



Quarter ended March 31st, 2023

TSX: BTB.UN

May 9th, 2023



Recording of the Conference Call



Quarter ended March 31st, 2023

Our Q1 2023 Results Conference Call was held on May 9, 2023 at 9.00 am
Presented by Michel Léonard, President & CEO and Mathieu Bolté, Executive Vice-President COO & CFO

[Click here to listen](#)

Quarterly Overview

Presented by
Michel Léonard
President & Chief Executive Officer

Quarter ended March 31st, 2023



Real Estate Portfolio



Portfolio in a glimpse

6.0M sq. ft. | 74 Properties | \$1,213M

Q1 Acquisition
High quality sustainable industrial property
9900 Irénée-Vachon, Mirabel QC

Densification
Conditional agreement to develop a residential component, subject to zoning change; Municipal authorities keen on our proposed plan to redevelop by densifying and adding additional uses
At least (6) densification opportunities under review in Montréal, Québec City and Ottawa regions

Investment Activity
Focus our investment activity on industrial assets with strong fundamentals; a good pipeline of value creation and maximization of the retail portfolio

Acquisition
Industrial property in Edmonton (AB) acquired after the closure of Q1 2023 (subsequent event) :
8810 48 avenue NW, Edmonton AB

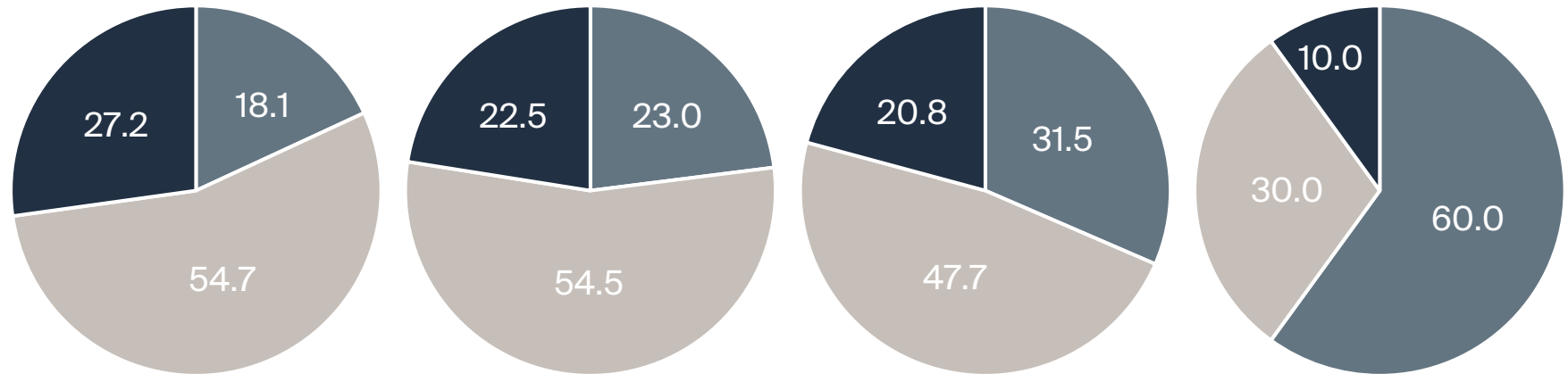
Evolution of Portfolio Positioning



Property value in \$M	Q1 2021		Q1 2022		Q1 2023		Objective 2026	
Industrial	18.1%	\$164 M	23.0%	\$259 M	31.5%	\$377 M	60.0%	\$1.2 B
Off-downtown core office	54.7%	\$496 M	54.5%	\$614 M	47.7%	\$571 M	30.0%	\$600 M
Necessity-based retail	27.2%	\$246 M	22.5%	\$254 M	20.8%	\$250 M	10.0%	\$200 M
Portfolio	\$0.9 B		\$1.1 B		\$1.2 B		\$2.0 B	

Asset allocation (%)

