Building a Better REIT

Real Estate Forum

November 30, 2017

Forward-looking Information

This presentation contains forward-looking statements that reflect the current expectations of management of Crombie about Crombie's future results, performance, achievements, prospects and opportunities. Wherever possible, words such as "continue", "may", "will", "estimate", "anticipate", "believe", "expect", "intend" and similar expressions have been used to identify these forward-looking statements. These statements, including statements regarding the development potential of the acquired property and Crombie's other development sites and the total estimated cost to develop these sites, reflect current beliefs and are based on information currently available to management of Crombie. Forward-looking statements necessarily involve known and unknown risks and uncertainties.

A number of factors, including the risks discussed in the 2016 annual Management Discussion and Analysis under "Risk Management", could cause actual results, performance, achievements, prospects or opportunities to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and a reader should not place undue reliance on the forward looking statements. There can be no assurance that the expectations of management of Crombie will prove to be correct.

Readers are cautioned that such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from these statements. Crombie can give no assurance that actual results will be consistent with these forward-looking statements.

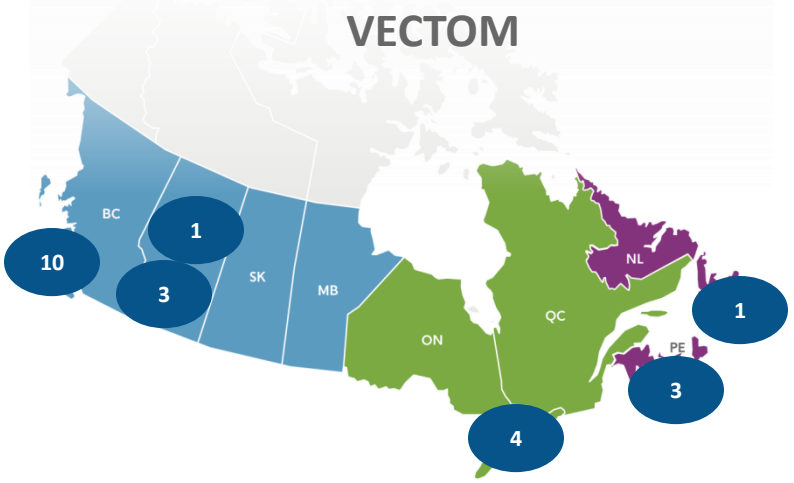
Non-IFRS Measures

Certain terms used in this presentation, such as AFFO, NAV and NOI, are not measures defined under International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. AFFO, NAV and NOI should not be construed as an alternative to net earnings or cash flow from operating activities as determined by IFRS. AFFO and NOI, as presented, may not be comparable to similar measures presented by other issuers. Crombie believes that NOI, NAV and AFFO are useful in the assessment of its operating performance and that these measures are also useful for valuation purposes and are relevant and meaningful measures of its ability to earn and distribute cash to unitholders. Examples of reconciliations of AFFO to the most directly comparable measure calculated in accordance with IFRS are provided in the Management Discussion and Analysis of Crombie for the years ending December 31, 2016 and December 31, 2015.

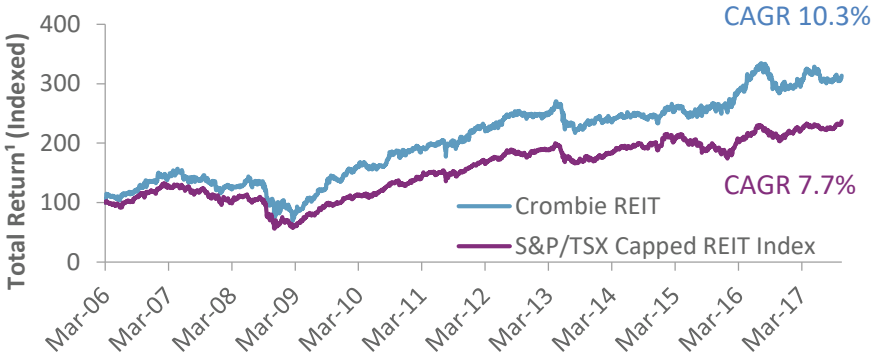
Crombie REIT
Who are we?

