

# Management's Discussion and Analysis

Dollar amounts are in thousands of Canadian dollars (except as noted)

## Part VII

### Quarterly Results & Discussion of Q4 Operations

#### Summary of Quarterly Results

An eight quarter trend highlighting key operating results is shown below:

	2013				2012			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Property revenue	\$36,262	\$37,095	\$34,506	\$33,249	\$33,360	\$33,894	\$33,679	\$32,631
Operating expenses	14,863	13,845	14,281	15,083	13,801	12,452	13,161	13,781
Net operating income	21,399	23,250	20,225	18,166	19,559	21,442	20,518	18,850
Operating margin %	59.0%	62.7%	58.6%	54.6%	58.6%	63.3%	60.9%	57.8%
Home sale income	66	44	154	59	101	93	231	44
Equity & other income (loss)	165	484	1,031	362	527	439	508	322
Net (loss) income applicable to common shareholders	(4,543)	12,117	23,238	8,967	10,425	12,662	18,558	10,082
Per share (basic)	(0.10)	0.22	0.43	0.17	0.20	0.26	0.37	0.20
FFO	9,812	11,668	9,478	7,812	8,732	10,721	9,179	7,463
FFO/share (basic)	0.18	0.22	0.18	0.15	0.17	0.21	0.19	0.15

#### Q4 - Consolidated Statements of Income

In thousands (except per share amounts)

For the three months ended December 31,

	2013	2012
Property revenue	\$36,262	\$33,360
Property operating expenses	(14,863)	(13,801)
Home sales	66	101
Equity income	138	240
Other income	27	287
	21,630	20,187
Financing costs	(9,061)	(8,315)
Depreciation	(149)	(199)
Amortization of deferred financing costs	(431)	(366)
Administration	(2,185)	(2,361)
	(11,826)	(11,241)
<b>Income before fair value gains (losses), gain (loss) on disposition and income taxes</b>	<b>9,804</b>	<b>8,946</b>
Fair value (losses) gains	(13,827)	10,057
(Loss) gain on disposition	(1,572)	24
<b>Income before income tax expense</b>	<b>(5,595)</b>	<b>19,027</b>
Income tax expense	1,410	(7,357)
<b>Net (loss) income</b>	<b>\$(4,185)</b>	<b>\$11,670</b>
<b>Net income attributable to:</b>		
Common shareholders	\$(4,543)	\$10,425
Non-controlling interest	358	1,245
	\$(4,185)	\$11,670