



True North Commercial Real Estate Investment Trust

Annual General Meeting of Unitholders, June 13, 2017



Certain information in this presentation and oral answers to questions may contain forward-looking information. Actual results could differ materially from conclusions, forecasts or projections in the forward-looking information, and certain material factors or assumptions were applied in drawing conclusions or making forecasts or projections as reflected in the forward-looking information.

Additional information about the material factors and risks that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information are disclosed in True North Commercial REIT's regulatory filings including its annual information form and management's discussion and analysis, filed on SEDAR (www.sedar.com).

- Focused on government and credit-rated tenants and long-term leases with visible cash flow

- Building scale through the acquisition of accretive, high-quality properties in urban and strategic secondary markets

- Leveraging the infrastructure and network of Starlight Investments: “Off Market” transactions expected to drive deal flow

- Using best-in-class local and national property managers

- Maintaining a conservative financial position

Unique opportunity to increase profitability through meaningful, accretive mid-size transactions

Delivering Value to Unitholders

30

Properties

\$462M

Assets

87%

Gross Revenue from
Government and Credit-Rated Tenants

97.5%

Occupancy

9.6%

Yield

100%

Return of Capital

Solid track record, positioned for continued growth

Successfully Raised \$71M in 2016



\$~9M

Private Placement



\$~33M

Bought Deal Offering



\$~29M

Bought Deal Offering



Funds deployed in accretive acquisitions

2016: \$90.8 M of Acquisitions

GTA



WATERLOO



CALGARY

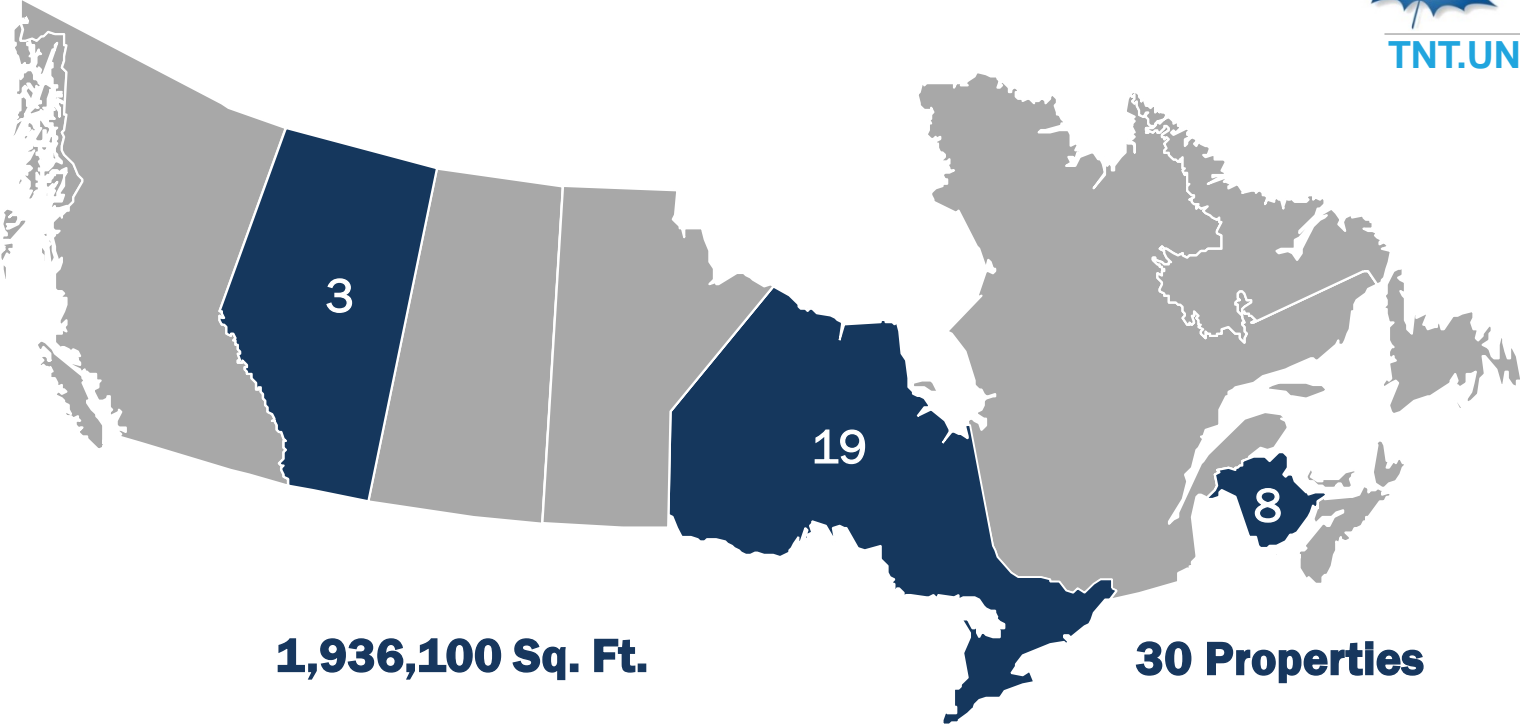


- Acquired **5** properties in select **urban** markets: **4** office & **1** industrial
- **+492,000** square feet of rentable space
- Increased portfolio square footage by **34%**

Acquisition Metrics:

96% Average occupancy	82% Revenue from government and credit-rated tenants	6.3 years Average lease term	7.6% Cap rate
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Portfolio Overview



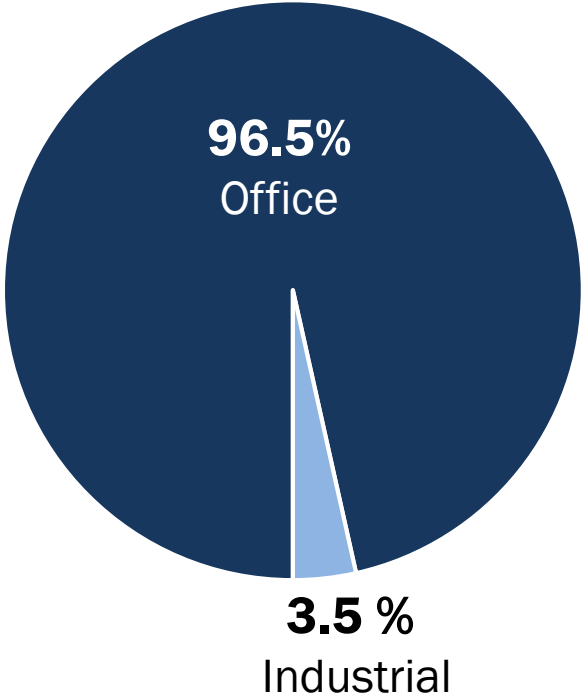
1,936,100 Sq. Ft.

30 Properties

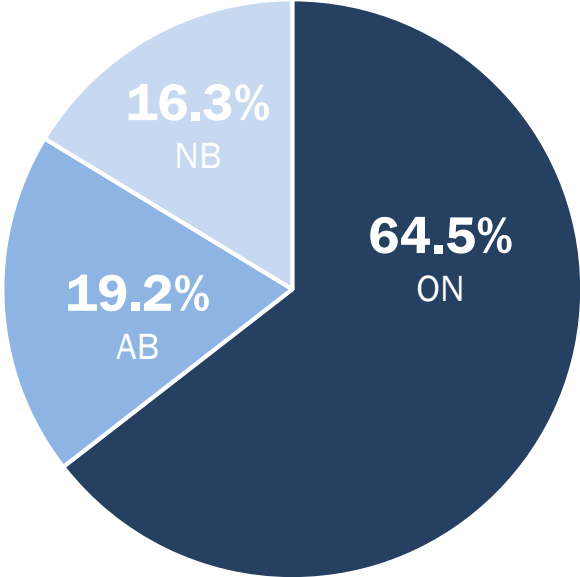
Alberta	Ontario	New Brunswick
3 properties	19 properties	8 properties
250,100 sq. ft.	1,212,900 sq. ft.	473,100 sq. ft.
99.2% occupancy	97.8% occupancy	95.7% occupancy

