



BTB REAL ESTATE INVESTMENT TRUST

Unitholder Distribution Reinvestment Plan

BTB's Unitholder Distribution Reinvestment Plan (the "**Plan**") allows Unitholders to use their monthly cash distributions to steadily increase ownership in BTB without incurring any transaction costs.

The right to receive the additional Units is being provided for no additional consideration and, in addition to there being no transaction fees applied in respect of Units purchased through the Plan, represents a compelling reason to enroll in the Plan to increase ownership in BTB.

Many frequently asked questions are answered below. We have also attached a PDF version of the Plan, as well as an authorization form to enroll.

FREQUENTLY ASKED QUESTIONS

The following section has been prepared to assist BTB's Unitholders in understanding the Plan. Unitholders are encouraged to carefully read the full details of the Plan on Sedar (www.sedar.com) and on BTB's website (www.btbreit.com) before enrolling.

What is the Distribution Reinvestment Plan?

The Plan allows Unitholders of BTB to have their monthly cash distributions reinvested in additional Units.

What price do I pay for the Units?

Unitholders registered in the Plan will pay the weighted average closing price for BTB's Units on the Toronto Stock Exchange (the "**TSX**") for the five (5) trading days immediately preceding the distribution date, which is on or about the 15th day of each month, discounted by 3% (the "**Issue Price**").

What are the benefits of enrolling in the Plan?

Unitholders enrolling in the Plan can steadily increase their ownership of BTB on a convenient monthly basis. You pay no commissions, service charges or brokerage fees because Units are acquired directly from BTB. The Plan also allows for full reinvestment of whole and fractional units to three (3) decimal places.

How does the Plan work?

The following is an example of how the distribution proceeds will be reinvested pursuant to the Plan:

Example:	Distribution amount:	\$40
	Weighted Average Closing Price:	\$1.00
	Unit Issue Price (discounted):	\$0.97

Based on these amounts, the number of Units a participant will receive under the Plan will be 41.237 (\$40 divided by the Unit Issue Price) with a cost for tax purposes of \$40 or \$0.97 per Unit. The tax cost of these Units will be averaged with the tax cost of the other Units held by such participant from time to time.

Who administers the Plan?

The plan is administered by BTB's transfer agent, Computershare Trust Company of Canada (the "**Plan Agent**").

Will I receive a report of my purchases under the Plan?

The Plan Agent or your investment dealer will send you statements of your purchases under the Plan. If you hold Units in registered form, the Plan Agent will deliver your statement on a monthly basis. Otherwise, you will receive your statement in accordance with your investment dealer's usual practice. You will also receive on an annual basis appropriate tax information for reporting distributions paid on Units in the Plan.

Are there any tax consequences of enrolling in the Plan?

BTB encourages you to seek advice relating to the tax consequences of enrolling in the Plan from your tax advisor.

Who can join the Plan?

Any Canadian Unitholder is eligible to join the Plan. If your Units are held in an investment dealer's account and not registered in your name, you may also arrange to participate in the Plan by contacting your investment dealer.

When can I join the Plan?

You can join the Plan at any time. If your authorization form is received five (5) business days prior to the applicable record date of a distribution, the immediately following cash distribution will be invested in the Plan.

How do I enroll in the Plan?

If your Units are registered in your name, you can complete the attached Authorization form included in this package and forward it to the Plan Agent at the address below. Otherwise, you may call your investment advisor and, provided your investment advisor participates in the Plan, you can simply ask your investment advisor to make necessary arrangements.

How do I terminate my participation in the Plan?

You can terminate your participation in the Plan at any time by advising your investment dealer or, in the case of registered holders, by duly completing the reverse side of the statement of account and sending it to the Plan Agent. Upon termination in the Plan, you will be issued a certificate for whole Units and a cash payment for any fraction of a Unit by the Plan Agent. The cash payment will be based on the sale price at the time of the sale of fractions.

Who do I contact for more information?

For more information about the Plan, please contact the Plan Agent or BTB.

