

# Proven Stability and Sustainable Growth

Q1 2021 Results Conference Call

**MAY 6, 2021**



## **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 Crombie's development sites, the total estimated cost to develop, time to substantial completion and expected annual investment with respect to these sites, impact on net asset value, and future debt maturities 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, including real estate market cycles, general economic conditions, the uncertain economic impact of COVID-19, the availability of financing opportunities and labour, actual development costs, uncertainties in obtaining required municipal zoning and development approvals, concluding successful agreements with existing tenants, and, where applicable, successful execution of development activities undertaken by related parties not under the direct control of Crombie.*

*A number of additional factors, including the risks discussed in our Annual Information Form, 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-GAAP Measures**

*Certain terms used in this presentation, such as AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost are not measures defined under Generally Accepted Accounting Principals ("GAAP") and do not have standardized meanings prescribed by GAAP. AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost should not be construed as an alternative to net earnings or cash flow from operating activities as determined by GAAP. AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost as presented, may not be comparable to similar measures presented by other issuers. Crombie believes that AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost 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. Reconciliations of AFFO and FFO to the most directly comparable measure calculated in accordance with GAAP are provided in the Management Discussion and Analysis of Crombie for the most recently completed reporting period.*

# Opening Remarks

**Don Clow**

President & CEO



# Proven Stability and Sustainable Growth

## Focused Strategy Execution

- **Strengthened Financial Condition**
  - Ample Liquidity
  - Increased weighted average term to maturity
  - Debt to Gross Fair Value of 48.3%<sup>1</sup>
  - Innovative capital recycling
- **Improved Portfolio Quality**
- **Strong Fundamentals**
  - Committed occupancy 96.3% and economic occupancy of 95.5%
  - Renewal growth +3.0%
  - Portfolio weighted average lease term of ~10 years
- **Optimized Empire Relationship**
  - Sustainable competitive advantage
  - ~13 year weighted average lease term
  - Expected annual investment of \$100 - \$200 million
- **Development Pipeline of 29 sites totaling an estimated \$4.3 – 6.2B**
  - Davie Street Residential achieved substantial completion in Q1 with Le Duke and Bronte expected to reach substantial completion in 2021
  - Expected annual investment of \$150 – \$250 million
  - Enriching communities through long-term sustainable growth





Aberdeen Business Centre  
New Glasgow, Nova Scotia

# Voilà Hub and Spoke Concept







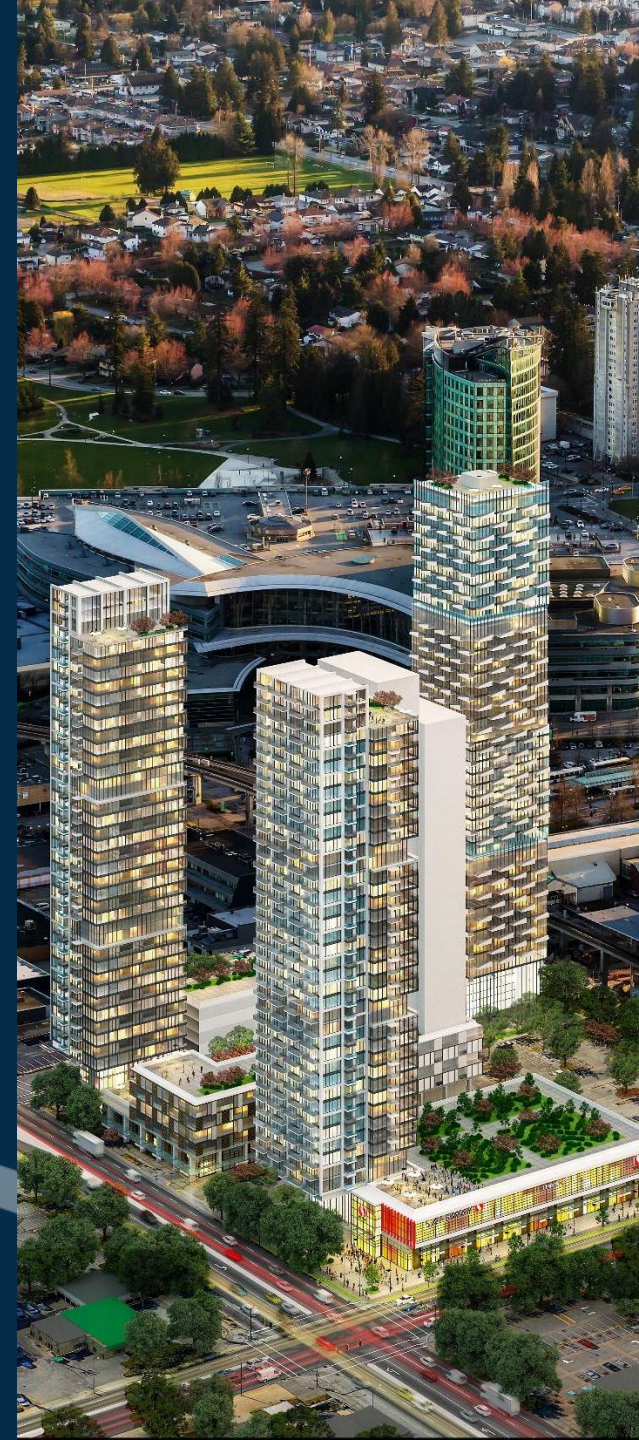
Le Duke  
Montreal, Quebec

LE DUKE  
APARTMENTS  
DE LUXE A LOUER  
Rendez-vous à la  
(514)  
838-1180  
LE DURENTLEON  
Pour plus d'infos



