



BTB REIT Announces \$35 Million Bought Deal Equity Offering and Provides Capital Deployment & Operational Updates

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Montréal (Québec) March 21, 2022: BTB Real Estate Investment Trust (**TSX: BTB.UN**) (“**BTB**”, the “**REIT**” or the “**Trust**”) announces today that it has reached an agreement with a syndicate of underwriters led by National Bank Financial Inc. (the “**Underwriters**”) to issue to the public, subject to regulatory approval, on a bought deal basis 8,334,000 trust units (the “**Units**”) at a price of \$4.20 per Unit for gross proceeds of approximately \$35M. The REIT has granted the Underwriters an over-allotment option exercisable in whole or in part at any time up to 30 days after closing to purchase up to an additional 1,250,100 Units at the same offering price.

\$30M of the net proceeds from the sale of the Units will be used to repay amounts drawn under the REIT’s acquisition credit facility and the balance for general trust purposes. Upon completion of the offering and the use of the net proceeds therefrom, BTB expects to have access to approximately \$90 million of available capital through cash on hand and its credit facilities, subject to fulfilling the conditions for drawing upon the credit facilities.

The Units will be offered by way of a prospectus supplement to the REIT’s short form base shelf prospectus dated June 11th, 2021, which prospectus supplement is expected to be filed with the securities commissions and other similar regulatory authorities in each of the provinces and territories of Canada on or about March 23, 2022. Closing of the offering is expected to take place on or about March 30, 2022.

This press release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities in any jurisdiction. This news release does not constitute an offer of securities for sale in the United States and the securities referred to in this news release may not be offered or sold in the United States absent a registration or an exemption from registration.

Capital Deployment Update

The Trust continues to execute its strategy to grow and upgrade its portfolio with a focus on industrial and suburban office properties. The previously announced recent accretive acquisitions totaling approximately \$200M of fair value of industrial properties in Edmonton, Alberta and Saskatoon, Saskatchewan, as well as the acquisitions of well-located suburban office properties in Montréal and Ottawa demonstrate BTB's commitment to strategically position its portfolio within Canada's primary markets with high quality assets.

More specifically, the following transactions occurred since November 2021:

- On November 8th, 2021, the Trust **acquired** two suburban life science class "A" office properties located at 2344 and 2600 Alfred Nobel Boulevard in the Saint-Laurent borough of Montréal, Québec, for a total consideration of **\$73.6M**¹. The total leasable area of these properties is approximately 238,000 sq.ft. and the properties are 100% occupied.
- On December 24th, 2021, the Trust **acquired** a portfolio of 10 properties, nine industrial properties and one office property, located in Edmonton and Saskatoon for a total consideration of **\$93.7M**¹. The 10 properties total approximately 421,500 sq. ft. and are 100% occupied.
- On December 21st, 2021, the Trust **disposed** of a retail property located at 2340 Lapinière in Brossard, Québec, for total proceeds of **\$4.5M**¹. The property was acquired for a purchase price of \$3.5M.
- On January 7th, 2022, the Trust **acquired** two class "A" office properties located at 979 and 1031 Bank Street in the Glebe neighbourhood of Ottawa, Ontario. Acquired for the aggregate purchase price of **\$38.1M**¹, these two properties increased BTB's total leasable area by 116,226 sq. ft.
- On January 27th, 2022, the Trust **disposed** of four industrial properties located at 705,725 and 805 Boundary Road and 2901 Marleau Avenue in Cornwall, Ontario. The Trust disposed of these properties for the aggregate sale price of **\$26M**¹. The properties were acquired for a purchase price of \$15,1M. Following the reimbursement of its mortgages on the properties, the Trust received net proceeds of approximately \$19 million and they were used to partially reimburse the outstanding amount on the credit facility.

¹ Excluding transaction costs and adjustments.

Acquisition of an Industrial Property

In addition to the transactions above, BTB also announces that it has **waived conditions** for the acquisition of a high-quality industrial property located in Ottawa, Ontario. Totalling over 46,000 square feet the property is to be acquired for a total consideration of **\$12.5M¹**, at a capitalization rate of **5.74%**. It is expected that approximately \$8.1 million of the purchase price will be financed by way of a new mortgage on the property with the balance being funded by using cash on hand. The acquisition is expected to close by the end of March 2022, subject to fulfilling customary closing conditions.

Operational Update

Pro forma the offering, the Trust's net total debt-to-total asset ratio (net of cash and cash equivalents) is expected to be at approximately 58% (including convertible debentures), thus resulting in a total debt ratio lower than BTB's 60% target.

The REIT has collected more than 99% of contractual gross rent payable between March 2020 and December 2021, showing minimal impacts related to COVID-19 on its tenant base and related rent collections.

On February 25th, 2022, the Trust announced, that it concluded a conditional development agreement to sell air rights to a residential developer for the densification of more than 900 residential units on the land of a retail property owned by BTB (conditional *inter alia* to zoning approval), which may provide net proceeds of more than \$30 million over the densification period. This amount has not been appraised nor was it taken into consideration in appraising the Trust's total asset value.

About BTB

BTB is a real estate investment trust listed on the Toronto Stock Exchange. BTB is a property owner active in eastern and western Canada and owns **73 properties**, representing a total leasable area of approximately **5.7 million** square feet and a total asset value that surpasses **\$1.1 billion**.

BTB offers a distribution reinvestment plan to unitholders whereby the participants may elect to have their monthly cash distribution reinvested in additional units of BTB at a price based on the weighted average price for BTB's Units on the Toronto Stock Exchange for the five trading days immediately preceding the distribution date, discounted by 3%.

For more detailed information, visit BTB's website at www.btbreit.com.

¹ Excluding transaction costs and adjustments.

For further information

Stéphanie Léonard, Director of Communications

(T) 514-286-0188 x256

(C) sleonard@btbreit.com

Forward-Looking Statements

This press release may contain forward-looking statements with respect to BTB. These statements generally can be identified by use of forward-looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of BTB could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation and the factors described from time to time in the documents filed by BTB with the securities regulators in Canada. The cautionary statements qualify all forward-looking statements attributable to BTB and persons acting on their behalf. Unless otherwise stated or required by applicable law, all forward-looking statements speak only as of the date of this press release.