EQUITON®

EQUITON REAL ESTATE INCOME AND DEVELOPMENT FUND TRUST

Q2 Report 2024

CONTENTS

On the cover:
708 Woolwich Street, Guelph, ON
1960 - 1980 Hyde Park Road, London, ON

Artists Concept: *Sandstones Condo, 2257 Kingston Road, Toronto, Ontario*

FORWARD-LOOKING INFORMATION

Certain information in this communication contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may relate to future events or the Trust's performance. Forward-looking information includes, but is not limited to, information regarding the Trust's distributions, growth potential and volatility, investor returns, ability to achieve operational efficiencies, objectives, strategies to achieve those objectives, beliefs, plans, estimates, projections and intentions; and similar statements concerning anticipated future events, results, circumstances, performance or expectations and other statements that are not historical facts. These statements are based upon assumptions that the Management of the Trust believes are reasonable, but there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking information involves numerous assumptions, known and unknown risks, and uncertainties that contribute to the possibility that the forward-looking statements will not occur and may cause actual results to differ materially from those anticipated in such forward-looking statements. Some of these risks are discussed in the section "Risk Factors" in the Offering Memorandum. These forward-looking statements are made as of the date of this communication and the Trust is not under any duty to update any of the forward-looking statements after the date of this communication other than as otherwise required by applicable legislation.

Jason Roque, CEO
and Founder

LETTER FROM
THE CEO AND CFO

Management is pleased to report a successful first half of 2024 for the Equiton Real Estate Income and Development Fund Trust (the Trust). In the face of the current economic environment and real estate investment landscape, the Trust continued its growth trajectory with the addition of a Toronto development project, as well as a new loan.

As such, the Trust's commercial assets under management (AUM) increased 18.0% Y/Y to $38.2M in Q2'24. Meanwhile, Class A and Class F DRIP Unitholders were rewarded with trailing 12-month total returns of 6.86% and 8.04%, respectively. This achievement was made possible by our strategic approach, combining a well-balanced portfolio of income-yielding assets with ongoing development and construction projects.

A rate-easing cycle is likely to have begun with the Bank of Canada's announcement of a 25 basis-point interest rate cut late in the second quarter. A second rate cut at its subsequent meeting decreased its key rate further to 4.5%. The timing of these reductions, along with current economic trends, have supported a positive outlook for Canadian real estate markets.

As lower interest rates make an impact, the slow pace of new condominium sales — and consequently, low condo starts — is expected to pick up momentum later this year. As well, the federal government's introduction of 30-year mortgages for first-time homebuyers should serve to ease development capitalization pressures, in addition to helping restore buyer confidence and energizing prospective homeowners seeking an entry point into the housing market.

The Trust's income-producing commercial properties generated net revenues of $611,173 (+34% Y/Y) and a net operating income (NOI) of $367,738 (+38% Y/Y). The strong operational performance was supported by escalation leases averaging 6.03 years (weighted), which provide the Trust with contractual financial growth over the long term, and the addition of a retail tenant in Guelph in the second half of 2023.

An increase in investment activity also contributed to portfolio growth. In the quarter, the Trust added a new $4M short-term loan with an outstanding balance of $2.25M as at June 30, 2024. The loan is structured with a weighted average interest rate of 8.95% (Prime + 2.0%).

As well, Management continues to expand the development portion of the portfolio. The Trust acquired trust units representing an ~10% interest in TEN99 Broadview. The planned mid-rise condo in the heart of Toronto is expected to welcome occupants in early 2029. Upon completion, the property's total value is expected to reach an estimated $386M, contributing to the $887M projected total completion value of the projects in the Trust's development portfolio.

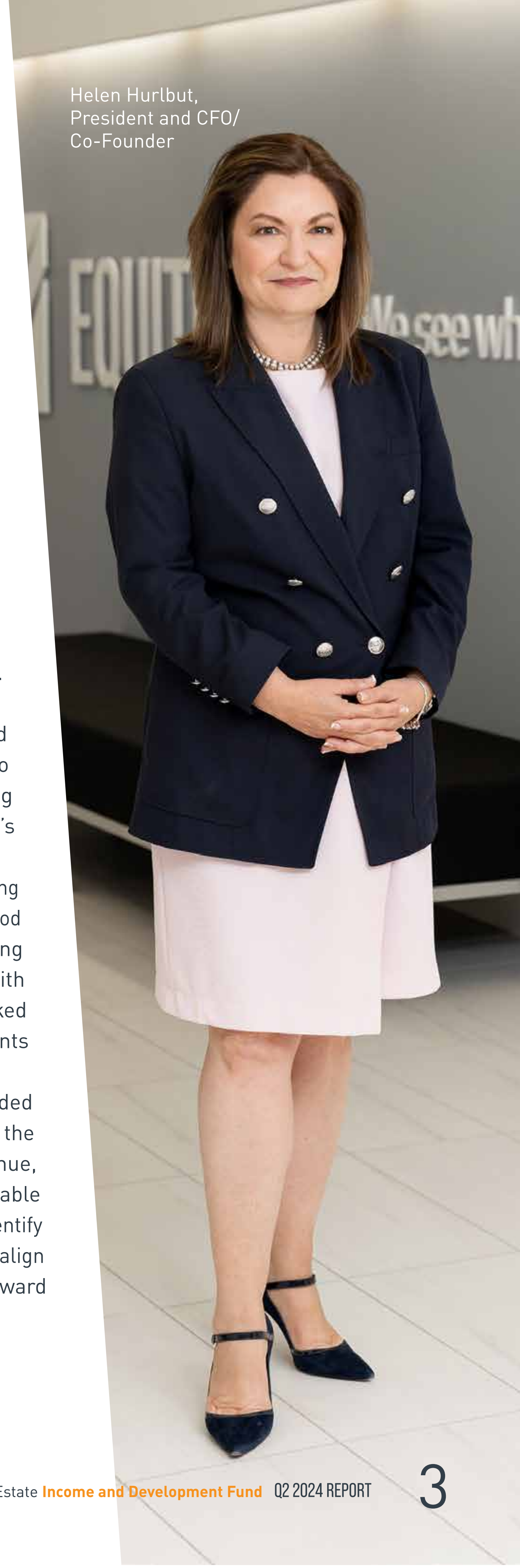
Vicinity Condos, currently being marketed as KüL Condos, has launched pre-sales beginning with friends and family. The sales centre will open to the public in Q3'24.

The site on Toronto's Queensway has been cleared in preparation for construction, which is anticipated to commence this fall. The sales centre and marketing campaigns for Sandstones Condos, located in Toronto's Cliffside neighbourhood, will launch next quarter.

Marquis Modern Towns in Guelph is taking form with paving under way and most framing either complete or making good progress. Exterior siding and interior finishes are nearing completion at the first of four community buildings, with the next three advancing correspondingly. The 96 stacked townhomes are expected to welcome their first residents later this year.

A resilient portfolio and prudent operations have guided the Trust through all types of economic conditions. With the Bank of Canada's rate-easing campaign likely to continue, the second half of 2024 is expected to offer a more stable environment. Management will continue to proactively identify and evaluate development and lending opportunities that align with our investment strategy to grow the Trust and reward Investors.

Jason Roque, CEO and Founder
Helen Hurlbut, President and CFO/Co-Founder



Helen Hurlbut,
President and CFO/
Co-Founder

Equiton Toronto Office, Bay Adelaide Centre, West Tower

CORPORATE PROFILE

Established in 2015, Equiton has become a leader in private equity investments. Our remarkable growth is a result of our leadership team's expertise in the industry and their ability to generate long-term wealth through real estate investments. We know that finding the right opportunities involves time, experience, and discipline. Our strategy is always forward looking, anticipating trends and adapting our approach to strengthen our market position. We focus on capitalizing on value creation opportunities and building the most robust portfolio possible for our Investors. We create value by investing in real estate and leveraging opportunities for improvement, optimization, and redevelopment. At Equiton, we make private equity real estate investments more accessible to all Canadians and believe everyone should be able to build their wealth through these solutions.

OPERATING HIGHLIGHTS

Summary of Key Performance Indicators (KPIs)

As at June 30,	Q2 2024	Q2 2023
Portfolio Performance		
Total Fund AUM ($ Million)	**$38.2**	**$32.4**
Commercial Operations		
Hyde Park Commons and 710 Woolwich		
Weighted Average Occupancy Rate	91.2%	100%
Weighted Average Net Retail Rental Rate ($ per occupied sq. ft.)	$32.76	$30.38
Operating Revenues	$611,173	$456,823
NOI	$367,738	$266,698
NOI Margin	60.2%	58.4%
Mortgage Debt to Gross Book Value	59.4%	54.9%
Weighted Average Time Remaining on the Mortgage (years)	3.16	3.76
Debt Service Coverage (times)	1.25[1]	1.23
Interest Coverage (times)	1.79[1]	1.88
Weighted Average Lease Term to Maturity (years)	6.03	5.01
Gross Leasable Area (sq. ft.)	26,159	19,526
Occupied Area (sq. ft.)	23,859	19,526
Vacant Area (sq. ft.)[2]	2,300	0

[1] Debt Service Coverage includes executed new tenancy at Hyde Park Commons.
[2] As at June 30, 2024 the remaining unit was under contract.