- Industrial
- Off-downtown core office
- Necessity-based retail

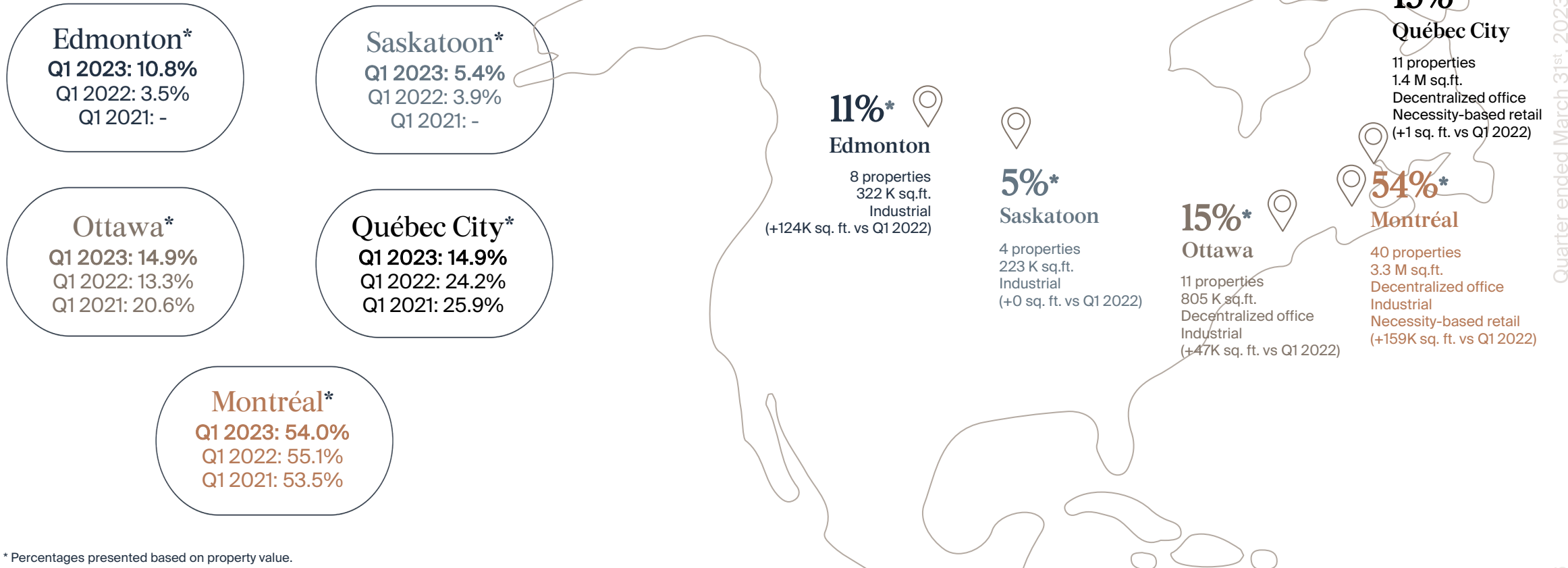


* Percentages presented based on property value.

Real Estate Portfolio

By Geographic Diversification

Geographic diversification's contribution to property value for the first quarter of the years 2021, 2022 & 2023:



* Percentages presented based on property value.

Quarter ended March 31st, 2023

Q1 2023 – Highlights & Key Metrics



6.0M sq. ft.

Leasable area
(+330 K sq. ft. vs Q1 2022)

125,575 sq. ft.

Renewals & new leases

93.2%

Committed occupancy
(+0.1% vs Q1 2022 and no change vs Q4 2022)

\$1,198M

Investment properties
(+6.3% vs Q1 2022)

1 acquisition

Sustainable industrial property (\$28M) – February 2023:
9900, Irénée-Vachon, Mirabel (QC)

Subsequent events

Acquisition of an industrial property (\$7M) – May 2023:
8810, 48 Avenue NW, Edmonton (AB)
*(The equity was funded through the issuance to the vendor of
550,000 Class B LP units at a price of \$4.50 per unit)*

Secured an additional \$10.0 million under
the revolving credit facility – April 2023

(1) This is a non-IFRS financial measure. Refer to the Non-IFRS financial measure section of this presentation

Leasing & Renewal Activity



67,200 sq. ft.

New leases in Q1 2023

93.2% Occupancy rate

+0.1% vs Q1 2022
No change vs Q4 2022

Q1-2023

41,764 sq. ft. renewed
67,000 sq. ft. new leases

2023+

16,611 sq. ft. renewed in anticipation

Total

58,375 sq. ft. renewed YTD
67,200 sq. ft. new leases YTD

A total of 125,575 sq. ft. was renewed or leased during the quarter

Secured long-term lease renewals with Dollarama (20,150 sq. ft. across 2 properties) in Montréal, Quebec Government renewed a lease in anticipation (16,610 sq. ft.) in Quebec City.

