Opportunities in a *Changing Economy:* First Quarterly Report 2025

Condensed Consolidated Interim Financial Statements

BTB

Condensed Consolidated Interim *Financial Statements*

Three-month period ended March 31, 2025

2600 Alfred-Nobel Boulevard, St-Laurent, QC

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - in thousands of CAD dollars)

	Notes	As at March 31, 2025	As at December 31, 2024
		$	$
Assets			
Investment properties	3	1,235,460	1,233,282
Property and equipment		190	208
Derivative financial instruments	9	-	1,678
Prepaid expenses and deposits		6,144	3,093
Finance lease receivable		10,405	10,415
Receivables	4	6,810	4,856
Cash and cash equivalents		5,450	2,471
Total assets		**1,264,459**	**1,256,003**
Liabilities and unitholders' equity			
Mortgage loans payable	5	659,359	662,913
Convertible debentures	6	34,648	19,346
Bank loans	7	34,276	44,298
Lease liabilities		8,676	8,681
Class B LP Units	8	2,371	2,343
Unit-based compensation	10	2,182	2,081
Derivative financial instruments	9	3,602	737
Trade and other payables		21,196	19,121
Distribution payable to unitholders		2,206	2,201
Total liabilities		**768,516**	**761,721**
Unitholders' equity		**495,943**	**494,282**
		1,264,459	**1,256,003**

See accompanying notes to condensed consolidated interim financial statements.

Approved by the Board on May 2, 2025.

Michel Léonard, Trustee

Jocelyn Proteau, Trustee

Condensed Consolidated Interim Statements of Comprehensive Income

(Unaudited - in thousands of CAD dollars)

		For the three-month periods ended March 31,	
	Notes	2025	2024
		$	$
Operating revenues			
Rental revenue	12	34,411	32,636
Operating expenses			
Public utilities and other operating expenses		7,468	6,829
Property taxes and insurance		7,122	7,447
		14,590	14,276
Net operating income		**19,821**	**18,360**
Financial income		427	573
Expenses			
Financial expenses		9,674	9,223
Distributions - Class B LP Units	8	52	52
Fair value adjustment – Class B LP Units	8	28	160
Net adjustment to fair value of derivative financial instruments		868	(325)
Net financial expenses	13	10,622	9,110
Administration expenses		2,018	2,474
Net change in fair value of investment properties and disposition expenses	3	-	196
Net income and comprehensive income for the period		**7,608**	**7,153**

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements Of Changes In Unitholders' Equity

(Unaudited - in thousands of CAD dollars)

	Notes	Unitholders' contributions	Cumulative distribution	Cumulative comprehensive income	Total
Balance as at January 1, 2025		**404,914**	**(254,319)**	**343,687**	**494,282**
Issuance of units, net of issuance expenses	11	667	-	-	667
Distribution to unitholders	11	-	(6,614)	-	(6,614)
		405,581	(260,933)	343,687	488,335
Comprehensive income		-	-	7,608	7,608
Balance as at March 31, 2025		**405,581**	**(260,933)**	**351,295**	**495,943**

	Notes	Unitholders' contributions	Cumulative distribution	Cumulative comprehensive income	Total
Balance as at January 1, 2024		**400,774**	**(228,065)**	**304,945**	**477,654**
Issuance of units, net of issuance expenses		1,446	-	-	1,446
Distribution to unitholders	11	-	(6,529)	-	(6,529)
		402,220	(234,594)	304,945	472,571
Comprehensive income		-	-	7,153	7,153
Balance as at March 31, 2024		**402,220**	**(234,594)**	**312,098**	**479,724**

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - in thousands of CAD dollars)

