GENESIS LAND DEVELOPMENT CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2023

The Management's Discussion and Analysis ("**MD&A**") of the financial condition and results of operations of Genesis Land Development Corp. ("**Genesis**", "**the Corporation**", "**we**", "**us**", or "**our**") should be read in conjunction with the unaudited condensed consolidated interim financial statements and the notes thereto for the three and nine months ended September 30, 2023 and 2022, prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The unaudited condensed consolidated interim financial statements and comparative information have been reviewed by the Corporation's audit committee, consisting of three independent directors, and approved by the board of directors of the Corporation. Additional information, including the Corporation's Annual Information Form ("**AIF**") and the Corporation's MD&A for the year ended December 31, 2022 are available on SEDAR at www.sedarplus.com.

All amounts are in thousands of Canadian dollars, except per share amounts or unless otherwise noted. Basic and diluted earnings (loss) per share, cash flows from operating activities per share (basic and diluted), and dividends per share for prior periods have been recalculated to account for the impact of the Corporation's share issue pursuant to a rights offering that closed on December 17, 2021. This MD&A is dated as of November 8, 2023.

STRATEGY AND 2023 BUSINESS PLAN

Strategy

Genesis Land Development Corp. (“Genesis” or the “Corporation”) is an integrated land developer and residential home builder operating in the Calgary Metropolitan Area (“CMA”) with a strategy to grow its portfolio of well-located, entitled and unentitled primarily residential lands and serviced lots in the CMA.

As a land developer, Genesis acquires, plans, rezones, subdivides, services and sells residential lots and commercial and industrial lands to third party developers and builders, and sells lots and completed homes through a wholly-owned subsidiary, Genesis Builders Group Inc. (“GBG”), its home building division. The land portfolio is planned, developed, serviced and sold as single-family lots and townhouse, multi-family and commercial parcels at opportune times with the objective of maximizing the risk adjusted net present value of the land and to maximize net cash flow.

GBG designs, builds and sells homes on a significant portion of Genesis’ single-family lots and townhouse land parcels. GBG also acquires single-family lots from other land developers to build and sell single-family homes in additional CMA communities.

Genesis manages its financial position by prudently and opportunistically allocating its cash resources among the following:

- Maintaining a strong balance sheet as the priority;
- Acquiring and developing land either directly or through land development entities; and
- Paying dividends and/or buying back its common shares.

Market Overview

The Alberta economy remains relatively strong through the first nine months of 2023 as the province’s key industries, particularly oil and natural gas, remain strong. The Royal Bank of Canada (“RBC”) estimates Alberta’s 2023 GDP growth to be the highest in Canada at 2.2% compared to 2022 when Alberta’s GDP grew by 5.1%. Economic headwinds caused by continuing higher interest rates which is being offset by increasingly high migration and lack of home supply have impacted the CMA home sales environment.

According to the Calgary Real Estate Board (“CREB”) year to date ("YTD") 2023 residential home sales demand remains robust bolstered by a healthy labour market and increasing migration levels. Overall sales in Calgary in September reached another record high but despite the sales gains seen in the last four months, YTD sales are 11.5% lower than the record levels seen in 2022 YTD. Home sales inventories are improving but are still at historically low levels in Calgary, being at 1.29 months up from 1.10 months at June 30, 2023 (December 2022 - 1.84 months). In neighboring Airdrie, where Genesis has two active projects, supply is improving but remains historically low at 1.39 months up from 0.86 months of supply as at June 30, 2023 (December 2022 - 1.37 months). While new listings improved in the third quarter home supply inventory levels, at September 30, 2023 are still 24% lower than levels seen last year. Four months of supply is generally considered to reflect a balanced market. The limited supply coupled with strong migration continues to provide support for home prices. As per CREB the benchmark home sales price as of September 30, 2023 was $570 (June 30, 2023 - $565), up 8.7% over the same period in 2022 and for single family homes, Genesis’s primary home product, benchmark prices are up 11% year over year.

Housing demand is supported by strong international and interprovincial immigration as evidenced by the 4.5% growth in the working age population in the CMA to the end of September 2023 as compared to September 2022. The CMA labour force participation rate improved and remained strong at 71.9%.

RBC publishes an affordability measure that calculates the share of income that a household would need to cover ownership costs and RBC notes that the higher interest rates and inflation are having a negative impact on affordability in major markets. However, the impact in Calgary has been modest. While the Calgary market affordability measure is increasing, it remains affordable, as at September 2023, RBC’s aggregate affordability measure for Calgary is at 44.0% slightly higher than the June 30, 2023 measure of 43% (December 31, 2022 - 41.6%). This is above the long-term Calgary average of 38.7% but well below that of Canada’s largest markets of Toronto and Vancouver, at 79.6% and 97.5% respectively.

Supply chain issues and inflation are moderating but continue to impact construction costs and timelines in both our land development and home building divisions. In the third quarter of 2023, as we saw in the first six months of 2023, some of the strain has eased as home sales activity has slowed across most North American markets. However, the lack of skilled labor and of some products and materials remain concerns. Genesis continues to address these concerns by working proactively with key contractor partners and home buyers.

2023 Business Plan

Progress on 2023 Business Plan

During 2023, Genesis has continued to execute its growth business plan. Genesis achieved some significant milestones in 2022, with the removal of Growth Management Overlays ("GMOs") and in 2023, with receiving final development approvals enabling Genesis to proceed with development of its Lewiston, Logan Landing and Huxley communities in 2023.

Growth also continues for GBG which is now building in 9 communities in the CMA. Since 2020 when GBG initiated the strategic shift to buying lots from third party developers, it has purchased 554 lots of which 77 were 2023 acquisitions.

The following describes progress made on key elements of the growth plan.

1) Obtaining Additional Zoning and Servicing Entitlements

Genesis has made substantial progress in obtaining additional zoning and servicing entitlements for land in recent months, although approval processes continue to be subject to delays and uncertainty. Zoning and servicing entitlements are granted by the applicable municipal authorities. The timelines discussed below are management's best estimates at this time, given the uncertainties related to the regulatory approval process and market conditions.

The following three core projects have made substantial progress in the approval processes at the City of Calgary:

- Logan Landing: Genesis owns 354 acres of undeveloped land in Calgary's southeast quadrant referred to as "Logan Landing". An Area Structure Plan ("ASP") for a new residential community on these lands was approved by Calgary City Council ("Council") in November 2019. Outline Plan and Land Use Applications have been submitted and City of Calgary Planning Commission and City Council approvals were received in Q2 2023. Final pre-development approvals have been received with stripping and grading approval received in July 2023 and work now underway. Phase 1 Tentative Plan and engineering drawings have been approved and Genesis commenced servicing in Q3 2023.
- Lewiston: Genesis acquired 130 acres of residential development land in north Calgary in 2019. Outline Plan and Land Use Applications approvals were received from Council in November 2022. Site grading has been completed and Genesis is ready to develop this community. Phase 1 Tentative Plan and engineering drawings have been approved and Genesis commenced servicing in Q2 2023.
- Huxley (Belvedere): On July 26, 2023 Genesis received Outline Plan and Land Use approval from the City of Calgary for the 157 acres it acquired in Q2 2022, in the Belvedere ASP. Final approvals for site servicing were received in October 2023

The following project is progressing through approval process at Rocky View County:

> OMNI ASP (in North Conrich): Genesis has received ASP approval on a 185-acre commercial and retail project on a portion of the 610 acres of undeveloped land that Genesis controls, in the County bordering the northeast quadrant of the City of Calgary. Progress continues with the County on the approval of a conceptual scheme for this project, with first reading received in September 2022. Approval is anticipated in Q4 2023 or Q1 2024. Genesis and the County are working with Alberta Transportation to finalize plans and funding arrangements for an interchange at Stoney and Airport Trails with construction planned to start in Q3 2024. Once completed, this interchange will provide primary transportation access to these lands.

2) *Development and Sale of Land Parcels*

Genesis continues to develop and implement plans for each of its core land holdings, with the objective of maximizing the risk adjusted net present value of the land and to sell or develop the land at the most opportune time. Please see information provided under the heading "*Real Estate Held for Development and Sale"* in this MD&A.

Genesis periodically sells land parcels, generally for multi-family or commercial use, that have been developed within its communities.

In Q2 2023, Genesis closed the sale of a 3.34-acre parcel of development land in the City of Calgary for $4,242.

3) Servicing Additional Phases

Genesis plans to commence servicing in three new communities and service a new phase in an existing community in 2023:

- Lewiston: Servicing of the first phase in this north Calgary community will add 184 single-family lots. Surface construction commenced in Q3 2023. Lots became available to builders in Q2 2023 and are expected to be fully serviced in 2024. GBG and two third parties (each with a 20% ownership interest) will be the home builders in this phase;
- Logan Landing: Servicing of the first phase in this southeast Calgary community will add 266 single-family lots. Site earthworks commenced in July 2023. Underground servicing commenced in August 2023. Lots are expected to be fully serviced in 2024. It is intended that GBG and two third parties will be the home builders in this phase;
- Huxley: Servicing of this east Calgary community will add 1,368 single-family lots. Site earthworks have commenced with servicing expected to commence in Spring 2024. It is intended that GBG and two third parties will be the home builders in this phase; and
- Bayview: Bayview phase 6 in Airdrie will add 225 single-family lots. Surface construction commenced in Q3 2023. Lots became available to builders in Q3 2023 and are expected to be fully serviced in 2024. GBG and two third parties will be the home builders in this phase.

