

## Form 51-102F3

### *Material Change Report*

#### **Item 1 Name and Address of Company**

NexLiving Communities Inc. (“**NexLiving**” or the “**Company**”)  
45 Alderney Dr., Suite 1805  
Dartmouth, Nova Scotia B2Y 2N6

#### **Item 2 Date of Material Change**

August 30, 2024.

#### **Item 3 News Release**

On September 3, 2024, NexLiving disseminated a press release announcing the closing of its previously announced Transaction (as defined below). The press release has also been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and posted to NexLiving’s website at [www.nexliving.ca](http://www.nexliving.ca).

#### **Item 4 Summary of Material Change**

On September 3, 2024, NexLiving announced the closing of its previously announced transaction to acquire a portfolio of multi-family assets in eastern Ontario and Québec, consisting of 16 properties and 991 units, having an appraised value of \$224 million as of October 2023 (the “**Acquisition Portfolio**”), from 8985979 Canada Inc. (“**898**”) and Devcore Group Inc. (“**Devcore**” and collectively with 898, the “**Sellers**”) in exchange for share consideration and the assumption of existing mortgages (the “**Transaction**”), pursuant to a purchase agreement dated January 21, 2024 (the “**Purchase Agreement**”).

#### **Item 5 Full Description of Material Change**

##### **5.1 Full Description of Material Change**

On September 3, 2024, NexLiving announced the closing of the Transaction to acquire the Acquisition Portfolio from the Sellers in exchange for the issuance to the Sellers of 16,333,682 common shares in the capital of the Issuer, valued at approximately \$31.4 million based on the closing price of the shares of the Company on January 19, 2024, and the assumption, directly or indirectly, of approximately \$164.5 million of existing mortgage principal, in addition to certain cash adjustments under the Purchase Agreement. Upon completion of the Transaction, NexLiving’s portfolio increased to 2,030 units. The Transaction closed on August 30, 2024.

Jeffrey York, Co-owner of the Sellers and former co-CEO at Farm Boy Inc. has been appointed as Chairman of NexLiving’s board of directors (the “**Board**”) and Rick Turner will serve as Vice Chairman of the Board. As a result of the Transaction, 898 (controlled by

Jeffrey York and Jean-Pierre Poulin) is now a Control Person of NexLiving (as defined in the policies of the TSX-V).

Jeff York, Jean-Pierre Poulin (the principals of Devcore and their related entities), Devcore and 898 (collectively, the “**Investor**”) have entered into a standstill and investor rights agreement with NexLiving, pursuant to which they are entitled to, among other things, nominate up to three members of the Board on closing, ongoing nomination and committee membership rights, and consent rights in connection with certain material transactions and changes to Board committees depending on their ownership interest in NexLiving. Pursuant to the standstill and investor rights agreement, the Investor has agreed to a three-year standstill, subject to certain exceptions, pursuant to which it will, directly or indirectly, be restricted from acquiring NexLiving shares, among other things. It has also entered into a two-year lock-up, subject to certain exceptions, pursuant to which it is, directly and indirectly, restricted from transferring, selling or otherwise disposing of its NexLiving shares.

NexLiving will continue to be managed by the current NexLiving management team and the Board will consist of Jeff York (Chairman), Rick Turner (Vice Chairman), Stavro Stathonikos (CEO), Michael Anaka, Bill Hennessey, Jean-Pierre Poulin and Francis Pomerleau. Dr. Brian Ramjattan, David Pappin, Drew Koivu, and Andrea Morwick have stepped down from the Board. In accordance with the terms of the standstill and investor rights agreement, members of the new Board and NexLiving's senior management have entered into a lock-up on substantially similar terms as Jeff York and Jean-Pierre Poulin under their standstill and investor rights agreement.

The foregoing summary is qualified in its entirety by the provisions of the Purchase Agreement and the Investor Rights Agreement, copies of which are filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Further information is contained in the management information circular for its special meeting held April 3, 2024 and the Company's press releases dated January 22, 2024, February 21, 2024, April 3, 2024, April 23, 2024, June 27, 2024 and September 3, 2024, which are available on the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### *Forward-Looking Statements*

This material change report contains forward-looking information within the meaning of applicable Canadian securities laws (“**forward-looking statements**”). All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “projects”, “estimates”, “forecasts”, “intends”, “continues”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases. Forward-looking statements may also state that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements contained in this material change report include, but are not limited to, statements regarding the composition of management of NexLiving and statements regarding the standstill and investor rights agreement. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. These forward-looking statements reflect the current expectations of the Company's management regarding future events, but involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance

or achievements expressed or implied by such forward-looking statements. Actual events could differ materially from those projected herein and depend on a number of factors. These risks and uncertainties are more fully described in NexLiving's regulatory filings, which can be obtained on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under NexLiving's profile, as well as under the "Risk Factors" section of the Company's MD&A released on August 15, 2024. Although forward-looking statements contained in this material change report are based upon what management believes are reasonable assumptions, there can be no assurance that the Company's actual results will be consistent with these forward-looking statements. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this material change report. The forward-looking statements in this new release speak only as of the date of this material change report. Except as required by applicable securities laws, the Company does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable.

### **Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable. This report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

### **Item 7 Omitted Information**

No information has been omitted on the basis that it is confidential information.

### **Item 8 Executive Officer**

Stavro Stathonikos  
Chief Executive Officer & President  
NexLiving Communities Inc.  
Email: [sstathonikos@nexliving.ca](mailto:ssathonikos@nexliving.ca)

### **Item 9 Date of Report**

September 10, 2024