Northview™

APARTMENT REIT

Management's Discussion and Analysis of Financial Results
For the three months ended March 31, 2019 and 2018

ADVISORIES

The following Management's Discussion and Analysis of Financial Results ("MD&A"), dated May 9, 2019, should be read in conjunction with the cautionary statement regarding forward-looking information below, as well as the Northview Apartment Real Estate Investment Trust ("Northview") unaudited condensed consolidated financial statements and notes thereto for the three months ended March 31, 2019, and 2018, and the audited consolidated financial statements and notes thereto for the years ended December 31, 2018, and 2017. The audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A is intended to provide readers with management's assessment of the performance of Northview, as well as its financial position and future prospects. All amounts in the following MD&A are in Canadian Dollars unless otherwise stated. Additional information relating to Northview, including periodic quarterly and annual reports and annual information forms, filed with the Canadian securities regulatory authorities, is available on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this MD&A may constitute forward-looking statements within the meaning of securities laws relating to the business and financial outlook of Northview. Statements which reflect Northview's current objectives, plans, goals, and strategies are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from future results expressed, projected, or implied by such forward-looking statements. In some instances, forward-looking information can be identified by the use of terms such as "may", "should", "expect", "will", "anticipate", "believe", "intend", "estimate", "predict", "potentially", "starting", "beginning", "begun", "moving", "continue", or other similar expressions concerning matters that are not historical facts. Forward-looking statements in this MD&A include, but are not limited to, statements related to acquisitions or dispositions, development activities, future maintenance expenditures, financing and the availability of financing, market growth and development, future operating efficiencies, tenant incentives, and occupancy levels. Such statements involve significant risks and uncertainties and are not meant to provide guarantees of future performance or results. These cautionary statements qualify all of the statements and information contained in this MD&A incorporating forward-looking information.

Forward-looking statements are made as of May 9, 2019 and are based on information available to management as of that date. Management believes that the expectations reflected in forward-looking statements are based upon information and reasonable assumptions available at the time they are made; however, management can give no assurance that the actual results will be consistent with these forward-looking statements. Factors that could cause actual results, performance, or achievements to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, general economic conditions, the availability of a new competitive supply of real estate which may become available through construction, Northview's ability to maintain occupancy and the timely lease or re-lease of multi-family, execusuite units, and commercial space at current market rates, tenant defaults, changes in interest rates, Northview's qualification as a real estate investment trust ("REIT"), changes in operating costs, governmental regulations and taxation, fluctuations in commodity prices, and the availability of financing. Additional risks and uncertainties not presently known to Northview, or those risks and uncertainties that Northview currently believes to be not material, may also adversely affect Northview. Northview cautions readers that this list of factors is not exhaustive and that should certain risks or uncertainties materialize, or should underlying estimates or assumptions prove incorrect, actual events, performance, and results may vary materially from those expected. This statement also qualifies any predictions made regarding Northview's future funds from operations ("FFO"), adjusted funds from operations ("AFFO"), FFO and AFFO payout ratio, debt to gross book value, and coverage ratios.

Except as specifically required by applicable Canadian law, Northview assumes no obligation to update or revise publicly any forward-looking statements to reflect new events or circumstances that may arise after May 9, 2019.

NON-GAAP AND ADDITIONAL GAAP MEASURES

Certain measures in this MD&A do not have any standardized meaning as prescribed by generally accepted accounting principles ("GAAP") and are, therefore, considered non-GAAP measures. These measures are provided to enhance the reader's understanding of Northview's current financial condition. They are included to provide investors and management with an alternative method for assessing Northview's operating results in a manner that is focused on the performance of Northview's ongoing operations and to provide a more consistent basis for comparison between periods. These measures include widely accepted measures of performance for Canadian REITs; however, the measures are not defined by IFRS. In addition, the definitions of these measures are subject to interpretation by the preparers and may not be applied consistently.

The following MD&A is for the financial results of Northview for the three months ended March 31, 2019, and 2018. Units in the MD&A refer to the publicly traded Northview Trust Units ("Trust Units") and the Limited Partnership Class B units ("Class B LP Units"). Each time a Class B LP Unit is issued, a special voting unit of Northview ("Special Voting Unit") is simultaneously issued, which together have an equivalent economic value to, and can be exchanged for, Trust Units. Unitholders in the MD&A refer to the Northview unitholders ("Trust Unitholders") and the Class B LP unitholders ("Class B LP Unitholders").

This MD&A uses certain non-GAAP, additional GAAP and other measures that exclude Non-recurring Items on a consistently applied basis to enhance GAAP measures. See page 29 for definitions and cautionary language for these measures.

BUSINESS OVERVIEW

Northview is one of Canada's largest publicly traded multi-family REITs with a portfolio of approximately 27,000 residential units, and 1.2 million square feet (sq. ft.) of commercial space in more than 60 markets across eight provinces and two territories. Northview's Trust Units currently trade on the Toronto Stock Exchange under the symbol: NVU.UN.

Northview's strategy and objectives are based on the following:

- **Portfolio diversification:** Northview has a well-diversified multi-family portfolio across Canada. This portfolio allows for stable returns and distributions, with flexibility for growth opportunities.
- **Organic growth:** Northview's high quality property portfolio includes markets with expanding populations and growing economies. Northview will seek to increase same door net operating income ("NOI") by improving occupancy, average monthly rent ("AMR"), and operating efficiencies to reduce expenses.
- **Growth through acquisitions:** Northview expects to improve the quality of its portfolio through acquisitions of properties in strong markets across the country where it has an established operating platform and market knowledge. Northview has a strategic relationship with Starlight Group Property Holdings Inc. and affiliates ("Starlight") that is expected to continue to generate future acquisition opportunities.
- **Growth through development:** In-house expertise and a diversified portfolio enable Northview to target developments in strong markets with target yields of 100 to 200 basis points ("bps") better than market capitalization rate ("Cap Rate") generating net asset value growth and improving the quality of its portfolio.

HIGHLIGHTS

- Same door revenue growth of 2.9%, including a 3.4% increase for the multi-family business segment for the first quarter of 2019
- Ontario and Western Canada achieved same door NOI growth of 10.2% and 3.9%, respectively; same door NOI increase of 0.6%, including a 0.8% increase for the multi-family business segment for the first quarter of 2019
- Multi-family portfolio occupancy of 93.6% in the first quarter of 2019, an improvement of 30 bps from the same period of 2018, and 30 bps lower than the fourth quarter of 2018
- Completed 136 units under the high-end renovation program with an annualized NOI increase of $0.5 million and a rate of return of 25.8% during the first quarter of 2019
- NOI margin of 53.2% for the first quarter of 2019, a decrease of 80 bps compared to the same period of 2018
- Diluted FFO per unit of $0.45 for the first quarter of 2019, compared to $0.49 for the same period of 2018, both excluding Non-recurring Items (as defined on page 29)
- Debt to gross book value was 54.4% as at March 31, 2019, an improvement of 260 bps compared to 57.0% as at March 31, 2018, and an increase of 60 bps from December 31, 2018 partially as a result of internally funded growth
- Cash flow from operating activities was $28.4 million for the first quarter of 2019, a $4.1 million increase compared to the same period of 2018
- Net and comprehensive loss was $13.2 million for the first quarter of 2019, compared to net and comprehensive income of $23.1 million for the same period of 2018, due to the fair value loss on Class B LP Units of $38.8 million, which was attributable to the Trust Unit price increasing from $24.48 to $29.02

2019 FIRST QUARTER REVIEW

FINANCIAL AND OPERATIONAL HIGHLIGHTS

Diluted FFO per unit was $0.45 for the three months ended March 31, 2019, compared to $0.49 for the same period of 2018, both excluding Non-recurring Items. The decrease in FFO per unit is a result of the equity issued in June 2018 and the disposition of non-core assets since the first quarter of 2018. This decrease was partially offset by same door NOI growth and NOI contributions from acquisitions and newly developed properties. While the equity offering and the disposition of non-core assets in 2018 have a dilutive impact on the short-term FFO per unit, these transactions are expected to provide better opportunities for long-term FFO and net asset value growth. The net proceeds from the disposition and equity offering have improved the balance sheet and reduced leverage, which has positioned Northview for future strategic growth.

Compared to the same period of 2018, same door revenue in the multi-family business segment increased 3.4% during the first quarter of 2019, due to higher AMR and increased occupancy. AMR increased in all multi-family regions, led by a 6.9% increase in Ontario. Compared to the fourth quarter of 2018, AMR for all multi-family regions increased in the first quarter of 2019, with the exception of Northern Canada which remained flat. In Ontario, AMR increased by 15.4% on suite turnover in the first quarter of 2019 including AMR increase from the high-end renovation program. This is an increase of 300 bps compared to the same period of 2018.

For the first quarter of 2019, total same door NOI increase was 0.6%, including multi-family same door NOI increase of 0.8%. Ontario and Western Canada achieved same door NOI growth of 10.2% and 3.9%, respectively. Northern Canada and Atlantic Canada experienced negative same door NOI growth primarily due to higher utility and maintenance expenses. Higher utility expenses were due to higher consumption of natural gas and higher natural gas prices as a result of below normal temperatures in the first quarter of 2019, which impacted the majority of the Northview's markets. Higher maintenance expenses were related to increased level of maintenance for building heating systems and snow removal activities, both of which were impacted by the severe winter. These expenditures are expected to normalize as a result of temperatures returning to seasonal levels. The negative same door NOI growth in Quebec was due to lower occupancy as a result of units being taken out of inventory to complete renovations in Montreal.

