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2024/25 Re-organization

Progress on Fund Reorganization and Municipal Requirements

Following the Special Meeting held this past spring—investors overwhelmingly approved the re-organization of the six Nationwide Funds into two distinct, diversified master Trusts with one holding the 4 self-storage properties and the other holding the 4 car wash properties. Since stakeholder approval was attained, management has been diligently collaborating with our legal, engineering, and architectural teams, as well as with the relevant municipalities, to implement this stratification of the properties with a view to completing this strategic transformation as quickly and efficiently as possible.

As previously discussed, a key pre-requisite for the re-organization is the formal stratification of the self-storage and car wash assets. As our legal team progressed through this process, unexpected municipal requirements arose. Specifically, the City of Vancouver mandated a new Building Permit application, despite the building being only 1.5 years old. This new permit requires compliance with the latest building codes and conversion to an air space strata. Similarly, the City of Kamloops has also required building upgrades and a new permit to meet current code standards.

Despite our efforts, we were unable to persuade either municipality to waive these requirements. Consequently, we are now proceeding with the necessary permit applications and air space stratification to remain compliant and on schedule. We understand these developments were unforeseen and have required significant effort and coordination.

We are working tirelessly to navigate this process and complete the reorganization as swiftly as possible. We apologize for these additional delays at the hands of the Municipalities but throughout, we remain committed to efficiently managing all eight businesses and maximizing both revenue and value for our investors.

Summary of Reorganization Benefits

This restructuring represents a pivotal step in our value creation strategy, preparing the assets for future sale while enhancing operational efficiency. Key benefits include:

a. Increased Trust Unit Values

By improving operational efficiency, we anticipate cost savings of 4%–6%, leading to higher NOI, EBITDA, and FFO.

b. Enhanced Capital Raise Platform

The new structure strengthens our ability to raise capital—supporting redemptions, distributions, and liquidity events upon asset sale.

c. Improved Liquidity and Redemption Capabilities

The reorganization facilitates faster and more flexible liquidity options for investors.

d. Increased Cash Distributions

Efficiency gains translate into higher cash flows available for distribution.

e. Greater Institutional Appeal

The pure play self-storage and car wash Trusts are more attractive to institutional buyers seeking streamlined, sector-specific portfolios.

f. Reduced Risk via Diversification

The larger, more diversified portfolio reduces investor risk through scale and geographic spread.

g. More Favorable Profit-Sharing Structure

The revised structure shifts the profit split from 70%/30% to 80%/20% in favor of investors.

h. Estimated Portfolio Gain of \$8M–\$10M

The more efficient structure is expected to enhance Trust Unit value by approximately \$8M–\$10M.

i. Potential for \$20M–\$25M in Terminal Value Upside

Further value creation is anticipated through cap rate compression, made possible by increased efficiency and broader buyer interest. A cap rate reduction from 4.0% to 3.5%, for example, could increase portfolio value by an additional \$20M–\$25M.

On behalf of the Trusts, we sincerely thank you for your continued support, patience, and commitment to the long-term success of your investment.

We are pleased to report that all eight of our facilities are now fully operational. While several of these assets have recently completed construction and are still in the ramp-up phase, they are all progressing well. At this time, however, all except for the Kamloops facility are not yet classified as “mature” assets. Due to this, our construction financing remains on floating interest rate terms, as banks typically only offer fixed rate term financing once an asset reaches maturity.

As you are aware, interest rates have spiked. The Bank of Canada raised its policy rate aggressively between spring 2022 and 2023 – increasing it ten times from 0.25% to 5.0% over an 18-month period. Since commercial lending rates are generally priced at a spread of approximately 3% above the policy rate, our borrowing costs rose from 3.25% to over 8% since 2022. These elevated interest expenses have put downward pressure on our free cash flow as debt servicing costs more than doubled and this delayed our ability to initiate investor distributions.

That said, we are pleased to share the good news of several positive developments:

Operational Maturity: The businesses are maturing nicely, revenues are growing across the board, the storage facilities are leasing up well and the car washes continue to be positively received in their respective markets.

Monetary Policy Shift: The Bank of Canada has recently commenced monetary easing and has reduced the policy rate seven times, bringing its policy rate down to 2.75% from the previous peak of 5.0%.