Portfolio Overview – NOI

Asset Class



Province



Diversification, stability drives NOI growth

High-Quality Tenant Base

54%

Revenue from
government tenants



33%

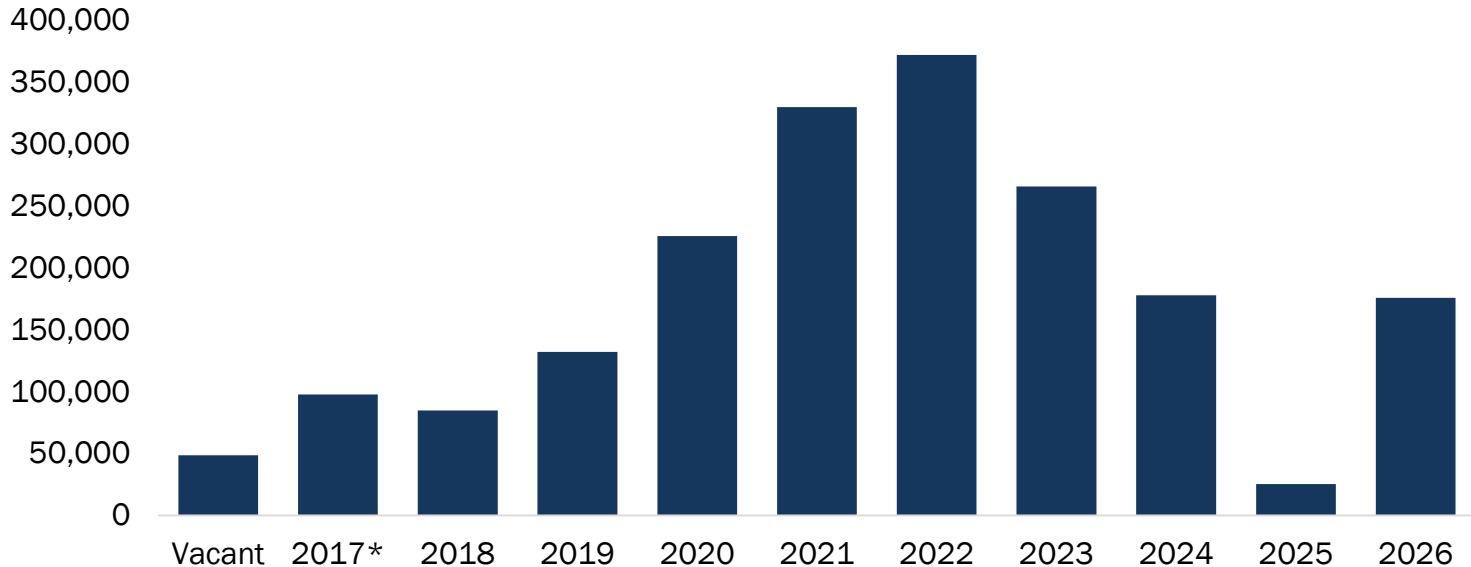
Revenue from
credit-rated tenants



97.5%
Industry-leading occupancy

4.5 years*
Weighted average
lease term

87% of revenue represented by high-quality tenants



Staggered lease maturities ensure further stability

As at March 31, 2017

*2017 updated for early renewal of Honeywell at 400 Maple Grove, as announced on May 8th, 2017

Well-Positioned for Portfolio Expansion



Maintaining and improving our conservative leverage

\$251M

Total Debt

\$20M

Undrawn Credit Facilities

3.18%

Weighted Average Interest Rate

54.1%

Debt to Gross Book Value

3.35yrs

Weighted Average Term to Maturity

Conservative leverage and undrawn credit facilities provide ample ability to fund future growth

