BTB Real Estate Investment Trust (TSX: BTB.UN)

Conference Call Presentation

For the quarter ended March 31, 2021

May 11, 2021

7150 Alexander Fleming Street, St-Laurent

NON-IFRS MEASURES

BTB consolidated financial statements are prepared in accordance with IFRS. Consistent with BTB management framework, management uses certain financial measures to assess BTB financial performance, which are not generally accepted accounting principles (GAAP) under IFRS.

The following measures, net operating income (NOI), net operating income of the same-property portfolio (SPNOI), funds from operations (FFO), adjusted funds from operations (AFFO), adjusted net income and comprehensive income and net property income and per unit information, if applicable, are non-IFRS performance measures and do not have standardized meanings prescribed by IFRS.

These measures are used by BTB to improve the investing public's understanding of operating results and the Trust's performance. IFRS are International Financial Reporting Standards defined and issued by the IASB, in effect as at the date of this presentation. These measures cannot be compared to similar measures used by other issuers. However, BTB presents its FFO in accordance with the Real Property Association of Canada (REALPAC) White Paper on Funds from Operations, as revised in February 2019. Securities regulations require that these measures be clearly defined, that they be readily comparable to the most similar IFRS measures, and that they not be assigned greater weight than IFRS measures.

FORWARD-LOOKING STATEMENTS

From time to time, we make written or oral forward-looking statements within the meaning of applicable Canadian securities legislation. We may make forward-looking statements in this document, in other filings with Canadian regulators, in reports to unitholders and in other communications. These forward-looking statements may include statements regarding our future objectives, strategies to achieve our objectives, as well as statements with respect to our beliefs, outlooks, plans, objectives, expectations, forecasts, estimates and intentions. The words "may," "could," "should," "outlook," "believe," "plan," "forecast," "estimate," "expect," "propose," and the use of the conditional and similar words and expressions are intended to identify forward looking statements.

By their very nature, forward-looking statements involve numerous factors and assumptions, and are subject to inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include general economic conditions in Canada and elsewhere, the effects of competition in the markets where we operate, the impact of changes in laws and regulations, including tax laws, successful execution of our strategy, our ability to complete and integrate strategic acquisitions successfully, potential dilution, our ability to attract and retain key employees and executives, the financial position of lessees, our ability to refinance our debts upon maturity, our ability to renew leases coming to maturity, and to lease vacant space, our ability to complete developments on plan and on schedule and to raise capital to finance our growth, as well as changes in interest rates. We caution that the foregoing list of important factors likely to affect future results is not exhaustive. When relying on forward-looking statements to make decisions with respect to BTB, investors and others should carefully consider these factors and other facts and uncertainties. Additional information about these factors can be found in the "Risks and Uncertainties" section of the MD&A.

BTB cannot assure investors that actual results will be consistent with any forward-looking statements and BTB assumes no obligation to update or revise such forward-looking statements to reflect new events or circumstances, except as required under applicable securities regulations.

QUARTERLY HIGHLIGHTS

MICHEL LÉONARD
PRESIDENT & CEO

80 Aberdeen, Ottawa, Ontario

BTB

Highlights

- BTB continued to show **stability** through the **diversity** of its portfolio.

- **High** rent collection rate **(99.6%)** and proactive lease renewal and leasing strategies, despite the current context of the COVID-19 pandemic.

- BTB is reporting a **reduction of the balance of receivables** from $5.2M at the end of Q4 2020 to $4.8M for the quarter.

- **No additional rent deferral agreements** were negotiated with tenants, further **ensuring future revenue.**

- The Trust's **three largest tenants** are the Government of Québec, the Government of Canada, and Walmart Canada Inc., representing respectively 7.3%, 6.2% and 3.0% of rental revenue.

- Although the effect of the pandemic and the resulting government mandated restrictions have certainly impacted the retail industry in general, **BTB had limited exposure to bankrupt tenants and tenants in restructuring procedures.**


245 Menten Place, Ottawa, Ontario

Key financial and operational metrics [(1)]

91.7%
Committed occupancy as at April 30, 2021 (91.0% committed as at March 31, 2021, 90.8% in place)

5.9%
Increase in lease renewal rate

50 445 sq. ft.
Renewals & new leases

476 695 sq. ft.
Available leasable area

8.9¢
FFO / Unit
(Payout 84.0%)

58.9%
Total debt ratio

52.8%
NOI margin

99.6%
Rent collection rate

BTB'S COMPETITIVE ADVANTAGES

- **No enclosed malls**
- Portfolio diversification with good exposure to industrial & office markets
- Largest tenants are investment grade
- Core market presence
- The Trust is currently working on a **five-year growth plan**

(1) The key metrics above result from the quarter ended March 31, 2021, unless if a different date is specified.

