Alignvest Student Housing Real Estate Investment Trust

Interim Condensed Consolidated Financial Statements [Unaudited]
March 31, 2024

Interim Condensed Consolidated Statements of Financial Position
In Canadian dollars
[Unaudited]

As at	Notes	March 31, 2024	December 31, 2023
		$	$
ASSETS			
Non-current assets			
Investment properties	3	**985,800,000**	961,800,000
Investment in joint venture	4	**14,818,194**	14,924,536
Derivative asset	7	**1,696,960**	2,141,164
		1,002,315,154	978,865,700
Current assets			
Cash and cash equivalents	5	**40,671,877**	34,784,974
Derivative asset	7	**4,127,666**	3,785,879
Prepaid expenses and other assets	3	**4,687,367**	898,410
Rent and other receivables		**954,926**	992,065
		50,441,836	40,461,328
Total assets		**1,052,756,990**	1,019,327,028
LIABILITIES			
Non-current liabilities			
Mortgages payable	6(a)	**389,008,440**	376,413,647
Accrued liabilities	13	**70,637,410**	70,178,606
		459,645,850	446,592,253
Current liabilities			
Mortgages payable	6(a)	**53,452,493**	58,360,960
Distributions payable	8,13	**2,614,189**	2,101,908
Residential tenant deposits		**7,600,198**	6,780,592
Accounts payable and accrued liabilities		**5,573,958**	5,312,976
Subscriptions received in advance	5	**-**	950,000
		69,240,838	73,506,436
Total liabilities		**528,886,688**	520,098,689
Net assets attributable to other limited partners in CSL		**36,226,465**	36,382,529
Net assets attributable to Trust Unitholders	8	**487,643,837**	462,845,810
Total liabilities including net assets attributable to Trust Unitholders		**1,052,756,990**	1,019,327,028

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Income (Loss) and Comprehensive (Loss)
In Canadian dollars
[Unaudited]

For the three months ended March 31	Notes	2024	2023
		$	**$**
Revenue from investment properties		**16,336,538**	14,856,644
Property operating costs		**(5,602,655)**	(5,096,065)
Net operating income	9	**10,733,883**	9,760,579
Fair value adjustment on investment properties	3	**(845,090)**	1,896,436
Share of net loss from investment in joint venture	4	**(106,342)**	-
Interest income	5	**315,127**	500,601
Other income		**153,534**	53,067
Financing costs	11	**(3,897,341)**	(3,800,501)
General and administrative expenses	10	**(904,990)**	(1,577,651)
Distributions expense	8, 13	**(6,906,005)**	(6,033,472)
Increase (decrease) in net assets attributable to Trust Unitholders		**(1,457,224)**	799,059
Other comprehensive loss:			
Net unrealized loss on interest rate swap agreements	7	**(102,418)**	(1,456,973)
Comprehensive loss		**(1,559,642)**	(657,914)
Increase (decrease) in net assets attributable to:			
Trust Unitholders		**(1,164,409)**	782,501
Other limited partners in CSL		**(292,815)**	16,558
		(1,457,224)	799,059
Comprehensive loss attributable to:			
Trust Unitholders		**(1,259,707)**	(564,794)
Other limited partners in CSL		**(299,935)**	(93,120)
		(1,559,642)	(657,914)

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Changes in Net Assets Attributable to Unitholders
In Canadian dollars
[Unaudited]

	Net assets attributable to Trust Unitholders	Net assets attributable to other limited partners in CSL	Total
	$	$	$
Unitholders' net assets, January 1, 2024	**462,845,810**	**36,382,529**	**499,228,339**
Proceeds from Units issued	**28,522,501**	**-**	**28,522,501**
Reinvestments of distributions by Unitholders	**2,517,546**	**143,871**	**2,661,417**
Redemption of Units	**(4,982,313)**	**-**	**(4,982,313)**
Decrease in net assets attributable to Unitholders	**(1,164,409)**	**(292,815)**	**(1,457,224)**
Other comprehensive loss	**(95,298)**	**(7,120)**	**(102,418)**
Unitholders' net assets, March 31, 2024	**487,643,837**	**36,226,465**	**523,870,302**

	Net assets attributable to Trust Unitholders	Net assets attributable to other limited partners in CSL	Total
	$	$	$
Unitholders' net assets, January 1, 2023	353,642,333	29,520,503	383,162,836
Proceeds from units issued	34,013,870	-	34,013,870
Reinvestments of distributions by Unitholders	9,846,151	559,521	10,405,672
Redemption of Units	(15,108,227)	-	(15,108,227)
Increase in net assets attributable to Unitholders	83,785,714	6,564,768	90,350,482
Other comprehensive loss	(3,334,031)	(262,263)	(3,596,294)
Unitholders' net assets, December 31, 2023	462,845,810	36,382,529	499,228,339

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Cash Flows
In Canadian dollars
[Unaudited]

