



NEWS RELEASE

BSR REIT Publishes Long-Term Forward Growth Targets

2025-12-10

– REIT expects to generate approximately \$0.13 - \$0.22 of incremental FFO per Unit¹ over three years 2026 – 2028 –

LITTLE ROCK, Ark. and TORONTO, Dec. 10, 2025 /CNW/ - BSR Real Estate Investment Trust ("BSR" or the "REIT") (TSX: HOM.U) (TSX: HOM.UN) today provided an operational update in advance of its Investor Tour and Company Presentation scheduled for the evening of December 10, 2025 in Dallas, TX. An investor presentation detailing the REIT's updated performance and long-term forward growth targets has been posted to the Investor Relations section of BSR's website and a transcript of the presentation hosted by BSR's management will also be made available on the Investor Relations page (at www.bsrrreit.com/investors).

"The strategic plan detailed in our latest investor presentation highlights the REIT's significant growth prospects," said Dan Oberste, the REIT's President and Chief Executive Officer. "The potential for embedded growth in our current portfolio, incremental to our everyday operations, is meaningful and we are excited about the opportunity in front of us."

BSR sees a significant internal growth opportunity in its existing portfolio to capitalize on lease-up potential of non-Same Community¹ properties, with 250 vacant units as of September 30, 2025 and approximately \$4.5M in total potential revenue. In addition, in 2026 BSR intends to roll out new resident experiential enhancements including property wide-internet service and valet trash services across a significant portion of the REIT's portfolio. Further, BSR continues to explore other resident focused initiatives, including continued investment in BSR's existing smart home technology suite, internalization of irrigation and landscaping services, extraction of operational efficiencies, and advancement of BSR's premier resident service and resident review platforms.

As detailed in the newly published investor presentation, the REIT is also providing long-term forward growth targets in order to better assist investors in understanding management's goals regarding the REIT's long-term operational plans. The REIT is targeting approximately \$0.13 - \$0.22 of incremental

FFO per Unit¹ over the three-year period 2026-2028, as outlined below.

¹ This is a non-GAAP measure that is not recognized under accounting standards issued by the International Accounting Standards Board ("IFRS Accounting Standards" or "GAAP") and does not have a standardized meaning prescribed by IFRS Accounting Standards. For definitions, reconciliations and the basis of presentation of the REIT's non-GAAP measures, refer to "Non-GAAP Measures" of this news release.

Earnings Driver	Targeted Impact to BSR FFO per Unit by YE 2028
Lease-Up 2025 Acquisitions Class	\$0.06 - \$0.10 Incremental 2026-2028 FFO per Unit
Bulk Internet & Valet Trash Operational Initiatives	\$0.04 - \$0.08 Incremental 2026-2028 FFO per Unit
Platform Growth	\$0.03 - \$0.04 Incremental 2026-2028 FFO per Unit
Total Incremental Growth Opportunity	\$0.13 - \$0.22 <i>Total Incremental 2026-2028 FFO per Unit</i>

The figures presented above exclude the impact of, and are therefore in addition to, any expected changes in the REIT's portfolio-wide leasing trends and ordinary course operating performance. The figures presented above may also be considered "financial outlook" for purposes of applicable Canadian securities laws and may not be appropriate for purposes other than to understand management's current expectations relating to the future growth of the REIT. See "Forward-Looking Statements and Financial Outlook" in this news release for a description of the material factors, assumptions, risks and uncertainties that could impact the financial outlook statements.

About BSR Real Estate Investment Trust

BSR Real Estate Investment Trust is an internally managed, unincorporated, open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. The REIT owns a portfolio of multifamily garden-style residential properties located in attractive primary markets in the Sunbelt region of the United States.