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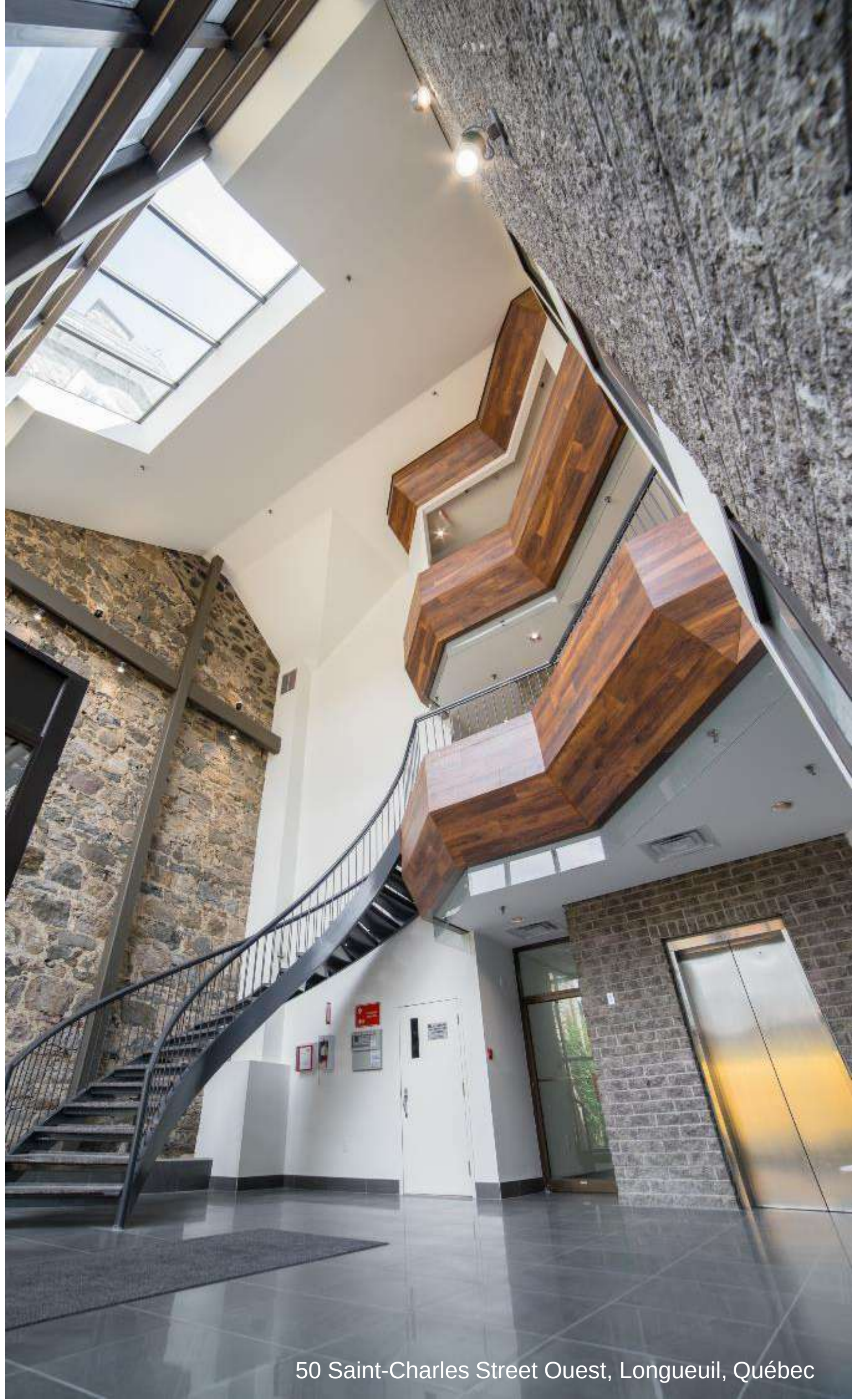
Leasing and Renewal Activity

Year	Q1 Renewals (sq. ft.)
2021	40,694
2022+	54,477
Total	**95,171**

Renewal rate	**61.3%**
Average increase in lease renewal rate	**5.9%**

- 31,763 sq. ft. of renewals were concluded with **office tenants (78%** of renewals), further confirming a strong desire for businesses to revert to an office setting.
- BTB continued the efforts to **renew leases coming to maturity post 2021 to ensure the stability of BTB's portfolio** – these leases represent 54,477 sq. ft.
- Overall, BTB's renewals (term and anticipated) were concluded with tenants operating in the following industries:
  - Government;
  - Necessity-based retail;
  - Essential professional services;
  - Health & Technology.
- 9,751 sq.ft. of vacant spaces were leased during Q1

A total of 104 922 sq.ft. were leased, representing 22% of BTB's total available leasable area

