



# Investor Fact Sheet

September 2018

## CORPORATE PROFILE

PROREIT is an unincorporated, open-ended real estate investment trust established in March 2013 to own a portfolio of diversified commercial real estate properties in Canada. PROREIT is mainly focused on primary and secondary markets in Québec, Atlantic Canada and Ontario with selective expansion into Western Canada. Since inception the REIT has successfully acquired 76 properties providing a portfolio of approximately 3.0 million square feet of commercial gross leasable area.

PROREIT's objectives are to provide unitholders with stable and growing cash distributions, on a tax efficient basis, from its Canadian real estate, to expand the asset base of the REIT and enhance the value of the REIT's assets to maximize long-term Unit value. These objectives are met by increasing the REIT's net operating income and AFFO per Unit, through internal growth strategies and accretive acquisitions.

### Fast Facts (as at Sept 10, 2018)

Stock Exchange	TSX Venture
Ticker Symbol	PRV.UN
DRIP Eligible	3% bonus units
Tax Deferred Distribution	100% (estimated)
Annual Distribution	\$0.21
Total Units	76,475,624
Trust Units	67,810,960
Class B LP Units	8,664,664

## INVESTMENT HIGHLIGHTS

### *Experienced Management Team and Board with Proven Track Record of Value Creation*

- Decades of collective operating, acquisition and financing experience in the Canadian real estate industry
- Former senior management team of CANMARC REIT who oversaw the acquisition and management of over \$4.2 billion of assets

### *Sustainable Cash Flow with Upside*

- Geographic focus on stable Eastern Canada market
- Strategic relationships provide access to a pipeline of opportunity
- In 2017, acquisitions exceeding \$116 million helped grow assets by over 42% compared to 2016. Revenues were up over 29% to \$29.6 million and AFFO was up over 36% to \$10.3 million for the year-ended Dec 31, 2017 compared to same period in 2016
- On January 29, 2018, another \$28.8 million in equity was raised, paying down debt by \$24.5 million, a portion of which will be used to fund further acquisitions
- On June 5, 2018, \$45.1 million of acquisitions were announced in addition to the purchase of a third-party property management firm
- At the end of the second quarter 2018, total of 209 tenants, well diversified by industry sector. Government and national tenants represent 88.8% of base rent. Credit quality tenants represent 48.9% of base rent

## FINANCIAL HIGHLIGHTS

	As at June 30 2018 (6 months)	As at December 31 2017	As at December 31 2016
<i>(CAD \$, 000s except per unit amounts)</i>			
Number of properties	73	66	39
Gross leasable area	3,039,510	2,689,536	2,004,604
Occupancy rate	97.6%	95.7%	94.7%
Weighted average lease term	6.6	6.9	6.4
Net operating income (NOI)	\$11,746	\$18,266	\$14,105
Funds from operations (FFO)	\$4,991	\$9,400	\$5,571
Basic FFO per unit	\$0.0694	\$0.1722	\$0.1510
Adjusted funds from operations (AFFO)	\$6,455	\$10,325	\$7,619
Basic AFFO per unit	\$0.0897	\$0.1892	\$0.2066
Total Assets	415,268	365,894	257,995
Debt to GBV	60.11%	62.30%	58.9%
Weighted average interest rate (mortgages)	3.80%	3.73%	3.70%
Interest coverage ratio	2.6x	2.7x	2.6x

## PORTFOLIO OVERVIEW

### Top Ten Tenants

High-quality tenants with long term leases

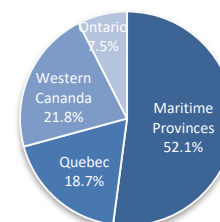
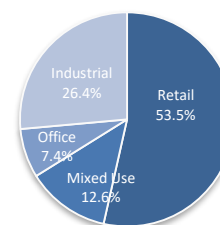
	Tenant	% of Base Rent <sup>1</sup>	GLA (sq ft)	Credit Rating <sup>2</sup>
1	Rexall	9.0%	104,929	Baa2/BBB+/na
2	Sobeys	8.7%	222,491	na/BB+/BBH
3	Shoppers Drug Mart	5.1%	66,083	na/BBB/BBB
4	Government of Canada	3.1%	34,547	Aaa/AAA/AAA
5	Versacold	2.9%	88,840	na
6	Lawtons Pharmacy	2.4%	40,901	na/BB+/BBH
7	Province of New Brunswick	2.4%	20,219	Aa2/A+/AH
8	Value Village	2.3%	44,720	na
9	DATA Communication	2.2%	172,719	na
10	Hydro Quebec	2.1%	65,000	Aa3/A+/AH
<b>Top 10 Sub-Total</b>		<b>40.2%</b>	<b>860,449</b>	

1) Based on in-place and committed base rent at June, 2018

2) Source: Moody's, S&P, and DBRS. Credit rating assigned to tenant or to its parent

### Diversified Portfolio

Base rent by asset class and geography



At June 30, 2018, PROREIT's portfolio is comprised of 73 commercial properties totaling 3.0 million square feet of GLA. The portfolio is diversified by asset type and geography across Quebec, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Western Canada. The portfolio properties are mostly situated in prime locations within their respective markets, along major traffic arteries benefiting from high visibility and easy access.

The portfolio's ten largest tenants account for approximately 40.2% of base rent, and no tenant will comprise more than 9.0% of the portfolio's base rent. Seven of the top ten tenants (or their corporate parent) have been assigned credit ratings. The portfolio's lease maturities are well staggered into the future, with 65.4% of base rent expiring 2023 through 2036 and not more than 12.8% of base rent matures in any given year over the next five years.

## BOARD OF TRUSTEES AND MANAGEMENT

Name	Role	Name	Role
John Levitt	Chair, Independent Trustee	James W. Beckerleg	President, CEO
James W. Beckerleg	Trustee	Gordon G. Lawlor	CFO and Secretary
Shenoor Jadavji	Trustee	Mark P. O'Brien	Managing Director, Operations
G�rard A. Limoges	Independent Trustee	Alison J. Schafer	Director of Finance
Vincent Chiara	Independent Trustee		
Martin Cot�	Independent Trustee		
Ronald E. Smith	Independent Trustee		
Peter Aghar	Trustee		

## CONTACT

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