- Long-term mindset given Crombie and its predecessor have been in the real estate business for almost 60 years, and growing into one of Canada's leading national retail landlords
- Focused on net asset value and FFO/AFFO growth by owning, operating and developing a portfolio of high quality grocery and drug store anchored shopping centres, freestanding stores and mixed-use developments primarily in Canada's top urban and suburban markets
- Member of the S&P/TSX Composite Index, CRR.UN
- Rated BBB low (Negative Trend) by DBRS

National Portfolio with Extraordinary Development Opportunities Focused on VECTOM



Crombie Outperforms the Sector



Quick Facts[2]	
Number of Properties	287
Gross Leasable Area	19,453,000
Committed Occupancy	94.7%
Average Rent/sqft at Expiry	$18.19
YTD Renewal Leasing Spreads	4.6%

Crombie REIT

[1]Bloomberg, [2]As at September 30, 2017

Why Invest in Crombie?

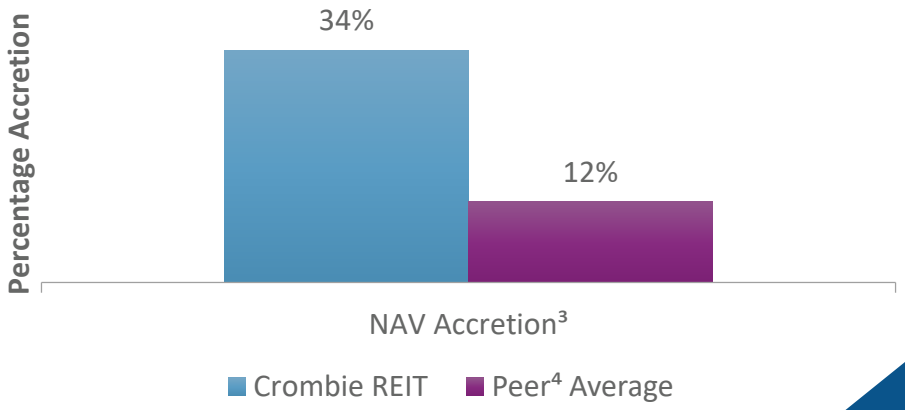
Investment Thesis

- Stable, high quality grocery-anchored portfolio, resulting in strong, stable cash flow growth
- Current distribution yielding 6.4%
- Materially accretive development pipeline opportunities
- Management team has 25+ years of development experience
- Trading at a discount relative to future growth opportunities

Historical Discount to NAV (8%)[1]

Current Discount to NAV (13%)[2]

Crombie's Development Pipeline is Projected to be Significantly NAV Accretive[3] vs Peers[4]

