



Building a Better REIT

Investor Presentation

March 2018



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", "accretive nature of development opportunities", "value of future development opportunities", "investment yield", "potential value creation at Davie Street and Belmont developments" 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 risks usually attributable to construction projects, such as construction or other unforeseen delays, including municipal approvals, cost overruns; and ability to secure tenants for newly developed properties and the risks discussed in the 2017 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, FFO, NAV and NOI, are not measures defined under International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. AFFO, FFO, NAV and NOI should not be construed as an alternative to net earnings or cash flow from operating activities as determined by IFRS. AFFO, FFO and NOI, as presented, may not be comparable to similar measures presented by other issuers. Crombie believes that NOI, NAV, FFO 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. Crombie's definitions of these measures and examples of reconciliations of AFFO and FFO 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, 2017, December 31, 2016 and December 31, 2015.

Crombie REIT

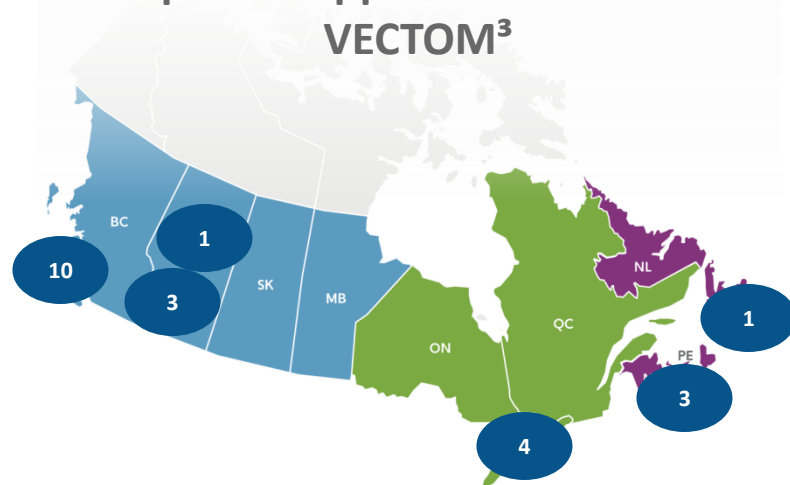
Who are we?

- Established in 2006, and 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 Stable by DBRS¹

Crombie Outperforms the Sector and the Broader Canadian Market



National Portfolio with Extraordinary Development Opportunities Focused on VECTOM³



Quick Facts⁴

Number of Properties	286
Gross Leasable Area	19,201,000
Committed Occupancy	95.2%
Average Rent/sqft at Expiry	\$18.36
2017 Renewal Leasing Spreads	7.6%

Why Invest in Crombie?

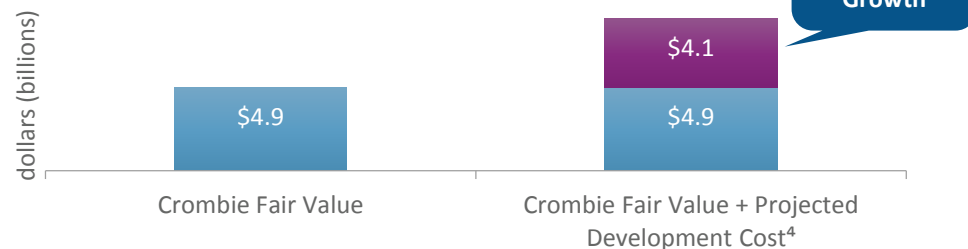
Investment Thesis

- Stable, high quality everyday needs anchored portfolio, resulting in strong, stable cash flow growth
- Current distribution yielding approximately 7%¹
- Materially accretive VECTOM focused development pipeline opportunities
- Management team has 25+ years of development experience
- Current trading price does not reflect future growth opportunities

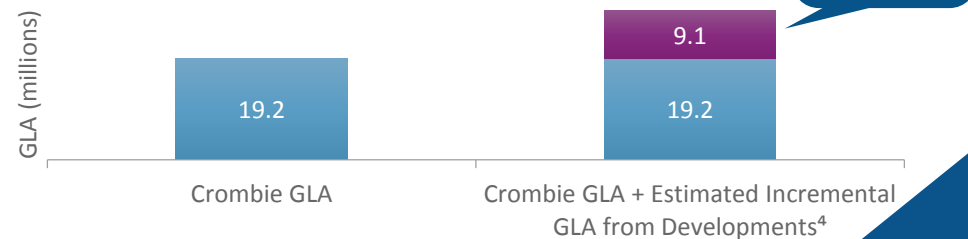
Historical
Discount
to NAV
(8%)²

Current
Discount
to NAV
(15%)³

Development Pipeline Creates Accretive Growth Opportunities



Material Square Footage Growth



Crombie's Vision – Strategic Pillars

Supported and Enabled by Strong Risk Management



IMPROVING PORTFOLIO QUALITY

Through smart capital allocation, accelerate FFO/AFFO and net asset value growth through active development and active asset management:

- Focused on high growth urban and suburban markets with development opportunities, while disposing of lower growth and assets in tertiary markets.
- Growing exposure to higher growth central and western regions.



BUILDING FINANCIAL STRENGTH

Maintain a strong balance sheet with ample financial flexibility, liquidity and access to capital. Committed to our investment grade rating.