Although commercial lenders have been slow to adjust term rates downward, even though the Bank of Canada has reduced its rates, we anticipate that term financing options below 4% (down from over 8%) will become available in the near term ie by year end. Once market conditions permit and our assets meet the necessary maturity thresholds ie 85% occupancy, we intend to refinance our floating-rate loans into fixed-term loans at these lower rates. The anticipated 4% or so reduction in interest expense would result

in a meaningful improvement in cash flow and enhance our capacity to begin investor distributions. Accordingly, we plan to commence distributions as soon as cash flow permits. Barring unforeseen circumstances, we expect this to begin shortly after the completion of the current corporate amalgamations and the terming out of the bank loans. An update will be issued to all investors upon the conclusion of the reorganization.

We thank you for your continued support and look forward to sharing further progress with you in the near future.

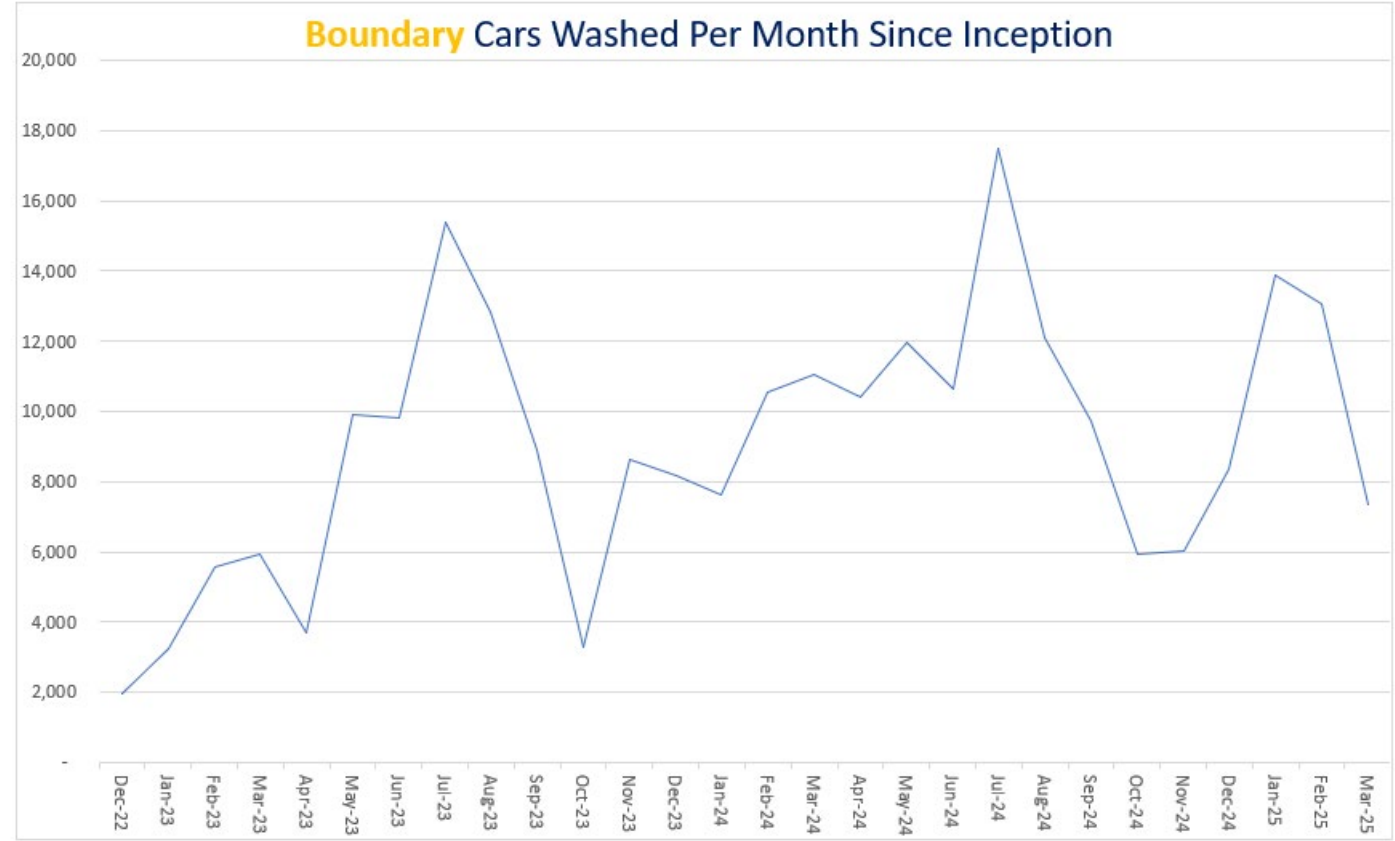
The following is a summary of car-wash statistics for each of the four facilities, as of March 31, 2025.

For more information in relation to all of the below properties visit our [investor website](#). Here you can find all previous investor updates and more information in relation to each of the facilities.