OPERATING HIGHLIGHTS

Summary of KPIs cont.

As at June 30,	Q2 2024	Q2 2023
Financial Lending Operations		
Loan Receivable	$2,250,000	$2,931,846
Weighted Average Interest Rate[3]	8.95%	9.90%
Weighted Average Time Remaining to Maturity (months)	13.0	3.4
Number of Loans	1	2
Development Operations		
Active Development Projects	1	1
Equity Investment in Development[4]	$7,494,028	$6,844,814
Total Development Cost Incurred to Date[5]	$24,774,165	$11,180,285

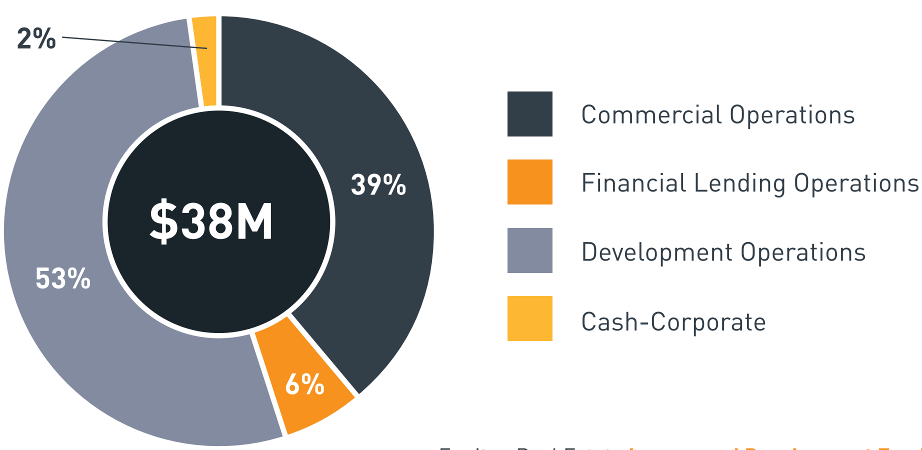
[3] Interest rate at period end is variable in nature and subject to change.
[4] Represents the Trust's 85% equity ownership in the Woolwich Development Project as at June 30, 2024 and 2023.
[5] Total expenditures incurred for the Woolwich Development Project as of June 30, 2024 and 2023, representing the Trust's 85% ownership interest.

OPERATING HIGHLIGHTS

Assets Under Management (AUM)

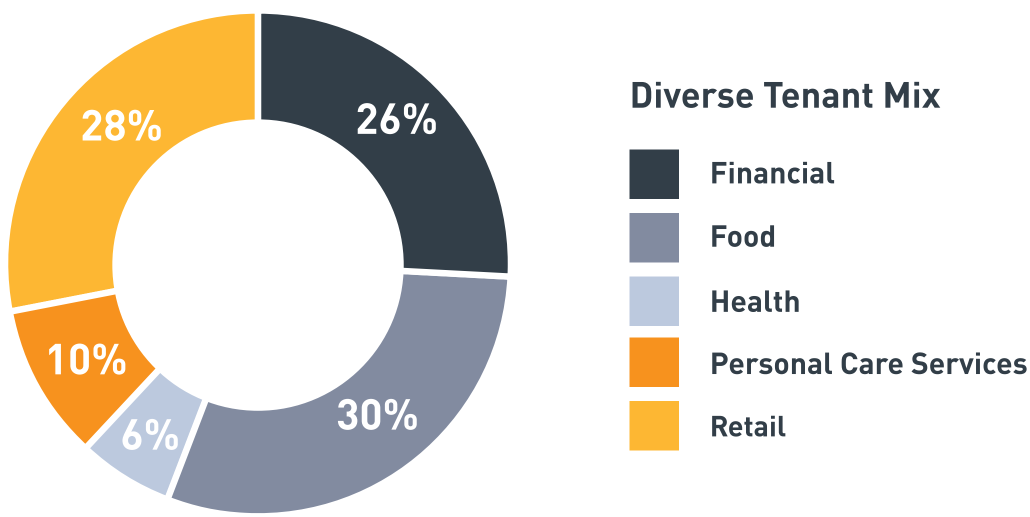
	Q2 2024	Q2 2023
Commercial Operations		
Investment in Hyde Park Commons	10,200,000	11,715,494
Investment in 710 Woolwich	4,359,383	-
Cash	288,562	59,605
Commercial Operations	**$14,847,945**	**$11,775,099**
Financial Lending Operations		
Loan Receivable	2,250,000	2,931,846
Cash	51,569	253,150
Financial Lending Operations	**$2,301,569**	**$3,184,996**
Development Operations		
Investment in Woolwich Development Project[6]	10,212,281	6,492,123
Investment in Sandstones Condo	4,300,000	4,300,000
Investment in Vicinity Condos	2,400,000	-
Investment in TEN99 Broadview	3,200,000	-
Cash	907	17,610
Development Operations	**$20,113,188**	**$10,809,733**
Cash - Corporate	**$942,388**	**$6,597,691**
AUM ($)[7]	**$38,205,090**	**$32,367,519**

[6] Represents the Trust's 85% equity ownership in the Woolwich Development Project plus receivables as at June 30, 2024 and 2023.
[7] AUM is before the elimination of inter-entity transactions. Inter-entity transactions between the respective operations have been eliminated in the Trust's consolidated statements.



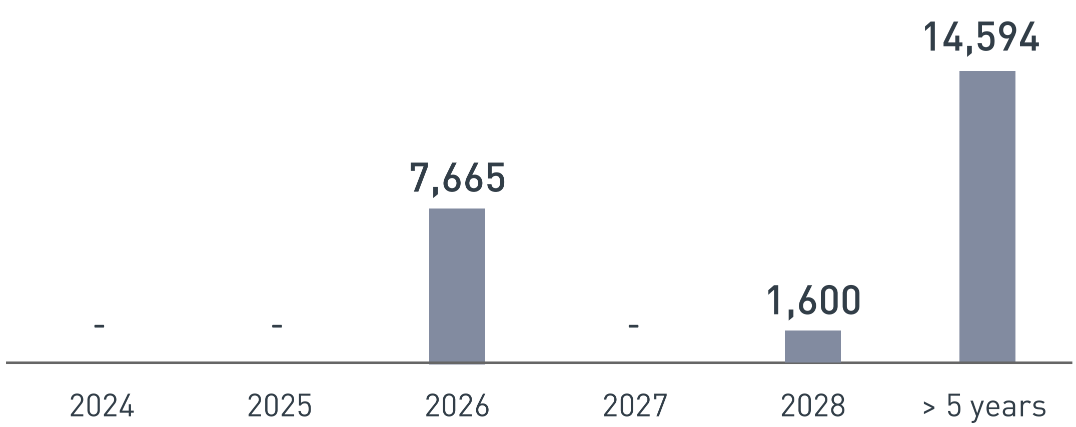
INCOME-PRODUCING COMMERCIAL TENANT PORTFOLIO

Commercial Tenant Occupancy - By Area



Commercial Tenant Maturity Profile - By Area (Sq. Ft.)

Weighted Average Lease Term to Maturity: 6.03 Years



ACQUISITIONS AND DISPOSITIONS

ACQUISITIONS:

Open for Investment

Artist Concept

TEN99 Broadview, Toronto, ON | **Acquired:** April 2024

The Trust acquired an ~10% interest in TEN99 Broadview Trust in April 2024. It is a planned 12-storey mid-rise condo located near Rosedale and Greektown in Toronto. The project is expected to include ~350 residential condo units for sale, and ~7,000 sq. ft. of commercial space with ~7,600 sq. ft. of indoor and ~7,600 sq. ft. of outdoor amenities.

