

*This prospectus supplement (the “**Prospectus Supplement**”), together with the short form base shelf prospectus dated June 9, 2023 to which it relates, as amended or supplemented (the “**Shelf Prospectus**”), and each document incorporated by reference into this Prospectus Supplement or the accompanying Shelf Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), or the securities laws of any state. Accordingly, these securities may not be offered or sold within the United States of America, its possessions and other areas subject to its jurisdictions or to, or for the account or benefit of, a U.S. Person (as defined in Regulation S under the 1933 Act), except in limited circumstances. See “Plan of Distribution”. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in the United States.

Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of BTB Real Estate Investment Trust at 1411 Crescent Street, Suite 300, Montréal, Québec H3G 2B3, telephone (514) 286-0188 extension 244, and are also available electronically at www.sedarplus.ca.

PROSPECTUS SUPPLEMENT

To a Short Form Base Shelf Prospectus dated June 9, 2023

New Issue

January 16, 2025

BTB REAL ESTATE INVESTMENT TRUST

Series I 7.25% Convertible Unsecured Subordinated Debentures

\$35,000,000 Aggregate Principal Amount

This Prospectus Supplement, together with the Shelf Prospectus, qualifies the distribution of \$35,000,000 aggregate principal amount of Series I 7.25% convertible, unsecured, subordinated debentures (the “**Series I Debentures**”) of BTB Real Estate Investment Trust (“**BTB**” or the “**REIT**”) due February 28, 2030 at a price of \$1,000 per Series I Debenture. The distribution and offering of the Series I Debentures pursuant to this Prospectus Supplement is herein referred to as the “**Offering**”. The Series I Debentures bear interest at an annual rate of 7.25% payable semi-annually in arrears on February 28 and August 31 in each year commencing on August 31, 2025. See “Description of Series I Debentures”. The REIT is an unincorporated open-ended investment trust governed by the laws of the Province of Québec. BTB focuses on acquiring and managing income-producing, industrial, regional office and necessity-based retail properties. The head office of the REIT is located at 1411 Crescent Street, Suite 300, Montréal, Québec, H3G 2B3.

Each Series I Debenture will be convertible into units of the REIT (the “**Units**”) at the option of the holder at any time prior to 4:00 p.m. (Montreal time) on the earlier of February 28, 2030, and the last business day immediately preceding the date specified by the REIT for redemption of the Series I Debentures, at a conversion price of \$4.10 per Unit (the “**Conversion Price**”), being a conversion rate of 243.9024 Units per \$1,000 principal amount of Series I Debentures, subject to adjustment in certain events in accordance with the provisions of the Indenture (as defined herein). Holders converting their Series I Debentures will receive accrued and unpaid interest on such Series I Debentures for the period from the last Interest Payment Date thereon (or the date of issue of their Series I Debentures if no interest has yet been paid by the REIT) to and including the last record date prior to such conversion declared by the REIT for determining Unitholders (as defined herein) entitled to receive distributions on the Units. Further particulars concerning the conversion privilege, including provisions for the adjustment of the Conversion Price in certain events, are set out under “Description of the Series I Debentures - Conversion Rights”. **A holder of Series I Debentures (a “Series I Debentureholder”) will not be entitled to deferred tax treatment on the conversion, redemption or repayment at maturity of such Series I Debentures. See “Canadian Federal Income Tax Considerations”.**

The Series I Debentures will not be redeemable prior to February 28, 2028, except in the event of a Change of Control (as defined herein) (see “Description of the Series I Debentures - Put Right upon a Change of Control”). On or after February 28, 2028 and prior to February 28, 2029, the Series I Debentures may be redeemed by the REIT, in whole or in part, on not more than 60 days’ and on not less than 30 days’ prior notice, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, provided that the volume-weighted average trading price of the Units on the Toronto Stock Exchange (the “**TSX**”) for the 20 consecutive trading days ending on the fifth trading day preceding the date on which notice of redemption is given (the “**Current Market Price**”) is at least 125% of the Conversion Price. On or after February 28, 2029, and prior to February 28, 2030, on not

more than 60 days' nor less than 30 days' prior notice, the Series I Debentures will be redeemable at the option of the REIT, in whole or in part and from time to time, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest.

The REIT may, at its option, and subject to applicable regulatory approval, elect to satisfy its obligation to pay the principal amount of the Series I Debentures that are to be redeemed or that have matured by issuing to a Series I Debentureholder the number of Freely Tradeable Units (as defined herein) obtained by dividing the principal amount of Series I Debentures by 95% of the Current Market Price on the date of redemption or maturity, as applicable to Series I Debentureholders.

There is currently no market through which the Series I Debentures may be sold and purchasers may not be able to resell the Series I Debentures. This may affect the pricing of the Series I Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Series I Debentures and the extent of issuer regulation. See "Risk Factors". On January 14, 2025, the last trading day prior to the announcement of the Offering, the closing price per Unit and per Series H Debenture on the TSX was \$3.28 and \$101.50, respectively. The REIT has applied to list the Series I Debentures distributed under this prospectus supplement and the Units issuable upon conversion, redemption or maturity of the Series I Debentures on the TSX. Listing will be subject to the REIT fulfilling all the listing requirements of the TSX. The outstanding Units and Series H Debentures (as defined herein) are listed on the TSX under the symbol BTB.UN and BTB.DB.H, respectively. The Series I Debentures are being offered pursuant to an underwriting agreement dated January 16, 2025 (the "Underwriting Agreement") between BTB and National Bank Financial Inc. as lead underwriter, on its own behalf and on behalf of RBC Dominion Securities Inc., Canaccord Genuity Corp., CIBC World Markets Inc., Scotia Capital Inc., Desjardins Securities Inc. and iA Private Wealth Inc. (collectively, the "Underwriters").

Although the REIT intends to make distributions of its available cash to Unitholders (as defined herein), these cash distributions are not assured. A return on your investment in the REIT is not comparable to the return on an investment in a fixed-income security. The ability of the REIT to make cash distributions and the actual amount distributed will depend on numerous factors, including but not limited to, the financial performance of the REIT, its debt covenants and obligations, its working capital requirements, its future capital requirements and its capacity to refinance its current indebtedness and other factors that may be beyond its control. In addition, the market value of the Series I Debentures may decline if the REIT is unable to meet its cash distribution targets in the future, and that decline may be significant.

An investment in the Series I Debentures is subject to a number of risks and investment considerations that should be considered by a prospective purchaser. See "Risk Factors".

The pro forma earnings coverage ratios in respect of the REIT's indebtedness for the year ended December 31, 2023 and the twelve-month period ended September 30, 2024, after giving effect to the issuance of the Series I Debentures and the use of part of the net proceeds from the Offering to redeem the outstanding Series H Debentures of the REIT and to repay amounts outstanding under the Acquisition Line of Credit are 203% and 156%, respectively. See "Earnings Coverage Ratios".

The after-tax return for any Units acquired under the terms of a Series I Debenture by holders which are subject to Canadian income tax and are Canadian residents for purposes of the *Tax Act* will depend, in part, on the composition for tax purposes of distributions paid by the REIT (portions of which may be fully or partially taxable or may constitute non-taxable returns of capital). The adjusted cost base of Units held by a Unitholder generally will be reduced by the non-taxable portion of distributions made to the Unitholder other than the portion thereof attributable to the non-taxable portion of certain capital gains. The composition for tax purposes of those distributions may change over time, thus affecting the after-tax return to Unitholders. Investors should consult their own tax advisors concerning the tax consequences to them of the Offering.

The net proceeds from the sale of the Series I Debentures will be used to redeem the outstanding Series H Debentures of the REIT and to repay amounts outstanding under the Acquisition Line of Credit. See "Use of Proceeds".

In the opinion of counsel to BTB, the Series I Debentures will qualify as eligible investments for Deferred Income Plans as set forth under "Eligibility for Investment".

	Price to the Public ⁽¹⁾	Underwriters' Fee ⁽²⁾	Net Proceeds to BTB ⁽³⁾⁽⁴⁾
Per Series I Debenture.....	\$1,000	\$40	\$960
Total ⁽³⁾	\$35,000,000	\$1,400,000	\$33,600,000

Notes:

- (1) The terms of the Offering have been determined by negotiation between BTB and the Underwriters.
- (2) Fees will be paid based on 4.00% of the gross proceeds of the Offering. See “Plan of Distribution”.
- (3) Before deducting the expenses of this Offering, which are estimated to be approximately \$430,000 and will be paid from the proceeds of the Offering.
- (4) The REIT has granted to the Underwriters an over-allotment option (the “**Over-Allotment Option**”), exercisable for a period of 30 days following the Closing (as defined herein), to purchase up to \$5,250,000 aggregate principal amount of additional Series I Debentures on the same terms and conditions as set forth above to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the “Price to the Public”, “Underwriters’ Fee” and “Net Proceeds” to the REIT (before deducting the estimated expenses of this Offering) will be \$40,250,000, \$1,610,000 and \$38,640,000 respectively. This Prospectus Supplement, together with the Shelf Prospectus, also qualifies the distribution of the Over-Allotment Option and the distribution of the additional Series I Debentures issuable upon the exercise of the Over-Allotment Option. See “Plan of Distribution”. Unless otherwise indicated, the disclosure in this Prospectus Supplement assumes that the Over-Allotment Option has not been exercised. A purchaser who acquires Series I Debentures forming part of the Underwriters’ over-allocation position acquires those Series I Debentures under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Maximum size or number of securities

Underwriters’ Position	Available	Exercise Period	Exercise Price
Over-Allotment Option	Option to purchase up to 5,250 Series I Debentures (being up to 15% of the number of the Series I Debentures sold)	Up to thirty (30) days following the Closing	\$1,000 per Series I Debenture

The Underwriters, as principals, conditionally offer the Series I Debentures for sale, subject to prior sale, if, as and when issued by the REIT and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution”, and subject to the approval of certain legal matters on behalf of the REIT by Stikeman Elliott LLP, and on behalf of the Underwriters by Osler, Hoskin & Harcourt LLP. In accordance with and subject to applicable laws, the Underwriters may effect transactions that stabilize or maintain the market price of the Series I Debentures. **The Underwriters may offer the Series I Debentures at a lower price than stated above. See “Plan of Distribution”.**

Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. Book-entry only certificates representing the Series I Debentures will be issued in registered form to the CDS Clearing and Depository Services Inc. (“CDS”) or its nominee and will be deposited with CDS on closing. The Closing is expected to occur on or about January 23, 2025 or such later date as the REIT and the Underwriters may agree, but in any event no later than February 27, 2025, which is no later than 42 days after the date of this Prospectus Supplement. Series I Debentureholders will not be entitled to receive physical certificates representing their ownership. See “Description of the Series I Debentures - Book-Entry, Delivery and Form”.

The REIT is not a trust company and is not registered under applicable legislation governing trust companies as it does not carry on or intend to carry on the business of a trust company. Neither the Series I Debentures nor the Units issuable upon conversion of the Series I Debentures are “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that Act or any other legislation.

National Bank Financial Inc., RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., Desjardins Securities Inc. and iA Private Wealth Inc. are affiliates of financial institutions which are lenders of the REIT and a portion of the net proceeds of the Offering will be used to repay a portion of the Acquisition Line of Credit owing to one such financial institutions. Consequently, the REIT may be considered a “connected issuer” of such Underwriters within the meaning of Applicable Securities Legislation. As at December 31, 2024, the actual indebtedness of the REIT to such financial institutions amounted to approximately \$435,969,000 in the aggregate. See “Relationship Between the Issuer and the Underwriters”.

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GLOSSARY

The following terms used in this Prospectus Supplement have the meanings set out below:

“**1933 Act**” means the United States Securities Act of 1933, as amended.

“**2023 AIF**” means the annual information form of the REIT dated March 28, 2024.

“**2023 Annual Financial Statements**” means the comparative audited consolidated financial statements of the REIT for the year ended December 31, 2023, together with the notes thereto and the auditor’s report thereon, prepared in accordance with IFRS.

“**2023 Annual MD&A**” means the management’s discussion and analysis of operating results and financial position of the REIT for the year ended December 31, 2023.

“**Acquisition Line of Credit**” means the \$50,000,000 revolving credit with a financial institution entered into on September 29, 2021.

“**affiliate**” means, where used, to indicate a relationship with a Person, has the meaning that would be ascribed thereto in the Securities Act (Québec), as amended or replaced from time to time, if the word “company” were changed to “Person”.

“**Allowed Indebtedness Threshold**” means the authorized indebtedness threshold under subsection 6.2.5 of the Contract of Trust which states that the REIT shall not incur or assume any indebtedness if, after giving effect to the incurring or assumption of the indebtedness, the total consolidated indebtedness of the REIT would be more than 75% of the Gross Book Value. For the purposes of this definition, the term “indebtedness” means any obligation of the REIT for borrowed money (excluding any premium in respect of indebtedness assumed by the REIT for which the REIT has the benefit of an interest rate subsidy, but only to the extent an amount receivable has been excluded in the calculation of Gross Book Value with respect to such interest rate subsidy), provided that:

- (a) an obligation will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of the REIT;
- (b) indebtedness excludes trade accounts payable, distributions payable to Unitholders, accrued liabilities arising in the ordinary course of business and short term acquisition credit facilities; and
- (c) subordinate debentures will not constitute indebtedness.

If, as a result of a material acquisition or if as a result of a material variation in Gross Book Value, the 75% limit is exceeded, the REIT shall reduce its indebtedness or issue additional Units, or take other action, in order to comply with such limit within the 12 months from the date such limit was exceeded, and subject to such reasonable extensions beyond such 12- month period from the date such limit was exceeded, as approved by the Trustees.

“**Applicable Securities Legislation**” means applicable securities law in each of the provinces (if applicable) of Canada.

“**BTB**” or the “**REIT**” means BTB Real Estate Investment Trust except as otherwise set forth herein.

“**BTB LP**” means BTB Real Estate Limited Partnership, a limited partnership formed under the laws of the Province of Québec.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Change of Control**” has the meaning ascribed thereto under “Description of the Series I Debentures – Put Right upon a Change of Control”.

“**Class B LP Units**” means the class B limited partnership units of BTB LP, which are exchangeable for Units on a one for one basis.

“**Closing**” means the closing date on or about January 23, 2025.

“**Contract of Trust**” means the contract of trust made as of July 12, 2006, as amended as of August 1, 2006, March 15, 2011, January 28, 2015 and June 8, 2020, and from time to time governed by the laws of the Province of Québec, pursuant to which the REIT was established.

“**Conversion Price**” has the meaning ascribed thereto under “Description of the Series I Debentures – Conversion Rights”.

“**CRA**” means the Canada Revenue Agency.

“**Current Market Price**” has the meaning ascribed thereto under “Description of the Series I Debentures - Conversion Rights”.

“**Debenture**” means a Series I Debenture or Series H Debenture or any debenture of the REIT issued under the Indenture and “**Debentures**” means collectively, the Series I Debentures, the Series H Debentures and all other debentures to be issued from time to time pursuant to the terms and conditions of the indenture, collectively.

“**Debentureholders**” means the holders of Debentures and “**Debentureholder**” means one of them.

“**Debenture Trustee**” means Computershare Trust Company of Canada.

“**Deferred Income Plans**” means, collectively, trusts governed by a RRSP, a RRIF, a DPSP, RESPs, RDSPs, TFSAAs and FHSAs, each as defined hereunder and/or in the *Tax Act*.

“**Definitive Debentures**” has the meaning ascribed thereto under “Description of the Series I Debentures – Book Entry, Delivery and Form”.