For the three months ended March 31	Note	2024	2023
		$	$
OPERATING ACTIVITIES			
Increase (decrease) in net assets attributable to Trust Unitholders		**(1,457,224)**	799,059
Add (deduct) items not affecting cash:			
Fair value adjustment on investment properties		**845,090**	(1,896,436)
Interest income		**(315,127)**	(500,601)
Distributions expense		**6,906,005**	6,033,472
Financing costs		**3,897,341**	3,800,501
Share of net loss from investment in joint venture		**106,342**	-
Interest received		**315,127**	244,826
Net change in non-cash operating assets and liabilities	12	**(2,181,483)**	3,764,885
Cash provided by operating activities		**8,116,071**	12,245,706
INVESTING ACTIVITIES			
Purchase of investment properties	3	**(24,499,436)**	(91,563,597)
Capital expenditures on investment properties		**(345,654)**	(539,967)
Proceeds on sale of short-term investments		**-**	46,000,000
Interest received on short-term investments		**-**	461,353
Cash used in investing activities		**(24,845,090)**	(45,642,211)
FINANCING ACTIVITIES			
Net change in subscriptions received in advance	5	**(950,000)**	-
Proceeds from issuance of Units		**28,522,501**	10,828,117
Redemption of Units		**(4,982,313)**	(2,473,691)
Distributions paid		**(3,732,309)**	(3,414,986)
Proceeds from mortgages	6	**15,284,994**	55,500,000
Financing fees paid on mortgages		**(23,000)**	(285,000)
Interest paid on mortgages		**(3,781,004)**	(3,412,170)
Principal repaid on mortgages		**(7,722,947)**	(1,492,317)
Cash provided by financing activities		**22,615,922**	55,249,953
Net increase in cash and cash equivalents during the period		**5,886,903**	21,853,448
Cash and cash equivalents, beginning of period		**34,784,974**	25,700,743
Cash and cash equivalents, end of period		**40,671,877**	47,554,191

See accompanying notes to the interim condensed consolidated financial statements.

1. Trust Information

Alignvest Student Housing Real Estate Investment Trust (the "Trust") is an unincorporated open-ended investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated as of May 4, 2018 and amended and restated as of June 15, 2018, and which may be further amended, restated or supplemented from time to time ("Declaration of Trust").

The registered office of the Trust is located at 1027 Yonge Street, Suite 200, Toronto, Ontario, M4W 2K9.

The Trust invests in high-quality purpose-built student accommodation located in Canada. The Trust holds its investments in its income-producing properties through its ownership in its subsidiary, Canadian Student Living Group Limited Partnership ("CSL"). Alignvest Student Housing Inc. ("ASH Inc." or the "General Partner") acts as the general partner of CSL and manages the operations of CSL.

2. Basis of preparation

These interim condensed consolidated financial statements for the three months ended March 31, 2024 have been prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been omitted or condensed.

The interim condensed consolidated financial statements should be read in conjunction with the Trust's consolidated financial statements for the year ended December 31, 2023, which include information necessary or useful to understanding the Trust's business and financial statement presentation. In particular, the Trust's significant accounting policies are presented in the consolidated financial statements for the year ended December 31, 2023 and have been consistently applied in the preparation of these interim condensed consolidated financial statements.

These interim condensed consolidated financial statements are prepared on a going concern basis using the historical cost method, except for investment properties and certain financial instruments, which have been measured at fair value, as set out in the relevant accounting policies. Management has used the best information available as at March 31, 2024 in determining its estimates and the assumptions that affect the carrying amounts of assets and liabilities and earnings for the period, including estimates of capitalization rates and stabilized net operating income ("SNOI"), which ultimately impact the underlying valuation of the Trust's investment properties.

The Trust's functional and presentation currency is the Canadian dollar.

The interim condensed consolidated financial statements of the Trust for the three months ended March 31, 2024 were authorized for issue by management of the Trust on May 6, 2024.

a) Basis of consolidation

The interim condensed consolidated financial statements reflect the operations of the Trust as well as any entity controlled by the Trust ("subsidiary"). The Trust controls an entity when the Trust is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The assets, liabilities, revenue and expenses of a subsidiary are included in the interim condensed consolidated financial statements from the date of acquisition or the date on which the Trust obtains control until the date that control ceases. Intercompany transactions, balances, unrealized gains and losses on transactions between the Trust and its subsidiary have been eliminated upon consolidation.

b) Comparative information

The interim condensed consolidated financial statements provide comparative information in respect of the previous period. Certain comparative figures have been reclassified to conform to the presentation adopted for the current period.

In Canadian dollars, except units, per unit amounts and where otherwise noted

c) Future changes in accounting policies

Amendments to IAS 1, *Presentation of Financial Statements – Classification of liabilities as current or non-current*
In January 2020 and October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify the definition of a right to defer settlement, clarify what is meant by settlement, and specify whether the conditions that exist at the end of the reporting period are those that will be used to determine if a right to defer settlement of a liability exists.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and did not have a material impact on the Trust's condensed consolidated financial statements.