Overall occupancy for the first quarter of 2019 was 93.6%, an improvement of 30 bps from 93.3% for the same period of 2018. Western Canada, Northern Canada and Atlantic Canada all experienced increases in occupancy. The occupancy decrease in Ontario and Quebec was related to the repositioning of a few properties and units taken out of inventory for renovations.

Compared to the fourth quarter of 2018, overall occupancy decreased by 30 bps in the first quarter of 2019. With the exception of Atlantic Canada, all multi-family regions experienced small decreases in occupancy. The occupancy decrease in Western Canada was attributable to the reduced economic activity in some resource based markets, and the repositioning of certain properties. In Northern Canada, the occupancy decrease was due to reduced demand for rental units as a result of the completion of a large infrastructure project in Yellowknife, NT.

STRATEGIC EXTERNAL GROWTH

External Growth Through Developments

The Canmore, AB, development completed in the third quarter of 2018 was 95% leased at March 31, 2019. AMR of $1,900 was ahead of management expectations.

The Calgary, AB, development is the second phase of the successful Vista project. The first and second building of the second phase were completed in April and May 2019, respectively, and the buildings are currently in lease up.

Phase I of the Kitchener, ON, concrete development consisting of 233 units is expected to commence in May 2019. Phase II of the development consists of 130 units. Total development costs are estimated to be $115.0 million. As the Kitchener, ON development is Northview's first concrete development and first development in Ontario, the project will be managed by an experienced local third-party construction management company.

Phase I of the Nanaimo, BC, development consisting of 140 units is expected to commence in the second or third quarter of 2019. Phase II of the development consists of 111 units. Total development costs are estimated to be $65.0 million.

During the first quarter of 2019, Northview purchased 2.75 acres of land for future development in Ajax, ON for $10.3 million.

Projects under development at March 31, 2019 and planned for 2019 (thousands of dollars, except units)

Location	**Units**	**Expected Occupancy**	**Estimated Total Cost**	**Total Cost Incurred**	**Expected Stabilized Cap Rate**
Calgary, AB	158	Q2 2019	30,000	26,118	6.0% to 6.5%
Kitchener, ON – Phase I	233	2021	73,000	2,868	5.0% to 5.5%
Nanaimo, BC – Phase I	140	2021	35,000	759	5.8% to 6.3%
Total	**531**		**138,000**	**29,745**	

OUTLOOK

The overall fundamentals for multi-family real estate remain strong with low Cap Rates and increasing demand across Canada. Ontario is expected to continue to generate strong organic growth driven by increasing demand for rental units as a result of solid fundamentals in the market which include a growing economy, positive net population migration, and a lack of affordable product in the single family home market.

In Northern Canada, utility and maintenance expenses are expected to normalize in the second quarter of 2019. This will enable the Northern Canada portfolio to return to stable growth attributable to tight supply conditions and long-term leases primarily with government tenants. Quebec is expected to generate growth in same door NOI driven by both higher occupancy and reduction in utility expenses as temperatures return to seasonal levels. Atlantic Canada is expected to maintain a similar level of same door NOI in 2019 compared to the level achieved in 2018.

In Western Canada, Northview has achieved positive same door NOI growth for the last eight quarters. The southern regions of Alberta and British Columbia are expected to remain strong, including Calgary, AB, Lethbridge, AB, Nanaimo, BC, and Abbotsford, BC. However, mixed economic conditions are expected to remain in the rest of Western Canada in 2019. The uncertain outlook for the resource sector including regulatory uncertainty, lack of infrastructure, low regional commodity prices, and high employment rates is expected to continue to impact occupancy in the northern regions of Alberta and British Columbia. Energy sector issues will persist in 2019, as a result of low commodity prices and delays in development of new pipeline projects in Alberta. When the LNG Canada project commences in northern British Columbia, it is expected to boost capital spending and deliver employment opportunities and economic benefits to the region.

Northview expects to continue to geographically diversity and improve the quality of its portfolio through acquisitions and developments in its strong markets. Acquisition activity is expected to moderate compared to 2018, and Northview will continue to access opportunities through its strategic relationship with Starlight. Developments in Kitchener, ON and Nanaimo, BC will commence in 2019. Northview will continue to purchase land for development opportunities in growth markets to generate increase in net asset value. As part of the ongoing strategy to improve the quality of the multi-family portfolio, certain non-core assets are expected to be sold in 2019.

2019 FIRST QUARTER RESULTS

Same door NOI, FFO, FFO per unit, AFFO, and AFFO per unit are not defined by GAAP. They do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. See page 29 for definitions of Non-GAAP Measures.

Select financial information

	Three months ended	
(thousands of dollars, except per unit amounts)	**March 31, 2019**	**March 31, 2018**
Total revenue	**96,224**	88,004
Total NOI	**51,230**	47,528
NOI margin	**53.2%**	54.0%
Same door NOI increase	**0.6%**	6.0%
Cash flow from operating activities	**28,417**	24,349
Distributions declared to Trust and Class B LP Unitholders – basic	**26,470**	23,564
Distributions declared to Trust and Class B LP Unitholders – diluted	**26,825**	24,070
Distributions declared per Unit – basic and diluted	**$0.41**	$0.41
Net and comprehensive (loss) income	**(13,180)**	23,053
Net and comprehensive (loss) income per unit – basic	**($0.20)**	$0.40
Net and comprehensive (loss) income per unit – diluted (1)	**($0.20)**	$0.39
Measurements excluding Non-recurring Items (2):		
FFO – diluted	**29,421**	28,669
FFO per unit – diluted (1)	**$0.45**	$0.49
AFFO – diluted	**23,055**	22,688
AFFO per unit – diluted (1)	**$0.35**	$0.38

(1) The calculation of weighted average number of units outstanding for net and comprehensive (loss) income per unit – diluted, FFO per unit – diluted and AFFO per unit – diluted, includes the convertible debentures for the three months ended March 31, 2019, and 2018, because convertible debentures are dilutive. (2) See page 29 for definition of Non-recurring Items.

Select information

(thousands of dollars)	March 31, 2019	December 31, 2018
Total assets	**4,239,045**	4,177,368
Total liabilities	**2,624,299**	2,536,722
Total non-current liabilities	**2,110,774**	1,913,159
Mortgages payable	**1,999,239**	2,028,666
Debt to gross book value (excluding convertible debentures)	**54.4%**	53.8%
Interest coverage ratio (times)	**2.91**	2.96
Debt service coverage ratio (times)	**1.61**	1.64
Weighted average mortgage interest rate	**3.13%**	3.17%
Weighted average term to maturity (years)	**4.6**	4.8
Weighted average Cap Rate	**5.90%**	5.92%
Occupancy	**93.6%**	93.5%
Number of multi-family units	**26,743**	26,702
Number of execusuite units	**344**	344
Commercial sq. ft.	**1,159,000**	1,172,000

2019 FIRST QUARTER OPERATING RESULTS

The following section provides a comparison of the operating results for the three months ended March 31, 2019, with the same period of 2018. Operations include multi-family, and commercial and execusuite business segments.

Management presents geographical segment reporting for Ontario, Western Canada, Northern Canada, Atlantic Canada, and Quebec. The Ontario and Quebec regions include only the operations of properties located in those respective provinces. The Western Canada region includes the operations of properties located in Alberta, British Columbia, and Saskatchewan. The Northern Canada region includes the operations of properties located in the Northwest Territories and Nunavut. The Atlantic Canada region includes the operations of properties located in Newfoundland and Labrador, New Brunswick, and Nova Scotia.

REVENUE BY BUSINESS SEGMENT

	Total			Same Door		
	Three months ended March 31			Three months ended March 31		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Multi-family	**85,034**	77,066	10.3%	**78,070**	75,507	3.4%
Commercial and execusuite	**11,190**	10,938	2.3%	**10,742**	10,815	(0.7%)
Total	**96,224**	88,004	9.3%	**88,812**	86,322	2.9%

Revenue in the multi-family business segment increased 10.3% for the three months ended March 31, 2019, compared to the same period of 2018, primarily due to contributions from acquisitions and newly developed properties, higher AMR and increased occupancy, partially offset by the sale of non-core assets. Same door revenue in the multi-family business segment increased 3.4% for the three months ended March 31, 2019, compared to the same period of 2018, due to higher AMR and increased occupancy. AMR increased in all regions, led by a 6.9% increase in Ontario, for the three months ended March 31, 2019 compared to the same period of 2018.

Revenue in the commercial and execusuite business segment increased 2.3% for the three months ended March 31, 2019, compared to the same period of 2018, due to contributions from the acquisition of commercial and mixed-use properties. Same door revenue in the commercial and execusuite business segment decreased marginally for the three months ended March 31, 2019, compared to the same period of 2018, due to lower occupancy at the execusuite in Yellowknife, NT, and in the commercial portfolio.