		For the three-month periods ended March 31,	
	Notes	2025	2024
		$	$
Operating activities			
Net income for the period		7,608	7,153
Adjusted for:			
Net change in fair value of investment properties and disposition expenses	3	-	(6)
Depreciation of property and equipment	14	18	17
Unit-based compensation	10	194	400
Straight-line lease adjustment	12	(381)	(394)
Lease incentive amortization	12	797	690
Financial income		(427)	(573)
Net financial expenses	13	10,622	9,110
		18,431	16,397
Adjustment for changes in other working capital items		(3,067)	(4,254)
Net cash from operating activities		**15,364**	**12,143**
Investing activities			
Additions to investment properties and others	3	(2,493)	(2,011)
Construction on investment property		(101)	-
Net proceeds from dispositions of investment properties and transaction cost	3	-	3,240
Acquisition of property and equipment		-	13
Net cash (used in) from investing activities		**(2,594)**	**1,242**
Financing activities			
Mortgage loans, net of financing expenses		1,066	9,623
Repayment of mortgage loans		(4,874)	(16,649)
Bank loans		(10,063)	8,401
Lease liability payments		(5)	(2)
Net proceeds from convertible debentures		38,172	-
Repayment of convertible debenture	6	(19,917)	-
Net distribution to unitholders		(6,035)	(5,629)
Net distribution – Class B LP units	8	(52)	(52)
Interest paid		(8,083)	(8,208)
Net cash (used in) from financing activities		**(9,791)**	**(12,516)**
Net change in cash and cash equivalents		**2,979**	**869**
Cash and cash equivalents, beginning of period		**2,471**	**912**
Cash and cash equivalents, end of period		**5,450**	**1,781**

See accompanying notes to condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

For the three-months ended March 31, 2025 and 2024
(Unaudited - in thousands of CAD dollars, except unit and per unit amounts)

1. Reporting Entity

BTB Real Estate Investment Trust ("BTB") is an unincorporated open-ended real estate investment trust formed and governed under the Civil code of Quebec pursuant to a trust agreement and is domiciled in Canada. The address of BTB's registered office is 1411 Crescent Street, Suite 300, Montreal, Quebec, Canada. The condensed consolidated interim financial statements of BTB for the three-month period ended March 31, 2025, and 2024 comprise BTB and its wholly-owned subsidiaries (together referred to as the "Trust") and the Trust's interest in joint operations.

2. Basis of Preparation

(a) Statement of compliance

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). They do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the Trust's consolidated financial statements for the year ended December 31, 2024.

The accounting policies applied by the Trust in these unaudited condensed interim financial statements are the same as those applied by the Trust in its consolidated financial statements for the year ended December 31, 2024.

These unaudited condensed consolidated interim financial statements were approved by the Board of Trustees on May 2, 2025.

(b) Risks and uncertainties related to the tariffs imposed by the United States

BTB is vulnerable to global economic conditions and their impact on Canada, including but not limited to general global economic uncertainty. The impacts or effects of recent announcements made by the United States regarding potential tariffs imposed on Canadian exports, and any retaliatory tariffs imposed on the United States by Canada, remain unknown and could have significant effects on the economy, which in turn could impact BTB's tenants and BTB's cash flows, financial condition and results of operations.

(c) Functional and presentation currency

These unaudited condensed consolidated financial statements are presented in Canadian dollars, which is BTB's functional currency. All financial information has been rounded to the nearest thousand, except per unit amounts.

(d) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Actual results may differ from these estimates, and the differences may be material.

3. Investment Properties

	Three-month period ended March 31,	Year ended December 31,
	2025	**2024**
	$	$
Balance beginning of period	1,233,282	1,207,522
Initial recognition of right-of-use assets	-	1,343
Dispositions of investment properties (note 3(b))	-	(6,206)
Construction on investment property	101	10,359
Capital expenditures	1,278	4,510
Capitalized leasing fees	557	1,350
Capitalized lease incentives	658	6,110
Lease incentives amortization	(797)	(3,167)
Straight-line lease adjustment	381	1,198
Net changes in fair value of investment properties	-	10,263
Balance end of period	**1,235,460**	**1,233,282**

On an annual basis, the Trust retains the services of independent external appraisers to evaluate the fair value of a significant portion of its portfolio. In addition, as part of acquisitions, financing, or refinancing transactions, or at the request of lenders, other properties are also independently appraised during the year. Management may also select properties based on its assessment of circumstances that in its view would require an independent external appraisal. These appraisers have appropriate professional qualifications and use recognized valuation techniques, comprising the discounted cash flow, the direct capitalization and comparable methods.

At March 31, 2025, no independent external appraisals were obtained for investment properties (December 31, 2024 - appraisals obtained for investment properties having a total fair value of $687,580).

The fair value of the remaining investment properties is determined by management using internally generated valuations based on the direct capitalization and Discounted cash flow methods.

In determining the fair value of investment properties, the Trust has adjusted cash flow assumptions for its estimate of near-term disruptions to cash flows to reflect collections, vacancy and assumptions on new leasing. The Trust undertook a process to assess the appropriateness of the rates considering changes to property level cash flows and any risk premium inherent in such cash flow changes. These considerations are reflected in the fair value adjustments of investment properties.