“**Depository**” has the meaning ascribed thereto under “Description Series I Debentures – Book Entry, Delivery and Form”.

“**DPSP**” means a deferred profit sharing plan, as defined in the *Tax Act*.

“**DRIP**” means the Distributions Reinvestment Plan put in place by the REIT in October 2011, as amended from time to time.

“**Eighth Supplemental Indenture**” has the meaning ascribed thereto under “Description of the Series I Debentures – General”.

“**EUPP**” means the Employee Unit Purchase Plan put in place by the REIT in June 2013, as amended from time to time.

“**Event of Default**” has the meaning ascribed thereto under “Description of the Series I Debentures - Events of Default”.

“**FHSA**” means a “first home savings account”, as defined in the *Tax Act*.

“**Freely Tradeable**” in respect of Units, means Units which (i) are issuable without the necessity of filing a prospectus or any other similar offering document (other than a prospectus or similar offering document that has been filed prior to the date hereof) under Applicable Securities Legislation and for which such issue does not constitute a distribution (other than a distribution already qualified by prospectus or similar offering document) under Applicable Securities Legislation; and (ii) can be traded by the holder hereof without any restriction under Applicable Securities Legislation,

such as hold periods, except in the case of a distribution by a control person (as interpreted within the meaning of Applicable Securities Legislation).

“**GLA**” means gross leasable area.

“**Global Debentures**” has the meaning ascribed thereto under “Description of the Series I Debentures – Book Entry, Delivery and Form”.

“**Gross Book Value**” means, at any time, the fair value of the investment properties and other assets of BTB and its consolidated Subsidiaries, as shown on its then most recent consolidated balance sheet, plus accumulated depreciation and amortization in respect of BTB’s other assets shown thereon or in the notes thereto, less (i) the amount of any receivable reflecting interest rate subsidies on any debt assumed by BTB and (ii) the amount of future income tax liability arising out of the fair value adjustment in respect of the indirect acquisitions of certain properties; provided however, if approved by a majority of the Independent Trustees, the appraised value of the other assets of BTB and its consolidated Subsidiaries may be used instead of book value.

“**IASB**” means the International Accounting Standards Board.

“**IFRS**” means IFRS Accounting Standards as issued by the International Accounting Standards Board.

“**Indenture**” has the meaning ascribed thereto under “Description of the Series I Debentures – General”.

“**Independent Trustee**” means a Trustee who, in relation to the REIT or any of its related parties is “independent” within the meaning of Multilateral Instrument 52-110 - Audit Committees and is not “related” within the meaning of the *Tax Act*, as amended or replaced from time to time.

“**Interest Obligation**” has the meaning ascribed thereto under “Description of the Series I Debentures – Method of payment – Interest Payment Election”.

“**Interest Payment Date**” has the meaning ascribed thereto under “Description of the Series I Debentures – Method of payment – Interest Payment Election”.

“**Interest Payment Election**” has the meaning ascribed thereto under “Description of the Series I Debentures – Method of payment – Interest Payment Election”.

“**Lead Underwriter**” means National Bank Financial Inc.

“**Marketing Materials**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**Non-Resident**” means a Person who is a non-resident of Canada for the purposes of the *Tax Act*, including a partnership that is not a Canadian partnership within the meaning of the *Tax Act*.

“**Offering**” means the public offering by the REIT of \$35,000,000 aggregate principal amount of Series I Debentures.

“**Over-Allotment Option**” means the option granted to the Underwriters pursuant to the Underwriting Agreement to purchase up to \$5,250,000 aggregate principal amount of Series I Debentures at a price of \$1,000 per Series I Debenture.

“**Person**” means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability corporations, joint ventures, associations, companies, trusts, banks, trust companies, trustees, executors, administrators or other legal personal representatives, two or more persons who, together, constitute all the owners of a property, pension funds, land trusts, business trusts or other organizations, whether or not legal entities and regulatory bodies, governments and agencies and political subdivisions thereof and municipalities.

“**Put Date**” has the meaning ascribed thereto under “Description of the Series I Debentures – Put Right upon a Change of Control”.

“**Put Price**” has the meaning ascribed thereto under “Description of the Series I Debentures – Put Right upon a Change of Control”.

“**RDSP**” means a “registered disability savings plan”, as defined in the *Tax Act*.

“**REIT Exception**” has the meaning ascribed thereto under “Canadian Federal Income Tax Considerations – Status of the REIT – REIT Exception”.

“**Resident**” means a Person who is a resident of Canada for the purposes of the *Tax Act*.

“**RESP**” means a “registered education savings plan”, as defined in the *Tax Act*.

“**RRIF**” means a “registered retirement income fund”, as defined in the *Tax Act*.

“**RRSP**” means a “registered retirement savings plan”, as defined in the *Tax Act*.

“**RUP**” means the Restricted Unit Plan put in place by the REIT in June 2013, as amended from time to time.

“**Senior Indebtedness**” has the meaning ascribed thereto under “Description of the Series I Debentures”.

“**September 30, 2024 Interim Financial Statements**” means the comparative unaudited consolidated financial statements of the REIT for the three-month and nine-month periods ended September 30, 2024, together with the notes thereto, prepared in accordance with IAS 34, “Interim Financial Reporting” as issued by the IASB.

“**September 30, 2024 Interim MD&A**” means the management’s discussion and analysis of operating results and financial position of the REIT for the three-month and nine-month periods ended September 30, 2024.

“**Series H Debentures**” means the Series H 7.00% convertible unsecured subordinated debenture of the REIT.

“**Series I Debentures**” has the meaning ascribed thereto on the cover page.

“**Series I Debentureholders**” means the holders of Series I Debentures.

“**SIFT**” means a “SIFT trust” or a “SIFT partnership” as defined in the *Tax Act* for purposes of the SIFT Regime.

“**SIFT Regime**” means the amendments to provisions of the *Tax Act* proclaimed in force on June 22, 2007, as amended, that implement the changes announced as part of the Tax Fairness Plan proposed by the Minister of Finance (Canada) on October 31, 2006 which modify the tax treatment of SIFTs, and the tax treatment of their unitholders in the manner described below under “Canadian Federal Income Tax Considerations – SIFT Regime”.

“**SIFT Rules**” means the provisions of the *Tax Act* governing the SIFT Regime.

“**Special Voting Unit**” means a non-participating special voting unit of the REIT.

“**Subsidiaries**” includes, with respect to any person, corporation, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, corporation, partnership, limited partnership, trust or other entity and, without limiting the generality of the foregoing, includes TB Trust in respect of the REIT and “**Subsidiary**” means any one of them.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended.

“**Tax Proposals**” means all specific proposals to amend the *Tax Act* and regulation thereunder announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Prospectus Supplement.

“**TB Contract of Trust**” means the contract of trust dated July 12, 2006, as amended and restated as of August 1, 2006, March 15, 2011 and May 4, 2011 and as amended as of December 8, 2023, and from time to time pursuant to which TB Trust was formed under the laws of the Province of Québec.

“**TB Trust**” means BTB, Acquisition and Operating Trust, a trust formed under the laws of the Province of Québec pursuant to the TB Contract of Trust.

“**TFSA**” means a tax-free savings account as defined in the *Tax Act*.

“**Transfer Agent**” means Computershare Investor Services Inc.

“**Trustee**” means a trustee of the REIT.

“**TSX**” means the Toronto Stock Exchange.

“**Underwriters**” means National Bank Financial Inc. and RBC Dominion Securities Inc., Canaccord Genuity Corp., CIBC World Markets Inc., Scotia Capital Inc., Desjardins Securities Inc. and iA Private Wealth Inc.

“**Underwriting Agreement**” means the underwriting agreement dated January 16, 2025 among the REIT and the Underwriters.

“**Unit**” means a unit of interest in the REIT, other than Special Voting Units.

“**Unitholder**” means a holder of Units, and any reference to a Unitholder in the context of such Unitholder’s right to vote at a meeting of Unitholders or receive information also include a holder of Special Voting Units.

“**Unit Redemption Right**” has the meaning ascribed thereto under “Description of the Series I Debentures”.

“**Voting Units**” means, collectively, the Units and the Special Voting Units.

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the securities that the REIT is offering and also adds to and updates certain information contained in the Shelf Prospectus and the documents incorporated by reference into this Prospectus Supplement and the Shelf Prospectus. The second part, the Shelf Prospectus, gives more general information.

Readers should rely only on the information contained in this Prospectus Supplement and the Shelf Prospectus or in documents incorporated by reference into this Prospectus Supplement and the Shelf Prospectus. The REIT and the Underwriters have not authorized any other person to provide prospective investors with different information and any such information should not be relied upon. The REIT and the Underwriters are not making an offer to sell the Series I Debentures in any jurisdiction where the offer or sale is not permitted. Readers should assume that the information appearing in this Prospectus Supplement and the Shelf Prospectus, as well as information the REIT has previously filed with the securities regulatory authority in each of the provinces and territories of Canada in documents incorporated by reference into this Prospectus Supplement and the Shelf Prospectus, is accurate as of their respective dates only. The business, financial condition, results of operations and prospectus of the REIT may have changed since those dates.

Unless otherwise indicated, the disclosure in this Prospectus Supplement assumes that the Over-Allotment Option has not been exercised. Financial data that is derived from the financial statements has been prepared in accordance with IFRS as issued by the IASB.

In this Prospectus Supplement, unless otherwise specified, all references to “dollars” or “\$” are to Canadian dollars.

FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, the Shelf Prospectus, and the documents incorporated by reference herein and therein may contain forward-looking statements. All statements other than statements of historical fact contained in this Prospectus Supplement are forward-looking statements. Forward-looking statements are statements, other than statements of historical fact, that address or discuss activities, events or developments that BTB expects or anticipates will or may occur in the future, including the ability of BTB to identify, pursue and consummate acquisition opportunities, the strength of the real estate markets, business strategies and measures to implement these strategies, competitive strengths, benefits that may be achieved in connection with the integration of the recent acquisitions, goals, expansion and growth of BTB’s businesses and operations, plans and references to future acquisitions and success. Such forward-looking statements can be identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “can”, “could”, “might”, “should” and similar expressions or the negatives thereof.

The forward-looking statements reflect the current views and beliefs of the management of BTB and are based on certain assumptions, including assumptions as to future economic conditions and courses of action, as well as information currently available to management and other factors management believes are appropriate and reasonable in the circumstances. Such forward-looking statements are subject to risks and uncertainties and no assurance can be made that any of the events anticipated by such statements will prove to be accurate or occur or, if they do occur, what the effect on BTB would be. Several factors could cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements, including but not limited to:

- i) The general economic conditions, local real estate markets, supply and demand for leased premises, competition from other available premises and various other factors.
- ii) The credit and financial stability of the tenants located in BTB’s properties and the economic environment in which they operate.
- iii) BTB’s ability to achieve its ESG commitments and objectives.

- iv) BTB’s ability to identify investment properties that meet its acquisition criteria or in completing acquisitions or investments on satisfactory terms.
- v) BTB’s access to capital and debt markets including being able to refinance its credit facilities, mortgages, hypothec loans and other outstanding indebtedness of BTB on terms acceptable to BTB.
- vi) The failure of the newly acquired properties to perform as expected by management and the underestimation of the costs associated with the integration of such acquired properties.
- vii) The failure to maintain a mutual fund trust status (for the purpose of the *Tax Act*) or to qualify for the REIT Exception.
- viii) BTB’s federal status.
- ix) Other factors, many of which are beyond BTB’s control, including those factors identified under the “Risk Factors” heading.

These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. Material assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include: the ability of BTB to identify additional properties, the credit and financial stability of current and future tenants, the current hypothec and mortgage loan to value ratio and hypothec and mortgage interest rates remaining constant, equity and debt capital markets continuing to provide access to fund BTB’s future growth on terms acceptable to the management of BTB and BTB being able to refinance its credit facilities, mortgages, hypothec loans and other outstanding indebtedness on terms acceptable to BTB. Certain statements included in this Prospectus Supplement may be considered as a “financial outlook” for the purposes of applicable securities laws and may not be appropriate for purposes other than this Prospectus Supplement. BTB’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be made that any of the events anticipated by the forward-looking statements will prove to be accurate or occur, or if any of them do so, what benefits, including the amount of proceeds, BTB will derive therefrom. BTB does not assume any obligation to update the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

NON-IFRS FINANCIAL MEASURES

The following terms and measures, Funds from Operations (“**FFO**”), FFO Adjusted, FFO per unit, FFO Adjusted per unit, FFO payout ratio, FFO Adjusted payout ratio, Adjusted FFO (“**AFFO**”), AFFO Adjusted, AFFO per unit, AFFO Adjusted per unit and AFFO payout ratio, and AFFO Adjusted payout ratio, Total Debt Ratio, Same Property NOI, Total Mortgage Debt Ratio and other measures discussed in the documents incorporated by reference herein, including any per unit information if applicable, are non-IFRS measures and do not have standardized meaning prescribed by IFRS. Because such non-IFRS measures do not have a standardized meaning prescribed by IFRS and may differ from similar measures used by other issuers, securities regulations require, among other things, that these alternative measures be clearly defined and qualified and reconciled with their nearest IFRS measures and that they do not assign greater weight than the IFRS measures. For full definitions and reconciliations of these non-IFRS measures, refer to the “Non-IFRS Financial Measures” section at page 37 of the 2023 Annual MD&A, as well as the reconciliations provided in Appendix 2 to the 2023 Annual MD&A which is incorporated by reference herein. 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 at page 37 in the 2023 Annual MD&A, which is incorporated by reference herein. A copy of the 2023 Annual MD&A can be found on www.sedarplus.ca under the REIT’s profile.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the REIT at 1411 Crescent Street, Suite

300, Montréal, Québec H3G 2B3, telephone (514) 286-0188 ext. 244, and are also available electronically at www.sedarplus.ca.

The following documents, filed with the various securities commissions or similar regulatory authorities in each of the provinces and territories of Canada, are specifically incorporated by reference in and form an integral part of this Prospectus Supplement:

- (a) the 2023 AIF;
- (b) the 2023 Annual Financial Statements;
- (c) the 2023 Annual MD&A;
- (d) the September 30, 2024 Interim Financial Statements;
- (e) the September 30, 2024 Interim MD&A;
- (f) the management information circular of the REIT dated May 16, 2024 in connection with the annual and special meeting of the Unitholders held on June 20, 2024;
- (g) the “template version” of the term sheet related to the Offering dated January 14, 2025 and filed on SEDAR+ on January 14, 2025 (the “**Initial Term Sheet**”); and
- (h) the revised term sheet related to the Offering dated January 15, 2025 and filed on SEDAR+ on January 15, 2025 (the “**Upsized Term Sheet**”, and together with the Initial Term Sheet, the “**Marketing Materials**”).

Any documents of the type described in Item 11 of Form 44-101F1 — *Short Form Prospectus Distributions* (excluding confidential material change reports and excluding those portions of documents that are not required pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference herein) and any other documents as may be required to be incorporated by reference into this Prospectus Supplement under applicable securities laws which are filed by the REIT with the securities commissions or authorities in the provinces and territories of Canada subsequent to the date of this Prospectus Supplement and prior to the termination of the distribution under the Offering, shall be deemed to be incorporated by reference in this Prospectus Supplement or the Shelf Prospectus for purposes of the Offering.

Any statement contained in this Prospectus Supplement, the Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus Supplement or the Shelf Prospectus shall be deemed to be modified or superseded for purposes of this Prospectus Supplement and the Shelf Prospectus to the extent that a statement contained in this Prospectus Supplement, or in any subsequently filed document which is, or is deemed to be, incorporated by reference in this Prospectus Supplement or the Shelf Prospectus, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus Supplement or the Shelf Prospectus except as so modified or superseded.