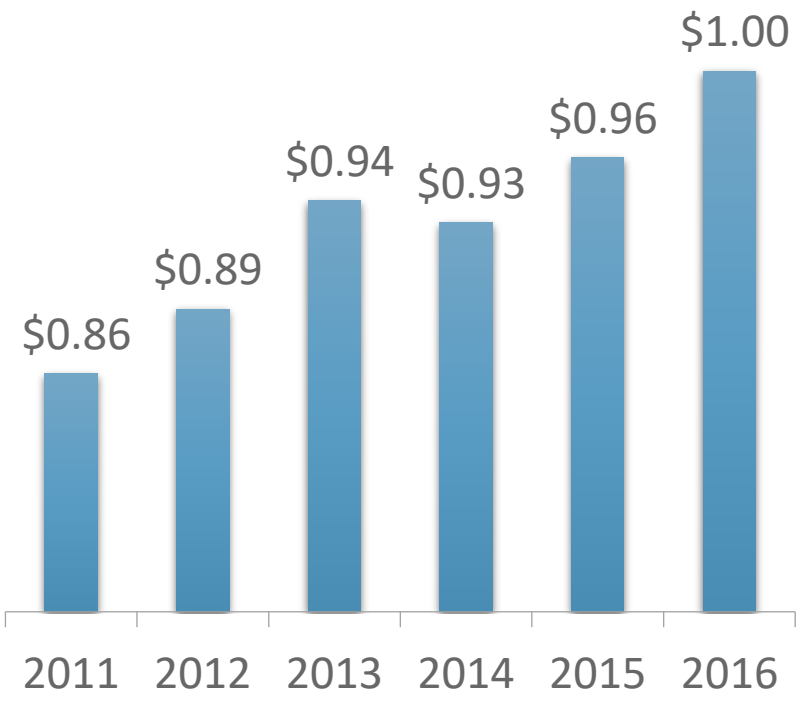


[1]Over 5 yrs based on consensus NAV, [2]Based on consensus, [3]Scotia Capital: Q317 Reports & Retail REITS Spotlight: Slippery When Wet?, [4]REI.UN, FCR, SRU.UN, CHP.UN and CT.UN