The fair value of investment properties is based on Level 3 inputs. There have been no transfers during the year between levels. The significant inputs used to determine the fair value of the Trust's investment properties are as follows:

	Industrial	Suburban office	Necessity-based retail
As at March 31, 2025			
Capitalization rate	5.25% - 7.75%	6.00% - 8.25%	5.75% - 7.75%
Terminal capitalization rate	5.25% - 8.00%	6.25% - 8.50%	6.00% - 8.00%
Discount rate	6.00% - 8.50%	6.25% - 9.00%	6.50% - 8.75%
Weighted average capitalization rate	6.11%	7.00%	7.03%
As at December 31, 2024			
Capitalization rate	5.25% - 7.75%	6.00% - 8.25%	5.75% - 7.75%
Terminal capitalization rate	5.25% - 8.00%	6.25% - 8.50%	6.00% - 8.00%
Discount rate	6.00% - 8.50%	6.25% - 9.00%	6.50% - 8.75%
Weighted average capitalization rate	6.11%	7.00%	7.03%

The following table provides a sensitivity analysis of the fair value of investment properties for changes in the weighted average capitalization rate as at March 31, 2025, which is representative of the sensitivity to changes in the discount rate and terminal capitalization rate as at March 31, 2025.

Capitalization rate sensitivity Increase (decrease)	Fair Value	Change in fair value
	$	$
(0.50)%	1,336,847	101,387
(0.25)%	1,284,128	48,668
Base rate	1,235,460	-
0.25%	1,190,388	(45,072)
0.50%	1,148,522	(86,938)

(a) Acquisitions

There were no acquisitions during the three-month period ended March 31, 2025.

(b) Dispositions

There were no dispositions during the three-month period ended March 31, 2025.

(c) Net changes in fair value of investment properties and disposition expenses

Three-month periods ended March 31,	2025	2024
	$	$
Net changes in fair value of investment properties	-	6
Disposition expenses	-	(202)
	-	**(196)**

Net changes in fair value of investment properties includes the net changes in fair value of right-of-use assets related to the investment properties to which a lease is attached.

The disposition expenses include mainly commissions and debt prepayment penalties on mortgage loans related to disposed properties during the three-month period ended March 31, 2024.

The following table summarizes the changes in fair value of investment properties by segment for the periods ended March 31, 2025, and March 31, 2024:

Three-month periods ended March 31 (in thousands of dollars)	Quarter	
	2025	**2024**
	$	$
Industrial	-	-
Suburban office	-	6
Necessity-based retail	-	-
Total change in fair value	**-**	**6**

4. Receivables

	As at March 31,	As at December 31,
	2025	**2024**
	$	$
Rents receivable	5,137	2,554
Allowance for expected credit losses	(960)	(901)
Net rents receivable	4,177	1,653
Unbilled recoveries	1,424	2,793
Other receivables	1,209	410
Total	**6,810**	**4,856**

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments. The Trust mitigates this risk by varying its tenant mix, staggering its lease terms and avoiding dependence on a single tenant for a significant portion of the Trust's operating revenues. Management conducts due diligence on new tenants and if deemed necessary credit assessments for certain new tenants. The Trust analyzes its trade receivables on a regular basis and establishes an allowance for expected credit losses that represents its estimate of lifetime expected credit losses to be incurred in respect of its trade receivables. In assessing the adequacy of the allowance for expected credit losses on tenant receivables, management has considered the likelihood of collection of current receivables.

The Trust's assessment of expected credit losses is inherently subjective due to the forward-looking nature of the assessments. As a result, the value of the expected credit loss is subject to a degree of uncertainty and is made on the basis of assumptions.

5. Mortgage Loans Payable

Mortgage loans payable are secured by immovable hypothecs on investment properties having a fair value of approximately $1,194,417 as at March 31, 2025 (December 31, 2024 – $1,192,196).

