Northview Residential REIT (NRRUF)

Updated December 26th, 2025 by Nikolaos Sismanis

Key Metrics

Current Price:	$11.46	**5 Year Annual Expected Total Return :**	4.8%	**Market Cap:**	$45 M
Fair Value Price:	$10.50	**5 Year Growth Estimate:**	0.0%	**Ex-Dividend Date:**	12/31/2025
% Fair Value:	109%	**5 Year Valuation Multiple Estimate:**	-1.7%	**Dividend Payment Date:**	01/15/2026
Dividend Yield:	7.0%	**5 Year Price Target**	$10.50	**Years Of Dividend Growth:**	0
Dividend Risk Score:	F	**Sector:**	Real Estate	**Rating:**	Sell

Overview & Current Events

Northview Residential REIT is a Canadian residential REIT that owns and operates a geographically diversified portfolio concentrated in secondary markets across the country. The REIT's portfolio comprises 13,100 multi-residential suites, about 1.2 million square feet of commercial space, and 200 executive suites spread across 9 provinces and 2 territories, with exposure to Western Canada, Atlantic Canada, Northern Canada, and Central Canada. Its assets are mainly apartments and townhomes, complemented by office, industrial, retail, and government-anchored commercial properties, as well as short- and long-term executive accommodation in Northern communities. Its Class A units trade on the Toronto Stock Exchange under the symbol NRR.UN and OTC under the symbol NRRUF. The REIT reported revenues of about $200 million last year. The REIT reports its financials in USD. All figures in this report have been converted to USD unless otherwise noted. The REIT pays its dividends on a monthly basis. The stock trades at a market cap of just ~$45 million.

On November 5th, 2025, Northview Residential REIT reported its Q3 results for the quarter ended September 30th, 2025, Revenue as $50.6 million, up slightly year over year, driven by strong same-door multi-residential rent growth that was largely offset by income lost from non-core asset dispositions completed in 2024 and 2025. Net operating income was $31.6 million, up 3.3% year-over-year, supported by 6.5% same-door multi-residential NOI growth and stable occupancy of 95.9%. FFO per diluted unit was $0.35, up about 7% year-over-year. For FY2025, we forecast FFO/share of $1.50.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
FFO	$1.68	$1.58	$1.66	$1.54	$1.58	$0.21	$1.44	$1.05	$1.25	$1.17	***$1.50***	***$1.50***
DPS	---	---	---	---	---	$0.29	$1.74	$1.63	$1.17	$0.77	***$0.80***	***$0.80***
Units[1]	---	---	---	---	---	---	20,524	20,524	27,275	36,056	***36,064***	***40,000***

Up until 2019, the business operated as a publicly listed apartment REIT (Northview Apartment REIT), whose portfolio was diversified geographically, leverage was managed conservatively, and capital allocation prioritized predictable FFO. The structural break took place in 2020, when the legacy REIT was taken private and reorganized, thus producing a non-comparable stub year. The drop in FFO to $0.21 was due to a shortened operating period, transaction and restructuring costs, a reset unit base, and transitional financing effects rather than underlying asset weakness.

In 2021, FFO rebounded sharply to $1.44 as a full year of operations resumed under the new structure, supported by stable residential occupancy, improving rents in secondary markets, and early benefits from portfolio simplification. In 2022, FFO declined to $1.05 as rising interest rates materially increased financing costs, inflation pushed up property taxes, insurance, and utilities, and non-core asset sales reduced near-term income.

In 2023, FFO recovered to $1.25 as same-property NOI growth strengthened across Western and Atlantic Canada, rent growth accelerated, and interest expense stabilized following refinancing and debt reduction. Then in 2024, FFO eased

[1] Share count is in thousands.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

modestly to $1.17 despite continued operating strength, due to the cumulative impact of additional asset dispositions, higher interest expense on renewed mortgages, and a larger unit base.

Moving forward, we expect no FFO per share growth as operating gains are largely offset by asset sales, refinancing costs, and a higher unit count, keeping per-unit cash flow broadly flat. We also don't expect any growth in the monthly dividend, which was slashed in half in 2023 and has yet remained stable.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Avg. P/FFO	---	---	---	---	---	---	---	---	---	---	***7.6***	***7.0***
Avg. Yld.	---	---	---	---	---	---	---	---	---	---	***7.0%***	***7.6%***

Northview's P/FFO has only recently started trading OTC. Today, it trades at 7.6x this year's expected FFO. We believe an even lower P/FFO of about 7 more fairly reflects in underlying prospects. Growth could resume in the future, but not in the next few years given its high indebtedness (debt to gross book value at 63.4%). In the meantime, the dividend yield isn't enough to compensate investors for holding the stock given the underlying risks involved.