New leases concluded with Giant Tiger (24,704 sq. ft.) in Gatineau, in Ottawa with Trinity Development Group Inc. (6,647 sq. ft.), ING Robotic Aviation Inc. (5,000 sq. ft.), in Quebec City with Sephora (4,649 sq. ft.), Euroclass (6,322 sq. ft.), Syndicat Québécois de la Construction (5,078 sq. ft.).

Achieved an increase of 13.9% in the average rent renewal rate for the quarter in the off-downtown core office +4.2% (33,826 sq. ft.) and necessity-based retail +38.9% (24,549 sq. ft.)

Financial Overview

Presented by
Mathieu Bolté
Executive Vice-President COO & CFO

Quarter ended March 31st, 2023



Q1 2023 – Financial Highlights



Results

\$32.9M

Rental revenue
(+13.2% vs Q1 2022)

17.1%

NOI
increase compared to the same period in 2022

11.7¢/u

Recurring FFO ⁽¹⁾
(+9.3% vs Q1 2022)

72.4%

Recurring AFFO payout ratio ⁽¹⁾
(vs 76.8% for Q1 2022)

Financial Position

\$1.7M

Cash Position
(\$22.9M available on our credit facilities)
(option to increase the availability to \$42.9M)

53.6%

Mortgage Debt Ratio ⁽¹⁾
(improvement of 3.2% compared to Q1 2022)

59.1%

Total Debt Ratio ⁽¹⁾
(improvement of 1.2% compared to Q1 2022)

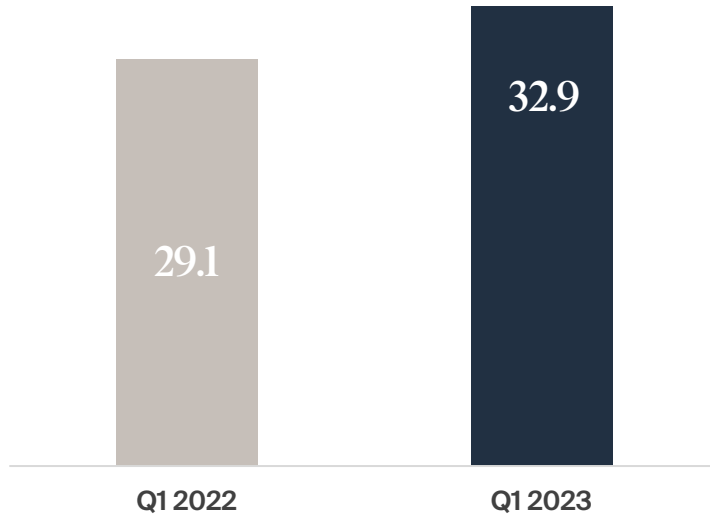
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Rental Revenue & NOI



Rental Revenue (\$M)

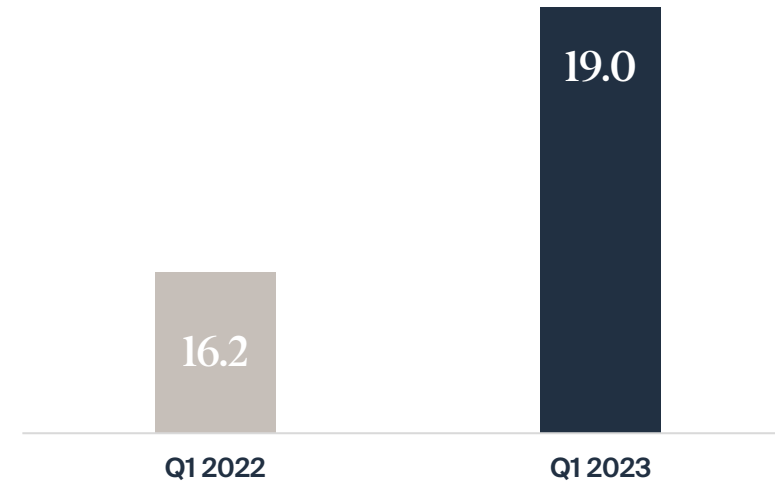
+13.2% vs Q1 2022



- **Rental revenue**
\$32.9M | Up by 13.2% vs Q1 2022
- **Positive contribution**
2022 and Q1 2023 acquisitions (Algoma, F.-X. Tessier, Allard, 50th Avenue and Mirabel)
- Non-cash adjustment related to a one-time provision reversal impacting positively the revenues by \$1.4M

