



## **Solid second quarter results and announced a 5% increase in distributions**

Montréal, Québec (August 11, 2014): BTB Real Estate Investment Trust (TSX: BTB.UN) ("**BTB**" or the "**Trust**") releases today its financial results for the second quarter ended June 30, 2014, and announces the following highlights:

### **HIGHLIGHTS OF THE SECOND QUARTER 2014 VS 2013**

#### **Improvement of:**

- the payout ratio from 76.7% to 75.8%
- the AFFO payout ratio from 92.8% to 88.0%
- the mortgage loan to value ratio from 60.5% to 56.1%
- the weighted average interest rate on mortgage loans from 4.67% to 4.23%

#### **Increase of:**

- 2.4% of rental income
- 4.2% of net operating income
- 5.4% of distributable income – from 13.0¢ to 13.7¢ per unit
- 8.3% of FFO – from 12.0¢ to 13.0¢ per unit
- 9.3% of AFFO – from 10.8¢ to 11.8¢ per unit

#### **Significant leasing activities**

- 191,000 square feet leased or renewed during the quarter, with an increase of 3.36% for lease renewals
- Occupancy increases from 91.6% to 92.8%

#### **Acquisition**

- On May 26, 2014, the Trust acquired a major retail complex in Saint-Jean-sur-Richelieu with 226,000 square feet of leasable area leased to well known national retailers such as Pharmaprix (Shoppers), Maxi (Loblaws) and Dollarama, as well as a Quebec Government medical clinic, for an acquisition price of \$31.6 million.

#### **Financing activities**

- On May 26, 2014, the Trust secured a mortgage in the amount of \$20.5 million, bearing interest at the rate of 4.40% for a 10-year term, to finance the above-mentioned acquisition.
- On June 18, 2014, the Trust issued 4,836,000 units at a price of \$4.55 per unit, and on June 30, 2014, it closed the over-allotment option for 600,000 additional units at a price of \$4.55 per unit for total net proceeds of \$23.4 million, net of underwriters' fees.
- The Trust secured an acquisition line of credit for \$15 million with Laurentian Bank of Canada, bearing interest at prime plus 3.25%. This new acquisition line replaces the previous line and, if used, will produce a 2% interest cost saving.

#### **Subsequent event as at June 30, 2014**

- The Board of Trustees voted in favor of a 5% increase in the distribution payable as of September 15,

2014, or from 40¢ to 42¢ per unit on an annualized basis.

“During the second quarter, BTB saw an improvement in its fundamentals and its AFFO reached 88%. In addition, strong activity in lease renewals and new leases marked this quarter. BTB’s other ratios and results continued to improve over those of the preceding quarters. Based on its performance, the board of trustees of BTB voted to increase by 5% the distributions payable to its unitholders in recognition of their support”, stated Michel Léonard, President and Chief Executive Officer.

On Tuesday August 12, 2014, at 10:00 a.m. (ET) management will hold a conference call to discuss BTB’s financial results and performance for the second quarter ended June 30, 2014.

DATE: Tuesday, August 12, 2014

TIME: 10:00 a.m. (Eastern Standard Time)

DIAL: 1-647-427-7450 (from Toronto and overseas) access code 81476079# 1-888-231-8191 (from North America) toll free, access code 81476079#. To ensure your participation, please dial in fifteen minutes prior to the start of the conference call.

WEBCAST: <http://www.newswire.ca/en/webcast/detail/1391914/1544500>

REPLAY: From Tuesday August 12, 2014, 1:00 p.m. until 11:59 p.m. on August 18, 2014, dial 1-416-849-0833 conference ID number 81476079#, or dial toll free 1-855-859-2056 conference ID number 81476079#.

The media and all interested parties may attend the call in listening mode only.

Conference call operators will coordinate the question and answer period, and will instruct participants regarding the procedures for the call.

### **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. Today, BTB owns 70 commercial, office and industrial properties for a total leasable area of approximately 4.8 million square feet. BTB’s asset value is in excess of \$580M. The objectives of BTB are: i) to grow its revenues from its assets to increase distributable income and therefore fund distributions; (ii) to maximize the value of its assets through dynamic management of its properties in order to sustain the long-term value of its units; and (iii) to generate cash distributions that are fiscally beneficial to unitholders.

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 5%.

– 30 –

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