	As at March 31,	As at December 31,
	2025	**2024**
	$	$
Fixed rate mortgage loans payable	535,656	544,474
Floating rate mortgage loans payable	126,218	121,133
Unamortized fair value assumption adjustments	6	8
Unamortized financing expenses	(2,521)	(2,702)
Mortgage loans payable	**659,359**	**662,913**
Short-term portion	118,641	132,026
Weighted average interest rate	4.35%	4.35%
Weighted average term to maturity (years)	2.58	2.79
Range of annual rates	2.37% - 6.80%	2.37% - 7.07%

As at March 31, 2025, the mortgage loan scheduled repayments are as follows:

	Scheduled repayments	**Principal maturity**	**Total**
	$	$	$
2025 (1)	13,152	105,489	118,641
2026	14,251	168,211	182,462
2027	9,820	117,285	127,105
2028	5,811	85,377	91,188
2029	3,416	74,421	77,837
Thereafter	7,879	56,762	64,641
	54,329	**607,545**	**661,874**
Unamortized fair value assumption adjustments			6
Unamortized financing expenses			(2,521)
			659,359

(1) For the nine-month period remaining

The Trust may enter into floating-for-fixed interest rate swap agreements on floating interest rate mortgages to hedge the variability in cash flows attributed to fluctuating interest rates. The Trust does not apply hedge accounting to such cash flow hedging relationships (see Note 9). The following table presents relevant information on interest rate swap agreements:

Transaction date	Original principal amount	Effective fixed interest rate	Settlement basis	Maturity date	Outstanding amount	
					As at March 31, 2025	As at December 31, 2024
	$	%			$	$
June 2016	13,000	3.45	Quarterly	June 2026	9,767	9,865
November 2017	23,075	3.90	Monthly	December 2027	18,513	18,694
May 2024	16,860	6.45	Monthly	May 2029	16,633	16,704
June 2024	25,400	5.96	Monthly	June 2029	25,062	25,220
August 2024	23,132	3.95	Monthly	November 2027	21,651	21,860
September 2024	11,000	4.64	Monthly	September 2029	10,831	10,916
Total	**112,467**				**102,457**	**103,259**

6. Convertible Debentures

As at March 31, 2025, the Trust had the following subordinated, unsecured, debenture outstanding.

	Capital	Interest rates		Unit conversion price	Interest payments	Maturity
		Coupon	Effective			
		%	%	$		
Series I	40,250	7.25	8.54	4.10	Semi-annual	February 2030

	Series H	Series I	Total
	$	$	$
As at March 31, 2025			
Non-derivative liability component upon issuance	-	36,574	36,574
Accretion of non-derivative liability component	-	97	97
	-	36,671	36,671
Conversion options exercised by holders	-	-	-
	-	36,671	36,671
Unamortized financing expenses	-	(2,023)	(2,023)
Non-derivative liability component	**-**	**34,648**	**34,648**
Conversion and redemption options liability component at fair value	**-**	**1,908**	**1,908**

	Series H	Total
	$	$
As at December 31, 2024		
Non-derivative liability component upon issuance	27,309	27,309
Accretion of non-derivative liability component	1,446	1,446
	28,755	28,755
Conversion options exercised by holders	(9,179)	(9,179)
	19,576	19,576
Unamortized financing expenses	(230)	(230)
Non-derivative liability component	**19,346**	**19,346**
Conversion and redemption options asset component at fair value	**(1,678)**	**(1,678)**

Series H

On February 24, 2025, the Trust fully redeemed and paid at maturity the Series H convertible debentures at their value of $19,576. The nominal value was $19,917.

Series I

On January 23, 2025, the Trust issued Series I convertible, unsecured, subordinated debentures bearing 7.25% interest payable semi-annually and maturing on February 28, 2030, in the amount of $40,250. The debentures are convertible at the holder's option at any time before February 28, 2030, at a conversion price of $4.10 per unit.

The Series I debentures will not be redeemable before February 28, 2028, except in the case of a change in control. On or after February 28, 2028 and prior to February 28, 2029, under certain conditions, the debentures may be redeemed by the Trust at a redemption price equal to the principal amount plus accrued and unpaid interest, provided that the volume-weighted average trading price of the Units on the Toronto Stock Exchange for the 20 consecutive trading days ending on the fifth trading day preceding the date on which notice of redemption is given is at least 125% of the Conversion Price.

On or after February 28, 2029, and prior to February 28, 2030, under certain conditions, the debentures will be redeemable by the Trust, in whole or in part at any time and for a redemption price equal to the principal amount thereof plus accrued and unpaid interest. The Trust may, under certain conditions, elect to satisfy its obligation to pay the principal amount of the debentures that are to be redeemed or that have matured by issuing a number of units obtained by dividing the principal amount of the debentures by 95% of the current market price on the date of redemption or maturity.