OPERATING EXPENSES BY BUSINESS SEGMENT

	Total			Same Door		
	Three months ended March 31			Three months ended March 31		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Multi-family	**39,808**	35,447	12.3%	**36,854**	34,619	6.5%
Commercial and execusuite	**5,186**	5,029	3.1%	**4,963**	4,969	(0.1%)
Total	**44,994**	40,476	11.2%	**41,817**	39,588	5.6%

OPERATING EXPENSES BY EXPENSE CATEGORY

	Total			Same Door		
	Three months ended March 31			Three months ended March 31		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Utilities	**15,254**	13,358	14.2%	**14,185**	13,128	8.1%
Property taxes	**9,312**	8,357	11.4%	**8,595**	8,200	4.8%
Salaries and benefits	**5,038**	5,210	(3.3%)	**4,862**	5,140	(5.4%)
Maintenance	**8,817**	7,441	18.5%	**8,263**	7,168	15.3%
General	**6,573**	6,110	7.6%	**5,912**	5,952	(0.7%)
Total	**44,994**	40,476	11.2%	**41,817**	39,588	5.6%

Total operating expenses for the three months ended March 31, 2019, increased compared to the same period of 2018, mainly due to the impact of new acquisitions and developments, partially offset by the sale of non-core assets, completed since the first quarter of 2018. Same door operating expenses for the three months ended March 31, 2019, increased compared to the same period of 2018, mainly due to higher utilities and maintenance expenses.

Same door utilities expense for the three months ended March 31, 2019, increased compared to the same period of 2018, due to a colder winter season impacting the majority of the markets in which Northview operates. Below normal temperatures through most of the first quarter of 2019 resulted in higher consumption levels for natural gas, heating oil, and wood pellets, compared to the same period of 2018. In addition, there was an increase in natural gas prices due to a decline in natural gas storage levels, colder temperatures, and supply disruption in Northeastern BC. In Ontario, Quebec and Alberta, Northview uses a fixed price contract for natural gas for some of the properties, which partially protected Northview from the natural gas price increase in these regions.

On a same door basis, property taxes for the three months ended March 31, 2019, increased compared to the same period of 2018, due to higher property values assessment compared to 2018. Northview closely monitors property tax assessments and files property tax appeals when appropriate.

Salaries and benefits on a same door basis for the three months ended March 31, 2019, decreased compared to the same period of 2018, due to lower incentive compensation expense.

Same door maintenance expense for the three months ended March 31, 2019, increased compared to the same period of 2018. The increase was due to increased level of maintenance for building heating systems and snow removal activities, both of which were impacted by the severe winter.

NET OPERATING INCOME

Northview uses NOI and same door NOI as key indicators to measure financial performance. Same door NOI is a key measurement of Northview's ability to generate NOI based on the same properties, excluding the impact of acquisitions, dispositions, and developments.

NOI BY BUSINESS SEGMENT

	Total			**Same Door**		
	Three months ended March 31			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Multi-family	**45,226**	41,619	8.7%	**41,216**	40,888	0.8%
Commercial and execusuite	**6,004**	5,909	1.6%	**5,779**	5,846	(1.1%)
Total	**51,230**	47,528	7.8%	**46,995**	46,734	0.6%
NOI margin %	**53.2%**	54.0%	(80 bps)	**52.9%**	54.1%	(120 bps)

Total NOI increased 7.8% for the three months ended March 31, 2019, compared to the same period of 2018, due to the impact of new acquisitions and developments, partially offset by non-core asset sales completed since the first quarter of 2018.

Same door NOI in the multi-family business segment increased 0.8% for the three months ended March 31, 2019, compared to the same period of 2018, due to higher revenue from Ontario and Western Canada, largely offset by negative growth results in Atlantic Canada, Northern Canada, and Quebec, due to higher operating expenses.

On a same door basis, NOI margin decreased 120 bps for the three months ended March 31, 2019, compared to the same period of 2018, due to higher operating expenses related to maintenance and utilities.

NOI BY REGION AND BUSINESS SEGMENT

	Three months ended March 31					
	Multi-family			Commercial & Execusuite		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Ontario	**17,619**	13,694	28.7%	**67**	67	-
Western Canada	**12,352**	11,512	7.3%	**(34)**	(50)	(32.0%)
Northern Canada	**8,313**	8,967	(7.3%)	**4,863**	4,805	1.2%
Atlantic Canada	**4,502**	4,846	(7.1%)	**1,091**	1,081	0.9%
Quebec	**2,440**	2,600	(6.2%)	**17**	6	183.3%
Total	**45,226**	41,619	8.7%	**6,004**	5,909	1.6%

NOI BY REGION

	Three months ended March 31		
(thousands of dollars)	**2019**	**2018**	**Change**
Ontario	**17,686**	13,761	28.5%
Western Canada	**12,318**	11,462	7.5%
Northern Canada	**13,176**	13,772	(4.3%)
Atlantic Canada	**5,593**	5,927	(5.6%)
Quebec	**2,457**	2,606	(5.7%)
Total	**51,230**	47,528	7.8%

PORTFOLIO SUMMARY – MARCH 31, 2019 (INCLUDING JOINT VENTURES AT 100%)

Regions	**Multi-family units**	**Execusuite units**	**Commercial (sq. ft.)**
Ontario	9,489	-	22,000
Western Canada	7,667	-	145,000
Northern Canada	2,455	199	742,000
Atlantic Canada	4,647	145	246,000
Quebec	2,485	-	4,000
Total	**26,743**	**344**	**1,159,000**

PORTFOLIO CHANGE – MARCH 31, 2019 (INCLUDING JOINT VENTURES AT 100%)

	Multi-family units	**Execusuite units**	**Commercial (sq. ft.)**
December 31, 2018	26,702	344	1,172,000
Dispositions	-	-	(13,000)
Developments	41	-	-
March 31, 2019	**26,743**	**344**	**1,159,000**

MULTI-FAMILY OPERATIONS

Same door NOI, AMR, and occupancy by region

AMR is the average monthly rent of occupied units on period end date. Occupancy is a measure used by management to evaluate the performance of properties on a comparable basis. The occupancy presented in this MD&A is financial occupancy, excluding recently completed developments which have not reached stabilized occupancy.

SAME DOOR NOI % CHANGE

	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Ontario	**10.2%**	11.9%	7.8%	5.8%	15.4%
Western Canada	**3.9%**	3.6%	0.4%	2.4%	4.1%
Northern Canada	**(9.6%)**	5.4%	2.2%	4.2%	3.9%
Atlantic Canada	**(9.9%)**	(3.7%)	2.5%	0.2%	(0.8%)
Quebec	**(6.2%)**	(7.7%)	10.4%	7.5%	6.5%
Overall	**0.8%**	5.1%	4.0%	4.0%	6.9%

AMR

	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Ontario	**1,105**	1,092	1,078	1,050	1,034
Western Canada	**1,027**	1,022	1,013	1,005	995
Northern Canada	**2,136**	2,137	2,132	2,111	2,092
Atlantic Canada	**803**	798	792	787	780
Quebec	**775**	772	765	753	750
Overall	**1,101**	1,094	1,082	1,068	1,050

OCCUPANCY

	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Ontario	**96.6%**	97.0%	96.7%	97.1%	96.9%
Western Canada	**87.6%**	88.2%	86.6%	85.9%	86.1%
Northern Canada	**96.5%**	96.8%	97.1%	97.1%	96.1%
Atlantic Canada	**95.7%**	94.9%	95.8%	94.5%	94.8%
Quebec	**91.3%**	91.7%	92.2%	95.1%	95.7%
Overall	**93.6%**	93.9%	93.5%	93.3%	93.3%

MULTI-FAMILY UNITS, AMR, AND OCCUPANCY BY REGION

	Multi-family Units	AMR			Occupancy		
		Q1 2019	Q1 2018	Change (%)	Q1 2019	Q1 2018	Change (bps)
Southwestern	5,563	**1,047**	956	9.5%	**95.8%**	96.2%	(40)
Eastern	1,773	**1,109**	1,060	4.6%	**97.5%**	97.9%	(40)
Toronto and area	2,153	**1,249**	1,194	4.6%	**97.7%**	97.6%	10
Ontario	**9,489**	**1,105**	1,034	6.9%	**96.6%**	96.9%	(30)
Alberta	4,465	**1,082**	1,057	2.4%	**86.7%**	85.1%	160
British Columbia	2,639	**928**	902	2.9%	**88.2%**	87.3%	90
Saskatchewan	563	**1,067**	987	8.1%	**92.2%**	90.1%	210
Western Canada	**7,667**	**1,027**	995	3.2%	**87.6%**	86.1%	150
Northwest Territories	1,309	**1,688**	1,676	0.7%	**92.1%**	93.1%	(100)
Nunavut	1,146	**2,610**	2,574	1.4%	**99.8%**	98.4%	140
Northern Canada	**2,455**	**2,136**	2,092	2.1%	**96.5%**	96.1%	40
Newfoundland and Labrador	1,728	**837**	824	1.6%	**92.5%**	91.4%	110
Nova Scotia	1,469	**791**	748	5.7%	**96.9%**	96.7%	20
New Brunswick	1,450	**775**	759	2.1%	**98.8%**	97.6%	120
Atlantic Canada	**4,647**	**803**	780	2.9%	**95.7%**	94.8%	90
Quebec	**2,485**	**775**	750	3.3%	**91.3%**	95.7%	(440)
Total	**26,743**	**1,101**	1,050	4.9%	**93.6%**	93.3%	30

AMR CHANGE ON SUITE TURNOVER

	Three months ended March 31		
	2019	2018	Change (bps)
Ontario	**15.4%**	12.4%	300
Western Canada	**4.2%**	3.3%	90
Northern Canada	**2.4%**	6.9%	(450)
Atlantic Canada	**1.7%**	0.5%	120
Quebec	**4.0%**	4.0%	-
Total	**7.1%**	5.7%	140

Northview identifies units suitable for regular and substantive renovations to increase rental rates upon suite turnover. In Ontario, AMR increased by 15.4% on suite turnover in the first quarter of 2019 including AMR increase from the high-end renovation program. This is an increase of 300 bps compared to the same period of 2018. The AMR increases on suite turnover in Western Canada and Atlantic Canada were higher compared to the same period of 2018, primarily attributable to increased market rents. In Northern Canada, the AMR increase on suite turnover was lower compared to the same period of 2018, due to reduced demand for rental units as a result of the completion of a large infrastructure project in Yellowknife, NT.

