



Canadian REITs/REOCs

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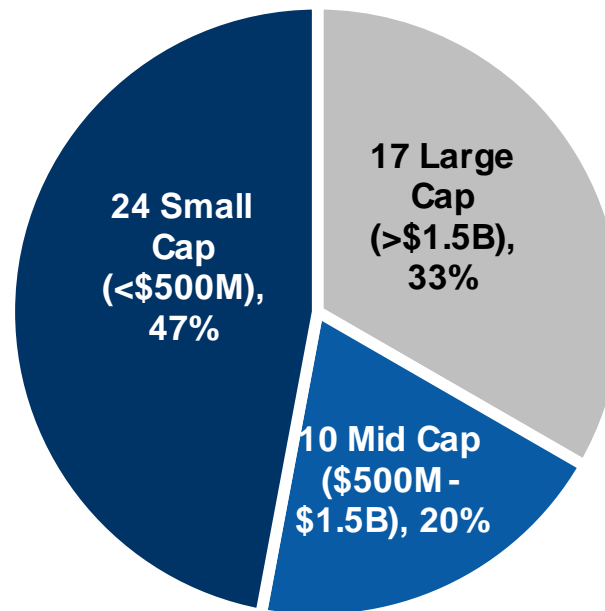
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Almost 50% of Canadian REITs Are Small Caps

REIT Universe Composition by Market Cap (# of REITs)