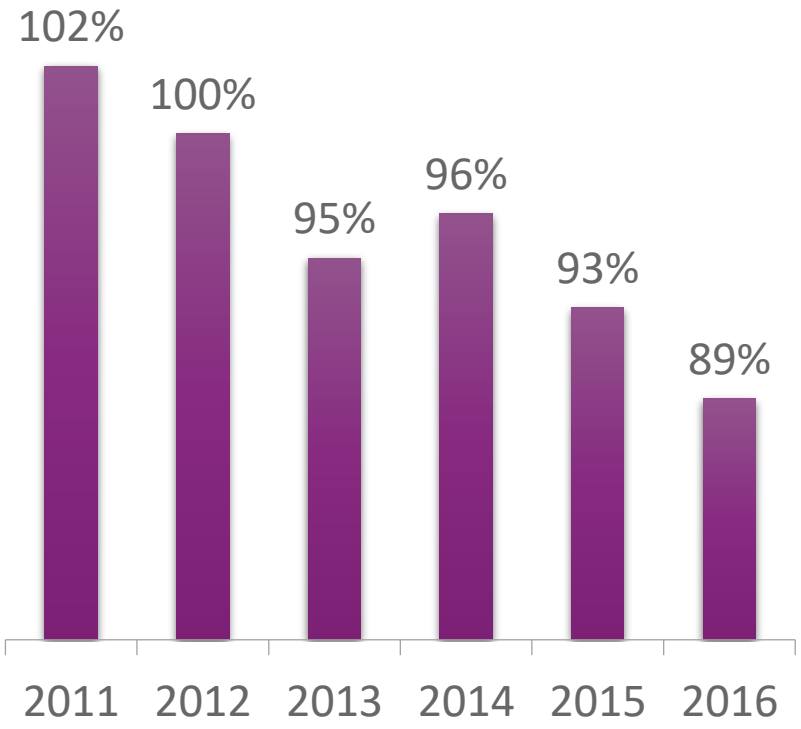
Consistent Historical AFFO Growth

Declining AFFO Payout Ratio

AFFO/Unit, diluted



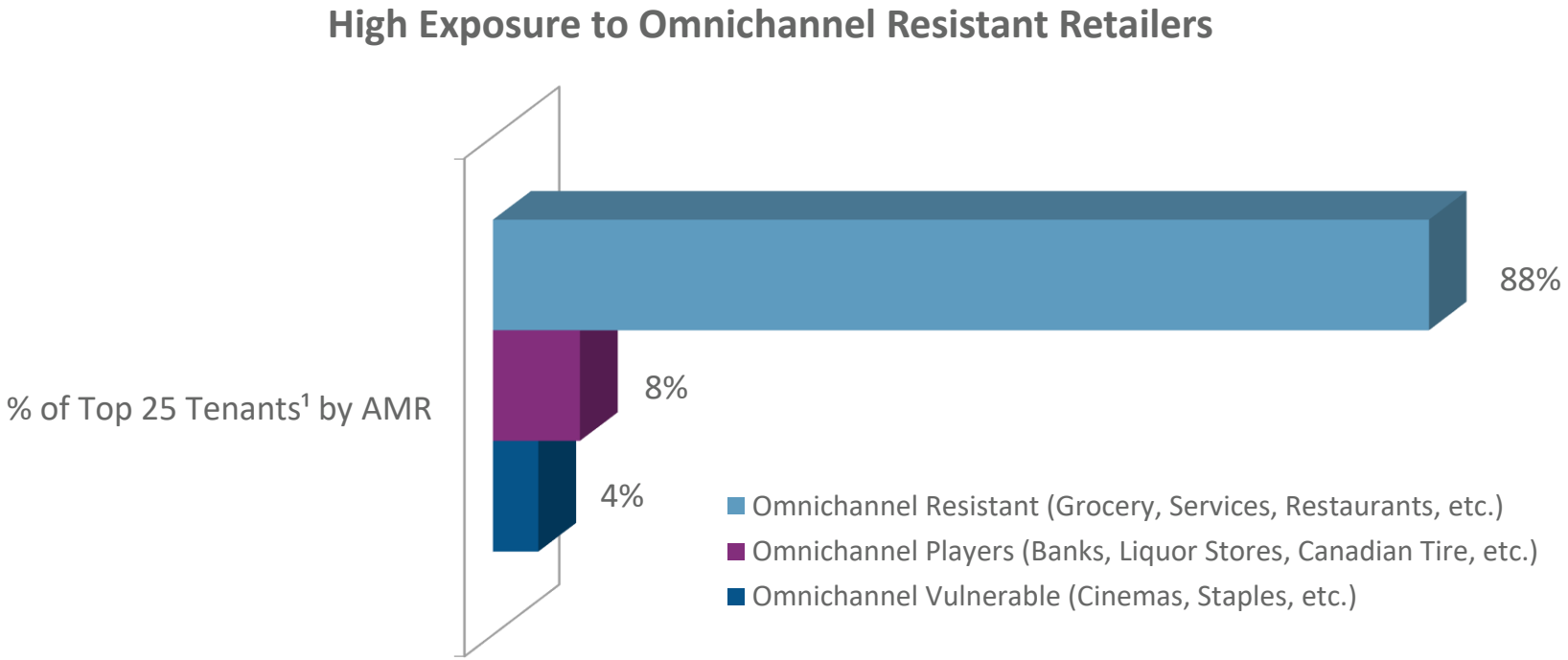
AFFO Payout Ratio



Crombie REIT

The Evolution of Retail in Real Estate

Convenience, Necessity Focused Portfolio



Approximately 85% of properties are high-traffic grocery or drugstore anchored

About 1% of Canadian grocery spend is purchased through ecommerce[2]

Crombie REIT

[1]Top 25 tenants by AMR make up 73.7% of the total portfolio, [2]Statistics Canada

Davie Street, Vancouver, BC
Potential to Create Upwards of $100M[1] in Value

Overview	
Currently anchored by a 32,000 sqft Safeway. The development will include a 44,000 sqft grocery store with 9,000 sqft of ancillary retail and up to 330 rental residential units. Demolition of the existing structure began Sept 2017.	
Expected Development Cost	$105M[1]
Expected Yield on Cost	5.50-6.00%
Current Market Cap Rates[2]	Residential 2.25-3.00% Retail 4.00-5.00%
Potential Value Creation	**Upwards of $100M[1]**
Projected Annual Residential Rental Rate Growth	2-3%

SIGNIFICANT NAV CREATION, NOI AND CASH FLOW GROWTH

[1]At Crombie's proportionate share, [2]Colliers International, Canada Cap Rate Report, Third Quarter 2017, Google Maps

Crombie
REIT