Non-GAAP Measures

Same Community, FFO and FFO per Unit are key measures of performance commonly used by real estate operating companies and real estate investment trusts. They are not measures recognized under and do not have standardized meanings prescribed by IFRS Accounting Standards. Same Community, FFO and FFO per Unit as calculated by the REIT may not be comparable to similar measures presented by other issuers. For complete definitions of these measures, as well as an explanation of their composition and how the measures provide useful information to investors, please refer to the section titled "Non-GAAP Measures" in the REIT's Management's Discussion and Analysis for the six and nine months ended September 30, 2025 dated November 5, 2025 (the "MD&A"), available on SEDAR+ at www.sedarplus.ca, which section is incorporated herein by reference. A reconciliation of FFO to net income and comprehensive income, as well as an expanded discussion of the components of FFO are included in the MD&A under the section titled "Reconciliation of Non-GAAP

Measures", which section is also incorporated herein by reference.

Forward-Looking Statements and Financial Outlook

This news release may contain forward-looking statements (within the meaning of applicable Canadian securities laws) relating to the business of the REIT, including the REIT's long-term forward growth targets and expectations regarding lease-up opportunities and operational initiatives. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the REIT's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the REIT's cost of capital and debt maturity schedule. The forward-looking statements in this news release are based on certain assumptions including, without limitation, assumptions relating to the REIT's future growth potential, results of operations, demographic and industry trends, no changes in legislative or regulatory matters, the tax laws as currently in effect, stability of the general economy from 2026 through 2028, lease renewals and rental increases, resident leasing patterns including the ability to re-lease or find new tenants, the timing and ability of the REIT to sell and acquire certain properties, project costs and timing, a continuing trend toward land use intensification at reasonable costs and development yields, including residential development in urban markets, access to equity and debt capital markets to fund, at acceptable costs, future capital requirements and ability to refinance debts as they mature, the availability of investment opportunities for growth in the REIT's target markets, the valuations to be realized on property sales relative to current IFRS Accounting Standards carrying values, and the market price of the trust units of the REIT. When relying on forward-looking statements to make decisions, the REIT cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties. The risks and uncertainties that may impact such forward-looking information include, but are not limited to, the REIT's ability to execute its growth strategies and operational initiatives, the REIT's ability to execute future acquisitions and dispositions, the impact of changing conditions in the U.S. multifamily housing market, increasing competition in the U.S. multifamily housing market, the effect of fluctuations and cycles in the U.S. real estate market, the marketability and value of the REIT's portfolio, changes in the attitudes, financial condition and demand of the REIT's demographic market, fluctuation in interest rates and volatility in financial markets, the impact of U.S. and global tariffs, developments and changes in applicable laws and regulations, the impact of climate change, and the factors discussed under the heading "Risk Factors" in the MD&A. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Certain statements included in this news release are considered "financial outlook" for purposes of applicable Canadian securities laws, including with respect to the REIT's FFO per Unit growth targets. The financial outlook may not be appropriate for purposes other than to understand management's current expectations relating to the future growth of the REIT. The REIT and management believe that such financial outlook has been prepared on a reasonable basis, reflecting management's best estimates and judgments as of the date of this news release. In particular, the REIT's growth targets are supported by the following key assumptions: 1) the lease-up of vacant units at a minimum of the prevailing market rate, offset by expected levels of, among other things, leasing incentives, turn costs, and incremental G&A (or lack thereof), 2) the successful installation, marketing, and implementation of bulk internet services across the vast majority of the portfolio and collection of new fees associated with said services without otherwise adversely impacting resident satisfaction or propensity to lease from the REIT, 3) the successful implementation of other resident experiential enhancements such as valet trash, smart-home technology, landscaping, irrigation and others services at expected fee levels

via deployment of adequate capital expenditure(s), and 4) platform growth due to the achievement of a cost of capital sufficient to foster accretive external growth, the entering into of new third-party management arrangements, or the partnering with external capital through joint venture or other arrangements. Such assumptions are inherently subject to significant business, economic, competitive, market, regulatory, and other risks and uncertainties as outlined above, many of which are beyond the REIT's control. Actual results may differ materially from management's expectations if any of these assumptions prove to be inaccurate. The REIT reviews its key assumptions regularly and may change its outlook on a going-forward basis if necessary. The forward-looking statements and financial outlook contained in this document are expressly qualified in their entirety by these cautionary statements.

SOURCE BSR Real Estate Investment Trust