prime Rate plus 275 basis points with a minimum of 7.45%. The Company expects to convert this demand facility into a CMHC insured term mortgage within six months. In February 2026 Peakhill Capital changed the facility to a term loan with a maturity date of June 1, 2027.

In February 2026, the mortgage maturity date of the 2021 second mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027 and the mortgage maturity date of the 2022 mortgage with 1 City on the Saanich Ridge Property was extended to September 1, 2027.

Risks and Risk Management

In addition to the risks noted herein, see the risks discussed under the heading “Risk Factors” in the Prospectus of the Company to which this MD&A is attached as Appendix A.

Non-GAAP Measures

The Company’s financial statements are prepared in accordance with IFRS Accounting Standards. Throughout this MD&A, we refer to terms known as non-GAAP financial measures and supplementary financial measures that are not specifically defined in IFRS Accounting Standards. These non-GAAP financial measures and supplementary financial measures may not be comparable to similar measures presented by other companies.

We believe that these non-GAAP financial measures and supplementary financial measures are useful in assisting investors in understanding components of our financial results. The non-GAAP financial measures and supplementary financial measures that we refer to in this MD&A are defined below.

Calculations and definitions

Average annualized contractual recurring cash flow from income-producing housing assets

Average Annualized contractual recurring cash flow from income-producing housing assets is a supplementary financial measure that indicates recurring cash inflows for the Company, including rental income and sub-lease income based on a run rate as of a particular date. Specifically, average annualized contractual recurring cash flow is calculated as the sum of (i) the average annual rental rate per square foot for occupied units as of the applicable period end date multiplied by the aggregate square footage rented as of such date, plus (ii) the average monthly sub-lease per unit as of the period end date annualized and

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multiplied by the number of units subject to a sub-lease as of such date. Average annualized contractual recurring cash flow may not be comparable to similar measures presented by other companies.

As of:	September 30, 2025	June 30, 2025
Square feet rented	96,890	97,543
Average annual rent per square foot	\$35.57	\$35.46
Annualized recurring rent cash flow	3,446,377	3,458,875
Units sublet	27	28
Average monthly sub-lease per unit	460	460
Number of months	12	12
Annualized recurring sub-lease cash flow	149,040	154,560
Average Annualized contractual recurring cash flow	3,595,417	3,613,435

APPENDIX B – AUDIT COMMITTEE CHARTER

(see attached)



NORTH AMERICA HOME FINANCE INC.

AUDIT COMMITTEE CHARTER

PURPOSE

North American Home Finance Inc. (the “**Company**”) shall appoint an audit committee (the “**Committee**”) to assist the board of directors (the “**Board**”) of the Company in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures on behalf of the Company and its direct and indirect subsidiaries, the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Company. In addition, the Committee is responsible for overseeing the audits of the financial statements of the Company, for directing the auditors’ examination of specific areas, for the selection of the independent external auditors of the Company and for the approval of all non-audit services for which the auditors of the Company may be engaged.

I. STRUCTURE AND OPERATIONS

The Committee shall be comprised of at least three members, each of whom shall be a director of the Company, and (i) the Chair of which shall meet the independence requirements of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), and (ii) the composition of the Committee shall satisfy the requirements of Section 6.1.1 of NI 52-110.

Each member of the Committee shall satisfy, or work towards satisfying, the “financial literacy” requirement of NI 52-110, by having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the financial statements of the Company.

The members of the Committee shall be annually appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority of the Board.

II. CHAIR OF THE COMMITTEE

Unless the Board elects a Chair of the Committee, the members of the Committee shall designate a Chair by the majority vote of the full Committee membership.

The Chair of the Committee shall:

- (a) Call and conduct the meetings of the Committee;
- (b) Be entitled to vote to resolve any ties;

- (c) Prepare and forward to members of the Committee the agenda for each meeting of the Committee, and include, in the agenda, any items proposed for inclusion in the agenda by any member of the Committee;
- (d) Review with the Chief Financial Officer (“CFO”) and the auditors for the Company any matters referred to the Chair by the CFO or the auditors of the Company;
- (e) Appoint a secretary, who need not be a member of the Committee, to take minutes of the meetings of the Committee; and
- (f) Act in a manner that the Committee meetings are conducted in an efficient, effective and focused manner.

III. MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances dictate. As part of its goal to foster open communication, the Committee shall periodically meet with management and the external auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Committee may meet privately with outside counsel of its choosing and the CFO of the Company, as necessary. In addition, the Committee shall meet with the external auditors and management quarterly to review the Company’s financial statements in a manner consistent with that outlined in this Charter.

The Committee may invite to its meetings any partners of the Company, management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, shall constitute a quorum. A majority of members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Committee shall maintain minutes or other records of meetings and activities of the Committee.

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting provided however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

IV. RESPONSIBILITIES, DUTIES AND AUTHORITY

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal and other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of this Committee.

The Committee in discharging its oversight role is empowered to investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside counsel, accounting or other advisors for this purpose, including authority to approve the fees payable to such advisors and other terms of retention. In addition, the Committee shall have the authority to communicate directly with both external and internal auditors of the Company.