HIGH-END RENOVATION PROGRAM

Management identifies properties suitable for substantive renovations to increase rental rates. The high-end renovation program involves suite improvements with complete bathroom and kitchen renovations and may involve upgrades to the properties' common areas. The target for post renovation increase in rents is $200 to $300 per month and a return of 15% to 25% on the additional capital invested. The high-end renovation program is primarily in Ontario, where market conditions remain strong. Northview is currently expanding the high-end renovation program to regions outside of Ontario.

For the three months ended March 31, 2019, 136 high-end renovation units were completed, generating an AMR increase of approximately $329 per unit and an annualized NOI increase of $0.5 million. The program achieved a rate of return of 25.8% with capital expenditures of $2.6 million during the first quarter of 2019. As at March 31, 2019, there are approximately 60 buildings and 7,000 units suitable for high-end renovation program. In 2019, Northview plans to spend approximately $10 to $15 million on the high-end renovation program.

ONTARIO OPERATIONS

AMR was $1,105 as at March 31, 2019, an increase of 6.9% compared to $1,034 as at March 31, 2018. AMR increased throughout the region compared to the same period of 2018. The increase in AMR was due to the impact of acquisitions, successful execution of the high-end renovation program and strong market conditions.

Overall, Ontario continued to experience strong occupancy of 96.6% during the first quarter of 2019, compared to 96.9% in the same period of 2018. The decrease is due to the repositioning of a few properties, which has resulted in a temporary decline in occupancy at these properties.

	Total			Same Door		
Ontario	**Three months ended March 31**			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Revenue	**31,987**	26,435	21.0%	**27,851**	26,437	5.3%
Operating expenses	**(14,368)**	(12,741)	12.8%	**(12,705)**	(12,689)	0.1%
NOI	**17,619**	13,694	28.7%	**15,146**	13,748	10.2%
NOI margin %	**55.1%**	51.8%	330 bps	**54.4%**	52.0%	240 bps

Same door NOI increased 10.2% for the three months ended March 31, 2019, compared to the same period of 2018, mainly due to higher revenue from increased AMR.

WESTERN CANADA OPERATIONS

AMR was $1,027 as at March 31, 2019, an increase of 3.2% compared to $995 as at March 31, 2018. AMR increased throughout the region compared to the same period of 2018. In Alberta, the increase in AMR was due to improved market conditions and increased market rents in Grande Prairie, Calgary and Lethbridge, compared to the same period of 2018. In British Columbia, the increase in AMR from the same period of 2018 was due to increased market rents in Nanaimo, Abbotsford and Fort St. John. In Saskatchewan, the increase in AMR from the same period of 2018 was due to the stabilization of the new development in Regina, SK.

Occupancy was 87.6% for the first quarter of 2019, compared to 86.1% for the same period of 2018. Most of the portfolio experienced an increase in occupancy, including Saskatchewan where occupancy increased 210 bps. The improved economic conditions combined with higher lease incentives in Western Canada led to increased occupancy.

	Total			Same Door		
Western Canada	**Three months ended March 31**			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Revenue	**21,684**	20,268	7.0%	**19,953**	19,169	4.1%
Operating expenses	**(9,332)**	(8,756)	6.6%	**(8,706)**	(8,345)	4.3%
NOI	**12,352**	11,512	7.3%	**11,247**	10,824	3.9%
NOI margin %	**57.0%**	56.8%	20 bps	**56.4%**	56.5%	(10 bps)

Same door NOI increased 3.9% for the three months ended March 31, 2019, compared to the same period of 2018, due to higher revenue from increased AMR and occupancy, partially offset by higher lease incentives.

NORTHERN CANADA OPERATIONS

AMR was $2,136 as at March 31, 2019, an increase of 2.1% compared to $2,092 as at March 31, 2018. The increase in AMR was due to rent increases upon lease renewal.

Occupancy in Northern Canada was 96.5% for the first quarter of 2019, compared to 96.1% for the same period of 2018. In Nunavut, occupancy increased throughout the region in the first quarter of 2019, compared to the same period of 2018, due to tight supply conditions. In the Northwest Territories, the decrease in occupancy in the first quarter of 2019, compared to the same period of 2018, was attributable to Yellowknife where recent new supply of multi-family units and the completion of a large infrastructure project impacted occupancy levels.

	Total			Same Door		
Northern Canada	**Three months ended March 31**			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Revenue	**15,196**	14,720	3.2%	**14,954**	14,720	1.6%
Operating expenses	**(6,883)**	(5,753)	19.6%	**(6,795)**	(5,691)	19.4%
NOI	**8,313**	8,967	(7.3%)	**8,159**	9,029	(9.6%)
NOI margin %	**54.7%**	60.9%	(620 bps)	**54.6%**	61.3%	(670 bps)

Same door NOI decreased 9.6% for the three months ended March 31, 2019, compared to the same period of 2018, due to higher utilities and maintenance expenses.

ATLANTIC CANADA OPERATIONS

AMR was $803 as at March 31, 2019, an increase of 2.9% compared to $780 as at March 31, 2018. The increase in AMR was throughout the portfolio in the region and was due to contributions from newer portfolios with higher average rents, and improved economic conditions in some markets of the region.

Occupancy in Atlantic Canada was 95.7% for the first quarter of 2019, compared to 94.8% for the same period of 2018. The increase in occupancy was throughout the portfolio and was attributable to the improved economic conditions, and strong demand from positive net population migration.

	Total			Same Door		
Atlantic Canada	**Three months ended March 31**			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Revenue	**10,757**	10,119	6.3%	**9,902**	9,657	2.5%
Operating expenses	**(6,255)**	(5,273)	18.6%	**(5,678)**	(4,970)	14.2%
NOI	**4,502**	4,846	(7.1%)	**4,224**	4,687	(9.9%)
NOI margin %	**41.9%**	47.9%	(600 bps)	**42.7%**	48.5%	(580 bps)

Same door NOI decreased 9.9% for the three months ended March 31, 2019, compared to the same period of 2018. The decrease in same door NOI was due to higher utilities and maintenance expenses, partially offset by higher AMR and increased occupancy.

QUEBEC OPERATIONS

AMR was $775 as at March 31, 2019, an increase of 3.3% compared to $750 as at March 31, 2018. The increase in AMR was due to higher market rent and improving market conditions.

Occupancy was 91.3% for the first quarter of 2019, compared to 95.7% for the same period of 2018. The decrease in occupancy was attributable to a large complex in Montreal where units were taken out of inventory to complete renovations.

	Total			Same Door		
Quebec	**Three months ended March 31**			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Revenue	**5,410**	5,524	(2.1%)	**5,410**	5,524	(2.1%)
Operating expenses	**(2,970)**	(2,924)	1.6%	**(2,970)**	(2,924)	1.6%
NOI	**2,440**	2,600	(6.2%)	**2,440**	2,600	(6.2%)
NOI margin %	**45.1%**	47.1%	(200 bps)	**45.1%**	47.1%	(200 bps)

Same door NOI decreased 6.2% for the three months ended March 31, 2019, compared to the same period of 2018, mainly due to lower revenue from lower occupancy, partially offset by higher AMR.

COMMERCIAL AND EXECUSUITE OPERATIONS

Northview's commercial properties are located in regions where Northview also has multi-family operations. The commercial portfolio consists of office, warehouse, and mixed-use buildings, which are largely leased to federal or territorial governments and other quality commercial tenants under long-term leases. In addition, Northview operates four execusuite properties in Yellowknife, NT, Iqaluit, NU, St. John's, NL, and a 50% joint venture in Inuvik, NT. The execusuite properties offer apartment-style accommodation and are rented for both short and long-term stays.