Amendments to IAS 1, *Presentation of Financial Statements – Non-Current Liabilities with Covenants*
In October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements*, to improve the information companies provide about long-term debt with covenants. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and did not have a material impact on the Trust's condensed consolidated financial statements.

3. Investment properties

As at	March 31, 2024	December 31, 2023
	$	$
Balance, beginning of period	**961,800,000**	738,900,000
Acquisitions, including transaction costs	**24,499,436**	91,563,597
Capital expenditures on investment properties	**345,654**	6,717,814
Fair value adjustment on investment properties	**(845,090)**	124,618,589
Balance, end of period	**985,800,000**	961,800,000

Acquisitions

For the three months ended March 31, 2024, the Trust completed the following acquisition:

Acquisition date	Property	Location	Units	Beds	Purchase price ($)
February 26, 2024	417Nelson	Ottawa, Ontario	53	94	24,000,000

For the year ended December 31, 2023, the Trust completed the following acquisition:

Acquisition date	Property	Location	Units	Beds	Purchase price ($)
January 27, 2023	See-More	Halifax, Nova Scotia	141	491	90,000,000

As at March 31, 2024, CSL had acquisition deposits of $3,000,000 (December 31, 2023 – $500,000), which was included in prepaid expenses and other assets in the interim condensed consolidated statements of financial position.

In Canadian dollars, except units, per unit amounts and where otherwise noted

Valuation methodology and process

Investment properties are measured at fair value at each reporting date and changes in the fair value are included in net income. Fair value is supported by independent external valuations and detailed internal valuations using market-based assumptions. The following valuation techniques were considered in determining the fair value:

- Direct comparison approach, which is based on consideration of recent prices of similar properties within similar market areas;
- The income approach using the direct capitalization method, which is based on the conversion of current and future normalized earnings potential directly into an expression of market value. The SNOI for the period is divided by an overall capitalization rate (inverse of an earnings multiplier) to arrive at the estimated fair value; and
- The income approach using the discounted cash flow ("DCF") method. The discounted cash flow method assesses the periodic cash flows, consisting of SNOI, less capital costs, and a reversionary value, discounted to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

As the fair value of investment properties is determined with significant unobservable inputs, all investment properties are classified as Level 3 assets.

At each reporting date, the Trust assembles the property-specific data used in the valuation model based on the process set forth in the valuation framework, reviews the valuation framework to determine whether any changes or updates are required, inputs the capitalization rates, set-offs, normalization assumptions and discount rates provided by the valuators, and delivers the completed valuation framework to the external appraisers for review. The external appraisers determine the capitalization rates and discount rates that should be used in valuing the properties, provide charts of comparable sales and supporting relevant market information, determine the appropriate industry standard set-off amounts and normalization assumptions used in the calculation of SNOI and supply a fair value report for the Trust to reflect in the interim condensed consolidated financial statements.

The external appraisers engaged are accredited independent real estate valuation experts with a recognized and relevant professional qualification and with recent experience in the locations and types of investment properties being valued. The fair value of investment properties is determined by real estate valuation experts using recognized valuation techniques and the principles of IFRS 13, *Fair Value Measurement*.

The Trust utilized the DCF method for the valuation of its investment properties for the periods ended March 31, 2024 and December 31, 2023.

Sensitivity analysis

As at	March 31, 2024	December 31, 2023
Weighted average rates:		
Capitalization rate	**4.50%**	4.51%
Terminal capitalization rate	**5.41%**	5.41%
Discount rate	**6.47%**	6.47%

In Canadian dollars, except units, per unit amounts and where otherwise noted

The table below shows the sensitivity of the fair value of investment properties to changes in capitalization rates:

Capitalization rates	Increase (decrease) in capitalization rates	Change ($)
4.00%	**(0.50%)**	**123,117,242**
4.25%	**(0.25%)**	**57,940,506**
4.50%		**-**
4.75%	**0.25%**	**(51,845,997)**
5.00%	**0.50%**	**(98,511,023)**

Additionally, a 1% increase or decrease in SNOI would result in an increase or decrease in the fair value of investment properties of $9.9 million, respectively. A 1% increase in SNOI coupled with a 0.25% decrease in capitalization rates would result in an increase to the fair value of investment properties by $68.4 million. A 1% decrease in SNOI coupled with a 0.25% increase in capitalization rates would result in a decrease to the fair value of investment properties of $61.2 million.