4) Investing in Additional Lands

During Q1 2023, Genesis paid $1,253 to GLP5 NE Calgary Development Inc. to acquire an additional 25 acres in the OMNI project in North Conrich. This results in Genesis holding a 73% interest (previously 59%) in the 185-acre OMNI project with the remaining 27% being held by Genesis Limited Partnership #4. Refer to heading "*Related Party Transactions*" in this MD&A for additional information. During Q3 2022, Genesis paid $6,699 to Genesis Limited Partnership #4 and GLP5 NE Calgary Development Inc. (controlled entities within the consolidated entity) to acquire their 49% undivided interest in 456 acres of land in North Conrich in Rocky View County (adjacent to the eastern boundary of Calgary). This transaction brings Genesis interest in these lands to 100%.

Building and selling homes in communities developed by other parties is a key strategy adopted in 2020 to drive growth and profitability in Genesis' home building division. GBG is now active in 9 communities, 6 of which are third party communities and since 2020 has acquired 554 third party lots of which 77 were acquired in 2023.

5) Land Development Partnerships

Genesis considers establishing land partnerships when a new community has received full municipal approvals. Partners are usually other home builders selected carefully, to add value to the execution of the community's development program.

During Q1 2023, Genesis sold two 20% interests, for a total of 40%, in the Lewiston Lands Limited Partnership to two builder partners. $11,760 of proceeds were realized by Genesis.

6) Adding Select Third Party Builders in Genesis Communities

To diversify offerings and increase velocity of sales within its residential communities, Genesis holds regular discussions with reputable third party builders interested in acquiring lots in future phases in Genesis' communities. Genesis works with 3 third party builders of which 2 are currently building in communities for which Genesis is the land developer

7) Increasing the Velocity of Homes Sold by GBG

In YTD 2023, GBG has entered into 278 new home sales contracts, an increase of 38% from 202 new home sales contracts in YTD 2022. During Q3 2023*,* GBG entered into 122 new home sales contracts compared to 4 new home sales contracts in Q3 2022. As of September 30, 2023, Genesis had 283 outstanding new home orders, an increase of 23% compared to 231 as at September 30, 2022. To increase the velocity of homes sold, adapt to the current market conditions, and manage supply chain and cost increases, Genesis:

- acquires lots in several communities from third party developers;
- adjusts pricing on select models to meet market conditions;
- pursues construction cost efficiencies and actively manages supply chain challenges; and
- continues to monitor and control overhead costs.

Since 2020, GBG has acquired 554 lots in the CMA, from third party developers in the communities of Alpine Park, Clearwater, Fireside, Homestead, Silverton and Vermilion Hill. Total consideration for these lots amounts to $86,116. As of September 30, 2023, 147 homes had been built and sold in these communities with a further 144 new homes under contract.

8) Liquidity and Return of Capital

Liquidity: As of September 30, 2023, Genesis had $34,961 of cash and cash equivalents on hand (year-end ("YE") 2022 - $36,598), loan and credit facilities of $66,422 (YE 2022 - $65,057), real estate assets of $315,727 (YE 2022 - $265,683) and total assets of $407,304 (YE 2022 - $364,140). The ratio of loan and credit facilities to total assets was 16% as at September 30, 2023 compared to 18% as at December 31, 2022.

Return of Capital to Shareholders: On November 8, 2023, Genesis declared a dividend of $0.085 per common share for a total of $4,831, payable on December 8, 2023, to shareholders of record on November 21, 2023. Refer to heading "*Subsequent Events*" in this MD&A. This dividend, when combined with the dividend of $0.085 per share paid in June 2023, brings total dividends declared and paid in 2023 to $0.17 per share for a total payment of $9,664. Since 2014, when Genesis paid its first dividend, it will have returned an aggregate of $76,332 to shareholders by way of dividends and bought back nearly 3.1 million common shares for an aggregate cost of $8,853.

Outlook

Supported by a solid financial position, a backlog of new-home orders, and the strength of Calgary's economy, Genesis continues to search for growth opportunities in both its land and housing divisions. Housing price increases in recent years, rapidly increasing interest rates, inflationary pressures, tight labour markets and continuing supply chain constraints are impacting new home orders, and home affordability. These factors are being offset by strong housing demand from newcomers to Alberta, the continued historic low supply of homes for sale in the tight Calgary market and the growing economy.

According to CREB total residential home sales for the first 9 months of 2023 is 22,110 units with only 25,951 units forecast for all of 2023 in Calgary, down from a record high of 29,672 units in 2022. RBC forecasts Alberta GDP to grow by 2.2% in 2023, which is the strongest in Canada but a marked deceleration from the 5.1% growth in 2022. Immigration to both Alberta and the CMA continues to be strong into 2023 as evidenced by the 4.5% growth in the working age population in the CMA to the end of September 2023 as compared to September 2022. In addition to strong international immigration, people are moving to the CMA from across Canada, with the biggest net inflows coming from the two provinces with the most unaffordable housing markets: Ontario and British Columbia. Nonetheless, continued mixed economic indicators and general economic uncertainty, lead Genesis to remain cautious in planning and executing its strategic and business plans.

OPERATING HIGHLIGHTS

Key financial results and operating data for Genesis were as follows:

($000s, except for per share items or unless otherwise noted)	Three months ended September 30, (1)		Nine months ended September 30, (2)	
	2023	**2022**	**2023**	**2022**
Key Financial Data				
Total revenues	**41,173**	43,610	**131,710**	86,200
Direct cost of sales	**(30,714)**	(35,893)	**(102,619)**	(68,798)
Gross margin	**10,459**	7,717	**29,091**	17,402
Gross margin %	**25.4%**	17.7%	**22.1%**	20.2%
Net earnings attributable to equity shareholders	**2,203**	1,857	**6,456**	1,458
Net earnings per share - basic and diluted	**0.04**	0.04	**0.11**	0.03
Cash flows (used in) from operating activities	**(9,922)**	(2,737)	**5,702**	(42,070)
Cash flows (used in) from operating activities per share - basic and diluted	**(0.17)**	(0.05)	**0.10**	(0.74)
Key Operating Data				
Land Development				
Total residential lots sold (units)	**44**	74	**210**	130
Residential lot revenues	**5,838**	12,170	**31,188**	22,624
Gross margin on residential lots sold	**1,129**	1,187	**5,271**	4,305
Gross margin on residential lots sold (%)	**19.3%**	9.8%	**16.9%**	19.0%
Average revenue per lot sold	**133**	164	**149**	174
Development land revenues	**-**	7,453	**4,242**	9,653
Home Building				
Homes sold (units)	**71**	45	**200**	112
Revenues (3)	**40,928**	28,091	**114,896**	66,881
Gross margin on homes sold	**9,330**	5,653	**23,820**	12,148
Gross margin on homes sold (%)	**22.8%**	20.1%	**20.7%**	18.2%
Average revenue per home sold	**576**	624	**574**	597
New home orders (units)	**122**	4	**278**	202
Outstanding new home orders at period end (units)			**283**	231

Key Balance Sheet Data	**As at Sept. 30, 2023**	**As at Dec. 31, 2022** (4)
Cash and cash equivalents	**34,961**	36,598
Total assets	**407,304**	364,140
Loan and credit facilities	**66,422**	65,057
Total liabilities	**169,130**	136,803
Shareholders' equity	**227,985**	224,632
Total equity	**238,174**	227,337
Loan and credit facilities to total assets	**16%**	18%

(1) Three months ended September 30, 2023 and 2022 ("Q3 2023" and "Q3 2022")
(2) Nine months ended September 30, 2023 and 2022 ("YTD 2023" and "YTD 2022")
(3) Includes other revenues and revenues of $5,593 for 43 lots in Q3 2023 and $18,616 for 134 lots in YTD 2023 purchased by the Home Building division from the Land Development division ($4,104 and 20 in Q3 2022; $12,958 and 70 in YTD 2022) and sold with the home. These amounts are eliminated on consolidation
(4) Year ended December 31, 2022 ("YE 2022")

Results from operations, including earnings and cash flows, vary considerably between periods for the reasons explained under the heading "*Factors Affecting Results of Operations"* in this MD&A.

Genesis sold 71 homes (67 single-family and 4 townhouses) in Q3 2023 compared to 45 homes (all single-family) in Q3 2022. During Q3 2023, there were no development land sales while two parcels of development land were sold for $7,453 in Q3 2022. Genesis sold 1 residential lot to third parties in Q3 2023 compared to 54 residential lots sold to third parties in Q3 2022. These sales resulted in combined revenues of $41,173 in Q3 2023 compared to $43,610 in Q3 2022.

Genesis sold 200 homes (191 single-family and 9 townhouses) in YTD 2023 compared to 112 homes (106 single-family and 6 townhouses) in YTD 2022. In YTD 2023, Genesis sold 76 residential lots to third parties compared to 60 lots sold in YTD 2022. In YTD 2023, 1 parcel of development land was sold for $4,242 while 3 parcels of development land were sold for $9,653 in YTD 2022. The combination of these factors resulted in revenues of $131,710 in YTD 2023, compared to $86,200 in YTD 2022.