Net Operating Income (\$M)

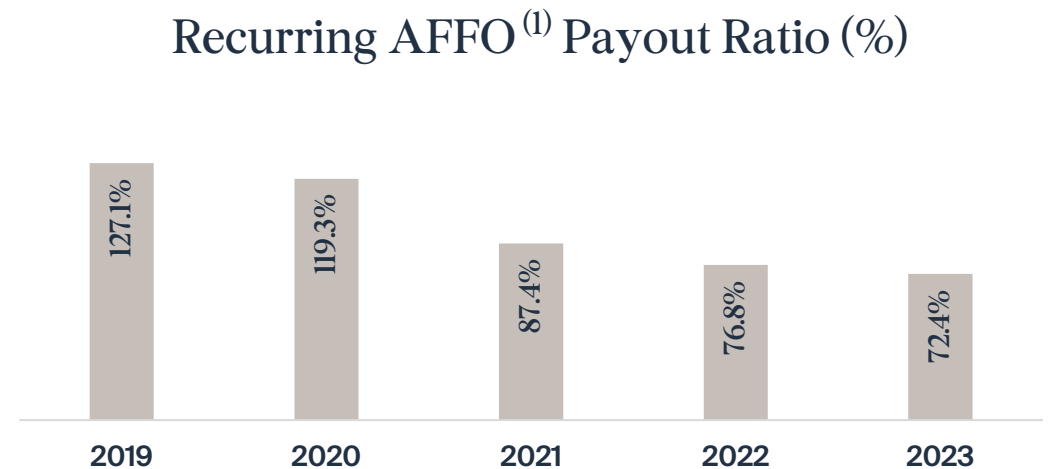
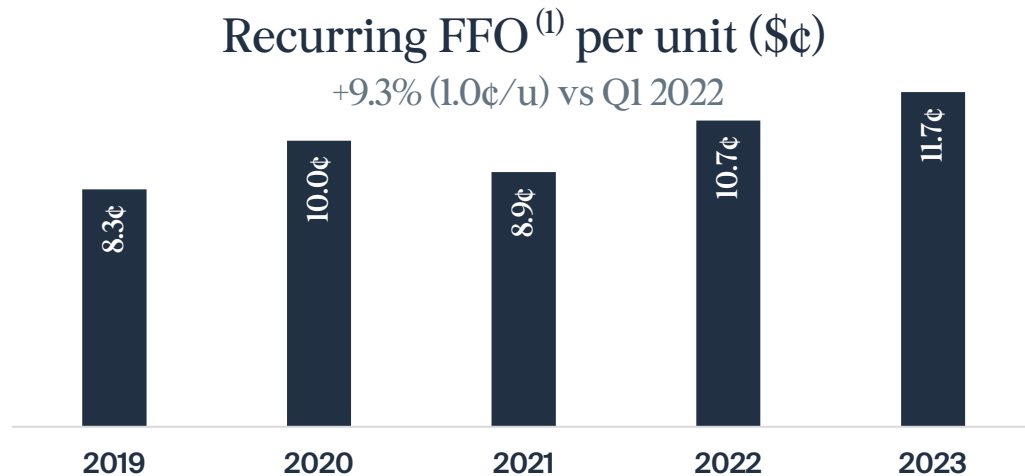
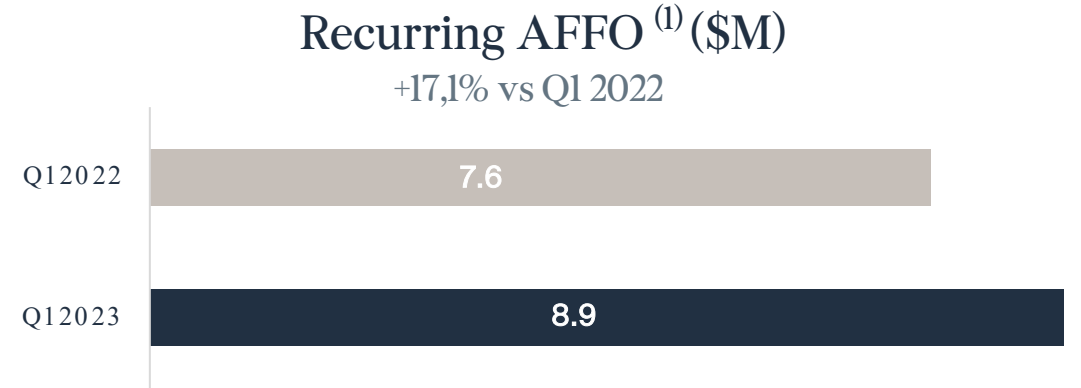
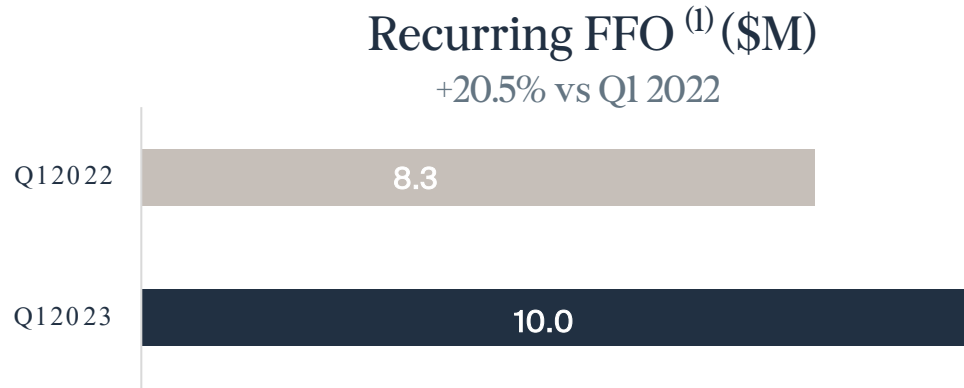
+17.1% vs Q1 2022