4. Investment in joint venture

As at	March 31, 2024	December 31, 2023
	$	$
Balance, beginning of period	**14,924,536**	-
Addition during the year	**-**	15,000,000
Share of net loss from investment in joint venture	**(106,342)**	(75,464)
Balance, end of period	**14,818,194**	14,924,536

On November 2, 2023, the Trust acquired a 75% interest in a limited partnership that owns and operates a six-storey, 43,118 square foot office building in downtown Toronto, Ontario, for the purpose of rezoning and developing into a mixed-use, high-rise building, which includes student housing. The Trust has joint control over the limited partnership and accounts for its investment using the equity method. The Trust had an original investment of $15,000,000 in the limited partnership and committed to fund up to $3,000,000 related to non-discretionary expenses, which have not been drawn on as at March 31, 2024 and December 31, 2023.

The following table present the financial results of the Trust’s investment in joint venture on a 100% basis:

As at	March 31, 2024	December 31, 2023
	$	$
Assets		
Investment property	**36,777,384**	36,245,399
Current assets	**354,834**	658,759
Total assets	**37,132,218**	36,904,158
Liabilities		
Mortgage payable (current)	**16,795,834**	16,708,333
Current liabilities	**578,790**	296,442
	17,374,624	17,004,775
Net assets attributable to limited partners	**19,757,594**	19,899,383

In Canadian dollars, except units, per unit amounts and where otherwise noted

For the three months ended March 31	2024	2023
	$	$
Revenue from investment property	**426,901**	-
Property operating costs	**(62,094)**	-
Financing costs	**(506,597)**	-
Net loss for the period	**(141,789)**	-

5. Cash and cash equivalents

As at December 31	March 31, 2024	December 31, 2023
	$	$
Cash	**40,671,877**	33,834,974
Restricted cash	**-**	950,000
	40,671,877	34,784,974

Restricted cash consists of cash from Unitholders for subscriptions received in advance of the settlement date and are short term in nature. As at March 31, 2024, the Trust received $Nil in advance for subscriptions of units (December 31, 2023 – $950,000).

For the three months ended March 31, 2024, the Trust earned interest income of $315,127 (three months ended March 31, 2023 – $244,826) from its cash balances and $Nil (three months ended March 31, 2023 – $255,775) from its short-term investments.

6. Mortgages payable and credit facility

a) Mortgages payable

As at	March 31, 2024	December 31, 2023
	$	$
Mortgages payable before deferred financing costs	**444,082,551**	436,520,504
Deferred financing costs	**(1,621,618)**	(1,745,897)
Mortgages payable	**442,460,933**	434,774,607
Current	**53,452,493**	58,360,960
Non-current	**389,008,440**	376,413,647
Mortgages payable	**442,460,933**	434,774,607
Range of interest rates	**2.23% to 5.38%**	2.62% to 5.38%
Weighted average interest rate	**3.43%**	3.47%
Weighted average term to maturity (years)	**2.54**	2.63
Mortgages mature between	**2024 to 2030**	2024 to 2029

In Canadian dollars, except units, per unit amounts and where otherwise noted

The aggregate principal repayments and balances maturing on the mortgages payable as at March 31, 2024 and for the future years indicated are as follows:

Year of maturity/repayment	Principal Repayments	Balances Maturing	Total
	$	$	$
2024	7,801,738	43,062,980	50,864,718
2025	10,131,653	77,145,619	87,277,272
2026	5,150,488	166,662,805	171,813,293
2027	3,921,484	-	3,921,484
2028	2,774,903	75,083,925	77,858,828
Thereafter	1,938,926	50,408,030	52,346,956
	31,719,192	**412,363,359**	**444,082,551**

During the three months ended March 31, 2024, the Trust assumed mortgage borrowings of $15,284,994 with an interest rate of 2.23%, maturing in 2030.

During the three months ended March 31, 2023, the Trust completed new term mortgage borrowings of $55,500,000 with an interest rate of 5.38%, maturing in 2028.

During the three months ended March 31, 2024, the Trust repaid an existing loan upon maturity for $4,989,236.

b) Credit facility

On January 13, 2021, the Trust obtained a secured credit facility with a private lending institution for $15,000,000 with an interest rate of 8% and a maturity date of April 1, 2023. As at March 31, 2023, the credit facility was undrawn and was not renewed upon expiry.

7. Derivative assets

As at	March 31, 2024	December 31, 2023
	$	$
Derivative assets		
Interest rate swap agreements		
Non-current	**1,696,960**	2,141,164
Current	**4,127,666**	3,785,879
	5,824,626	5,927,043

In January 2023, the Trust entered into forward commodity contracts to manage its exposure to volatility in commodity prices related to natural gas. The terms are summarized as follows:

Area	Term	Usage coverage	Quantity	Cost
Ontario	February 1, 2023 to March 31, 2023	75%	174 GJ/day	$4.58/GJ
Ontario	April 1, 2023 to December 31, 2023	50%	116 GJ/day	$4.41/GJ

In Canadian dollars, except units, per unit amounts and where otherwise noted

During the fiscal year 2023, the realized loss on commodity contracts of $12,734 was included in maintenance and utilities expenses within property operating costs. The forward commodity contracts were not renewed upon maturity on December 31, 2023.