YTD 2023 new home orders were 278 units compared to 202 units for the same period in 2022. Genesis ended the third quarter of 2023 with 283 outstanding new home orders, compared to 231 outstanding new home orders a year earlier. At December 31, 2022 Genesis had 205 outstanding new home orders.

Net income attributable to equity shareholders in Q3 2023 was $2,203 ($0.04 income per share - basic and diluted) compared to net income attributable to equity shareholders of $1,857 ($0.04 income per share - basic and diluted) in Q3 2022. Net income attributable to equity shareholders in YTD 2023 was $6,456 ($0.11 income per share - basic and diluted) compared to net income attributable to equity shareholders of $1,458 ($0.03 income per share - basic and diluted) in YTD 2022.

Genesis generated cash flows used in operating activities of $9,922 ($0.17 per share - basic and diluted) in Q3 2023, compared to cash flows used in operating activities of $2,737 ($0.05 per share - basic and diluted) in Q3 2022. In YTD 2023, cash flows from operating activities were $5,702 ($0.10 per share - basic and diluted), compared to cash flows used in operating activities of $42,070 ($0.74 per share - basic and diluted) in YTD 2022. The year-over-year change is mainly due to higher cash inflows from residential homes, sale of ownership interests in LLLP and lower cash outflows for land and lot acquisitions. This was partially offset by higher cash outflows for home building and land servicing activities and lower cash inflows from residential lots and development land sales. Refer to heading "*Cash Flows from Operating Activities*" in this MD&A for additional information. Results from operations, including earnings and cash flows, vary considerably between periods for the reasons explained below.

Factors Affecting Results of Operations

When reviewing the results, there are a number of factors that have historically affected Genesis' results of operations, including:

- the volatility of oil and gas prices and changes in the Canadian/US dollar exchange rate, both of which impact the Alberta energy industry, and have significant impact on the CMA real estate market and economy;
- changes to the regulatory environment, both direct and indirect, including for example, the land development approval process, mortgage lending rules, immigration policies and economic restrictions imposed by regulatory authorities;
- changes in interest rates, including residential mortgage rates and the rates of interest charged to Genesis on its various credit facilities;
- costs incurred for the development and servicing of land and the sale of residential lots and other land parcels occurs over a substantial period of time and results in cash flows that vary considerably between periods, creating significant volatility in the revenues, earnings and cash flows from operating activities;
- changes in home construction costs due to the availability and timing of trades, material and overall supply chain issues;
- land, lot and home prices and gross margins vary by community and lot/home type, the nature of the development work required to be undertaken before the land and lots are ready for sale, and the original cost of the land and servicing; and
- seasonality which has historically resulted in higher revenues and higher cash outflows in the summer and fall months when home building sales and land servicing often peak.

Land Development

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Key Financial Data						
Residential lot revenues [1]	**5,838**	12,170	(52.0%)	**31,188**	22,624	37.9%
Development land revenues	**-**	7,453	N/R [2]	**4,242**	9,653	(56.1%)
Direct cost of sales	**(4,709)**	(17,559)	(73.2%)	**(30,159)**	(27,023)	11.6%
Gross margin	**1,129**	2,064	(45.3%)	**5,271**	5,254	0.3%
Gross margin (%)	**19.3%**	10.5%	83.8%	**14.9%**	16.3%	(8.6%)
Other expenses	**(2,965)**	(1,912)	55.1%	**(8,170)**	(6,335)	29.0%
(Loss) earnings before income taxes	**(1,836)**	152	N/R [2]	**(2,899)**	(1,081)	N/R [2]
Key Operating Data						
Residential lots sold to third parties	**1**	54	(98.1%)	**76**	60	26.7%
Residential lots sold through GBG - home building	**43**	20	115.0%	**134**	70	91.4%
Total residential lots sold	**44**	74	(40.5%)	**210**	130	61.5%
Average revenue per lot sold	**133**	164	(18.9%)	**149**	174	(14.4%)

[1] Includes residential lot sales to third parties, residential lot sales to GBG and other revenues
[2] Not relevant due to the size of the change

Gross margin by source of revenue

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Residential lots						
Residential lot revenues [1]	**5,838**	12,170	(52.0%)	**31,188**	22,624	37.9%
Direct cost of sales	**(4,709)**	(10,983)	(57.1%)	**(25,917)**	(18,319)	41.5%
Gross margin	**1,129**	1,187	(4.9%)	**5,271**	4,305	22.4%
Gross margin (%)	**19.3%**	9.8%	96.9%	**16.9%**	19.0%	(11.1%)

[1] Includes residential lot sales to third parties, residential lot sales to GBG and other revenues

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Development land						
Development land revenues	**-**	7,453	N/R [1]	**4,242**	9,653	(56.1%)
Direct cost of sales	**-**	(6,576)	N/R [1]	**(4,242)**	(8,704)	(51.3%)
Gross margin	**-**	877	N/R [1]	**-**	949	N/R [1]
Gross margin (%)	**-**	11.8%	N/R [1]	**0.0%**	9.8%	N/R [1]

[1] Not relevant due to the size of the change

Results from operations, including earnings and cash flows, vary considerably between periods for the reasons explained under the heading "*Factors Affecting Results of Operations"* in this MD&A.

Revenues and unit volumes

In Q3 2023, 1 lot was sold to third party builders compared to 54 lots sold to third party builders in Q3 2022. In Q3 2023, GBG sold 43 homes on Genesis lots, up 115% from 20 homes sold on Genesis lots in Q3 2022. Total residential lot sales revenues in Q3 2023 were $5,838 (44 lots) down from $12,170 (74 lots) in Q3 2022.

In Q3 2023, there were no development land sales while 2 parcels of development land were sold in Q3 2022 for $7,453. In YTD 2023, 1 parcel of development land was sold for $4,242 while 3 parcels of development land were sold for $9,653 in YTD 2022. Development land sales vary considerably between periods and comprise sales of commercial, multi-family and other lands that Genesis does not intend to build on through GBG.

Total residential lot sales revenues in YTD 2023 were $31,188 (210 lots) up from $22,624 (130 lots) in YTD 2022. In YTD 2023, 76 lots were sold to third party builders compared to 60 lots sold to third party builders in YTD 2022. In YTD 2023, GBG sold 134 homes on Genesis lots, up 91% from 70 homes sold on Genesis lots in YTD 2022. Residential lot sales to third party builders vary considerably between periods. Often order volumes are much higher when newly developed phases first become available for sale.

Gross margin

Residential lots had a gross margin of 19% in Q3 2023 compared to 10% in Q3 2022. Residential lots had a gross margin of 17% in YTD 2023 compared to 19% in YTD 2022. Gross margins in Q3 2023 were higher than in Q3 2022, as the sales in Q3 2022 included 61 lots in the community of Sage Hill which have no margin due to write-downs previously taken. Gross margins were lower in YTD 2023 compared to the same period in 2022. Residential lot and development land margins can vary significantly as described in the "*Factors Affecting Results of Operations"* in this MD&A.

Other expenses

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Other expenses						
General and administrative expense	**(2,096)**	(1,314)	59.5%	**(5,444)**	(4,647)	17.2%
Selling and marketing expense	**(383)**	(418)	(8.4%)	**(1,279)**	(1,189)	7.6%
Finance income	**418**	42	N/R (1)	**1,013**	136	N/R (1)
Finance expense	**(904)**	(222)	N/R (1)	**(2,460)**	(635)	N/R (1)
Total	**(2,965)**	(1,912)	55.1%	**(8,170)**	(6,335)	29.0%

(1) Not relevant due to the size of the change

The components of other expenses and the changes are shown in the table above.

In Q3 2023, other expenses totaled $2,965 or 55% higher than $1,912 incurred in Q3 2022. Other expenses were higher in Q3 2023 due to higher net finance expense and general and administrative expense, specifically compensation expenses. Net finance expenses were higher due to higher interest rates and higher average loan balances as compared to Q3 2022. Higher compensation expense was driven by increases in staffing and salary levels to support higher activity levels.

In YTD 2023, other expenses totaled $8,170 or 29% higher than $6,335 incurred in YTD 2022. Other expenses were higher in YTD 2023 mainly due to higher net finance expense and general and administrative expense, specifically compensation expenses in Q3 2023. Net finance expenses were higher due to higher interest rates and higher average loan balances in YTD 2023 as compared to YTD 2022.

Home Building – Genesis Builders Group Inc. (GBG)

The home building business of Genesis is operated through its wholly-owned subsidiary, GBG.

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Key Financial Data						
Revenues [1]	**40,928**	28,091	45.7%	**114,896**	66,881	71.8%
Direct cost of sales	**(31,598)**	(22,438)	40.8%	**(91,076)**	(54,733)	66.4%
Gross margin	**9,330**	5,653	65.0%	**23,820**	12,148	96.1%
Gross margin (%)	**22.8%**	20.1%	13.4%	**20.7%**	18.2%	13.7%
Other expenses	**(4,681)**	(3,143)	48.9%	**(12,808)**	(8,908)	43.8%
Earnings before income taxes	**4,649**	2,510	85.2%	**11,012**	3,240	N/R [2]
Key Operating Data						
Homes sold (units)	**71**	45	57.8%	**200**	112	78.6%
Average revenue per home sold	**576**	624	(7.7%)	**574**	597	(3.9%)
New home orders (units)	**122**	4	N/R [2]	**278**	202	37.6%
Outstanding new home orders at period end (units)				**283**	231	22.5%

[1] Revenues include residential home sales and other revenue
[2] Not relevant due to size of the change

Results from operations, including earnings and cash flows, vary considerably between periods for the reasons explained under the heading "*Factors Affecting Results of Operations"* in this MD&A.

