BTB

Quarter ended September 30th, 2023

TSX: BTB.UN

November 7th, 2023

Recording of the Conference Call

Quarter ended September 30th, 2023

Our Q3 2023 Results Conference Call was held on November 7, 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

Quarter ended September 30th, 2023

Presented by
Michel Léonard
President & Chief Executive Officer

Real Estate Portfolio

Portfolio at a glimpse

6.1M sq. ft. | **75** Properties | **$1.2B**

Leasing Activity

Increase in year-to-date average renewal rate of 7.1%

Densification

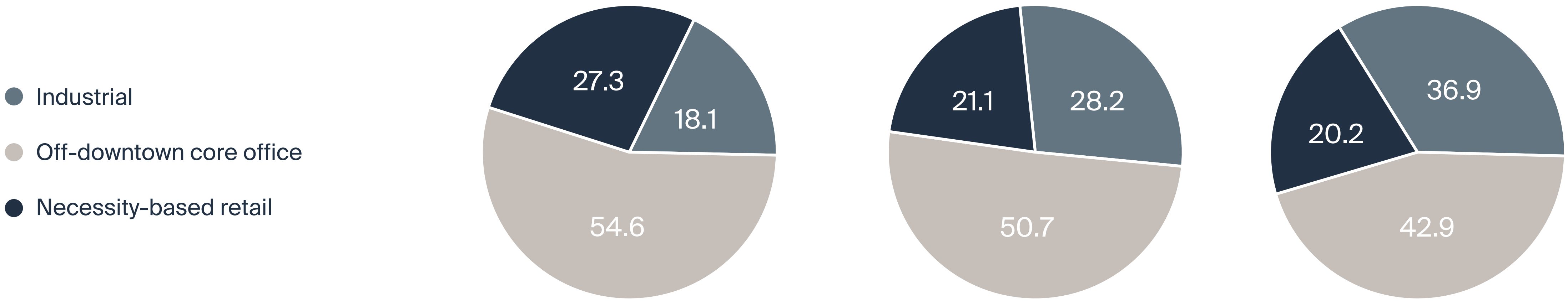
Conditional agreement to develop a residential component,
subject to zoning change;
Municipal authorities keen on our proposed plan to redevelop by densifying and adding additional uses
At least (6) densification opportunities under review in Montréal,
Québec City and Ottawa regions

Investment Activity

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

Evolution of Portfolio Positioning

Asset Allocation (%)	Q4 2020	Q3 2022	Q3 2023



* Percentages presented based on property value.

Real Estate Portfolio

Geographic Diversification

Geographic diversification's contribution to asset allocation:

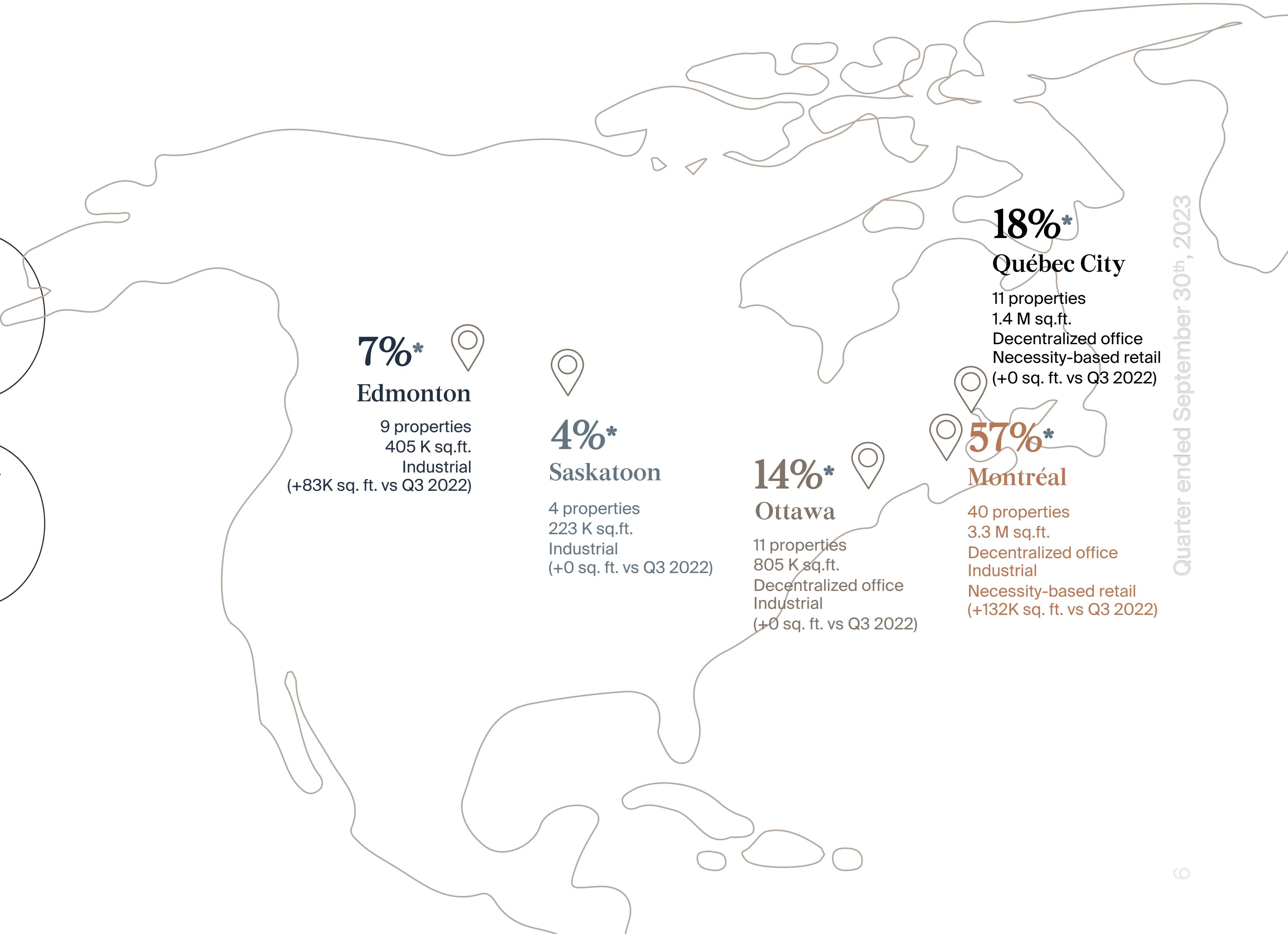
Edmonton*
Q3 2023: 7%
Q3 2022: 7.3%
Q3 2021: -

Saskatoon*
Q3 2023: 3.9%
Q3 2022: 4%
Q3 2021: -

Ottawa*
Q3 2023: 14.2%
Q3 2022: 14.7%
Q3 2021: 15.4%

Québec City*
Q3 2023: 17.8%
Q3 2022: 19.7%
Q3 2021: 26.8%

Montréal*
Q3 2023: 57.2%
Q3 2022: 54.2%
Q3 2021: 57.8%



* Percentages presented based on property value.

Q3 2023 – Highlights & Key Metrics

6.1M sq. ft.

Leasable area
(+216 K sq. ft. vs Q3 2022)

85,724 sq. ft.

Leasing activity

93.7%

Committed occupancy
(+0.2% vs. Q3 2022)

$1.2B

Fair value of Investment properties
(+2.3% vs Q3 2022)
Excluding a property transferred to finance lease ($10.4 million)

Other events

Exercise of a purchase price option – August 2023
An industrial tenant exercised the option to purchase the property with a closing date of December 1, 2025, for a purchase price of $10.3 million

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

Leasing & Renewal Activity

544,861 sq. ft.

Total leasing activity YTD

93.7% Occupancy rate

-0.4% vs Q2 2023
+0.2% vs Q3 2022

Lease renewals The Trust renewed renewed 52.2% or 52,178 sq. ft. out of the 100,023 sq. ft. expiring during this quarter. For the cumulative nine-month period, BTB renewed 58.1% of the leases at the end of their term.

Of the 47,845 square feet that expired in the current quarter and not renewed, the Trust leased 14,024 sq. ft. to Great North Equipment Inc., in the industrial segment in Edmonton leaving 33,821 sq. ft. of vacancy.