DISPOSITIONS: NONE

INCLUDED IN THE PORTFOLIO

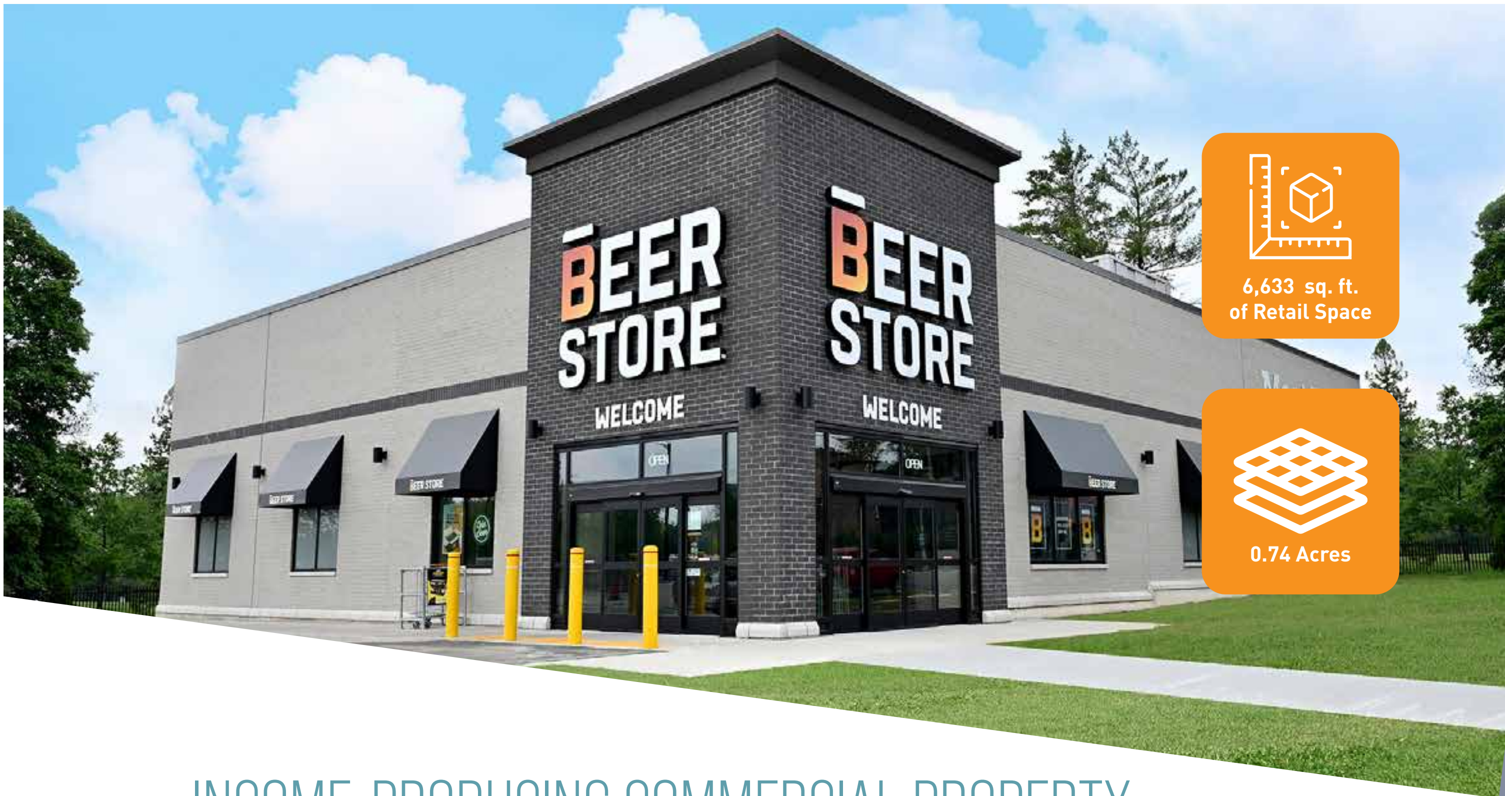
INCOME-PRODUCING COMMERCIAL PROPERTY

Hyde Park Commons
1960 - 1980 Hyde Park Road, London, Ontario

Situated on a 2.63-acre site, Hyde Park Commons is a retail complex spanning 19,526 sq. ft. of gross leasable space, consisting of six units within an open-air retail structure and two standalone pad sites equipped with drive-through facilities. With a mix of tenants, including retail, financial services, recreation, and dining options, the plaza is anchored by Wendy's and CIBC. Located in Northwest London, one of the city's fastest-growing residential areas, the property benefits from significant pedestrian traffic and high visibility along Hyde Park Road. Just south of Fanshawe Park Road West and west of Wonderland Road North, it offers easy access via public transit and ample parking (104 spaces).

19,565 sq. ft. of Retail Space

2.63 Acres



INCOME-PRODUCING COMMERCIAL PROPERTY

Retail Store

710 Woolwich Street, Guelph, Ontario

The Trust acquired a standalone retail building in September 2023 which was constructed as part of Equiton's Woolwich Development Project. The property features a gross leasable area of 6,633 sq. ft. on a 0.74-acre site with free parking. It is leased by the Beer Store with a 10+ year net lease. Located in northern Guelph, this property is highly visible and accessible due to its proximity to Highway 6 and public transit. This drives substantial consumer traffic to the area.

Income-Producing Commercial Property Summary

In the first half of 2024, our income-producing commercial portfolio continued to deliver strong results. The portfolio generated an NOI of $367,738, achieving a healthy NOI margin of 60.2% and operating revenues totaled $611,173, representing a 33.8% Y/Y increase. With a weighted average mortgage term remaining of 3.16 years and a weighted average lease term to maturity of 6.03 years, the portfolio reflects prudent debt management and lease stability to manage cash flows. The occupancy rate remained solid at 91.2%, with the remaining unit under contract, underscoring the consistent demand for commercial spaces primarily focused on food and beverage, discount, and experiential offerings. Additionally, the weighted average net retail rental rate reached $32.76 per occupied square foot, as Management built rent rate escalations into the leases to maintain revenue growth for the Trust.

Management continues to drive financial growth through accretive acquisitions and leasing activity.

MORTGAGES AND LOANS

As at June 30, 2024, the mortgage and loan portfolio included a short-term loan totalling $2.25M (initial loan balance was $4M), allocated to a property currently under development in Toronto, Ontario. The loan is structured with a weighted average interest rate of Prime + 2.0% (as at June 30 = 8.95%) per annum from the Royal Bank of Canada, which provides a competitive return on investment. At the end of the quarter, the remaining term on the loan was 13 months. Management is proactive in identifying and evaluating further development opportunities that align with our investment strategy, ensuring a pipeline of potential projects for future financing.

Artist Concept

Artist Concept

ACTIVE DEVELOPMENT PROJECT

Marquis Modern Towns
708 Woolwich Street, Guelph, Ontario

Marquis Modern Towns is a much-anticipated development situated in the heart of North Guelph. This project will comprise 96 modern stacked condominium townhomes spread across four community buildings. It will offer a contemporary living experience featuring spacious 2-bedroom, 2-bathroom urban townhomes available for purchase. Nestled amidst natural surroundings, Marquis Modern Towns is tucked behind Woodlawn Memorial Park and opposite Riverside Park, offering residents a serene and picturesque environment spanning 80 acres of land near the Speed River.

Q2'24 saw the townhomes brought closer to completion. Framing has been completed or is making good progress on all four buildings and paving of the lot has begun. The first building is nearing completion with exterior siding being installed while interior finishes including the installation of doors, trim, and painting were underway. The second building's exterior air barrier and insulation were completed, readying the building for siding installation once the first building is finished. Drywall installation is advancing, with priming and painting to follow. The progress of buildings three and four mirror the schedule established by the previous buildings and are on target with the project timeline. Occupancy is expected to begin in late 2024 and the project has an estimated total completion value of $61M.

Management made the strategic decision to increase our 85% ownership of this project to 100%. By entering this agreement, Management will be well-positioned to leverage our extensive real estate development expertise to successfully deliver the project on time and within budget.

Artist Concepts

ACTIVE DEVELOPMENT PROJECT

Sandstones Condo
2257 Kingston Road, Toronto, Ontario

In August 2022, the Trust acquired trust units representing an 11% interest in Sandstones Condo Trust. Sandstones Condo is an upcoming urban mid-rise condominium situated near the Scarborough Bluffs in Toronto. Positioned to offer stunning views of the lake and downtown skyline, it boasts proximity to Toronto's bustling downtown core. The development is set to comprise approximately 320 residential condo units for sale, with two levels of underground parking and nearly 7,300 sq. ft. of commercial space. With its prime location, this build-for-sale project is expected to be highly appealing to potential buyers.

Sandstones Condo is making its way through the planning phase and is in the final stages of the Zoning By-law Amendment process. Concurrently, building renderings, suite layouts, and common area programming are being finalized to ensure a seamless and attractive presentation to prospective buyers. A sales office has been secured and is being built for launch in Q3'24. This dedicated space will play a crucial role in showcasing the project's unique features and amenities to potential residents. Floor plans are being finalized to provide an overview of the various living spaces and amenities available. A comprehensive marketing program is under development in anticipation of the sales launch later this year. Sandstones Condo is expected to be completed and available for occupancy in Q3'27, with an estimated completion value of $285M.