Revenues and unit volumes

Revenues for single-family homes and townhouses were $40,928 (71 units) in Q3 2023, 46% higher than Q3 2022 revenues of $28,091 (45 units). In addition, 122 homes were contracted for sale in Q3 2023 compared to 4 in Q3 2022.

Revenues for single-family homes and townhouses were $114,896 (200 units) in YTD 2023, 72% higher than YTD 2022 revenues of $66,881 (112 units). In addition, 278 homes were contracted for sale in YTD 2023, an increase of 38%, as compared to 202 in YTD 2022, resulting in 283 outstanding new home orders at the end of Q3 2023 as compared to 231 outstanding new home orders at the end of Q3 2022.

Homes sold in YTD 2023 had an average price of $574 per home compared to $597 in YTD 2022. Homes sold in Q3 2023 had an average price of $576 per home compared to $624 in Q3 2022. Fluctuations in the average revenue per home sold are due to differences in product mix, community, and market conditions. During the first nine months of 2023 and 2022, GBG's single-family homes product ranged in price from $386 to $1,900 depending on the location and the model being offered. Similarly, GBG's townhouse product ranged in price from $172 to $399 depending on the location and the models being offered. In Q3 2023, 67 single-family homes and 4 townhouses were sold compared to 45 single-family homes and no townhouses in Q3 2022. In YTD 2023, 191 single-family homes and 9 townhouses were sold compared to 106 single-family homes and 6 townhouses in YTD 2022.

43 of the 71 homes sold in Q3 2023 were built on residential lots supplied by Genesis, with lot revenues of $5,593 while 20 of the 45 homes sold in Q3 2022 were built on residential lots supplied by Genesis, with lot revenues of $4,104. In YTD 2023, 134 of the 200 homes sold were built on residential lots supplied by Genesis, with lot revenues of $18,616 while in YTD 2022, 70 of the 112 homes sold were built on residential lots supplied by Genesis, with lot revenues of $12,958.

Since 2020, GBG has contracted to acquire 554 lots in the CMA from third party developers in the communities of Alpine Park, Clearwater, Fireside, Homestead, Silverton and Vermilion Hill. As of September 30, 2023, 147 homes built on these lots have been sold since 2020 and a further 144 new homes are under contract.

GBG builds single-family homes either after receiving a firm sale contract (a "pre-construction home") or on a quick possession ("spec") basis and builds townhouses generally on a quick possession basis. The delivery time of a pre-construction home is approximately 10 to 12 months. Construction of quick possession homes commences before GBG receives a firm sale contract to ensure there is sufficient inventory for buyers seeking possession within a short period of time (often 30-90 days). Townhouses are multi-unit complexes for which GBG commences construction prior to selling all the units in any individual building. This provides construction efficiencies and requires GBG to build some townhouses on a spec basis and to hold them in inventory until sold. The timing of the sale of spec homes is unpredictable, with spec home buyers usually being time sensitive, wanting to take possession in a short time frame. Genesis closely monitors its home building work-in-progress to anticipate and react to market conditions in a timely manner. As at Q3 2023, GBG had $84,426 of work in progress, of which approximately $7,693 related to spec homes and $5,867 related to the associated third party lots (YE 2022 - $48,506 of work in progress, of which $1,378 related to spec homes and $2,744 related to the associated third party lots).

The following table shows the split between quick possession sales and pre-construction homes. The timeline for pre-construction homes ranges from 10 to 12 months and can exceed this depending on the purchaser's desired possession date.

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Quick possession sales (units)	**29**	-	N/R [1]	**36**	13	N/R [1]
Pre-construction home sales (units)	**42**	45	(6.7%)	**164**	99	65.7%
Total home sales (units)	**71**	45	57.8%	**200**	112	78.6%

[1] Not relevant due to the size of the change

Gross margin

Genesis realized gross margin on home sales of 22.8% in Q3 2023 as compared to 20.1% in Q3 2022 and a gross margin on home sales of 20.7% in YTD 2023 compared to 18.2% in YTD 2022. Fluctuations in gross margin are due to changes in market conditions and differences in product and community mix. In Q3 2023, 67 single-family homes and 4 townhouses were sold compared to 45 single-family homes and no townhouses in Q3 2022. In YTD 2023, 191 single-family homes and 9 townhouses were sold compared to 106 single-family homes and 6 townhouses in YTD 2022.

Other expenses

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% change**	**2023**	**2022**	**% change**
Other expenses						
General and administrative expense	**(2,825)**	(1,948)	45.0%	**(7,735)**	(6,013)	28.6%
Selling and marketing expense	**(1,635)**	(1,152)	41.9%	**(4,610)**	(2,811)	64.0%
Finance income	**24**	17	41.2%	**74**	23	N/R [1]
Finance expense	**(245)**	(60)	N/R [1]	**(537)**	(107)	N/R [1]
Total	**(4,681)**	(3,143)	48.9%	**(12,808)**	(8,908)	43.8%

[1] Not relevant due to the size of the change

The components of other expenses and the changes are shown in the table above.

In YTD 2023, other expenses were $12,808, 44% higher than $8,908 incurred in YTD 2022. In Q3 2023, other expenses totaled $4,681, 49% higher than $3,143 in Q3 2022. Other expenses were higher in both Q3 and YTD 2023 due to higher compensation expenses, sales and marketing expenses (including sales commissions) and net finance expense. Higher compensation expense was driven by increases in staffing and salary levels to support higher activity levels. Increase in selling and marketing expenses was primarily due to higher levels of sales activity in the home building business. Higher net finance expenses were due to higher average loan balances and higher interest rates in 2023 compared to the same periods in 2022.

Real Estate Held for Development and Sale

	September 30, 2023	December 31, 2022	% change
Real estate held for development and sale	**315,727**	265,683	18.8%

Refer to note 3 in the condensed consolidated interim financial statements for the three and nine months ended September 30, 2023 and 2022 which details the components of the changes in the net book value of real estate held for development and sale.

Real estate held for development and sale increases as a result of acquisitions and development activities and declines as a result of sales of residential lots, homes and development land parcels. Real estate held for development and sale increased by $50,044 as at Q3 2023 compared to YE 2022 mainly due to an increase of $32,296 relating to residential lots purchased from third party developers and development activities of $96,127 offset by sales activities of $79,042.

The following table presents Genesis' real estate held for development and sale at net book value (that is net of provisions for write-downs) as at September 30, 2023:

	Net Book Value		
Real Estate Held for Development and Sale	**Lots, multi-family & commercial parcels**	**Land held for development [1]**	**Total**
Community			
Airdrie - Bayside, Bayview, Canals	17,289	37,598	54,887
Calgary NW - Sage Meadows	3,683	-	3,683
Calgary NW - Sage Hill	22,914	-	22,914
Calgary N - Lewiston (owned by LLLP)	-	51,862	51,862
Calgary SE - Logan Landing	-	51,983	51,983
Calgary E - Huxley	-	31,810	31,810
Rocky View County - North Conrich	-	6,835	6,835
Rocky View County - OMNI	-	5,329	5,329
Other lands [2] - non-core	40	1,958	1,998
Total land development	43,926	187,375	**231,301**
Home building construction work-in-progress			38,375
Third party lots			46,051
Total home building			**84,426**
Total real estate held for development and sale			**315,727**

[1] Land held for development comprises lands not yet subdivided into single-family lots or parcels
[2] Other lands are non-core and available for sale

The following table presents the breakdown of Genesis' serviced single-family lots, multi-family and commercial parcels shown above, by community as at September 30, 2023:

Serviced Lots, Multi-family and Commercial Parcels, by Community	Net Book Value	Single-family lots	Townhouse units	Townhouse/ multi-family parcels	Commercial parcels
Airdrie - Bayside, Bayview, Canals	17,289	119	25	2	-
Calgary NW - Sage Meadows	3,683	-	-	1	-
Calgary NW - Sage Hill	22,914	68	-	1	2
	43,886	**187**	**25**	**4**	**2**
Other lots - non-core	40	13	-	-	-
Total	**43,926**	**200**	**25**	**4**	**2**

The following table presents the estimated equivalent, by community of single-family lots and multi-family and commercial acres of Genesis' land held for development (shown previously) as at September 30, 2023, based on the Corporation's plans for the development of its lands. Refer to the section in this MD&A entitled "*Obtaining Additional Zoning and Servicing Entitlements*" for the status of Lewiston, Logan Landing, Huxley (Belvedere) and North Conrich. The timelines discussed are management's best estimates at this time, given the uncertainties related to the regulatory approval process and market conditions.