New leases concluded For the cumulative nine-month period, leases representing 93,963 sq. ft. or 43.1% of the leasing activity, were concluded in the off-downtown core office segment with new tenants, 83,035 sq. ft. or 38.1% of the new leases were concluded in the industrial segment and 40,902 sq. ft. or 18.8% in the necessity-based retail segment.

Achieved a cumulative average increase of 7.1% in the rent renewal rate since the beginning of the year in the industrial +15.7% (10,831 sq. ft.), off-downtown core office +5.9% (235,800 sq. ft.) and necessity-based retail +10.4% (80,329 sq. ft.).

Shortly after the end of the quarter, the Trust renewed a lease comprising 27,638 sq. ft. of leasable area with a tenant in Ottawa, Ontario with an increase in the rent renewal rate of 2.6%. Also, the Trust leased 26,000 sq. ft. to a major Quebec based accounting firm in its office property located in Three-Rivers and leased an expansion space of 16,763 sq. ft. to an office tenant in one of its properties located in Ottawa, Ontario.

Q3–2023

60,248 sq. ft. renewed
25,476 sq. ft. new leases

2023+

52,178 sq. ft. renewed in anticipation

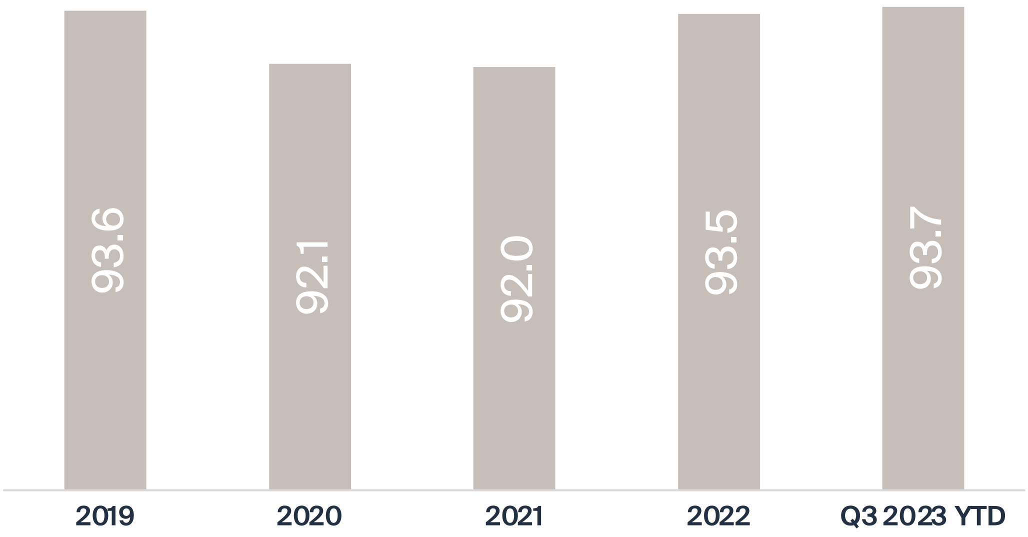
Total

326,961 sq. ft. renewed YTD
217,900 sq. ft. new leases YTD

Solid Track Record of Leasing Performance

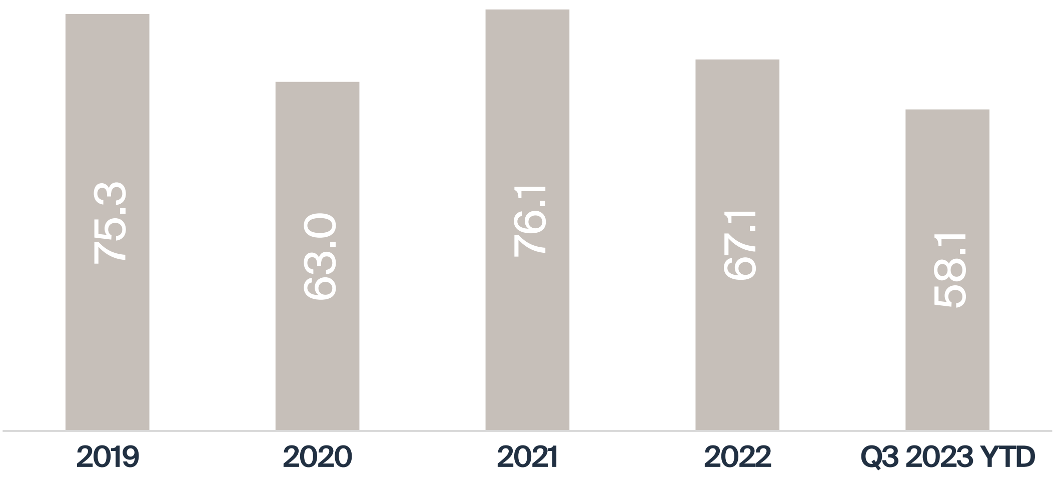
As of September 30th, 2023

Total Portfolio Committed Occupancy (%)



- Average: 93.0%

Renewal Rate [1] (%)



- Average Renewal Rate: 68.0%

[1] Based on the GLA of renewed leases as a % of expired leases during the period, excludes leases that were renewed prior to expiry