CULTURE AND HIGH GRADING TALENT

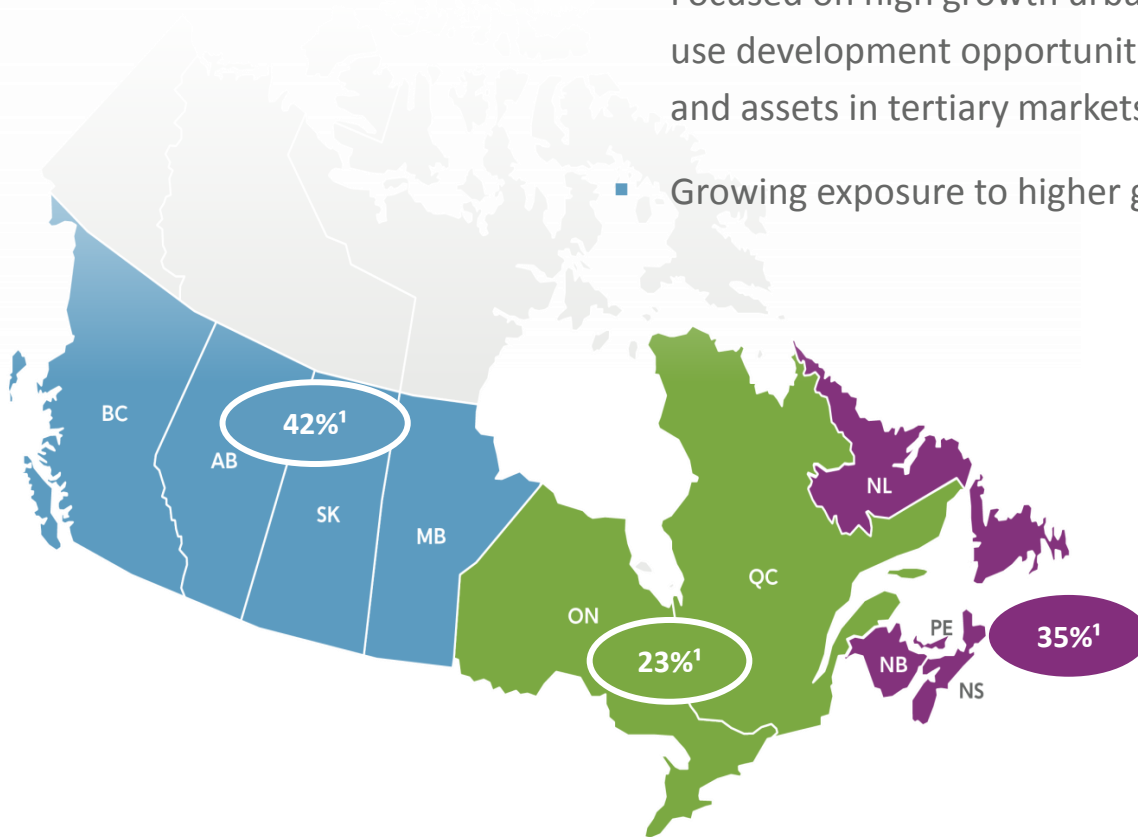
High grading our talent by hiring and developing the best and the brightest.

DRIVING UNITHOLDER VALUE

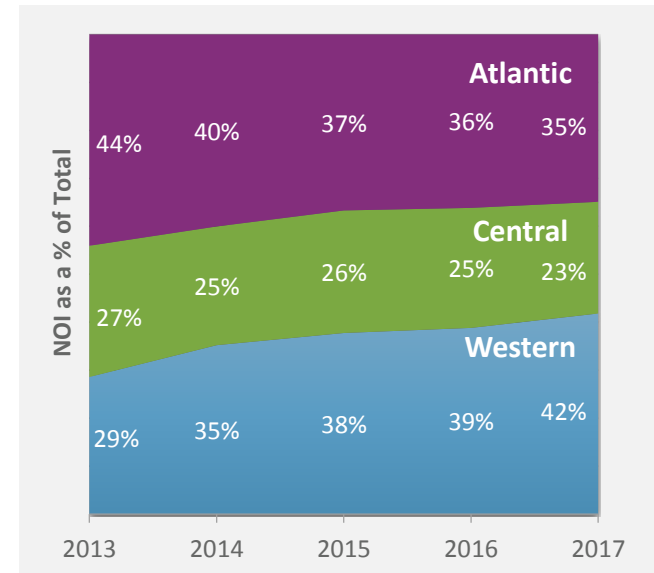
Nationwide Portfolio

Growing Exposure to Major Markets

- Focused on high growth urban and suburban markets with mixed use development opportunities, while disposing of lower growth and assets in tertiary markets.
- Growing exposure to higher growth central and western regions.