# Development & Operational Highlights

Glenn Hynes  
EVP & COO





# Strong Fundamentals

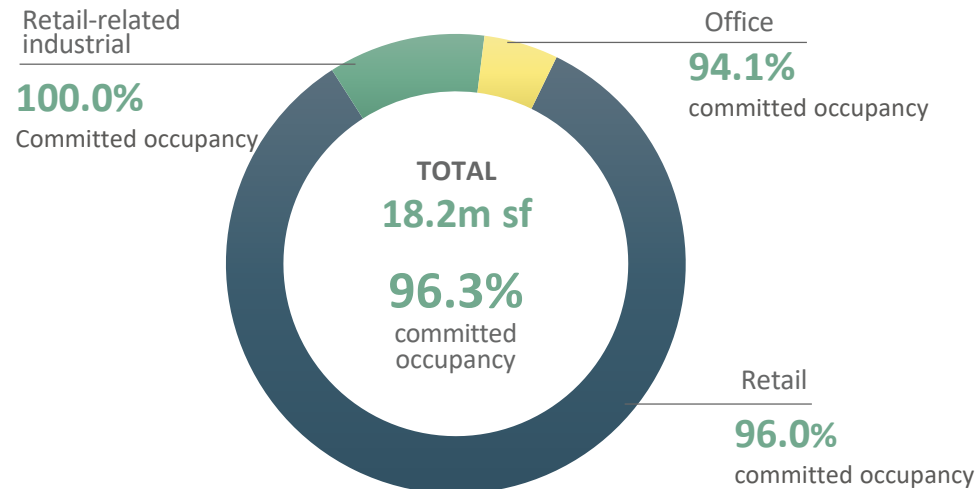
## Solid Occupancy Drives Performance

432,000 SF  
**New Leases**  
\$23.03 PSF

147,000 SF  
**Committed**  
\$19.05 PSF

387,000 SF  
**Renewals**  
+3.0% growth

### Committed Occupancy



# Zephyr, Davie Street, Vancouver

New standard for urban, green and sustainable living



## Property Statistics

Residential Units	330
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Residential GLA	254,000 sf
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Commercial GLA	54,000 sf
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Crombie Ownership	100% commercial 50% residential
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Built to LEED Gold Equivalent	
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Key Tenants