The net unrealized loss related to cash flow hedges as reflected in other comprehensive income (loss) is as follows:

For the three months ended March 31	2024	2023
	$	$
Net unrealized loss from interest rate swap agreements	**(102,418)**	(1,456,973)

As at March 31, 2024, all of the Trust's hedged items and hedging instruments for interest rate swaps are based on the one-month Canadian Dollar Offered Rate (‘CDOR’), which is expected to continue as the benchmark rate until June 30, 2024. After such time, CDOR will be replaced by the Canadian Overnight Repo Rate Average (“CORRA”). The Trust will update its hedge documentation and adjust its effective interest rates as the new benchmark rates are implemented in 2024.

8. Trust units

The Trust is authorized to issue an unlimited number of class A units (“Class A Units”) and class F units (“Class F Units”, collectively with the Class A Units, the “Units”). Each Unit entitles the holder to one vote at all meetings of Unitholders and pro rata participation in the distributions by the Trust, and in the event of a liquidation, dissolution or wind-up of the Trust, in the net assets of the Trust.

The Units of the Trust are issued at the fair market value (“Fair Market Value”) as determined by the Trustees. The Fair Market Value of the Class A Units and the Fair Market Value of the Class F Units is determined separately for each class of Units. The Fair Market Value of the Units may or may not be equal to the net asset value of the Units.

The Class A Units have the same rights as the Class F Units with the exception that the Class A Units will be indirectly subject to a management fee equal to 1.00% per annum of the net asset value of the Class A limited partnership (“LP”) units of CSL, plus applicable taxes, payable to the General Partner. The General Partner may pay a trailing commission out of its own funds of up to 1.00% per annum to certain registered dealers in connection with their clients’ holdings of Class A Units. Trailing commissions may be modified or discontinued by the General Partner at any time. No sales commission or trailing commissions will be payable by the General Partner in respect of Class F Units of the Trust.

Each Unitholder has the right to require the Trust to redeem their Units on the redemption date on demand subject to certain conditions. Unitholders who surrender Units for redemption shall be entitled to receive the redemption price (“Redemption Price”) per Unit, as determined by the Trustees pursuant to the Declaration of Trust. The Trust will satisfy redemption requests in cash, subject to the limitation that the total amount payable by the Trust in respect of redemptions shall not exceed $250,000 for each month, unless a higher amount is approved by the Trustees, but in no case may the total amount payable in cash in respect of Units tendered for redemption in a month exceed 50% of unencumbered cash (as defined in the Amended and Restated Declaration of Trust) and subject to certain redemption rights, as defined in the Offering Memorandum of the Trust. To the extent the total redemption proceeds payable exceed $250,000, the balance of redemption proceeds payable can be satisfied by way of a distribution in the form of debt securities of the Trust.

The redemption of Units may be temporarily suspended by the Trust at the discretion of the Trustees for a period of no longer than 12 months if the number of Units tendered for redemption in a month would exceed 20% of the Fair Market Value of all of the issued and outstanding Units at such time, or the redemption of the Units would result in the Trust no longer qualifying as a “mutual fund trust” for the purposes of the Income Tax Act.

The Trust intends to make regular distributions of its available cash to Unitholders, payable monthly, at the discretion of the Trustees. In accordance with the Limited Partnership Agreement (“LPA”) of CSL, the distributions are determined based on the distributable income available at CSL, of which 75% is allocated to the limited partners of CSL and 25% is allocated to ASH Inc. as General Partner of CSL (collectively, “Periodic Distributions”).

In Canadian dollars, except units, per unit amounts and where otherwise noted

For the three months ended March 31, 2024, the Trust declared Periodic Distributions to Unitholders of the Trust of $4,542,159 (three months ended March 31, 2023 – $4,128,686). As at March 31, 2024, Periodic Distributions of $1,553,567 were payable (December 31, 2023 – $1,461,553) and were subsequently paid on April 14, 2024.

Distribution reinvestment and Unit purchase plan

Under Article 14 of the Declaration of Trust, the Trustees may at their sole discretion establish a distribution reinvestment plan (the "DRIP") at any time providing for the voluntary reinvestment of distributions by some or all of the Unitholders as the Trustees determine. The Trust permits Unitholders to receive distributions in the form of additional Units or cash. Unitholders may enroll in the DRIP, which will allow them to elect to receive all or a portion of their cash distributions in the form of additional Units at a 2.0% discount to the Fair Market Value of the Units. No commissions, service charges or brokerage fees are payable by participants in connection with the DRIP.