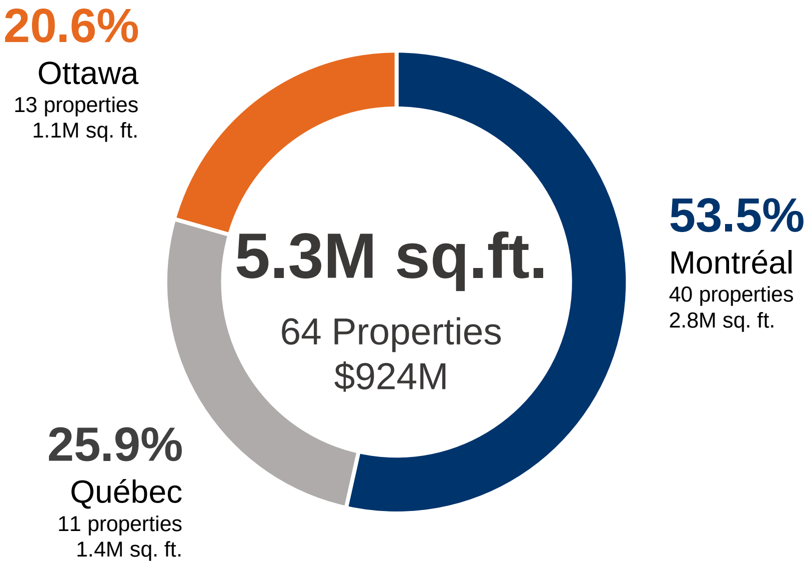


50 Saint-Charles Street Ouest, Longueuil, Québec

Real estate portfolio

By geographic sector

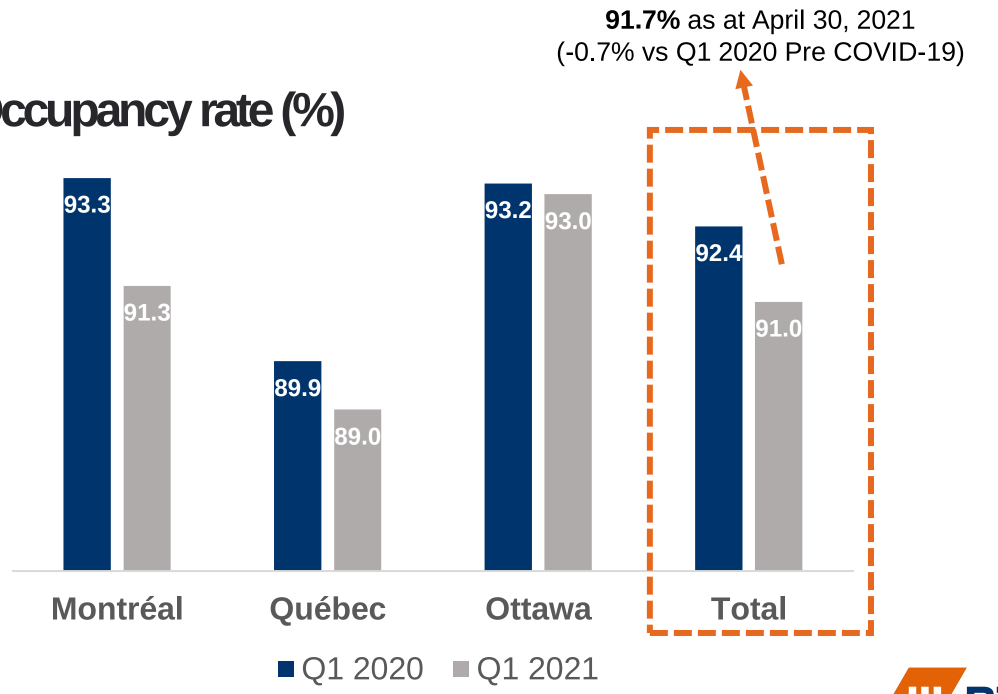
	Montréal	Québec	Ottawa
% of Total NOI	55.2%	27.0%	17.8%
Renewed lease (sq. ft)	73,042	13,160	8,969
New leases (sq. ft)	6,357	3,394	-
Increase in average lease renewal rate	6.6%	0.3%	9.0%



Key events

- -2.0% on the retail occ. rate (departure of Sportium as anounced in Q2 2020). As at April 30th, this space already has been renewed (+ occ. rate at **91.7%**)
- Properties located in Ottawa continue to demonstrate **stability as they consist of office and industrial properties** (two sectors minimally impacted by the pandemic)
- Québec have also seen a positive trend, **having 2 large scale retail properties** (Carrefour Saint-Romuald and Méga Centre Rive-Sud – with **100% and 97%** occ. rates)