Artist Concept

Artist Concept

Sales Presentation Centre Launch
Friends and Family Event

ACTIVE DEVELOPMENT PROJECT

Vicinity Condos

875 The Queensway, Toronto, Ontario

In August 2023, the Trust acquired trust units representing a 9% interest in Vicinity Condos Trust. Being marketed as KüL Condos, this project is a planned 11-storey mid-rise condo in the west end of Toronto, just off the Gardiner Expressway. The site features a highly desirable location close to amenities and minutes from downtown Toronto. With 177 planned residential condo units for sale, the condo will also posses approximately 2,500 sq. ft. of commercial space and 13,000 sq. ft. of indoor and outdoor amenities. Its Scandinavian-inspired design will highlight clean lines and a strong emphasis on practicality and functionality. It will be an urban, sleek, boutique, condominium with suites ranging from studios to 3-bedrooms + den.

Progress was made toward the construction phase of the project in Q2'24. The demolition permit was obtained for the site which supports the groundwork required before the construction phase. The necessary environmental and structural assessments were completed, and utility services have been disconnected. Demolition began on July 8 and has since been completed. Site Plan Approval is expected in Q3'24 and construction is anticipated to commence this fall. A Friends and Family preview of the sales office took place in July and the office is set to open to the public shortly. It will serve as a central hub for prospective buyers to learn more about the condo, view detailed floorplans, and understand the building and local amenities. Vicinity Condos is on track for completion and occupancy in Q3'26, with an estimated completion value of $155M.



Artist Concepts

ACTIVE DEVELOPMENT PROJECT

TEN99 Broadview

1099 Broadview Avenue, Toronto, Ontario

In April 2024, the Trust acquired trust units representing an ~10% interest in TEN99 Broadview Trust. TEN99 Broadview is a planned 12-storey mid-rise condo located near Rosedale and Greektown in Toronto. It will feature a highly desirable location that's close to amenities and minutes from the downtown core. The project is planned to include approximately 350 residential condo units for sale, and approximately 7,000 sq. ft. of commercial space with approximately 7,600 sq. ft. of indoor and approximately 7,600 sq. ft. of outdoor amenities. The property will feature spectacular suites with expansive balconies featuring downtown city skyline views.

As of the end of Q2'24, the property officially closed, marking a pivotal step forward in bringing this contemporary mid-rise condo to life. Management is actively collaborating with architectural and planning experts to refine the massing and exterior façade of the building. The intent is to create a design that not only enhances the aesthetic appeal but also aligns with the surrounding community's character and expectations. Progress was also made on the interior layouts. The goal is to design spaces that are both contemporary and comfortable for residents. A meeting has been scheduled with the City of Toronto's planning staff to review design comments. Following this meeting, Equiton Developments will engage a consulting team to update the application. Their expertise will be invaluable in navigating the approval process and securing the necessary permits. The TEN99 Broadview development project is planned to be completed and ready for occupancy in Q1'29, with an estimated completion value of $386M.

RISKS AND UNCERTAINTIES

There are certain risk factors inherent in an investment in the Trust Units and in the activities of the Trust, including, but not limited to, risks related to availability of distributable income, liquidity and potential price fluctuations of the Trust Units, redemption risk, tax-related risks, litigation risks, risks of real estate investment and ownership, mortgage refinancing, availability of cash flow, risk of changes in government regulation, environmental matters, Trust Unitholder liability, dependence on key personnel, potential conflicts of interest, changes in legislation, investment eligibility and dilution arising from the issue of additional Trust Units. See "OFFERING MEMORANDUM" for full list of Risks.

Consolidated Financial Statements

Equiton Real Estate Income and Development Fund Trust (Unaudited)

For the six months period ended June 30, 2024

Equiton Real Estate Income and Development Fund Trust
Consolidated Statements of Financial Position

	Jun 30,2024	Dec 31, 2023
Assets		
Cash	**$ 1,259,402**	$ 6,324,356
Restricted cash	**34,975**	15,304
Accounts receivable	**75,402**	174,367
Prepaids	**617,199**	651,907
Investment properties (Note 4)	**14,559,383**	14,558,207
Real estate inventory under development (Note 5)	**24,774,165**	12,493,106
Mortgage receivable (Note 10)	**2,202,000**	-
Due from related parties (Note 6)	**5,300**	3,300
Due from RHH Rental Properties Ltd. (Note 9)	**2,854,318**	12,579
Investment in Ten99 Broadview Trust (Note 7)	**3,200,000**	-
Investment in Vicinity Condos Trust (Note 7)	**2,400,000**	2,400,000
Investment in Sandstones Condo Trust (Note 7)	**4,300,000**	4,300,000
Other receivable	**517,507**	-
Total assets	**$ 56,799,651**	$ 40,933,126
Liabilities		
Payables and accruals	**$ 4,570,307**	$ 2,114,838
Customer deposits	**2,501,822**	1,250,000
Unit subscriptions held in Trust	**34,975**	15,304
Security deposit	**142,091**	51,932
Due to related parties (Note 6)	**40,391**	416,740
Mortgages payable (Note 11)	**20,446,001**	11,568,260
	27,735,587	15,417,074
Net assets attributable to Unitholders	**29,064,064**	25,516,052
Total liabilities and unitholders' equity	**$ 56,799,651**	$ 40,933,126

Commitments (Note 15)

Approved on behalf of the Trust

Trustee

Trustee

Equiton Real Estate Income and Development Fund Trust

Consolidated Statements of Loss and Comprehensive Loss

	Six months period ended June 30, **2024**	2023
Revenue		
Rental income	**$ 611,173**	$ 456,823
Interest income	**197,365**	163,528
Other income	**28,561**	35,080
	$ 837,099	$ 655,431
Expenses		
Asset managements fees (Note 13)	**$ 343,007**	$ 268,200
Bank fees	**4,483**	4,557
Dues and subscriptions	**12,883**	22,102
Interest and finance cost	**247,666**	166,835
General and administrative	**53,740**	68,514
Origination fees (Note 13)	**1,042**	32,530
Participation fees (Note 13)	**9,471**	22,266
Professional fees	**92,568**	78,089
Property operating expenses	**277,424**	218,710
Selling and marketing	**28,016**	-
	$ 1,070,300	$ 881,803
Net loss and comprehensive loss	**$ (233,201)**	$ (226,372)

Equiton Real Estate Income and Development Fund Trust

Consolidated Statements of Changes in Net Assets Attributable to Unitholders

For the six months period ended June 30, 2024

	Units	Deficit	Net Assets attributable to Unitholders
Net assets attributable to Unitholders, January 1, 2023	$ 22,429,883	$ (3,784,301)	$ 18,645,582
Issuance of Class A Trust units (Note 12)	9,471,042	-	9,471,042
Redemptions of Class A Trust units (Note 12)	(497,691)	-	(497,691)
Issuance of Class F Trust units (Note 12)	298,851	-	298,851
Redemptions of Class F Trust Units (Note 12)	(1,547,169)	-	(1,547,169)
Issuance of Class B Trust units (Note 12)	3,125,178	-	3,125,178
Issuance of Class C Trust units (Note 12)	1,581,113	-	1,581,113
Issuance costs (Note 12)	(1,202,200)	-	(1,202,200)
Distributions to Unitholders	-	(2,229,569)	(2,229,569)
Net loss	-	(2,129,085)	(2,129,085)
Net assets attributable to Unitholders, December 31, 2023	**$ 33,659,007**	**$ (8,142,955)**	**$ 25,516,052**

	Units	Deficit	Net Assets attributable to Unitholders
Net assets attributable to Unitholders, January 1, 2024	$ 33,659,007	$ (8,142,955)	$ 25,516,052
Issuance of Class A Trust units (Note 12)	5,914,151		5,914,151
Redemptions of Class A Trust units (Note 12)	(541,692)		(541,692)
Issuance of Class F Trust units (Note 12)	133,661		133,661
Redemptions of Class F Trust units (Note 12)	(261,236)		(261,236)
Issuance of Class B Trust units (Note 12)	206,529		206,529
Issuance of Class C Trust units (Note 12)	121,108		121,108
Issuance costs (Note 12)	(555,201)		(555,201)
Distributions to Unitholders		(1,236,107)	(1,236,107)
Net loss		(233,201)	(233,201)
Net assets attributable to Unitholders, June 30, 2024	**$ 38,676,327**	**$ (9,612,263)**	**$ 29,064,064**

See accompanying notes to the consolidated financial statements.

