



PRESS RELEASE
For immediate release

BTB Provides A Year-End Review and Wishes to Thank Investors and Collaborators for Their Support

Montréal (Québec) December 17th, 2020: BTB Real Estate Investment Trust (**TSX: BTB.UN**) ("**BTB**" or the "**REIT**") releases a yearend overview and provides a statement to investors and collaborators going into the holiday season.

ACQUISITION AND DISPOSITIONS

BTB's acquisition and disposition team concluded transactions to enhance the quality of our portfolio. BTB disposed of **4 properties**, for total proceeds of \$48.5 million dollars, excluding transaction costs and acquired **2 properties** for a total consideration of **\$29.85 million dollars**, excluding transaction costs.

Summary of BTB's 2020 Acquisitions

- 2611 Queensview Drive, Ottawa, Ontario (Office).
- 2005 Le Chatelier Street, Laval, Montréal (Industrial).

Summary of BTB's 2020 Dispositions

- 311 Ingersoll, London, Ontario (Industrial);
- 5600, Chemin de la Côte de Liesse, Montréal, Québec (Industrial);
- 1001, Sherbrooke Street East, Montréal, Québec (Office);
- 550-560, boulevard Henri-Bourassa Ouest, Montréal, Québec (Office).

The first three properties in the disposition list above, were disposed of due to attractive offers that were received, whilst the last property, 550-560 boulevard Henri-Bourassa Ouest, was disposed pursuant to the conclusions of the strategic repositioning of BTB's portfolio.

As a reminder, BTB's strategic repositioning was aimed at re-focussing its acquisition criteria in-line with the following:

- Concentrate portfolio in major, primary markets such as Montréal, Quebec City, Ottawa, and Toronto (as a future target).
- Targeting acquisition of properties valued between 10 and 50 million \$.
- Targeting acquisitions of properties with a long-term hold perspective, showing:
 - Long-term leases;
 - High occupancy rates; or
 - Established tenants.



To complete the disposition strategy pursuant to the strategic review, to this date, only one property remains to be disposed to bring the strategic repositioning to a close.

LOOKING BACK AT OUR QUARTERLY AND ANNUAL RESULTS

Our 2019 annual results published in March 2020, entitled “**A Renewed BTB Takes Place**” demonstrated the strength and tremendous growth that BTB recorded for the year ended December 31st, 2019. The year was notably marked with BTB achieving an important milestone; our total asset value surpassed the \$900 million threshold as well as our market cap surged over the \$300 million mark. Our occupancy rate also showed an all time high, closing the year at 93.2%. Overall, 2019 was a performant year where we saw the effect of a stronger portfolio and stellar financial matrix.

Our Q1 2020 results continued to track on the same positive trend, despite the COVID-19 pandemic which started to impact businesses in Canada mid-way through the month of March 2020. For the comparable quarter of the previous year, we recorded a 10.3% increase in rental income, 15.5% increase in net operating income and 36.7% increase in our adjusted net income. Our results followed the 2019 trend, where our portfolio repositioning showed its strength¹.

Our Q2 2020 results were published on August 14th, 2020. Our results remained positive despite the effects of the pandemic and the challenging first months of the quarter. However, BTB remained pro-active and was able to post great results despite all the measures undertaken by the REIT to safeguard its tenant base and cash flow. On a comparable basis, we saw our NOI grow by 1.8%, our total debt ratio decreased to 58.6% and we recorded an average rent collection rate of more than 97% for the period. We must note that our Ottawa portfolio had a stellar performance as we were able to collect almost 100% of our contractual rents for the period. In addition, the strategic repositioning of our portfolio has proven to be fruitful yet again. Our last 4 acquisitions generated \$1.7 million in revenues in excess of the revenues that we would have collected from the disposed properties, had they remained in our portfolio.² As a reminder, BTB does not own enclosed malls.

Six months into the pandemic, our Q3 2020 results were published and yet again, BTB showed its tenacity, resiliency, and strength as we gleaned, for a second consecutive quarter, robust results despite the effect of the pandemic. Overall, our net income increased by 2.3%, our SPNOI increased by 0.8% and we renewed leases with existing tenants representing more than 225,381 sq. ft. We successfully leased a total of 173,995 sq. ft. to new tenants. Our total debt ratio stood at 59.7%, further solidifying our

¹ See our press release published May 14th, 2020: “*BTB Recorded a Significant Improvement in Results Throughout the First Quarter 2020, Despite an Unprecedented Crisis That Has Been Affecting Individuals and Businesses Alike*”.

² See our press release published August 14th, 2020: “*The Resilience of BTB’s Portfolio is Demonstrated*”.

commitment to maintaining that ratio below 60%.³

Albeit the challenging economic conditions, through 2020, BTB was able to generate stable and consistent results, by adopting a successful operating strategy. BTB and all its employees were able to mitigate the risks associated with the pandemic by adopting a hands-on approach, managing tenant requests on a case-by-case personalized basis to respect BTB's core values. For the period ranging between May to November, our rent collection rate stands at 98%.

FINANCING

On September 29th, 2020, BTB closed a public offering, on a bought deal basis, for an aggregate principal amount of \$30 million thereby issuing the Series H 7.00% Convertible Unsecured Subordinated Debentures, maturing on October 31st, 2025 and on October 26th, 2020, BTB successfully redeemed all the outstanding Series F Debenture.

DISTRIBUTION

Due to the economic uncertainties caused by the COVID-19 pandemic and the possible effects on the Trust's financial position and future cash requirements, on May 12th, 2020, the Board of Trustees approved a resolution to adjust the annual distribution from 42.0¢ to 30.0¢ for the distribution payable as of the May 2020.

GREAT PLACE TO WORK

BTB is proud to have obtained Great Place to Work ® certification! Based on results of a survey sent to all employees, asking questions about their workplace, work-life balance, etc. BTB's employees have elected BTB as a GPTW for a second consecutive year. Thank you all for this nomination!

SUMMIT CREATIVE AWARDS

For the second consecutive year, BTB was awarded the "Summit Creative Award" for our 2019 Annual Report Design! Having won bronze last year, BTB was able to step higher on the podium this year, having been awarded silver.

RETIREMENT

In September 2020, BTB's CFO, Mr. Benoit Cyr retired. This paved the way for the appointment of Mr. Mathieu Bolté, BTB's CFO and Vice-President of Finance, thus setting the tone for the Renewed BTB.

³ See our press release published November 10th, 2020: "BTB Demonstrates the Resiliency of Its Portfolio and Operating Strategy for a Second Consecutive Quarter".

FINAL REMARKS

We would like to thank our investors, collaborators, trustees and employees for their trust and support in BTB. This year has been challenging for all including on a personal level, but going into this Holiday Season, we want to extend our gratitude to all of you. Thank you for helping us, thank you for trusting us and thank you for standing by us. We hope that all of you will get to enjoy your holiday festivities, despite the protocols in place and we hope that all of you will remain safe.

All the best to you and your families, stay healthy and safe!



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 December 17th, 2020 BTB owns 64 retail, office, and industrial properties for a total leasable area of approximately 5.3 million square feet and an approximate total asset value as of September 30th, 2020 of approximately of \$946M.



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:

Mr. Michel Léonard, President and Chief Executive Officer

(T) 514-286-0188 x228

(E) mleonard@btbreit.com

Mr. Mathieu Bolté, Chief Financial Officer

(T) 514-286-0188 x244

(E) mbolte@btbreit.com