Significant Competitive Advantage

Asset management agreement with Starlight Investments

>\$7.0B

Assets under management

>4.0M

Square feet of
commercial space
under management

>110

Real estate
professionals

A Leader in Canadian Real Estate

Strong Reputation

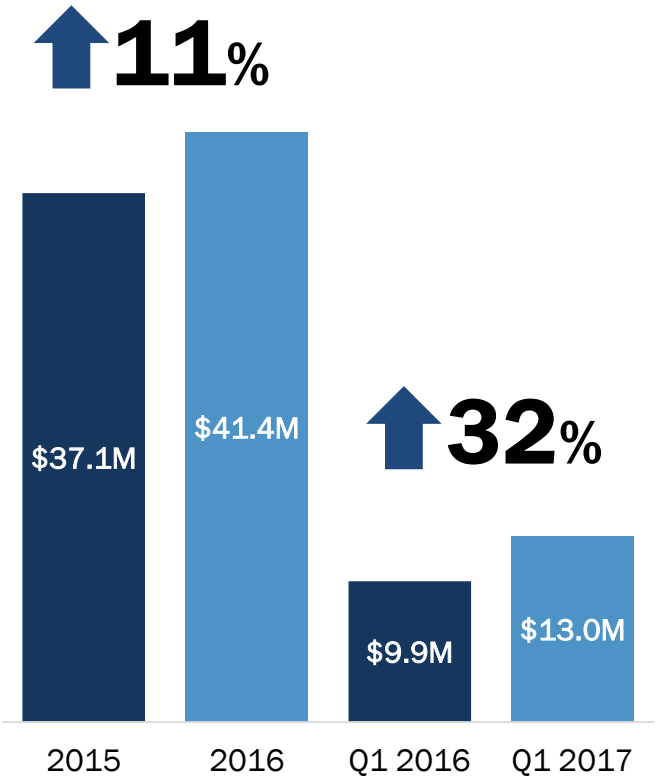
Extensive Network

Experienced Professionals

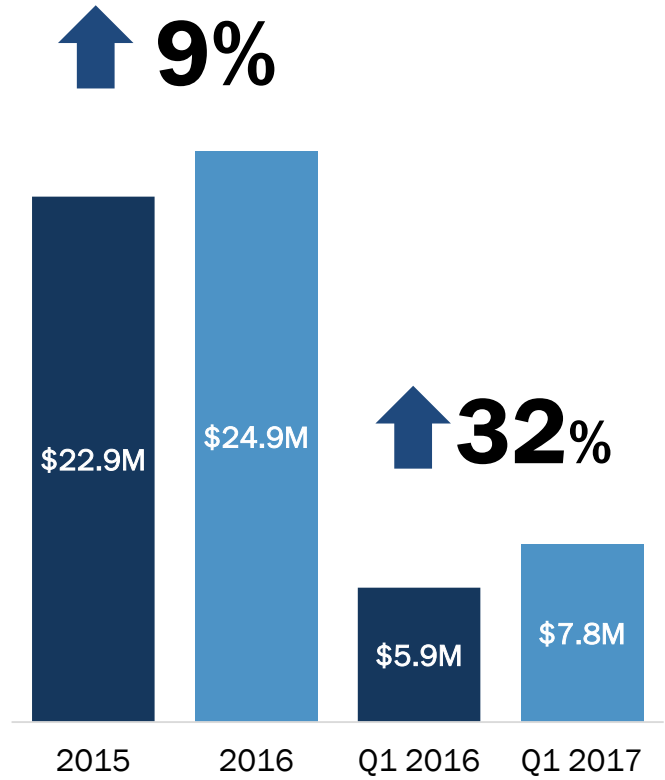
Our ability to leverage Starlight's expertise and scale enables us to further expand our portfolio