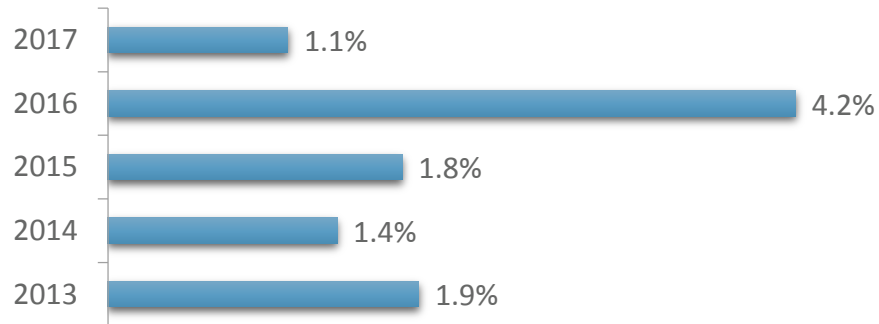


Growing Western Exposure



Leasing and Value Creation Built in Organic Growth

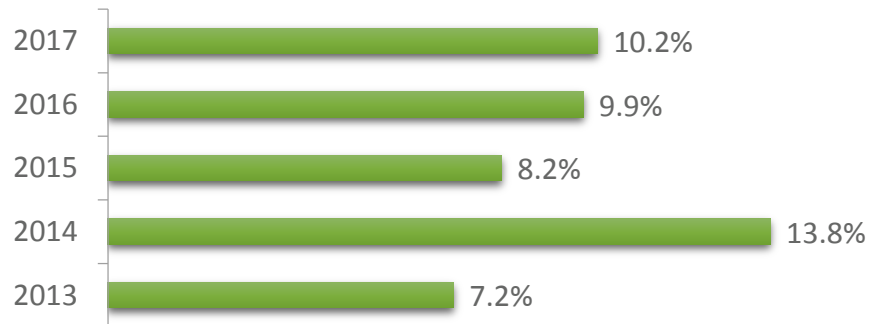
Same Asset NOI Growth



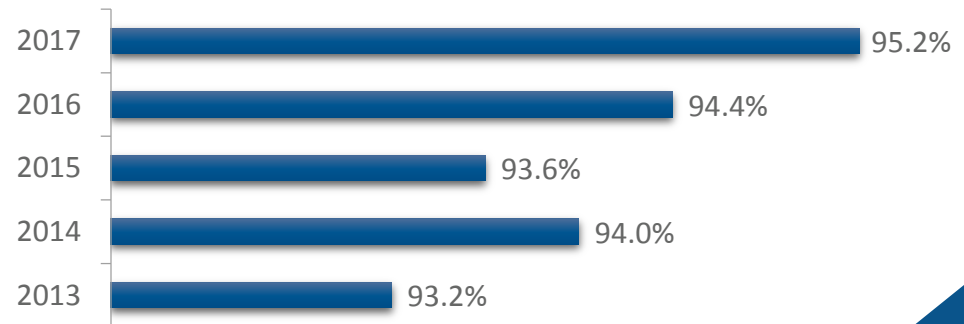
Current Year Renewal Rates



Renewal Leasing Spreads



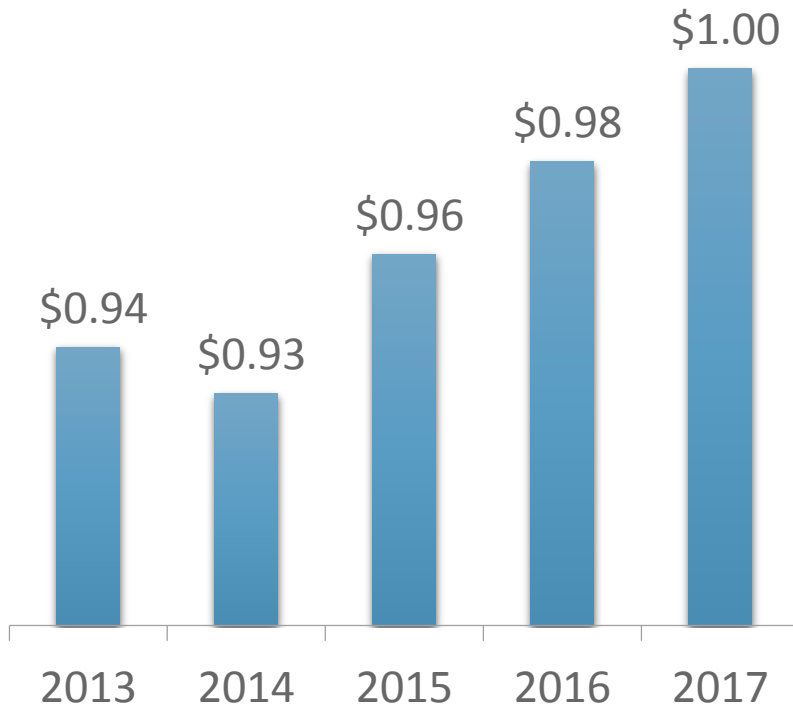
Committed Occupancy



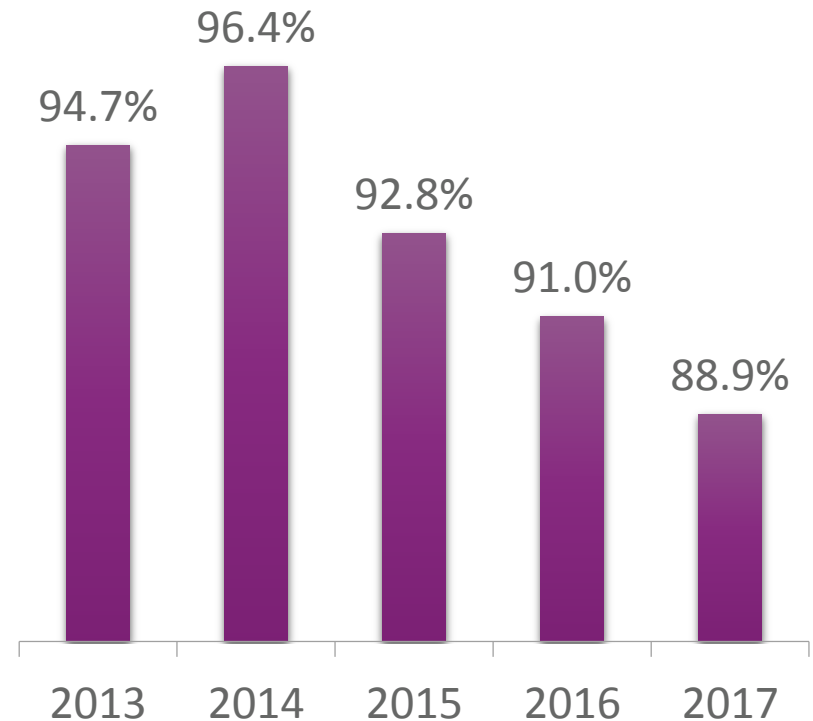
Consistent Historical AFFO Growth

Declining AFFO Payout Ratio

AFFO/Unit, diluted

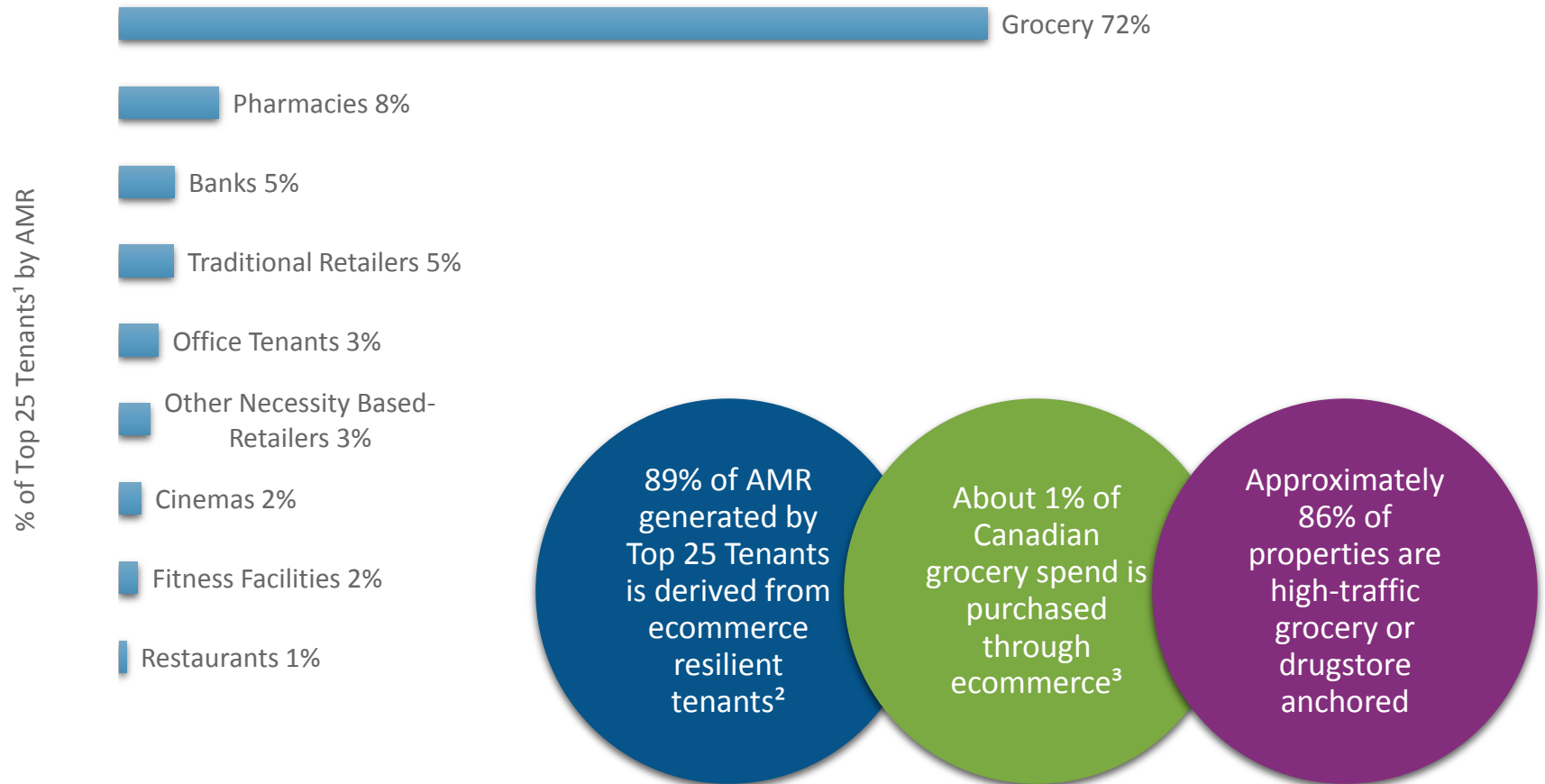


AFFO Payout Ratio



The Evolution of Retail in Real Estate