The Unitholders' net assets and Units issued and outstanding for the periods ended March 31, 2024 and December 31, 2023 are as follows:

	March 31, 2024		December 31, 2023	
Class F Units	**$**	**#**	**$**	**#**
Unitholders' net assets, beginning of period	**461,042,598**	**2,911,437**	352,372,820	2,690,220
Units issued	**28,457,501**	**200,405**	33,814,870	257,726
Units issued under the DRIP	**2,502,810**	**17,985**	9,790,145	76,403
Units redeemed	**(4,982,313)**	**(35,087)**	(15,083,929)	(112,912)
Increase (decrease) in net assets attributable to Unitholders	**(1,153,598)**	**-**	83,469,643	-
Other comprehensive loss	**(94,931)**	**-**	(3,320,951)	-
Unitholders' net assets, end of period	**485,772,067**	**3,094,740**	461,042,598	2,911,437

	March 31, 2024		December 31, 2023	
Class A Units	**$**	**#**	**$**	**#**
Unitholders' net assets, beginning of period	**1,803,212**	**11,669**	1,269,513	9,780
Units issued	**65,000**	**471**	199,000	1,638
Units issued under the DRIP	**14,736**	**109**	56,006	448
Units redeemed	**-**	**-**	(24,298)	(197)
Increase (decrease) in net assets attributable to Unitholders	**(10,811)**	**-**	316,071	-
Other comprehensive loss	**(367)**	**-**	(13,080)	-
Unitholders' net assets, end of period	**1,871,770**	**12,249**	1,803,212	11,669

In Canadian dollars, except units, per unit amounts and where otherwise noted

9. Revenue and property operating costs

The components of revenue and property operating costs from investment properties for the three months ended March 31, 2024 and 2023 are as follows:

Three months ended March 31	2024	2023
	$	$
Revenue from investment properties		
Rental income	**11,307,494**	10,201,824
Commercial income	**390,094**	406,018
Common area maintenance	**3,213,317**	3,015,957
Utility income	**804,075**	677,558
Parking income	**197,199**	190,031
Miscellaneous income	**424,359**	365,256
	16,336,538	14,856,644
Property operating costs		
Management and general operating expenses	**(1,739,900)**	(1,534,644)
Maintenance and utilities expenses	**(2,124,478)**	(2,015,254)
Property taxes	**(1,738,277)**	(1,546,167)
	(5,602,655)	(5,096,065)
Net operating income	**10,733,883**	9,760,579

10. General and administrative expenses

The components of general and administrative expenses are as follows:

Three months ended March 31	2024	2023
	$	$
Professional fees (Note 13)	**273,739**	227,503
Change in General Partner's Liquidity Distribution (Note 13)	**458,804**	1,150,485
Salaries and benefits	**95,680**	119,829
Office expenses	**20,591**	26,235
Fund administration fees	**45,105**	40,475
Other	**11,071**	13,124
	904,990	1,577,651

In Canadian dollars, except units, per unit amounts and where otherwise noted

11. Financing costs

The components of financing costs are as follows:

Three months ended March 31	2024	2023
	$	$
Interest on mortgages payable	**4,948,055**	4,779,642
Net realized gain on interest rate swaps	**(1,197,994)**	(1,121,360)
Amortization of deferred financing costs	**147,280**	142,219
	3,897,341	3,800,501

12. Supplemental cash flow information

The net change in non-cash operating assets and liabilities is as follows:

Three months ended March 31	2024	2023
	$	$
Prepaid expenses and other assets	**(3,788,957)**	1,324,313
Rent and other receivables	**37,139**	105,175
Accounts payable and accrued liabilities	**750,729**	1,466,629
Residential tenant deposits	**819,606**	868,768
	(2,181,483)	3,764,885

13. Related party disclosures

The interim condensed consolidated financial statements of the Trust include the financial statements of the parent and the subsidiary. The Trust's investment is listed in the following table as at March 31, 2024 and December 31, 2023:

		% interest	
Subsidiary	Country of incorporation	March 31, 2024	December 31, 2023
Canadian Student Living Group Limited Partnership	Canada	**93.09%**	92.71%

As at March 31, 2024, investment funds managed and/or advised by Alignvest Management Corporation ("AMC"), a related party of the Trust, held 284,565 Class F Units (December 31, 2023 – 284,565) of the Trust. AMC is the majority shareholder of ASH Inc. As at March 31, 2024, ASH Inc. held 223 Class A Units (December 31, 2023 – 223) of the Trust.

In accordance with the LPA of CSL, upon each redemption of LP units of CSL, the Trust will make a distribution to the General Partner, an amount equal to 25% of the amount obtained by taking: (i) the fair market value used to calculate the Redemption Price payable by CSL to the Limited Partner plus the Redemption Distribution minus (ii) the Net Capital of the Redeemed LP units, defined as the capital invested for the LP units subject to redemption minus the amount of Periodic Distributions previously paid in respect of such redeemed LP units (a "Special GP Distribution"), such that the value above the Net Capital of the Redeemed LP units held by the Trust is effectively split 25%/75% between ASH Inc. and the Trust, respectively. For the three months ended March 31, 2024, ASH Inc. was entitled to receive $388,932 (three months ended March 31, 2023 – $76,267) in Special GP Distributions, which is included in distributions expense in the interim condensed consolidated statement of income (loss) and comprehensive income (loss).