Safety, Quality, Competitive Advantage, & Recession Resiliency

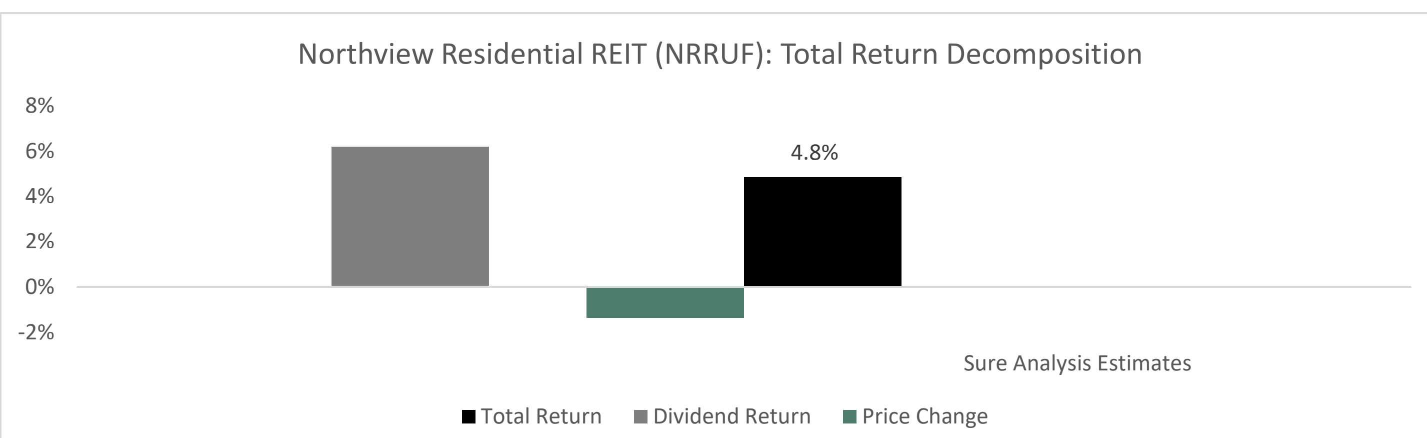
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	---	---	---	---	---	138%	121%	155%	94%	66%	***53%***	***53%***

The REIT's strengths are grounded in a portfolio dominated by Canadian multi-residential assets with consistently high occupancy, meaningful exposure to government-anchored housing and commercial leases in Northern Canada, and demonstrated same-property NOI growth in Western and Atlantic Canada even during periods of macro stress. Still, a prolonged downturn in the Canadian residential market could negatively affect the REIT's results due to its elevated leverage, reliance on non-core asset dispositions to manage debt, and concentration in secondary and resource-linked markets, which increases exposure to localized employment weakness. Today, the payout ratio implies the dividend is safe, but we wouldn't blindly trust it.

Final Thoughts & Recommendation

Overall, the REIT offers durable residential cash flows and improving operating fundamentals, but its near-term return profile remains constrained by leverage management and limited capacity for per-unit growth. We believe there is a chance the stock produces underwhelming returns due to the possibility of a valuation compression. Along with the lack of dividend growth, we rate the stock a sell.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue							23	153	152	169
Gross Profit							13	87	84	95
Gross Margin							54.4%	56.9%	55.1%	56.3%
SG&A Exp.							-	-	-	-
D&A Exp.							0	3	3	2
Operating Profit							5	40	39	66
Operating Margin							21.6%	26.3%	25.5%	38.9%
Net Profit							68	(17)	54	121
Net Margin							292%	-11.1%	35.7%	71.4%
Free Cash Flow							(9)	50	27	35
Income Tax							-	-	-	-

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets							1,478	1,467	1,443	2,084
Cash & Equivalents							20	13	24	22
Accounts Receivable										
Inventories							-	-	-	-
Goodwill & Int. Ass.							-	-	-	-
Total Liabilities							1,072	1,075	1,025	1,455
Accounts Payable										
Long-Term Debt							1,048	1,047	1,000	1,310
Shareholder's Equity							405	391	417	629
LTD/E Ratio							2.59	2.67	2.40	2.08

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets								-1.2%	3.7%	6.9%
Return on Equity								-4.3%	13.4%	23.1%
ROIC								-1.2%	3.8%	7.2%
Shares Out.							20,524	20,524	27,275	36,056
Revenue/Share							0.70	4.63	4.60	6.20
FCF/Share							(0.27)	1.52	0.83	1.27

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.