MARKETING MATERIALS

The Marketing Materials (as defined herein) are not part of this Prospectus Supplement to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus Supplement. The Initial Term Sheet was modified and superseded by the Upsized Term Sheet to reflect the upsizing of the Offering

from a \$30,000,000 aggregate principal amount to a \$35,000,000 aggregate principal amount. The foregoing summary of modifications is not exhaustive and is qualified by the information contained in the Upsized Term Sheet which has been filed with the securities regulatory authorities of each of the provinces and territories of Canada and can be viewed under the REIT's profile at www.sedarplus.ca. The Upsized Term Sheet has also been incorporated by reference in this Prospectus Supplement. See "Documents Incorporated by Reference".

Any "template version" of "marketing materials" (each as defined in National Instrument 41-101 - *General Prospectus Requirements*) filed after the date of this Prospectus Supplement and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated into this Prospectus Supplement.

THE REIT

BTB is an unincorporated open-ended real estate investment trust governed under the laws of the Province of Québec pursuant to the Contract of Trust. For more information on BTB and its business, refer to the 2023 AIF.

Overview of Property Portfolio

As of the date of this Prospectus Supplement, BTB's property portfolio was comprised of the following 75 properties totaling approximately 6.1 million square feet of industrial, regional office, necessity-based retail properties located in Canada.

The following tables consider the committed occupancy rate, which provides an indication of the optimization of rental space and the potential revenue gain from BTB's property portfolio. This rate considers occupied leasable area and the leasable area of leases that have been signed as of the end of the quarter ended September 30, 2024 but where the term of the lease has not yet begun.

Province	Income Producing Properties	GLA (Sq. Feet)	Total Square Feet Occupied (%) ⁽¹⁾	% of GLA
Québec	50	4,687,909	90.5	76.5
Ontario	11	809,115	99.4	13.2
Alberta	10	405,239	100.0	6.6
Saskatchewan	4	223,472	100.0	3.7
TOTAL	75	6,125,735	92.3	100.0

(1) Committed as at September 30, 2024.

Refer to the 2023 AIF for the list of diversified properties owned by BTB as at the date of this Prospectus Supplement, subject to the changes since December 31, 2023 listed below:

- On February 29, 2024, the Trust disposed of two office properties located at 32 and 50, Saint-Charles Street West, in Longueuil, Québec, for total proceeds of \$6,206,000, excluding transaction costs and adjustments.

DEBT STRATEGY

BTB finances a portion of the purchase price of its properties by way of mortgage and hypothecary loans from third party lenders. The Contract of Trust provides that BTB may not incur or assume any indebtedness if, after incurring or assuming such indebtedness, the total consolidated indebtedness of BTB would be more than 75% of its Gross Book Value pursuant to the Allowed Indebtedness Threshold. Five and ten-year fixed rates amortizing debts will primarily be used, and short-term floating rate loans will be used in appropriate circumstances. BTB's long-term strategy includes using the current favourable debt and interest rate environment to prudently manage its overall financial leverage within a range of 60% to 65% of its Gross Book Value in order to maximize its return on equity while mitigating financial risk to BTB and maintaining stable cash flows.

After giving effect to the recent developments described under the heading “Recent Developments” (the “Recent Developments”), to this Offering and the proposed use of the net proceeds from this Offering, the indebtedness of the REIT, expressed as a percentage of the *pro forma* Gross Book Value as at September 30, 2024, will be 55.7%, excluding the Debentures. Including the Debentures for the computation of indebtedness such indebtedness would represent 58.5 % of the *pro forma* Gross Book Value as at September 30, 2024, being a percentage that is below the Allowed Indebtedness Threshold.

RECENT DEVELOPMENTS

On October 31, 2024, the REIT fully redeemed the series G 6.00% convertible unsecured subordinated debentures (the “**Series G Debentures**”), funded mainly through proceeds from recent mortgage financings.

On December 20, 2024, the REIT raised \$4,100,000 through the refinancing of a property.

USE OF PROCEEDS

The total net proceeds to be received by the REIT are estimated to be approximately \$33,170,000 (approximately \$38,210,000 if the Over-Allotment Option is exercised in full), after deducting the Underwriters’ fee in respect of the Offering and the Offering expenses estimated at \$430,000. It is expected that the net proceeds from the Offering will be used to repay all of the outstanding Series H Debentures and accrued interest thereon. The balance of the net proceeds will be used to repay amounts outstanding under the Acquisition Line of Credit. See table below.

Intended Use of Proceeds	Allocated Funds ⁽¹⁾
Repayment of Series H Debentures	\$19,917,000 ⁽²⁾
Repayment of a portion of the amounts outstanding under the Acquisition Line of Credit	\$13,253,000
Total Net Proceeds	\$33,170,000

Notes:

- (1) After deducting the Underwriters’ fee in the amount of \$1,400,000 and \$430,000 of estimated Offering expenses (without giving effect to the Over-Allotment Option).
- (2) Excluding the accrued interest to be paid on the redemption date of the Series H on February 21, 2025.

The REIT intends to spend the funds available to the REIT as stated in this Prospectus Supplement; however, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. See “Risk Factors”.

National Bank Financial Inc., one of the Underwriters, is an affiliate of the financial institution to which amounts outstanding under the Acquisition Line of Credit are owed. As at January 10, 2025, the actual indebtedness of the REIT to the financial institution to which National Bank Financial Inc. is affiliated amounted to approximately \$50,474,000 in loans owed to such financial institution. See “Relationship Between the Issuer and the Underwriters”. Consistent with past practices and in the normal course of business, the REIT expects to primarily use its available liquidity under the Acquisition Line of Credit to fund property acquisitions in the normal course of business.

CONSOLIDATED CAPITALIZATION

The following table sets out BTB’s capitalization as at September 30, 2024, both on an actual basis and on a pro forma basis after giving effect to the Recent Developments, to this Offering and the proposed use of the net proceeds of the Offering. This table should be read in conjunction with the September 30, 2024 Interim Financial Statements incorporated by reference in this Prospectus Supplement.

Description	Outstanding at September 30, 2024 (\$ 000)	Outstanding at September 30, 2024 after giving effect to this Offering, the Recent Developments and the intended use of net proceeds ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ (\$ 000)
Debt		
Class B LP Units	2,517	2,517
Mortgage loans payable	653,147	660,247
Convertible Debentures	43,155	33,170
Acquisition Line of Credit	28,171	31,818
Lease Liabilities	7,502	7,502
Total Debt	734,492	735,254
Unitholders' Equity		
<i>(Units Authorized unlimited)</i>	481,147	479,229
Total Capitalization	1,215,639	1,214,483

Notes:

- (1) Giving effect to the redemption and payment on October 31, 2024 at maturity of the Series G Debentures at their nominal value of \$24,000,000. The difference of \$34,000 between the redemption amount of \$24,000,000 and the carrying value of \$23,966,000 of the Series G Debentures at September 30, 2024 has been recorded as a charge to unitholders' equity. The redemption was financed using proceeds ultimately sourced from mortgage loans (\$3,000,000) and the line of credit (\$21,000,000).
- (2) Giving effect to the additional \$4,100,000 raised through the mortgage refinancing concluded on December 20, 2024.
- (3) Giving effect to this Offering, net of Underwriters' fee of \$1,400,000 and the Offering expenses estimated at \$430,000. The difference of \$13,253,000 between the net proceeds from the Offering and the redemption amount of the Series H Debentures at September 30, 2024 of \$19,917,000 has been applied to reduce amounts outstanding under the Acquisition Line of Credit.
- (4) Giving effect to the repayment of the outstanding nominal amount of the Series H Debentures. The difference of \$1,884,000 between the redemption amount of the Series H Debentures of \$19,917,000 and the net book value of this instrument at September 30, 2024 of \$18,033,000 (carrying value of Series H debentures of \$19,189,000, net of the related derivative asset of \$1,156,000) has been recorded as a charge to unitholders' equity.

Additional information regarding material indebtedness of the REIT is provided in the September 30, 2024 Interim Financial Statements and the September 30, 2024 Interim MD&A, which are incorporated by reference herein.

CHANGES IN UNITS AND SPECIAL VOTING UNITS OUTSTANDING

As January 16, 2025, there were 88,112,833 Units and 697,265 Special Voting Units issued and outstanding.

DESCRIPTION OF UNITS AND SPECIAL VOTING UNITS

A detailed summary of the attributes of the Units can be found in the REIT's 2023 AIF under the heading "Summary of the Contract of Trust – Units".

A detailed summary of the attributes of the Special Voting Units can be found in the REIT's 2023 AIF under the heading "Summary of the Contract of Trust – Special Voting Units".

DISTRIBUTION POLICY

The REIT may distribute to Unitholders monthly, on or about the fifteenth day in each calendar month, such percentage of the distributable income of the REIT for the preceding calendar month as the Trustees determine in their discretion.

For the fiscal year 2023 and 2024 the REIT made monthly distributions of \$0.025 per Unit.

The REIT's current intention is to distribute \$0.025 per Unit per month to Unitholders. Monthly distributions will be based on the Trustees' estimate of yearly distributable income, subject to adjustment from time to time throughout the year. See the section entitled "Distribution Policy" in the 2023 AIF incorporated herein by reference.

DESCRIPTION OF THE SERIES I DEBENTURES

The following is a summary of the material attributes and characteristics of the Series I Debentures. This summary does not purport to be complete and is subject to, and is qualified in its entirety by, reference to the terms of the Indenture, which will be filed with the Canadian securities regulatory authorities at www.sedarplus.ca.

General

The Series I Debentures will be created and issued under a supplemental indenture to be dated the date of the Closing of the Offering (anticipated to be January 23, 2025) (the “**Eighth Supplemental Indenture**”) to the original trust indenture dated as of October 3, 2006 and such original trust indenture together with the first supplemental indenture dated March 20, 2008, the second supplemental indenture dated January 11, 2011, the third supplemental indenture dated July 13, 2011, the fourth supplemental indenture dated February 20, 2013, the fifth supplemental indenture dated December 4, 2015, the sixth supplemental indenture dated October 7, 2019 and the seventh supplemental indenture dated September 29, 2020 (the “**Indenture**”) between the REIT and the Debenture Trustee, as trustee. The Indenture does not limit the aggregate principal amount of Debentures that may be outstanding from time to time.

The Series I Debentures to be issued will be for \$35,000,000 aggregate principal amount. The REIT may, from time to time, without the consent of the Debentureholders, issue additional Debentures of the same series or of a different series under the Indenture, in addition to the Series I Debentures offered hereby.

The Series I Debentures will be dated as of the Closing of the Offering and will mature on February 28, 2030. The Series I Debentures will be issuable only in denominations of \$1,000 and integral 1,000 multiples thereof and will bear interest from and including the date of issue at 7.25% per annum, which will be payable semi-annually in arrears on February 28 and August 31 in each year, commencing on August 31, 2025. The first interest payment will include interest accrued from the date of the Closing of the Offering to but excluding August 31, 2025.

The principal amount of the Series I Debentures is payable in lawful money of Canada or, at the option of the REIT and subject to applicable regulatory approval, by delivery of fully paid, non-assessable and Freely Tradeable Units, as further described under “Description of Series I Debentures - Method of Payment - Payment of Principal on Redemption or at Maturity”. The interest on the Series I Debentures is payable in lawful money of Canada, including, at the option of the REIT and subject to applicable regulatory approval, in accordance with Interest Payment Election, as described under “Description of Series I Debentures - Method of Payment - Interest Payment Election”.

The Series I Debentures are direct obligations of the REIT and are not to be secured by any mortgage, pledge, hypothec or other charge and will be subordinated to other liabilities of the REIT as described under “Description of the Series I Debentures – Subordination”.

Subordination

The Indenture provides that the Series I Debentures are subordinated in right of payment to all present and future Senior Indebtedness (as defined herein) of the REIT. No payment of principal (including redemption payments) or interest on the Series I Debentures may be made: (i) if any Senior Indebtedness is not paid when due and any applicable grace period with respect to such payment default on Senior Indebtedness has ended and such default has not been cured or waived or ceased to exist; or (ii) if the maturity of any Senior Indebtedness has been accelerated because of a default and either such acceleration has not been rescinded or such Senior Indebtedness has not been repaid. Upon any distribution of assets of the REIT to creditors upon any dissolution, winding-up, total liquidation or reorganization of the REIT, whether in bankruptcy, insolvency or receivership proceedings, upon an “assignment for the benefit of creditors”, or otherwise, all principal, premium, if any, and interest due on all Senior Indebtedness of the REIT must be paid in full before the Debentureholders are entitled to receive or retain any payment.

Neither the Indenture nor the Series I Debentures will limit the ability of the REIT to incur additional indebtedness, including indebtedness that ranks senior to the Series I Debentures, or from mortgaging, pledging or charging its properties to secure any indebtedness.

The term “Senior Indebtedness” means the principal of, and the interest and premium (or any other amounts payable thereunder), if any, on:

- (a) *all indebtedness, liabilities and obligations of the REIT (other than the Series I Debentures, and the Series H Debentures), whether outstanding on the date of the Indenture or thereafter created, incurred, assumed or guaranteed in connection with the acquisition by the REIT of any businesses, properties or other assets or for monies borrowed or raised by whatever means (including, by means of commercial paper, bankers’ acceptances, letters of credit, debt instruments, bank debt and financial leases, and any liability evidenced by bonds, debentures, notes or similar instruments) or in connection with the acquisition of any businesses, properties or other assets or for monies borrowed or raised by whatever means (including by means of commercial paper, bankers’ acceptances, letters of credit, debt instruments, bank debt and financial leases, and any liability evidenced by bonds, debentures, notes or similar instruments) by others including any Subsidiary of the REIT for payment of which the REIT is responsible or liable, whether absolutely or contingently; and*
- (b) *renewals, extensions, restructurings, refinancings and refundings of any such indebtedness, liabilities or obligations;*

unless in each case it is provided by the terms of the instrument creating or evidencing such indebtedness, liabilities or obligations that such indebtedness, liabilities or obligations are not superior in right of payment to Series I Debentures which by their terms are subordinated.

The Series I Debentures are direct unsecured obligations of the REIT. Each Debenture will rank pari passu with each other debenture of the same series or with other series of debentures that have been or that may be issued under the Indenture (regardless of their actual date or terms of issue) and, subject to statutory preferred exceptions, with all other present and future subordinated and unsecured indebtedness of the REIT except for sinking fund provisions (if any) applicable to different series of debentures or other similar types of obligations of the REIT.

Conversion Rights

Each Series I Debenture is convertible into Units of the REIT, at the option of the Series I Debentureholder, at any time prior to 4:00 p.m. (Montreal time) on the earlier of February 28, 2030 and the last business day immediately preceding the date specified by the REIT for redemption of the Series I Debentures, at a conversion price of \$4.10 per Unit (the “**Conversion Price**”), being a conversion rate of 243.9024 Units per \$1,000 principal amount of Series I Debentures, subject to adjustment upon the occurrence of certain events in accordance with the Indenture. If all conversion rights attaching to the Series I Debentures are exercised, the REIT will be required to issue 8,536,584 additional fully paid, non-assessable and Freely Tradeable Units (9,817,072 assuming the exercise in full of the Over-Allotment Option), subject to anti-dilution adjustments. No adjustment will be made for distributions on Units issuable upon conversion or for interest accrued on Series I Debentures surrendered for conversion; however, Series I Debentureholders converting their Series I Debentures will receive accrued and unpaid interest on such Series I Debentures for the period from the last Interest Payment Date on their Series I Debentures (or the date of issue of their Series I Debentures if no interest has yet been paid by the REIT) to and including the last record date prior to such conversion declared by the REIT for determining the Unitholders entitled to receive distributions on the Units.