	Total			Same Door		
	Three months ended March 31			**Three months ended March 31**		
(thousands of dollars)	**2019**	**2018**	**Change**	**2019**	**2018**	**Change**
Revenue	**11,190**	10,938	2.3%	**10,742**	10,815	(0.7%)
Operating expenses	**(5,186)**	(5,029)	3.1%	**(4,963)**	(4,969)	(0.1%)
NOI	**6,004**	5,909	1.6%	**5,779**	5,846	(1.1%)
NOI margin %	**53.7%**	54.0%	(30 bps)	**53.8%**	54.1%	(30 bps)

Same door NOI decreased 1.1% for the three months ended March 31, 2019, compared to the same period of 2018. The decrease in same door NOI was due to lower revenue at the execusuite property in Yellowknife, NT following the completion of a large infrastructure project in 2018 and the addition of new supply in the market. Commercial same door NOI was flat compared to the same period of 2018.

Both the commercial and execusuite operations are expected to remain relatively flat in 2019 when compared to 2018 with soft market conditions persisting in Yellowknife, NT and St. John's, NL.

Commercial portfolio summary (including joint ventures at 100%)

	Three months ended March 31					
	$ Average Rent			Occupancy		
	2019	**2018**	**Change (%)**	**2019**	**2018**	**Change (bps)**
Ontario	**17.51**	16.87	3.8%	**99.7%**	100.0%	(30)
Western Canada	**14.52**	12.69	14.4%	**67.3%**	72.8%	(550)
Northern Canada	**26.13**	24.87	5.1%	**93.4%**	94.2%	(80)
Atlantic Canada	**19.20**	18.82	2.0%	**95.1%**	94.4%	70
Quebec	**16.70**	16.28	2.6%	**100.0%**	100.0%	-
Total / Average	**23.49**	22.18	5.9%	**90.6%**	91.5%	(90)

The average rent per square foot increased 5.9% for the three months ended March 31, 2019, compared to the same period of 2018. The increase occurred throughout the commercial portfolio and was mainly attributable to scheduled rent increases for existing leases and rent increases upon lease renewal.

Commercial occupancy decreased 90 bps for the three months ended March 31, 2019, compared to the same period of 2018. The decrease is the result of higher vacancy in the portfolio in Inuvik, NT. Occupancy in the other commercial markets was stable.

There is approximately 157,000 sq. ft. of commercial space with leases maturing in 2019, of which approximately 45,000 sq. ft. has been renewed. We expect the remaining lease maturities to renew on similar terms in 2019.

OTHER EXPENSE (INCOME)

	Three months ended March 31		
(thousands of dollars)	**2019**	**2018**	**Change**
Financing costs	**21,793**	18,296	19%
Administration	**4,014**	3,935	2%
Depreciation and amortization	**1,421**	1,341	6%
Loss (gain) on disposition	**16**	(7)	(329%)
Equity income from joint ventures	**(254)**	(233)	9%
Fair value loss	**38,096**	1,493	n/a
Proceeds on insurance settlement	**(676)**	(350)	93%
Total	**64,410**	24,475	163%

Financing costs consist of mortgage interest, amortization of deferred financing costs and fair value of debt, interest expense on credit facilities, interest expense on Class B LP Units, and other interest expense. For the three months ended March 31, 2019, financing costs increased 19% from the same period of 2018. The increase was due to higher mortgage interest as a result of properties acquired since the first quarter of 2018, and higher Class B LP Units interest expense related to the additional Class B LP Units issued.

For the three months ended March 31, 2019, administration expense increased 2%, compared to the same period of 2018. The increase was mainly related to general corporate salary increase in 2019.

FAIR VALUE LOSS (GAIN)

	Three months ended March 31		
(thousands of dollars)	**2019**	**2018**	**Change**
Investment properties	**(4,313)**	(3,896)	11%
2019 Debentures	**3,060**	(228)	n/a
Unit-based payments	**516**	203	154%
Class B LP Units	**38,833**	5,414	617%
Total	**38,096**	1,493	n/a

Northview reports fair value change of investment properties on a net basis after deducting capital expenditures. During the three months ended March 31, 2019, the net fair value increase of investment properties was primarily in Ontario, driven by Cap Rate reduction and same door NOI increase of 10.2%.

Class B LP Units are treated as a financial liability for accounting purposes, which is equal to the trading price of Trust Units, with the change in value being recorded to fair value gain or loss. For the three months ended March 31, 2019, the $38.8 million fair value loss resulted from an increase in Trust Unit price from $24.48 to $29.02.

FFO

Northview measures its operating performance by using industry accepted non-GAAP performance measures such as FFO which is calculated in accordance with the Real Property Association of Canada ("REALpac") definition. FFO is not defined by IFRS and does not have a standard meaning under IFRS; therefore, it may not be comparable to similar measures presented by other entities. The IFRS measurement most comparable to FFO is net and comprehensive income, for which a reconciliation is provided as follows:

	Three months ended March 31	
(thousands of dollars, except per unit amounts)	**2019**	**2018**
Net and comprehensive (loss) income	**(13,180)**	23,053
Adjustments:		
Depreciation of property, plant and equipment	**1,248**	1,222
Loss (gain) on disposition	**16**	(7)
Fair value loss	**38,096**	1,493
Class B LP Unit distributions recorded as interest	**3,485**	2,723
Other [1]	**214**	211
FFO basic	**29,879**	28,695
Interest on 2019 Debentures	**218**	324
FFO diluted	**30,097**	29,019
FFO per unit – basic	**$0.46**	$0.50
FFO per unit – diluted	**$0.46**	$0.49
Non-recurring Items:		
Insurance proceeds received	**(676)**	(350)
Measurements excluding Non-recurring Items:		
FFO diluted	**29,421**	28,669
FFO per unit – diluted	**$0.45**	$0.49
FFO payout ratio – basic, trailing twelve months [2]	**78.8%**	75.9%
FFO payout ratio – diluted, trailing twelve months [3]	**78.8%**	76.7%
Weighted average number of units outstanding:		
Basic (000's)	**64,892**	57,839
Diluted (000's)	**65,847**	59,097

(1) "Other" is comprised of non-controlling interests, amortization of other long-term assets, amortization of tenant inducements, lease principal payments, and fair value adjustments for non-controlling interest and equity investments.

(2) FFO payout ratio – basic, trailing twelve months is calculated as total distributions declared to Trust and Class B LP Unitholders – basic, divided by total basic FFO, for the twelve months ended March 31, 2019 and 2018.

(3) FFO payout ratio – diluted, trailing twelve months is calculated as total distributions declared to Trust and Class B LP Unitholders – diluted, divided by total diluted FFO, for the twelve months ended March 31, 2019 and 2018.

The increase in FFO for the three months ended March 31, 2019, compared to the same period in 2018, was due to same door NOI growth, NOI contributions from acquisitions and newly developed properties, partially offset by non-core asset sales since the first quarter of 2018.

Diluted FFO per unit was $0.45 for the three months ended March 31, 2019, compared to $0.49 for the same period of 2018, both excluding Non-recurring Items. The decrease in FFO per unit is a result of the equity issued in June 2018 and the disposition of non-core assets since the first quarter of 2018. The decrease was partially offset by same door NOI growth and NOI contributions from acquisitions and newly developed properties.

AFFO

Northview calculates AFFO as a recurring economic earnings measure, in accordance with the REALpac's definition.

In February 2017, REALpac issued the White Paper on FFO and AFFO for IFRS, to provide guidance and develop consistency within the industry on the definition of FFO and AFFO. REALpac also updated its guidance on categorizing value-enhancing capital expenditures ("value-enhancing capex") and maintenance capital expenditures ("maintenance capex") to be used in calculating AFFO.

Management believes the categorization of capital expenditures between value enhancing and maintenance is subject to significant judgment. Northview has elected to use an estimated reserve amount per unit for the multi-family business segment, and an estimated reserve amount per square foot for the commercial business segment.

The 2019 maintenance capex reserve amount is calculated as the average of 2018, 2017, and 2016 actual maintenance capex on per unit or per square foot basis. The three-year average is used because capital expenditures can vary in a single year based on the timing of projects.

Northview deducts the 2019 reserve equally each quarter in the calculation of AFFO. Detailed information on actual capital expenditures by category is provided in the "*Capital Expenditures on Investment Properties*" section of this MD&A.

MAINTENANCE CAPEX RESERVE – MULTI-FAMILY AND COMMERCIAL

(thousands of dollars, except per unit and per square foot amounts)	**2018**	**2017**	**2016**
Total capital expenditures – multi-family	68,409	51,131	49,943
Value-enhancing capex – multi-family			
Building	(9,756)	(4,513)	(3,516)
Suite improvements	(29,574)	(26,072)	(24,391)
Total	(39,330)	(30,585)	(27,907)
Maintenance capex – multi-family	**29,079**	**20,546**	**22,036**
Maintenance capex % of total capital expenditures	43%	40%	44%
Average number of multi-family units	25,907	24,222	24,247
Maintenance capex per multi-family unit	1,122	848	909
Three-year average	**960**		
Maintenance capex – commercial	**201**	**345**	**308**
Average number of commercial sq. ft.	1,191,400	1,142,400	1,138,200
Maintenance capex per commercial square foot	0.17	0.30	0.27
Three-year average	**0.25**		

Capital expenditures include value-enhancing capex and maintenance capex. Value-enhancing capex are expected to increase the NOI or value of the properties and are discretionary in nature. Value-enhancing capex include building and suite improvements that enhance revenue or improve financial operating efficiency. Building includes building exterior and common area upgrades. Suite improvements include the high-end renovation program and renovations that exceed basic replacement and minor repairs on turnover.