In Canadian dollars, except units, per unit amounts and where otherwise noted

Upon the occurrence of a liquidity event, ASH Inc. is entitled to receive a share of the increase in net asset value of CSL subject to its limited partners having earned a 7% annualized preferred return on their investment in CSL ("General Partner's Liquidity Distribution"). The General Partner's Liquidity Distribution is equal to the General Partner's hypothetical share of the profits, distributed based on the order of priority described in the LPA. As at March 31, 2024, the General Partner's Liquidity Distribution of $70,637,410 (December 31, 2023 – $70,178,606) has been accrued and recorded as accrued liabilities (non-current). The change in General Partner's Liquidity Distribution for the three months ended March 31, 2024 of $458,804 (three months ended March 31, 2023 – $1,150,485) is included in general and administrative expenses in the interim condensed consolidated statement of income (loss) and comprehensive income (loss). The General Partner's Liquidity Distribution is measured at amortized cost.

For the three months ended March 31, 2024, the Trust declared Periodic Distributions to ASH Inc. of $1,629,253 (three months ended March 31, 2023 – $1,489,302). As at March 31, 2024, Periodic Distributions of $556,296 were payable (December 31, 2023 – $525,479) and were subsequently paid on April 14, 2024.

For the three months ended March 31, 2024, the General Partner earned $4,735 (three months ended March 31, 2023 – $3,398) in management fees related to Class A Units of the Trust, which is included in professional fees as part of general and administrative expenses in the interim condensed consolidated statement of income (loss) and comprehensive income (loss). The General Partner may pay a trailing commission out of its own funds of up to 1.00% per annum to certain registered dealers in connection with their clients' holdings of Class A Units.

14. Management of capital

The Trust defines capital that it manages as the aggregate of its net assets attributable to Unitholders and mortgages payable. The Trust's primary objective when managing capital is to ensure that the Trust has adequate operating funds to support the business operations, fund acquisitions of new investment properties and capital expenditure and maximize Unitholder value.

The total capital managed by the Trust is as follows:

As at	March 31, 2024	December 31, 2023
	$	$
Mortgages payable	**442,460,933**	434,774,607
Net assets attributable to Unitholders	**487,643,837**	462,845,810
	930,104,770	897,620,417

The Trust will target to have total indebtedness of no more than 65% as a percentage of gross book value, with the ability to increase to 70% for short periods of time. As at March 31, 2024, the Trust had total indebtedness to gross book value of 45% (December 31, 2023 – 45%). The Trust is required to maintain certain financial covenants related to its mortgages payable liability in accordance with its loan agreements, which include debt service coverage ratios. For the three months ended March 31, 2024 and the year ended December 31, 2023, the Trust was in compliance with all of its loan covenants and obligations under its loan agreements.

15. Financial instruments and risk management

Fair values of financial instruments

The fair values of the Trust's financial instruments were determined as follows:

- The carrying amounts of cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accrued liabilities, distributions payable and residential tenant deposits approximate their fair values based on the short-term maturity of these financial instruments. Accrued liabilities (non-current) are measured at fair value through profit or loss based on value of net assets of CSL as described in Note 13.

In Canadian dollars, except units, per unit amounts and where otherwise noted

- Investment properties are measured at fair value based on the valuation methodology described in Note 3.
- The fair value of mortgages payable has been determined by discounting the cash flows of these financial obligations using discount rates reflective of current market conditions for instruments with similar terms and risks (Level 2). Based on these assumptions, the fair value as at March 31, 2024 of the mortgage payable has been estimated at $417,404,372 (December 31, 2023 – $423,254,854) compared with the carrying value before deferred financing costs of $444,082,551 (December 31, 2023 – $436,520,504). The fair value of mortgages payable varies from the carrying value due to fluctuations in interest rates since their issue.
- The fair values of the interest rate swaps reported in derivative asset on the interim condensed consolidated statements of financial position represent estimates at a specific point in time using financial models, based on interest rates that reflect current market conditions, the credit quality of the counterparties and interest rate curves.

The fair value hierarchy of financial instruments measured or disclosed at fair value in the interim condensed consolidated statement of financial position is as follows:

March 31, 2024	**Level 1**	**Level 2**	**Level 3**
	$	**$**	**$**
Financial assets			
Investment properties	**-**	**-**	**985,800,000**
Derivative asset	**-**	**5,824,626**	**-**
Financial liabilities			
Mortgages payable	**-**	**(417,404,372)**	**-**
Net assets (liabilities) measured or disclosed at fair value	**-**	**(411,579,746)**	**985,800,000**

December 31, 2023	**Level 1**	**Level 2**	**Level 3**
	$	**$**	**$**
Financial assets			
Investment properties	-	-	961,800,000
Derivative asset	-	5,927,043	-
Financial liabilities			
Mortgages payable	-	(423,254,854)	-
Net assets (liabilities) measured or disclosed at fair value	-	(417,327,811)	961,800,000

For the three months ended March 31, 2024 and year ended December 31, 2023, there were no transfers of assets or liabilities between levels.