- **NOI**
\$19.0M | Up by 17.1% vs Q1 2022
- **Positive contribution**
2022 and Q1 2023 acquisitions producing additional revenue and increasing NOI | Accretion from the date of acquisitions
Positive impact of the triple net leases related to industrial acquisitions

Quarter ended March 31st, 2023

Recurring FFO & AFFO ⁽¹⁾



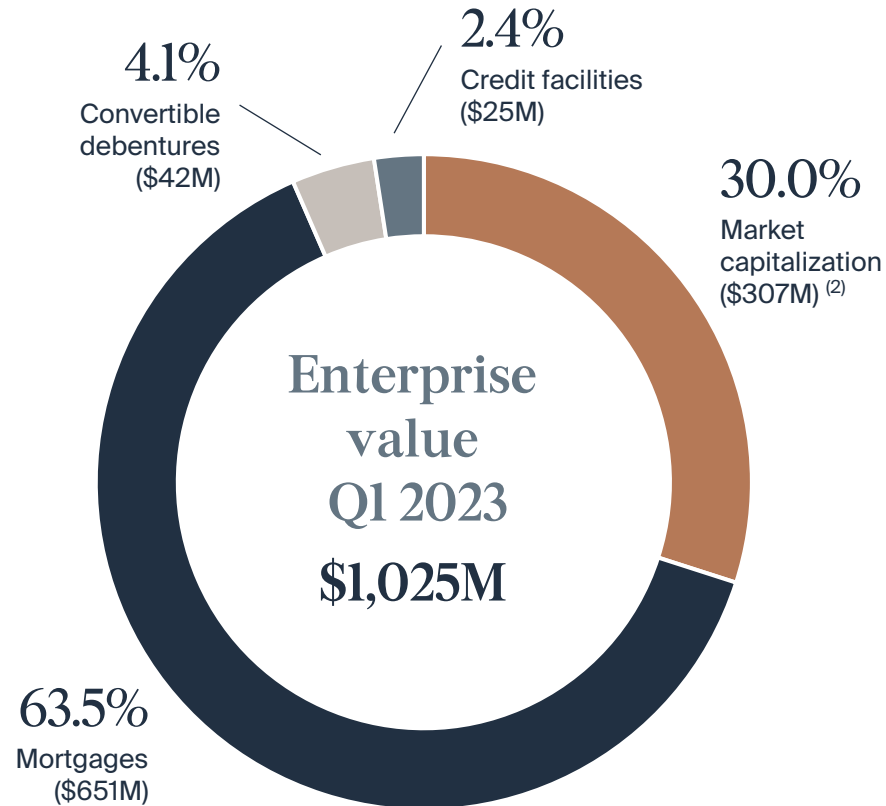
- **Recurring FFO ⁽¹⁾ per unit: 11.7¢/u**
Up by 1.0¢/u (+9.3%) vs Q1 2022