Equiton Real Estate Income and Development Fund Trust
Consolidated Statements of Cash Flows

	Jun 30,2024	Jun 30, 2023
Increase (decrease) in cash		
Operating activities		
Net loss	$ (233,201)	$ (226,372)
Items not affecting cash:		
Amortization of deferred financing charges	21,497	2,674
Changes in non-cash operating items (Note 14)	191,702	(559,911)
Cash (used in) provided by operating activities	(20,002)	(783,609)
Financing activities		
Proceeds from issuance of Class A units	5,914,151	4,693,207
Proceeds from issuance of Class B units	206,529	1,904,154
Proceeds from issuance of Class C units	121,108	1,440,050
Proceeds from issuance of Class F units	133,661	10,000
Redemption of Class A units	(541,692)	(112,000)
Redemption of Class F units	(261,236)	(52,790)
Distributions	(1,236,107)	(191,256)
Issuance costs	(555,201)	(735,936)
Proceeds from (repayment of) mortgage payable	8,877,741	(75,626)
Cash provided by financing activities	12,658,954	6,879,803
Investing activities		
Issuance of (proceeds from repayment of) mortgage receivable	(2,202,000)	-
Purchase of investments	(3,200,000)	-
Purchase of investment property	(1,176)	-
Real estate inventory development costs	(12,281,059)	(620,772)
Cash used in investing activities	(17,684,235)	(620,772)
Net increase (decrease) in cash during the year	(5,045,283)	5,475,422
Cash, beginning of year	6,339,660	1,452,635
Cash, end of quarter	$ 1,294,377	$ 6,928,057
Cash presented as:		
Cash	$ 1,259,402	$ 6,842,467
Restricted cash	34,975	85,590

See accompanying notes to the consolidated financial statements.

1. Nature of operations

Equiton Real Estate Income and Development Fund Trust ("Trust") is an open-ended real estate investment trust ("REIT") established on April 30, 2018 under the laws of the Province of Ontario.

As at June 30, 2024 the Trust qualified as a "mutual fund trust" (pursuant to subsection 132(6) of the Income Tax Act) and it was formed primarily to indirectly invest in a diversified pool of North American based real estate assets which include income producing property, real estate development and construction, and real estate financing and lending.

As of June 30, 2024, the Trust has a 99.999% interest in Equiton Real Estate Income and Development Fund LP (the "Limited Partnership") and the Limited Partnership has a 99.999% interest in three different limited partnerships: Equiton Real Estate Development Fund LP ("Development LP"), Equiton Commercial Real Estate Fund LP and Equiton Real Estate Financial LP. Development LP has an 85% interest in an investment property under development through a joint operation with RHH Rental Properties Ltd.

2. General information and statement of compliance with IFRS

The consolidated financial statements of the Trust have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements are presented in Canadian dollars, which is the Trust's functional currency. The Trust's head office is located at 1111 International Boulevard, Suite 500, Burlington, Ontario L7L 6W1.

The consolidated financial statements were approved and authorized for issue by the Trust on August 19, 2024.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

Principles of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its controlled investment in other entities. Control exists when the Trust is exposed or has rights to variable returns from its involvement with the investee entities and has the ability to affect those returns through its power over its investments in those entities. The investments are consolidated from the date on which control is transferred to the Trust and will cease to be consolidated from the date on which control is transferred out of the Trust.

The Trust has an investment in the Limited Partnership which is controlled via contractual arrangements that provide the Trust with control over this Limited Partnership. The results of investments acquired or disposed of during the year are included in the consolidated statements of loss and comprehensive loss from the effective date of acquisition and up to the effective date of disposal, as appropriate.

3. Summary of significant accounting policies (continued)

Principles of consolidation (continued)

Intra-group balances and transactions, and any unrealized gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with the investments are eliminated to the extent of the Trust's interest in the entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The consolidated financial statements of the Trust set out the assets, liabilities, revenues, expenses, and cash flows of the Trust and its direct and indirect investments in the following limited partnerships:

	Direct ownership interest at	
Entity	**Jun 30, 2024**	Dec 31, 2023
Equiton Real Estate Income and Development Fund LP	**99.999%**	99.999%
Equiton Real Estate Financial LP	**99.999%**	99.999%
Equiton Commercial Real Estate Fund Limited Partnership	**99.999%**	99.999%
Equiton Real Estate Development Fund LP	**99.999%**	99.999%

These consolidated financial statements have been prepared on the historical cost basis except for the investment property and the investment in Sandstones Condo Trust and Vicinity Condo Trust which are measured at fair value through profit and loss ("FVTPL").

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property also include property that are being constructed or will be developed for future use as investment property.

Investment property is measured initially at their cost, including related transaction costs, initial leasing commissions, and where applicable, borrowing costs. Investment property also include tenant improvements, leasing costs (commissions and straight-line rent adjustments) in order to avoid double counting when establishing the fair value of the investment property.

Subsequent expenditures are capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Trust and the cost of the item can be measured reliably. Such costs include suite preparation costs, which are incurred to improve the condition of a space to enhance its lease ability, and capital expenditures. All other repairs and maintenance costs are expensed when incurred.

After initial recognition, investment property is carried at fair value. Fair value is based upon valuations performed by an appraiser accredited through the Appraisal Institute of Canada, using valuation techniques including the direct capitalization and discounted cash flow methods. Recent real estate transactions with similar characteristics and location to the Trust's assets are also considered.

3. Summary of significant accounting policies (continued)

Investment property (continued)

Changes in fair value are recognized in the statement of income and comprehensive income. Investment properties are derecognized when they have been disposed.

See below for details of the treatment of leasing costs capitalized within the carrying amount of the related investment property.

Real estate inventory under development

Real estate inventory under development is acquired or constructed for sale in the ordinary course of business and is held as inventory and measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, based on prevailing market prices at each reporting date and discounted for the time value of money, if material, less estimated costs of completion and estimated selling costs.

Cost includes all expenditures incurred in connection with the acquisition of the property and other costs incurred in bringing the inventories to their present location and condition. This includes predevelopment expenditures, direct development and construction costs and borrowing costs directly attributable to the construction of the inventory. Direct costs of real estate inventory are based on actual costs incurred or to be incurred.

Leasing costs

Leasing costs are costs incurred by the Trust to induce a tenant to enter into a lease for space in the properties. Leasing costs consist of five categories of costs, with accounting treatments as follows:

i) *Leasing commissions*
Leasing commissions are incurred by the lessor in the negotiation and execution of leasing transactions. These costs are capitalized to investment properties and are considered in the fair value adjustment of the investment properties if material, otherwise they are expensed.

ii) *Tenant improvements*
Tenant improvements are costs incurred to make leasehold improvements to the tenants' space. These costs are capitalized to investment properties and are considered in the determination of the fair value of the investment properties.

iii) *Tenant incentives*
Tenant incentives include cash payments, the buy-out of previous lease obligations, and payment of moving expenses. Tenant incentives are recognized as a receivable and amortized as a reduction of rental revenue over the initial term of the related leases. These receivables are included in investment properties and are considered in the determination of the fair value of the investment properties.

iv) *Rent free or lower than market rate rents*
Incentives in the form of free rent or lower than market rate rent form part of the straight-line rent adjustments. The accounting of straight-line rents is described in the revenue recognition note.

3. Summary of significant accounting policies (continued)

Leasing costs (continued)

v) *Marketing costs*
Marketing costs include advertising, space plans, credit checks and promotion costs. These costs are expensed as incurred.

The Trust may incur certain significant costs for repair or replacement items that are recoverable from tenants. If such costs incurred meet the criteria for betterment, they are capitalized to investment properties in the period incurred. Otherwise, they are recognized as an operating expense in the statement of loss and comprehensive loss in the period incurred.

Long term repairs and replacement items are recovered from tenants at cost plus interest over a number of periods. The amount recovered in the current period is included in operating expense recoveries. No receivable is set up for potential future recoveries of the long-term items due to the lack of certainty of collection.

Joint arrangements

A joint arrangement is a contractual arrangement pursuant to which the Trust or a controlled entity and other parties undertake an economic activity that is subject to joint control, whereby the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control. Joint arrangements are of two types - joint ventures and joint operations. A joint operation is a joint arrangement in which the Trust has rights to the assets and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement in which the Trust has rights to only the net assets of the arrangement.

The Trust is party to a single joint arrangement, which is a joint operation, through Development LP's 85% co-ownership interest in 710 Woolwich Street, Guelph, Ontario (Note 8). Joint operations are accounted for by recognizing the Trust's proportionate share of the assets, liabilities, revenue, expenses and cash flows of the joint operation. When Development LP transacts with either the Trust or other limited partnerships on behalf of the co-ownership, unrealized profits and losses and balances outstanding are eliminated to the extent of the Trust's interest in the joint operations.

Revenue recognition

The Trust has retained substantially all of the risks and benefits of ownership of its investment properties and therefore accounts for leases with its tenants as operating leases.

As such, the Trust continues to use the straight-line method of base rental revenue recognition whereby the total of cash rents due over the term of a lease is recognized evenly over that term. Accordingly, an accrued rent receivable is recorded for the difference between the straight-line rent adjustments recorded as revenue and the rent that is contractually due from the tenants. This accrued rent receivable is included in investment properties.

Other rental revenues included in the leases such as parking revenues, storage revenues, signage revenues and lease termination fees are recognized as revenue during the period in which the services are performed, and collectability is reasonably assured.

3. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Service components within the Trust lease arrangements fall within the scope of IFRS 15, 'Revenue from contracts with customers', specifically the recoveries of operating costs and property taxes. The Trust recognizes recoveries revenues in the period in which the corresponding services are performed, and collectability is reasonably assured.