Computershare Trust Company of Canada

c/o Dividend Reinvestment Department
100 University Street, 9th Floor
Toronto, Ontario M5J 2Y1

Tel. : 1-800-564-6253
514-982-7555
Fax : 1-888-453-0330
Email : www.computershare.com/service or
www.computershare.com/communiquer

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c/o Distribution Reinvestment Plan
1411 Crescent Street
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Tel. : 514-286-0188
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Unitholder Distribution Reinvestment Plan

INTRODUCTION

This unitholder distribution reinvestment plan (the “**Reinvestment Plan**”) is being offered to registered holders of units (the “**Unitholders**”), including, without limitation, registered holders of units represented by instalment receipts (collectively, the “**Eligible Units**”) of BTB Real Estate Investment Trust (the “**Trust**”). The Reinvestment Plan is administered by Computershare Trust Company of Canada (the “**Plan Agent**”), which acts as agent for Unitholders participating in the Reinvestment Plan (the “**Participants**”). The Units issued pursuant to the Plan will not trade on any stock exchange until the Units are listed and posted for trading on such exchange.

Purpose

The purpose of the Reinvestment Plan is to enable Participants to invest all cash distributions on Eligible Units in additional units of the Trust (“**Units**”). All such additional Units are purchased directly from the Trust by the Plan Agent. The Reinvestment Plan enables the Trust to issue additional equity capital to existing Unitholders.

Defined Terms

Where used herein, the following terms shall have the following meanings, respectively:

“**Authorization Form**” means the Reinvestment Enrolment – Participation Declaration Form.

“**Distribution Date**” means on or about the 15th day of each calendar month in each calendar year, beginning on November 15, 2011.

“**Distribution Record Date**” means, in relation to a Distribution Date, the date which is determined by the trustees of the Trust to be the record date for any distribution.

“**Issue Price**” means 97% of the Market Price.

“**Market Price**” on any particular Distribution Date means the market price of one Unit and shall be calculated by reference to the weighted average of the trading prices for the Units on the Toronto Stock Exchange for the five (5) trading days immediately preceding such Distribution Date; or if, at any time, the Units are no longer listed on the Toronto Stock Exchange, then the Market Price shall be calculated on the basis of the weighted average of the trading prices for the Units for the five (5) trading days immediately preceding such Distribution Date on the stock exchange on which the Units are listed and had the greatest volume of trading on that particular Distribution Date.

“Unitholder” means a holder of a Unit of the Trust (including a Unit represented by an instalment receipt).

Advantages

Under the Reinvestment Plan, a Participant may purchase additional Units with the cash distributions paid on the Eligible Units which are registered in the name of the Participant or held in a Participant's account maintained pursuant to the Reinvestment Plan. Full investment of Participants' funds is possible under the Reinvestment Plan because the Reinvestment Plan permits purchase of whole and fractional Units, to three (3) decimal places, and held for Participants. Distributions in respect of whole Units and fractions of Units acquired under the Reinvestment Plan will be held by the Plan Agent for the Participants' account and automatically invested under the Reinvestment Plan in additional Units.

The price at which Units will be purchased with such cash distributions will be equal to the Issue Price. No commissions, service charges or brokerage fees are payable by Participants in connection with the Reinvestment Plan.

ADMINISTRATION

The Trust shall promptly pay over to the Plan Agent, on behalf of Participants, all cash distributions paid on their Eligible Units. The Plan Agent shall use such funds to purchase additional Units for the Participants directly from the Trust. Additional Units purchased under the Reinvestment Plan shall be registered in the name of the Plan Agent, as agent for the Participants in the Reinvestment Plan.

Accounts under the Reinvestment Plan shall be maintained in the names in which Eligible Units were registered at the time the Participants enrolled in the Reinvestment Plan.

PARTICIPATION

Participation in the Reinvestment Plan

Any Canadian resident holder of record of Eligible Units may enroll in the Reinvestment Plan at any time. Unitholders who are resident in the United States of America or who are United States citizens will not be entitled to participate in the Reinvestment Plan. Unitholders resident outside of Canada will be entitled to participate in the Reinvestment Plan unless prohibited by law of the jurisdiction in which they reside.

Registered Unitholders may enrol directly with the Plan Agent by duly completing an Authorization Form online or by downloading the form from www.computershare.com and mailing it to the Plan Agent at the address noted below.

An Enrolment Form must be received by the Plan Agent no later than 4:00 p.m. (Toronto time) on the fifth (5th) Business day immediately preceding a Distribution Record Date in order to take effect on the Distribution Date on which such Distribution Record Date relates. If the Enrolment Form is received by the Plan Agent from the Registered Unitholder after that time, the Enrolment will not take effect on such Distribution Date and will only take effect on the next following and subsequent Distribution Dates.