Financial Performance

Revenue



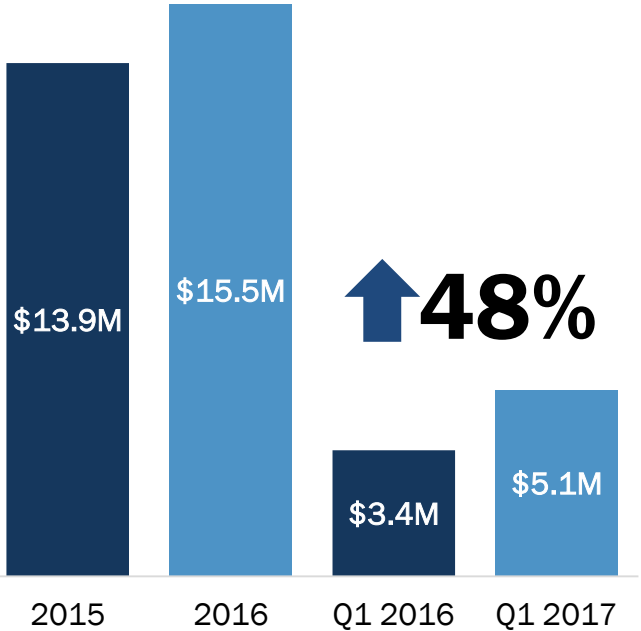
NOI



NOI, FFO and AFFO are non-IFRS financial measures. Please refer to the non-IFRS financial measures sections in our most recent management's discussion and analysis and annual information form filed on SEDAR (www.sedar.com).

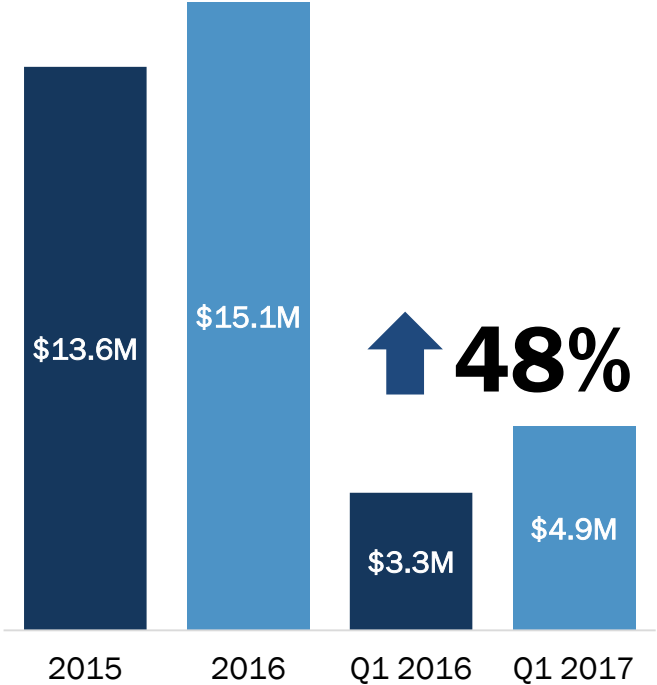
Funds From Operations

↑ 11%



Adjusted Funds From Operations

↑ 11%



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2017 YTD: \$53.6M of Acquisitions



Implied cap rate of ~7.9%

GTA



31,410 sq. ft.
100% occupied
100% credit-rated

OTTAWA



148,120 sq. ft.
100% occupied
100% credit-rated

VICTORIA



47,650 sq. ft.
100% occupied
94% government

Acquisition Metrics:

3

Total properties

227,170

Sq. Ft.

100%

Occupancy

98.7%

Government and
credit rated tenants

4.3 years

Average lease term

EXTERNAL

Acquire long-term leased properties

- Maintain our industry-leading portfolio occupancy
 - Monitor regional market trends and demographics – rebalance portfolio
-

Target properties with government and credit-rated tenants

- High-quality tenants ensure stable cash flow
-

Strategic markets

- Focus growth on urban markets
- Strategic secondary markets

INTERNAL

Maintain strong tenant relationships

- Anticipate changes in requirements, stay abreast of business developments
 - Have successfully renewed 90% of our lease rollovers since inception
-

Strategic debt refinancing

- Match debt and lease maturity profile
 - Capitalize on low interest rate environment
-

Active asset management

- LEED® Gold initiatives
- Energy retrofits
- Drive same property NOI growth

Well-positioned to continue AFFO growth and unit appreciation in 2017 and beyond

Strong off-market deal flow

- First opportunity to acquire well-priced and high-quality properties
-

Continued growth in urban centres

- High levels of migration drives regional economic growth and ongoing demand for the best locations
-

Attractive investment opportunity

- Quality tenants
- Stable cash flow
- Attractive and tax efficient yield

Players with extensive market knowledge
and established networks will win



Questions and Answers