



PRESS RELEASE
For immediate release

BTB PROVIDES AN UPDATE PERTAINING TO THE IMPACT OF COVID-19

Montréal (Québec) March 31, 2020: BTB Real Estate Investment Trust (**TSX: BTB.UN**) ("**BTB**" or the "**REIT**") provides unitholders with an update of BTB's operations and the measures the REIT is taking to protect its tenants, employees and properties as it relates to the COVID-19 virus pandemic.

A MESSAGE FROM MICHEL LÉONARD, PRESIDENT AND CEO

I would like to assure our unitholders that we are confident that we have activated our contingency plan and the means to protect the affairs of BTB. Our strong diversified property portfolio will meet these challenging times.

We have adopted the following measures to minimize the impact the COVID-19 has or will have on our business:

OPERATIONS

- Most of our employees are working from home and are dutifully assuming their responsibilities. Some of our tenants are in full operation from their facilities since they are deemed essential services by government decree. We are in daily contact with our employees;
- We have taken measures to limit the spread of COVID-19 and our employees are working hard to maintain a sanitary environment for our tenants and their clients;
- Being a diversified REIT, it allows us to receive rent payments from segments that are less affected by the pandemic. We are focussed on three core asset segments such as office, representing 39% of our properties, retail, representing 25% of our properties and industrial, representing 27% of our properties (with a small percentage of mixed-use properties). Such diversification lowers our exposure and risk to a specific sector and allows us to receive payment of rent from other asset segments that are less impacted by the pandemic;
- Over the past few years we have gradually de-leveraged our portfolio and improved our debt ratio. As of today, we have an interest coverage ratio representing more than two times (2.0x), enhancing our cash flow position;
- We are closely monitoring the situation and will adjust our approach as recommended by the different levels of government.



TENANT RENT RELIEF

- Very few rent relief requests are emanating from our industrial and office segments. Our largest office tenants include Public Works Canada, West Safety Services Canada and the Government of Quebec. Walmart Canada is our largest retail tenant and this tenant is considered essential services at this time;
- More 27% of the Trust's total revenues are generated by leases signed with federal, provincial and municipal agencies, therefore generating stable cash flows for BTB's operations;
- The most notable impact of the virus on our revenues is from our retail segment which generates approximately 33% of our total NOI. These properties are 96% leased. We are negotiating rent relief with some of our tenants requiring help if they have been closed by governmental decree or if it is impossible for them to operate as in normal circumstances;
- Notably, the tenants that are most affected are operating in the entertainment field, restaurants, child leisure, hair salons and day-care centers. All our grocery stores, drug stores and financial institutions are in operation and continue to pay rent.
- We would also like to remind you that BTB does not own enclosed shopping malls. Our retail properties are mostly destination focused and grocery anchored;
- We established a policy to grant rental postponement solely for the proportion of base rent, which is to be fully repaid by year's (2020) end in most cases.
- So far, the amount of rental postponement granted to our tenants is not significant.

CASH FLOW

To protect our cash flow, here are measures that have been or will be made available to BTB:

- We have stopped all construction activity, whether tenant improvements or capital expenditures and have established other strategies in order to maximize our reduction of expenses;
- We are seeking the support of our mortgage lenders to postpone the payment of capital and/or interest on our mortgage loans. So far, our requests have been well received;
- Some municipalities have granted a delay in payment of municipal taxes and this delay will help our cash flow for the following months;
- The Canadian and the Québec governments have granted a delay in the payment

of GST and PST;

- We have unused credit facilities to fund certain operations;

Lastly, we intend to report our Q-1 2020 earnings in accordance with the schedule originally planned.

DISTRIBUTIONS

The distribution of March 31st, 2020 will be paid as announced. Our Board of Trustees has not contemplated a change in our distribution policy and will not, unless there is a deterioration in the situation that would require it to be reviewed.

FINAL REMARKS

At this time, I would like to thank all our dedicated employees for their collaboration, flexibility and positive mindset during these trying times. We are also proud to report that no one at BTB has been tested positive for COVID-19 and we continue to support and meet our employees by videoconference daily in order to keep up with the situation and morale. Some of them must continue to be in the field, such as our technicians who ensure that our buildings continue to operate, and precautionary measures have been put in place to reduce their exposure.

ABOUT BTB

BTB is a real estate investment trust listed on the Toronto Stock Exchange. BTB is an important owner of properties in eastern Canada. As at March 31, 2020, BTB owns 65 retail, office and industrial properties for a total leasable area of approximately 5.4 million square feet and an approximate total asset value of approximately of \$900M.

BTB'S OBJECTIVES

- (1) Generate stable monthly cash distributions that are reliable and fiscally beneficial to unitholders;
- (2) Grow the Trust's assets through internal growth and accretive acquisitions in order to increase distributable income and therefore refund distributions;
- (3) Optimize the value of its assets through the dynamic management of its properties in order to maximize the long-term value of its properties and therefore, its units.

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.

FOR FURTHER QUESTIONS:

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