[2] Based on renewed leases during the period

Positive Office Leasing Dynamics

Notable recent BTB Office Leases

Intrado — 7-year extension of 53,767 sq. ft. for software systems to public safety **+8.9% rental rate on renewal** (Effective 06.2023)

Québec — 10-year renewal of 59,330 sq. ft. for health and social services of Québec **+52.0% rental rate on renewal** (Effective 10.2023)

Ville de Québec — 7.5-year renewal of 23,491 sq. ft. for the Québec City **+41.3% rental rate on renewal** (Effective 07.2022)

TÜV SÜD — 11-year renewal of 23,150 sq. ft. for professional services & TIC testing labs **+26.7% rental rate on renewal** (Effective 07.2022)

Lundbeck — 6-year renewal of 18,205 sq. ft. for pharma-science lab/office **+9.8% rental rate on renewal** (Effective 10.2023)

Positive Office Leasing Dynamics

Notable recent BTB Office Leases

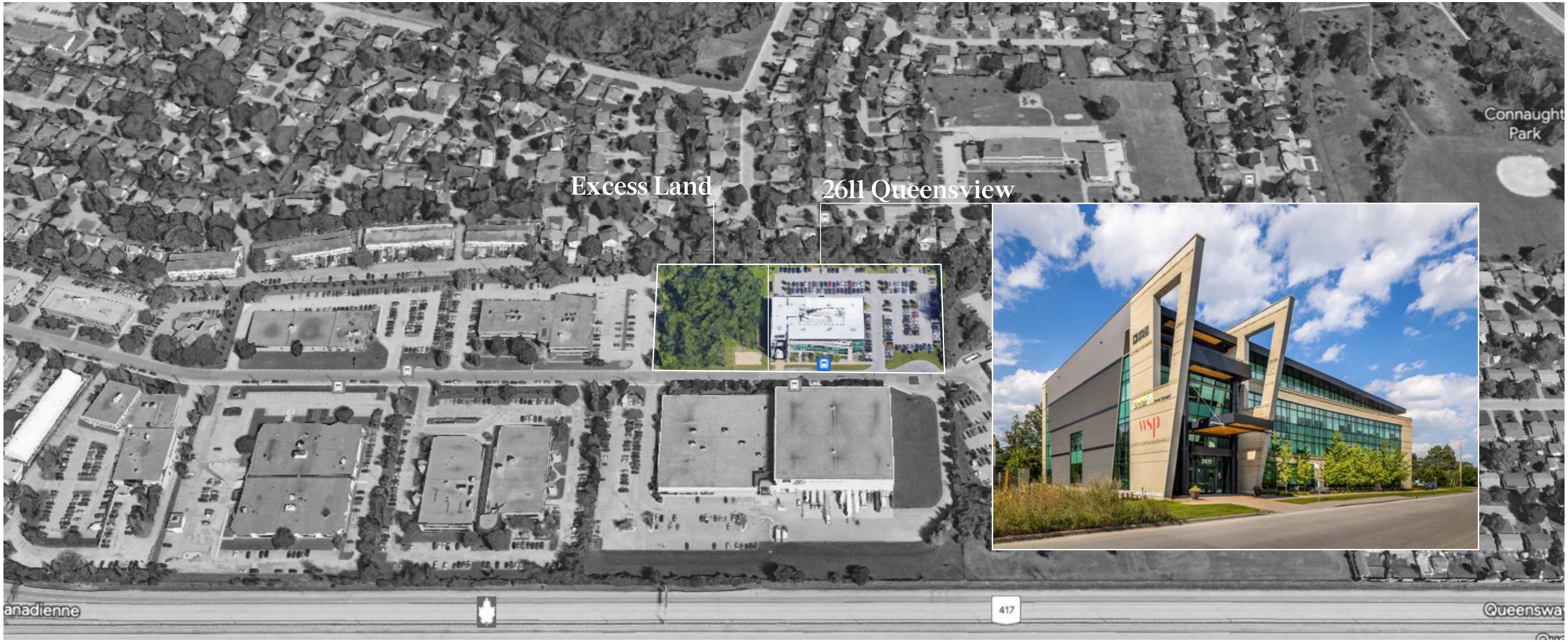
GIATEC	5-year extension of 15,676 sq. ft. for technology products **+7.0% rental rate on renewal** (Effective 03.2022)
MNP	9-year extension of 13,205 sq. ft. for professional services firm, **New Lease** (Effective 06.2023)
BPA	5-year extension of 20,748 sq. ft. for building experts **+13.0% rental rate on renewal** (Effective 02.2024)
BGRS	2-year extension of 27,638 sq. ft. for personalized program solutions **+3.0% rental rate on renewal** (Effective 12.2023)
wsp	5-year extension of 48,478 sq. ft. for leading engineering consulting firm **+3.0% rental rate on renewal** (Effective 06.2022)