Risk management

The Trust is exposed to financial risks arising from its financial assets and liabilities, such as market risk related to interest rate risk, credit risk and liquidity risk. These risks and the actions taken to manage them, are as follows:

Market risk

Market risk is the risk that the fair value or future cash flows of financial assets or liabilities will fluctuate due to movements in the market prices and comprises the following risk factors:

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Trust is exposed to interest rate risk as a result of its mortgages payable not being refinanced on terms as favourable as those of the existing indebtedness. The Trust manages and mitigates its interest rate risk through management's strategy to structure the majority of its mortgages at fixed rates with maturities staggered over a number of years.

From time to time, the Trust may enter into floating-for-fixed interest rate swaps as part of its strategy for managing its exposure to interest rate risk on debt with floating interest rates. The Trust's fixed mortgage debt, which matures in the next 12 months, amounts to $43,062,980. Assuming these mortgages are refinanced at similar terms, except at a 100 basis points increase in interest rates, financing costs would increase by $430,629 per year.

The Trust is also exposed to interest rate risk from its short-term investments, which are fixed for the duration of the term, which is less than one year. The Trust aims to hold these investments for a short duration for cash management purposes.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk on all financial assets and its exposure is generally limited to the carrying value of the financial asset. The Trust is exposed to credit risk from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease term commitments. The Trust mitigates the risk of credit loss with respect to residential tenants by obtaining a lease guarantor and security deposits from each residential tenant and diversification of its existing portfolio of investment properties. The Trust monitors its collection process on a monthly basis and ensures that a stringent policy is adopted to provide for all past due amounts. When a receivable balance is considered uncollectible, it is written off and recognized in net income. Subsequent recoveries of amounts previously written off are credited against property operating costs in the interim condensed consolidated statement of income (loss) and comprehensive income (loss). The Trust has not experienced a significant increase in bad debts expense and collections have remained strong across the investment properties.

Liquidity risk

Liquidity risk is the risk that the Trust will encounter difficulties in meeting its financial liability obligations. The Trust's principal liquidity needs arise from working capital, debt servicing and repayment obligations, and distributions to Unitholders, and possible property acquisition funding requirements. Management prepares cash flow forecasts on an ongoing basis to manage new capital issuances, cash flows from operations with the liquidity needs arising from operations, mortgage commitments, distributions to Unitholders and its acquisition pipeline.

The Trust is exposed to liquidity risk related to its debt financing, including the risk that mortgages will not be able to be refinanced on terms and conditions favourable to the Trust. The features and quality of the underlying assets being financed and the debt market parameters existing at the time will affect the success of debt refinancing. Management manages the Trust's cash resources based on financial forecasts and anticipated cash flows and minimizes its exposure to liquidity risk by maintaining appropriate levels of leverage on its investment properties, by efficient use of resources, by monitoring the ongoing timing of liquidity events and by aiming to stagger the maturities of its debt.

In Canadian dollars, except units, per unit amounts and where otherwise noted

The table below summarizes the maturity profile of the Trust's financial liabilities based on contractual undiscounted receipts and payments:

As at March 31, 2024	**Within 1 year**	**1 to 5 years**	**After 5 years**	**No fixed maturity**	**Total**
	$	**$**	**$**	**$**	**$**
Mortgages payable	**53,452,493**	**340,870,877**	**49,759,181**	**-**	**444,082,551**
Accounts payable and accrued liabilities	**5,573,958**	**-**	**-**	**70,637,410**	**76,211,368**
Distributions payable	**2,614,189**	**-**	**-**	**-**	**2,614,189**
Residential tenant deposits	**7,600,198**	**-**	**-**	**-**	**7,600,198**
	69,240,838	**340,870,877**	**49,759,181**	**70,637,410**	**530,508,306**

As at December 31, 2023	**Within 1 year**	**1 to 5 years**	**After 5 years**	**No fixed maturity**	**Total**
	$	**$**	**$**	**$**	**$**
Mortgages payable	58,360,960	339,719,809	38,439,735	-	436,520,504
Accounts payable and accrued liabilities	5,312,976	-	-	70,178,606	75,491,582
Distributions payable	2,101,908	-	-	-	2,101,908
Residential tenant deposits	6,780,592	-	-	-	6,780,592
	72,556,436	339,719,809	38,439,735	70,178,606	520,894,586

16. Subsequent events

On April 22, 2024, the Trust entered into a binding contract to purchase a residential property located at 308 King Street North, Waterloo, Ontario, consisting of 340 fully furnished units for 659 students. The acquisition is scheduled to close in May 2024.