			Estimated Equivalent if/when Developed		
Land Held for Development, by Community	**Net Book Value**	**Land** [1] (acres)	**Single-family** (lots)	**Multi-family** (acres)	**Commercial** (acres)
Airdrie - Bayside, Bayview	37,598	111	743	2	2
Calgary N - Lewiston (owned by LLLP)	51,862	134	952	3	4
Calgary SE - Logan Landing	51,983	354	1,606	7	3
Calgary E - Huxley	31,810	161	1,368	-	-
Rocky View County - North Conrich	6,835	425	-	-	-
Rocky View County - OMNI	5,329	185	-	-	-
	185,417	1,370	4,669	12	9
Other lands - non-core	1,958	300	-	-	-
Total	**187,375**	**1,670**	**4,669**	**12**	**9**

[1] Land not yet subdivided into single-family and other lots or parcels

Amounts Receivable

	September 30, 2023	December 31, 2022	% change
Amounts receivable	**24,276**	22,165	9.5%

Genesis generally receives a minimum 15% non-refundable deposit at the time of entering into a sale agreement for residential lots with a third party builder. Title to a lot or home that is contracted for sale is not transferred by Genesis to the builder or purchaser until full payment is received, thus mitigating credit risk. There are no amounts receivable past due.

The increase of $2,111 in amounts receivable was mainly due to higher lot sales to third party builders. As at Q3 2023, Genesis had $23,151 (172 lots) in amounts receivable related to third party builders compared to $21,207 (155 lots) in amounts receivable as at YE 2022.

Individual balances due from third party builders at Q3 2023 that were 10% or more of total amounts receivable were $23,151 from two third party builders (YE 2022 - $21,207 from two third party builders).

Cash Flows (used in) from Operating Activities

Results from operations, including earnings and cash flows, vary considerably between periods for the reasons explained under the heading "*Factors Affecting Results of Operations"* in this MD&A.

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Cash flows (used in) from operating activities	**(9,922)**	(2,737)	**5,702**	(42,070)
Cash flows (used in) from operating activities per share - basic and diluted	**(0.17)**	(0.05)	**0.10**	(0.74)

The changes in cash flows from operating activities between Q3 2023 and Q3 2022 consist of the following:

	Three months ended September 30,		
	2023	**2022**	**$ change**
Cash inflows from sale of residential homes by GBG	**41,811**	26,609	15,202
Cash inflows from sale of residential lots	**3,348**	3,526	(178)
Cash inflows from sale of development land	**-**	7,453	(7,453)
Cash outflows for home building activity	**(29,743)**	(24,074)	(5,669)
Cash outflows for land servicing	**(18,066)**	(10,863)	(7,203)
Cash outflows for land and lot acquisitions	**(2,052)**	(825)	(1,227)
Cash outflows paid to suppliers and employees	**(5,191)**	(4,130)	(1,061)
Other cash inflows	**449**	26	423
Income tax payments	**(478)**	(459)	(19)
Total	**(9,922)**	(2,737)	(7,185)

The changes in cash flows from operating activities between YTD 2023 and YTD 2022 consist of the following:

	Nine months ended September 30,		
	2023	**2022**	**$ change**
Cash inflows from sale of residential homes by GBG	**114,838**	70,624	44,214
Cash inflows from the sale of ownership interest in LLLP	**11,760**	-	11,760
Cash inflows from sale of residential lots	**11,659**	13,607	(1,948)
Cash inflows from sale of development land	**4,242**	9,653	(5,411)
Cash outflows for home building activity	**(76,484)**	(58,446)	(18,038)
Cash outflows for land servicing	**(36,047)**	(25,605)	(10,442)
Cash outflows for land and lot acquisitions	**(6,904)**	(35,851)	28,947
Cash outflows paid to suppliers and employees	**(15,778)**	(12,785)	(2,993)
Other cash inflows	**1,066**	435	631
Income tax payments	**(2,650)**	(3,702)	1,052
Total	**5,702**	(42,070)	47,772

The increases in cash inflows from the sale of residential homes by GBG is primarily related to increases in the volume of homes sold. Genesis sells residential lots to third party builders and typically receives 15% of the purchase price as a non-refundable deposit from the builder. On receipt of a minimum 15% non-refundable deposit after agreed to services pertaining to the property have been substantially performed, Genesis recognizes all of the sales revenue. The balance of the purchase price is generally received in cash at the time of closing of the sale by the third party builder to a home buyer, which can be many months later, resulting in a timing difference between sales revenue recognition and the actual receipt of cash.

The year over year change in cash flows from operating activities is mainly due to higher cash inflows from the sale of residential homes and the sale of ownership interests in LLLP and lower cash outflows for land and lot acquisitions. These were partially offset by higher cash outflows for home building and land servicing activities and lower cash inflows from residential lots and development land sales. In YTD 2022, cash outflows for lots and land acquisitions include the $26,964 payment for the acquisition of approximately 157 acres of future residential development land (Huxley) in the Belvedere ASP in the City of Calgary as well as the payment of $3,300 non-refundable deposit for the acquisition of approximately 160 acres of future residential development land in southeast Calgary. Higher outflows on home building activities in YTD 2023 reflect the large number of spec homes and outstanding new home orders for which homes are being built. In addition, lower income tax payments were made in YTD 2023 compared to YTD 2022.

LIABILITIES AND SHAREHOLDERS' EQUITY

The following table presents Genesis' liabilities and equity at Q3 2023 and YE 2022:

	September 30,		December 31,	
	2023	**% of total**	**2022**	**% of total**
Loan and credit facilities	**66,422**	**16%**	65,057	18%
Provision for future development costs	**18,879**	**5%**	24,034	7%
Customer deposits	**18,793**	**5%**	15,753	4%
Accounts payable and accrued liabilities	**31,528**	**8%**	12,470	3%
Accounts payable related to residential lot purchases	**32,739**	**8%**	17,944	5%
Lease liabilities	**769**	**0%**	841	0%
Income tax payable	**-**	**0%**	704	0%
Total liabilities	**169,130**	**42%**	136,803	37%
Non-controlling interest	**10,189**	**2%**	2,705	1%
Shareholders' equity	**227,985**	**56%**	224,632	62%
Total liabilities and equity	**407,304**	**100%**	364,140	100%

The ratio of total liabilities to equity is as follows:

	September 30, 2023	**December 31, 2022**
Total liabilities	**169,130**	136,803
Total equity	**238,174**	227,337
Total liabilities to equity (1)	**71%**	60%

(1) Calculated as total liabilities divided by total equity

Loan and Credit Facilities

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Corporate revolving line of credit	**19,024**	21,257	11,350	25,626	28,688
Demand land project servicing loans	**11,552**	10,156	11,682	12,522	8,450
Demand operating line - LLLP	**21,336**	20,931	20,554	20,198	-
Demand land project servicing loan - LLLP	**4,179**	-	-	-	-
Demand operating line for single-family homes	**11,110**	8,575	6,732	7,364	4,163
	67,201	60,919	50,318	65,710	41,301
Unamortized deferred fees on loan and credit facilities	**(779)**	(774)	(864)	(653)	(639)
Balance, end of period	**66,422**	60,145	49,454	65,057	40,662

The continuity of Genesis' loan and credit facilities, excluding deferred fees, is as follows:

	Nine months ended September 30, 2023	Year ended December 31, 2022
Balance, beginning of period	**65,710**	33,260
Advances	**44,392**	84,151
Repayments	**(42,901)**	(51,701)
Balance, end of period	**67,201**	65,710

Loan and credit facilities are used primarily to finance the costs of developing land, building homes and for land purchases. Genesis accesses these facilities, cash from operations and cash on hand in a balanced manner to finance its operations.

Genesis has various covenants in place with its lenders with respect to its loan and credit facilities. Such covenants include credit usage restrictions; cancellation, prepayment, confidentiality and cross default clauses; sales coverage requirements; conditions precedent for funding; and other terms such as, but not limited to, maintaining contracted lot prices, restrictions on encumbrances, liens and charges, material changes to project plans, and material changes in the Corporation's ownership structure.

Genesis and its consolidated entities were in compliance with all lender covenants for all periods in this MD&A.

Corporate revolving line of credit

Genesis has a corporate revolving line of credit with a major Canadian financial institution at an interest rate per annum of prime +1.90%. This is secured by specific dedicated lands and a general corporate charge on all assets of the Corporation. As at September 30, 2023, the amount drawn on this facility was $19,024 (YE 2022 - $25,626). In January 2023, the facility was extended and now matures on February 1, 2026.

Demand land project servicing loans

As at September 30, 2023, Genesis had land project servicing facilities with $11,552 drawn (YE 2022 - $12,522). Up to $10,336 is available to finance future development and servicing costs as land development activities progress. These facilities bear interest at prime +0.50% per annum, mature between May 12, 2024 and March 19, 2025 and are secured by agreements receivable, real estate held for development and sale, and a corporate guarantee.

Demand operating line for LLLP

LLLP has a demand operating credit facility of $21,500 with a major Canadian chartered bank at an interest rate per annum of prime +0.50%. This facility is secured by specific lands, and a Genesis corporate guarantee, and matures on October 27, 2025. As at September 30, 2023, the amount drawn on this facility was $21,336 (YE 2022 - $20,198).