Development Opportunity

625–730 de la Concorde Street, "Méga Centre Rive-Sud", Lévis, QC

+/- 9% Development Yield | Construction of a 43,500 sq. ft. Pad to be leased by Nationally Recognized Retailer on long-term basis | Construction period: 12-18 months

Development Opportunity



2611 Queensview Drive, Ottawa, ON

Adjacent Land Parcel | Expected transition to a Community Development with LRT on site

Financial Overview

Quarter ended September 30th, 2023

Presented by
Mathieu Bolté
Executive Vice-President COO & CFO

Q3 2023 – Financial Highlights

Results

$31.3M $95.9M YTD

Rental revenue
+4.4% vs. Q3 2022
+9.0% vs. 2022 YTD

$18.1M $56.1M YTD

NOI
+0.6% vs. Q3 2022
+8.3% vs. 2022 YTD

10.4¢/u $33.8¢/u YTD

FFO adjusted (1)
-9.6 % vs. Q3 2022
+0.7% vs. 2022 YTD

74.8% YTD 85.3%

AFFO adjusted payout ratio (1)
vs. 73.6% Q3 2022
vs. 72.8% 2022 YTD

Financial Position

$2.4M

Cash Position
($21.6M available on our credit facilities)
(option to increase the availability to $31.6M)

52.2%

Mortgage Debt Ratio (1)
-2.0% vs. Q4 2022

58.4%

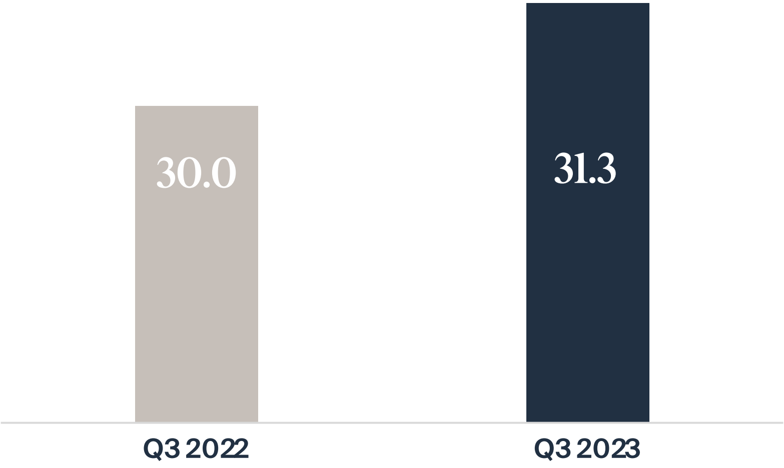
Total Debt Ratio (1)
-0.1% vs. Q4 2022

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

Rental Revenue & NOI

Rental Revenue ($M)