Ecommerce Resilient Portfolio



Tenant Mix

Strong Retailer Relations Driving Growth

Tenant	% of AMR	DBRS Rating
Sobeys	53.5%	BB (high)
Shoppers Drug Mart	5.1%	BBB
Cineplex	1.3%	NR ¹
GoodLife Fitness	1.2%	NR
Province of Nova Scotia	1.1%	A (high)
CIBC	1.1%	AA
Dollarama	1.1%	BBB
Lawtons/ Sobeys Pharmacy	1.0%	BB (high)
Bank of Montreal	1.0%	AA
Bank of Nova Scotia	0.8%	AA



Improving Portfolio Quality

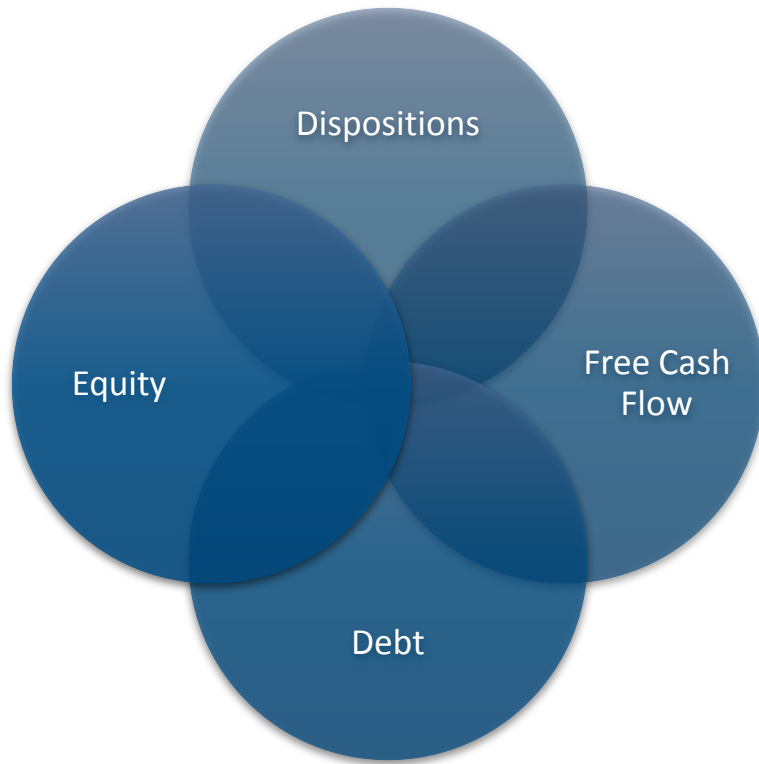
Davie Street,
Vancouver, British Columbia



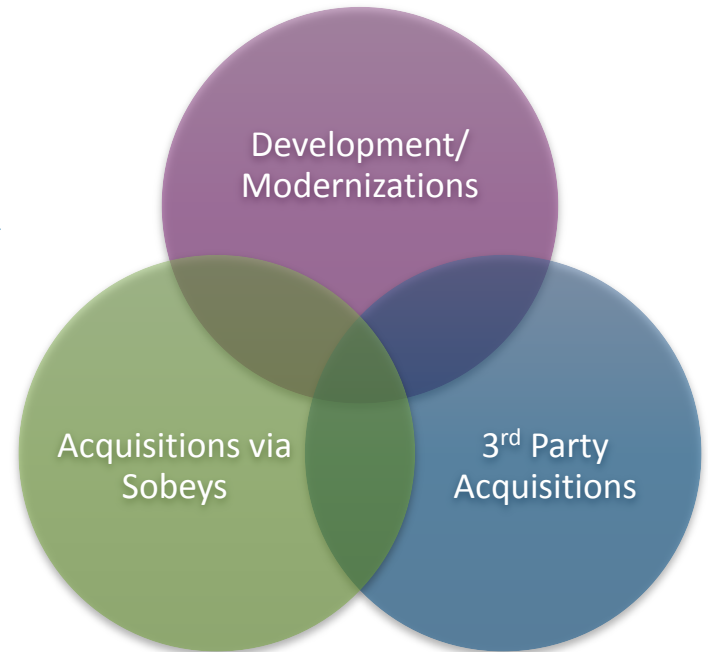
Smart Capital Allocation: Highest & Best Use