The Committee shall be given full access to the Board, management, employees and others, directly and indirectly responsible for financial reporting, and external auditors, as necessary, to carry out these responsibilities. While acting within the scope of this stated purpose, the Committee shall have all the authority of the Board.

The Committee shall be responsible for assessing the range of financial and other risks to the business and affairs of the Company that the Board shall focus on, and make recommendations to the Board about how appropriate responsibilities for continuing to identify, monitor and manage these risks are to be delegated. The Committee shall review and discuss with management and the internal and external auditors all major financial risk exposures and the steps management has taken to monitor/control those exposures. In addition, the Committee shall encourage continuous improvement of, and foster adherence to, the Company's financial policies, procedures and practices at all levels in the organization; and provide an avenue of communication among the external auditors, management and the Board.

Absent actual knowledge to the contrary (which shall promptly reported to the Board), each member of the Committee shall be entitled to rely on: (i) the integrity of those persons or organizations within and outside the Company from which it receives information; (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations; and (iii) representations made by management and the external auditors, as to any information technology, internal audit and other non-audit services provided by the external auditors to the Company and its subsidiaries.

V. SPECIFIC RESPONSIBILITIES AND ACTIVITIES

A. Document Reports/Reviews

1. *Annual Financial Statements.* The Committee shall review with management and the external auditors, both together and separately, prior to public dissemination:
 - (a) the annual audited consolidated financial statements;
 - (b) the external auditors' review of the annual consolidated financial statements and their report;
 - (c) any significant changes that were required in the external audit plan;
 - (d) any significant issues raised with management during the course of the audit, including any restrictions on the scope of activities or access to information; and
 - (e) those matters related to the conduct of the audit that are required to be discussed under generally accepted auditing standards applicable to the Company.

Following completion of the matters contemplated above and in Section 15, the Committee shall make a recommendation to the Board with respect to the approval of the annual financial statements with such changes contemplated and further recommended, as the Committee considers necessary.

2. *Interim Financial Statements.* The Committee shall review with management and may review with the external auditors, both together and separately, prior to public dissemination, the interim unaudited consolidated financial statements of the Company, including to the extent the Committee considers appropriate, a discussion with the external auditors of those matters required to be discussed under generally accepted auditing standards applicable to the Company.
3. *Management's Discussion and Analysis.* The Committee shall review with management and the external auditors, both together and separately prior to public dissemination, the annual Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and the Committee shall review with management and may review with the external auditors, interim MD&A.
4. *Approval of Annual MD&A, Interim Financial Statements and Interim MD&A.* The Committee shall make a recommendation to the Board with respect to the approval of the annual MD&A with such changes contemplated and further recommended by the Committee as the Committee considers necessary. In addition, the Committee shall approve the interim financial statements and interim MD&A of the Company, if the Board has delegated such function to the Committee. If the Committee has not been delegated this function, the Committee shall make a recommendation to the Board with respect to the approval of the interim financial

statements and interim MD&A with such changes contemplated and further recommended as the Committee considers necessary.

5. *Press Releases.* With respect to press releases by the Company:

- (a) The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
- (b) The Committee shall review with management, prior to public dissemination, the annual and interim earnings press releases (paying particular attention to the use of any "pro forma" or "adjusted non-IFRS" information) as well as any financial information and earnings guidance provided to analysts and rating agencies.
- (c) The Committee shall be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than public disclosure referred to in Section V.A.4 of this Charter, and periodically assess the adequacy of those procedures.

6. *Reports and Regulatory Returns.* The Committee shall review and discuss with management, and the external auditors to the extent the Committee deems appropriate, such reports and regulatory returns of the Company as may be specified by law.

7. *Other Financial Information.* The Committee shall review the financial information included in any prospectus, annual information form or information circular with management and, at the discretion of the Committee, the external auditors, both together and separately, prior to public dissemination, and shall make a recommendation to the Board with respect to the approval of such prospectus, annual information form or information circular with such changes contemplated and further recommended as the Committee considers necessary.

B. Financial Reporting Processes

8. *Establishment and Assessment of Procedures.* The Committee shall satisfy itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements of the Company and assess the adequacy of these procedures annually.

9. *Application of Accounting Principles.* The Committee shall assure itself that the external auditors are satisfied that the accounting estimates and judgements made by management, and their selection of accounting principles reflect an appropriate application of such accounting principles.

10. *Practices and Policies.* The Committee shall review with management and the external auditors, together and separately, the principal accounting practices and policies of the Company.

C. External Auditors

11. *Oversight and Responsibility.* In respect of the external auditors of the Company:

- (a) The Committee, in its capacity as a committee of the Board, shall be directly responsible for, or if required by Canadian law shall make recommendations to the Board with respect to, the appointment, compensation, retention and oversight of the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- (b) The Committee is directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest

services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.