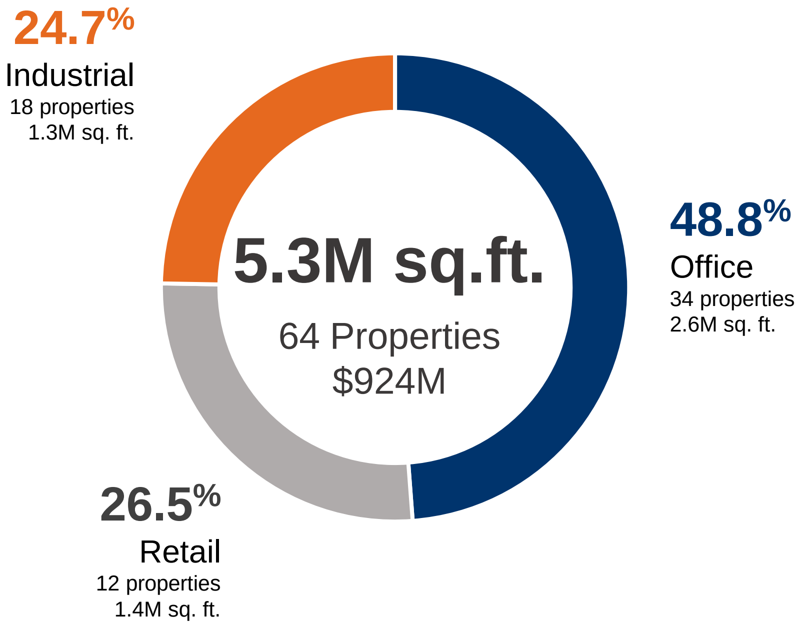
Occupancy rate (%)



Real estate portfolio

By operating segment

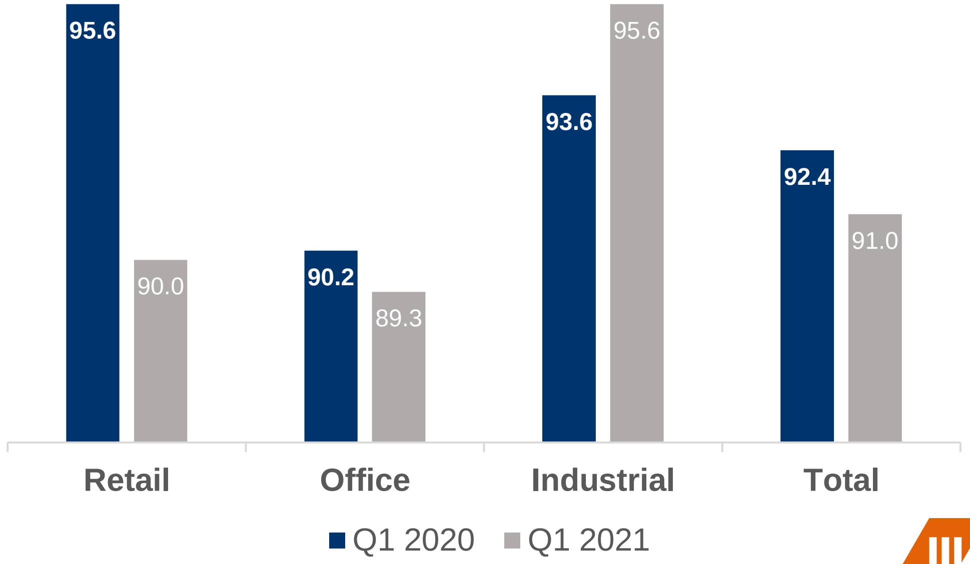
	Retail	Office	Industrial
% of Total NOI	26.8%	57.1%	16.1%
Renewed lease (sq. ft)	49,157	40,190	5,824
New leases (sq. ft)	1,199	8,552	-
Increase in average lease renewal rate	4.5%	4.7%	48.1%



Key events

- -5.6% on the retail occ. rate (departure of Sportium as anounced in Q2 2020). As at April 30th, this space already has been renewed (+ occ. rate at **91.7%.**
- Performance has been **stable across the 3 segments** and has been supported by the **quality of its tenants** (top 2 tenants are the Federal and Provincial government).
- The industrial segment continues to show **good traction and performance (increase in the occ. rate in Q1 2021)**

Occupancy rate (%)



FINANCIAL OVERVIEW

MATHIEU BOLTÉ
VICE PRESIDENT & CFO

825 Lebourgneuf Boulevard ‘‘Complexe Lebourgneuf Phase I’’, Quebec City

Financial highlights

- For the same period in 2020, the pandemic had no impact on financial results yet other than an adjustment in fair value of $6.9M.
- The negative impact of the COVID-19 in Q1 2021 totals **$0.6M on NOI and $0.3M on net income:** (1) $0.5M on revenue due to tenant departures; (2) $0.1M extra cleaning expenses; (3) $0.3M improved expected credit losses with better collections (“**COVID-19 Events**”).
- NOI margin is 52.8% in Q1 2021 (vs 53.5% in Q1 2020). Excluding $0.6M COVID-19 Events, **NOI margin would be 54.3% (+0.8% vs Q1 2020).**
- BTB received **896 871 units** conversion notices during the quarter for a total of **$3.3M** for the new Series H debenture, for a total of **$3.9M** since the issuance in September 2020 and is continuing receiving conversion notices.
- **Improvement** in total debt ratio from **59.4%** at the end of Q4 2020 to **58.9%.**
- Following the equity issuance of April 2021 ($30.4M), the acquisition credit facility outstanding balance was paid ($15M) and the remaining balance will be used to fund the Trust’s future acquisitions. 100% of the $23M credit facility is available.
- Q1 2021 unit performance: $4.22 (**+20% vs Q4 2020** and +34% vs Q1 2020).