Interest income

Mortgage interest income is recognized at the effective interest rate and recorded over the term of the mortgage when reasonable assurance exists regarding the measurement and collectability. Lender fees are earned over the term of the mortgage as performance obligations are met. Lender fees received in advance of being recognized as revenue are deferred and recognized over the term of the mortgage.

Tenant deposits

Tenant deposits are recognized initially at the fair value of the cash received and subsequently measured at amortized cost. The Trust obtains deposits from tenants as a guarantee for returning the leased premises at the end of the lease term in a specified good condition or for specified lease payments according to the terms of the lease.

Financial instruments

(i) Financial assets

In accordance with IFRS 9, ‘Financial Instruments’, financial assets are required to be measured at fair value on initial recognition. Subsequent to initial recognition, financial assets are categorized and measured based on how the Trust manages its financial instruments and the characteristics of their contractual cash flows. IFRS 9 contains three principal classification categories for financial assets:

i) Measured at amortized cost,
ii) Fair value through other comprehensive income,
iii) Fair value through profit or loss

A financial asset is measured at amortized cost if it meets both of the following conditions

i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Trust’s financial assets are recognized initially at fair value and subsequently at amortized cost using the effective interest method. Financial assets subsequently measured at amortized cost consist of cash, restricted cash, accounts receivable, due from related parties and mortgage receivable. The investment in Sandstones Condo Trust does not meet the criteria for amortized cost measurement and is subsequently measured at fair value through profit and loss.

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

(i) Financial assets (continued)

Impairment – Expected Credit Loss Model:

For the impairment of financial assets, IFRS 9 uses a forward-looking 'expected credit loss' ('ECL') model. The measurement options for the ECL are lifetime expected credit losses and 12-month expected credit losses.

The Trust uses the practical expedient to determine ECL on receivables using a provision matrix based on historical credit loss experiences adjusted for forward-looking factors specific to the debtors and to the economic environment to estimate lifetime ECL.

(ii) Financial liabilities

In accordance with IFRS 9, 'Financial Instruments', financial liabilities are required to be measured at fair value on initial recognition. Subsequent to initial recognition, financial liabilities are measured based on two categories:

i) Amortized cost, and
ii) Fair value through profit or loss

Under IFRS 9, all financial liabilities are classified and subsequently measured at amortized cost except in certain cases. The Trust has no financial liabilities that meet the definitions of these specific cases. Financial liabilities consist of payables, unit subscriptions held in trust, security deposits, due to related parties, due to RHH Rental Properties Ltd. and mortgages payable.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

(iii) Fair value

Fair value measurements recognized in the statement of financial position are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values. Each type of fair value is categorized based on the lowest level input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The fair value hierarchy for measurement of assets and liabilities is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs for the asset or liability that are not based on observable market data.

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

(iii) Fair value (continued)

The fair value of cash, restricted cash, accounts receivable, mortgages receivable, due from/to related parties, payables, due to RHH Rental Properties Ltd., unit subscriptions held in trust, security deposit and mortgages payable approximate their fair values due to the short-term to maturity of the financial instruments.

The fair values as at June 30, 2024 and December 31, 2023 of the investment in Sandstones Condo Trust, Vicinity Condos Trust, Ten99 Broadview Trust, investment properties, and mortgages receivable and mortgages payable before deferred financing costs are estimated at:

	Jun 30, 2024	Dec 31, 2023
Investment in Sandstones Condo Trust	$ **4,300,000**	$ 4,300,000
Investment in Vicinity Condos Trust	**2,400,000**	2,400,000
Investment in Ten99 Broadview Trust	**3,200,000**	-
Investment properties	**14,559,382**	14,558,207
Mortgages payable	**20,351,554**	11,539,614

These are compared with the carrying value of:

	Jun 30, 2024	Dec 31, 2023
Investment in Sandstones Condo Trust	$ **4,300,000**	$ 4,300,000
Investment in Vicinity Condo Trust	**2,400,000**	2,400,000
Investment in Ten99 Broadview Trust	**3,200,000**	-
Investment properties	**14,559,382**	14,558,207
Mortgages payable	**20,446,001**	11,568,260

The fair value of the mortgages payable in Q2 2024 varied from the carrying value due to fluctuations in interest rates since its issue.

Critical accounting estimates, assumptions, and judgements

Estimates and judgments are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

a) Estimates

The Trust has made the following critical accounting estimates:

Investment properties

In addition, the computation of cost reimbursements from tenants for realty taxes, insurance and common area maintenance charges is complex and involves a number of estimates, including the interpretation of terms and other tenant lease provisions. Tenant leases are not consistent in dealing with such cost reimbursements, and variations in computations can exist.

3. Summary of significant accounting policies (continued)

Critical accounting estimates, assumptions and judgements (continued)

Adjustments are made throughout the year to these costs recovery revenues based upon the Trust's best estimate of the final amounts to be billed and collected.

In determining estimates of fair values for its investment properties, the assumptions underlying estimated values are limited by the availability of comparable data and the uncertainty of predictions concerning future events. Should the underlying assumptions change, actual results could differ from the estimated amounts.

i. Property tenancies
ii. Market rents
iii. Market terminal capitalization rates
iv. Discount rates
v. Direct capitalization rates
vi. Economic environment and market conditions
vii. Market activity

In determining the net recoverable estimate for the purpose of impairment testing, the assumptions of underlying estimated values are limited by the availability of comparable data and the uncertainty of prediction concerning future events. Should the underlying assumptions change, actual results could differ from the estimated amounts.

Net realizable value of real estate inventory under development

Real estate inventory under development is stated at the lower of cost and net realizable value. In calculating net realizable value, management must estimate the selling price of these assets based on prevailing market prices at the dates of the statement of financial position, discounted for the time value of money, if material, less estimated costs of completion and estimated selling costs. If estimates are significantly different from actual results, the carrying amounts of these assets may be overstated or understated on the consolidated statements of financial position and, accordingly, earnings in a particular period may be overstated or understated.

b) Judgements

Leases

The Trust makes judgements in determining whether improvements provided to tenants as part of the tenant's lease agreement represent a capital expenditure or an incentive.

Assessment of control

In determining whether the Trust controls the entities in which it invests, management is required to consider and assess the definition of control in accordance with IFRS 10. The Trust has assessed that the Sandstones Condo Trust, Vicinity Condos Trust and Ten99 Broadview Trust have the ability to direct all relevant activities of the Sandstones Condo Limited Partnership, Vicinity Condos Limited Partnership, Ten99 Broadview Limited Partnership. It has been determined that the General Partner does not control the Sandstones Condo Limited Partnership, Vicinity Condos Trust or Ten99 Broadview Trust. Judgment is required to determine whether the rights of the Trust result in control of Sandstones Condo Trust, Vicinity Condos Trust, and Ten99 Broadview Trust.

3. Summary of significant accounting policies (continued)

Critical accounting estimates, assumptions and judgements (continued)

b) Judgements (continued)

Net assets attributable to unitholders

Trust units are redeemable at the holder's option and therefore are considered a puttable instrument in accordance with International Accounting Standard 32 - Financial Instruments: Presentation ("IAS 32"), subject to certain limitations and restrictions. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instruments may be presented as net assets attributable to unitholders. The Trust units meet the necessary conditions and have therefore been presented as net assets attributable to unitholders under IAS 32.

Joint arrangements

When determining the appropriate basis of accounting for the Trust's investment in co-ownership, the Trust makes judgments about the degree of control that the Trust exerts directly or through an arrangement over the co-ownership's relevant activities. The Trust has determined that its interest in the co-ownership is a joint operation.

Estimates and judgments are continually evaluated and are 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, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

New standards adopted

The following accounting pronouncements, which have become effective and were adopted January 1, 2023, do not have a significant impact on the Trust's financial results or financial position:

- IFRS 17, 'Insurance Contracts'
- Disclosure of Accounting Policies (Amendments to IAS 1)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

4. Investment properties

	Jun 30, 2024	Dec 31, 2023
Balance, beginning of year	**$ 14,558,207**	$ 11,715,494
Transfer from real estate inventory under development	**-**	3,520,700
Purchase of real estate inventory from RHH Rental Properties Limited	**-**	621,300
Capital expenditures and transaction costs	**1,176**	216,207
Decrease in fair market value of investment properties	**-**	(1,515,494)
Balance, end of year	**$ 14,559,383**	$ 14,558,207

5. Real estate inventory under development

	Jun 30, 2024	Dec 31, 2023
Balance, beginning of year	**$ 12,493,106**	$ 10,559,513
Development costs	**12,281,059**	5,454,293
Transfer to investment properties	**-**	(3,520,700)
Balance, end of year	**$ 24,774,165**	$ 12,493,106

The above represents Equiton Real Estate Development Fund LP's interest an 85% interest in land and property, through its investment in a co-ownership (Note 8).