Demand land project servicing loan for LLLP

In Q2 2023 LLLP entered into a demand land project servicing credit facility up to $35,428 with a major Canadian chartered bank at an interest rate per annum of prime +0.50%. This facility is secured by specific lands, and a Genesis corporate guarantee, and matures on July 31, 2026. As at September 30, 2023, the amount drawn on this facility was $4,179.

Demand operating line for single-family homes and lots

GBG has a demand operating line of $25,000 bearing interest at prime +0.75% per annum. This facility is secured by housing projects under development and a corporate guarantee. As at September 30, 2023, the amount drawn on this facility was $11,110 (YE 2022 - $7,364). The facility does not have a specified maturity date.

Provision for Future Development Costs

When Genesis sells lots, land parcels and homes, it remains responsible for the payment of certain future development costs known as provision for future development costs ("FDC").

In Genesis' land development business, FDC represents the estimated remaining construction and other development costs related to each lot or parcel that has previously been sold by Genesis, if any. These estimated costs include the direct and indirect construction and other development costs, including municipal levies, expected to be incurred by Genesis during the remainder of the development process, net of expected future recoveries from third parties that are allocable to the relevant lot or parcel. FDC is reviewed periodically and, when a prior estimate is known to be different from the actual costs incurred or expected to be incurred, an adjustment is made to FDC and a corresponding adjustment is made to cost of sales and in some cases, to real estate held for development and sale.

FDC for GBG are estimated future costs relating to previously sold homes, which are primarily for seasonal and other work (such as finishing and landscaping) and estimated warranty expenses over the one-year warranty period.

FDC as at Q3 2023 was $13,699 for the land division (YE 2022 - $20,105) and $5,180 for GBG (YE 2022 - $3,929). For additional details, please see information provided under the heading "*Critical Accounting Estimates"* in this MD&A.

LIQUIDITY AND CAPITAL RESOURCES

Genesis had cash and cash equivalents of $34,961 and loan and credit facilities of $66,422 at Q3 2023 compared to $36,598 and $65,057 respectively at YE 2022, resulting in net debt (refer to heading "*Non-GAAP Measures"* in this MD&A) of $31,461 at Q3 2023 compared to net debt (refer to heading "*Non-GAAP Measures"* in this MD&A) of $28,459 at YE 2022. The components of loan and credit facilities are detailed below. For additional details, please see information provided under the heading "*Loan and Credit Facilities"* in this MD&A.

	September 30, 2023	**December 31, 2022**	**% change**
Cash and cash equivalents	**34,961**	36,598	(4.5%)
Corporate revolving line of credit	**18,424**	25,104	(26.6%)
Demand land project servicing and home building loans	**22,625**	19,815	14.2%
Demand land project servicing and operating line - LLLP	**25,373**	20,138	26.0%
Total loan and credit facilities	**66,422**	65,057	2.1%
Net debt (1) (2)	**(31,461)**	(28,459)	10.5%

(1) Calculated as the difference between cash and cash equivalents and total loan and credit facilities
(2) Non-GAAP financial measure. Refer to heading "Non-GAAP Measures" in this MD&A

Loan and credit facilities as a percentage of total assets [1]	September 30, 2023	December 31, 2022	% change
Corporate revolving line of credit	**4.5%**	6.9%	(34.8%)
Demand land project servicing and home building loans	**5.6%**	5.4%	3.7%
Demand land project servicing and operating line - LLLP	**6.2%**	5.5%	12.7%
Loan and credit facilities to total assets	**16.3%**	17.8%	(8.9%)
Total liabilities to equity [2]	**71.0%**	60.2%	17.9%

[1] Calculated as each component of loan and credit facilities divided by total assets
[2] Calculated as total liabilities divided by total equity

Net debt [1] as a percentage of total assets	September 30, 2023	December 31, 2022	% change
Cash and cash equivalents	**34,961**	36,598	(4.5%)
Loan and credit facilities	**66,422**	65,057	2.1%
Net debt [1] [2]	**(31,461)**	(28,459)	10.5%
Net debt to total assets [3]	**(7.7%)**	(7.8%)	(1.3%)

[1] Non-GAAP financial measure. Refer to heading "Non-GAAP Measures" in this MD&A
[2] Calculated as the difference between cash and cash equivalents and total loan and credit facilities
[3] Calculated as net debt divided by total assets

Based on the Corporation's operating history, relationships with lenders and committed sales contracts, management believes that Genesis has the ability to continue to renew or repay its financial obligations as they become due. The Corporation expects to generate sufficient liquidity from its cash flows from operating activities, undrawn credit facilities and cash on hand to meet its financial obligations (including the above liabilities) and commitments as they become due.

Finance Expense

	Three months ended September 30,			Nine months ended September 30,		
	2023	2022	% change	2023	2022	% change
Interest incurred	**(1,340)**	(494)	N/R [1]	**(3,378)**	(1,002)	N/R [1]
Financing fees amortized	**(100)**	(85)	17.6%	**(280)**	(253)	10.7%
Interest and financing fees capitalized	**291**	297	(2.0%)	**661**	513	28.8%
	(1,149)	(282)	N/R [1]	**(2,997)**	(742)	N/R [1]

[1] Not relevant due to size of the change

Finance expenses were higher in Q3 2023 and YTD 2023 compared to the same periods in 2022 mainly due to higher interest rates and higher average loan balances. Interest and financing fees are capitalized as a component of development activities.

The weighted average interest rate of loan agreements with various financial institutions was 8.14% (Q3 2022 - 6.95%) based on September 30, 2023, balances.

Income Tax Recoverable (Payable)

The continuity in income tax recoverable (payable) is as follows:

	Nine months ended September 30, 2023	Year ended December 31, 2022
Balance, beginning of period	**(704)**	(2,092)
Provision for current income tax	**(1,130)**	(2,858)
Net payments	**2,650**	4,246
Balance, end of period	**816**	(704)

As at September 30, 2023, income tax recoverable of $816 is due to tax installments paid during the year.

Shareholders' Equity

As at November 8, 2023, the Corporation had 56,830,723 common shares issued and outstanding. The common shares of the Corporation are listed for trading on the Toronto Stock Exchange under the symbol "GDC".

The Corporation purchased and cancelled common shares under its NCIBs as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Number of shares purchased and cancelled	**19,860**	-	**30,522**	-
Total cost	**43**	-	**66**	-
Average price per share purchased	**2.18**	-	**2.17**	-
Shares cancelled as a % of common shares outstanding at beginning of period	**0.03%**	-	**0.05%**	-

During YTD 2023, the Corporation purchased and cancelled 30,522 common shares for $66 at an average cost of $2.17 per share (representing 0.05% of issued and outstanding shares at the beginning of period) compared to nil purchase in YTD 2022.

During Q3 2023, the Corporation purchased and cancelled 19,860 common shares for $43 at an average cost of $2.18 per share (representing 0.03% of issued and outstanding shares at the beginning of period) compared to nil purchase in Q3 2022.

The Corporation repurchased 2,090 common shares between October 1, 2023 and November 8, 2023 for cancellation for $5 at an average cost of $2.27 per share under the NCIB. As of the date of this MD&A, there are 2,810,554 common shares remaining for purchase under the currently authorized NCIB.

Contractual Obligations and Debt Repayment

Contractual obligations (excluding accounts payable, accrued liabilities, income tax payable, customer deposits and provision for future development costs) at Q3 2023 were as follows:

	Loan and Credit Facilities (1)	Levies and Municipal Fees	Lot Purchase Contracts (2)	Land Purchase Contracts (3)(4)	Lease Obligations (5)	Total
Current	13,800	8,516	13,130	6,754	589	**42,789**
October 2024 to September 2025	8,861	5,050	10,583	31,222	452	**56,168**
October 2025 to September 2026	44,540	4,428	2,556	4,522	421	**56,467**
October 2026 to September 2027	-	-	-	4,522	177	**4,699**
October 2027 and thereafter	-	-	-	4,522	-	**4,522**
Total	67,201	17,994	26,269	51,542	1,639	**164,645**

(1) Excludes deferred fees on loan and credit facilities
(2) Lot purchase contracts are from both third party-developers and from LLLP
(3) Includes $24,842 related to the purchase of approximately 460 acres of future residential development land in the southeast sector of the City of Calgary. The purchase is scheduled to close on November 20, 2023 with a lump sum payment of $6,754 due at the date of closing, and the remaining balance paid over four years in equal installments of $4,522 with the first payment due in November 2024
(4) Includes $26,700 related to the purchase of approximately 160 acres of future residential development land in the southeast sector of the City of Calgary. The purchase is scheduled to close on January 31, 2025
(5) Includes variable operating costs

Levies and municipal fees are related to municipal agreements signed by Genesis on commencement of development of certain real estate assets. Non-payment of levies and municipal fees could result in the municipalities drawing upon letters of credit or surety bonds, impact the development of the associated real estate assets and impact Genesis' status as a developer with the municipality. Genesis is current with regard to all levies and fees due to municipal authorities.

Lot purchase contracts are related to the purchase of lots from third-party developers and LLLP as part of GBG's operations. These contracts generally require an initial deposit with the balance of the contract price being paid at agreed future dates.

Land purchase contracts are related to the purchase of future residential development lands as part of growth strategy.