245 Menten Place, Ottawa, Ontario

Financial Results

	Q1'21	COVID-19 Events	Q1'21 Adj.	Q1'20	∆		∆ Adj
Revenues	**$23.5M**	$0.5M	**$24.0M**	$23.9M	$(0.4M)		$0.1M
NOI	**$12.4M**	$0.6M	**$13.0M**	$12.8M	$(0.4M)	1	$0.2M
Net income	**$2.5M**	$0.3M	**$2.8M**	$(5.6M)	$8.1M	2	$8.4M
Recurring FFO per unit	**8.9¢**	0.5¢	**9.4¢**	10.0¢	(1.1¢)		(0.6¢)
Payout ratio on FFO	**84%**	(5%)	**79%**	105%	(21%)	1	(26%)
Recurring AFFO per unit	**9.8¢**	0.5¢	**10.3¢**	10.8¢	(1.0¢)		(0.5¢)
Payout ratio on AFFO	**87%**	(5%)	**82%**	119%	(32%)	1	(37%)
Wtd avg units o/s (000)	**64,148**	-	**64,148**	62,887	1,261	3	1,261

1 Unfavorable variance mainly due to $0.6M COVID-19 Events

2 Favorable variance mainly due to a decrease to the fair value of investment properties of $8M in 2020

3 The increase in the weighted average units is mostly due to the Serie H debentures conversions (897 thousands units converted in Q1 2021)

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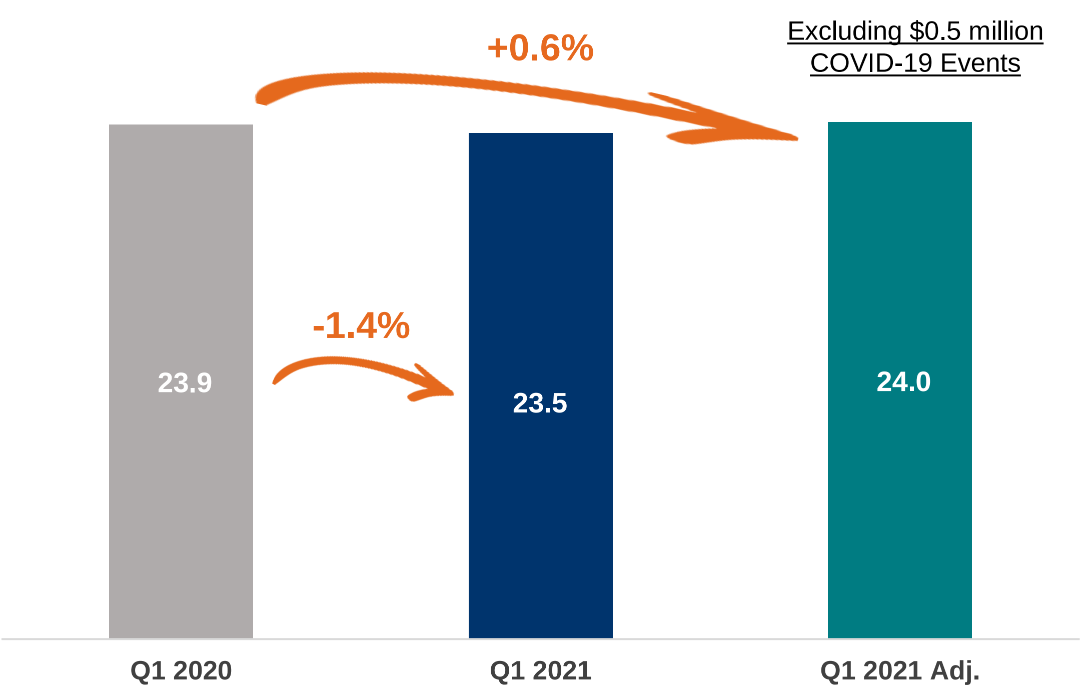
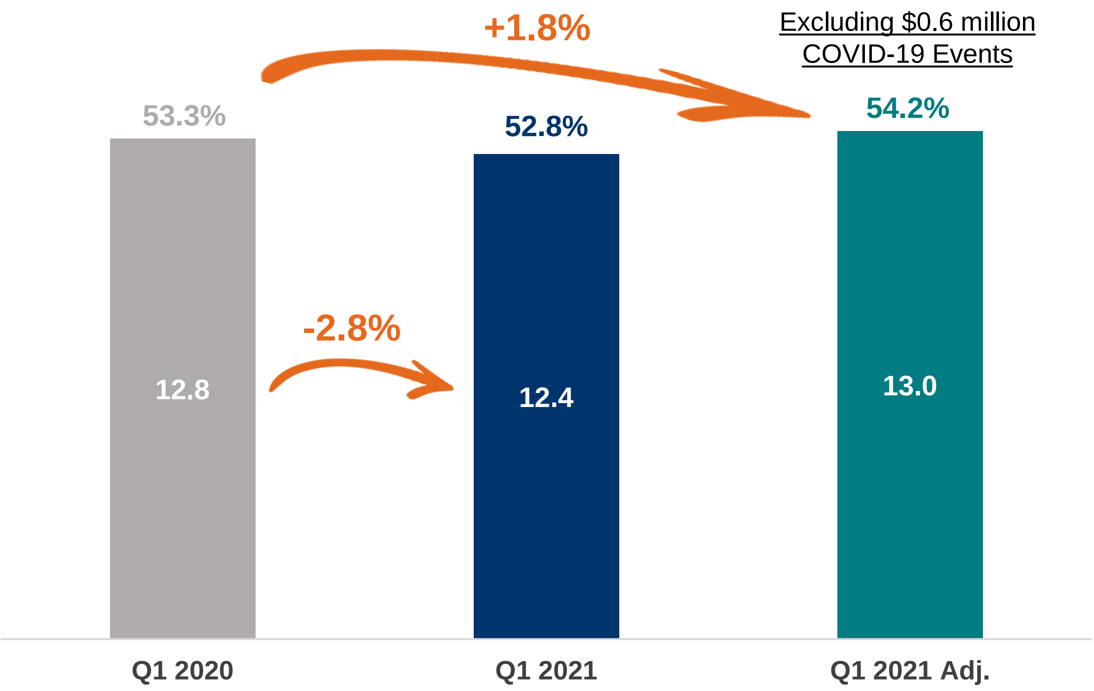
Operating Revenues & NOI