Instructions from CDS must be received by the Plan Agent by 11:00 a.m. on the applicable Distribution Record Date. Beneficial holders of Eligible Units must contact their investment dealer for applicable deadlines in order to participate in the Plan.

Beneficial holders who hold Units with their investment dealer may not directly enrol in the Plan in respect of those Units, but must instead either (i) transfer the Units into their own name and then enrol such Units by completing the Authorisation Form and enrolling in the Plan directly, or (ii) make appropriate arrangements with the investment dealer who holds their Units to enrol in the Plan on their behalf.

Once a Participant has enrolled in the Reinvestment Plan, participation shall continue automatically unless terminated in accordance with the terms of the Reinvestment Plan or unless participation becomes unlawful under the laws governing the Trust.

Upon ceasing to be eligible to participate in the Reinvestment Plan, a Participant shall forthwith notify the Plan Agent and participation in the Reinvestment Plan will be automatically terminated.

The Authorization Form directs the Trust to forward to the Plan Agent, and the Plan Agent to invest in additional Units, all of the Participant's cash distributions on Eligible Units. The Plan Agent will apply such funds received under the Reinvestment Plan to the purchase of additional Units.

A request to participate in the Reinvestment Plan by a Unitholder must be made in respect of all of the Units held by such Unitholder, as specified in the Authorization Form. Distributions paid on Units held by the Plan Agent for the account of a Participant under the Reinvestment Plan will be automatically reinvested in additional Units on each Distribution Date.

No interest will be paid to Participants on any funds held for investment under the Reinvestment Plan.

No Transfer of Participation Rights

The right to participate in the Reinvestment Plan may not be transferred by a Participant (including by a beneficial Unitholder who is a Participant) without the approval of securities regulatory authorities.

Withdrawal of Plan Units

Participants may withdraw some or all of their whole Units by duly completing the withdrawal portion of the voucher on the reverse of the statement of account and sending it to the Plan Agent by mail at any time. If a Participant requires an additional copy of the voucher they may obtain a duplicate copy of their statement of the account from the Plan Agent at the address listed below. On the withdrawal becoming effective, the Plan Agent will send to the Participant a certificate representing whole Plan Units held for the Participant's account under the Plan which have been withdrawn.

Generally, a certificate will be sent to a Participant within three (3) weeks of receipt by the Plan Agent of a Participant's written request. Any remaining whole Units and fractional Units will continue to be held for the Participant's account under the Reinvestment Plan.

Termination of Participation

Participants may terminate their participation in the Plan by duly completing the termination portion of the voucher on the reverse of the statement of account and sending it to the Plan Agent by mail at any time.

If notice of termination is not received by the Plan Agent at least five (5) business days prior to a Distribution Record Date, termination of the Participant's account will not occur until after the corresponding Distribution Date and the corresponding distribution reinvestment has been completed. No termination requests will be processed between a Distribution Record Date and the related Distribution Date.

If a Participant requires an additional copy of the voucher they may obtain a duplicate copy of their statement of account from the Plan Agent at the address listed below.

The Plan Agent will send to the Participant a certificate representing all whole Units held in the Participant's account under the Plan and a cheque in payment of the value of the fractional Units remaining in the Participant's account. Any fractional Unit interest will be paid in cash. The cash payment will be based on the sale price at the time of the sale of the fractions.

For greater certainty, such termination will not prevent a former Participant from participating in the Reinvestment Plan at a later date. Beneficial holders shall contact their investment dealer with whom they hold their Units for termination process.

The Trust will send at least annually to all Participants a notice of their right to withdraw from the Reinvestment Plan.

The Trustees reserve the right to terminate the right of a Participant to participate in the Reinvestment Plan where such Participant has failed to comply with the terms of the Reinvestment Plan or, in the reasonable opinion of the Trustees, abused the Reinvestment Plan to the detriment of the Trust or its Unitholders.

Participation in the Reinvestment Plan will be terminated automatically upon receipt by the Plan Agent of a written notice of the death of a Participant from a person acting in a representative or fiduciary capacity and satisfactory evidence of their proof of appointment and authority to act. Thereafter, all distributions paid in respect of the deceased's Eligible Units will be paid in cash. In the case of termination of participation due to death, a certificate for whole Units and a cheque for payment in lieu of fractional Units, if any, will be issued by the Trust in the name of the deceased Participant or in the name of the estate of the deceased Participant, as requested, and the Trust will send such certificates and a cash payment for any fractional Unit to the representative of the deceased Participant.