As of March 31, 2025, no conversion options have been exercised by holders on debentures.

7. Bank Loans

The Trust has access to three credit facilities. The first is a revolving credit facility in the amount of $50,000 with an accordion option of up to an additional $10,000. This revolving credit facility bears interest at a rate of 1% above the prime rate or 2.25% above the Term CORRA Rate or Daily Compounded CORRA Rate. At March 31, 2025, $31,026 was due under the revolving credit facility (December 31, 2024, $42,798).

The revolving credit facility is secured by an immoveable first rank hypothec on two properties having a fair value of $37,243 and by negative pledge of a selection of borrowing base properties having a fair value of $302,801.

The second facility is a revolving line of credit in the amount of $7,500. This line of credit bears interest at a rate of 1% above the prime rate. At March 31, 2025, $ 3,250 was due under this line of credit (December 31, 2024 – $1,500). The line of credit is secured by an immoveable second rank hypothec on four properties having a fair value of $90,552.

The third facility is a revolving line of credit, unsecured in the amount of $2,000. This line of credit bears interest at a rate of 1% above the prime rate. At March 31, 2025, no amount was due under the operating line of credit (December 31, 2024 – $0).

8. Class B LP Units

	Three-month period ended March 31, **2025**		Year ended December 31, **2024**	
	Units	$	Units	$
Units outstanding, beginning of period	697,265	2,343	697,265	2,043
Fair value adjustment	-	28	-	300
Units outstanding, end of period	**697,265**	**2,371**	**697,265**	**2,343**

The Class B LP Units are exchangeable into Trust units on a one-for-one basis at any time at the option of the holder.

The Class B LP Units are entitled to distribution equal to distribution declared on Trust units, on a one-to-one basis. Distributions on Class B LP Units are recognized in the statement of comprehensive income when declared.

Three-month periods ended March 31,	2025	2024
	$	$
Distribution to Class B LP unitholders	52	52
Distribution per Class B LP unit	0.075	0.075

9. Fair Value Measurement

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. They do not include the fair value of cash and cash equivalents, receivables, trade and other payables and distribution payable to unitholders, which approximated their carrying amount as at March 31, 2025, because of their short-term maturity or because they bear interest at current market rates.

As at March 31, 2025	Carrying amount			Fair value
		Level 1	Level 2	Level 3
	$	$	$	$
Measured at fair value				
Conversion and redemption options of convertible debentures (note 6)	1,908	-	-	1,908
Interest rate swap liability	1,694	-	1,694	-
Class B LP Units (note 8)	2,371	2,371	-	-
For which fair values are disclosed				
Mortgage loans payable (note 5)	661,874	-	651,771	-
Convertible debentures, including their conversion and redemption features (note 6)	36,556	41,309	-	-
Bank loans (note 7)	34,276	-	34,276	-

The fair value of mortgage loans payable was calculated by discounting cash flows from future payments of principal and interest using the period end market rates for various loans with similar risk and credit profiles. The period end market rates have been estimated by reference to published mortgage rates by major financial institutions for similar maturities.

The carrying amount of the bank loans approximates their fair value due to their short-term maturity.

The fair value of convertible debentures, including their conversion and redemption features, was determined with reference to the last quoted trading price preceding the period end.

The fair value of the Class B LP Units is determined with reference to the market price of the Trust units as at period end.

The fair values of derivative financial instruments, which comprise the conversion and redemption options of convertible debentures and interest rate swaps, are based respectively on the partial differential equation method and the discounted future cash flows method. The assumptions used in the partial differential equation method are estimated by reference to the market price of the Trust units and its volatility and take into account the credit risk of the financial instrument. The assumptions used in the discounted future cash flows method are estimated by reference to the Canadian Overnight Repo Rate Average ("CORRA") forward rates.

Such fair value estimates are not necessarily indicative of the amounts the Trust might pay or receive in actual market transactions. Potential transaction costs have also not been considered in estimating fair value.