Maintenance capex focus on maintaining the existing conditions of the properties. Maintenance capex include routine suite renovations, and replacement of boilers and mechanical systems. Management has determined the maintenance capex reserve to be $960 per multi-family unit on an annual basis for 2019.

For the commercial business segment, value-enhancing capex are typically recoverable capital expenditures, and maintenance capex are typically non-recoverable capital expenditures. Management has determined the maintenance capex reserve to be $0.25 per square foot for the commercial business segment on an annual basis for 2019.

RECONCILIATION OF FFO TO AFFO

	Three months ended March 31	
(thousands of dollars, except per unit amounts)	**2019**	**2018**
FFO basic	**29,879**	28,695
FFO diluted	**30,097**	29,019
Maintenance capex reserve – multi-family (1)	**(6,292)**	(5,843)
Maintenance capex reserve – commercial (2)	**(74)**	(138)
AFFO – basic	**23,513**	22,714
AFFO – diluted	**23,731**	23,038
AFFO per unit – basic	**$0.36**	$0.39
AFFO per unit – diluted	**$0.36**	$0.39
Measurement excluding Non-recurring Items:		
FFO diluted	**29,421**	28,669
AFFO – diluted	**23,055**	22,688
AFFO per unit – diluted	**$0.35**	$0.38
AFFO payout ratio – basic, trailing twelve months (3)	**97.5%**	93.3%
AFFO payout ratio – diluted, trailing twelve months (4)	**97.3%**	94.0%

(1) Maintenance capex for multi-family for the three months ended March 31, 2019, is calculated as $240.0 (25% of $960) times the average number of multi-family units of 26,218.

(2) Maintenance capex for commercial for the three months ended March 31, 2019, is calculated as $0.06 (25% of $0.25) times the average number of sq. ft. of 1,188,800.

(3) AFFO payout ratio – basic, trailing twelve months is calculated as total distributions declared to Trust and Class B LP Unitholders – basic, divided by total basic AFFO, for the twelve months ended March 31, 2019 and 2018.

(4) AFFO payout ratio – diluted, trailing twelve months is calculated as total distributions declared to Trust and Class B LP Unitholders – diluted, divided by total diluted AFFO, for the twelve months ended March 31, 2019 and 2018.

CAPITAL EXPENDITURES ON INVESTMENT PROPERTIES

	Three months ended March 31		
(thousands of dollars, except per unit amounts)	**2019**	**2018**	**Change**
Building and common areas	**2,008**	1,348	49%
Suite renovations	**7,922**	4,970	59%
High-end renovation program	**2,581**	2,145	20%
Appliances	**981**	450	118%
Boilers and mechanical	**2,381**	841	183%
Other	**2,026**	824	146%
Total capex – multi-family	**17,899**	10,578	69%
Multi-family units – twelve months average	**26,218**	24,500	7%
Capex per multi-family unit	**683**	432	58%
Total capex – multi-family	**17,899**	10,578	69%
Total capex – commercial	**42**	123	(66%)
Total capex	**17,941**	10,701	68%

Total CAPEX for the multi-family business segment were $17.9 million for the first quarter of 2019, compared to $10.6 million for the same period of 2018. The increase in CAPEX was mainly related to suite renovations, replacement of boilers and mechanical systems primarily as a result of the below average temperatures in the recent winter season, and the restoration of the 80 units damaged in a fire during the second quarter of 2018 at a property in Dartmouth, NS.

During the first quarter of 2019, $7.9 million and $2.6 million were invested in suite renovations and the high-end renovation program, respectively, compared to $5.0 million and $2.1 million for the same period of 2018. Northview continues to focus on enhancing revenue and improving the operating efficiency of the portfolio to maximize occupancy and NOI.

TAX STATUS

Northview is a mutual fund trust for Canadian income tax purposes. In accordance with the Declaration of Trust ("DOT"), distributions to Unitholders are declared at the discretion of the Trustees. Pursuant to the DOT, the Trustees may, at their sole discretion, determine distributions or designate that all taxable income earned, including the taxable part of net realized capital gains, be distributed to Unitholders. Northview will deduct such distributions and designations for income tax purposes.

The Canadian Income Tax Act ("Tax Act") contains rules (the "SIFT Rules") that impose tax on certain mutual fund trusts and their trust unitholders at rates that approximate corporate and dividend income tax rates. The SIFT Rules do not apply to any mutual fund trust that qualifies as a REIT (a "Tax REIT") as defined in the Tax Act (the "Tax REIT Exemption"). A REIT must hold less than 10% of non-qualifying assets and earn less than 10% of non-qualifying revenue to keep its status as a Tax REIT. As of and during the three months ended March 31, 2019, Northview met all the requirements to be qualified as a Tax REIT.

The Tax REIT Exemption does not apply to incorporated subsidiaries of Northview, which are therefore subject to Canadian income taxes. Northview does not currently hold any income producing property or operation in taxable incorporated subsidiaries. As such, there is currently no provision for current or deferred income tax expense required in the current reporting period.

SUMMARY OF QUARTERLY RESULTS

The table below summarizes Northview's financial results for the last eight fiscal quarters:

(thousands of dollars, except per unit amounts)	2019	2018				2017		
	Q1	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Total revenue	**96,224**	94,041	93,019	88,904	88,004	84,692	83,345	82,013
NOI	**51,230**	53,708	58,136	52,754	47,528	47,357	51,316	48,253
Net and comprehensive (loss) income	**(13,180)**	161,741	67,875	36,960	23,053	64,943	23,757	123,737
FFO – diluted	**30,097**	32,153	39,571	32,640	29,019	29,637	33,608	31,232
FFO per unit – diluted	**$0.46**	$0.50	$0.61	$0.55	$0.49	$0.51	$0.59	$0.55
FFO payout ratio – diluted	**89.1%**	81.9%	66.5%	73.8%	82.9%	78.3%	69.1%	74.4%

The summary of quarterly results includes the effects of the adoption of new accounting standard in 2019, as discussed in the "*NEW ACCOUNTING STANDARDS AND INTERPRETATIONS*" section of this MD&A, for the first quarter of 2019, and had no effect on the results of the preceding seven quarters on the adoption of the new accounting standard.

Northview's quarterly financial results have a seasonal component resulting from higher utility costs in the first and fourth quarters of each year. NOI and FFO for the first quarter of 2019 are higher compared to the same period of 2018, due to same door NOI growth, NOI contributions from acquisitions and newly developed properties, partially offset by non-core asset sales. Net and comprehensive loss was $13.2 million for the first quarter of 2019, compared to net and comprehensive income of $23.1 million for the same period of 2018, due to the fair value loss on Class B LP Units of $38.8 million which was attributable to the Trust Unit price increasing from $24.48 to $29.02.

LIQUIDITY AND CAPITAL RESOURCES

Northview's objective for managing liquidity and capital resources is to ensure adequate liquidity for operating, capital, and investment activities, as well as distributions to Unitholders. Northview is able to fund its obligations with cash flow from operating activities, operating facilities, construction financing, mortgage debt secured by investment properties, and equity issuances.

As at March 31, 2019, Northview had a working capital deficiency of $436.5 million. In the normal course of business, a portion of Northview's borrowings under mortgages and credit facilities with a maturity date less than one year will be considered current liabilities prior to being replaced with longer-term financing. Of the total deficiency, $314.5 million is related to the current portion of mortgages payable and expected to be refinanced with long-term mortgages. The majority of the current portion of credit facilities of $69.9 million is expected to be addressed through the extension of the maturity date of credit facilities and replaced with long-term mortgages upon the completion of the construction projects. During the first quarter of 2019, Northview entered into a new $200 million operating facility with a three-year term, to replace the $150 million and $23 million operating facilities. The new $200 million operating facility offers improved borrowing capacity and reduced interest rates.

Liquidity risk is the risk that Northview is not able to meet its financial obligations as they become due or can only do so at excessive cost. Northview manages liquidity risk by balancing the maturity profile of mortgages and credit facilities. Mortgage maturities normally enable replacement financing with funds available for other purposes. Northview also utilizes Canada Mortgage and Housing Corporation ("CMHC") insured mortgage lender financing to obtain loans up to 75% of CMHC's assessed value of a multi-family property to reduce re-financing risk. Changes in property NOI impact the borrowing base calculation, which determines the availability under the operating facility. Adverse economic conditions may result in a decrease in NOI, and therefore the borrowing base, which would reduce the amount of liquidity available to Northview. Cash flow projections are updated on a regular basis to ensure there will be adequate liquidity to maintain operating, capital, investment activities, and distributions to Unitholders.

The current level of distributions are sustainable at the current diluted FFO payout ratio of 78.8% for the twelve months ended March 31, 2019 excluding Non-recurring Items. Northview plans to achieve its long-term target FFO payout ratio of 70% through organic growth measured by same door NOI increase.

The long-term target for debt to gross book value ratio is 50% to 55%. The DOT provides for a maximum debt to gross book value ratio of 70%. Northview's debt to gross book value was 54.4% as at March 31, 2019, which was in compliance with the DOT and within the long-term target range.