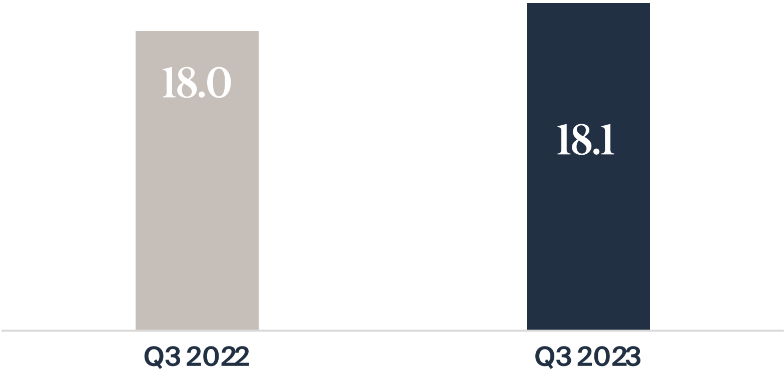
+4.4% or +$1.3M vs Q3 2022



- **Rental revenue**
  $31.3 M and $95.9 M YTD | YTD: +9.0% vs 2022 YTD
- **Positive contribution**
  2022 and YTD 2023 acquisitions (Algoma, F.-X. Tessier, Allard, 50th Avenue, Mirabel, 48th Avenue)
- Increase also related to operating improvements mainly consisting of higher lease renewal rates, stability of occupancy rate and higher average rent rates

Net Operating Income ($M)

+0.6% or +$0.1M vs Q3 2022

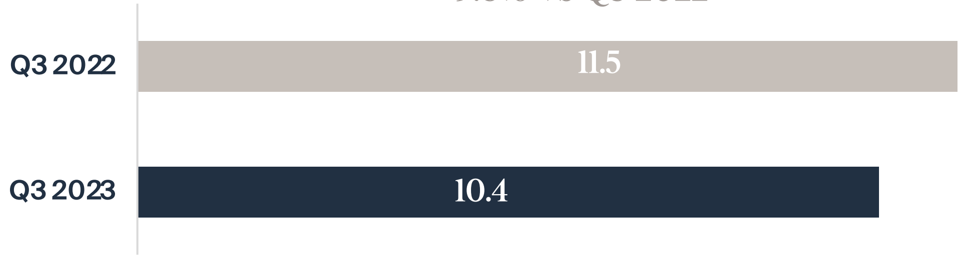


- **NOI**
  $18.1 M and $56.1 M YTD | YTD: +8.3% vs 2022 YTD
- **Positive contribution**
  2022 and YTD 2023 acquisitions produced additional revenue and increased NOI | Accretion from the date of acquisitions
  Positive impact of the triple net leases related to industrial acquisitions

FFO adjusted & AFFO adjusted (1)

FFO adjusted (1) per unit (¢)

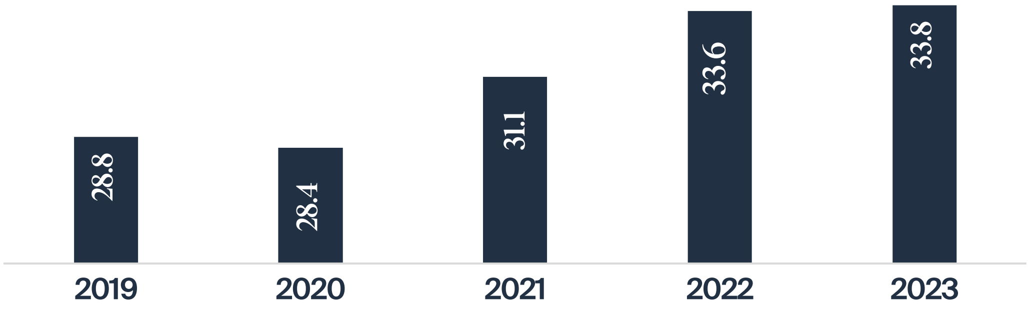
-9.6% vs Q3 2022



- Interest expense increase YoY impact -1.0¢ per unit
- 1-offs negative impact -1.0¢ per unit: insurance deductible fee Q3'23 for one property ($0.1M), lease resiliation revenue fee in Q3'22 ($0.2M), decrease in occupancy rate of one office property in quebec ($0.2M)
- Offset by increased leasing efforts and increase in renewal rates positevely impacting the FFO adjusted by 0.9¢ per unit