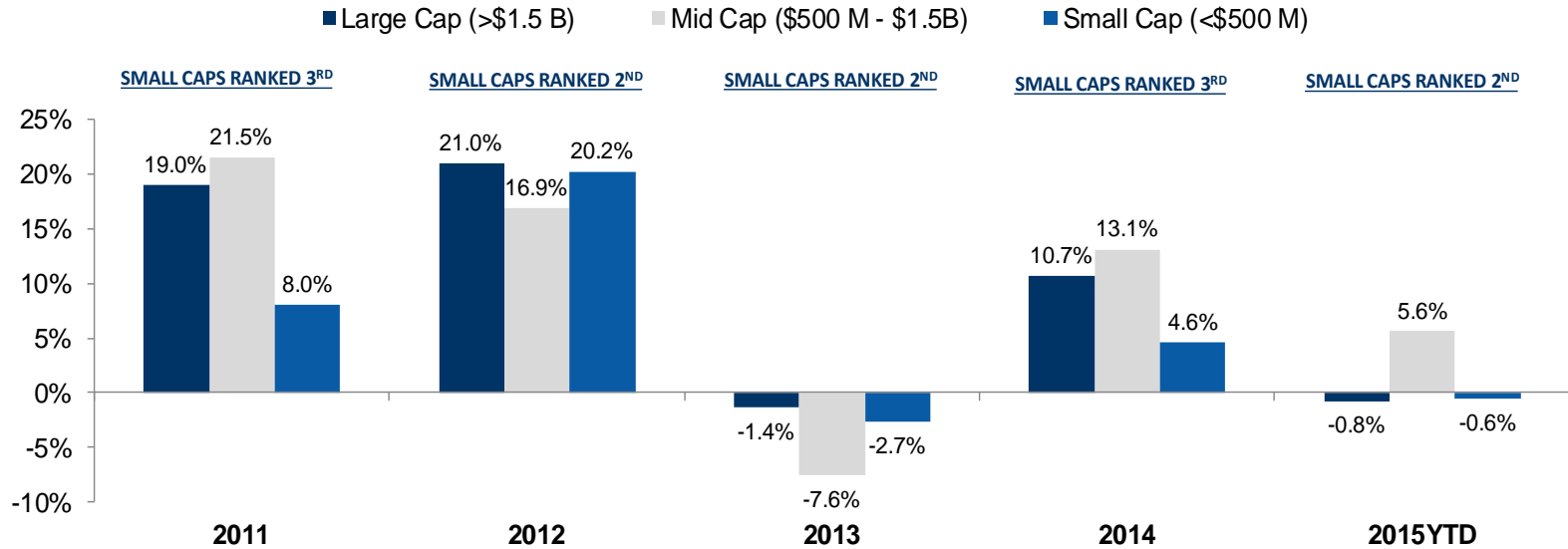


Source: BMO Capital Markets, Thomson Reuters

Small Cap REITs – High Yield Helps Performance

- Small Cap REITs make up for lesser capital appreciation with yield

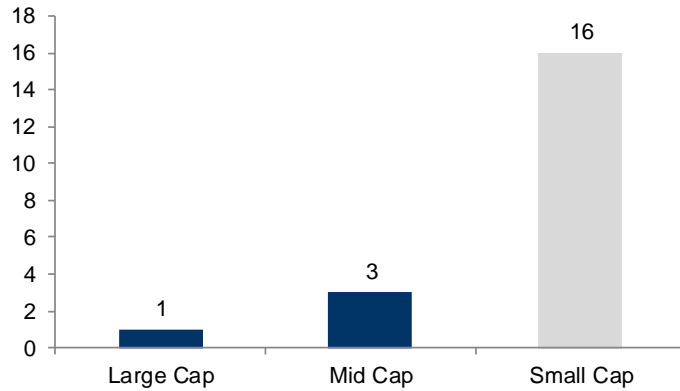
Average Total Return by Market Cap



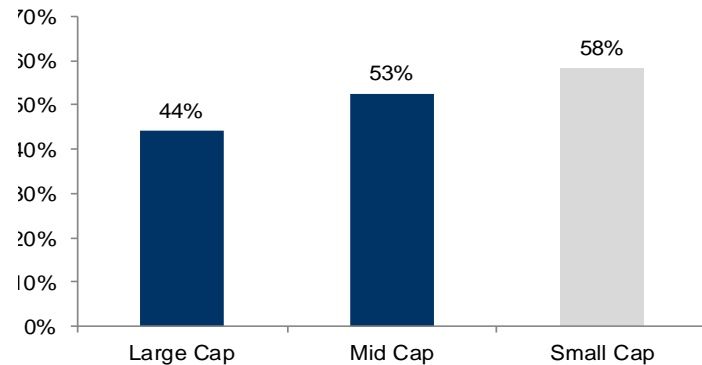
Source: BMO Capital Markets, Thomson Reuters

Small Cap REITs: Structural Differences

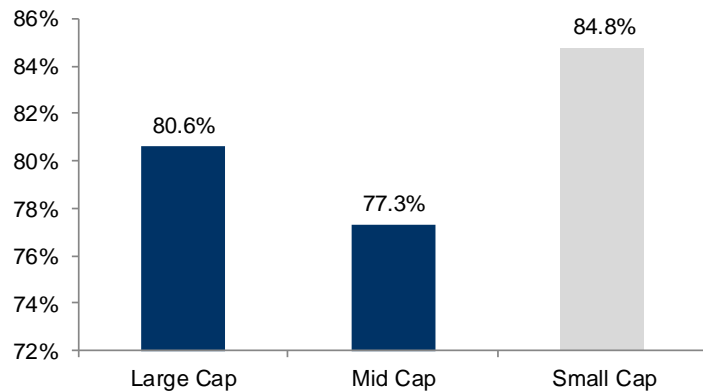
Externally Managed REITs by Market Cap



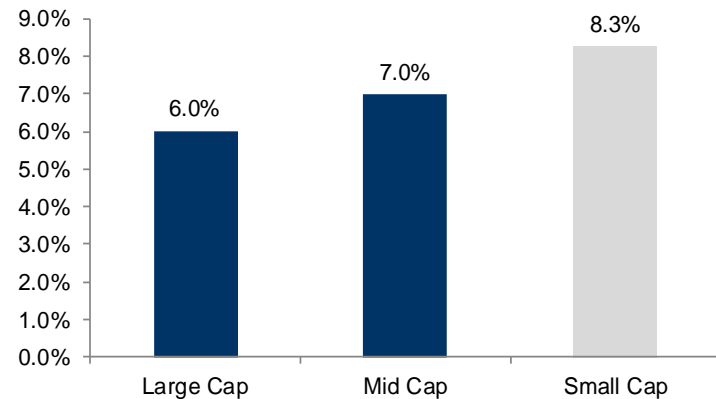
Average Debt to Total Assets by Market Cap