Operating Revenues ($M)



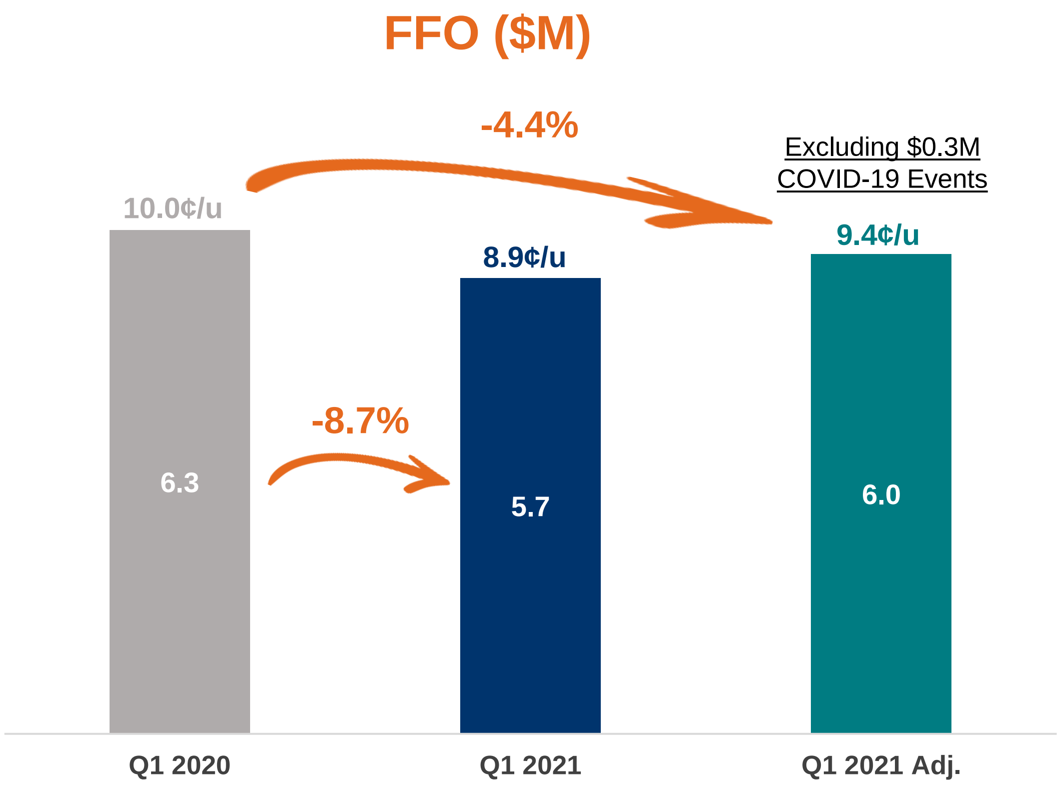
- $0.5M COVID-19 Events
- Property acquisitions (2) and dispositions (4) made in 2020 result in a reduction of $0.4 M in revenue for Q1 2021 (but offsets on NOI).
- Excluding $0.5M COVID-19 events and $0.4M net negative impact due to acquisitions and dispositions, rental revenue would have increased by $0.6M (+2.5%) due to **lease renewals and leasing efforts.**

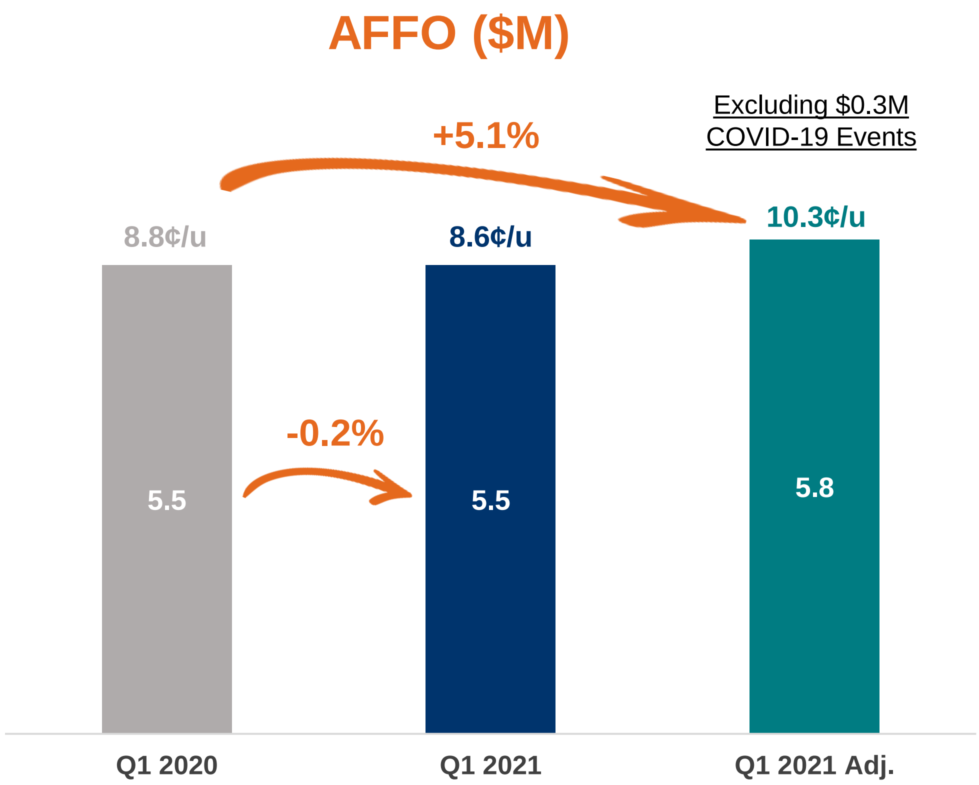
Net Operating Income ($M)



- Excluding the $0.6M COVID-19 Events:
  - NOI would have increased +1.8% and NOI margin would be 54.2% for Q1 2021 (vs 53.3% Q1 2020)
  - SPNOI would have increased by $0.3M (+2.8%) and SPNOI margin would be 53.6% for Q1 2021 (vs 53.8% Q1 2020)
- Same property NOI margin (SPNOI): 52.0% in Q1 2021 (vs 53.8% Q1 2020)

Recurring FFO & AFFO





- Payout ratio 84.0% vs 105.2% in Q1 2020
- FFO of 8.9¢/u. vs 10.0¢/u. in Q1 2020
- $0.6M increase in the unit-based compensation expense (impacted by the increase in the unit price) has a -0.9¢/u impact on FFO.
- Dilution of debenture conversions = -0.1 ¢/u

COVID-19 impact on FFO & AFFO: -0.5 ¢/u

- -0.9¢/u free rent due to construction delays
- -0.1¢/u additional cleaning expenses
- +0.5¢/ better collections than expected

- Payout ratio 87.4% vs 143.8% in Q1 2020
- AFFO of 8.6¢/u. vs 8.8¢/u. in Q1 2020