FFO adjusted (1) per unit (¢)

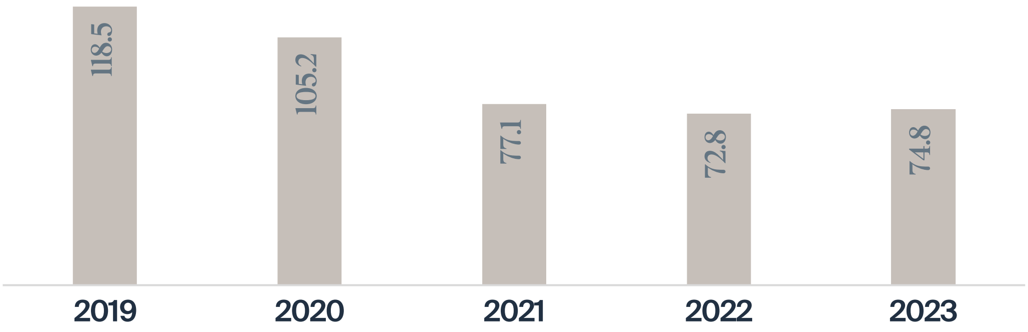
For the cumulative 9-months ending September 30



- **FFO adjusted (1) per unit for Q3 2023** +0.7% vs 2022 YTD

AFFO adjusted (1) Payout Ratio (%)

For the cumulative 9-months ending September 30



- **AFFO adjusted (1) Payout Ratio for Q3 2023** up by 2.7% vs 2022 YTD

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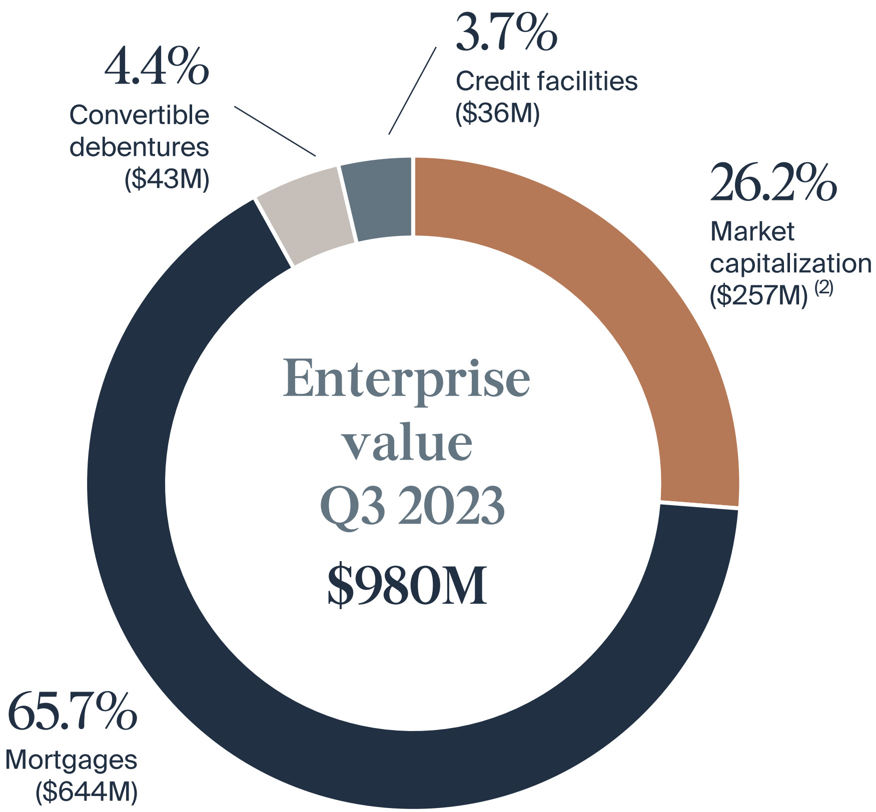
Capital Structure