The total net proceeds of the equity offering completed on June 25, 2018, were approximately $121.0 million. Northview used the net proceeds of the equity offering as outlined in the prospectus for the following purposes: (i) approximately $87.0 million to fund a portion of the June 2018 Acquisition, (ii) the remainder to repay a portion of the credit facilities which were drawn on to fund its development program. The table below provides a breakdown of the intended use, the amounts used to date and any variance.

Use of total net proceeds from equity offering completed on June 25, 2018:

Intended use of proceeds (thousands of dollars)	**Allocation**	**Incurred at March 31, 2019**	**Variance**
Fund a portion of the June 2018 Acquisition	87,000	87,000	-
Repay a portion of the credit facilities drawn on to fund development program	34,000	34,000	-
Total	**121,000**	**121,000**	**-**

MORTGAGES

Northview utilizes CMHC insured mortgage lender financing to obtain loans up to 75% of CMHC's assessed value of a multi-family property. Northview incurs lower borrowing costs on properties financed using insured mortgage lender financing, including the cost of the insurance, when compared to conventional financing.

During the three months ended March 31, 2019, Northview completed $28.6 million of mortgage financing, excluding short-term financing, for multi-family properties with a weighted average interest rate of 2.88% and an average term to maturity of 6.6 years.

The following table outlines Northview's mortgage maturity schedule and weighted average interest rate as at March 31, 2019, for the next five years, and thereafter:

(thousands of dollars)	**Principal Amount**	**Principal on Maturity**	**Total**	**% of Total**	**Weighted Average Interest Rate**
2019	41,991	249,591	291,582	14.1%	3.78%
2020	51,329	187,290	238,619	11.6%	2.88%
2021	42,443	285,632	328,075	15.9%	3.69%
2022	37,392	111,285	148,677	7.2%	2.78%
2023	31,501	218,075	249,576	12.1%	3.09%
Thereafter	79,971	724,266	804,237	39.1%	2.43%
Total	284,627	1,776,139	2,060,766	100.0%	3.13%

CREDIT FACILITIES

Borrowings under credit facilities (thousands of dollars)	**March 31, 2019**	December 31, 2018
Operating facilities	**175,500**	125,700
Construction financing	**46,302**	38,430
Land financing	**12,100**	12,100
Total	**233,902**	176,230

Current	**69,902**	176,230
Non-current	**164,000**	-
Total	**233,902**	176,230

OPERATING FACILITIES

(thousands of dollars)	Maturity Date	Credit Limit	Maximum borrowing capacity	**March 31, 2019 Amounts Drawn**	December 31, 2018 Amounts Drawn
$30 million operating facility					
interest at prime plus 1.15% or Banker's Acceptance plus 2.40%:	May 31, 2019	30,000	11,880	**11,500**	-
$200 million operating facility [(1)]					
interest at prime plus 0.65% or Banker's Acceptance plus 1.70%:	March 29, 2022	200,000	193,032	**164,000**	125,700
Total		230,000	204,912	**175,500**	125,700

(1) Northview entered into a new $200 million operating facility, with a three year term and amended interest rate on March 29, 2019, to replace the $150 million and $23 million operating facilities.

At March 31, 2019, Northview had two operating facilities with total credit limits of $230.0 million (December 31, 2018 – $203.0 million). The maximum borrowing capacity at March 31, 2019, is $204.9 million (December 31, 2018 – $179.2 million). Specific investment properties with total fair value of $458.2 million (December 31, 2018 – $443.4 million) have been pledged as collateral security for the operating facility. Northview also has $1.1 million (December 31, 2018 – $1.9 million) in Letters of Credit ("LOC") outstanding as security for construction projects and mortgage holdbacks. The LOC reduces the amount available under the $200.0 million operating facility.

CONSTRUCTION FINANCING

At March 31, 2019, Northview had three construction financing loans outstanding relating to the developments in Cambridge Bay, NU; Canmore; AB; and Calgary, AB. Interest rates range from prime plus 0.50% to 1.00% or Banker's Acceptance plus 1.85% to 2.00%. Maturity dates range from May 31, 2019 to October 23, 2020. Northview also has $1.2 million (December 31, 2018 – $1.2 million) LOC outstanding as security for construction projects.

LAND FINANCING

The land financing relates to land held for development and bears interest at prime plus 0.50% or Bankers' Acceptance plus 2.00%. Maturity dates range from May 31, 2019 to June 6, 2020. Financing is secured by land held for development.

FINANCIAL COVENANTS

Northview's credit facilities contain certain financial covenants. The principal financial covenants are debt to gross book value, debt service coverage, and interest coverage calculated in accordance with the terms of the underlying credit facilities agreement. The debt to gross book value ratio covenant maximum threshold is 70%. The debt service coverage ratio covenant minimum threshold for the $200 million operating facility is at least 1.40. The interest coverage ratio and debt service coverage ratio covenant minimum thresholds for the $30 million operating facility are at least 1.90 and 1.50, respectively. As at and during the three months ended March 31, 2019, Northview was in compliance with all financial covenants.

CAPITAL MANAGEMENT

Management monitors Northview's capital structure on an ongoing basis to determine the appropriate level of mortgages and credit facilities. Consistent with others in the industry, Northview monitors capital on the basis of debt to gross book value, interest and debt service coverage ratios.

Debt to gross book value was 54.4% as at March 31, 2019, an improvement of 260 bps compared to 57.0% as at March 31, 2018, and an increase of 60 bps from December 31, 2018, partially as a result of internally funded growth which includes the acquisition of land in Ajax, ON and the completion of the Vista development in Calgary, AB. Interest and debt service coverage ratios were 2.91 and 1.61, respectively, for the twelve months ended March 31, 2019, which are stable compared to the twelve months ended December 31, 2018.

EQUITY

Northview's issued and outstanding Units, along with Trust Units potentially issuable, are as follows:

(number of units)	March 31, 2019	December 31, 2018
Units issued and outstanding		
Trust Units	**56,581,496**	56,211,251
Class B LP Units	**8,553,429**	8,553,429
Total Units issued and outstanding	**65,134,925**	64,764,680
Trust Units potentially issuable		
Long-term incentive and deferred units	**287,699**	336,856
2019 Debentures	**425,084**	749,075
Total Trust Units potentially issuable	**712,783**	1,085,931
Total	**65,847,708**	65,850,611

During the three months ended March 31, 2019, 44,591 potentially issuable long-term incentive ("LTI") performance units were granted, 47,953 LTI performance units vested; 58,609 LTI performance units cancelled; 38,985 LTI restricted units were granted, 26,818 LTI restricted units vested, 647 deferred units ("DUs") were granted.

Northview has $23.0 million principal amount of convertible debentures at par (the "2019 Debentures"). During the three months ended March 31, 2019, 2019 Debentures with $7.7 million face value were converted in exchange for 323,985 Trust Units at a conversion price of $23.80 per Trust Unit. As at March 31, 2019, Northview has 2019 Debentures with a face value of $10.1 million outstanding that may be converted into a total of 425,084 Trust Units. Northview expects to redeem the remaining 2019 Debentures balance before the maturity date of June 30, 2019.

CONTRACTUAL OBLIGATIONS

CONTRACTUAL OBLIGATIONS AT MARCH 31, 2019

(thousands of dollars)	Carrying Amount	Contractual Cash Flows	Up to 1 year	1 – 5 years	Over 5 years
Mortgages payable – principal and interest	**1,999,239**	**2,293,259**	**370,618**	**1,072,428**	**850,213**
Credit facilities	**233,902**	**233,902**	**69,902**	**164,000**	**-**
Trade and other payables	**83,556**	**83,556**	**83,556**	**-**	**-**
Distributions and Class B LP interest payable	**8,845**	**8,845**	**8,845**	**-**	**-**
Lease liabilities	**12,803**	**23,673**	**1,058**	**2,650**	**19,965**
Liabilities related to assets held for sale	**20,070**	**20,070**	**20,070**	**-**	**-**
Convertible debentures	**12,343**	**12,343**	**12,343**	**-**	**-**
Unit based payments	**5,320**	**5,320**	**3,722**	**1,598**	**-**
Total	**2,376,078**	**2,680,968**	**570,114**	**1,240,676**	**870,178**

DISTRIBUTIONS TO UNITHOLDERS

Pursuant to the DOT, Unitholders are entitled to receive distributions made on each distribution date as approved by the Trustees. During the three months ended March 31, 2019, Northview declared monthly cash distributions of $0.1358 per Unit, totaling $26.5 million (March 31, 2018 – $23.6 million). The increase in distributions relates to the equity offering completed in June 2018, and the Class B LP Units issued to vendors to fund the 2018 acquisitions. The Class B LP Units are treated as a financial liability for accounting purposes and distributions on the Class B LP Units are recorded as a financing cost.

DISTRIBUTIONS DECLARED AND CASH FLOW FROM OPERATING ACTIVITIES

(thousands of dollars)	**Three months ended March 31, 2019**	**Year ended December 31, 2018**
Distributions declared:		
Trust Unitholders – basic	**22,985**	88,158
Class B LP Unitholders – basic	**3,485**	11,614
Basic distributions declared	**26,470**	99,772
Cash flow from operating activities	**28,417**	139,073
Interest expense on Class B LP Units	**3,485**	11,614
Adjusted cash flow from operating activities (1)	**31,902**	150,687
Distribution payout ratio (2)	**83.0%**	66.2%

(1) Distributions declared to Class B LP Unitholders are recorded as an interest expense and deducted from net and comprehensive (loss) income and cash flow from operating activities; therefore, interest expense on Class B LP Units is added back to calculate adjusted cash flow from operating activities for the purpose of comparing total distribution declared with cash flow from operating activities.