Subject to the provisions thereof, the Indenture provides for the adjustment of the Conversion Price in certain events including: (i) the subdivision or consolidation of the outstanding Units; (ii) the distribution of Units to Unitholders by way of distribution or otherwise other than an issue of securities to Unitholders who have elected to receive distributions in securities of the REIT in lieu of receiving cash distributions paid in the ordinary course; (iii) the issuance of options, rights or warrants to all or substantially all Unitholders entitling them to acquire Units or other securities convertible into Units at less than 95% of the then Current Market Price (as defined in the Indenture to mean the volume-weighted average trading price of the Units on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date of the applicable event) of the Units; and (iv) the distribution to all or substantially all the Unitholders of (a) units of any class other than Units and other than units distributed to Unitholders who have elected to receive distributions in the form of such units in lieu of distributions paid in the ordinary course, (b) rights, options or warrants (excluding rights, options or warrants entitling the holders thereof for a period of not more than

45 days to subscribe for or purchase Units or securities convertible into Units), (c) evidences of the REIT's indebtedness or (d) assets (excluding dividends or distributions paid in the ordinary course). There will be no adjustment of the Conversion Price in respect of any event described above if the Series I Debentureholders are allowed to participate as though they had converted their Series I Debentures prior to the applicable record date or effective date, as the case may be, of such event. The REIT will not be required to make adjustments in the Conversion Price unless the cumulative effect of such adjustments would change the Conversion Price by at least 1%.

In the case of any reclassification or capital reorganization (other than a change resulting from consolidation or subdivision) of the Units or in the case of any consolidation, amalgamation, reorganization or merger of the REIT with or into any other entity, or in the case of any sale or conveyance of the property and assets of the REIT as, or substantially as, an entirety to any other entity, or a liquidation, dissolution or winding-up of the REIT, the terms of the conversion privilege shall be adjusted so that each Series I Debentureholder shall, after such reclassification, capital reorganization, consolidation, amalgamation, reorganization, merger, sale, conveyance, liquidation, dissolution or winding-up, be entitled to receive and shall accept the number of Units or other securities or other property that, on the exercise of the conversion right, such Series I Debentureholder would be entitled to receive if, on the effective date thereof, it had been the holder of the number of Units into which the Series I Debenture was convertible prior to the effective date of such reclassification, capital reorganization, amalgamation, reorganization, combination, merger, sale, conveyance, liquidation, dissolution or winding-up.

No fractional Units will be issued on any conversion but in lieu thereof, the REIT shall satisfy fractional interests by a cash payment equal to the Current Market Price of the fractional interest.

Redemption

The Series I Debentures will not be redeemable prior to February 28, 2028, except in the event of the satisfaction of certain conditions after a Change of Control has occurred. On or after February 28, 2028, and prior to February 28, 2029, the Series I Debentures will be redeemable at the option of the REIT, in whole or in part and from time to time, on not more than 60 days' nor less than 30 days' prior notice, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, provided that the volume-weighted average trading price of the Units on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date on which the 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, on not more than 60 days' nor less than 30 days' prior notice, the Series I Debentures will be redeemable at the option of the REIT, in whole or in part and from time to time, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest.

In the case of redemption of less than all of the Series I Debentures, the Series I Debentures to be redeemed will be selected by the Debenture Trustee on a *pro rata* basis to the nearest multiple of \$1,000 or by lot in such manner as the Debenture Trustee deems equitable.

Put Right upon a Change of Control

Upon the occurrence of a change of control involving the acquisition, by any person or persons acting jointly or in concert, of voting control or direction over an aggregate of 66 $\frac{2}{3}$ % or more of the outstanding Units (a "**Change of Control**"), each Series I Debentureholder may require the REIT to purchase, on the date which is 30 days following the giving of notice of a Change of Control as set out below (the "**Put Date**"), all or any part of such holder's Series I Debentures at a price equal to 101% of the principal amount thereof (the "**Put Price**") plus accrued and unpaid interest up to but excluding the Put Date.

If 90% or more in aggregate principal amount of the Series I Debentures outstanding on the date the REIT provides notice of a Change of Control to the Debenture Trustee have been tendered for purchase on the Put Date, the REIT has the right to redeem all the remaining Series I Debentures on such date at the Put Price. Notice of such redemption must be given to the Debenture Trustee by the REIT prior to the Put Date and, as soon as possible thereafter, by the Debenture Trustee to the Series I Debentureholders whose Series I Debentures have not been tendered for purchase.

Method of Payment

Payment of Principal on Redemption or at Maturity

On redemption or at maturity, the REIT will repay the indebtedness represented by the Series I Debentures by paying to the Debenture Trustee in lawful money of Canada an amount required to repay the principal amount of the outstanding Series I Debentures, together with accrued and unpaid interest thereon. The REIT may, at its option (the “**Unit Redemption Right**”), on not more than 60 days’ and not less than 30 days’ prior notice, subject to applicable regulatory approval and provided no Event of Default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of the Series I Debentures that are to be redeemed or that are to mature, by issuing and delivering Freely Tradeable Units to the Series I Debentureholders. The number of Freely Tradeable Units to be issued in respect of each Series I Debenture will be determined by dividing the principal amount of the Series I Debentures that are to be redeemed or that are to mature, as the case may be, by 95% of the Current Market Price. No fractional Units will be issued on redemption or at maturity but in lieu thereof, the REIT shall satisfy fractional interests by a cash payment equal to the market price, as determined above, of the fractional interest.

Interest Payment Election

Subject to receiving any required regulatory approvals, provided it is not in default under the Indenture, the REIT may elect, from time to time, to satisfy its obligation to pay interest on the Series I Debentures (the “**Interest Obligation**”) on the date it is payable under the Indenture (an “**Interest Payment Date**”), by delivering a sufficient number of Units to the Debenture Trustee required to satisfy all or any part of the Interest Obligation in accordance with the Indenture (the “**Interest Payment Election**”). The Indenture provides that, upon such election, the Debenture Trustee shall: (i) accept delivery from the REIT of the Units; (ii) accept bids with respect to, and consummate sales of such Units, each as the REIT shall direct in its absolute discretion; (iii) invest the proceeds of such sales in Canadian government obligations (as defined in the Indenture) that mature prior to the applicable Interest Payment Date, and use the proceeds received from such government securities, together with any proceeds from the sale of Units not invested as aforesaid, to satisfy the Interest Obligation; and (iv) perform any other action necessarily incidental thereto.

The Indenture sets forth the procedures to be followed by the REIT and the Debenture Trustee in order to effect the Interest Payment Election. If an Interest Payment Election is made, the sole right of a Series I Debentureholder in respect of interest will be to receive cash from the Debenture Trustee out of the proceeds of the sale of Units (plus any amount received by the Debenture Trustee from the REIT attributable to fractional Units) in full satisfaction of the Interest Obligation, and the holder of such Series I Debentures will have no further recourse to the REIT in respect of the Interest Obligation.

Neither the REIT’s making of the Interest Payment Election nor the consummation of sales of Units will (i) result in the Series I Debentureholders not being entitled to receive on the applicable Interest Payment Date cash in an aggregate amount equal to the Interest Obligation payable on such date or (ii) entitle such Series I Debentureholders to receive any Units in satisfaction of the Interest Obligation.

Restriction on Unit Payment Right

The REIT shall not, directly or indirectly (through a subsidiary or otherwise) undertake or announce any rights offering, issuance of securities, subdivision of Units, dividend or other distribution of Units or any other securities of the REIT, capital reorganization, reclassification or any similar type of transaction in which: (i) the number of securities to be issued; (ii) the price at which the securities are to be issued, converted or exchanged; or (iii) any property or cash that is to be distributed or allocated, is in whole or in part based upon, determined in reference to, related to or a function of, directly or indirectly: (x) the exercise or potential exercise of the Unit Redemption Right; or (y) the Current Market Price determined in connection with the exercise or potential exercise of the Unit Redemption Right.

Events of Default

The Indenture provides that each of the following events constitutes, and is herein sometimes referred to as, an “**Event of Default**”:

- (a) *if the REIT defaults in payment of the principal on any Debenture when the same becomes due and payable under any provision of the Indenture or of the Debentures;*
- (b) *if the REIT defaults in payment of any interest due on any Debenture and such default continues for a period of 30 days;*
- (c) *if a decree or order of a court having jurisdiction in the premises is entered adjudging the REIT a bankrupt or insolvent under the Bankruptcy and Insolvency Act (Canada) or any other bankruptcy, insolvency or analogous laws, or issuing sequestration or process of execution against, or against all or any substantial part of the property of the REIT, or appointing a receiver or receiver-manager of or of any substantial part of the property of the REIT or ordering the winding-up or liquidation of its affairs;*
- (d) *if a resolution is passed for the winding-up or liquidation of the REIT except in the course of carrying out or pursuant to a transaction with respect to which the conditions of the Indenture with respect to successor entities are duly observed and performed, or the REIT institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the Bankruptcy and Insolvency Act (Canada) or any other bankruptcy, insolvency or analogous laws or consents to the filing of any such petition, or if a receiver or receiver-manager is appointed over all or any substantial part of the property of the REIT, or the REIT makes a general assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due or takes corporate action in furtherance of any of the aforesaid purposes;*
- (e) *if an event of default, as defined in any indenture or instrument under which the REIT has or will thereafter have outstanding any indebtedness (including for greater certainty, the Series H Debentures and the Series I Debentures) for borrowed money which matures by its terms, or which is renewable at the option of the payor, to a date more than 18 months after the creation, assumption or guarantee thereof, will happen and be continuing and such indebtedness will have been accelerated so that an amount in excess of \$200,000 will be or become due and payable prior to the date on which the same would otherwise have become due and payable, and such acceleration will not be rescinded or annulled, or such event of default under such indenture or instrument will not be remedied or cured, whether by payment or otherwise, or waived by the holders of such indebtedness, within 10 days after such acceleration will have occurred; or*
- (f) *if the REIT neglects to observe or perform any other covenant or condition contained in the Indenture on its part to be observed or performed and, after a notice in writing has been given by the Debenture Trustee to the REIT specifying such default and requiring the REIT to rectify the same (which said notice may be given by the Debenture Trustee upon receipt of a request by holders of Debentures in accordance with the Indenture), the REIT fails to make good such default within a period of 30 days, unless the Debenture Trustee (having regard to the subject matter of the default) will have agreed to a longer period, and in such event, within the period agreed to by the Debenture Trustee*

Notice of Events of Default

The Indenture provides that if an Event of Default shall occur and be continuing, the Debenture Trustee shall, within 30 days after it receives written notice of the occurrence of such Event of Default, give notice of such Event of Default to the Debentureholders in the manner provided in Article 15 of the Indenture, provided that notwithstanding the foregoing, unless the Debenture Trustee shall have been requested to do so by the holders of not less than 51% of the principal amount of the Debentures then outstanding, the Debenture Trustee shall not be required to give such notice if the Debenture Trustee in good faith shall have determined that the withholding of such notice is in the best interests of the Debentureholders and shall have so advised the REIT in writing.

Waiver of Default

The Indenture provides that upon the happening of any Event of Default:

(a) *the holders of the Debentures shall have the power (in addition to the powers exercisable by Extraordinary Resolution as defined below under the heading “Description of the Series I Debentures – Modification, Defeasance and Satisfaction”) by requisition in writing by the holders of not less than 51% of the principal amount of Debentures then outstanding or by a resolution at a meeting held in accordance with Article 14 of the Indenture passed by the favourable votes of the holders of more than 66⅔% of the principal amount of the outstanding Debentures to instruct the Debenture Trustee to waive any Event of Default and to cancel any declaration made by the Debenture Trustee pursuant to Section 9.1 of the Indenture and the Debenture Trustee shall thereupon waive the Event of Default and cancel such declaration, or either, upon such terms and conditions as shall be prescribed in such requisition; provided that notwithstanding the foregoing if the Event of Default has occurred by reason of the non-observance or non-performance by the REIT of any covenant applicable only to one or more series of Debentures, then the holders of not less than 51% of the principal amount of the outstanding Debentures of that series shall be entitled to exercise the foregoing power and the Debenture Trustee shall so act and it shall not be necessary to obtain a waiver from the holders of any other series of Debentures; and*

(b) *the Debenture Trustee, so long as it has not become bound to declare the principal of and interest on the Debentures then outstanding to be due and payable, or to obtain or enforce payment of the same, will have power to waive any Event of Default if, in the Debenture Trustee’s opinion, the same will have been cured or adequate satisfaction made therefor, and in such event to cancel any such declaration theretofore made by the Debenture Trustee in the exercise of its discretion, upon such terms and conditions as the Debenture Trustee may deem advisable.*

The Indenture also provides that no such act or omission either of the Debenture Trustee or of the Debentureholders shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or the rights resulting therefrom.

Modification, Defeasance and Satisfaction

With certain exceptions, the Indenture and the rights of the holders of Debentures under the Indenture may be modified by the REIT with the consent of a majority of the holders of Debentures under the Indenture present and voting at a meeting at which not less than 25% of the principal amount of the Debentures then outstanding under the Indenture are present in person or by proxy, unless a poll is to be taken, in which case questions submitted shall be decided by the votes of the holders of a majority in principal amount of the Debentures represented at the meeting and voting (an “**Ordinary Resolution**”).

The Indenture also provides that certain changes, including: (i) changes relating to the modification of the terms of the Debentures, or any reduction of the rate of interest or extension of the time of payment of any principal or interest due thereon; (ii) the modification, abrogation, alteration, compromise or arrangement of the rights of the Debentureholders or the Debenture Trustee against the REIT; (iii) defeasance; or (iv) the waiver of any default under the Indenture, may be made if authorized by Extraordinary Resolution. The term “**Extraordinary Resolution**” is defined in the Indenture to mean, in effect, a resolution passed by the affirmative votes of the holders of not less than 66⅔% of the aggregate principal amount of the Debentures under the Indenture represented and voting at a duly constituted meeting of holders of Debentures under the Indenture.

If the business to be transacted at any meeting by Extraordinary Resolution or otherwise, especially affects the rights of holders of Debentures under the Indenture of one or more series in a manner or to an extent differing in any material way from that in or to which the rights of holders of Debentures under the Indenture of any other series are affected, then the holders of that specially affected series shall be entitled to vote separately at a meeting at which not less than 25% of the principal amount of the Debentures of that series then outstanding are present in person or by proxy and such matter must be passed by a resolution adopted by the affirmative vote of the holders of not less than 66⅔% of the aggregate principal amount of the Debentures of that series represented and voting at such meeting.

All actions which may be taken by holders of Debentures under the Indenture by Ordinary Resolution and Extraordinary Resolution and all actions requiring the approval of at least 66⅔% of a series of Debentures may also be taken and exercised by an instrument or instruments in writing signed by the holders of not less than 66⅔% in aggregate principal amount of the Debentures or series of Debentures then outstanding under the Indenture, as the case may be.

The REIT and the Debenture Trustee may, without the consent or concurrence of the holders of Debentures under the Indenture, by supplemental indenture or otherwise, make any changes or corrections in the Indenture which it shall have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained therein or in any indenture supplemental thereto.

In addition to defeasance, the REIT may, without the consent or concurrence of the holders of Debentures under the Indenture, satisfy and discharge the Debentures subject to the fulfillment of the terms and conditions related thereto set out in the Indenture.