- **Recurring AFFO ⁽¹⁾ payout ratio: 72.4%**

Quarter ended March 31st, 2023

⁽¹⁾ This is a non-IFRS financial measure. Refer to the Non-IFRS financial measure section of this presentation.

Capital Structure



Mortgages Payable

\$651M | 4.20% weighted average interest rate (compared to 3.54% as at March 31, 2022, an increase of 66 bps) | **4.0 years** weighted average term

Convertible Debentures

\$42M | 6.45% weighted average interest rate | **2.3 years** weighted average remaining term

Credit Facilities (\$58M capacity as of May 9, 2023)

\$25M | BA + 225bps | Option to increase the capacity by \$10M for a total of \$68M

Total Debt

\$718M | 4.34% weighted average interest rates for mortgages and debentures

Net Debt / GBV⁽¹⁾ (including convertible debentures)

59.1%, representing a decrease of 1.2% from March 31, 2022

Cash and Restricted Cash	Net Debt	Total Assets Gross Book Value	IFRS NAV
\$1.7M	\$717M	\$1,213M	\$5.44/u

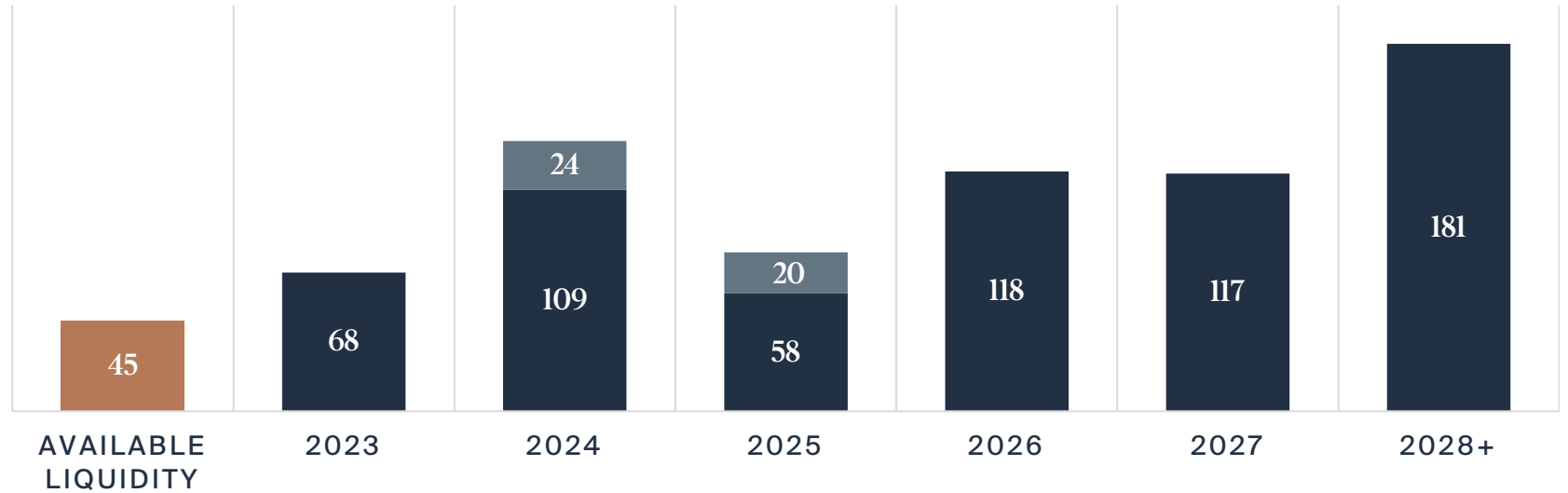
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 (2) At March 31, 2023, unit price of 3.58\$/unit.