Average Payout Ratio by Market Cap



Average Distribution Yield by Market Cap

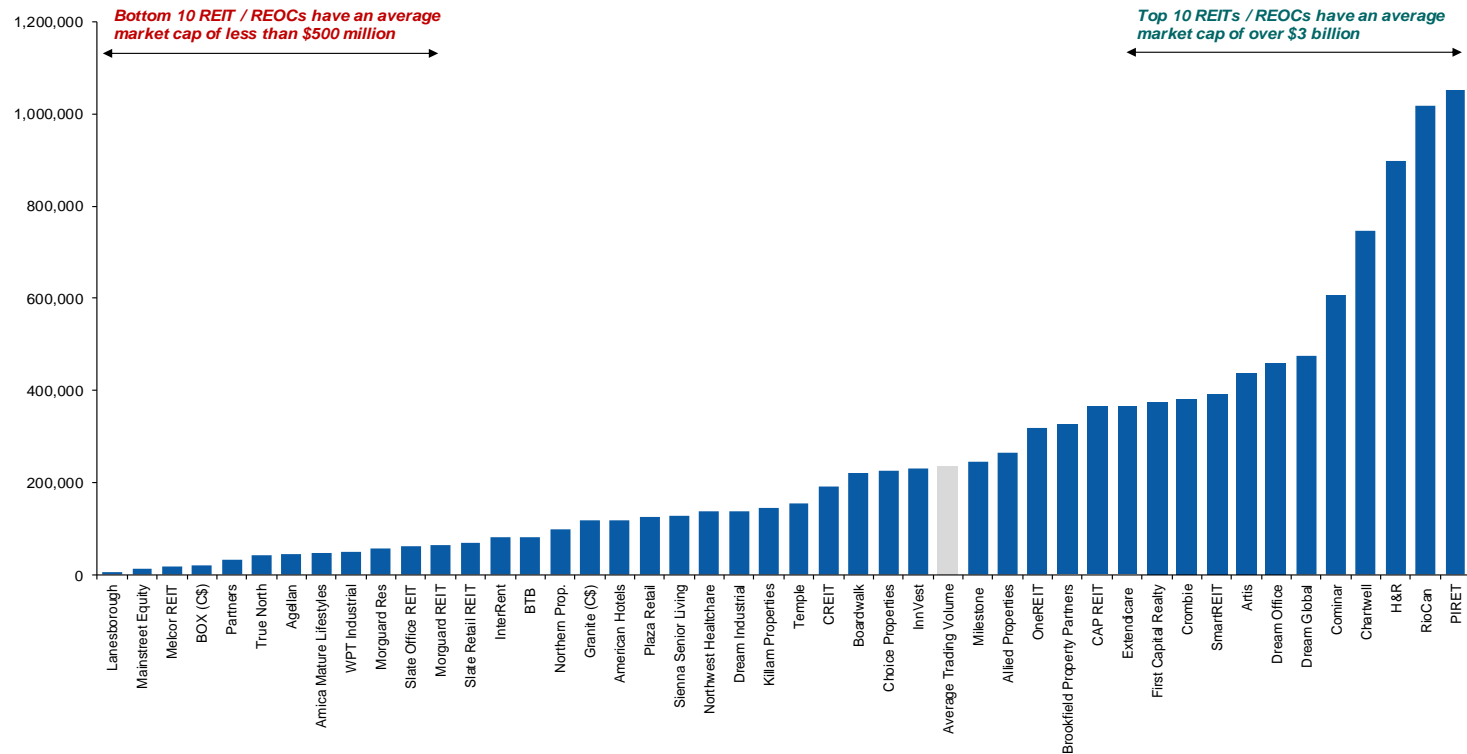


Source: Bloomberg, SNL Financial, Thomson One, BMO Capital Markets

Lower Liquidity Relative to Large Cap REITs

- To accumulate a \$20 million position in RioCan would take less than a day, while for Melcor it would take approximately seven months

Canadian REIT/REOC Average Daily Trading Volume (Last 6 Months)

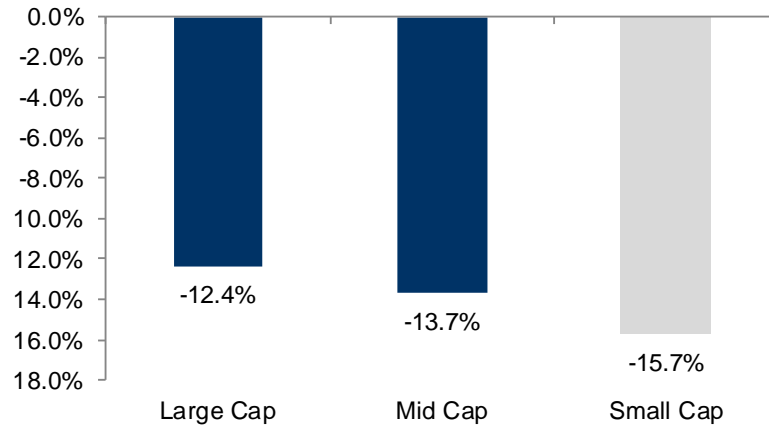


Source: Bloomberg, BMO Capital Markets

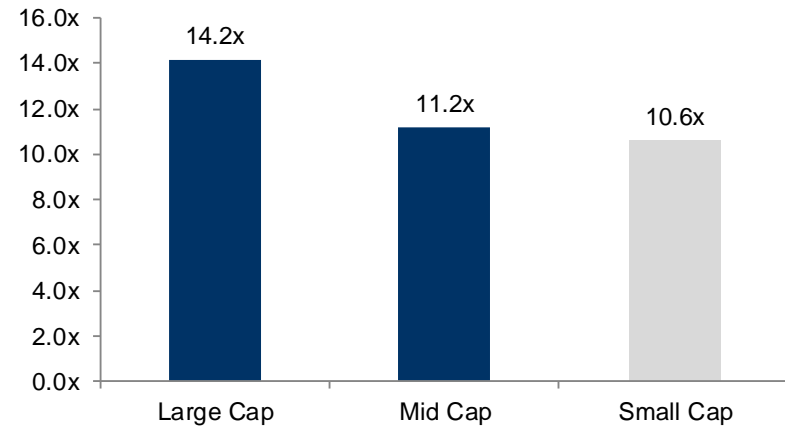
Note: BMO Capital Markets is restricted on Regal Lifestyle Communities.

Valuation Discount for Small Cap REITs

Average NAV Premium (Discount) by Market Cap



Average P/AFFO by Market Cap



Source: Bloomberg, SNL Financial, Thomson One, BMO Capital Markets

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Hold	Market Perform	53.5%	14.4%	44.8%	53.3%	44.4%	40.0%
Sell	Underperform	4.4%	7.4%	1.9%	4.7%	1.3%	5.4%

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