Genesis has certain lease agreements that are entered in the normal course of operations. Genesis signed a sublease for a new head office in Calgary in April 2020. The sublease expires in February 2027 and the total payments over the remaining term of the lease for base rent and parking is $608. In the event the office lease is terminated early, Genesis is liable to pay the landlord for the loss of its income for the unexpired portion of the lease, in addition to damages and other expenses incurred by the landlord, if any. Genesis also has other minor operating leases.

As a normal part of business, Genesis has entered into arrangements and incurred obligations that will impact future operations and liquidity, some of which are reflected as short-term liabilities.

Current Contractual Obligations and Commitments

	September 30, 2023	December 31, 2022
Loan and credit facilities, excluding deferred fees on loan and credit facilities	**13,800**	7,364
Accounts payable and accrued liabilities	**31,528**	12,470
Accounts payable related to residential lot purchases	**24,899**	13,036
Total short-term liabilities	**70,227**	32,870
Levies and municipal fees	**8,516**	7,475
Lot purchase contracts	**13,130**	7,401
Land purchase contracts	**6,754**	531
Lease obligations	**589**	547
	99,216	48,824

As at the end of Q3 2023, Genesis had obligations due within the next 12 months of $99,216 of which $13,800 related to loan and credit facilities. Repayment is either linked directly to the collection of lot receivables and sales proceeds or due at maturity. Management expects that Genesis will have sufficient liquidity from its cash flows from operating activities, supplemented by undrawn credit facilities and cash on hand, to meet its financial obligations (including the above liabilities) as they become due.

OFF BALANCE SHEET ARRANGEMENTS

Letters of Credit and Surety Bonds

Genesis has an ongoing requirement to provide irrevocable letters of credit and surety bonds to municipalities as part of the subdivision plan registration process. These letters of credit and surety bonds indemnify the municipalities by enabling them to draw upon them if Genesis does not perform its contractual obligations. At Q3 2023, these amounted to approximately $7,303 (YE 2022 - $5,414).

Levies and Municipal Fees

For additional details, please see information provided under the heading "*Contractual Obligations and Debt Repayment"* in this MD&A.

Land and Lot Purchase Contracts

For additional details, please see information provided under the heading "*Contractual Obligations and Debt Repayment"* in this MD&A.

SUMMARY OF QUARTERLY RESULTS

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Revenues	**41,173**	53,188	37,349	54,157	43,610	22,211	20,379	26,531
Net earnings (loss) [(1)]	**2,203**	4,093	160	3,062	1,857	97	(496)	4,252
EPS [(2)]	**0.04**	0.07	0.00	0.05	0.04	0.00	(0.01)	0.09

(1) Net earnings (loss) attributable to equity shareholders
(2) Net earnings (loss) per share - basic and diluted

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Dividends declared and paid	**-**	4,833	-	4,265	4,265	-	-	-
Dividends declared and paid - per share	**-**	0.085	-	0.075	0.075	-	-	-

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Residential lots sold to third parties (units)	**1**	45	30	84	54	2	4	2
Residential lots sold through GBG (units)	**43**	59	32	22	20	22	28	47
Total residential lots sold (units)	**44**	104	62	106	74	24	32	49

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Homes sold (units)	**71**	69	60	57	45	36	31	51

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Development land revenues	**-**	4,242	-	6,338	7,453	-	2,200	-

Cash flows (used in) from operating activities	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Amount	**(9,922)**	7,590	8,034	(1,686)	(2,737)	(12,891)	(26,442)	(6,326)
Per share - basic and diluted	**(0.17)**	0.13	0.14	(0.03)	(0.05)	(0.22)	(0.47)	(0.15)

In general, revenues and net earnings are mainly affected by the volume of residential lot and home sales, development land parcel sales, and write-downs or reversals of write-downs, if any. Seasonality affects the land development and home building industry in Canada, particularly winter weather conditions. For additional details, please see information provided under the heading "*Factors Affecting Results of Operations"* in this MD&A which discusses the factors that affect Genesis' results and seasonality further.

During Q3 2023, Genesis sold one residential lot to third party builders and 71 homes of which 43 homes were built on Genesis' lots. Revenues were lower in Q3 2023, compared to Q2 2023, due to lower residential lot sales to third parties, lower residential home sales, and no development land sales during the quarter. Gross margins in Q3 2023 were lower than in Q2 2023. General and administrative expenses and net finance expenses were higher compared to Q2 2023. Income tax expenses were $807 in Q3 2023 compared to $1,070 in Q2 2023. As a result of these factors, net earnings were $2,203 in Q3 2023 compared to net earnings of $4,093 in Q2 2023.

During Q2 2023, Genesis sold 45 residential lots to third party builders and 69 homes of which 59 homes were built on Genesis' lots. Revenues were higher in Q2 2023, compared to Q1 2023, due to higher residential home sales, residential lot sales to third parties and a development land sale during the quarter. Gross margins in Q2 2023 were higher than in Q1 2023. General and administrative expenses and net finance expenses were lower while selling and marketing expenses were higher in Q2 2023 compared to Q1 2023. Income tax expenses were $1,070 in Q2 2023 compared to $39 in Q1 2023. As a result of these factors, net earnings were $4,093 in Q2 2023 compared to net earnings of $160 in Q1 2023.

During Q1 2023, Genesis sold 30 residential lots to third party builders and 60 homes of which 32 homes were built on Genesis' lots. Revenues were lower in Q1 2023, compared to Q4 2022, due to lower residential home sales, residential lot sales to third parties and development land sales during the quarter. Q1 2023 included no write-down or reversal of write-down, while Q4 2022 included $1,086 related to net reversal of write-downs previously taken. Therefore, gross margins in Q1 2023 were lower than in Q4 2022. In Q1 2023, there was no change in the fair value of the Corporation's investments in land development entities, while a gain of $560 was recorded in Q4 2022. Selling and marketing expenses, general and administrative expenses and net finance expenses were marginally higher in Q1 2023 compared to Q4 2022. Income tax expenses were $39 in Q1 2023 compared to $836 in Q4 2022. As a result, net earnings were $160 in Q1 2023 compared to net earnings of $3,062 in Q4 2022.

During Q4 2022, Genesis sold 84 residential lots to third party builders and 57 homes of which 22 homes were built on Genesis' lots. Revenues were higher in Q4 2022, compared to Q3 2022, due to higher residential home sales and residential lot sales to third parties, partially offset by lower development land sales during the quarter. Q4 2022 included $1,086 related to net reversal of write-downs previously taken, while Q3 2022 included no write-down or reversal of write-down. Gross margins in Q4 2022 were higher than in Q3 2022 with residential lots and development land sales all contributing to this. In Q4 2022, the Corporation recorded $560 as a gain in investments in land development entities with no gain recorded in Q3 2022. Selling and marketing expenses, general and administrative expenses and net finance expenses were higher in Q4 2022 compared to Q3 2022. Income tax expenses were $836 in Q4 2022 compared to $680 in Q3 2022. As a result, net earnings were $3,062 in Q4 2022 compared to net earnings of $1,857 in Q3 2022.

During Q3 2022, Genesis sold 54 residential lots to third party builders and 45 homes of which 20 homes were built on Genesis' lots. Revenues were higher in Q3 2022, compared to Q2 2022, due to higher residential home sales, residential lot sales to third parties and development land sales during the quarter. As a result, gross margins in Q3 2022 were higher than in Q2 2022. Selling and marketing expenses and net finance expenses were higher while general and administrative expenses were lower in Q3 2022 compared to Q2 2022. Income tax expenses were $680 in Q3 2022 compared to $84 in Q2 2022. As a result of these factors, net earnings were $1,857 in Q3 2022 compared to net earnings of $97 in Q2 2022.

During Q2 2022, Genesis sold 2 residential lots to third party builders and 36 homes of which 22 homes were built on Genesis' lots. Revenues were higher in Q2 2022, compared to Q1 2022, due to higher residential home sales, partially offset by lower development land sales and residential lot sales to third parties during the quarter. As a result, gross margins in Q2 2022 were higher than in Q1 2022. General and administrative, selling and marketing, net finance expenses and income tax expenses were comparable between Q2 2022 to Q1 2022. As a result of these factors, net earnings were $97 in Q2 2022 compared to a net loss of $496 in Q1 2022.

During Q1 2022, Genesis sold 4 residential lots to third party builders and 31 homes of which 28 homes were built on Genesis' lots. Revenues were lower in Q1 2022, compared to Q4 2021, due to lower residential home sales, partially offset by higher development land and residential lot sales to third parties during the quarter. Q1 2022 included no write-down or reversal of write-down, while Q4 2021 included a reversal of write-down of $3,265. Gross margins in Q1 2022 were lower than in Q4 2021 accordingly. In Q1 2022, there was no change in investments in land development entities, while the Corporation recorded a gain of $562 in Q4 2021. General and administrative expenses and net finance expenses were marginally higher while selling and marketing expenses were lower in Q1 2022 compared to Q4 2021. Income tax expenses were $28 in Q1 2022 compared to $1,226 in Q4 2021. As a result of these factors, a net loss was $496 in Q1 2022 compared to net earnings of $4,252 in Q4 2021.