(2) Distribution payout ratio is calculated as total distribution declared divided by adjusted cash flow from operating activities.

In any given financial period, basic distributions declared may be greater than adjusted cash flow from operating activities, primarily due to the short-term fluctuations in non-cash working capital and temporary fluctuations in cash flow. Temporary deficiencies in operating cash flow may be funded by revolving operating facilities, construction financing, mortgage debt secured by investment properties, equity issuances, and asset sales. If Northview were unable to raise additional funds or renew existing maturing debt on acceptable terms, then capital expenditures and acquisition or development activities may be reduced, or asset sales increased. Management expects cash flow from operating activities to exceed distributions paid in future years.

RELATED PARTY TRANSACTIONS

Related party transactions are conducted in the normal course of operations and are made on terms equivalent to arm's length transactions.

Starlight is a related party as it is controlled by a Trustee and significant Unitholder of Northview. Northview entered into an agreement with Starlight Investments CDN AM Group LP ("Starlight LP") whereby Starlight LP provides certain advisory services relating to the identification of multi-unit residential properties for acquisition as per the transactional fee agreement dated February 27, 2019 (the "Transactional Fee Agreement"). Under the Transactional Fee Agreement, Northview shall pay a fee equal to 1% of the aggregate purchase price paid for the acquisition of any new properties acquired by Northview which were sourced by Starlight LP, provided that no fee is payable for a property that is either wholly or majority owned by Starlight LP. The Transactional Fee Agreement was approved by the independent Trustees on February 27, 2019.

During the year ended December 31, 2018, Northview purchased properties from Starlight for a total purchase price of $180.0 million excluding closing costs. The properties were purchased at a value consistent with an independent third-party assessment of the fair value of the properties. Fair value was calculated using the expected NOI of that property divided by the market Cap Rate at the time of the valuation. In conjunction with the transactions, Northview issued 609,555 Class B LP Units to Starlight with a fair value of $16.0 million and paid a fee of $1.0 million to Starlight on the properties acquired from independent vendors. There are no fees payable to Starlight from Northview on the properties acquired directly from Starlight. The transactions were unanimously approved by the independent Trustees of Northview.

Inuvik Commercial Properties Zheh Gwizu' Limited Partnership ("ICP") and Inuvik Capital Suites Zheh Gwizuh Limited Partnership ("ICS") are related parties as Northview has a 50% interest in ICP and a 50% interest in ICS. For the three months ended March 31, 2019, revenue from ICP and ICS related to management fees was $0.1 million (March 31, 2018 − $0.1 million). The balance outstanding and payable to Northview from ICP and ICS related to management fees is $0.1 million (March 31, 2018 − $0.1 million) and is included in accounts receivable in the condensed consolidated statements of financial position.

CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

The preparation of the condensed consolidated financial statements in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting, using accounting policies consistent with IFRS requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, income, and expenses. Estimates and judgments are evaluated each reporting period and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, differ from the actual results. For the three months ended March 31, 2019, the significant changes in accounting policies, estimates, and judgments, as compared to those disclosed in Note 2 to the audited consolidated financial statements for the year ended December 31, 2018, were disclosed in Note 2 and 3 to the condensed consolidated financial statements for the three months ended March 31, 2019 and 2018.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Northview has applied new and revised IFRS issued by IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2019. Northview adopted the following new and amended accounting standard on January 1, 2019:

- IFRS 16 – Leases

The description of the new standard, the new accounting policies adopted, and the impact on Northview's condensed consolidated financial statements were disclosed in Notes 2 and 3 to the condensed consolidated financial statements for the three months ended March 31, 2019 and 2018.

CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

As at March 31, 2019, the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed, or caused it to be designed under their supervision, disclosure controls and procedures ("DC&P"), as defined in National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), to provide reasonable assurance that (i) material information relating to Northview is made known to the CEO and the CFO by others, particularly during the period in which the annual filings are being prepared; and (ii) information required to be disclosed by Northview in its annual filings, interim filings, or other reports filed or submitted by Northview under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation.

INTERNAL CONTROL OVER FINANCIAL REPORTING

As at March 31, 2019, the CEO and the CFO have designed, or caused it to be designed under their supervision, internal control over financial reporting ("ICFR"), as defined in NI 52-109, to provide reasonable assurance regarding the reliability of Northview's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The control framework used to design Northview's ICFR is the framework set forth in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. It should be noted that a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be met and it should not be expected that the control system will prevent all errors and fraud.

During the first quarter of 2019, there were no changes in Northview's ICFR that have materially affected, or are reasonably likely to materially affect, Northview's ICFR.

NON-RECURRING ITEMS

During the three months ended March 31, 2019 and the year ended December 31, 2018, Northview received insurance proceeds of $0.7 million and $2.7 million, respectively, relating to a fire in Lethbridge, AB. During the year ended December 31, 2017, Northview received total insurance proceeds of $0.9 million relating to the wildfires in Fort McMurray, AB, and the fire in Lethbridge, AB. These items have been defined as "Non-recurring Items", as they are not considered normal operating conditions, and management has presented some performance metrics adjusting for Non-recurring Items where appropriate in this MD&A.

NON-GAAP AND ADDITIONAL GAAP MEASURES

The following non-GAAP measures are used to monitor Northview's financial performance. All non-GAAP measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures are included to provide investors and management with an alternative method for assessing Northview's operating results in a manner that is focused on the performance of Northview's ongoing operations.

Funds from operations: FFO measures operating performance and is calculated in accordance with REALpac's definition. FFO – basic is calculated by adjusting net and comprehensive income (loss) for depreciation of property, plant and equipment excluding depreciation of items (i.e. computer and auto) that are not uniquely significant to the real estate industry, gain or loss on disposition, fair value gain or loss, Class B LP Unit distributions recorded as interest, and other applicable items. FFO – diluted is calculated as FFO – basic plus the interest on 2019 Debentures. The most comparable GAAP measure to FFO is net and comprehensive income (loss), for which a reconciliation is provided in this MD&A.

Adjusted funds from operations: AFFO is defined as a recurring economic earnings measure and calculated in accordance with REALpac's definition. AFFO – basic is calculated as FFO – basic less maintenance capex. AFFO – diluted is calculated as FFO – diluted less maintenance capex. The most comparable GAAP measure to AFFO is net and comprehensive income (loss). A reconciliation between FFO and AFFO and the calculation of maintenance capex are provided in this MD&A.

FFO payout ratio: FFO payout ratio – basic is calculated as distributions declared to Trust and Class B LP Unitholders – basic divided by FFO – basic. FFO payout ratio – diluted is calculated as distributions declared to Trust and Class B LP Unitholders – diluted divided by FFO – diluted.

AFFO payout ratio: AFFO payout ratio – basic is calculated as distributions declared to Trust and Class B LP Unitholders – basic divided by AFFO – basic. AFFO payout ratio – diluted is calculated as distributions declared to Trust and Class B LP Unitholders – diluted divided by AFFO – diluted.

OTHER FINANCIAL MEASURES

AMR: calculated as monthly gross rent net of lease incentives divided by the number of occupied units as at the period end date.

Average rent per square foot: calculated as annualized total rent for the quarter, divided by average total occupied square footage for the quarter for commercial operations.

Capitalization Rate: a percentage calculated as NOI divided by the fair value or sales price of the asset. It is a measure of stabilized rate of return on the real estate investment.

Debt: the sum of credit facilities, and mortgages payable excluding deferred financing cost and fair value adjustment upon assumption, including liabilities related to assets held for sale, net of cash and cash equivalents.

Debt service coverage: calculated as the sum of net income before tax, interest, depreciation and amortization, business combination transaction costs, and fair value gain or loss, divided by the sum of total interest expense and principal mortgage repayments. Refer to the condensed consolidated financial statements for the calculation.

Debt to gross book value: a percentage calculated as debt divided by gross book value. Refer to the condensed consolidated financial statements for the calculation.

Distribution payout ratio: a percentage calculated as the sum of distributions declared to Trust and Class B LP Unitholders – basic divided by cash flow from operating activities.

Gross book value: the sum of investment properties, property, plant and equipment before accumulated depreciation, and assets held for sale before accumulated depreciation.

Interest coverage: calculated as the sum of net income before tax, interest, depreciation and amortization, business combination transaction costs, and fair value gain or loss, divided by total interest expense. Refer to the condensed consolidated financial statements for the calculation.

Occupancy: a percentage measure used by management to evaluate the performance of its properties on a comparable basis. The occupancy presented in this MD&A is financial occupancy for each period, excluding recently completed developments which have not reached stabilized occupancy.

Same door revenue, expenses and NOI: measured as stabilized properties owned by Northview for both the current reporting period and on or before the first day of the previous annual reporting period. In this MD&A, stabilized properties owned and in operation by Northview for both the current reporting period and on or before January 1, 2018, are included in the same door calculation.