The following tables provide a reconciliation of Level 3 fair value measurements on the consolidated statements of financial position:

	Conversion and redemption options of convertible debentures
	$
Three-months period ended March 31, 2025	
Balance beginning of asset	(1,678)
Issue of Series I convertible, unsecured, subordinated debentures	3,676
Change for the period recognized in profit or loss under net adjustment to fair value of derivative financial instruments	(90)
Balance end of liability	**1,908**

The following table provides a sensitivity analysis for the volatility applied in fair value measurement of the conversion and redemption options of convertible debentures at March 31, 2025:

	Conversion and redemption options of convertible debentures	Volatility
	$	%
Volatility sensitivity		
Increase (decrease)		
(0.50)%	1,799	19.86
March 31, 2025	1,908	20.36
0.50%	2,017	20.86

As shown in the sensitivity analysis above, the fair value of the conversion and redemption options of convertible debentures is impacted by a change in the volatility used in the valuation model. Generally, an increase in the volatility, other things being equal, will result in an increase in fair value of the conversion and redemption options of convertible debentures and vice-versa.

10. Unit-based Compensation

(a) Deferred unit compensation plan for trustees and certain executive officers

The Trust offers a deferred unit compensation plan for its trustees and certain executive officers. Under this plan, the trustees and certain executive officers may elect to receive as compensation either cash, deferred units, or a combination of both.

The following table presents relevant information on changes in the number of deferred units:

For the three-month period ended March 31,	2025	2024
	Deferred units	Deferred units
Outstanding, beginning of period	213,792	151,412
Trustees' compensation	15,324	7,079
Distributions paid in units	4,835	3,738
Outstanding, end of period	**233,951**	**162,229**

As at March 31, 2025, the liability related to the plan was $802 (December 31, 2024 - $723). The related figures recorded in the statement of comprehensive income amounted to an expense of $79 for the three-month period ended March 31, 2025 (for the three-month period ended March 31, 2024 – income of $72).

(b) Employee unit purchase plan

The Trust offers an optional employee unit purchase plan to all its employees. Under this plan, the employees may contribute, each year, pursuant to a maximum of 7% to 10% of their base salary depending on their position occupied within the Trust. For each two units purchased by an employee, the Trust issues one unit from treasury.

As at March 31, 2025, the liability related to the plan was $0 (December 31, 2024 - $78). The related expense recorded in the statement of comprehensive income amounted to $14 for the three-month period ended March 31, 2025 (for the three-month period ended March 31, 2024 - income of $10). The 27,685 units related to 2024 purchases were issued in March 2025 (26,650 units related to 2023 purchases).

(c) Restricted unit compensation plan

The Trust offers a restricted unit compensation plan for all executive officers and key employees. Under this plan, the executive officers and key employees are eligible to receive restricted units.

The following table presents relevant information on changes in the restricted units:

Three-month period ended March 31,	**2025**	**2024**
	Restricted units	Restricted units
Outstanding, beginning of period	301,249	220,306
Granted	-	265,180
Cancelled	(8,181)	(28,212)
Settled	-	(156,025)
Outstanding, end of period	**293,068**	**301,249**

As at March 31, 2025, the liability related to the plan was $665 (December 31, 2024 - $563). The related expense recorded in the statement of comprehensive income amounted to $102 for the three-month period ended March 31, 2025 (for the three-month period ended March 31, 2024 – expense of $307).

(d) Cash settled share-based retirement compensation plan

As at March 31, 2025, the long-term obligation related to the plan was $715 (December 31, 2024 - $717). The related revenue recorded in the statement of comprehensive income amounted to $2 for the three-month period ended March 31, 2025 (for the three-month period ended March 31, 2024 – income of $31).

11. Trust Units Issued and Outstanding

BTB is authorized to issue an unlimited number of trust units. Each trust unit represents a single vote at any meeting of unitholders and entitles the unitholder to receive a pro rata share of all distributions. The unitholders have the right to require BTB to redeem their trust units on demand. Upon receipt of the redemption notice, all rights to and under the trust units tendered for redemption are surrendered and the holder thereof is entitled to receive a price per trust unit (“Redemption Price”), as determined by a market formula. The Redemption Price is to be paid in accordance with the conditions provided for in the Declaration of Trust. BTB trust units are considered liability instruments under IFRS because the trust units are redeemable at the option of the holder, however they are presented as equity in accordance with IAS 32.