During Q4 2021, Genesis sold 2 residential lots to third party builders and 51 homes of which 47 homes built on Genesis' lots. Revenues were lower in Q4 2021, compared to Q3 2021, due to no development land sales and significantly lower residential lot sales, with this being partially offset by higher residential home sales during the quarter. Q4 2021 included $3,265 related to reversal of write-downs previously taken, while Q3 2021 included a $1,003 corresponding reversal of a write-down. Gross margins in Q4 2021 were higher than in Q3 2021 with residential lots and home sales all contributing to this. In Q4 2021, the Corporation recorded $562 as a gain in investments in land development entities with no gain recorded in Q3 2021. General and administrative expenses, selling and marketing expenses and net finance expenses were higher in Q4 2021 compared to Q3 2021. Income tax expenses were $1,226 in Q4 2021 compared to $801 in Q3 2021. As a result of these factors, net earnings in Q4 2021 were higher than in Q3 2021.

RELATED PARTY TRANSACTIONS

Transactions occurred during the nine months ended September 30, 2023, with the following related parties:

In 2005, the Corporation sold a 49% undivided interest in approximately 610 acres to Genesis Limited Partnership #4 and GLP5 NE Calgary Development Inc. (collectively, "LP4/5 group") for $7,670. In July 2022, the Corporation repurchased from LP4/5 group their 49% undivided interest in 456 acres of land for $6,699 with LP4/5 group still owning a 49% undivided interest in the remaining 154 acres of land. Cash proceeds to LP4/5 group were $5,038 with the remainder of $1,661 being applied against debt owed to the Corporation by LP4/5 group. In February 2023, the Corporation paid $1,253 to GLP5 NE Calgary Development Inc. to acquire an additional 25 acres in the OMNI project in North Conrich. This results in Genesis holding a 100% interest in 456 acres of land and a 73% interest (previously 59%) in the 185-acre OMNI project, with the remaining 27% being held by Genesis Limited Partnership #4.

SUBSEQUENT EVENTS

Subsequent to September 30, 2023, the following occurred:

On November 8, 2023, Genesis declared a dividend of $0.085 per common share for a total of $4,831, payable on December 8, 2023, to shareholders of record on November 21, 2023.

SUMMARY OF ACCOUNTING CHANGES

The Corporation adopted no new IFRSs or interpretations as of January 1, 2023.

CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments and estimates that affect the reported amounts of revenues, expenses (including stock-based compensation), assets and liabilities, and the disclosure of contingent liabilities at the reporting date for the land development and the home building businesses. On an ongoing basis, management evaluates its judgments and estimates in relation to revenues, expenses, assets and liabilities. Management uses historical experience, third party appraisals and reports and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. There were no material changes made to the critical accounting estimates for Q3 2023 and Q3 2022. Refer to note 2(q) in the consolidated financial statements for the years ended December 31, 2022 and 2021 for additional information on judgments and estimates.

Provision for Future Development Costs

Changes in estimated future development costs (net of recoveries, if any) related to land, lots and homes previously sold by Genesis and for which it has ongoing obligations directly impacts the amount recorded for the future development liability, cost of sales, gross margin and, in some cases, the value of real estate under development and held for sale. This liability is subject to uncertainty due to the longer time frames involved, particularly in land development.

Reversal of Write-down / Write-down of Real Estate Held for Development and Sale

The Corporation estimates the net realizable value ("NRV") of real estate held for development and sale at least annually or whenever events or changes in circumstances indicate the carrying value may exceed NRV. The estimate is based on valuations conducted by independent real estate appraisers, other professional reports and estimates and takes into account recent market transactions of similar and adjacent lands and housing projects in the same geographic area.

Valuation of Amounts Receivable

Amounts receivable are reviewed on a regular basis to estimate recoverability of balances. Any overdue amounts and any known issues about the financial condition of debtors are taken into account when estimating recoverability.

Investments in Land Development Entities

The fair value of investments in land development entities are based on the market approach method. This method uses prices and other relevant information that have been generated by market transactions involving identical or comparable assets.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer of the Corporation have designed Genesis' Disclosure Controls and Procedures ("DC&P") and Internal Control over Financial Reporting ("ICFR") and certified that Genesis' DC&P and ICFR were effective as at September 30, 2023.

There were no changes in the Corporation's ICFR during the three months ended September 30, 2023 that have materially affected or are reasonably likely to materially affect the Corporation's ICFR.

RISKS AND UNCERTAINTIES

In the normal course of business, Genesis is exposed to certain risks and uncertainties inherent in the real estate development and home building industries. Real estate development and home building are cyclical and capital-intensive businesses. As a result, the profitability and liquidity of Genesis could be adversely affected by external factors beyond the control of management. Risks and uncertainties faced by Genesis include industry risk, competition, supply and demand, geographic risk, development and construction costs, credit and liquidity risks, finance risk, interest risk, management and key personnel risk, mortgage rates and financing risk, general uninsured losses, cyber-security and business continuity risk, environmental risk and government regulations.

In Q3 2023, the Alberta economy continued to grow driven by increased immigration and continued strong prices for oil and natural gas and. In 2023 the increase in home prices, rising lending rates and continued inflationary pressures weighed on demand. This is offset by historically low home supply and continued robust population growth. While overall demand increased in Q3 2023, given the volatile economy, it is not possible to reliably estimate the length and overall impact of these developments and the impact on the financial results and condition of the Corporation in future periods.

There may be additional risks that management may need to consider from time to time. For a more detailed discussion on the Corporation's risk factors, refer to Genesis' AIF for the year ended December 31, 2022 available on SEDAR at www.sedarplus.com.

NON-GAAP MEASURES

Non-GAAP measures do not have any standardized meaning according to IFRS, and therefore may not be comparable to similar measures presented by other reporting issuers.

Net debt is a non-GAAP measure, and therefore may not be comparable to similar measures presented by other reporting issuers. Net debt is calculated as the difference between cash and cash equivalents and loan and credit facilities. Management believes that net debt is an important measure to monitor leverage and evaluate the balance sheet. The most comparable GAAP financial measure is loan and credit facilities.

The table below shows the calculation of net debt:

	September 30, 2023	**December 31, 2022**
Cash and cash equivalents	**34,961**	36,598
Loan and credit facilities	**66,422**	65,057
Net debt	**(31,461)**	(28,459)

OTHER

Additional information relating to the Corporation can be found on SEDAR at www.sedarplus.com.

ADVISORIES

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain statements which constitute forward-looking statements or information ("forward-looking statements") within the meaning of applicable securities legislation, including Canadian Securities Administrators' National Instrument 51-102 - *Continuous Disclosure Obligations*, concerning the business, operations and financial performance and condition of Genesis. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "proposed", "scheduled", "future", "likely", "seeks", "estimates", "plans", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Although Genesis believes that the anticipated future results, performance or achievements expressed or implied by forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors many of which are beyond the Corporation's control, which may cause the actual results, performance or achievements of Genesis to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Accordingly, Genesis cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements.

Forward-looking statements are based on material factors or assumptions made by us with respect to, among other things, opportunities that may or may not be pursued by us; changes in the real estate industry; fluctuations in the Canadian and Alberta economy; changes in the number of lots sold and homes delivered per year; and changes in laws or regulations or the interpretation or application of those laws and regulations. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Forward-looking statements in this MD&A and factors that could cause actual results to differ materially from such statements include, but are not limited to, those outlined in the following table:

Forward-looking statements in this MD&A include, but are not limited to:	Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to:
• the availability of excess cash on hand and its proposed use; • the future exercise of any right to purchase; • the future payment of dividends and/or common share buybacks; • the timing and approval of the conceptual scheme for the OMNI ASP and planning for an interchange to provide site access; • the anticipated number of housing units in the various communities upon completion; • the expected completion dates of various projects that GBG is currently engaged in, the timeline for pre-construction homes and anticipated lot yields for projects under development; • plans and strategies surrounding the acquisition of additional land; • commencement of the servicing phase and the construction phase of various communities and projects; • the financing of such phases and expected increased leverage; • anticipated general economic and business conditions, including forecasted economic growth; • potential changes, if any, to the federal mortgage lending rules and other rules that may impact home ownership in Canada; • expectations for lot and home prices; • construction starts and completions; • future development costs; • anticipated expenditures on land development activities; • GBG's sales process and construction margins; • the payment of dividends; and • the ability to continue to renew or repay financial obligations and to meet liabilities as they become due.	• the impact of contractual arrangements and incurred obligations on future operations and liquidity; • local real estate conditions, including the development of properties in close proximity to Genesis' properties and the strength and growth of the Calgary economy; • the uncertainties of real estate development and acquisition activity; • fluctuations in interest and inflation rates; • ability to access and raise capital and debt financing on favorable terms, or at all; • not realizing on the anticipated benefits from transactions or not realizing on such anticipated benefits within the expected time frame; • the cyclicality of the oil and gas industry; • changes in the Canadian US dollar exchange rate; • labour matters; • product availability due to supply chain issues and (or) cost increases; • governmental laws and regulations; • general economic and financial conditions; • stock market volatility; and • other risks and factors described from time to time in the documents filed by Genesis with the securities regulators in Canada available at www.sedarplus.com, including in this MD&A under the heading "*Risks and Uncertainties*" and the AIF under the heading "*Risk Factors*".

The forward-looking statements contained in this MD&A are made as of the date of this MD&A, based only on information currently available to us, and, except as required by applicable law, Genesis does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise.