



PRO REAL ESTATE INVESTMENT TRUST

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2019**

May 13, 2019

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2 Gurdwara, Ottawa, Ontario

Dear fellow unitholders:

We kicked off the year on a high note, delivering a robust performance from both a financial and operational standpoint. We demonstrated our capacity to execute by generating strong organic growth, as reflected in our increased occupancy rate, and we significantly improved our AFFO payout ratio⁽¹⁾. With no new portfolio additions made during the first quarter of 2019, we successfully focused on integrating our \$122 million worth of acquisitions completed in 2018.

We are very proud to have graduated to the TSX earlier this month. Concurrently we consolidated our units on a 3-to-1 basis. We believe there are important steps in building our profile in capital markets and gaining access to a broader and more diverse investor base. We also effectively completed, as planned and announced, the internalization of our asset management function thereby creating future economies of scale.

Clearly, our momentum and success in 2018 is serving us well as we take on 2019, more focused than ever on creating a diversified mid-cap commercial Canadian REIT.

Solid Q1 Results

As I mentioned, I am pleased to report that we generated strong internal growth during the first quarter of 2019, with same property net operating income⁽¹⁾ increasing by 7.9% compared to the same period last year. We also achieved a solid payout performance, with a significantly improved AFFO payout ratio⁽¹⁾ of 102.3% for the quarter ended March 31, 2019, compared to 114.4% during the same period last year.

Our first quarter results improved across most of our key metrics, on a year-over-year basis, primarily due to the successful integration of new properties. We owned 84 investment properties at March 31, 2019, compared to 66 at March 31, 2018.

Total assets increased by \$150.3 million, or 41.0%, to \$516.9 million at March 31, 2019, compared to \$366.6 million at March 31, 2018. This increase is mainly due to the acquisition of 19 investment properties during the previous twelve months. The acquisitions made during the last year contributed to significantly diversifying PROREIT's portfolio, both in terms of asset class and geography.

Our property revenue grew 43.8%, amounting to \$13.5 million, mainly due to the incremental revenues from the property acquisitions completed in the twelve month period ended March 31, 2019. Net operating income⁽¹⁾ reached \$8.5 million, an increase of \$2.6 million, or 43.6%, compared to \$5.9 million for the same period last year, also due to our acquisition activities.

Same property net operating income⁽¹⁾ increased in all of PROREIT's segments – retail, office, commercial mixed-use and industrial – for the first quarter of 2019 as a result of positive leasing and renewals along with contractual rent increases.

Total debt to gross book value⁽¹⁾ remained stable at 58.6% at March 31, 2019, compared to year-end 2018. Distributions to unitholders totalling \$0.0525 per unit were declared during the three months ended March 31, 2019.

From an operational standpoint, our occupancy rate remained firm and stood at 98.0% as at March 31, 2019, up from 96.0% a year earlier. Our top ten tenants accounted for approximately 35.9% of our portfolio on an annualized in-place and committed base rent basis. I am also pleased to report that over 62% of our leases maturing in 2019 have already been renewed.

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators"

Looking Ahead

As we enter the second quarter of 2019, we will continue to focus on our portfolio performance but also seek accretive assets in order to keep strengthening and diversifying our net operating income and our balance sheet. Our focus on expanding our presence in existing core geographical markets.

I would like to thank our Board of Trustees, our employees and our investors for your continued support as we pursue our growth path. We reached many milestones in the last six years and have accomplished a lot in a short period of time. Now, we enter an exciting, new chapter and we look forward to continuing to grow and create value for our unitholders, while maintaining stable and sustainable distributions.

Sincerely,

(signed) James W. Beckerleg
President and Chief Executive Officer

MANAGEMENT'S DISCUSSION AND ANALYSIS

PART I

FINANCIAL AND OPERATIONAL HIGHLIGHTS

	March 31 2019	March 31 2018
Operational data		
Number of properties	84	66
Gross leasable area (square feet)	3,702,430	2,684,653
Occupancy rate ⁽¹⁾	98.0%	96.0%
Weighted average lease term to maturity (years)	5.8	6.7
	3 Months Ended March 31 2019	3 Months Ended March 31 2018
<i>(CAD \$ thousands except unit, per unit amounts and unless otherwise stated)</i>		
Financial data		
Property revenue	\$ 13,510	\$ 9,397
Net operating income (NOI) ⁽²⁾	\$ 8,458	\$ 5,891
Total assets	\$ 516,875	\$ 366,581
Debt to Gross Book Value ⁽²⁾	58.58%	55.42%
Interest Coverage Ratio ⁽²⁾	2.6x	2.6x
Debt Service Coverage Ratio ⁽²⁾	1.6x	1.6x
Weighted average interest rate on mortgage debt	3.88%	3.73%
Net cash flows provided from operating activities	\$ 4,541	\$ 2,677
Funds from Operations (FFO) ⁽²⁾	\$ 4,360	\$ 2,470
Basic FFO per unit ⁽²⁾⁽³⁾	\$ 0.0463	\$ 0.0354
Diluted FFO per unit ⁽²⁾⁽³⁾	\$ 0.0453	\$ 0.0347
Adjusted Funds from Operations (AFFO) ⁽²⁾	\$ 4,829	\$ 3,200
Basic AFFO per unit ⁽²⁾⁽³⁾	\$ 0.0513	\$ 0.0459
Diluted AFFO per unit ⁽²⁾⁽³⁾	\$ 0.0502	\$ 0.0450
AFFO Payout Ratio – Basic ⁽²⁾	102.3%	114.4%
AFFO Payout Ratio – Diluted ⁽²⁾	104.6%	116.7%

⁽¹⁾ Occupancy rate includes lease contracts for future occupancy of currently vacant space. Management believes the inclusion of this committed space provides a more balanced reporting. The committed space at March 31, 2019 was approximately 7,915 square feet of GLA (58,108 square feet of GLA at March 31, 2018).

⁽²⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

⁽³⁾ Total basic units consist of Units (as defined herein) and Class B LP Units (as defined herein). Total diluted units also includes deferred trust units and restricted trust units issued under the REIT's long-term incentive plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management discussion and analysis ("MD&A") sets out PRO Real Estate Investment Trust's (the "REIT") operating strategies, risk profile considerations, business outlook and analysis of its financial performance and condition for the three month period ended March 31, 2019. This MD&A is based on financial statements prepared in accordance with International accounting standards ("IAS") 34: Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB").

This MD&A should be read in conjunction with the REIT's condensed consolidated interim financial statements and accompanying notes for the three month period ended March 31, 2019 (the "Q1 2019 Financial Statements"), the REIT's audited consolidated financial statements and accompanying notes for the year ended December 31, 2018 (the "2018 Annual Financial Statements") and management's discussion and analysis thereon (the "2018 Annual MD&A"), and the REIT's annual information form for the year ended December 31, 2018 (the "2018 Annual Information Form" and together with the 2018 Annual Financial Statements and 2018 Annual MD&A, the "2018 Annual Reports"). These documents and additional information regarding the business of the REIT are available under the REIT's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

The REIT's reporting currency is the Canadian dollar ("CAD"). All amounts except unit, per unit and square footage amounts and as otherwise stated, are in thousands of CAD and have been rounded to the nearest CAD thousand. Unless otherwise stated, in preparing this MD&A, the REIT has considered information available to it up to May 13, 2019, the date the REIT's board of trustees (the "Board") approved this MD&A and the Q1 2019 Financial Statements.

Subsequent to March 31, 2019, the REIT completed on May 6, 2019 a consolidation of its trust units ("Units") on the basis of one (1) post-consolidation Unit for three (3) pre-consolidation Units, and the Class B limited partnership units of PRO REIT Limited Partnerships ("Class B LP Units") were concurrently consolidated on the basis of the same consolidation ratio (the "Consolidation"). Unless otherwise indicated, the information relating to the number of Units and Class B LP Units outstanding in this MD&A is presented on a pre-Consolidation basis.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities legislation, including statements relating to certain expectations, projections, growth plans and other information related to REIT's business strategy and future plans. Forward-looking statements can, but may not always, be identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "would", "should", "believe", "objective", "ongoing", "imply", "assumes", "goal", "likely" and similar references to future periods or the negatives of these words and expressions and by the fact that these statements do not relate strictly to historical or current matters. These forward-looking statements are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions, including market and economic conditions, business prospects or opportunities, future plans and strategies, projections and anticipated events and trends that affect the REIT and its industry. Although the REIT and management believe that the expectations reflected in such forward-looking statements are reasonable and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward-looking statements are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies that could cause actual events to differ materially from those expressed or implied in such statements.

Some of the specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to the following:

- the intention of the REIT to distribute a portion of its available cash to securityholders and the amount of such distributions;
- the ability of the REIT to execute its growth strategies;
- the expected tax treatment of the REIT's distributions to unitholders;
- the REIT's capital expenditure requirements for its properties;
- the ability of the REIT to qualify for the exclusion from the definition of "SIFT trust" in the Income Tax Act (Canada) (the "Tax Act");
- the expected occupancy and the performance of the REIT's properties; and
- the debt maturity profile of the REIT.

Actual results and developments are likely to differ, and may differ materially, from those anticipated by the REIT and expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions and risks which may prove to be incorrect. Important assumptions relating to the forward-looking statements contained in this MD&A include assumptions concerning the REIT's future growth potential, expected capital expenditures, competitive conditions, results of operations, future prospects and opportunities, industry trends remaining unchanged, future levels of indebtedness, the tax laws as currently in effect remaining unchanged and the current economic conditions remaining unchanged.

Many factors could cause the REIT's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, risks and uncertainties relating to: real property ownership; diversification risk; dependence on key personnel; fixed costs; financing risks and leverage; liquidity of real property investments; current global capital market conditions; acquisition and development; potential conflicts of interest; competition; geographic concentration; general uninsured losses; access to capital; interest rate exposure; environmental matters; litigation risk; potential undisclosed liabilities; internal controls; security of information technology; indexation for inflation and duration of lease contracts; limit on activities; insurance renewals; joint venture/partnership arrangements; foreclosure; appraisals; occupancy by tenants; lease renewals and rental increase; taxation matters; change of tax laws; ownership by securityholders; acquisition of future properties; volatile market price for units; cash distributions are not guaranteed; restrictions on redemptions; subordination of the units; nature of investment; unitholder liability; and dilution. These factors are not intended to represent a complete list of the factors that could affect the REIT; however, these factors, as well as those risk factors presented under the heading "Risk Factors" in the 2018 Annual Information Form, elsewhere in this MD&A and the 2018 Annual Reports and in other filings that REIT has made and may make in the future with applicable securities authorities, should be considered carefully.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this MD&A. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management currently believes to be reasonable assumptions, the REIT cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements.

These forward-looking statements are made as of the date of this MD&A and the REIT does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law. The REIT cannot assure investors that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

NON-IFRS AND OPERATIONAL KEY PERFORMANCE INDICATORS

The following non-IFRS and operational key performance indicators are important measures used by management in evaluating the REIT's underlying operating performance and debt management. These measures are not defined by IFRS, do not have a standardized meaning, may not be comparable with similar measures presented by other income trusts or enterprises and should not be construed as alternatives to other financial measures determined in accordance with IFRS.

Net Operating Income ("NOI")

NOI is defined by the REIT as revenues from investment properties less property operating expenses such as taxes, utilities, property level general administrative costs, advertising, repairs and maintenance. NOI does not include charges for interest and other amortization. This non-IFRS measurement is an important measure used by the REIT in evaluating property operating performance. Refer to the table under "Part III – Results of Operations" and the table under "Part V – Summary of Quarterly Results" for the calculation of NOI.

Same Property NOI ("Same Property NOI")

Same Property NOI is a non-IFRS financial measure used by the REIT to assess the period over period performance of those properties owned by the REIT in both periods. In calculating Same Property NOI, NOI for the period is adjusted to remove the impact of straight-line rent revenue and tenant inducements amortized to revenue in order to highlight the 'cash impact' of contractual rent increases embedded in the underlying lease agreements. Same property performance is a meaningful measure of operating performance because it allows management to assess rent growth and leasing activity of its portfolio on a REIT property basis and the impact of capital investments. See "Part III – Results of Operations – Overall Analysis – Same Property NOI Analysis".

Funds from Operations ("FFO")

Management believes FFO is an important measure of the REIT's operating performance. This non-IFRS measurement is a commonly used measure of performance of real estate operations; however, it does not represent net income nor cash generated from operating activities, as defined by IFRS, and is not necessarily indicative of cash available to fund the REIT's needs. The REIT calculates FFO in accordance with the *White Paper on FFO and AFFO for IFRS* (the "FFO and AFFO White Paper") issued in February 2017 by the Real Property Association of Canada ("Realpac"). Management believes that FFO provides an operating performance measure that, when compared period-over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and property taxes, acquisition activities and interest costs, and provides a perspective of the financial performance that is not immediately apparent from net income determined in accordance with IFRS.

FFO has been reconciled to net comprehensive income (loss) in the table under "Part IV – Distributions and Adjusted Funds from Operations". FFO adds back to net income items that do not arise from operating activities, such as fair value adjustments. FFO, however, still includes non-cash revenues related to accounting for straight-line rent and makes no deduction for the recurring capital expenditures necessary to sustain the existing earnings stream.

Adjusted Funds from Operations ("AFFO")

The REIT does not calculate AFFO in accordance with the FFO and AFFO White Paper. AFFO is defined by the REIT as FFO of the REIT, subject to certain adjustments, including: (i) amortization of fair value mark-to-market adjustments on mortgages acquired, amortization of deferred financing costs, amortization of tenant incentives and leasing costs, straight-line adjustments to rent and compensation expense related to unit-based incentive plans; (ii) deducting normalized maintenance capital expenditures and normalized leasing costs, as determined by the REIT, and (iii) one time costs related to the settlement of debt. Normalized leasing costs represent leasing costs paid and amortized over the new lease term. Other adjustments may be made to AFFO as determined by the trustees of the REIT in their discretion. Management believes AFFO is an important measure of the REIT's economic performance and is indicative of the REIT's ability to pay distributions. This non-IFRS measurement is commonly used for assessing real estate performance; however, it does not represent cash generated from operating activities, as defined by IFRS, and is not necessarily indicative of cash available to fund the REIT's needs. AFFO has been reconciled to net comprehensive income (loss) in the table under "Part IV – Distributions and Adjusted Funds from Operations" and to cash flow provided from operating activities in the table under "Part IV – Distributions and Adjusted Funds from Operations – Distributions".

Adjusted Cashflow from Operations ("ACFO")

ACFO is a non-IFRS financial measure developed by Realpac for use by the real estate industry as a sustainable economic cash flow metric. ACFO should not be considered as an alternative to cash generated from operating activities determined in accordance with IFRS. The REIT calculates its ACFO in accordance with Realpac's *White Paper on Adjusted Cashflow from Operations for IFRS* issued in February 2017. The purpose of this white paper is to provide guidance on the definition of ACFO to promote consistent disclosure amongst reporting issuers. The use of ACFO, combined with the required IFRS presentations, has been included for the purpose of improving the understanding of operating cash flow of the REIT. Management believes that ACFO is a sustainable economic cash flow metric that, when compared period-over period, reflects the impact on cash flow generated from operating activities after providing for net interest and other financing charges and operating capital requirements. ACFO has been reconciled to cash flow provided from operating activities in the table under "Part IV – Distributions and Adjusted Funds from Operations – Distributions".

AFFO Payout Ratio ("AFFO Payout Ratio")

The AFFO Payout Ratio is a non-IFRS measure of the sustainability of the REIT's distribution payout. The REIT uses this metric to provide transparency on performance and the overall management of the existing portfolio assets. Management considers the AFFO Payout Ratio the best measure of the REIT's distribution capacity. The AFFO Payout Ratio is calculated as distributions per unit divided by the AFFO per unit.

Gross Book Value ("Gross Book Value")

Gross Book Value is a non-IFRS measure defined in the REIT's Declaration of Trust (as defined herein) and is a measure of the REIT's asset base and financial position. Refer to the table under "Part IV – Capitalization and Debt Profile – Debt Ratios" for the calculation of Gross Book Value.

Debt to Gross Book Value ("Debt to Gross Book Value")

Debt to Gross Book Value is a non-IFRS measure and the REIT has adopted an indebtedness ratio guideline which management uses as a measure to evaluate its leverage and the strength of its equity position. Refer to the table under "Part IV – Capitalization and Debt Profile – Debt Ratios" for the calculation of Debt to Gross Book Value.

Adjusted EBITDA ("Adjusted EBITDA")

Adjusted EBITDA is a non-IFRS measure and is used by the REIT to monitor the REIT's ability to satisfy and service its debt as well as monitor requirements imposed by the REIT's lenders. Specifically, Adjusted EBITDA is used to monitor the REIT's Interest Coverage Ratio and Debt Service Coverage Ratio, which the REIT uses to measure its debt profile and assess its ability to satisfy its obligations, including servicing its debt. Adjusted EBITDA represents earnings before interest, income taxes, depreciation and amortization, fair value gains (losses), while also excluding non-recurring items. Refer to the table under "Part IV – Capitalization and Debt Profile – Adjusted EBITDA" for the calculation of the Adjusted EBITDA.

Interest Coverage Ratio ("Interest Coverage Ratio")

Management believes this non-IFRS measurement is an important measure in determining the REIT's ability to service the interest requirements of its outstanding debt. The REIT calculates its Interest Coverage Ratio by dividing Adjusted EBITDA by the REIT's interest obligations for the period. Management uses this ratio to measure and limit the REIT's leverage. Refer to the table under "Part IV – Capitalization and Debt Profile – Interest Coverage Ratio" for the calculation of the Interest Coverage Ratio.

Debt Service Coverage Ratio ("Debt Service Coverage Ratio")

The Debt Service Coverage Ratio is determined by the REIT as Adjusted EBITDA divided by the debt service requirements for the period, whereby the debt service requirements reflect principal repayments and interest expensed during the period. Payments related to prepayment penalties or payments upon discharge of a mortgage are excluded from the calculation. The Debt Service Coverage Ratio is a useful measure and is used by the REIT's management to monitor the REIT's ability to meet annual interest and principal payments. Refer to the table under "Part IV – Capitalization and Debt Profile – Debt Service Coverage Ratio" for the calculation of the Debt Service Coverage Ratio.

PART II

REIT OVERVIEW

The REIT is an unincorporated open ended real estate investment trust established pursuant to a declaration of trust dated February 7, 2013 and amended and restated on December 21, 2018 (as amended from time to time, the "Declaration of Trust") and was established under the laws of the Province of Ontario. The REIT's trust units ("Units") are listed on the Toronto Stock Exchange (the "TSX") under the symbol "PRV.UN" and where prior to their listing on the TSX on May 7, 2019 listed on the TSX Venture Exchange (the "TSXV"). The principal, registered and head office of the REIT is located at 2000 Mansfield Street, Suite 920, Montréal, Quebec, H3A 2Z6.

The REIT owns a portfolio of Canadian commercial investment properties, comprised of retail, office, commercial mixed-use and industrial properties. At March 31, 2019, the REIT owned approximately 3.7 million square feet of GLA across Canada.

OBJECTIVES AND STRATEGIES

Objectives

The objectives of the REIT are to: (i) provide unitholders with stable and growing cash distributions from investments in real estate properties in Canada, on a tax efficient basis; (ii) expand the asset base of the REIT and enhance the value of the REIT's assets to maximize long-term Unit value; and (iii) increase the REIT's NOI and AFFO per Unit, through internal growth strategies and accretive acquisitions.

Strategy

To meet its objectives, the REIT has implemented the following key strategic elements:

Stable Cash Distributions

- **High-quality commercial real estate.** The REIT's portfolio is diversified by property type and geography across Quebec, New Brunswick, Nova Scotia, Ontario, Prince Edward Island and Western Canada. The majority of the properties are situated in prime locations within their respective markets, along major traffic arteries benefitting from high visibility and access. Management believes the quality and diversity of the portfolio will enable the REIT to attract new tenants and retain existing tenants.
- **Geographical focus on stable Eastern Canadian Markets, with careful growth in Western Canadian Markets.** The REIT targets property acquisitions in primary and secondary markets across Canada, with a particular focus on Quebec, Atlantic Canada, and Ontario in the East, and, selectively in Western Canada. Management believes that its strategy of focusing on stable markets in Eastern Canada and selective expansion in high growth markets in Western Canada will enable the REIT to assemble a portfolio underpinned by strong and consistently stable economic fundamentals, with exposure to organic growth opportunities.
- **High-quality tenants with long term leases.** The REIT has a diversified tenant profile reflecting an attractive mix of government, national, regional and local tenants as well as a diversified mix of tenants by industry. The REIT's portfolio lease maturities are well staggered into the future. Management of the REIT believes it has fostered strong relationships with its tenants, which management expects to be an important factor in the REIT's ability to attract tenants to new properties or replace leases as vacancies arise in the REIT's properties.

Enhance Value

- **Experienced management team and Board with a proven track record of value creation.** In aggregate, the REIT's executive officers and Trustees have over 100 years of operating, acquisitions, and financing experience in the Canadian real estate industry. They have extensive relationships with a broad network of real estate industry owners and service professionals across Canada, and expect to leverage these relationships to source accretive high-quality acquisitions. Given the management team's experience in the Quebec, Atlantic Canada, Ontario and Western Canadian markets, it possesses a unique and valuable set of skills and relationships that can be leveraged to the benefit of the REIT.

Expand the Asset Base

- **Internal Growth Strategies**

The REIT's internal growth strategy includes the following:

- Nurturing existing tenant relationships, ensuring tenant retention and accommodating tenant growth.
- Increasing rental income and minimizing operating expenses through operating improvements and preventative maintenance programs.
- Pursuing expansion and redevelopment opportunities within the REIT's portfolio.

- **External Growth Strategies**

The REIT's external growth strategy includes the following:

- Acquiring stable investment properties that are accretive to the REIT.
- Acquiring a broad range of commercial properties within its target markets to maximize diversification within its portfolio.
- Pursuing selective development and expansion opportunities within the REIT's portfolio.
- Strategic relation with Lotus Crux Acquisition LP ("Lotus Crux") allowing access to a unique pipeline of potential future acquisitions and investments.

SUBSEQUENT EVENTS

On April 1, 2019 the REIT internalized its asset management function in accordance with the terms of a management agreement (the "Management Agreement") with the REIT's former external manager, Labec Realty Advisors Inc. (the "Manager"). The Manager is controlled by the President and Chief Executive Officer of the REIT, James W. Beckerleg, and the Executive Vice President, Chief Financial Officer and Secretary of the REIT, Gordon G. Lawlor. The internalization resulted in the termination of the Management Agreement and the elimination of the asset management and acquisition fees payable to the Manager thereunder. As a result of the internalization, the REIT's executive officers, James W. Beckerleg and Gordon G. Lawlor, are employed directly by the REIT since April 1, 2019. In accordance with the terms of the Management Agreement, the Manager received upon completion of the internalization a termination payment of approximately \$2.3 million, representing one time the management fees and expenses paid to it in the most recent fiscal year prior to the internalization.

On April 22, 2019, the REIT announced a cash distribution of \$0.0175 per Unit for the month of April 2019. The distribution is payable on May 15, 2019 to unitholders of record as at April 30, 2019.

On May 3, 2019, the REIT announced that it received approval from the TSX to list its Units on the TSX. The Units were listed and commenced trading on the TSX at the opening of markets on May 7, 2019. The Units will continue to trade under the stock symbol "PRV.UN", and have been delisted from the TSXV upon listing and commencement of trading on the TSX. In connection with the TSX listing, the Consolidation was implemented after the close of markets on May 6, 2019. As a result of the Consolidation, the monthly distributions of the REIT of \$0.0175 per Unit on a pre-Consolidation basis were adjusted to \$0.0525 per Unit on a post-Consolidation basis, representing annualized distributions of \$0.63 per Unit on a post-Consolidation basis.

OUTLOOK

The REIT's focus includes the delivery of growth through acquisitions, by expanding deeper into existing geographical markets where the REIT already has a presence, and expanding into the adjacent markets. This will capitalize on the REIT's existing market knowledge and help achieve economies of scale.

PART III

RESULTS OF OPERATIONS

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Property revenue	\$ 13,510	\$ 9,397
Property operating expenses	5,052	3,506
Net operating income (NOI) ⁽¹⁾	8,458	5,891
General and administrative expenses	523	401
Long-term incentive plan expense	1,272	(10)
Depreciation of property and equipment	18	11
Amortization of intangible assets	93	-
Interest and financing costs	3,225	2,173
Distributions - Class B LP Units	429	357
Fair value adjustment - Class B LP Units	3,355	(612)
Fair value adjustment - investment properties	49	1,498
Transaction costs	31	-
Other income	(526)	-
Other expenses	319	-
Debt settlement costs	-	719
Net comprehensive income (loss)	\$ (330)	\$ 1,354

⁽¹⁾ See "Non-IFRS and Operational Key Performance Indicators".

Comparison of the Results from Operations

The REIT's results of operations for the three month period ended March 31, 2019 are not directly comparable to the three month period ended March 31, 2018, given the REIT's consistent growth primarily through acquisitions period over period. The REIT owned 84 investment properties at March 31, 2019, compared to 66 properties it owned at March 31, 2018. The REIT acquired 19 investment properties and sold one investment property in the twelve month period ended March 31, 2019. Notwithstanding the foregoing, year-over-year figures for the three month period ended March 31, 2019 are presented in this MD&A. The principal reason for the variances between the financial figures presented in such year-over-year periods is the net increase in the number of properties and their respective results of operations during such comparative periods.

Overall Analysis

Property Revenue

Property revenue includes rents from tenants under lease agreement, straight-line rent, percentage rents, property taxes and operating cost recoveries and other incidental income.

For the three month period ended March 31, 2019, property revenue increased by \$4,113 to \$13,510 compared to the same period in 2018. The increase is principally due to the incremental revenues from the acquisition of 19 investment properties offset by the sale of one investment property in the twelve month period ended March 31, 2019.

Property Operating Expenses

Property operating expenses are expenses directly related to real estate operations and are generally charged back to lessees as provided for in the contractual terms of the leases. Operating expenses include property taxes and public utilities, costs related to indoor and outdoor maintenance, heating, ventilation and air conditioning, elevators, insurance, janitorial services and management and operating fees. The amount of operating expenses that the REIT can recover from its lessees depends on the occupancy rate of the properties and the nature of the existing leases containing clauses regarding the recovery of expenses. The majority of the REIT's leases are net rental leases under which tenants are required to pay their share of the properties' operating expenses.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three month period ended March 31, 2019, property operating expense increased by \$1,546 to \$5,052, compared to the same period in 2018. The increase is primarily driven by the incremental expenses from the acquisition of 19 investment properties offset by the sale of one investment property in the twelve month period ended March 31, 2019.

Same Property NOI Analysis

Same Property NOI analysis includes properties that were owned for a full quarterly reporting in both current and comparative periods.

The following is the Same Property NOI excluding non-cash adjustments such as straight-line rent and tenant inducements amortized to revenue. The Same Property NOI represents 76% of the entire portfolio for the three month period ended March 31, 2019:

<i>(CAD \$ thousands except number of properties)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Number of same properties	64	64
Property revenue	\$ 9,703	\$ 9,087
Property operating expenses	3,653	3,479
Same Property NOI ⁽¹⁾	\$ 6,050	\$ 5,608

⁽¹⁾ See "Non-IFRS and Operational Key Performance Indicators".

The increase in the Same Property NOI for the three month period ended March 31, 2019 is principally driven by the overall increase in occupancy of approximately 1.7 percentage points from 95.2% to 96.9% and higher rental rates on lease renewals compared to the same periods in 2018. Synergies related to the acquisition of the assets of Compass Commercial Realty Limited ("Compass") were approximately \$63 for the three month period ended March 31, 2019.

The following is the Same Property NOI by asset class for the three month periods ended March 31, 2019 and 2018:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Retail	\$ 3,454	\$ 3,281
Office	391	364
Commercial Mixed Use	810	695
Industrial	1,395	1,268
Same Property NOI ⁽¹⁾	\$ 6,050	\$ 5,608

⁽¹⁾ See "Non-IFRS and Operational Key Performance Indicators".

Same Property NOI increased in all the segments for the three month periods ended March 31, 2019 is a result of positive leasing and renewals along with contractual increases in rent. The retail segment Same Property NOI for the three month period ended March 31, 2019 includes a one-time increase in revenue of approximately \$44 related to the reversal of an accrued expense that was not incurred.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is the same property occupancy by asset class excluding any committed space for the three month periods ended March 31, 2019 and 2018:

	Same Properties 3 month period ended March 31	
	2019	2018
Retail	97.2%	97.1%
Office	88.5%	89.8%
Commercial Mixed Use	96.7%	89.5%
Industrial	98.0%	96.3%
Total	96.9%	95.2%

General and Administrative Expenses

General and administrative expenses include corporate expenses, office expenses, legal and professional fees, asset management fees and other overhead expenses which are indirectly associated with the operation and leasing of investment properties.

General and administrative expenses for the three month period ended March 31, 2019 were \$523 compared to \$401 for the same period in 2018. The increase of \$122 is indicative of the REIT's growth and more specifically due to the increase of certain expenses such as professional fees, audit related fees as well as the increase in the contracted asset management fees of \$74.

Long-Term Incentive Plan

Long-term incentive plan expense of \$1,272 for the three month period ended March 31, 2019 relates to deferred and restricted units which vest over a period of one to three years, and is a non-cash item. The amount includes amortized costs, reinvested distributions and related fair value adjustments for the period.

Interest and Financing Costs

Interest and financing costs were \$3,225 for the three month period ended March 31, 2019. The increase of \$1,052 over the same period in 2018 is due to the increase in debt related to the addition of 19 investment properties in the twelve month period ended March 31, 2019, as well as the increase in weighted average interest rate on mortgage debt to 3.88% from 3.73%.

Distributions – Class B LP Units

The REIT currently pays monthly distributions of \$0.0525 per Class B LP Units on a post-Consolidation basis (\$0.0175 before giving effect to the Consolidation) or \$0.63 per Class B LP Units on an annualized post-Consolidation basis (\$0.21 on an annualized pre-Consolidation basis). Distributions on the Class B LP Units were \$429 for the three month period ended March 31, 2019. The increase compared to the same period in 2018 is due to the increase in number of Class B LP Units in 2019 compared to the same period in 2018.

Fair Value Adjustment – Class B LP Units

A fair value loss of \$3,355 on the Class B LP Units was recorded for the three month period ended March 31, 2019, resulting from a change in the quoted market price of the REIT's publicly traded Units. This is a non-cash item.

Fair Value Adjustment – Investment Properties

The REIT has selected the fair value method to account for real estate classified as investment property and records investment properties at their purchase price including transaction costs (less any purchase price adjustments) in the quarter of acquisition. Any changes in the fair value of investment properties are recognized as fair value gains and losses in the statement of comprehensive income (loss) in the quarter in which they occur.

The fair value loss of \$49 for the three month period ended March 31, 2019 is due to certain non-recoverable expenditures and leasing costs incurred offset by changes in projected future cash flows, changes in capitalization rates and market rent assumptions on certain of the REIT's properties.

The REIT calculates fair value using both the discounted cash flow method and direct capitalization method which are generally accepted appraisal methodologies. Fair value is based on, among other things, assumptions of future cash flows in respect of current and future leases, capitalization rates, terminal capitalization rates, discount rates, market rents, tenant inducements and leasing cost assumptions and expected lease rollovers. Fair values are supported by a combination of internal financial information, market data and external independent valuations.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Other income and Other expenses

Pursuant to the acquisition Compass on June 27, 2018, a property management firm headquartered in Halifax, Nova Scotia, the REIT records revenues generated as well as relevant expenses incurred ("other expenses") not related to the properties owned by the REIT in the condensed consolidated interim statement of comprehensive income (loss). Compass currently manages 76 of the REIT's properties.

SEGMENTED ANALYSIS

The REIT's segments include four classifications of investment properties – Retail, Office, Commercial Mixed Use and Industrial. All of the REIT's activities are located in one geographical segment – Canada. The accounting policies followed for each segment are the same as disclosed in the REIT's condensed consolidated interim financial statements. Operating performance is evaluated by the REIT's management primarily based on NOI. General and administrative expenses, depreciation and amortization, interest and financing costs are not allocated to operating segments. Segment assets include investment properties; segment liabilities include mortgages attributable to specific segments, but excludes the REIT's term loans, credit facility and their respective unamortized financing costs. Other assets and liabilities are not attributed to operating segments.

	Retail		Office		Commercial Mixed Use		Industrial		Total	
	\$	%	\$	%	\$	%	\$	%	\$	
<i>(CAD \$ thousands)</i>										
3 Months Ended March 31, 2019										
Property revenue	5,633	41.7	2,669	19.8	1,583	11.7	3,625	26.8	13,510	
Net operating income (NOI) ⁽¹⁾	3,776	44.6	1,360	16.1	908	10.7	2,414	28.6	8,458	
3 Months Ended March 31, 2018										
Property revenue	5,116	54.4	838	8.9	1,253	13.3	2,190	23.3	9,397	
Net operating income (NOI) ⁽¹⁾	3,414	58.0	362	6.1	706	12.0	1,409	23.9	5,891	

	Retail		Office		Commercial Mixed Use		Industrial		Total	
	\$	%	\$	%	\$	%	\$	%	\$	
<i>(CAD \$ thousands)</i>										
At March 31, 2019										
Investment properties	214,429	43.2	74,900	15.1	57,400	11.6	149,071	30.1	495,800	
Mortgages payable	112,481	43.5	37,914	14.7	17,234	6.7	91,149	35.2	258,778	
At December 31, 2018										
Investment properties	214,429	43.4	74,900	15.1	57,400	11.6	147,771	29.9	494,500	
Mortgages payable	113,268	44.0	38,065	14.8	17,379	6.7	89,002	34.5	257,714	

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators."

The main driver for the increase in revenues and NOI in the Retail, Office, Commercial Mixed Use and Industrial segments is primarily due to the 19 investment properties acquired offset by the sale of one investment property in the twelve month period ended March 31, 2019.

As at March 31, 2019, the Retail segment consists of 49 properties (March 31, 2018 – 45 properties), having a total GLA of approximately 1,079,000 square feet (March 31, 2018 – ~1,044,000 square feet).

As at March 31, 2019, the Office segment consists of 9 properties (March 31, 2018 – 4 properties), having a total GLA of approximately 435,000 square feet (March 31, 2018 – ~154,000 square feet).

As at March 31, 2019, the Commercial Mixed Use segment consists of 7 properties (March 31, 2018 – 6 properties), having a total GLA of approximately 444,000 square feet (March 31, 2018 – ~396,000 square feet).

As at March 31, 2019, the Industrial segment consists of 19 properties (March 31, 2018 – 11 properties), having a total GLA of approximately 1,745,000 square feet (March 31, 2018 – ~1,091,000 square feet).

MANAGEMENT'S DISCUSSION AND ANALYSIS

PORTFOLIO PROFILE

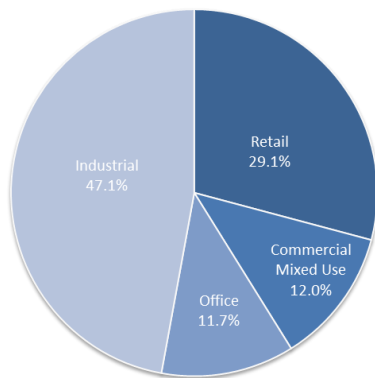
At March 31, 2019, the REIT's portfolio consisted of 84 properties, located in prime locations within their respective markets, representing a total GLA of 3,702,430 square feet. The increase of 1,017,777 square feet compared to March 31, 2018 is a result of the addition of 19 investment properties offset by the sale of one investment property in the twelve month period ended March 31, 2019.

(CAD \$ thousands unless otherwise stated)	3 Month Period Ended/ At March 31, 2019				3 Month Period Ended/ At March 31, 2018			
	# of Properties	Occupancy ⁽¹⁾	GLA (sq. ft.)	NOI ⁽²⁾	# of Properties	Occupancy ⁽¹⁾	GLA (sq. ft.)	NOI ⁽²⁾
Retail	49	97.6%	1,079,074	\$ 3,776	45	96.7%	1,043,628	\$ 3,414
Office	9	94.1%	435,005	1,360	4	89.9%	154,493	362
Commercial Mixed Use	7	97.4%	443,678	908	6	90.5%	395,875	706
Industrial	19	99.3%	1,744,673	2,414	11	98.3%	1,090,657	1,409
Total	84	98.0%	3,702,430	\$ 8,458	66	96.0%	2,684,653	\$ 5,891

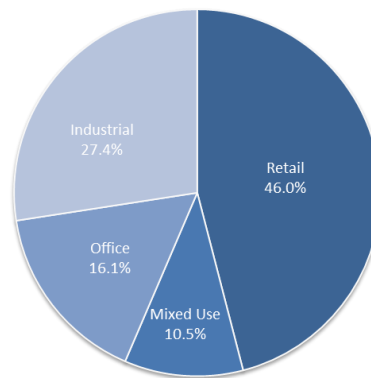
⁽¹⁾ Occupancy rate includes lease contracts for future occupancy of currently vacant space. Management believes the inclusion of this committed space provides a more balance reporting. The committed space at March 31, 2019 was approximately 7,915 square feet of GLA (58,108 square feet of GLA at March 31, 2018).

⁽²⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

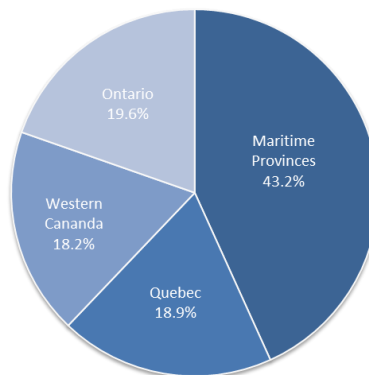
GLA by Asset Class ⁽¹⁾
March 31, 2019



Base Rent by Asset Class ⁽¹⁾



Base Rent by Province ⁽¹⁾



⁽¹⁾ Based on annualized in-place and committed base rent at March 31, 2019

Top Ten Tenants

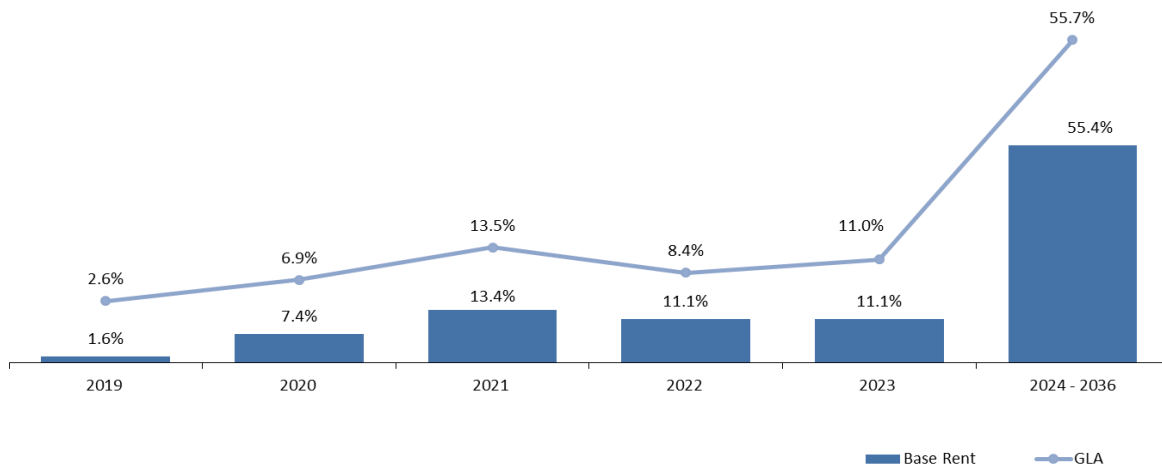
At March 31, 2019, the ten largest tenants in the REIT's portfolio accounted for approximately 35.9% on annualized in-place and committed base rent and comprise approximately 7.8 years of remaining average lease term.

Tenant	% in-Place Base Rent ⁽¹⁾	GLA (Sq. Ft.)	Remaining Average Lease Term (years)	Credit Rating ⁽²⁾
Rexall	7.7%	104,929	10.3	Baa2/BBB+/na
Sobeys	7.4%	222,491	8.4	na/BB+/BBH
Shoppers Drug Mart	4.3%	66,083	6.0	na/BBB/BBB
Government of Canada	4.1%	73,811	3.0	Aaa/AAA/AAA
Versacold	2.5%	88,840	8.8	na
Barry Callebaut	2.1%	176,070	6.2	Ba1/BB+/na
Lawtons Pharmacy	2.0%	40,901	7.5	na/BB+/BBH
Province of New Brunswick	2.0%	20,219	11.8	Aa2/A+/AH
DATA Communications	1.9%	172,719	9.3	na
Value Village	1.9%	44,720	3.9	na
Total	35.9%	1,010,783	7.8	

⁽¹⁾ Based on annualized in-place and committed base rent at March 31, 2019.

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

The REIT's diverse tenant base has a staggered lease maturity profile with no more than 13.4% of base rent maturing in any given period before 2036.



PART IV

LIQUIDITY AND CAPITAL RESOURCES

Cash flows from operating activities, available funding under the REIT's credit facility and cash on hand represent the primary sources of liquidity to fund distributions, debt service, capital expenditures, tenant inducements and leasing costs. The REIT's cash flow from operations is dependent upon the rental occupancy levels, the rental rates on its leases, the collectability of rent from its tenants, recoveries of operating costs and operating costs. Material changes in these factors may adversely affect the REIT's net cash flows from operating activities and liquidity (see "Risks and Uncertainties" section).

The REIT expects to be able to meet all of its obligations as they become due in the short-term and the long-term. The REIT expects to have sufficient liquidity as a result of cash on hand, cash flow from operating activities and the ability to raise equity.

MANAGEMENT'S DISCUSSION AND ANALYSIS

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Cash provided from (used in):		
Operating activities	\$ 4,541	\$ 2,677
Financing activities	(303)	(1,912)
Investing activities	(1,607)	(1,390)
Change in cash during the period	2,631	(625)
Cash, beginning of period	4,116	3,744
Cash, end of period	\$ 6,747	\$ 3,119

Three Month Period Ended March 31, 2019

Cash flows from operating activities relate primarily to the collection of rent and payment of operating expenses. The cash provided from operating activities of \$4,541 for the three month period ended March 31, 2019 was impacted mainly by the timing of cash receipts and settlement of payables.

Cash used in financing activities during the three month period ended March 31, 2019 of \$303 is attributed to the increase in debt of \$12,960 offset by the repayment of debt of \$8,892, distributions paid of \$3,961, cancellation of Units under the normal course issuer bid of \$284 and financing costs incurred of \$126.

Cash used in investing activities of \$1,607 during the three month period ended March 31, 2019 consists of the additions of non-recoverable capital expenditures and leasing costs of \$1,144 and the additions to property and equipment of \$463.

CAPITALIZATION AND DEBT PROFILE

<i>(CAD \$ thousands)</i>	March 31 2019
Mortgages payable (net of financing costs of \$2,351)	\$ 258,778
Term loans (net of financing costs of \$190)	11,611
Vendor take-back mortgage	750
Credit facility	29,290
Class B LP Units	18,688
Unitholders' Equity	180,557
Total Capitalization	\$ 499,674

The REIT has a revolving credit facility of \$30,000 which bears interest at prime plus 150.0 basis points or bankers' acceptance rate plus 250.0 basis points. The facility was increased to \$30,000 in June of 2018 from \$11,500. The credit facility is secured by a pool of first and second charges on certain investment properties with a fair value of approximately \$58,350 at March 31, 2019. At March 31, 2019, advances under the revolving credit facility was \$29,400.

As at March 31, 2019, all mortgages payable were at fixed rates with a weighted average contractual rate of approximately 3.88% (December 31, 2018 - 3.89%). The mortgages payable are secured by first charges on certain investment properties with a fair value of approximately \$449,600 at March 31, 2019.

The REIT also had two term loans at March 31, 2019.

The REIT's first term loan is to finance acquisitions and fund deposits on future acquisitions with a maximum available of \$15 million. The term loan is interest bearing only at a rate equal to the greater of 7.95% or the financial institution prime rate plus 4.50% per annum. The term loan is secured by a pool of second and third charges on certain investment properties with a fair value of approximately \$67,050 at March 31, 2019. At March 31, 2019, advances under this term loan were \$10,000.

The REIT's second term loan is in the amount of \$1,800 bearing interest only at 6.25% per annum with a January 2022 maturity date. This term loan is secured by a second charge on a certain investment property with a fair value of approximately \$7,500.

The debt is repayable no later than 2033.

Contractual Obligations

The following table represents the REIT's contractual obligations at March 31, 2019:

(CAD \$ thousands)

Due within:	1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	Later
Debt principal instalments	\$ 7,280	\$ 7,149	\$ 7,032	\$ 5,151	\$ 3,465	\$ 9,167
Debt principal maturities	23,266	-	44,721	45,367	60,929	60,153
Debt interest	10,731	10,177	9,161	6,614	4,350	8,608
Credit Facility	29,400	-	-	-	-	-
Accounts payable and other liabilities	10,808	-	-	-	-	-
Rent	40	40	-	-	-	-
	\$ 81,525	\$ 17,366	\$ 60,914	\$ 57,132	\$ 68,744	\$ 77,928

The REIT expects to have sufficient liquidity as a result from cash flow from operating activities and the ability to raise equity.

Debt Ratios

The REIT is free to determine the appropriate level of capital in context with its cash flow requirements, overall business risks and potential business opportunities. As a result of this, the REIT will make adjustments to its capital based on its investment strategies and changes to economic conditions.

The REIT's objective is to maintain a combination of short, medium and long-term debt maturities that are appropriate for the overall debt level of its portfolio, taking into account availability of financing and market conditions, and the financial characteristics of each property.

The REIT's other objectives when managing capital on a long-term basis include enhancing the value of the assets and maximizing unit value through the ongoing active management of the REIT's assets, expanding the asset base through acquisitions of additional properties and the re-development of projects which are leased to creditworthy tenants, and generating sufficient returns to provide unitholders with stable and growing cash distributions. The REIT's strategy is driven by policies as set out in the Declaration of Trust, as well as requirements from certain lenders.

The requirements of the REIT's operating policies as outlined in the Declaration of Trust include requirements that the REIT will not:

- (a) incur or assume indebtedness on properties in excess of 75% of the property's market value; and
- (b) incur or assume indebtedness which would cause the total indebtedness of the REIT to exceed 70% of Gross Book Value.

Gross Book Value is calculated as follows:

(CAD \$ thousands unless otherwise stated)

	March 31 2019
Total assets, including investment properties stated at fair value	\$ 516,875
Accumulated depreciation on property and equipment and intangible assets	482
Gross Book Value ⁽¹⁾	517,357
Debt, excluding unamortized financing costs	273,680
Credit facility, excluding unamortized financing costs	29,400
Debt	\$ 303,080
Debt, as above, as a percentage of Gross Book Value ⁽¹⁾	58.58%

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

The REIT was in compliance with the above requirement as well as all required covenants as at March 31, 2019.

Financial Measures

In addition to the REIT's level of indebtedness calculated in accordance with the REIT's Declaration of Trust, management also monitors certain financial measures, which include the (i) Interest Coverage Ratio, and (ii) the Debt Service Coverage Ratio. All of these measures are non-IFRS measures. See "Non-IFRS and Operational Key Performance Indicators".

MANAGEMENT'S DISCUSSION AND ANALYSIS

Adjusted EBITDA

Adjusted EBITDA is used by the REIT to monitor the REIT's ability to satisfy and service its debt as well as monitor requirements imposed by the REIT's lenders. Specifically, Adjusted EBITDA is used to monitor the REIT's Interest Coverage Ratio and Debt Service Ratio, which the REIT uses to measure its debt profile and assess its ability to satisfy its obligations, including servicing its debt.

The following is a calculation of the Adjusted EBITDA for the three month periods ended March 31, 2019 and 2018:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Net comprehensive income (loss)	\$ (330)	\$ 1,354
Interest and financing costs	3,225	2,173
Depreciation of property and equipment	18	11
Amortization of intangible assets	93	-
Fair value adjustment - Class B LP Units	3,355	(612)
Fair value adjustment - investment properties	49	1,498
Distributions – Class B LP Units	429	357
Straight-line rent	(205)	(206)
Long-term incentive plan expense	1,272	(10)
Transaction costs	31	-
Debt settlement costs	-	719
Adjusted EBITDA ⁽¹⁾	\$ 7,937	\$ 5,284

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

Interest Coverage Ratio

The Interest Coverage Ratio is useful in determining the REIT's ability to service the interest requirements of its outstanding debt. The Interest Coverage Ratio is calculated by dividing Adjusted EBITDA by the REIT's interest obligations for the period. Management utilizes this ratio to measure and limit the REIT's leverage.

The following is a calculation of the Interest Coverage Ratio for the three month periods ended March 31, 2019 and 2018:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Adjusted EBITDA ⁽¹⁾	\$ 7,937	\$ 5,284
Interest expense	\$ 3,058	\$ 2,039
Interest Coverage Ratio ⁽¹⁾	2.6x	2.6x

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

Debt Service Coverage Ratio

The Debt Service Coverage Ratio is determined as Adjusted EBITDA divided by the debt service requirements for the period, whereby the debt service requirements reflects principal repayments and interest expensed during the period. Payments related to prepayment penalties or payments upon discharge of a mortgage are excluded from the calculation. The Debt Service Coverage Ratio is a useful measure and is used by the REIT's management to monitor the REIT's ability to meet annual interest and principal payments.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a calculation of the Debt Service Coverage Ratio for the three month periods ended March 31, 2019 and 2018:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Adjusted EBITDA ⁽¹⁾	\$ 7,937	\$ 5,284
Interest expense	3,058	2,039
Principal repayments	1,830	1,340
Debt Service Requirements	\$ 4,888	\$ 3,379
Debt Service Coverage Ratio ⁽¹⁾	1.6x	1.6x

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

DISTRIBUTIONS AND ADJUSTED FUNDS FROM OPERATIONS

<i>(CAD \$ thousands except unit, per unit amounts and unless otherwise stated)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Net comprehensive income (loss) for the period	\$ (330)	\$ 1,354
Add:		
Long-term incentive plan	764	(127)
Distributions - Class B LP Units	429	357
Fair value adjustment - investment properties	49	1,498
Fair value adjustment - Class B LP Units	3,355	(612)
Amortization of intangible assets	93	-
FFO ⁽¹⁾	\$ 4,360	\$ 2,470
Deduct:		
Straight-line rent adjustment	\$ (205)	\$ (206)
Stabilized leasing costs	(66)	(66)
Add:		
Long-term incentive plan	508	117
Amortization of financing costs	201	166
Transaction costs	31	-
Debt settlement costs	-	719
AFFO ⁽¹⁾	\$ 4,829	\$ 3,200
Basic FFO per unit ⁽¹⁾⁽²⁾	\$ 0.0463	\$ 0.0354
Diluted FFO per unit ⁽¹⁾⁽²⁾	\$ 0.0453	\$ 0.0347
Basic AFFO per unit ⁽¹⁾⁽²⁾	\$ 0.0513	\$ 0.0459
Diluted AFFO per unit ⁽¹⁾⁽²⁾	\$ 0.0502	\$ 0.0450
Distributions declared per Unit and Class B LP Unit	\$ 0.0525	\$ 0.0525
AFFO Payout Ratio – Basic ⁽¹⁾	102.3%	114.4%
AFFO Payout Ratio – Diluted ⁽¹⁾	104.6%	116.7%
Basic weighted average number of units ⁽²⁾⁽³⁾	94,154,436	69,788,680
Diluted weighted average number of units ⁽²⁾⁽³⁾	96,259,515	71,102,791

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

⁽²⁾ FFO and AFFO per unit is calculated as FFO or AFFO, as the case may be, divided by the total of the weighted number of basic or diluted units, added to the weighted average number of Class B LP Units outstanding during the period.

⁽³⁾ Total basic units consist of Units and Class B LP Units. Total diluted units also includes deferred trust units and restricted trust units issued under the REIT's long-term incentive plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The increase in FFO of \$1,890 to \$4,360 and the increase in AFFO of \$1,629 to \$4,829 for the three month period ended March 31, 2019, compared to the same period in 2018, is directly related to the addition of 19 investment properties in the twelve month period ended March 31, 2019, offset by the sale of one property along with an overall increase in occupancy rates with positive leasing and renewals. Basic and diluted AFFO per Unit were \$0.0513 and \$0.0502 respectively for the three month period ended March 31, 2019 with a corresponding basic and diluted AFFO Payout Ratio of 102.3% and 104.6%.

Distributions

The REIT's Board of Trustees has full discretion with respect to the timing and extent of distributions, including the adoption, amendment or revocation of any distribution policy. In determining the amount of monthly cash distributions paid to unitholders, the Board of Trustees applies discretionary judgment to forward-looking cash flow information, including forecasts and budgets. Management considers AFFO to be a meaningful measure of cash flow performance because it more clearly measures normalized and stabilized cash flow, as opposed to cash flow from operating activities calculated in accordance with IFRS, which reflects seasonal fluctuations in working capital and other items. The excess of AFFO over cash distributions represents a measure of operating cash flow retained in the business.

It is the REIT's intention to make distributions to unitholders at least equal to the amount of net income and net realized capital gains of the REIT as is necessary to ensure that the REIT will not be liable for current income taxes.

The REIT has implemented a distribution reinvestment plan ("DRIP") pursuant to which holders of Units or Class B LP Units may elect to have their cash distributions of the REIT or PRO REIT Limited Partnership automatically reinvested in additional Units at a 3% discount to the weighted average price of the Units for the last five trading days preceding the applicable distribution payment date.

The distributions declared during the three month period ended March 31, 2019 resulted in 257,271 Units issued or issuable under the DRIP.

Distributions of \$0.0525 per Unit and Class B LP Unit were declared during the three month period ended March 31, 2019. Distributions were paid on or about the 15th day of the month following the declaration.

The following reconciles AFFO to cash flows from operating activities reported in the condensed consolidated interim financial statements:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Cash flow provided from operating activities	\$ 4,541	\$ 2,677
Add (deduct):		
Non-cash portion of debt settlement costs	-	(243)
Changes in non-cash working capital	(88)	(233)
Distributions – Class B LP Units	429	357
Stabilized leasing costs	(66)	(66)
Depreciation of property and equipment	(18)	(11)
Transaction costs	31	-
Debt settlement costs	-	719
Adjusted Funds From Operations (AFFO) ⁽¹⁾	\$ 4,829	\$ 3,200

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

The table below compares AFFO to total distributions paid or payable on Units and Class B LP Units:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Adjusted Funds From Operations (AFFO) ⁽¹⁾	\$ 4,829	\$ 3,200
Total distributions paid or payable in cash – Units and Class B LP Units ⁽²⁾	4,382	3,479
Excess (shortfall) of AFFO over distributions paid or payable	\$ 447	\$ (279)

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

⁽²⁾ Excludes DRIP Units paid or payable.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three month period ended March 31, 2019, the REIT had sufficient AFFO to cover the total distributions paid or payable in cash for the Units and Class B LP Units. For the three month period ended March 31, 2018, the REIT's distributions paid or payable exceeded AFFO as a result of a lag in deployment of funds raised in January 2018 from a public offering and the date of the acquisition of the properties. The REIT financed the shortfall for the three month period ended March 31, 2018 using cash on hand and/or using the REIT's revolving credit facility of \$30,000 which bears interest at prime plus 150.0 basis points or bankers' acceptance rate plus 250.0 basis points.

The following reconciles ACFO to cash flows from operating activities reported in the condensed consolidated interim financial statements:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Cash flow provided from operating activities	\$ 4,541	\$ 2,677
Add (deduct):		
Change in non-cash working capital balances not indicative of sustainable cash flows	-	74
Stabilized leasing costs	(66)	(66)
Amortization of deferred financing costs	(201)	(166)
Adjusted Cashflow from Operations (ACFO) ⁽¹⁾	\$ 4,274	\$ 2,519

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

The table below compares ACFO to distributions paid or payable on Units:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Adjusted Cashflow from Operations (ACFO) ⁽¹⁾	\$ 4,274	\$ 2,519
Total distributions paid or payable in cash – Units ⁽²⁾⁽³⁾	3,953	3,122
Excess (shortfall) of ACFO over distributions paid or payable	\$ 321	\$ (603)

⁽¹⁾ Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

⁽²⁾ This excludes distributions paid or payable on Class B LP Units given the ACFO has been reduced to this amount.

⁽³⁾ Excludes DRIP Units paid or payable.

For the three month period ended March 31, 2019, the REIT had sufficient ACFO to cover the total distributions paid or payable in cash. For the three month period ended March 31, 2018, the REIT had an ACFO shortfall to cover the distribution paid or payable as a result of a lag in deployment of funds raised in January 2018 from a public offering and the date of the acquisition of the properties. The REIT financed the shortfall for the three month period ended March 31, 2018 using cash on hand and/or using the REIT's revolving credit facility of \$30,000 which bears interest at prime plus 150.0 basis points or bankers' acceptance rate plus 250.0 basis points.

The following table compares cash flows provided from operations to total distributions paid or payable:

<i>(CAD \$ thousands)</i>	3 Months Ended March 31 2019	3 Months Ended March 31 2018
Cash flow provided from operating activities	\$ 4,541	\$ 2,677
Total distributions paid or payable in cash – Units ⁽¹⁾⁽²⁾	3,953	3,122
Excess (shortfall) of cash flow from operating activities over distributions paid or payable	\$ 588	\$ (445)

⁽¹⁾ This excludes distributions paid or payable on Class B LP Units given cash flows from operating activities has been reduced by this amount.

⁽²⁾ Excludes DRIP Units paid or payable.

For the three month period ended March 31, 2019, the REIT's has sufficient cash flow from operating activities to cover the distribution paid or payable in cash. For the three month period ended March 31, 2018, the REIT's distribution paid or payable was in excess of cash flow from operating activities. This represents a return of capital, rather than a return on capital, since they represent cash payments in excess of cash generated by the REIT's continuing operations during the respective periods. The shortfall of cash flow from operating activities over total distributions is mainly due to the seasonal fluctuations in non-cash working capital, distributions on Class B LP Units that are recorded as a reduction of net comprehensive income, the impact of stabilized leasing costs which change with lease maturities and lease renewals, and non-recurring items. The REIT financed the shortfall using cash on hand and/or using the REIT's revolving credit facility of \$30,000 which bears interest at prime plus 150.0 basis points or bankers' acceptance rate plus 250.0 basis points. The REIT has elected to provide distributions partly representing a return of capital in order to maintain the stability of current distribution levels. Management believes that current per Unit levels of distributions is sustainable, given that cash flows from operations is expected to improve as the REIT continues its growth.

The REIT has estimated that distributions to be made for the year ending December 31, 2019 represent an approximate 100% return of capital.

ISSUED AND OUTSTANDING SECURITIES AND NORMAL COURSE ISSUER BID

The REIT is authorized to issue an unlimited number of Units and an unlimited number of special voting units (the "Special Voting Units").

Units

Each Unit confers the right to one vote at any meeting of unitholders and to participate pro rata in all distributions by the REIT and, in the event of termination or winding-up of the REIT, in the net assets of the REIT. The unitholders have the right to require the REIT to redeem their Units on demand in accordance with the Declaration of Trust. The Units have no par value. Upon receipt of the redemption notice by the REIT, all rights to and under the Units tendered for redemption shall cease and the holder thereof shall be entitled to receive a price per Unit ("Redemption Price"), as determined by a formula outlined in the Declaration of Trust. The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.

Total Units outstanding as of May 13, 2019 were 28,753,163 (on a post-Consolidation basis).

Class B LP Units and Special Voting Units

Special Voting Units have no economic entitlement in the REIT, but entitle the holder to one vote per Special Voting Unit at any meeting of the unitholders of the REIT. Special Voting Units may only be issued in connection with or in relation to Class B LP Units, for the purpose of providing voting rights with respect to the REIT to the holders of Class B LP Units. A Special Voting Unit will be issued in tandem with each Class B LP Unit issued.

The Class B LP Units are issued by PRO REIT Limited Partnership and holders of Class B LP Units are entitled to receive distributions equal to those provided to holders of Units. The Class B LP Units are indirectly exchangeable on a one-for-one basis for Units at any time at the option of their holder, unless the exchange would jeopardize the REIT's status as a "mutual fund trust" under the Tax Act. The Class B LP Units are presented as a financial liability in the statement of financial position.

Total Class B LP Units outstanding as of May 13, 2019 were 2,696,824 (on a post-Consolidation basis).

Deferred Units and Restricted Units

The REIT has a long term incentive plan pursuant to which it may grant deferred units or restricted units to its trustees and senior officers and certain of its employees and consultants. Units are issued to participants in the plan upon vesting of the deferred units or restricted units, unless deferred in accordance with the terms of the plan.

Total deferred units and restricted units outstanding as of May 13, 2019 were 823,344 and 107,230 (on a post-Consolidation basis).

Normal Course Issuer Bid

Pursuant to a notice accepted by the TSXV and, as part of the graduation of the REIT to the TSX, by the TSX, the REIT may, during the period commencing August 25, 2018 and ending August 24, 2019, purchase for cancellation, through the facilities of the TSXV and at the market price of the REIT's Units at the time of purchase, up to 1,129,165 Units (on a post-Consolidation basis), representing 5% of the REIT's issued and outstanding Units at the beginning of the normal course issuer bid. The actual number of Units that may be purchased and the timing of any such purchases will be determined by the REIT, and will be made in accordance with the requirements of the TSX. The REIT is making the normal course issuer bid because it believes that the market price of the Units does not always reflect their underlying value, and that purchasing Units for cancellation may from time to time be an appropriate use of available resources and in the best interests of the REIT. Unitholders can obtain a copy of the notice filed with TSX, without charge, by contacting the REIT at 514-933-9552. The REIT cancelled 138,400 Units on a pre-Consolidation basis (or 46,133 Units on a post-Consolidation basis) for \$284 during the three month period ended March 31, 2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL INSTRUMENTS

The REIT does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Classification	Measurement	Carrying Value March 31 2019	Fair Value March 31 2019
Financial Assets			
Cash (a)	Amortized cost	\$ 6,747	\$ 6,747
Receivables and other excluding prepaid expenses, deposits, and other receivables (a)	Amortized cost	4,317	4,317
		\$ 11,064	\$ 11,064
Financial Liabilities Through Profit and Loss			
Class B LP Units	Fair value (L2)	\$ 18,688	\$ 18,688
Long-term incentive plan	Fair value (L2)	4,743	4,743
		\$ 23,431	\$ 23,431
Financial Liabilities			
Accounts payable and other liabilities (a)	Amortized cost	\$ 10,808	\$ 10,808
Credit facility (a)	Amortized cost	29,290	29,290
Distributions payable (a)	Amortized cost	1,650	1,650
Debt (b)	Amortized cost	271,139	271,139
		\$ 312,887	\$ 312,887

(a) Short-term financial instruments, comprising cash, accounts receivable, accounts payable and other liabilities, credit facility and distributions payable are carried at amortized cost which, due to their short-term nature, approximates their fair value.

(b) Long-term financial instruments consist of debt. The fair value of debt is based upon discounted future cash flows using discount rates, adjusted for the REIT's own credit risk, that reflect current market conditions for instruments with similar terms and risks. Such fair value estimates are not necessarily indicative of the amounts the REIT might pay or receive in actual market transactions.

The fair value of the Class B LP Units and long-term incentive plan are estimated based on the market trading prices of the Units (Level 2).

Off Balance Sheet Arrangements

The REIT had no off balance sheet arrangements.

PART V

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures over Financial Reporting

Management of the REIT, consisting of the President and Chief Executive Officer and the Executive Vice President, Chief Financial Officer and Secretary, are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that (i) material information related to the REIT including its consolidated subsidiaries is made known to them by others particularly during the period in which interim filings are being prepared, and (ii) information required to be disclosed by the REIT in its annual filings, interim filings or other reports filed or submitted by the REIT under securities legislation is recorded, processed, summarized and reported on a timely basis and within the time period specified by the securities legislation.

Internal Controls over financial Reporting

As a result of the REIT's limited staffing levels, internal controls which rely on segregation of duties in many cases are not appropriate or possible. Due to resource constraints, the REIT does not have sufficient size and scale to warrant the hiring of additional staff to correct this potential weakness at this time. To help mitigate the impact of this potential weakness, the REIT is highly reliant on the performance of compensating procedures, management's review and approval, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the Board of Trustees. During the period, the REIT made no material changes to its systems of internal controls over financial reporting.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As a venture issuer during the period ended March 31, 2019, the REIT is not required to certify the design and evaluation of the REIT's disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), and as such has not completed such an evaluation. Unitholders should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In addition, ICFR cannot provide absolute assurance of achieving financial reporting objectives because of their inherent limitations. ICFR is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting in human failures. ICFR also can be circumvented by collusion or improper management override. Because of such limitations, there is risk that material misstatements may not be prevented or detected on a timely basis by ICFR. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

RISKS AND UNCERTAINTIES

Certain factors may have a material adverse effect on the REIT's business, financial condition and results of operations. Current and prospective investors should carefully consider the risks and uncertainties and other information contained in this MD&A, the Q1 2019 Financial Statements and the 2018 Annual Reports, particularly under the heading "Risk Factors" in the 2018 Annual Information Form, and in other filings that the REIT has made and may make in the future with applicable securities authorities, including those available under the REIT's profile on SEDAR at www.sedar.com. The risks and uncertainties described herein and therein are not the only ones the REIT may face. Additional risks and uncertainties that the REIT is unaware of, or that the REIT currently believes are not material, may also become important factors that could adversely affect the REIT's business, financial condition and results of operations. If any of such risks actually occur, the REIT's business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, the trading price of the Units (or the value of any other securities of the REIT) could decline, and the REIT's securityholders could lose part or all of their investment.

CRITICAL ACCOUNTING ESTIMATES

In the process of applying the REIT's accounting policies, management has made the following estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements:

- (i) Valuation of investment properties – Investment properties are presented at fair value at the reporting date. Currently, any change in fair value is determined by management and by independent real estate valuation experts using recognized valuation techniques. The techniques used by management and by independent real estate valuation experts comprise of the discounted cash flow and direct capitalization methods of valuation and includes estimating, among other things, capitalization rates and future net operating income and discount rates and future cash flows applicable to investment properties, respectively.
- (ii) Fair value of financial instruments – Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. Inputs to these models are taken from observable markets where possible, but where this is not feasible a degree of judgment is required establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported value of financial instruments.

FUTURE CHANGES IN ACCOUNTING POLICIES

The future changes in accounting policies and future applicable accounting standards are discussed in the REIT's condensed consolidated interim financial statements for the three month period ended March 31, 2019 and the notes contained therein.

RELATED PARTY TRANSACTIONS

Until April 1, 2019, the REIT engaged the Manager to perform certain services as outlined under the Management Agreement. The Manager is controlled by the President and Chief Executive Officer of the REIT, James W. Beckerleg, and the Executive Vice President, Chief Financial Officer and Secretary of the REIT, Gordon G. Lawlor.

The total amount due to the Manager at March 31, 2019 was \$272 (December 31, 2018 - \$452).

In connection with the services provided by the Manager under the Management Agreement, which was terminated effective April 1, 2019, the following amounts were payable to the Manager, in cash:

- (a) an annual advisory fee payable quarterly, equal to 0.25% of the Adjusted Cost Base of REIT's assets, prorated to take into account any acquisitions or dispositions during any monthly period, where "Adjusted Cost Base" means the book value of the assets of the REIT, as shown on its most recent condensed consolidated interim statement of financial position, plus the amount of accumulated depreciation and amortization shown thereon, less cash raised by REIT in equity issues which is not yet invested in properties or other assets.

For the three month period ended March 31, 2019, the costs of these services amounted to \$272 (\$197 for the three month period ended March 31, 2018).

- (b) an acquisition fee equal to (i) 1.00% of the purchase price paid by the REIT for the purchase of a property, on the first \$100,000 of properties acquired in each fiscal year; (ii) 0.75% of the purchase price paid by the REIT for the purchase price of a property on the next \$100,000 of properties acquired in each fiscal year, and (iii) 0.50% of the purchase price paid by the REIT for the purchase of a property, on properties in excess of \$200,000 acquired in each fiscal year.

For the three month period ended March 31, 2019, the costs of these services amounted to \$Nil (\$Nil for the three month period ended March 31, 2018).

- (c) a property management fee equal to the then applicable market rate for property management services when such services are not otherwise delegated or subcontracted to third parties.

For the three month period ended March 31, 2019, the costs of these services amounted to \$Nil (\$11 for the three month period ended March 31, 2018).

On September 30, 2014, the REIT entered into a strategic investment agreement (the "Strategic Investment Agreement") with Lotus Crux Acquisition LP ("Lotus Crux Acquisition"). Pursuant to the Strategic Investment Agreement, Lotus Crux Acquisition will receive a fee of 0.875% of the purchase cost from the REIT on acquisitions of certain properties owned by Lotus Crux Acquisition or related parties. Lotus Crux Acquisition LP is controlled by a general partner controlled by two trustees of the REIT, Peter Aghar and Shenoor Jadavji, who also have an interest in Lotus Crux Acquisition LP and the REIT.

Pursuant to the Strategic Investment Agreement, the REIT advanced \$1.5 million as a secured loan to two related parties to Lotus Crux Acquisition as part of the financing for the acquisition by such parties of a 74,000 square foot multi-tenant commercial building well located in Greater Ottawa. The loan is on market terms as negotiated between parties acting at arm's length, bears interest at 9% per annum and matures November 2019. In accordance with the terms of the Strategic Investment Agreement, and as a result of the loan, the REIT has been granted an option to purchase the property.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUMMARY OF QUARTERLY RESULTS

	3 Months Ended Mar 31 2019	3 Months Ended Dec 31 2018	3 Months Ended Sept 30 2018	3 Months Ended June 30 2018	3 Months Ended Mar 31 2018	3 Months Ended Dec 31 2017	3 Months Ended Sept 30 2017	3 Months Ended June 30 2017
<i>(CAD \$ thousands except unit, per unit amounts and unless otherwise stated)</i>								
Property revenue	\$ 13,510	\$ 12,207	\$ 10,210	\$ 9,075	\$ 9,397	\$ 8,161	\$ 6,960	\$ 7,035
Property operating expenses	5,052	4,546	3,567	3,220	3,506	3,207	2,625	2,591
Net operating income (NOI) ⁽¹⁾	8,458	7,661	6,643	5,855	5,891	4,954	4,335	4,444
General and administrative expenses	523	513	458	472	401	361	306	283
Long-term incentive plan expense	1,272	(305)	335	383	(10)	438	159	309
Depreciation of property and equipment	18	19	13	10	11	8	21	8
Interest and financing costs	3,225	2,922	2,636	2,096	2,173	1,979	1,600	1,598
Distributions - Class B LP Units	429	452	438	372	357	357	300	188
Fair value adjustment - Class B LP Units	3,355	(3,100)	(107)	459	(612)	748	(265)	71
Fair value adjustment - investment properties	49	588	(6,767)	444	1,498	(3,873)	(65)	1,068
Transaction costs	31	-	26	475	-	-	-	-
Other income	(526)	(646)	(553)	-	-	-	-	-
Other expenses	319	557	368	-	-	-	-	-
Amortization of intangible assets	93	185	-	-	-	-	-	-
Debt settlement costs	-	-	-	-	719	-	-	-
Net comprehensive income (loss)	\$ (330)	\$ 6,476	\$ 9,796	\$ 1,144	\$ 1,354	\$ 4,936	\$ 2,279	\$ 919
Debt to Gross Book Value ⁽¹⁾	58.58%	58.63%	51.05%	60.11%	55.42%	62.30%	55.08%	50.87%
FFO ⁽¹⁾	\$ 4,360	\$ 3,921	\$ 3,344	\$ 2,522	\$ 2,470	\$ 2,317	\$ 2,157	\$ 2,385
AFFO ⁽¹⁾	\$ 4,829	\$ 4,234	\$ 3,652	\$ 3,256	\$ 3,200	\$ 2,813	\$ 2,425	\$ 2,525
Basic FFO per unit ⁽¹⁾⁽²⁾	\$ 0.0463	\$ 0.0417	\$ 0.0439	\$ 0.0340	\$ 0.0354	\$ 0.0379	\$ 0.0362	\$ 0.0479
Diluted FFO per unit ⁽¹⁾⁽²⁾	\$ 0.0453	\$ 0.0410	\$ 0.0429	\$ 0.0333	\$ 0.0347	\$ 0.0371	\$ 0.0354	\$ 0.0468
Basic AFFO per unit ⁽¹⁾⁽²⁾	\$ 0.0513	\$ 0.0450	\$ 0.0479	\$ 0.0439	\$ 0.0459	\$ 0.0460	\$ 0.0407	\$ 0.0508
Diluted AFFO per unit ⁽¹⁾⁽²⁾	\$ 0.0502	\$ 0.0442	\$ 0.0469	\$ 0.0430	\$ 0.0450	\$ 0.0451	\$ 0.0399	\$ 0.0496
AFFO Payout Ratio – Basic ⁽¹⁾	102.3%	116.7%	109.6%	119.6%	114.4%	114.1%	129.0%	103.3%
AFFO Payout Ratio – Diluted ⁽¹⁾	104.6%	118.8%	111.9%	122.1%	116.7%	116.4%	131.7%	105.8%
Number of commercial properties	84	84	76	73	66	66	43	38
GLA (square feet)	3,702,430	3,702,901	3,041,030	3,039,510	2,684,653	2,689,536	2,383,738	1,792,211
Occupancy rate	98.0%	98.2%	98.1%	97.6%	96.0%	95.7%	95.2%	94.0%
Weighted average lease term to maturity	5.8	6.1	6.5	6.6	6.7	6.9	6.1	6.3

⁽¹⁾ See "Non-IFRS and Operational Key Performance Indicators".

⁽²⁾ FFO and AFFO per unit is calculated as FFO or AFFO, as the case may be, divided by the total of the weighted number of basic or diluted Units, added to the weighted average number of Class B LP Units outstanding during the period.