Limitation on Non-Resident Ownership

No Units may be issued pursuant to the conversion of all or part of the Debentures, no Debentures will be issued, no payment of interest or principal (whether upon maturity, redemption, or otherwise) will be made by the issuance of Units, and no Units will be issued in connection with the retraction of all or part of the Debentures upon a Change of Control, if any such issuance of Units or Debentures would result in persons who are Non-Residents holding or beneficially owning more than 49% of the Units (on either a basic or fully-diluted basis).

In addition, the Debenture Trustee may require declarations as to the jurisdictions in which holders or beneficial owners of Debentures are Resident. If the REIT becomes aware that 49% of the Units (on either a basic or fully-diluted basis) then outstanding are held, or may be held, for the benefit of Non-Residents or that such a situation is imminent, the REIT may make a public announcement thereof and will notify the Debenture Trustee in writing and the Debenture Trustee shall not accept a subscription for Debentures from or issue or register a transfer of Debentures to a person unless the person provides a declaration that the person is not a Non-Resident. If, notwithstanding the foregoing, the REIT determines that more than 49% of the Units (on either a basic or fully-diluted basis) are held for the benefit of Non-Residents or that a contravention of the foregoing Non-Resident ownership constraint is likely to occur or is imminent, the REIT may send a notice to Non-Resident Debentureholders, chosen in inverse order to the order of acquisition or registration or in such manner as the REIT may consider equitable and practicable, requiring them to sell their Debentures or a portion thereof within a specified period of not more than 60 days. If the Debentureholders receiving such notice have not sold the specified number of Debentures or provided the REIT with satisfactory evidence that they are not Non-Residents of Canada and do not hold their Debentures for the benefit of Non-Residents of Canada within such period, the REIT may sell such Debentures on behalf of such Debentureholders to a person or persons that are not Non-Residents of Canada and, in the interim, all rights attaching to such Debentures (including any right to receive payments of interest) will be immediately suspended and the rights of any such Debentureholders in respect of such Debentures will be limited to receiving the net proceeds of sale (net of any withholding tax).

Book-Entry, Delivery and Form

Debentures will be issued in the form of one or more global Debentures (the “**Global Debentures**”) held by, or on behalf of, CDS or its successor (the “**Depository**”) as custodian for its participants.

All Debentures will be represented in the form of Global Debentures registered in the name of the Depository or its nominee. Purchasers of Debentures represented by Global Debentures will not receive Debentures in definitive form. Rather, the Debentures will be represented only in “book-entry only” form (unless the REIT, in its sole discretion, elects to prepare and deliver definitive Debentures in fully-registered form). Interests in the Global Debentures will be represented through book-entry accounts of institutions (including the Underwriters) acting on behalf of holders of interests, as direct and indirect participants of the Depository (the “**participants**”). Each purchaser of a Debenture represented by a Global Debenture will receive a customer confirmation of purchase from the Agent or Underwriters from whom the Debenture is purchased in accordance with the practices and procedures of the selling Agent or Underwriters. The practices of the Underwriters may vary but generally, customer confirmations are issued promptly

after execution of a customer order. The Depository will be responsible for establishing and maintaining book-entry accounts for its participants having interest in Global Debentures.

If the Depository notifies the REIT that it is unwilling or unable to continue as depository in connection with the Global Debentures, or if at any time the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a depository and the REIT and the Debenture Trustee are unable to locate a qualified successor, or if the REIT elects, in its sole discretion, to terminate the book-entry system, with the consent of the Debenture Trustee, beneficial owners of Debentures represented by Global Debentures at such time will receive Debentures in registered and definitive form (the “**Definitive Debentures**”).

Transfer and Exchange of Debentures

Transfers of interests in Debentures represented by Global Debentures will be effected through records maintained by the Depository for such Global Debentures or its nominees (with respect to interests of participants) and on the records of participants (with respect to interests of persons other than participants). Unless the REIT elects, in its sole discretion, to prepare and deliver Definitive Debentures, beneficial owners who are not participants in the Depository’s book-entry system, but who desire to purchase, sell or otherwise transfer ownership of or other interest in Global Debentures, may do so only through participants in the Depository’s book-entry system.

The ability of a holder of an interest in a Debenture represented by a Global Debenture to pledge the Debenture or otherwise take action with respect to such owner’s interest in a Debenture represented by a Global Debenture (other than through a participant) may be limited due to the lack of a physical certificate.

Registered holders of Definitive Debentures may transfer such Debentures upon payment of taxes or other charges incidental thereto, if any, by executing and delivering a form of transfer together with the Debentures to the registrar for the Debentures at its principal offices in Montreal, Québec, or such other city or cities as may from time to time be designated by the REIT whereupon new Debentures will be issued in authorized denominations in the same aggregate principal amount as the Debentures so transferred, registered in the names of the transferees. No transfer or exchange of a Debenture will be registered during the period from the date of any selection by the Debenture Trustee of any Debentures to be redeemed or during the 15 preceding days or thereafter until the close of business on the date upon which notice of redemption of such Debentures is given. In addition, no transfer or exchange of any Debentures which have been selected or called for redemption will be registered.

Reports to Debentureholders

The REIT will file with the Debenture Trustee, within 15 days after the filing thereof with the applicable Canadian securities regulatory authorities, copies of the REIT’s annual report and the information, documents and other reports that the REIT is required to file with the applicable Canadian securities regulatory authorities and deliver the same to its Debentureholders. Notwithstanding that the REIT may not be required to remain subject to the reporting requirements of the Canadian securities regulatory authorities, the REIT shall provide to the Debenture Trustee (i) within 90 days after the end of each fiscal year, annual financial statements, and (ii) within 45 days, or any longer period provided by *National Instrument 51-102 – Continuous disclosure Obligations*, after the end of each of the first three fiscal quarters of each fiscal year, interim financial statements which shall, at a minimum, contain such information as is required to be provided in quarterly reports under the laws of Canada or any province thereof to security holders of an entity with securities listed on the TSX, whether or not the REIT has any of its securities so listed. Each of such reports will be prepared in accordance with applicable Canadian disclosure requirements and generally accepted accounting principles. The REIT will provide copies of such information, documents and reports to Debentureholders upon request.

Governing Law

The Indenture is governed by the laws of the Province of Québec and the laws of Canada applicable therein.

EARNINGS COVERAGE RATIOS

The following *pro forma* consolidated earnings coverage ratios have been calculated for the year ended December 31, 2023 and the twelve-month period ended September 30, 2024, and after giving effect to the Offering, the Recent Developments and the intended use of net proceeds.

	Year ended December 31, 2023	Twelve-month period ended September 30, 2024
Pro forma borrowing cost requirements ⁽¹⁾⁽⁴⁾	\$35,087,000	\$37,464,000
Pro forma earnings before borrowing cost ⁽²⁾	\$71,205,000	\$58,613,000
Pro forma earnings coverage ratios ⁽³⁾	203%	156%

- (1) Borrowing cost requirements includes interest on mortgage loans payable, interest on convertible debentures, interest on bank loans, other interest expense, accretion of non-derivative liability component of convertible debentures, accretion of effective interest on mortgage loans payable, bank loans and convertible debentures and early repayment fees of a mortgage loan. The Debentures are convertible into Units. As BTB's Units are redeemable at the option of the holder and are therefore considered puttable instruments in accordance with IAS 32, the Debentures are considered a liability containing liability classified embedded derivatives. As a result, the liability portion of the Series I Debentures is accounted for at amortized cost which, on initial recognition, is equal to the face value of the Series I Debentures minus the embedded derivative and financing charges. Subsequently, the liability portion is accreted up to the face value of the Series I Debentures during the period they are outstanding, resulting in non-cash interest accretion charges. The aforementioned ratios have been calculated including these non-cash interest accretion charges.
- (2) Earnings before borrowing costs are equal to net income before borrowing costs as defined in (1) above on all debt and income taxes.
- (3) Earnings coverage ratio is equal to earnings before borrowing costs divided by borrowing cost requirements on all debt.
- (4) After giving effect to the issue of Series I Debentures, the Recent Developments and the intended use of the net proceeds.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement dated January 16, 2025, the REIT has agreed to sell and the Underwriters have agreed to purchase on or about January 23, 2025, or on such later date as the REIT and the Underwriters may agree, but in any event not later than February 27, 2025, \$35,000,000 aggregate principal amount of Series I Debentures, payable in cash to the REIT against delivery of such Series I Debentures. The obligations of the Underwriters under the Underwriting Agreement may be terminated prior to Closing by the Underwriters based on their assessment of the occurrence of a material change in the business affairs, operations, assets, financial condition, liabilities or capital of the REIT and its subsidiaries, taken as a whole, or the occurrence of an event or catastrophe materially adversely impacting the financial markets in Canada and the United States and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Series I Debentures if any of the Series I Debentures are purchased under the Underwriting Agreement. The obligations of the Underwriters to purchase the Series I Debentures are several (and not joint or joint and several). Under the Underwriting Agreement, the REIT has agreed to indemnify and hold harmless the Underwriters and their respective officers, directors, employees, partners, shareholders and agents against certain liabilities, including civil liabilities under Canadian provincial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof. The terms of this Offering and the prices of the Series I Debentures have been determined by negotiation between the REIT and National Bank Financial Inc., as Lead Underwriter, on its own behalf and on behalf of the Underwriters.

Under the Underwriting Agreement, the REIT (or a Subsidiary of the REIT) has agreed to pay the Underwriters a fee equal to 4.00% of the gross proceeds of the Offering for an aggregate fee payable by the REIT of \$1,400,000 in consideration for their services in connection with this Offering. The Underwriters' fee in respect of the Series I Debentures is payable upon Closing of this Offering.

The REIT has granted to the Underwriters an Over-Allotment Option to purchase up to an additional 5,250 Series I Debentures on the same terms and conditions as this Offering, exercisable in whole or in part from time to time, no later than the 30th day following the Closing of this Offering for market stabilization purposes and to cover over-allotments, if any. This Prospectus Supplement, together with the Shelf Prospectus, qualifies the distribution of the Series I Debentures issuable on the exercise of the Over-Allotment Option and their subsequent transfer. A purchaser

who acquires those securities under this Prospectus Supplement, regardless of whether the Underwriters' over allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

If the Over-Allotment Option is exercised in full, the aggregate capital amount of Series I Debentures sold pursuant to the Offering will be \$40,250,000, the total Underwriters' fee will be \$1,610,000 and the net proceeds to the REIT, before deducting the estimated expenses of the Offering, will be \$38,640,000.

The REIT has applied to list the Series I Debentures distributed under this Prospectus Supplement and the Units issuable upon conversion, redemption or maturity of the Series I Debentures on the TSX (including those issuable upon the exercise of the Over-Allotment Option). Listing will be subject to the REIT fulfilling all the listing requirements of the TSX.

At the Closing of this Offering, the Series I Debentures will be available for delivery in a book-entry only form through the facilities of CDS. A purchaser of Series I Debentures will receive only a customer confirmation from a registered dealer who is a CDS participant through which the Series I Debentures were purchased.

The Underwriters propose to sell the Series I Debentures to the public initially at the offering price. After the Underwriters have made a reasonable effort to sell all of the Series I Debentures at the offering price, the offering price for the Series I Debentures may be decreased and may be further changed from time to time to amounts not greater than the offering price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers of the Series I Debentures is less than the amount paid by the Underwriters to the REIT. Any such reduction will not affect the proceeds received by the REIT.

BTB has agreed not to issue or announce any intention to issue, without the prior consent of the Lead Underwriter (such consent not to be unreasonably withheld), for a period of 90 days from the Closing, any Units, debentures or securities convertible, exercisable or exchangeable into Units, except for (i) Units issued or issuable in connection with this Offering and the exercise of the Over-Allotment Option; (ii) Units issuable pursuant to the outstanding convertible securities of the REIT; and (iii) Units issuable pursuant to the REIT's deferred unit plan or the REIT's restricted unit plan or the exercise of rights under the REIT's Unitholders' rights plan.

The Series I Debentures offered by this Prospectus Supplement have not been and will not be registered under the 1933 Act, or the securities laws of any state, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except in limited circumstances. The Underwriters have agreed that they will not offer or sell the Series I Debentures within the United States, its territories or possessions or other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. Person (as such term is defined under the 1933 Act) except in accordance with the Underwriting Agreement pursuant to an exemption from the registration requirements of the 1933 Act provided by Rule 144A thereunder and in compliance with applicable state securities laws. In addition, until 40 days after the commencement of the Offering, an offer or sale of securities within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer is made otherwise than in compliance with Rule 144A.

In connection with the Offering, certain of the Underwriters or securities dealers may distribute this Prospectus Supplement electronically.

Price Stabilization, Short Positions and Passive Market Making

In connection with the Offering, the Underwriters may effect transactions which stabilize or maintain the market price of the Series I Debentures at levels other than those which otherwise might prevail on the open market, including stabilizing transactions, short sales, purchases to cover positions created by short sales, imposition of penalty bids, and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Series I Debentures while the Offering is in progress. These transactions may also include making short sales of the Series I Debentures, which involve the sale by the Underwriters of a greater number of Series I

Debentures than they are required to purchase in the Offering. Short sales may be “naked short sales”, which are short positions in excess of the amount of Series I Debentures they are required to purchase under the Offering.

The Underwriters must close out any naked short position by purchasing Series I Debentures in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Series I Debentures in the open market that could adversely affect investors who purchase in the Offering.

In addition, in accordance with rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period of distribution, bid for or purchase Series I Debentures. The foregoing restriction is, however, subject to exceptions where the bid or purchase is not made for the purpose of creating actual or apparent active trading in, or raising the price of, the Series I Debentures. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the applicable stock exchange, including the Universal Market Integrity Rules for Canadian Marketplaces, relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution.

As a result of these activities, the price of the Series I Debentures may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Series I Debentures are listed, in the over-the-counter market, or otherwise.

RELATIONSHIP BETWEEN THE ISSUER AND THE UNDERWRITERS

National Bank Financial Inc., RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., Desjardins Securities Inc. and iA Private Wealth Inc. are affiliates of financial institutions which are lenders to the REIT and a portion of the net proceeds from the Offering will be used to repay the Acquisition Line of Credit owing to one such financial institutions. Consequently, the REIT may be considered to be a “connected issuer” of such Underwriters under Applicable Securities Legislation.

As at January 10, 2025, the actual indebtedness of the REIT to the financial institution to which National Bank Financial Inc. is affiliated amounted to approximately \$50,474,000 in loans owed to such financial institution.

As at December 31, 2024, the actual indebtedness of the REIT to the financial institution to which RBC Dominion Securities Inc. is affiliated amounted to approximately \$189,101,000 in loans owed to such financial institution.

As at December 31, 2024, the actual indebtedness of the REIT to the financial institution to which CIBC World Markets Inc. is affiliated amounted to approximately \$13,242,000 in loans owed to such financial institution.

As at December 31, 2024, the actual indebtedness of the REIT to the financial institution to which Scotia Capital Inc. is affiliated amounted to approximately \$75,280,000 in loans owed to such financial institution.

As at December 31, 2024, the actual indebtedness of the REIT to the financial institution to which Desjardins Securities Inc. is affiliated amounted to approximately \$92,655,000 in loans owed to such financial institution.

As at December 31, 2024, the actual indebtedness of the REIT to the financial institution to which iA Private Wealth Inc. is affiliated amounted to approximately \$15,217,000 in loans owed to such financial institution.