Trust units issued and outstanding are as follows:

Three-month period ended March 31,		2025
	Units	$
Trust units outstanding, beginning of period	88,024,109	404,914
Issue pursuant to the distribution reinvestment plan (a)	177,541	574
Issue pursuant to the employee unit purchase plan (note 10 (b))	27,490	93
Trust units outstanding, end of period	**88,229,140**	**405,581**

(a) Distributions

Three-month periods ended March 31,	2025	2024
	$	$
Distribution to unitholders	6,614	6,529
Distribution per Trust unit	0.075	0.075

(b) Normal course issuer bid ("NCIB")

As of March 31, 2025, no units have been repurchased for cancellation.

12. Rental Revenues

Three-month periods ended March 31,	2025	2024
	$	$
Base rent and other lease generated revenues	20,183	19,711
Lease cancellation fees	981	45
Property tax and insurance recoveries	6,795	6,509
	27,959	26,265
Operating expenses recoveries and other revenues	6,868	6,667
Lease incentive amortization	(797)	(690)
Straight-line lease adjustment	381	394
	34,411	**32,636**

13. Net Financial Expenses

Three-month periods ended March 31,	2025	2024
	$	$
Interest on mortgage loans payable	7,301	7,072
Interest on convertible debentures	754	709
Interest on bank loans	475	934
Interest on lease liabilities	108	92
Other interest expense	18	16
Accretion of non-derivative liability component of convertible debentures	438	92
Accretion of effective interest on mortgage loans payable and convertible debentures	580	308
Distributions - Class B LP Units	52	52
Fair value adjustment – Class B LP Units	28	160
Net adjustment to fair value of derivative financial instruments	868	(325)
	10,622	**9,110**

14. Expenses by Nature

Three-month periods ended March 31,	2025	2024
	$	$
Depreciation	18	17
Employee compensation and benefits expense	2,740	3,256

15. Earnings per Unit

BTB's trust units being puttable financial instruments presented as equity in accordance with IAS 32, the Trust is not required to report a profit or loss per trust unit figure on its consolidated statements of comprehensive income. However, for disclosure purposes only, the Trust has determined basic earnings per unit using the same basis that would apply in accordance with IAS 33, *Earnings per Share.*

Net earnings per unit are calculated based on the weighted average number of trust units outstanding as follows:

Three-month periods ended March 31,	2025	2024
	$	$
Net income	7,608	7,153
Weighted average number of trust units outstanding – basic(1)	88,823,890	87,521,586
Earnings per unit – basic	**0.09**	**0.08**

(1) Class B LP Units included

16. Liquidity Risk Management

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they come due. Liquidity risk is managed by:

- maximizing cash flows from operations;
- adopting an investment property acquisition and improvement program that takes into account available liquidity;
- using credit facilities;
- staggering mortgage loan maturities;
- maximizing the value of investment properties, thus increasing mortgage financing on renewal of loans; and
- issuing debt securities or BTB's units on the financial markets.

Management believes that the Trust will be able to obtain the financing required to make the payments coming due in the next year. However, there is a risk that changes affecting market conditions and access to financing may invalidate this assumption.

Some mortgage loans include subjective and restrictive covenant clauses under which the Trust must comply with financial conditions and ratios. As at March 31, 2025, the Trust was in compliance with all the covenants to which it was subject.

17. Operating Segments

For investment properties, discrete financial information is provided to the Chief Executive Officer and Chief Financial Officer on an aggregated investment property basis. The information provided is net rentals (including gross rent and property expenses) and fair value of investment properties. The individual investment properties are aggregated into segments with similar economic characteristics. The Chief Executive Officer and Chief Financial Officer consider that this is best achieved by aggregating into necessity-based retail, suburban office and industrial.

Consequently, the Trust is considered to have three operating segments, as follows:

- Industrial
- Suburban office
- Necessity-based retail

	Industrial	Suburban office	Necessity-based retail	Total
	$	$	$	$
Three-month period ended March 31, 2025				
Investment properties	453,174	513,871	268,415	**1,235,460**
Rental revenue from properties	8,392	18,011	8,008	**34,411**
Net operating income	5,870	9,350	4,601	**19,821**
Three-month period ended March 31, 2024				
Investment properties	440,428	513,086	249,513	**1,203,027**
Rental revenue from properties	8,604	16,438	7,594	**32,636**
Net operating income	6,223	7,820	4,317	**18,360**

18. Commitments and Contingencies

Litigation

The Trust is involved in litigation and claims which arise from time to time in the normal course of business. These litigation and claims are generally covered by insurance. In the opinion of management, any liability that may arise from such contingencies will not have a significant adverse effect on the Trust’s consolidated financial statements.