Prioritize Growth in NAV & AFFO/Unit

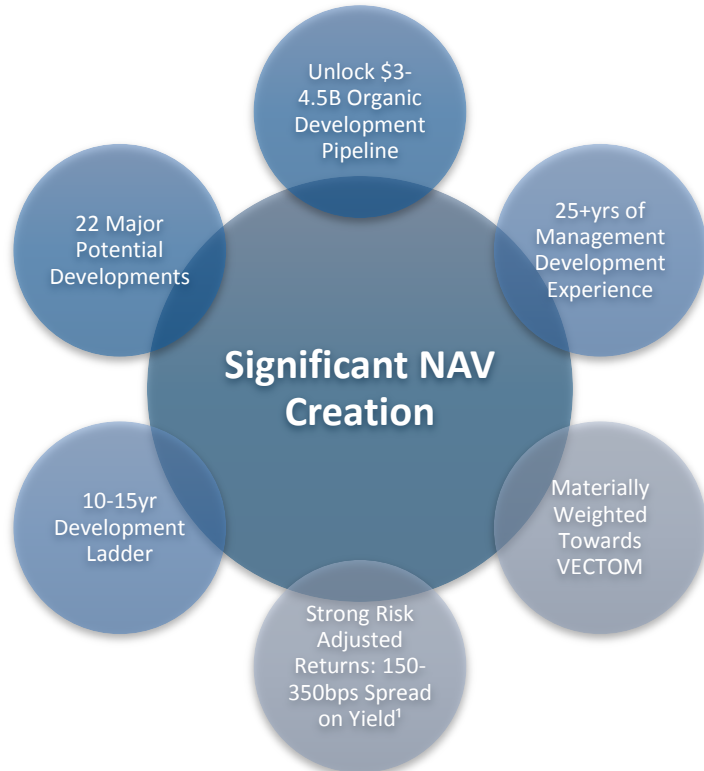
Sources



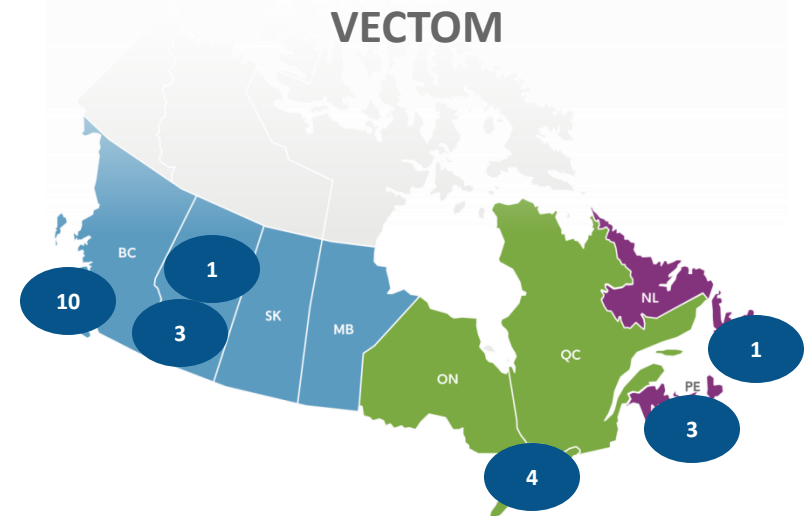
Uses



Building a Better REIT Into the Next Decade & Beyond



National Portfolio with Extraordinary Development Opportunities Focused on VECTOM



Active Major Development Pipeline

Value creation in action

\$315M under Active Development

Estimated Yield on Cost 5.5 - 6.1%¹

First delivery expected Q4'18

Non-Same Asset	#	Property	Location	Commercial GLA	Residential GLA	Estimated Completion Date	Estimated Annual NOI ²	Estimated Total Cost ²	Estimated Yield on Cost ²
	1	Davie Street	Vancouver, BC	53,000	253,000	Q2 2020	\$5.7-6.2	\$103.7	5.5-6.0%
	2	Belmont Market	Victoria, BC	192,000	—	Q4 2018 ³	\$5.7-6.5	\$103.8	5.5-6.3%
	Total			245,000	253,000		\$11.4-12.7	\$207.5	5.5-6.1%

Same Asset	#	Property	Location	Phase	Incremental GLA	Estimated Completion Date	Estimated Total Cost	Estimated Cost to Complete
	3	Avalon Mall	St. John's, NL	Phase I	—	Q4 2019	\$54.5	\$44.8
				Phase II	17,000	Q2 2020	\$53.0	\$48.0
	Total					17,000		\$107.5

Davie Street, Vancouver, BC

Potential to Create Upwards of \$100M¹ in Value

Overview

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 is complete with excavation on track to be completed in March 2018.

Expected Development Cost	\$104M ¹
Expected Yield on Cost	5.50-6.00%
Current Market Cap Rates ²	Residential 2.25-3.00% Retail 4.00-5.00%
Projected Annual Residential Rental Rate Growth	2.00-3.00%
Potential Value Creation	Upwards of \$100M ¹



**SIGNIFICANT
NAV CREATION,
NOI AND CASH
FLOW GROWTH**



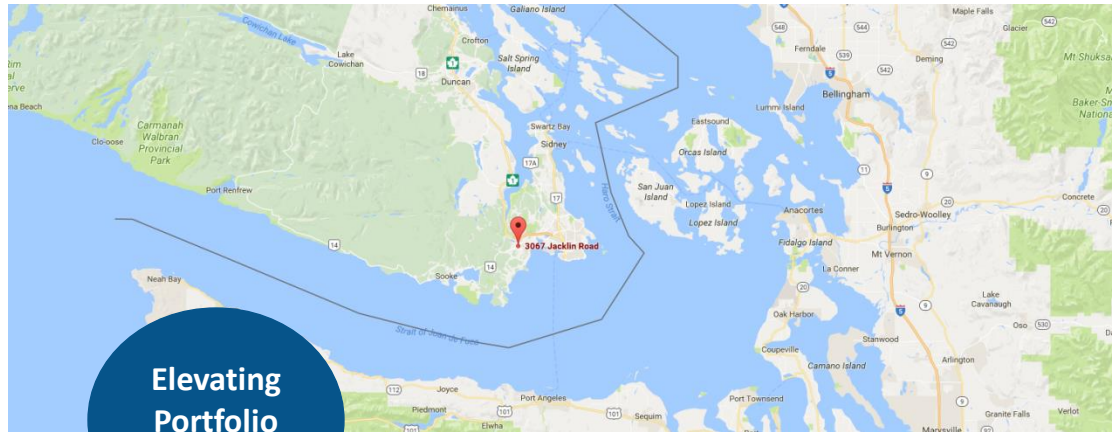
Belmont Market, Victoria, BC

Upgrading by Developing A+ Real Estate

Overview

Belmont Market is being developed as a grocery anchored commercial mixed use centre. The development will include a 53,000 sqft Thrifty Foods store, Thrifty Foods Office, and additional retail. An additional 4 acres of land was sold in 2018 to a residential developer who has plans to add 437 units of low rise residential rental and market condos, intended to create a vibrant new community village. Building construction will start imminently on phase I, which is on track to open in fall 2018. Approximately 83% of phase I has committed leases, or is in advanced stages of negotiation.

Expected Development Cost	\$104M
Expected Yield on Cost	5.50-6.25%
Current Market Cap Rate ¹	5.00-5.75%
Potential Value Creation	\$18M



Elevating
Portfolio
Quality



Avalon Mall, St. John's, NL

Dominant Enclosed Shopping Centre

BOMA | Certificate of Excellence



Overview

Avalon Mall is NL's largest and only regional shopping centre with 557,000 sqft. The capital investment plan is to maintain and enhance the asset's position as the dominant enclosed shopping centre in the province. The capital upgrades will allow for improved tenant mix, increased sales productivity, and enhanced NOI.