REPORT ON EXPRESS AUTO WASH

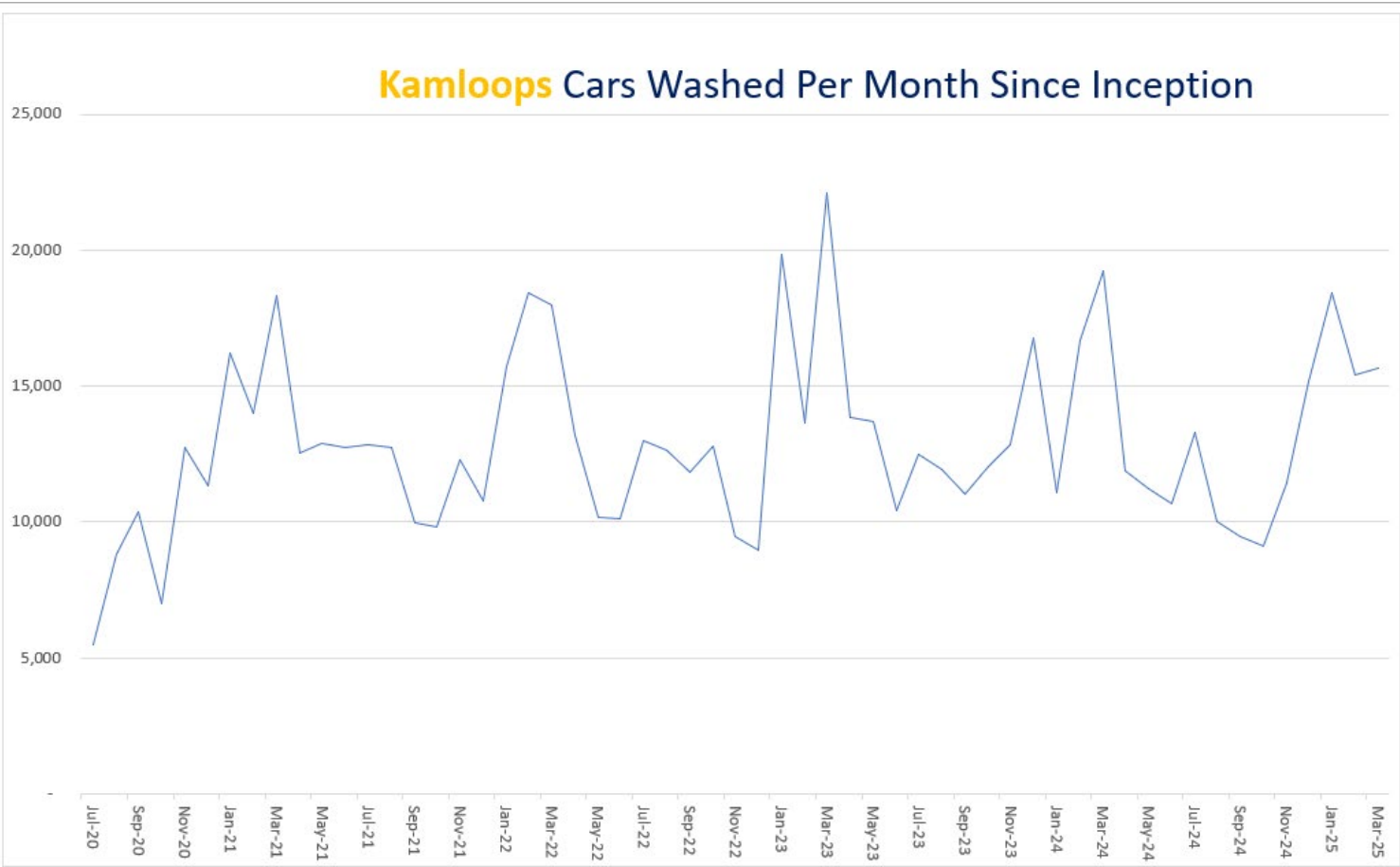
Nationwide II -Boundary Rd.