6. Related party transactions

Agreement with Equiton Capital Inc.

The Trust has entered into an Agency Agreement with Equiton Capital Inc. (the "Agent"), a related party through (a) sharing key management personnel with the Trust and (b) one of the Trustees of the Trust indirectly controls Equiton Capital Inc. The Trust has retained the Agent to act as a selling agent of the Trust Units.

Pursuant to the Agency Agreement, during the six-month period ended at June 30, 2024, the Trust incurred agency fees with the Agent related to the issuance of Trust Units in the amount of $555,201 (June 30, 2023 - $ 735,936), which are included in issuance costs in the consolidated statements of changes of net assets attributable to unitholders.

Due from related parties

	Jun 30, 2024	Dec 31, 2023
Due from Equiton Balanced Real Estate Fund GP Inc. (a related party as the general partner of Equiton Balanced Real Estate Fund LP)	**$ 1,100**	$ 1,100
Due from Equiton Real Estate Commercial GP Inc. (a related party as the general partner of Equiton Real Estate Commercial LP)	**500**	500
Due from Equiton Real Estate Development GP Inc. (a related party as the general partner of Equiton Real Estate Development LP)	**500**	500
Due from Equiton Real Estate Financial GP Inc. (a related party as the general partner of Equiton Real Estate Financial LP)	**3,200**	1,200
	$ 5,300	$ 3,300

6. Related party transactions (continued)

Due to related parties

	Jun 30, 2024	Dec 31, 2023
Due to Equiton Partners Inc. (a related party being the asset manager of the limited partnerships) through shared management)	**$ 37,155**	$ 416,740
Due to Equiton Capital (a related party as the general partner of Equiton Balanced Real Estate Fund LP)	**3,236**	-
	$ 40,391	$ 416,740

Balances due to/from related parties are unsecured, non-interest bearing and due on demand.

7. Investment in Sandstone Condo Trust, Vicinity Condos Trust and Ten99 Broadview Trust

On August 31, 2022, the Trust purchased 43,000 Class B units of Sandstones Condo Trust for $4,300,000. Sandstones Condo Trust is a related party through common management. Sandstones Condo Trust controls a limited partnership that is developing a multi-residential property located at 2257 Kingston Road, Toronto, Ontario. The investment in Sandstones Condo Trust is recorded at its fair market value which approximates the carrying value as at June 30, 2024.

On August 24, 2023, the Partnership purchased 24,000 Class B units of Vicinity Condos Trust for $2,400,000. Vicinity Condos Trust is a related party through common management. Vicinity Condos Trust controls a limited partnership that is developing a multi-residential property located at 875 Queensway, Toronto, Ontario. The investment in Vicinity Condos Trust is recorded at its fair market value which approximates the carrying value as at June 30, 2024.

On April 16 ,2024, the Partnership purchased 32,000 Class B units of Ten99 Broadview Trust for $3,200,000. Ten99 Broadview Trust is a related party through common management, controls a limited partnership that is developing a multi-residential property located at 1099 Broadview Ave., Toronto, Ontario. The investment in Ten99 Broadview Trust is recorded at its fair market value which approximates the carrying value as at June 30, 2024.

8. Joint arrangements

Interests in joint operations

The Trust's indirect interests in the real estate inventory under development located at 710 Woolwich Street, Guelph, Ontario are subject to joint control and accounted for as a joint operation. Equiton Real Estate Development Fund LP entered into a co-ownership agreement with RHH Rental Properties Ltd. and is developing a multi-residential property with townhouses in Guelph, Ontario. The co-ownership was formed on August 28, 2021 and is governed by co-owner's agreement effective as of that date. The co-ownership agreement stipulates that a co-owners Committee be formed consisting of two members, of whom one member shall be appointed by each of the co-owners. All major decisions, as defined in the agreements, require the unanimous vote of the members of the co-owners Committee. The Equiton Real Estate Development Fund LP's ownership interest is 85%. The financial information in respect of the Trust's indirect 85% proportionate share of the joint operation is as follows:

	Jun 30, 2024	Dec 31, 2023
Assets		
Cash	**$ 10,949**	$ 218,479
Accounts receivable	**15,521**	27,797
Prepaid expenses and security deposits	**558,281**	558,279
Due from RHH Rental Properties Ltd.	**2,480,365**	-
HST Receivable	**412,936**	-
Real estate inventory under development	**24,774,165**	12,665,735
Total assets	**$ 28,252,217**	$ 13,470,290
Liabilities		
Payables and accruals	**$ 4,213,758**	$ 1,594,747
Customer deposits	**2,501,822**	1,275,000
Equiton Real Estate Development Fund LP	**2,119,067**	-
Mortgage payable	**11,923,542**	2,975,000
Total liabilities	**20,758,189**	5,844,747
Co-owner equity	**7,494,028**	7,625,543
Total liabilities and co-owner equity	**$ 28,252,217**	$ 13,470,290

Refer Note 18 for subsequent events related to joint arrangement with RHH Rental Properties Ltd.

9. Due from RHH Rental Properties Ltd.

RHH Rental Properties Ltd. is a 15% joint owner and developer in the co-ownership (Note 8) and amounts receivable are due on demand.

10. Mortgage receivable

	Payment Type	Interest Rate	Maturity date	Jun 30, 2024	Dec 31, 2023
a)	Interest only	Prime + 2.00%	Due on demand	**$ 2,250,000**	$ -
				2,250,000	-
Less: Deferred financing charges				**(48,000)**	-
				$ 2,202,000	-

The mortgage receivable issued during 2024 is the first mortgage issued to a multi-residential development property in Toronto, Ontario. The interest rate is prime plus 2%. The prime rate at June 30, 2024 was 6.95%.

11. Mortgages payable

	Payment Type	Interest Rate	Maturity date	Jun 30, 2024	Dec 31, 2023
a)	Blended	4.43%	April 1, 2027	**6,269,772**	6,348,784
b)	Blended	6.61%	Oct 1, 2028	**2,382,380**	2,395,666
c)	Interest only	Prime + 1.50%	Due on demand	**11,923,542**	2,975,000
				20,575,694	11,719,450
Less: Deferred financing charges				**(129,693)**	(151,190)
				$ 20,446,001	$ 11,568,260

The first two mortgage payables are repayable as follows:

Period ended June 30, 2025	191,218
Period ended June 30, 2026	200,408
Period ended June 30, 2027	5,967,608
Period ended June 30, 2028	33,915
Period ended June 30, 2029	2,259,003
	8,652,152

a) The first mortgage payable is also with First National Financial LP. The loan bears interest at 4.43% and matures on April 1, 2027. The Trust must comply with its mortgage agreement. The Trust met the requirements of the mortgagor as at June 30, 2024 and Dec 31, 2023.

b) The second mortgage payable is with also with First National Financial LP. The loan bears interest at 6.61% and matures on October 1, 2028. The Trust must comply with its mortgage agreement. The Trust met the requirements of the mortgagor as at June 30, 2024 and Dec 31, 2023.

c) The third mortgage is an 85% share of the co-ownership's construction loan with VersaBank that bears interest a prime plus 1.50% (8.45% as at June 30, 2024). The mortgage provides for advances of up to $35,250,000 to be advanced in three separate tranches.

The Trust must comply with its mortgage agreement. The Trust met the requirements of the mortgagor as at June 30, 2024 and December 31, 2023.

12. Unitholders' equity

In Q2, 2024, the Trust issued 506,091 Class A units (2023 - 799,494 Class A Units) at a price of $10 per unit (2023 - $10 per unit), 6,691 Class F units (2023 - 13,034 Class F units) at a price of $10 per unit (2023 - $10 per unit), 11,400 Class B units (2023 – 301,227) at a price of $10 per unit (2023 - $10 per unit) and 6,600 Class C units (2023 – 151,125) at a price of $10 per unit (2023 - $10 per unit), resulting in net proceeds of $5,307,825 (2023 - $12,648,808). Furthermore, a cumulative total of 108,945 units (2023 - 186,462 units) were issued through the Trust's Dividend Reinvestment Plan ("DRIP") and 80,293 units (2023 - 204,486 units) were redeemed.

(i) Class A Trust Units

The Trust is authorized to issue an unlimited number of Class A Trust units.

(ii) Class F Trust Units

The Trust is authorized to issue an unlimited number of Class F Trust units.

(iii) Class B Trust Units

The Trust is authorized to issue an unlimited number of Class B Trust units.

(iv) Class C Trust Units

The Trust is authorized to issue an unlimited number of Class C Trust units.

(v) Class I Trust Units

The Trust is authorized to issue an unlimited number of Class I Trust units. As of June 30, 2024 and December 31, 2023, no Class I Trust units have been issued.