Phase I	Additional parking, redesign and realignment of vehicular access, and redesign of common areas	Expected Development Cost	\$54.5M
Phase II	Sears redevelopment of 129,000 sqft. includes partial demolition and expansion for mid size boxes and ancillary use	Expected Development Cost	\$53.0M



Potential Major Development Pipeline

Value creation opportunities for years to come

67%¹ of Potential Major Development Pipeline located in VECTOM

54 Acres in Vancouver, Edmonton, Calgary & Toronto

\$2.5-4B Pipeline

#	Property	Location	Site Size (acres)	Status
1	Bronte Village	Oakville, ON	6	Development Planning
2	Penhorn Lands-Phase I	Dartmouth, NS	5	Development Planning
3	Broadway & Commercial	Vancouver, BC	2	Pre-planning
4	Lynn Valley	North Vancouver, BC	3	Pre-planning
5	Mission	Calgary, AB	2	Pre-planning
6	Royal Oak	Burnaby, BC	3	Pre-planning
7	East Hastings	Burnaby, BC	3	TBD
8	King George Blvd	Surrey, BC	5	TBD
9	West Broadway	Vancouver, BC	2	TBD
10	Kingsway	Vancouver, BC	4	TBD
11	King Edward	Vancouver, BC	2	TBD

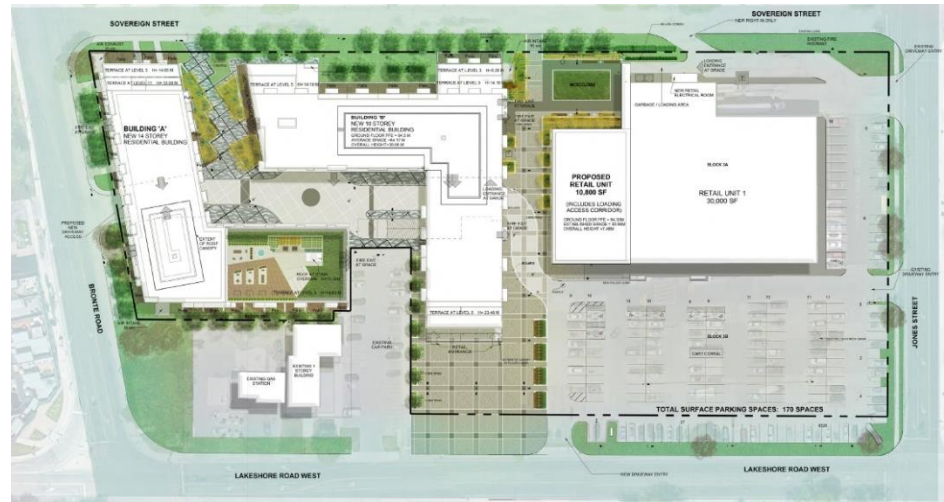
#	Property	Location	Site Size (acres)	Status
12	813 11 Avenue SW	Calgary, AB	3	TBD
13	410 10 Street NW	Calgary, AB	2	TBD
14	10930 82 Avenue	Edmonton, AB	2	TBD
15	Brampton Mall	Brampton, ON	9	TBD
16	Centennial Parkway	Hamilton, ON	3	TBD
17	McCowan & Ellesmere	Toronto, ON	5	TBD
18	Triangle Lands	Halifax, NS	1	TBD
19	Scotia Square	Halifax, NS	14	TBD
	Avalon Mall-Phase III ²	St. John's, NL	51	Pre-planning
	Penhorn Lands-Phase II ³	Dartmouth, NS	26	Pre-planning
Total			153	

Bronte Village, Oakville, ON

Building Community in Major Urban Centres

Overview

The 6 acre redevelopment site provides an opportunity to add luxury rental residential density to an area that is currently undersupplied. The redevelopment plan is composed of mixed use residential and retail, with demolition of a portion of the existing structure commencing in 2018. In its place, two luxury rental residential towers of 10-14 stories containing 478 suites, and 15,000 sqft of retail are proposed to be constructed.



McCowan & Ellesmere, Toronto, ON

Future Major Transit Hub

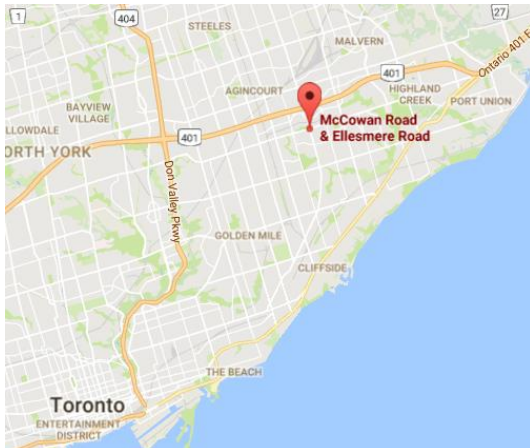
Overview

A future major mixed use, transit oriented development site in Toronto, Ontario, acquired from a 3rd party. Together, Sobeys and Crombie are uniquely positioned to unlock the development value embedded in this site.

Subway
Line
Extension



Key
Redevelopment
Site for the City



TTC



Scotia Square, Halifax, NS

“Centre Ice” in Halifax’s Business District

Overview

Scotia Square is situated in the centre of the downtown Halifax business district at the corner of Barrington and Duke. This complex is comprised of 1,600,000 sqft of office and retail, and two hotels. Crombie recently completed a three-level expansion on Barrington Street of approximately 25,000 sqft which includes a new and modern main entrance into the complex. The expansion is comprised of office, a food court expansion and street level retail totaling 13,000 sqft. The construction cost was approximately \$12M and was completed in Q3 2017. Future mixed use developments are being considered at this location.