Mortgages Outstanding

$644M | 4.29% weighted average interest rate (compared to 3.64% as at September 30, 2022, an increase of 65 bps) | 3.4 years weighted average term

Convertible Debentures

$43M | 6.45% weighted average interest rate | 1.54 years weighted average remaining term

Credit Facilities ($58M capacity)

$36M | BA + 225bps | Option to increase the capacity by $10M for a total of $68M

Total Debt

$723M | 4.43% weighted average interest rates for mortgages and debentures

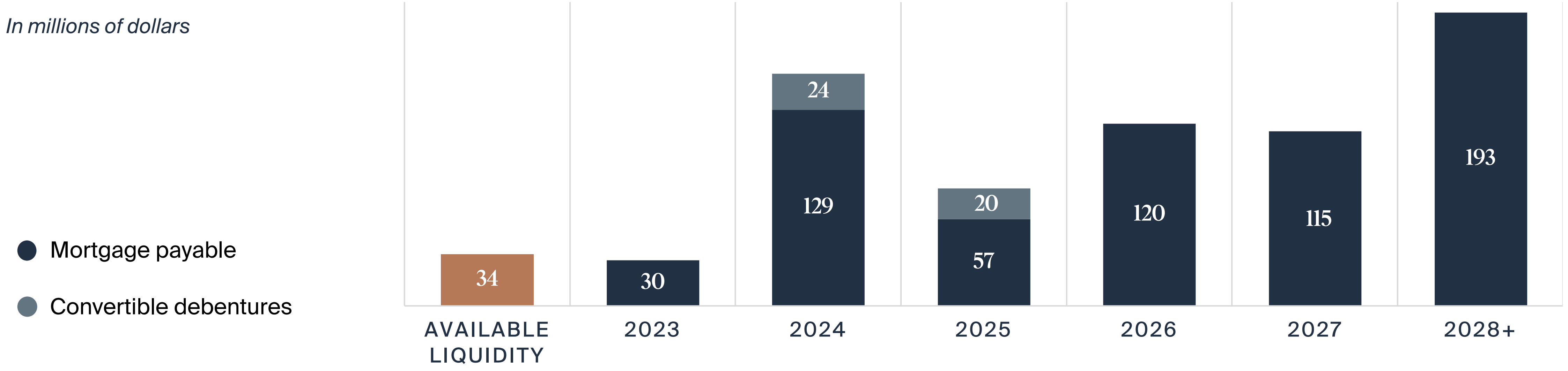
Net Debt / GBV (1) (including convertible debentures)

58.4%, representing a decrease of 0.2% from September 30, 2022

Cash	Net Debt	Total Assets Gross Book Value	IFRS NAV
$2.4M	$723M	$1,236M	$5.57/u

(1) This is a non-IFRS financial measure. Refer to the Non-IFRS financial measure section of this presentation.
(2) At September 30, 2023, unit price of 2.99$/unit.

Debt Maturities



Available Liquidity

$2.4M in cash plus $21.6M of available credit facility with an option to increase the capacity by $10.0M for a total availability of $34.0M

Mortgages (Maturing in 2023)

$35.3M coming due in Q4 2023.

Debenture – Series G (Maturing in 2024)

Conversion price @ $5.42

No conversion since issued in October 2019

Debenture – Series H (Maturing in 2025)

Conversion price @ $3.64

No conversion in Q2 2023. Total of $10.1M conversion since September 2020 (out of $30.0M issued)

Closing Remarks

Quarter ended September 30th, 2023

Presented by
Michel Léonard
President & Chief Executive Officer

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, FFO Adjusted, FFO Adjusted / Unit, FFO Adjusted payout Ratio, Adjusted Funds from Operations (AFFO); AFFO Adjusted, AFFO Adjusted / Unit, AFFO Adjusted payout Ratio, AFFO Adjusted 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 quarter ended September 30, 2023, which is dated November 6, 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.