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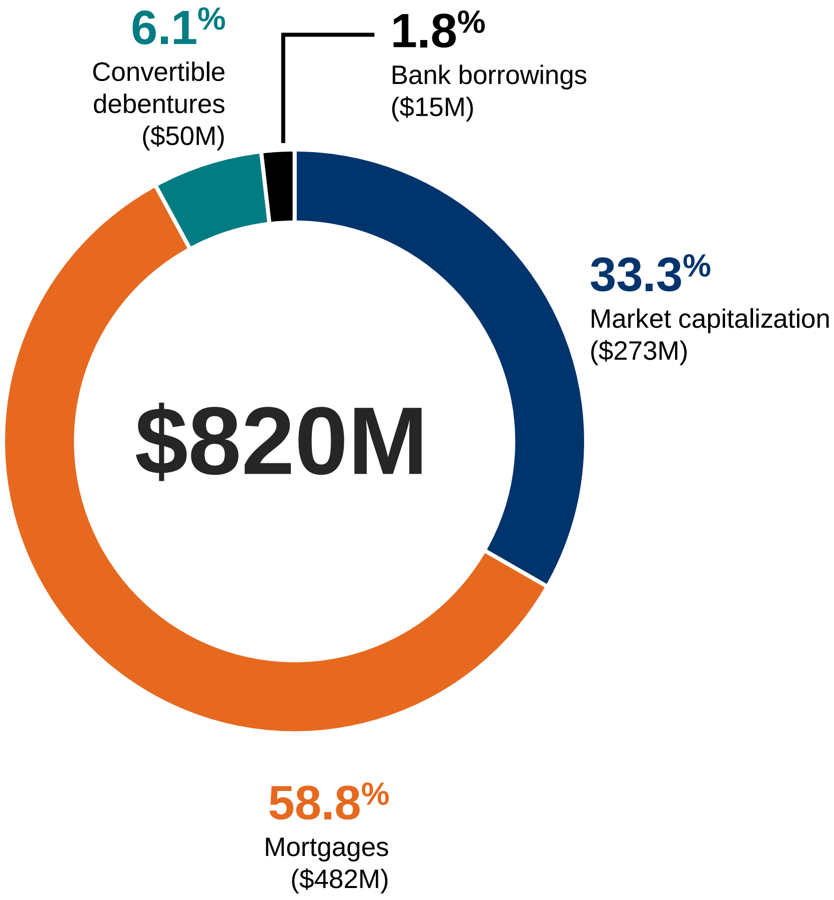
Capital structure

Enterprise value

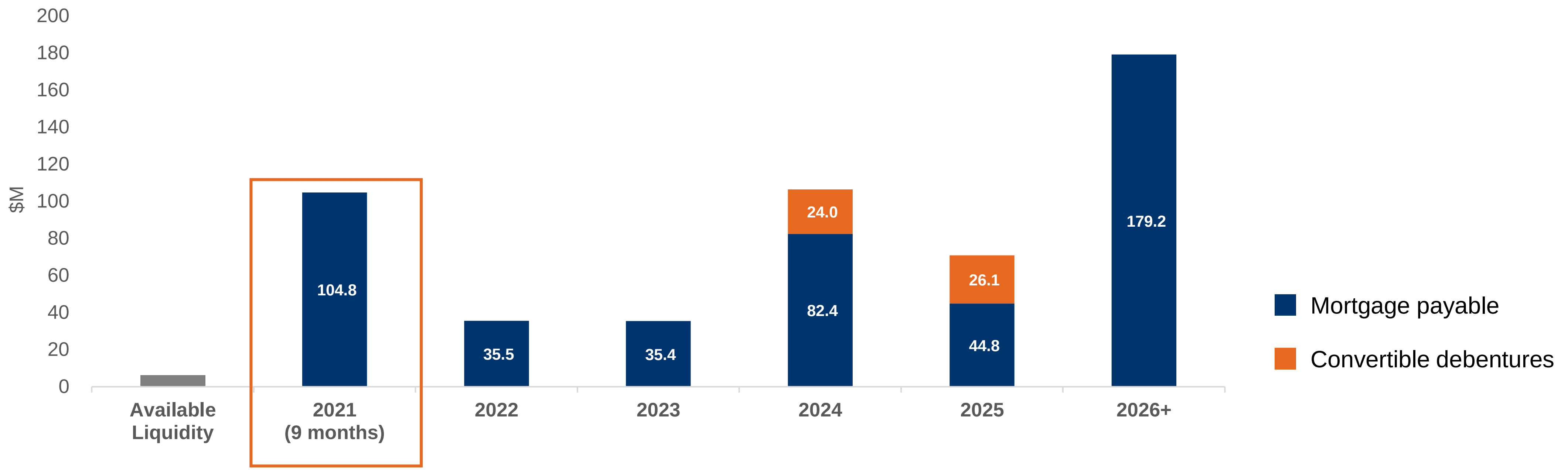


Net Debt Breakdown ($M)	Amount	Weighted Avg. Interest Rate	Weighted Avg. Term
Mortgages payable	$482	3.56% (1)	4.4 yrs
Convertible debentures	$50	6.52%	4.1 yrs
Acquisition credit facility ($22M Capacity)	$15	5.7%	
Total debt	$547	3.84% (2)	
Cash and restricted cash	(6)		
Net debt	$541		
Gross book value	$922		
Net debt / GBV (Incl. convertible debentures)	58.9% (3)		

1. From 3.57% in Q4 2020 and 3.71% in Q1 2020
2. Weighted average interest rate for the mortgages and the debentures
3. 59.3% in Q1 2020

Debt Maturities

Good progress to refinancing coming 2021 maturities



Mortgages

- $47.3M refinancing completed in May 2021 and $60.8M coming due in second half of 2021.
- Out of the $47.3M refinanced, $15.8M of equity top up.

Debenture

Debenture Series H with a conversion price @ $3.64. Already $3.3 million converted in Q1 2021, $3.9 million cumulative.

CLOSING REMARKS

MICHEL LÉONARD
PRESIDENT & CEO

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