Debt Maturities



In millions of dollars

- Mortgage payable
- Convertible debentures



Quarter ended March 31st, 2023

Available Liquidity

\$1.7M in cash plus \$32.9M of available credit facility with an option to increase the capacity by \$10.0M for a total availability of \$44.6M

Mortgages (Maturing in 2023)

\$24.3M coming due in Q2 and \$43.6M coming due in second half of the year

Debenture – Series G (Maturing in 2024)

Conversion price @ \$5.42

No conversion since issuance, October 2019

Debenture – Series H (Maturing in 2025)

Conversion price @ \$3.64

\$0.4M converted in Q1 2023 for a total of \$10.1M converted since Sept. 2020 (out of \$30.0M issued)

Closing Remarks

Presented by
Michel Léonard
President & Chief Executive Officer

Quarter ended March 31st, 2023





Forward-Looking Statements

From time to time, we make written or oral forward-looking statements within the meaning of applicable Canadian securities legislation. We may make forward-looking statements in this document, in other filings with Canadian regulators, in reports to unitholders, and in other communications. These forward-looking statements may include statements regarding our future objectives, strategies to achieve our objectives, as well as statements with respect to our beliefs, outlooks, plans, objectives, expectations, forecasts, estimates, and intentions. The words “may,” “could,” “should,” “outlook,” “believe,” “plan,” “forecast,” “estimate,” “expect,” “propose,” and the use of the conditional and similar words and expressions are intended to identify forward-looking statements.

By their very nature, forward-looking statements involve numerous factors and assumptions and are subject to inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, projections, and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include general economic conditions in Canada and elsewhere, the effects of competition in the markets where we operate, the impact of changes in laws and regulations, including tax laws, successful execution of our strategy, our ability to complete and integrate strategic acquisitions successfully, potential dilution, our ability to attract and retain key employees and executives, the financial position of lessees, our ability to refinance our debts upon maturity, our ability to renew leases coming to maturity, and to lease vacant space, our ability to complete developments on plan and on schedule and to raise capital to finance our growth, as well as changes in interest rates. We caution that the foregoing list of important factors likely to affect future results is not exhaustive. When relying on forward-looking statements to make decisions with respect to BTB, investors and others should carefully consider these factors and other facts and uncertainties. Additional information about these factors can be found in the “Risks and Uncertainties” section of the MD&A.

BTB cannot assure investors that actual results will be consistent with any forward-looking statements and BTB assume no obligation to update or revise such forward-looking statements to reflect new events or circumstances, except as required under applicable securities regulations.



Non-IFRS Measures

The following terms and measures, **Funds from Operations (FFO), FFO / Unit, Recurring FFO, Recurring FFO / Unit, Recurring FFO payout Ratio, Adjusted Funds from Operations (AFFO); Recurring AFFO, Recurring AFFO / Unit, AFFO payout Ratio, Recurring AFFO payout Ratio, Same property NOI, Total Debt Ratio, Mortgage Ratio** and other measures discussed in this presentation, including any per unit information if applicable, are non-IFRS performance measures and do not have standardized meanings prescribed by IFRS. For full definitions and reconciliations of these non-IFRS measures, refer to the "Non-IFRS Financial Measures" section in BTB's management discussion and analysis ("MD&A") for the year ended December 31, 2022, which is dated February 24, 2023. The MD&A is available on the Canadian Security Administrators ("CSA") website at www.sedar.com and on our website at www.btbreit.com.

Explanations on how these non-IFRS financial measures provide useful information to investors and the additional purposes, if any, for which the Trust uses these non-IFRS financial measures, are also included in the MD&A. IFRS are International Financial Reporting Standards defined and issued by the IASB, in effect as at the date of this presentation.

Securities regulations require that non-IFRS financial measures be clearly defined and that they not be assigned greater weight than IFRS measures. The referred non-IFRS financial measures, which are reconciled to the most similar IFRS measure in the MD&A if applicable, do not have a standardized meaning prescribed by IFRS and these measures cannot be compared to similar measures used by other issuers.