The REIT is in compliance with the terms of the agreements governing such indebtedness, in all material respects and none of the lenders have waived any breach of such agreements. The loans are secured by mortgages on 44 properties. Neither the financial position of the REIT nor the value of the security has changed since the indebtedness was incurred. The decision of National Bank Financial Inc., RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., Desjardins Securities Inc. and iA Private Wealth Inc. which are affiliates of the aforesaid financial institutions, to participate in this Offering was made independently of such financial institutions. In addition, the Underwriter having no “connected issuer” relationship with the REIT, being Canaccord Genuity Corp., took part in

the decision to proceed with the Offering. None of the Underwriters will receive any benefit from this Offering, other than its respective portion of the fee payable by the REIT. See “Use of Proceeds”. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the REIT, for which they received or will receive customary fees.

PRIOR SALES

The following table sets forth the date, number and price at which the REIT has issued Units or any other securities convertible into or exchangeable for Units in the 12 months preceding this Offering.

Date	Issuance type	Total Securities Issued	Issuance/Conversion Price per Security
January 15, 2024	DRIP Entitlement	100,247	2.9677
January 23, 2024	RUP issuance	133,919	3.0994
February 15, 2024	DRIP Entitlement	102,575	2.8924
February 28, 2024	EUPP issuance	320	3.0082
March 15, 2024	DRIP Entitlement	98,582	2.9681
March 15, 2024	EUPP issuance	1,209	3.0610
March 28, 2024	EUPP issuance	21,071	3.1336
March 28, 2024	EUPP issuance	4,050	3.1336
March 28, 2024	RUP issuance	22,106	3.1136
April 15, 2024	DRIP Entitlement	95,400	3.1315
May 15, 2024	DRIP Entitlement	97,340	3,1122
June 17, 2024	DRIP Entitlement	97,366	3,0720
July 11, 2024	RUP issuance	3,454	3.1485
July 15, 2024	DRIP Entitlement	100,874	3.0753
August 15, 2024	DRIP Entitlement	95,282	3.0733
September 16, 2024	DRIP Entitlement	87,803	3.3490
October 15, 2024	DRIP Entitlement	83,667	3.5292
November 15, 2024	DRIP Entitlement	85,280	3.4769
December 16, 2024	DRIP Entitlement	87,663	3.3443
January 16, 2025	DRIP Entitlement	88,724	3.2312

TRADING PRICE AND VOLUMES

Units

The Units are listed and posted on the TSX under the symbol “BTB. UN”. The table below sets forth the market price range and trading volumes of the Units on the TSX for each month of the last 12-month period prior to the date of this Prospectus Supplement.

Period	High (\$)	Low (\$)	Volume
2024			
January	3.18	2.89	2,281,991
February	3.10	2.92	2,207,292
March	3.19	3.00	1,240,376
April	3.31	3.09	1,749,170
May	3.27	3.13	1,444,410
June	3.27	3.10	1,268,792

July	3.30	3.11	1,492,464
August	3.35	3.07	2,072,702
September	3.64	3.27	2,806,253
October	3.78	3.54	2,202,023
November	3.69	3.51	1,581,306
December	3.60	3.25	2,596,041
2025			
January (period ending January 15)	3.46	3.25	1,099,396

Series H Debentures

The Series H Debentures are listed and posted for trading on the TSX under the symbol “BTB.DB. H” since September 29, 2020. The following tables set forth the market price range and trading volumes of the Series H Debentures on the TSX for each month of the last 12-month period prior to the date of this Prospectus Supplement.

<u>Period</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume</u>
2024			
January	99.39	97.50	498,000
February	99.48	98.00	222,000
March	99.00	98.01	50,000
April	99.49	97.61	130,000
May	100.00	98.00	251,000
June	100.00	97.65	236,000
July	100.73	98.00	457,000
August	101.30	99.75	158,000
September	102.95	100.81	334,000
October	107.49	102.20	581,000
November	106.40	102.00	196,000
December	102.10	101.00	605,000
2025			
January (period ending January 15)	103.59	100.25	260,000

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel to the REIT, and Osler, Hoskin & Harcourt LLP, counsel to the Underwriters, (i) provided that at the date of closing the Series I Debentures and the Units are listed on a “designated stock exchange” (as defined in the *Tax Act*), which includes the TSX, then on that date the Series I Debentures and any Units acquired under the terms of the Series I Debentures will be qualified investments for Deferred Income Plans other than a trust governed by a DPSP for which the employer is the REIT, and (ii) provided that at the date of the acquisition of Units acquired under the terms of the Series I Debentures, the Units are listed on a “designated stock exchange” (as defined in the *Tax Act*), which includes the TSX, or the REIT qualifies under the *Tax Act* as a “mutual fund trust”, then on that date the Units acquired under the terms of the Series I Debentures will be qualified investments for Deferred Income Plans. Notwithstanding that the Series I Debentures and the Units may be qualified investments for a RDSP, RESP, RRSP, RRIF, TFSA or FHSA, the annuitant under a RRSP or RRIF, the holder of a RDSP, TFSA or FHSA or the subscriber of a RESP that holds Series I Debentures or Units will be subject to a penalty tax if such Series I Debentures or Units are a “prohibited investment” (as defined in the *Tax Act*) for the RDSP, RESP, RRSP, RRIF, TFSA or FHSA. The Series I Debentures or Units will generally not be a prohibited investment for a RDSP, RESP, RRSP, RRIF, TFSA or FHSA provided the annuitant of the RRSP or RRIF, the holder of the RDSP, TFSA or FHSA, or the subscriber of the RESP as the case may be, (i) deals at arm’s length with the REIT for purposes of the *Tax Act* and (ii) does not have a “significant interest” (as defined in the *Tax Act* for purposes of the prohibited investment rules) in the REIT. In addition, Series I Debentures or Units will not be a “prohibited investment” if the Series I Debentures or Units are “excluded property” (as defined in the *Tax Act* for purposes of the prohibited investment rules) for trusts governed by a RDSP, RESP, RRSP, RRIF, TFSA and FHSA. Prospective purchasers who intend to hold Series I Debentures or Units in a RRSP, RRIF, RESP, RDSP, TFSA or FHSA are advised to consult their personal tax advisors.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to the REIT, and Osler, Hoskin & Harcourt LLP, counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the *Tax Act* to the acquisition, holding and disposition of Series I Debentures by a holder who acquires Series I Debentures pursuant to this Prospectus Supplement. This summary is applicable to a Series I Debentureholder who, for purposes of the *Tax Act* and at all relevant times, (i) is, or is deemed to be, a Resident, (ii) deals at arm's length with and is not affiliated with the REIT and the Underwriters, and any person to whom such Holder subsequently sells or otherwise transfers the Debentures or Units, and (iii) holds Series I Debentures and any Units acquired under the terms of the Series I Debentures (collectively the "Securities") as capital property (a "Holder"). Generally, Securities will be considered to be capital property to a Holder provided that the Holder does not hold the Securities in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders who might not otherwise be considered to hold their Securities as capital property may, in certain circumstances, be entitled to have them and all other "Canadian Securities" (as defined in the *Tax Act*) owned or subsequently acquired by the Unitholder treated as capital property by making the irrevocable election permitted by subsection 39(4) of the *Tax Act*. Such Holders should consult their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Holder that is (i) a "financial institution", as defined in the *Tax Act* for purposes of the mark-to-market rules, (ii) a "specified financial institution" as defined in the *Tax Act*, (iii) an interest in which is a "tax shelter investment" as defined in the *Tax Act*, (iv) a Holder that has elected to report the Holder's "Canadian tax results" as defined in the *Tax Act* in a currency other than Canadian currency, (v) a Holder that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", each as defined in the *Tax Act*, with respect to the Debentures, or (vi) a Holder that is generally exempt from taxation under Part I of the *Tax Act*. Such Unitholders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of Securities acquired pursuant to this Prospectus Supplement. In addition, this summary does not address the deductibility of interest by an investor who has borrowed money to acquire the Debentures.

This summary is based upon the facts set out in this Prospectus Supplement and in a certificate of an officer of the REIT, and assumes that the REIT meets and will continue to meet all necessary conditions and qualifies for the REIT Exception (as discussed below) and that BTB LP meets and will continue to meet all necessary conditions and qualifies as an "excluded subsidiary entity" for purposes of the SIFT Regime (as discussed below). This summary is also based on information provided by the REIT and takes into account the Tax Proposals, the current provisions of the *Tax Act* and counsel's understanding, based on publicly available published materials, of the current administrative policies and assessing practices of the CRA, all in effect as of the date of this Prospectus Supplement. This summary does not otherwise take into account or anticipate any changes in law, whether by legislative governmental or judicial decision or action, and does not take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein. This summary assumes that the Tax Proposals will be enacted as proposed, but no assurances can be given that this will be the case. There can be no assurances that the CRA will not change its administrative policies and assessing practices. With respect to opinions and views based on representations and statements as to matters of fact, counsel has assumed the accuracy of such representations and statements in giving such opinions and views. This summary is also based on the assumption that the REIT will at all times comply with the Contract of Trust.

This summary assumes that the REIT does and will continue to qualify as a "mutual fund trust" under the *Tax Act* while the Securities remain outstanding. This assumption is based upon a certificate of an officer of the REIT as to certain factual matters. If the REIT does not qualify as a mutual fund trust, the income tax considerations described below would in some respects be materially different.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in Securities. Moreover, the income and other tax consequences of acquiring, holding or disposing of Securities will vary depending on the Holder's particular circumstances. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Securities. Consequently, a prospective Holder should consult the Holder's own tax advisor for advice with respect to the tax consequences of an investment in Securities based on the prospective Holder's particular circumstances.

This summary does not address any Canadian federal income tax considerations applicable to Non-Residents, and Non-Residents should consult their own tax advisors regarding the tax consequences of acquiring, holding and disposing of Securities. Conversion of Series I Debentures into Unit, distributions on Units or amounts paid in respect thereof and all other payments to Non-Residents of interest (or amounts deemed to be interest under the Tax Act), whether paid in cash or Units, will be paid net of any applicable withholding tax.

Certain Tax Proposals released on September 23, 2024 to implement proposals first announced in the 2024 Federal Budget (Canada) (the “**Capital Gains Amendments**”) would generally increase the capital gains inclusion rate from one-half to two-thirds with effect as of June 25, 2024, subject to transitional rules applicable to taxation years that begin before and end after June 24, 2024 which generally provide for a blended rate for such years based generally on the extent to which capital gains in such year are realized before or after such effective date, as discussed in more detail below. The application of the Capital Gains Amendments to the taxation of the REIT and taxation of Unitholders are generally described below under the sub-headings “Capital Gains Amendments” under each of those headings. The descriptions of the Capital Gains Amendments below are of a general nature only and are not exhaustive of all Canadian federal income tax considerations arising from such Tax Proposals. The Capital Gains Amendments are highly complex and may be subject to further changes, and their application to a particular Unitholder will depend on such Unitholder’s particular circumstances. Unitholders should consult their own tax advisors with respect to the Capital Gains Amendments.

Taxation of Holders

Interest on Series I Debentures

A Holder that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Series I Debentures that accrues (or is deemed to accrue) to it to the end of the particular taxation year (or if the Holder disposes of the Series I Debentures in the year, that accrues or is deemed to accrue to it until the time of disposition) or that has become receivable by or is received by the Holder before the end of that taxation year, including on a conversion, redemption or repayment on maturity, except to the extent that such interest was included in computing the Holder’s income for a preceding taxation year.

Any other Holder will be required to include in computing income for a taxation year all interest on the Series I Debentures that is received or receivable by such Holder in that taxation year (depending upon the method regularly followed by the Holder in computing income), including on a conversion, redemption or repayment on maturity, except to the extent that the interest was included in the Holder’s income for a preceding taxation year. Such a Holder will also be required to include in computing the Holder’s income for a taxation year all interest (not otherwise required to be included in income) that accrues or is deemed to accrue on the Holder’s Series I Debentures to the end of any “anniversary day” (as defined in the Tax Act) in that year. For this purpose, an anniversary day means the day that is one year after the day immediately preceding the date of issue of a Series I Debenture, the day that occurs at every successive one year interval from that day and the day on which the Series I Debenture is disposed of.

Any premium paid by the REIT to a Holder on redemption or repayment of a Series I Debenture before maturity will generally be deemed to be interest received at that time by such Holder to the extent that such premium can reasonably be considered to relate to, and does not exceed the value on the date of redemption or repayment, of the interest that, but for the redemption or repayment, would have been paid or payable by the REIT on the Series I Debentures for taxation years of the REIT ending after the date of redemption or repayment.

A Holder that is a “Canadian-controlled private corporation” or at any time in the year a “substantive CCPC” (each as defined in the *Tax Act*) may be liable to pay an additional refundable tax of 10% on its “aggregate investment income” for the year which will include an amount in respect of interest.

Exercise of Conversion Privilege

A Holder who converts a Series I Debenture into Units pursuant to the conversion privilege will be considered to have disposed of the Series I Debenture for proceeds of disposition equal to the aggregate of the fair market value of the

Units so acquired at the time of the exchange and the amount of any cash received in lieu of fractional Units. The Holder will realize a capital gain or capital loss computed as described below under “Dispositions of Series I Debentures”. The cost to the Holder of any Units acquired on the conversion of Series I Debentures generally will be equal to their fair market value at the time of the exchange and must be averaged with the adjusted cost base of other Units held as capital property by the Holder for the purposes of calculating the adjusted cost base of such Units.

Redemption or Repayment of Series I Debentures

If the REIT redeems a Series I Debenture prior to maturity or repays a Series I Debenture upon maturity and the Holder of the Series I Debenture does not exercise the conversion privilege prior to such redemption or repayment, the Holder will be considered to have disposed of the Series I Debenture for proceeds of disposition equal to the amount received by the Holder (other than the amount received on account of interest) on such redemption or repayment. If the Holder receives Units on redemption or repayment, the Holder will be considered to have received proceeds of disposition equal to the aggregate of the fair market value of the Units so received at the time of receipt and the amount of any cash received in lieu of fractional Units. The Holder may realize a capital gain or capital loss computed as described below under “Dispositions of Series I Debentures”. The cost to the Holder of the Units so received will also be equal to their fair market value at the time of acquisition, and must be averaged with the adjusted cost base of all other Units held as capital property by the Holder for the purpose of calculating the adjusted cost base of such Units.

Dispositions of Series I Debentures

A disposition or deemed disposition of a Series I Debenture by a Holder will generally result in the Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition (adjusted as described below) are greater (or less) than the aggregate of the Holder’s adjusted cost base thereof and any reasonable costs of disposition. Any such capital gain or capital loss will be treated, for tax purposes, in the same manner as capital gains and capital losses arising from a disposition of Units, which treatment is discussed below under “Taxation of Unitholders - Dispositions of Units”.

Upon such a disposition or deemed disposition of a Series I Debenture, interest accrued thereon to the date of disposition and not yet due will be included in computing the Holder’s income, except to the extent such amount was otherwise included in the Holder’s income, and will be excluded in computing the Holder’s proceeds of disposition of the Series I Debenture.

A capital gain realized by a Holder who is an individual (or certain trusts) may give rise to a liability for alternative minimum tax. A “Canadian-controlled private corporation” or a “substantive CCPC” (each as defined in the *Tax Act*) that disposes of Series I Debentures may be liable to pay an additional refundable tax of 10 $\frac{2}{3}$ % on its “aggregate investment income” for the year which will include an amount in respect of taxable capital gains.

Taxation of Unitholders

Trust Distributions

Unitholders will generally be required to include in income for a particular taxation year the portion of the net income of the REIT for a taxation year, including net realized taxable capital gains (determined for purposes of the *Tax Act*), that is paid or payable, or deemed to be paid or payable, to the Unitholders in the particular taxation year. Any loss of the REIT for purposes of the *Tax Act* cannot be allocated to, or treated as a loss of, a Unitholder.