(a) Units outstanding

Class A Trust Units	Number	Amount
Balance, January 1, 2023	**2,030,997**	**$ 17,493,363**
Issuance of units	799,494	$ 7,994,946
Issuance of units through distribution reinvestment plan	150,622	1,476,096
Redemption of units	(49,769)	(497,691)
Issuance costs	-	(759,876)
Balance, December 31, 2023	**2,931,344**	**$ 25,706,838**
Issuance of units	506,091	$ 5,060,911
Issuance of units through distribution reinvestment plan	87,068	853,240
Redemption of units	(54,169)	(541,692)
Issuance costs	-	(529,374)
Balance, June 30, 2024	**3,470,334**	**$ 30,549,923**

12. Unitholders' equity (continued)

(a) Units outstanding (continued)

Class B Trust Units	Number	Amount
Balance, January 1, 2023	**40,907**	**$ 372,115**
Issuance of units	301,227	$ 3,012,269
Issuance of units through distribution reinvestment plan	11,521	112,909
Issuance costs	-	(286,300)
Balance, December 31, 2023	**353,655**	**$ 3,210,993**
Issuance of units	11,400	$ 114,000
Issuance of units through distribution reinvestment plan	9,443	92,529
Issuance costs	-	(11,924)
Balance, June 30, 2024	**374,498**	**$ 3,405,598**

Class C Trust Units	Number	Amount
Balance, January 1, 2023	**16,354**	**$ 148,713**
Issuance of units	151,125	$ 1,511,251
Issuance of units through distribution reinvestment plan	7,129	69,862
Issuance costs	-	(143,636)
Balance, December 31, 2023	**174,608**	**$ 1,586,190**
Issuance of units	6,600	$ 66,000
Issuance of units through distribution reinvestment plan	5,623	55,108
Issuance costs	-	(6,904)
Balance, June 30, 2024	**186,831**	**$ 1,700,394**

Class F Trust Units	Number	Amount
Balance, January 1, 2023	**495,268**	**$ 4,415,692**
Issuance of units	13,034	$ 130,342
Issuance of units through distribution reinvestment plan	17,190	168,509
Redemption of units	(154,717)	(1,547,169)
Issuance costs	-	(12,388)
Balance, December 31, 2023	**370,775**	**$ 3,154,986**
Issuance of units	6,691	$ 66,914
Issuance of units through distribution reinvestment plan	6,811	66,747
Redemption of units	(26,124)	(261,236)
Issuance costs	-	(6,999)
Balance, June 30, 2024	**358,153**	**$ 3,020,412**
Total units outstanding, June 30, 2024	**4,389,816**	**$ 38,676,327**
Total units outstanding, December 31, 2023	3,830,382	$ 33,659,007

13. Asset management agreement

Equiton Partners Inc. (the “Manager”) is entitled to the following fees pursuant to the Asset Management Agreement:

(i) Asset management fee

The asset management fee is charged at 1.0% annually with respect to the net asset value of Equiton Real Estate Income and Development Fund Trust and Equiton Real Estate Income and Development Fund LP , as determined by its Board of Trustees, 1.0% annually with respect to the gross asset value of the assets in the Equiton Real Estate Financial LP, and 3.0% annually with respect to the gross asset value of Equiton Real Estate Development Fund LP. The asset management fee is calculated and charged monthly. The asset management fee is recorded in the statement of loss and comprehensive loss.

(ii) Participation fees

During the term of the Asset Management Agreement, the Manager shall be entitled to a 20% fee based on the net income earned by the Equiton Real Estate Financial LP in connection with its mortgages receivable.

(iii) Origination fees

In addition, during the term, the Manager shall be entitled to a fee equal to 3.0% of the total expenditures made in respect of each development project by Equiton Real Estate Development Fund LP, which shall be calculated and payable monthly.

(iv) Transaction fees

During the term, the Manager shall be entitled to a transaction fee equal to 1.0% of the purchase price with respect to each property acquired or sold by Equiton Commercial Real Estate Fund Limited Partnership.

(v) Financing fee

Lastly, during the term, the Manager shall be entitled to a financing fee is charged at 1.00% of the loan amount with respect to each senior or first ranking financing transaction, at 0.50% of the loan amount with respect to each refinancing transaction and at 1.5% of the loan amount with respect to each mezzanine or non-first ranking financing transaction in connection with any mortgage payable secured by Equiton Commercial Real Estate Fund Limited Partnership.

The Manager charged the following fees during the year:

	Jun 30, 2024	Jun 30, 2023
Asset management fee	**$ 343,007**	$ 268,200
Participation fee	**9,471**	22,266
Origination fee	**1,042**	32,530
	$ 353,520	$ 322,996

The asset management, participation and origination fees are recorded in the statement of loss and comprehensive loss. The transaction fee is recorded in the investment property on the statement of financial position.

14. Changes in non-cash operating items

The total managed capital for the Trust is summarized below:

	Jun 30, 2024	Jun 30, 2023
Accounts receivable	**$ 98,965**	$ 54,777
Due from/to related parties	**(378,349)**	72,920
Due from RHH Rental Properties Ltd.	**(2,841,739)**	(237,840)
Other receivable	**(517,507)**	-
Security deposit	**90,159**	20,905
Unit subscriptions held in trust	**19,671**	45,724
Payables and accruals	**2,433,972**	(114,070)
Customer deposits	**1,251,822**	-
Prepaids	**34,708**	(402,327)
	$ 191,702	$ (559,911)

15. Commitments

The Trust has entered into contracts to complete the real estate inventory under development of $20,028,089 (December 31, 2023 - $15,495,115). These amounts will be financed through the construction loan outlined in Note 11.

16. Management of capital

The Trust defines capital that it manages as the aggregate of net assets attributable to unitholders and interest-bearing debt less cash. The Trust's objective when managing capital is to ensure that the Trust will continue as a going concern so that it can sustain daily operations. The Trust's primary objective is to ensure that it has sufficient cash resources to indirectly invest in real estate assets in order to provide adequate returns in the form of dividends to its unitholders. To secure the additional capital necessary to pursue these plans, the Trust may attempt to raise additional funds through the issuance of additional trust units.

The Trust is subject to risks associated with debt financing, including the possibility that existing mortgages may not be refinanced or may not be refinanced on favourable terms or with interest rates as favourable as those of the existing debt. The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The total managed capital for the Trust is summarized below:

	Jun 31, 2024	Dec 31, 2023
Mortgage payable	**$ 20,446,001**	$ 11,568,260
Cash and restricted cash	**(1,259,402)**	(6,324,356)
Net debt	**19,186,599**	5,243,904
Net assets attributable to unitholders	**29,064,064**	25,516,052
	$ 48,250,633	$ 30,759,956

17. Financial instruments and risk management

Risks associated with financial assets and liabilities

Financial risks arise from financial instruments to which the Trust is exposed during or at the end of the reporting period. Financial risks comprise market risk, credit risk and liquidity risk. Management identifies, evaluates and monitors these risks throughout the year.

(i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices due to currency risk, price risk and interest rate risk. Due to the nature of the Trust's financial instruments, it has no exposure to currency or price risk.

(ii) Market risk (continued)

Interest rate risk

The Trust is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In respect of the Trust's interest-bearing financial instruments, the agreements for all mortgages held by the Trust stipulate a fixed rate of interest. Accordingly, the Trust would be subject to limited exposure to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates. The fair values of the mortgages are disclosed in Note 3.

(iii) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Trust, resulting in a financial loss to the Trust. This risk arises principally from the mortgage receivable held, and from cash and accounts receivable. For risk management reporting purposes, the Trust considers and consolidates all elements of credit risk exposure (such as loan-to-value, sector risk, location risk, and individual obligor default risk).

The Trust's policy over credit risk is to minimize its exposure to counterparties with a perceived higher risk of default by dealing only with counterparties meeting the credit standards set out by the Trust's investment committee.

Credit risk is monitored on an on-going basis by the Trust in accordance with policies and procedures in place. The Trust's credit risk is monitored on a quarterly basis by the board of Trustee's.

The Trust's maximum credit risk exposure (without taking into account collateral and other credit enhancements) at June 30, 2024 and December 31, 2023, is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

Liquidity risk is the risk the Trust will encounter difficulties in meeting its financial liability obligations. The Trust's objective in minimizing liquidity risk is to maintain appropriate levels of leverage on its real estate assets. At June 30, 2024, the Trust was holding cash of $1,259,402 (December 31, 2023 - $6,324,356). The Trust's payables are payable on demand and one of the mortgages payable's maturity is due within the year as described in Note 11.

18. Subsequent events

On June 13, 2024, Equiton Real Estate Development Fund LP and RHH Rental Properties Ltd. mutually agreed that Equiton Real Estate Development Fund LP will acquire 15% of the share in joint arrangement for $1,600,000. The transaction is expected to close around August 2024, after which Equiton Real Estate Development Fund LP will own 100% of the Investment property under development located at 710 Woolwich St, Guelph, Ontario. The receivable from RHH Rental Properties Ltd. will be collected at closing.