



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.

**North America Home Finance Inc.
Managements' Discussion and Analysis**

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

North America Home Finance Inc.
Managements' Discussion and Analysis

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.

North America Home Finance Inc.
Managements' Discussion and Analysis

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