Building Financial Strength

Belmont, Victoria, British Columbia



Strong Financial Condition

Investment Grade, with Declining Debt Levels

8.84x Debt to EBITDA

2.87x Interest Service Coverage

Debt Service Coverage 1.87x

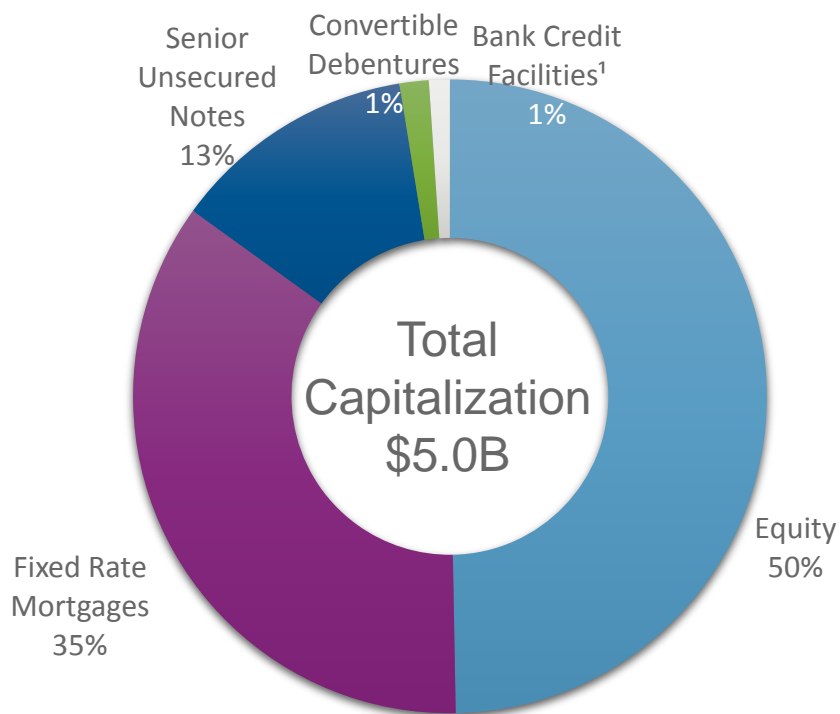
BBB Low Stable by DBRS

Bank Credit Capacity \$438M¹

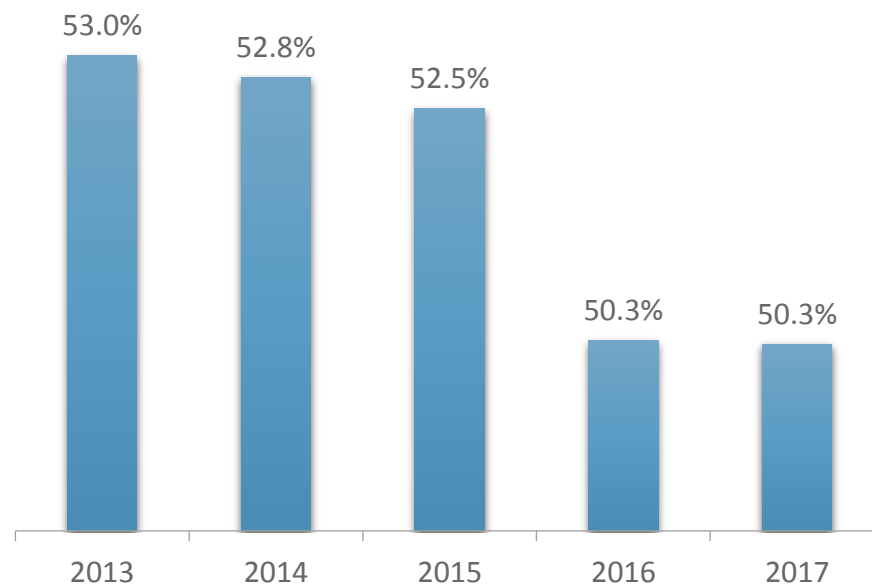
Unencumbered Assets \$954M

WAIR² 4.21%

WATM³ 4.6yrs

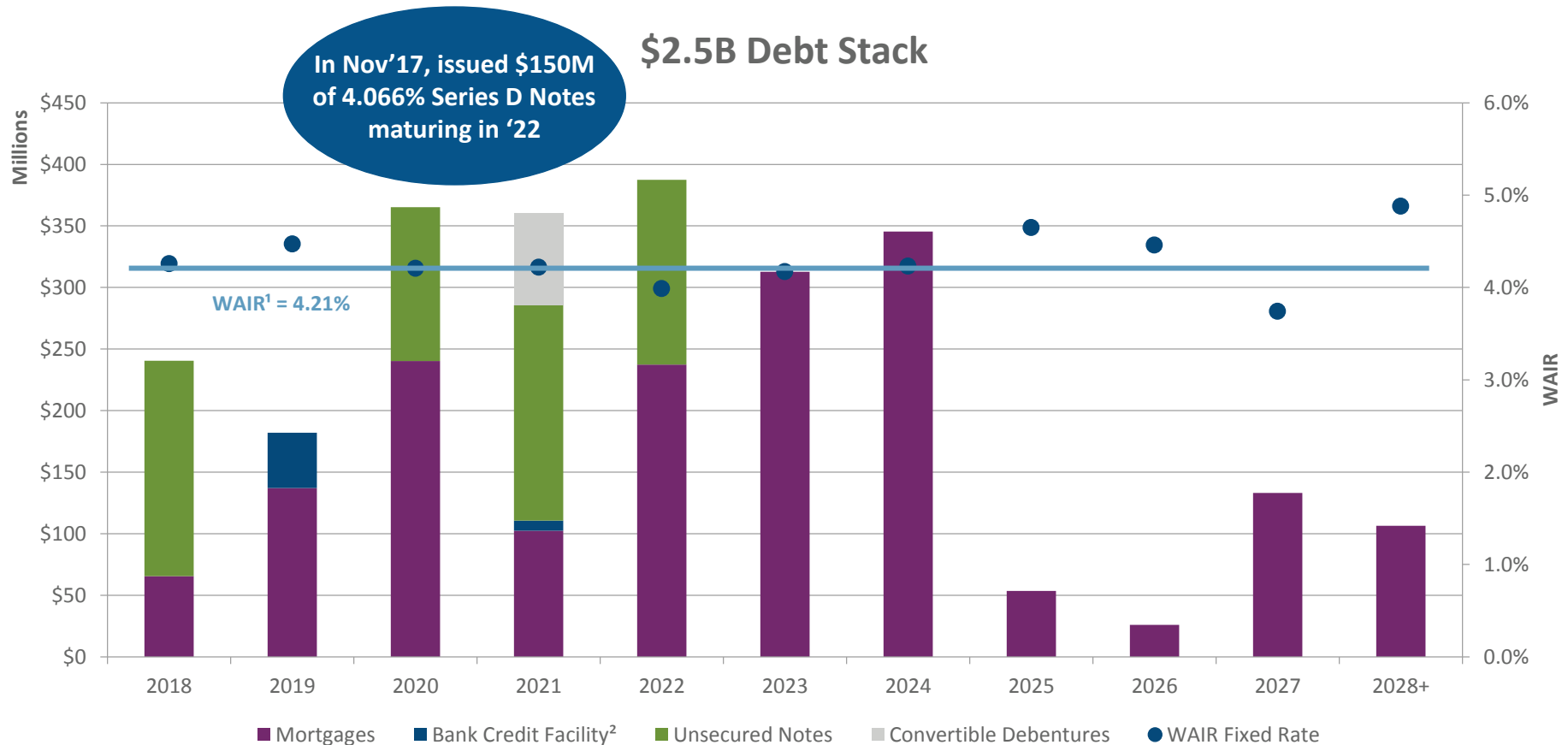


D/GBV - FV⁴



Well-Laddered Debt Maturity Profile

Improving the capital stack with Unsecured Notes



Culture and High Grading Talent

Canmore, Alberta



Strong Leadership with Deep Bench Nationwide Talent



DON CLOW

President & CEO

Years of Experience:

Crombie REIT 8 | Industry 28+



GLENN HYNES

EVP, CFO & Secretary

Years of Experience:

Crombie REIT 7 | Industry 25+



CHERYL FRASER

CTO, VP Communications

Years of Experience:

Crombie REIT 5 | Industry 20+



TORAN EGGERT

EVP, Portfolio Management

Years of Experience:

Crombie REIT 1 | Industry 25+

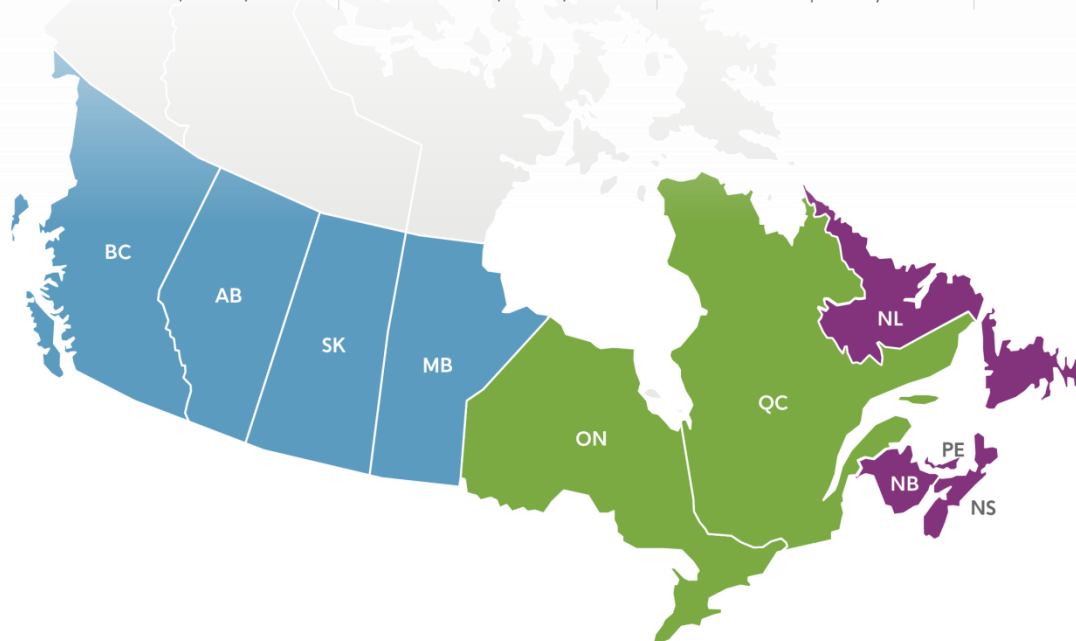


JOHN BARNOSKI

Senior Vice President, Corporate Development

Years of Experience:

Crombie REIT 2 | Industry 20+



WEST



TREVOR LEE

Senior Vice President,
Western Canada

Years of Experience:

Crombie REIT 3 | Industry 15+

**CENTRAL
EAST**



SCOTT MACLEAN

Senior Vice President,
Eastern Canada

Years of Experience:

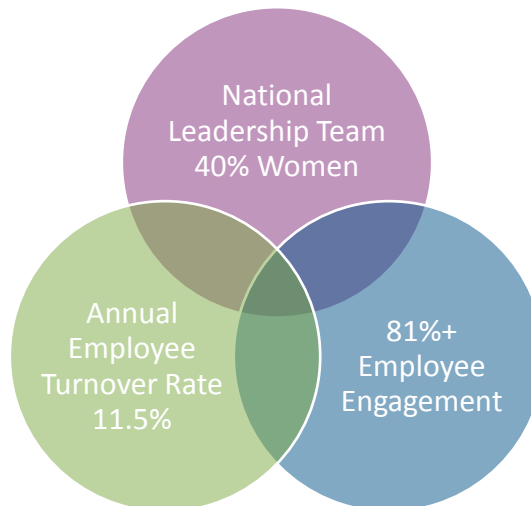
Crombie REIT 25 | Industry 35+

Culture & High Grading Talent

Continuing to Build the Crombie of Tomorrow

“We continue to take a best-in-class approach to everything we own, operate and develop across the country, including our highly qualified team of real estate professionals. Our Talent decisions are built for the long term - driving business growth, and increasing available bench strength at all levels.”

– Cheryl Fraser CTO, VP Communications



Environmental Sustainability Commitment

Social, Environmental & Economic

Crombie's core values include a commitment to adopt environmental sustainability principals in our business practices by integrating environmental considerations in our decision-making processes and striving to ensure we conduct our activities in accordance with these principals.

We believe that everyone has a responsibility to do his/her part to help protect and sustain our environment. We encourage our employees, customers and suppliers to make the "reduce, reuse, recycle" principle part of their lifestyle, at work and at home.



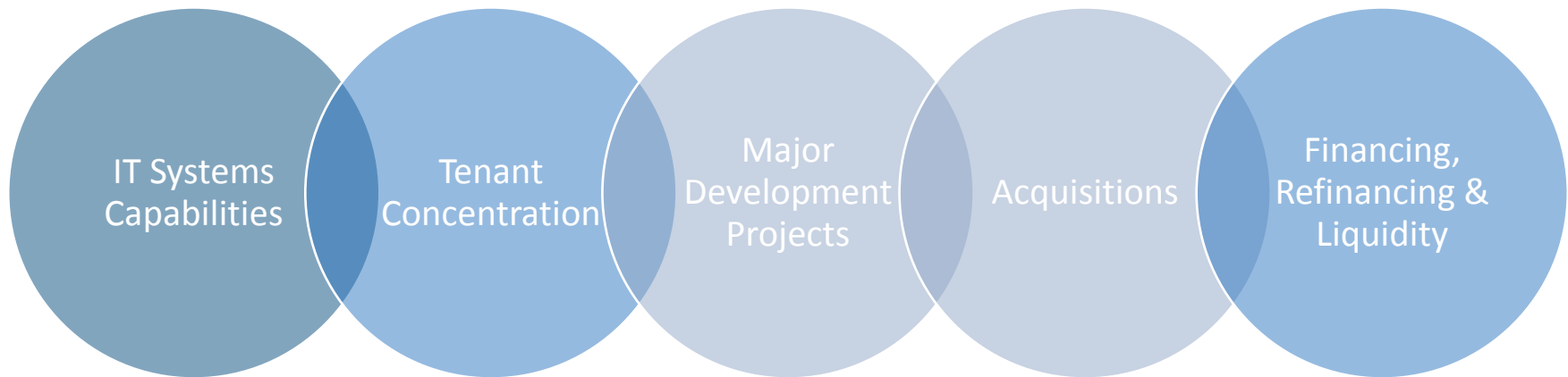
Risk Management

Bronte Village, Oakville, ON



Risk Management

Continuously Monitoring Potential Risks, & Executing Minimization & Mitigation Plans





Thank You

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