Facility	Nationwide II Self Storage & Auto Wash Trust - Boundary Road
First month of operations	December 2022.
Number of cars washed to date	253,457 cars.
Average Cars Washed per month	9,052 cars.
Car Wash Revenue growth % 2023-2024	+41%



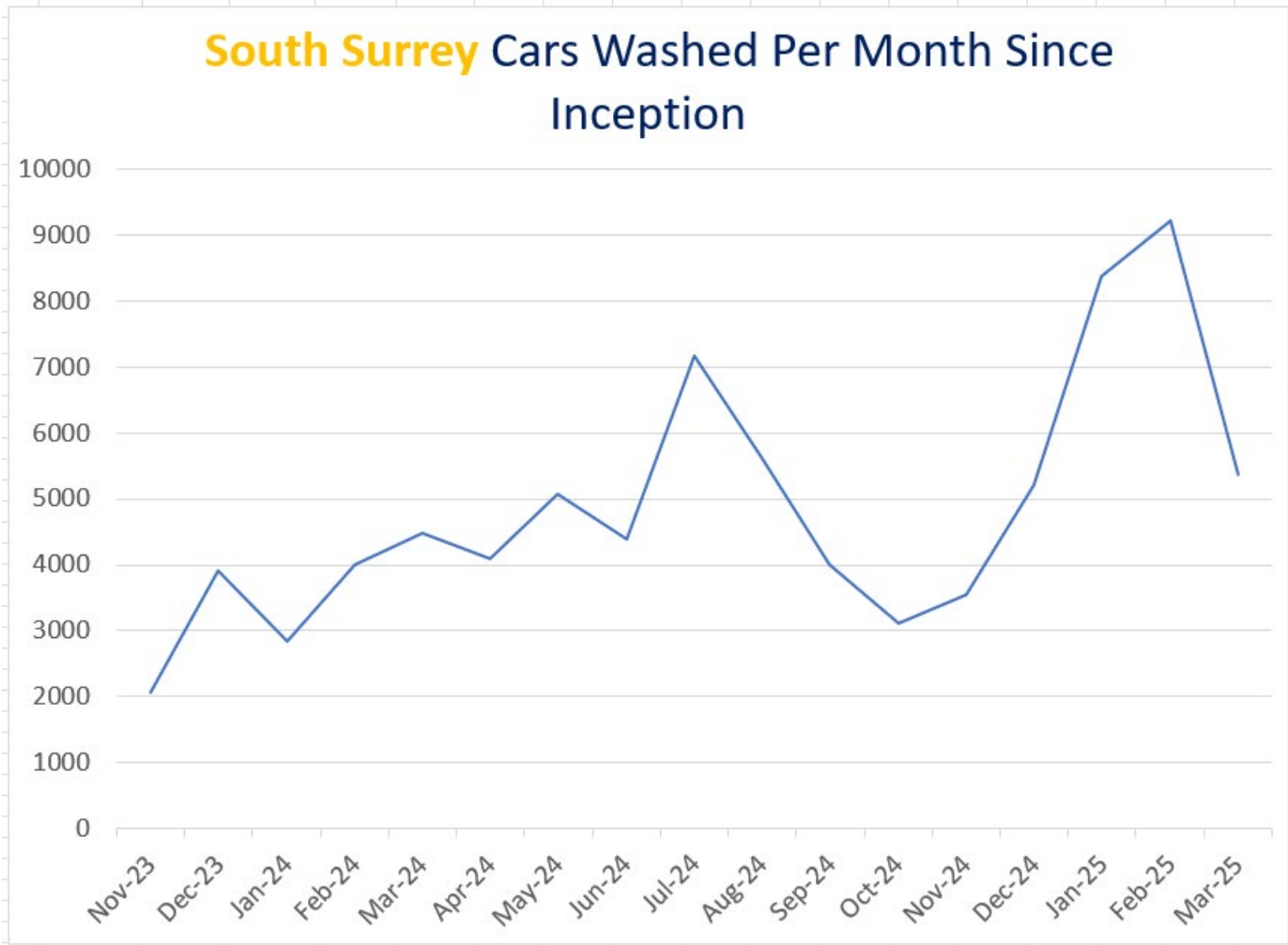
Nationwide III -Kamloops

Facility	Nationwide Self Storage & Auto Wash Trust – Kamloops
First month of operations	August 2020.
Number of cars washed to date	734,691 cars.
Average Cars Washed per month	12,889 cars.
Car Wash Revenue Growth % 2023-2024	-11% (this was purely due to a very wet spring season in Kamloops as we have seen volumes normalize recently)



Nationwide IV -South Surrey

Facility	Nationwide IV Self Storage & Auto Wash Trust – Surrey
First month of operations	November 2023.
Number of cars washed to date	82,452 cars.
Average Cars Washed per month	4,850 cars.
Note	Performing as projected.



Nationwide V -Coquitlam

Facility	Nationwide Express Auto Wash Trust – Coquitlam
First month of operations	March 2024.
Number of cars washed to date	73,982 cars
Average Cars Washed per month	5,690
Note	Performing as projected.

