

## Message from the CEO

Dear All Island REIT Unitholders,

We're pleased to share our Q2 2025 financial results and provide an update on the continued progress Management is making in delivering strong, long-term value for our unitholders.

### Q2 2025 Results

- **Leasing**  
Leasing activity was strong in the second quarter. Same-property vacancy improved to 3.9% in June and further to 1.8% in July. This turnover of suites has translated into long-term revenue gains, with average rents on new leases increasing 14.6%. As a result, same-property revenue rose 4.3% year-over-year.
- **New Acquisition**  
On April 15, 2025, All Island REIT completed the acquisition of 2187 Comox Avenue (*Seascape*), adding 74 units to our Comox portfolio. The purchase was financed with a \$10.65 million loan at 3.45%, bringing the Trust's weighted average interest rate to 3.31% while maintaining a conservative loan-to-value ratio of 51.4%.
- **Investment Property Fair Value Gain**  
In June 2025, All Island REIT had approximately one-third of its portfolio appraised by a third-party. Based on the external appraisals and updated financial information for the entire portfolio, Management adjusted the fair value of the portfolio to \$290 million and recorded an unrealized gain of \$3.8 million (1.3%). This gain is a result of increased rents and operational efficiencies.

### Completion of Westwater Capital Improvements

In June 2025, All Island REIT, along with Lacasse Construction, completed the \$3.14 million exterior renovation of 60 Anderton Avenue (*Westwater*) in Courtenay, BC. Upgrades included a full replacement of exterior siding, balconies, windows, sliding doors, and the roof, along with the removal of old chimneys. These improvements are expected to significantly enhance the building's efficiency and useful life.

We also want to highlight the performance of the property team, including Lacasse Construction. Through strong communication and care, they worked closely with tenants to minimize disruption during more than a year of scaffolding and construction activity.

### Looking Ahead

Management remains focused on maximizing value per Unit and driving cash flow growth through disciplined capital allocation. With stabilized operations and increased rental income, All Island REIT is well-positioned for a strong second half of 2025.

Sincerely,

Brendan Sutton  
CEO  
All Island REIT



ALL  
ISLAND  
EQUITY

REIT

# UNITHOLDER LETTER

Q2 2025 Results



## WESTWATER CAPITAL IMPROVEMENTS: Protecting Rental Suites in our Core Communities 60 Anderton Avenue, Courtenay BC



BEFORE—SOUTH WALL



AFTER—SOUTH WALL



BEFORE—NORTH WALL



AFTER—NORTH WALL



### Unaudited Income Statement

	Year to Date June 30, 2025
<b>Total Operating Revenues</b>	<b>8,822,194</b>
<b>Expenses</b>	
Utilities	617,872
Real Estate Taxes	647,071
Maintenance Expenses	714,622
Insurance	318,433
Site Staff Wages	517,193
Property Management Fees	646,327
<b>Total Operating Expenses</b>	<b>3,461,518</b>
<b>Net operating income</b>	<b>5,360,676</b>
Less General & Administrative	1,477,965
<b>EBITDA</b>	<b>3,882,711</b>
Less Mortgage Interest	(2,359,876)
Less Amortization - Financing Cost	(317,880)
Add Fair Value Adjustments	3,829,869
<b>Net Income</b>	<b>5,034,824</b>

### Unaudited Balance Sheet

	As At June 30, 2025
<b>Assets</b>	
Current Assets	2,053,983
Cash and Cash Equivalents	1,379,202
Properties	290,658,547
<b>Total Assets</b>	<b>294,091,732</b>
<b>Liabilities</b>	
Payables, Accruals and Prepaid Rent	3,631,478
Security Deposits Held	897,745
Vancity Line of Credit	3,802,420
Mortgages and Loans	145,630,459
<b>Total Liabilities</b>	<b>153,962,102</b>
<b>Unitholder's Equity</b>	
Net Investor Equity	135,094,806
Current Earnings	5,034,824
<b>Total Equity</b>	<b>140,129,630</b>
<b>Total Liabilities &amp; Equity</b>	<b>294,091,732</b>