The non-taxable portion of any net realized capital gains of the REIT paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholders’ income for the year.

The Contract of Trust provides that the REIT may claim the maximum amount of capital cost allowance available to it in computing its income for tax purposes. Based on the distribution policy, the amount distributed to Unitholders in a year may exceed the net income of the REIT for tax purposes for that year. Distributions in excess of the REIT’s net income for tax purposes in a year will not generally be included in the Unitholder’s income for the year. However,

such amount (other than the non-taxable portion of the net realized capital gains of the REIT for the year, the taxable portion of which was designated by the REIT in respect of the Unitholder) will reduce the adjusted cost base of the Units held by the Unitholder, and the Unitholder will realize a capital gain in the year to the extent the adjusted cost base of the Units would otherwise be a negative amount.

The REIT will designate, to the extent permitted by the *Tax Act*, the portion of the taxable income distributed to Unitholders as may reasonably be considered to consist of net taxable capital gains of the REIT. Any such designated amount will be deemed for tax purposes to be received by Unitholders in the year as a taxable capital gain and will be subject to the general rules relating to the taxation of capital gains described below. The REIT will also designate, to the extent permitted by the *Tax Act*, the portion of taxable dividends received by the REIT from any taxable Canadian corporation owned by the REIT as may reasonably be considered to be an amount included in the income of Unitholders. Any such designated amount will be deemed for purposes of the *Tax Act*, other than non-resident withholding tax purposes, to be received by the Unitholders as a taxable dividend and will be subject to the general rules regarding the taxation of taxable dividends paid by taxable Canadian corporations. Thus, to the extent that amounts are designated as taxable dividends from any taxable Canadian corporation owned by the REIT, they will be subject, inter alia, to the gross-up and dividend tax credit provisions in respect of Unitholders who are individuals (other than certain trusts), to the refundable tax under Part IV of the *Tax Act* in respect of Unitholders that are private corporations and certain other corporations controlled directly or indirectly by or for the benefit of an individual or related group of individuals, and to the deduction in computing taxable income in respect of Unitholders that are corporations.

A Unitholder which is a “Canadian-controlled private corporation” or a “substantive CCPC” (each as defined in the *Tax Act*) may also be liable to pay an additional refundable tax of 10 $\frac{2}{3}$ % on certain investment income, including taxable capital gains. Unitholders should consult their own tax advisors for advice with respect to the potential application of these provisions.

For the purposes of determining the adjusted cost base to a Unitholder, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all of the Units owned by the Unitholder as capital property immediately before that time.

Certain taxable dividends received by individuals from a corporation which is a Resident will be eligible for an enhanced dividend tax credit to the extent certain conditions are met and designations are made. This treatment could apply to distributions made by the REIT that have as their sources eligible taxable dividends received from a corporation which is a Resident, to the extent the REIT makes the appropriate designation to have such eligible taxable dividend deemed received by the Unitholder and provided that the corporate dividend payer makes the required designation to treat such taxable dividend as an eligible dividend.

Net taxable capital gains and taxable dividends referred to above will also generally be taken into account in determining the liability, if any, of a Unitholder that is an individual (or certain trusts) for alternative minimum tax under the *Tax Act*. See “Alternative Minimum Tax” below.

Dispositions of Units

On the disposition or deemed disposition of a Unit, the Unitholder will realize a capital gain (or capital loss) equal to the amount by which the Unitholder’s proceeds of disposition exceed (or are less than) the aggregate of the Unitholder’s adjusted cost base of the Unit and any reasonable costs of disposition. Proceeds of disposition will not include an amount that is otherwise required to be included in the Unitholder’s income.

Subject to the Capital Gains Amendments described below, one-half of any capital gains (a “**taxable capital gain**”) realized by a Unitholder and the amount of any net taxable capital gains designated by the REIT in respect of a Unitholder will be included in the Unitholder’s income as a taxable capital gain for the taxation year. One-half of any capital loss (an “allowable capital loss”) realized by a Unitholder in that taxation year, must generally be deducted against taxable capital gains in accordance with the provisions of the *Tax Act*. Any excess allowable capital losses over taxable capital gains of a Unitholder for a taxation year may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years, subject to the detailed provisions of the *Tax Act*. Where a Unitholder that is a corporation or trust (other than a mutual fund trust) disposes of a Unit, the

Unitholder's capital loss from the disposition will generally be reduced by the amount of any dividends received by the REIT and previously designated by the REIT to the Unitholder, except to the extent that a loss on a previous disposition of a Unit has been reduced by those dividends. Analogous rules apply where a corporation or trust (other than a mutual fund trust) is a member of a partnership that disposes of Units.

A Unitholder that is a "Canadian-controlled private corporation" or a "substantive CCPC" (each as defined in the *Tax Act*) may be liable to pay an additional refundable tax of 10 $\frac{2}{3}$ % on its "aggregate investment income" for the year, which will include an amount in respect of taxable capital gains.

Capital Gains Amendments

For the purposes of determining a taxpayer's taxable capital gains and allowable capital losses realized on or after June 25, 2024, under the Capital Gains Amendments, the inclusion rate generally applicable for a particular taxation year is proposed to be increased from one-half to two-thirds. Where allowable capital losses in excess of taxable capital gains realized in a taxation year (a "**net capital loss**") are applied against taxable capital gains realized in another taxation year for which a different inclusion rate applies, the amount of the net capital loss that can be applied against the taxable capital gains in that year will be adjusted to match the inclusion rate used to compute those taxable capital gains. The income of a Holder that is an individual (other than certain trusts) for a particular taxation year in which the increased rate applies will be subject to certain adjustments which are intended to effectively reduce such a Canadian Holder's net inclusion rate to the original one-half for up to \$250,000 of net capital gains realized (or deemed to be realized) by such Canadian Holder in the year that are not offset by an amount in respect of capital losses carried back or forward from another taxation year.

The Capital Gains Amendments are generally proposed to apply for taxation years ending after June 24, 2024 (for a taxation year that includes June 25, 2024, the portion of such year prior to June 25, 2024 is referred to below as the "first period" and the portion of such year after June 24, 2024 is referred to below as the "second period"). The Capital Gains Amendments include transitional rules that will effectively adjust a taxpayer's capital gains inclusion rate for a taxation year that includes June 25, 2024 to generally include only one-half of "net capital gains" (i.e., capital gains in excess of capital losses) realized by the taxpayer in the first period (including any portion of a deemed capital gain allocated by a trust that is or is deemed to be in respect of a disposition of property occurring in the first period under the transitional rules described below), with the result that a taxpayer may have a blended inclusion rate for the 2024 taxation year.

Alternative Minimum Tax

In general terms, net income of the REIT paid or payable to a Unitholder who is an individual (other than certain trusts), that is designated as taxable dividends or as net realized capital gains and capital gains realized on the disposition of Units may increase the Unitholder's liability for alternative minimum tax.

Status of the REIT

Qualification as a Mutual Fund Trust

All comments in "Canadian Federal Income Tax Considerations" assume that the REIT will continue to qualify as a "unit trust" and a "mutual fund trust" under the provisions of the *Tax Act* while the Debentures and Units remain outstanding.

As a "mutual fund trust", the REIT must remain a "unit trust" and must, among other matters, restrict its undertaking to: (i) the investing of its funds in property (other than real property or an interest in real property); (ii) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) that is capital property of the REIT; or (iii) any combination of the activities described in (i) and (ii). The REIT must also meet certain prescribed conditions, which currently are that the REIT must have at least 150 Unitholders holding not less than one block of Units (100 Units, if the fair market value of a Unit is less than \$25) of the REIT which are qualified for distribution to the public and each of such Unitholders must hold Units which have an aggregate fair market value of not less than \$500.

All comments in “Canadian Federal Income Tax Considerations” also assume that the REIT is not established or maintained primarily for the benefit of Non-Residents. Counsel is of the view that the foregoing assumptions are reasonable in light of the terms of the Contract of Trust and the restrictions on the ownership of Units by Non-Resident persons which are contained in the Contract of Trust.

If the REIT were not to qualify as a “mutual fund trust”, the income tax considerations as described herein would, in some respects, be materially and adversely different. In particular, if the REIT ceases to qualify as a mutual fund trust, the REIT may be required to pay a tax under Part XII.2 of the *Tax Act*. The payment of Part XII.2 tax by the REIT may have adverse income tax consequences for certain Unitholders. See “Taxation of the REIT” below.

Qualification as a Real Estate Investment Trust

All comments in “Canadian Federal Income Tax Considerations” assume that the REIT will continue to qualify as a “real estate investment trust”, as defined in the rules applicable to the SIFT Rules, and (ii) BTB LP and each direct or indirect subsidiary of the REIT qualifies, will continue to qualify at all relevant times, as an “excluded subsidiary entity” as defined for purposes of the SIFT Rules.

SIFT Regime

The SIFT Regime applies to SIFTs, including publicly-traded trusts, and their unitholders, and modifies the tax treatment of SIFTs and of their unitholders, as more particularly described below. The SIFT Regime excludes from the definition of SIFT a trust that qualifies as a “real estate investment trust” as defined in the *Tax Act* for that year (the “**REIT Exception**”) and an “excluded subsidiary entity”, being an entity, none of the equity of which is listed or traded on a stock exchange or other public market and all of the equity of which is owned in the year by a SIFT, a real estate investment trust, a taxable Canadian corporation or another excluded entity.

If the REIT were to become subject to the SIFT Regime, it would no longer be able to deduct any part of the amounts payable to Unitholders in respect of its “non-portfolio earnings”, which include (i) income from its “non-portfolio properties” (in excess of any losses for the taxation year from non-portfolio properties); and (ii) taxable capital gains from dispositions of non-portfolio properties (exceeding allowable capital losses from the disposition of such properties). For this purpose, “non-portfolio properties” include: (i) the Canadian real and immovable properties (or resource properties) of the REIT if their total fair market value is greater than 50% of the equity value of the REIT; (ii) a property that the REIT (or a person or partnership with which it does not deal at arm’s length) uses in the course of carrying on a business in Canada; and (iii) securities of a “subject entity” if the REIT holds securities of the subject entity that have a total fair market value that is greater than 10% of the subject entity’s equity value or if the REIT holds securities of the subject entity which, together with all securities held by it in entities affiliated with the subject entity, have a total fair market value that is greater than 50% of the REIT’s equity value. A “**subject entity**” includes resident corporations, resident trusts, and “Canadian resident partnerships”. “Securities” for the purposes of the SIFT Regime is broadly defined.

Income which the REIT is unable to deduct by virtue of the SIFT Regime would be taxed under the SIFT Regime at the federal general corporate tax rate plus the applicable provincial SIFT tax rate. The application of the SIFT Regime to the REIT would not change the treatment under the *Tax Act* of distributions in a year that are in excess of the REIT’s net income for the year.

REIT Exception

Trusts that satisfy the REIT Exception are excluded from the definition of SIFT trusts and are therefore not subject to the SIFT Rules. The following conditions must be met (in addition to the trust being resident in Canada throughout the taxation year) in order for a trust to qualify for the REIT Exception:

- (a) at each time in the taxation year, the total fair market value at that time of all “non-portfolio properties” that are “qualified REIT properties” held by the trust is at least 90% of the fair market value at that time of all “non-portfolio properties” held by the trust;

- (b) not less than 90% of the trust's "gross REIT revenue" for the taxation year is from one or more of the following: "rent from real or immovable properties", interest, dispositions of "real or immovable properties" that are capital properties, dividends, royalties and dispositions of "eligible resale properties";
- (c) not less than 75% of the trust's "gross REIT revenue" for the taxation year is from one or more of the following: "rent from real or immovable properties", interest from mortgages, or hypothecs, on "real or immovable properties", and dispositions of "real or immovable properties" that are capital properties;
- (d) at each time in the taxation year an amount, that is equal to 75% or more of the equity value of the trust at that time, is the amount that is the total fair market value of all properties held by the trust each of which is a real or immovable property that is capital property, an eligible resale property, an indebtedness of a Canadian corporation represented by a banker's acceptance, cash, a deposit in a bank or credit union, or debt issued or guaranteed by the Canadian government or issued by a province, municipal government or certain other qualifying public institutions; and
- (e) investments in the trust are, at any time in the taxation year, listed or traded on a stock exchange or other public market.

The SIFT Rules contain specific rules generally permitting a trust to qualify for the REIT Exception where it holds properties indirectly through intermediate entities if each intermediate entity would satisfy the criteria (a) throughout (d) of the REIT Exception in its own right.

For the purpose of the SIFT Rules and the REIT Exception:

- (a) "eligible resale property", of an entity, means real or immovable property (other than capital property) of the entity, (i) that is contiguous to a particular real or immovable property that is capital property or eligible resale property, held by the entity or another entity affiliated with the entity, and (ii) the holding of which is ancillary to the holding of the particular property;
- (b) "gross REIT revenue" of an entity for a taxation year means the amount, if any, by which the total of all amounts received or receivable in the year (depending on the method regularly followed by the entity in computing the entity's income) by the entity exceeds the total of all amounts each of which is the cost to the entity of a property disposed of in the taxation year;
- (c) "qualified REIT property" of a trust at any time means a property held by the trust that at that time is held by the trust and is:
 - i) a "real or immovable property" (as described below) that is capital property, an eligible resale property, an indebtedness of a Canadian corporation represented by a banker's acceptance, cash, a deposit in a bank or credit union, or debt issued or guaranteed by the Canadian government or issued by a province, municipal government or certain other qualifying public institutions;
 - ii) a security of a "subject entity" (as described below) all or substantially all of the gross REIT revenue of which for its taxation year that includes that time, is from maintaining, improving, leasing or managing real or immovable properties that are capital properties of the trust or of an entity of which the trust holds a share or an interest, including real or immovable properties that the trust, or an entity of which the trust holds a share or an interest, holds together with one or more other persons or partnerships;
 - iii) a security of a "subject entity" if the entity holds no property other than (A) legal title to real or immovable properties of the trust or of another subject entity all of the securities of which are held by the trust (including real or immovable property that the trust or the other subject entity holds together with one or more other persons or partnerships), and (B) property described in (iv) below;

- iv) ancillary to the earning by the trust of gross REIT revenues from rents or dispositions of real or immovable properties that are capital properties, other than (A) an equity of an entity, or (B) a mortgage, hypothecary claim, mezzanine loan or similar obligation.
- (d) “real or immovable property” includes generally a security of a trust that satisfies (or of any other entity that would, if it were a trust, satisfy) the criteria (a), (b), (c) and (d) of the REIT Exception (as discussed above) and an interest in certain real property or a real right in certain immovables, but excludes any depreciable property other than a depreciable property included (otherwise than by election) in capital cost allowance (“CCA”) Class 1, 3 or 31, property ancillary to the ownership or utilization of such depreciable property or a lease or leasehold interest in respect of land or such depreciable property;
- (e) “rent from real or immovable properties” includes (A) rent or similar payments for the use of or right to use real or immovable properties and (B) payment for services ancillary to the rental of real or immovable properties and customarily supplied or rendered in connection therewith, but does not include (C) any other payment for services supplied or rendered to the tenants of such properties, fees for managing or operating such properties, payment for the occupation, use or right to use a room in a hotel or other similar lodging facility, or rent based on profits; and
- (f) “subject entity” means (i) a corporation resident in Canada, (ii) a trust resident in Canada, (iii) a Canadian resident partnership, or (iv) a non-resident person, or a partnership that is not a Canadian resident partnership, the principal source of income of which is one or more sources in Canada.