12. *Reporting.* The external auditors shall report directly to the Committee and are ultimately accountable to the Committee.
13. *Annual Audit Plan.* The Committee shall review with the external auditors and management, together and separately, the overall scope of the annual audit plan and the resources the external auditors will devote to the audit. The Committee shall annually review and approve the fees to be paid to the external auditors with respect to the annual audit.
14. *Non-Audit Services.*
 - (a) “Non-audit services” means all services performed by the external auditors other than audit services. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor and permit all non-audit services, other than non-audit services where:
 - (i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the Company’s external auditor during the fiscal year in which the services are provided;
 - (ii) the Company or its subsidiary, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (iii) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Committee.
 - (b) The Committee may delegate to one or more members of the Committee the authority to grant such pre-approvals for non-audited services. The decisions of such member(s) regarding approval of “non-audit” services shall be reported by such member(s) to the full Committee at its first scheduled meeting following such pre-approval.
 - (c) The Committee shall adopt specific policies and procedures for the engagement of the non-audit services if:
 - (i) the pre-approval policies and procedures are detailed as to the particular services;
 - (ii) the Committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the Committee’s responsibilities to management.
15. *Independence Review.* The Committee shall review and assess the qualifications, performance and independence of the external auditors, including the requirements relating to such independence of the law governing the Company. At least annually, the Committee shall receive from the external auditors, a formal written statement delineating all relationships between the Company the external auditors, actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor, and, if necessary, recommend that the Board takes appropriate action to satisfy themselves of the external auditors’ independence and accountability to the Committee. In evaluating the performance of the external auditors, the Audit Committee shall evaluate the performance of the external auditors’ lead partner, and shall ensure the rotation of lead partners as required by law.

D. Internal Controls.

Management shall be required to provide the Committee, at least annually, a report on internal controls, including reasonable assurance that such controls are adequate to facilitate reliable and timely financial information. The Committee shall also review and follow-up on any areas of internal control weakness identified by the external auditors with the auditors and management.

E. Reports to Board

16. *Reports.* In addition to such specific reports contemplated elsewhere in this Charter, the Committee shall report regularly to the Board regarding such matters, including:

- (a) with respect to any issues that arise with respect to the quality or integrity of the financial statements of the Company, compliance with legal or regulatory requirements by the Company, or the performance and independence of the external auditors of the Company;
- (b) following meetings of the Committee; and
- (c) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities.

17. *Recommendations.* In addition to such specific recommendations contemplated elsewhere in this Charter, the Committee shall provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.

F. Whistle Blowing

18. *Procedures.* The Committee may establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

19. *Notice to Employees.*

- (a) To comply with the above, the Committee may cause each of the Company and its subsidiaries advises all employees, by way of a written code of business conduct and ethics (the "**Code**"), or if such Code has not yet been adopted by the respective board, by way of a written or electronic notice, that any employee who reasonably believes that questionable accounting, internal accounting controls, or auditing matters have been employed by the Company or their external auditors is strongly encouraged to report such concerns by way of communication directly to the Chair. Matters referred may be done so anonymously and in confidence.
- (b) None of the Company or its subsidiaries shall take or allow any reprisal against any employee for, in good faith, reporting questionable accounting, internal accounting, or auditing matters. Any such reprisal shall itself be considered a very serious breach of such policy.
- (c) All reported violations shall be investigated by the Committee following rules of procedure and process as shall be recommended by outside counsel.

G. General

20. *Access to Advisers and Funding.* The Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of (a) compensation to any external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (b) compensation to any advisers employed by the Committee; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
21. *Hiring of Partners and Employees of External Auditors.* The Committee shall annually review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
22. *Forward Agenda.* The Committee may annually develop a calendar of activities or forward agenda to be undertaken by the Committee for each ensuing year and to submit the calendar/agenda in the appropriate format to the Board of Directors following each annual general meeting of shareholders.
23. *Annual Performance Evaluation.* The Committee shall perform a review and evaluation, annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter. In addition, the Committee shall evaluate, annually, the adequacy of this Charter and recommend any proposed changes to the Board.
24. *Related Party Transactions.* The Committee shall annually review transactions involving directors and officers, including a review of travel expenses and entertainment expenses, related party transactions and any conflicts of interests.
25. *General.* The Committee shall perform such other duties and exercise such powers as may, from time to time, be assigned or vested in the Committee by the Board, and such other functions as may be required of an audit committee by law, regulations or applicable stock exchange rules.
26. *No Rights Created.* This Charter is a broad policy statement and is intended to be part of the Board's and Audit Committee's flexible governance framework. While this Charter should comply with all applicable law and the Company's constituting documents, including its articles, this Charter does not create any legally binding obligations on the Board, any Committee, any director or the Company.

This Charter was approved by the Board on November 13, 2025.

CERTIFICATE OF THE COMPANY

Dated: February 12, 2026

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

“George Lawton”

George Lawton
President and Chief Executive Officer

“Gaylyn Lawton”

Gaylyn Lawton
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Dan Leverett”

Dan Leverett
Director

“Navepal Jagpal”

Navepal Jagpal
Director

CERTIFICATE OF THE AGENT

Dated: February 12, 2026

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

**HAMPTON SECURITIES
LIMITED**

By: (Signed) Andrew Deeb