Participation in the Reinvestment Plan will also terminate automatically upon transfer or disposition of all of a Participant's Eligible Units and Plan Units.

Amendment, Suspension or Termination of the Reinvestment Plan

The Trust reserves the right to amend, suspend or terminate the Reinvestment Plan at any time, subject to the approval of the Toronto Stock Exchange, but such action shall have no retroactive effect that would prejudice the interest of the Participants. All Participants will be sent written notice of any such amendment, suspension or termination.

In the event of termination of the Reinvestment Plan by the Trust, certificates for whole Units held for Participants' accounts under the Reinvestment Plan and cash payments for any fractional Unit will be remitted with due dispatch by the Trust to the Participants. The cash payment will be based on the sale price at the time of the sale of the fractions.

In the event of suspension of the Reinvestment Plan by the Trust, no investment will be made by the Plan Agent on the Distribution Date immediately following the effective date of such suspension. Any Unit distribution subject to the Reinvestment Plan and paid after the effective date of any such suspension will be remitted by the Trust to the Participants, or the Participants' respective investment dealers, as the case may be, in cash only.

Rules and Regulations

The Trust, in conjunction with the Plan Agent, may from time to time adopt rules and regulations to facilitate the administration of the Reinvestment Plan. The Trust also reserves the right to regulate and interpret the Reinvestment Plan as it deems necessary or desirable to ensure the efficient and equitable operation of the Reinvestment Plan.

Rights Offering

In the event the Trust makes available to holders of Eligible Units rights to subscribe for additional Units or other securities, rights certificates will be issued by the Trust in accordance with the provisions governing such rights to each Participant in respect of the whole Units held for a Participant's account under the Reinvestment Plan on the record date for such rights issue. Rights based on fractional Units held for a Participant's account will be sold together with rights based on fractional Units held for other Participants on a commingled basis by the Plan Agent and the proportionate net proceeds will be remitted to the Participant.

Unit Splits and Unit Distributions

If Units of the Trust are distributed pursuant to a Unit split or Unit distribution on Eligible Units, such Units received by the Plan Agent or its nominee for Participants under the Reinvestment Plan will be retained by the Plan Agent or its nominee and credited proportionately to the accounts of the Participants in the Reinvestment Plan.

Voting of Units

Each Unit carries one vote at meetings of Unitholders and a holder thereof is entitled to participate equally and ratably in distributions by the Trust and in the event of any required distribution of all of the property of the Trust, in the net assets of the Trust after satisfaction of all liabilities.

Unitholder Voting

Whole Units held for a Participant's account under the Reinvestment Plan on the record date for a vote of Unitholders will be voted in the same manner as such Participant's Eligible Units are voted. Fractional Units may not be voted.

PRICE OF UNITS AND COSTS

Price of Units

On each Distribution Date, the Plan Agent will pay to the Trust all distribution funds held by it as of such date on behalf of Participants for investment in the Reinvestment Plan at the Issue Price for the Units. The Trust will advise the Plan Agent of the Issue Price no later than the Distribution Date.

Each Participant's account will be credited with that number of Units purchased for such Participant (including fractions computed to three (3) decimal places) which is equal to the amount to be invested for the Participant divided by the Issue Price.

Costs

There are no commissions, service charges or brokerage fees payable in connection with the issuance of Units under the Reinvestment Plan. All administrative costs of the Reinvestment Plan are borne by the Trust.

RECORDING AND CERTIFICATES

Reports to Participants

An account will be maintained by the Plan Agent or its nominee for each Participant in the Reinvestment Plan. A statement will be mailed monthly to each Participant who is a registered holder. Participants holding Eligible Units beneficially through an investment dealer will receive statements from their investment dealer in accordance with such investment dealer's customary practice. These statements will be the Participant's continuing record of purchases made and Units issued under the Reinvestment Plan and should be retained for income tax purposes. In addition, the Plan Agent will annually send to each Participant, or each Participant's investment dealer, as the case may be, the appropriate information for tax reporting purposes.

RESPONSIBILITIES OF THE TRUST AND THE PLAN AGENT

Neither the Trust, the Trustees of the Trust nor the Plan Agent shall be liable for any act or any omission to act in connection with the operation of the Reinvestment Plan including, without limitation, any claims for liability:

- (a) arising out of failure to terminate a Participant's account upon such Participant's death prior to receipt of notice in writing of such death;
- (b) relating to the prices at which Units are purchased or sold for the Participant's account and the times such purchases or sales are made;
- (c) arising in connection with income taxes (together with any applicable interest and/or penalties) payable by Participants in connection with their participation in the Reinvestment Plan; and
- (d) with respect to rejecting any request regarding enrolment in the Plan, withdrawal from the Plan, termination of the Plan or cash purchases under the Plan, if such request is not received in proper form. Any such request will be deemed to be invalid until any irregularities have been resolved to the satisfaction of the Trust and/or the Plan Agent.