If the REIT does not qualify for the REIT Exception, the SIFT Regime will apply to the REIT. Application of the SIFT Regime may, depending on the nature of distributions from the REIT, including what portion of its distributions is income and what portion is a return of capital, have a material adverse effect on the after-tax returns of certain Unitholders. Generally, distributions that are characterized as returns of capital are not taxable to Unitholders but serve to reduce the adjusted cost base of a Unitholder’s Units. Since inception, 100% of the REIT’s distributions have been characterized as returns of capital. There is no assurance that this return of capital component will be maintained in the future.

The REIT Exception is applied on an annual basis. Accordingly, if the REIT did not qualify for the REIT Exception in a particular taxation year, it may be possible to restructure the REIT such that it may qualify in a subsequent taxation year. There can be no assurances, however, that the REIT will be able to restructure such that it will not be subject to the tax imposed by the SIFT Regime, or that any such restructuring, if implemented, would not result in material costs or other adverse consequences to the REIT and the Unitholders. Management of the REIT has informed counsel that the REIT intends to take such steps as are necessary to ensure that, to the extent possible, it qualifies for the REIT Exception and any negative effects of the SIFT Regime on the REIT and the Unitholders are minimized. The remainder of this summary assumes that the REIT qualifies for the REIT Exception currently, and that it will so qualify at all material times.

Taxation of the REIT

The taxation year of the REIT is the calendar year. In each taxation year, the REIT is subject to tax under the *Tax Act* on its income for the year, including net realized taxable capital gains, computed in accordance with the detailed provisions of the *Tax Act*, less the portion thereof that it deducts in respect of the amounts paid or payable or deemed to be paid or payable in the year to Unitholders. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid to the Unitholder in the year by the REIT or if the Unitholder is entitled in that year to enforce payment of the amount.

The Contract of Trust generally provides that an amount equal to the net income and net realized capital gains of the REIT for a taxation year which has not been previously allocated or distributed to Unitholders during the year and which cannot be sheltered by losses from prior years may be payable to Unitholders of record as of the close of business on the last day of the calendar year and accordingly the REIT should not pay tax under Part I of the *Tax Act* in any year.

The income for purposes of the *Tax Act* of the REIT may include income realized from the rental of its rental properties; income payable to it by other trusts in which the REIT is beneficially interested, dividends received from corporations in which it holds shares; and any taxable capital gains or recapture of capital cost allowance arising from dispositions by it of properties.

In computing its income for purposes of the *Tax Act*, the REIT may deduct reasonable administrative costs, interest and other expenses incurred by it for the purpose of earning income from a business or property, subject to the limitations in the *Tax Act*. Recent amendments to the *Tax Act* (the “EIFEL Rules”) generally limit the deductibility of interest and financing expenses of a Canadian resident corporation or trust that is not an “excluded entity” to a fixed ratio of tax EBITDA (as calculated in accordance with the EIFEL Rules). While it is expected that the REIT will qualify as an “excluded entity” throughout 2025, no assurance can be given that this status will be maintained. Any denied interest and financing expenses under the EIFEL Rules can be carried forward indefinitely. If the EIFEL Rules were to apply to restrict deductions otherwise available to the REIT, the taxable component of distributions paid by the REIT to Unitholders may be increased, which could reduce the after-tax return associated with an investment in Units.

The REIT may also deduct from its income for the year a portion of any reasonable expenses incurred by the REIT to issue Units. The portion of such issue expenses deductible by the REIT in a taxation year is 20% of such issue expenses pro-rated for a taxation year of the REIT that is less than 365 days.

Losses incurred by the REIT cannot be allocated to Unitholders but may be deducted by the REIT in future years in accordance with the *Tax Act*.

The *Tax Act* provides for a special tax, under Part XII.2 which applies to the designated income (including income from Canadian real or immovable property) of certain trusts which have designated beneficiaries (including Non-Resident persons and certain tax-exempt persons). This special tax does not apply to a trust for a taxation year if the trust is a mutual fund trust throughout such year. Accordingly, provided the REIT qualifies as a mutual trust fund throughout a taxation year, it will not be subject to the Part XII.2 tax for such taxation year.

RISK FACTORS

An investment in the Series I Debentures and the Units involves risks. Before purchasing the Series I Debentures, prospective investors should carefully consider the information contained in, or incorporated by reference into, this Prospectus Supplement and the Shelf Prospectus, including, without limitation, the risk factors disclosed in the 2023 AIF. If any event arising from these risks occurs, the REIT’s business, prospects, financial condition, results of operations or cash flows, or the purchasers’ investment in the Series I Debentures and the Units could be materially adversely affected.

The activities of the REIT and an investment in its securities involve other risks and investment considerations. Investors should carefully consider, in light of their own financial circumstances, the factors set out below as well as other information contained or incorporated by reference in this Prospectus Supplement before purchasing any of the securities distributed under this Prospectus Supplement. The risks described herein are not the only risks facing the REIT and Unitholders. Additional risks and uncertainties not currently known to the REIT, or that the REIT currently deems immaterial, may also materially and adversely affect its business. The trading price of the Series I Debentures and the Units could decline due to any of these risks and investors could lose all or part of their investment. This Prospectus Supplement contains forward-looking statements that involve risks and uncertainties. The REIT’s actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the REIT described below and elsewhere in this Prospectus Supplement. See “Notice Regarding Forward-Looking Statements”.

Risk Factors Related to BTB

Tenant Risks

Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. Expiries of certain leases will occur in both the short and long term, including expiry of leases of certain significant tenants, and although certain lease renewals and/or rental increases are expected to occur in the future, there can be no assurance that such renewals or rental increases will in fact occur. The failure to achieve renewals and/or rental increases could adversely affect BTB's cash flows, financial condition and results of operations. In addition, the terms of any subsequent lease may be less favourable to BTB than the existing lease.

There can also be no assurance that a tenant will be able to fulfill its existing commitments under leases up to the expiry date, as the default, insolvency or bankruptcy of a tenant may result in the cancellation and termination of that tenant's lease. In the event of default by a tenant, BTB may experience delays or limitations in enforcing its rights as landlord and incur substantial costs in protecting its investment. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to BTB. To reduce these risks, BTB attempts to lease to creditworthy tenants and generally conducts credit assessments for new tenants and attempts to obtain, in some cases, financial guarantees from them.

As of September 30, 2024, approximately 24% of the Trust's rental income is generated by its top 10 tenants. Consequently, BTB's revenues depends on the ability of these tenants to meet their lease obligations and BTB's ability to recover these rents. Failure by these tenants to pay rent or meet their obligations, or a termination of their lease through a bankruptcy, insolvency or similar procedure, could adversely affect BTB, and any disruption of one of its top 10 tenants' business or financial condition could adversely affect the Trust's cash flows, financial condition and results of operations. The REIT is aware that one of its top 10 tenants has sought protection from its creditors under the *Companies' Creditors Arrangement Act*. As of the date of this Prospectus Supplement, such tenant is not in default under the terms of its lease.

Risk Factors Related to the Ownership of Series I Debentures and to the Offering

Market Price

There is currently no trading market for the Series I Debentures. The REIT has applied to list the Series I Debentures distributed under this short form prospectus and the Units issuable upon conversion, redemption or maturity of the Series I Debentures on the TSX. Listing will be subject to the REIT fulfilling all the listing requirements of the TSX. No assurance can be given that an active or liquid trading market for the Series I Debentures will develop or be sustained. If an active or liquid market for the Series I Debentures fails to develop or be sustained, the prices at which the Series I Debentures trade may be adversely affected.

A publicly traded real estate investment trust will not necessarily trade at values determined solely by reference to the underlying value of its real estate assets. Accordingly, the Series I Debentures may trade at a premium or a discount to values implied by the initial appraisal of the value of its properties or the value of such properties from time to time.

Whether or not the Series I Debentures will trade at lower prices depends on many factors, including liquidity of the Series I Debentures, prevailing interest rates and the markets for similar securities, the market price of the Units, general economic conditions and the REIT's financial condition, historic financial performance and future prospects.

Although the REIT intends to make distributions of its available cash to Unitholders, these cash distributions are not assured. The actual amount distributed will depend on numerous factors including, but not limited to, the REIT's financial performance, debt covenants and obligations, working capital requirements and future capital requirements. The market price of the Units may deteriorate if the REIT is unable to meet its cash distribution targets in the future.

The after-tax return from an investment in Units to Unitholders subject to Canadian income tax will depend, in part, on the composition for tax purposes of distributions paid by the REIT (portions of which may be fully or partially taxable or may constitute non-taxable returns of capital). The composition for tax purposes of those distributions may change over time, thus affecting the after-tax return to Unitholders.

One of the factors that may influence the market price of the Units is the annual yield on the Units. Accordingly, an increase in market interest rates may lead purchasers of Units to demand a higher annual yield which could adversely affect the market price of the Units. Unlike fixed-income securities, there is no obligation of the REIT to distribute to Unitholders any fixed amount and reductions in, or suspensions of, distributions may occur that would reduce yield based on the market price of the Units. In addition, the market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities, changes in the economic environment and numerous other factors beyond the control of the REIT.

Structural Subordination of Units and Debentures

In the event of a bankruptcy, liquidation or reorganization of the REIT or any of its Subsidiaries, holders of certain of their indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets of the REIT and those Subsidiaries before any assets are made available for distribution to the Unitholders and Debentureholders. The Units and Debentures will be effectively subordinated to most of the other indebtedness and liabilities of the REIT and its Subsidiaries. Neither the REIT, nor any of its Subsidiaries will be limited in their ability to incur additional secured or unsecured indebtedness.

Credit Risk and Prior Ranking Indebtedness: Absence of Covenant Protection

The likelihood that Debentureholders will receive payments owing to them under the terms of the Debentures will depend on the financial health of the REIT and its creditworthiness. In addition, the Debentures are unsecured obligations of the REIT and are subordinate in right of payment to all the REIT's existing and future senior indebtedness (as defined in the Indenture). Therefore, if the REIT becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, the REIT's assets will be available to pay its obligations with respect to the Debentures only after it has paid all of its senior and secured indebtedness in full. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Debentures then outstanding. The Debentures are also effectively subordinate to claims of creditors of the REIT's Subsidiaries except to the extent the REIT is a creditor of such Subsidiaries ranking at least *pari passu* with such other creditors. The Indenture does not prohibit or limit the ability of the REIT or its Subsidiaries to incur additional debt or liabilities (including senior indebtedness) or to make distributions, except, in respect of distributions, where an Event of Default (as defined in the Indenture) has occurred and such default has not been cured or waived. The Indenture does not contain any provision specifically intended to protect Debentureholders in the event of a future leveraged transaction involving the REIT.

Conversion following Certain Transactions

In the case of certain transactions related to a Change of Control, each Series I Debentureholder will be entitled to exercise the Put Right (see "Description of the Series I Debentures – Put Right Upon a Change of Control"). In the event that a Series I Debentureholder does not exercise the Put Right, the Change of Control could substantially lessen or eliminate the value of the conversion privilege associated with the Series I Debentures in the future.

The REIT May Not Be Able to Purchase Debentures on a Change of Control

The REIT may be required to offer to purchase outstanding Series I Debentures upon the occurrence of a Change of Control. However, it is possible that following a Change of Control, the REIT will not have sufficient funds at that time to make the required purchase of outstanding Series I Debentures or that restrictions contained in other indebtedness will restrict those purchases. See "Description of the Debentures – Put Right upon a Change of Control".

Redemption Prior to Maturity

On or after February 28, 2028 and prior to February 28, 2029, the Series I Debentures may be redeemed in whole or in part at the option of the REIT on not more than 60 days and not less than 30 days prior notice at a price equal to their principal amount plus accrued and unpaid interest, provided that the Current Market Price on the date on which the notice of redemption is given is not less than 125% of the Conversion Price. On or after February 28, 2029 and prior to the Maturity Date, the Debentures may be redeemed in whole or in part at the option of the REIT on not more than 60 days and not less than 30 days prior notice at a price equal to their principal amount plus accrued and unpaid

interest. Series I Debentureholders should assume that this redemption option will be exercised if the REIT is able to refinance at a lower interest rate or it is otherwise in the interest of the REIT to redeem the Series I Debentures. See “Description of the Series I Debentures – Redemption”.

Discretion in the Use of Proceeds

The REIT currently intends to use the net proceeds of the Offering as stated under “Use of Proceeds”, however, management will have discretion in the actual application of the proceeds, and may elect to allocate proceeds differently from that described in “Use of Proceeds” if it is believed it would be in the best interests of the REIT to do so as circumstances change. The failure by management to apply these funds effectively could have a material adverse effect on the business of the REIT.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series I Debentures offered hereby will be passed upon on behalf of the REIT by Stikeman Elliott LLP and on behalf of the Underwriters by Osler, Hoskin & Harcourt LLP. As of the date of this Prospectus Supplement, partners and associate lawyers of Stikeman Elliott LLP, as a group, and partners and associate lawyers of Osler, Hoskin & Harcourt LLP as a group, each owned, beneficially or of record, less than 1% of the outstanding Units.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the REIT are KPMG LLP, 600 de Maisonneuve Blvd. West, Suite 1500, Montréal, Québec, H3A 0A3, and they are independent with respect to the REIT within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada.

The registrar and transfer agent for the Units is Computershare Investor Services Inc., at its principal offices in Montréal and Toronto.

The Debenture Trustee is Computershare Trust Company of Canada, at its principal offices in Montréal and Toronto.

PURCHASERS’ CONTRACTUAL RIGHTS

Original purchasers of Series I Debentures will have a contractual right of rescission against the REIT in respect of the conversion of such Series I Debentures. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion of the Series I Debentures, upon surrender of the Units in the event that this prospectus contains a misrepresentation, provided that both the conversion occurs, and the right of rescission is exercised, within 180 days of the date of the purchase of the Series I Debentures under this prospectus. Original purchasers are further advised that in certain provinces the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible security that was purchased under a prospectus, and therefore a further payment at the time of conversion may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal advisor.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions to the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions to the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

In an offering of convertible securities, such as the Series I Debentures, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the convertible securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE TRUST

Dated: January 16, 2025

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

BTB REAL ESTATE TRUST

Per:	<u>(signed) Michel Léonard</u> Michel Léonard President, Chief Executive Officer and Trustee	Per:	<u>(signed) Marc-André Lefebvre</u> Marc-André Lefebvre Vice President and Chief Financial Officer
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ON BEHALF OF THE TRUSTEES

Per:	<u>(signed) Jocelyn Proteau</u> Jocelyn Proteau Chairman and Trustee	Per:	<u>(signed) Jean-Pierre Janson</u> Jean-Pierre Janson Vice Chairman and Trustee
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CERTIFICATE OF THE UNDERWRITERS

Dated: January 16, 2025

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

NATIONAL BANK FINANCIAL INC.

Per: (signed) Antoine Kilo
Antoine Kilo

RBC DOMINION SECURITIES INC.

Per: (signed) Tyler McLean
Tyler McLean

CANACCORD GENUITY CORP.

Per: (signed) Mark Silvestre
Mark Silvestre

**CIBC WORLD
MARKETS INC.**

(signed) Sasha Sadr
Per: Sasha Sadr

**SCOTIA CAPITAL
INC.**

(signed) Charles Vineberg
Per: Charles Vineberg

**DESJARDINS
SECURITIES INC.**

(signed) Mark Edwards
Per: Mark Edwards

**IA PRIVATE
WEALTH INC.**

(signed) Pierre-François
Roy
Per: Pierre-Francois Roy