Participants should recognize that none of the Trust, the Trustees of the Trust or the Plan Agent can assure a profit or protect them against a loss on the Units purchased or sold under the Reinvestment Plan.

INCOME TAX CONSIDERATIONS

The following is a general summary of the principal Canadian federal income tax considerations generally applicable to Participants in the Reinvestment Plan who are resident in Canada, deal at arm's length with the Trust and hold their Units as capital property. This summary is based on the current provisions of the *Income Tax Act* (Canada) (the "**Act**") and the regulations thereunder in force as of the date hereof, all specific proposals to amend the Act and the regulations thereunder publicly announced by the Department of Finance and the current administrative practices published by Canada Revenue Agency. This summary is of a general nature only and is not intended to be, nor should it be construed to be, advice to any particular Participant. **Participants are urged to consult their tax advisors as to their particular tax position.**

Tax on Distributions

Participants will be allocated the same amount for income tax purposes on a per Unit basis as non-participants. Participants will receive, after the end of each taxation year, a Canada Revenue Agency prescribed form indicating the amount of income allocated to the Participant and, where relevant, its character for income tax purposes.

Adjusted Cost Base

The net effect of participating in the Reinvestment Plan will be to increase the Participant's total cost of all of the Participant's Units by the amount reinvested by the Participant pursuant to the Reinvestment Plan. Participants will be required to determine the adjusted cost base of individual Units on an averaged basis.

Disposition of Units

A Participant who disposes of Units acquired under the Reinvestment Plan and held as capital property will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Units exceed (or are exceeded by) the adjusted cost base of the Units held by the Participant.

Cash received in lieu of a fractional Unit upon termination of participation in the Reinvestment Plan will be considered proceeds of disposition for such fractional Unit. Accordingly, the Participant will be required to recognize any resulting taxable capital gain or allowable capital loss in respect of such fractional Units at the time such cash is received.

PERSONAL LIABILITY

The obligations of the Trust hereunder are not personally binding upon any Trustee of the Trust, any registered or beneficial holder of Units or any annuitant under a plan of which a registered or beneficial holder of Units acts as trustee or carrier, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing (including, without limitation, their private property), for any liability

whatsoever, in delict, tort, contract or otherwise, but the property of the Trust only shall be bound by such obligations. Any obligation of the Trust set out herein shall to the extent necessary to give effect to such obligation be deemed to constitute, subject to the provisions of the previous sentence, an obligation of the Trustees of the Trust in their capacity as trustees of the Trust.

ACTS AND RIGHTS OF TRUST

For greater certainty, where any reference is made herein to an act to be performed by the Trust or to rights of the Trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by the Trustees on behalf of the Trust or by some other person duly authorized to do so by the Trustees or pursuant to the provisions of one contract of trust made as of August 1, 2006, as amended (the "**Contract of Trust**") pursuant to which the Trust was established, or to the rights of the Trustees, in their capacity as Trustees of the Trust, as the case may be. All references to a "Trustee" or "Trustees" herein are to those persons acting from time to time in their respective capacities as Trustees pursuant to the Contract of Trust.

NOTICES

All notices or other documents required to be given under the Reinvestment Plan shall be mailed to Participant at the address shown on the records of the Plan Agent.

Notices or inquiries to the Plan Agent shall be sent, as applicable, to:

Computershare Trust Company of Canada
100 University Avenue, 9th Floor, North Tower
Toronto, Ontario M5J 2Y1

Attention: Dividend Reinvestment Department

Or by calling the National Customer Contact Centre at:
1-800-564-6253 (Toll free in North America) or (514) 982-7555
Or by visiting www.computershare.com/service

Notices to the Trust shall be sent to:

BTB Real Estate Investment Trust
c/o Distribution Reinvestment Plan
1411 Crescent Street
Suite 300
Montreal, Québec H3G 2B3

Effective Date of the Reinvestment Plan

The effective date of the Reinvestment Plan is September 30, 2011, as amended on April 1st, 2016.