SAFEWAY

Scotiabank®





Voilà par IGA CFC  
Montreal, Quebec



# Financial Highlights

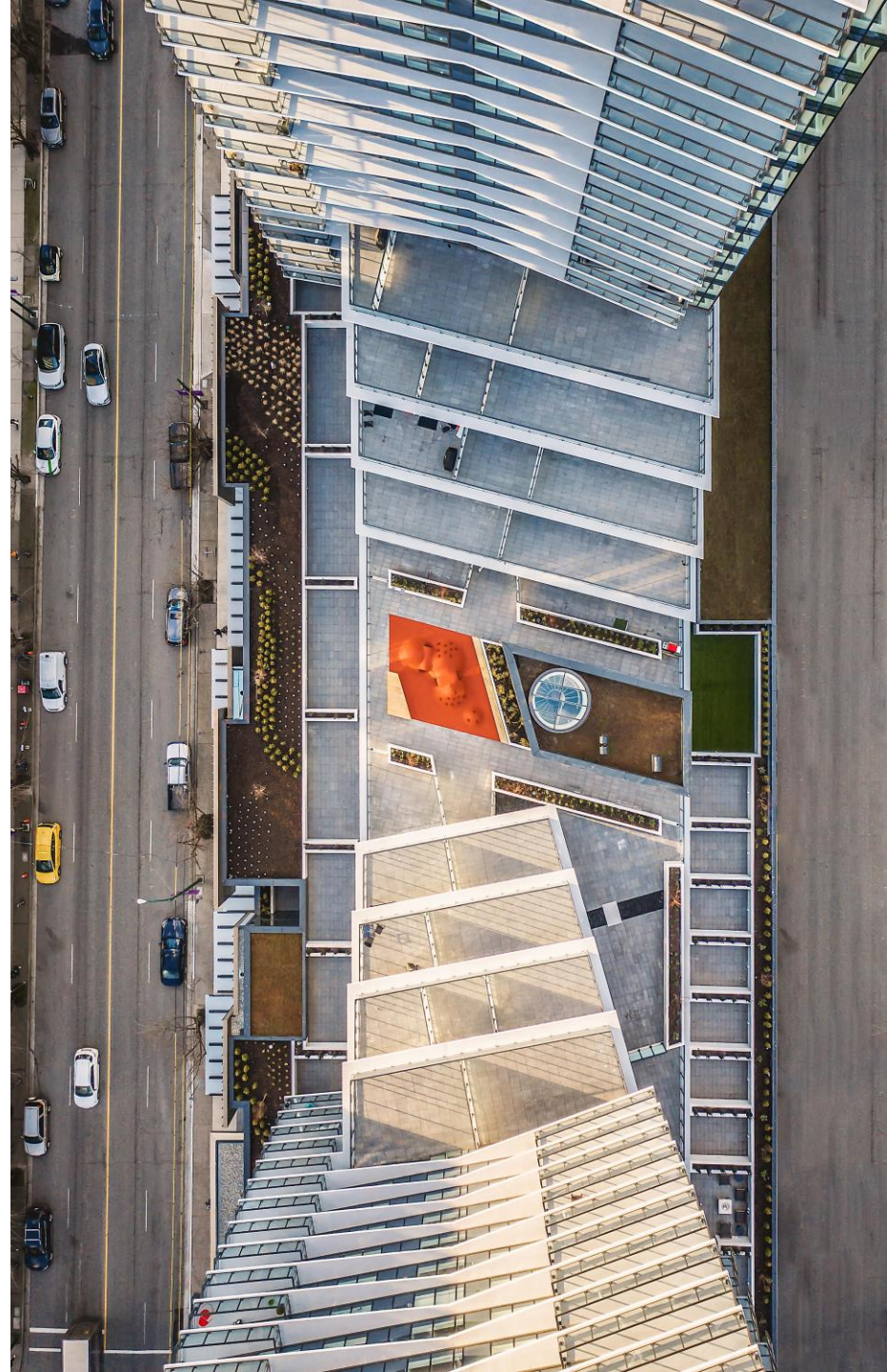
Clinton Keay  
CFO & Secretary





# Well Positioned with Defensive Portfolio

	% of Q1 2021 Gross Rent Collected	% of April 2021 Gross Rent Collected
Retail	98%	98%
Office	99%	100%
Retail-related industrial	100%	100%
<b>Total</b>	<b>98%</b>	<b>98%</b>



# Q1'21 Financial Highlights<sup>1</sup>

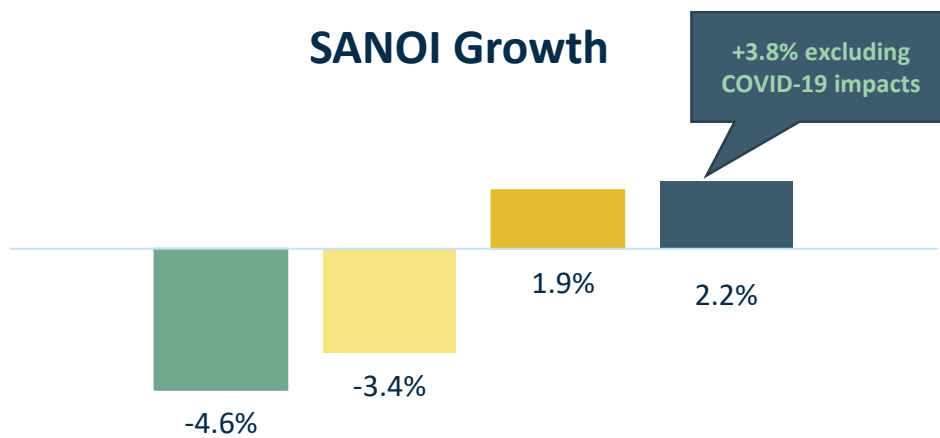
## FFO per Unit



## AFFO per Unit



## SANOI Growth



■ Q2'20 ■ Q3'20 ■ Q4'20 ■ Q1'21



# Building Financial Strength

**\$1.4B**

Fair value of  
unencumbered  
assets

**\$470M**

Available  
liquidity

Interest coverage

**3.04x**

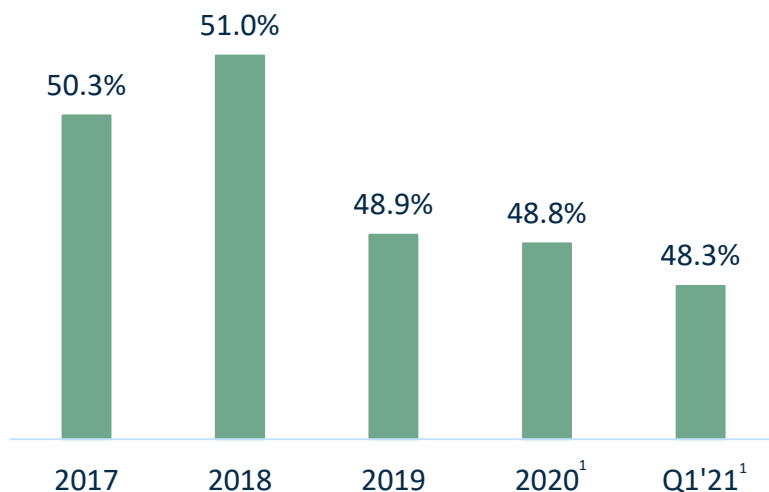
Debt to EBITDA<sup>1,2</sup>

**9.58x**

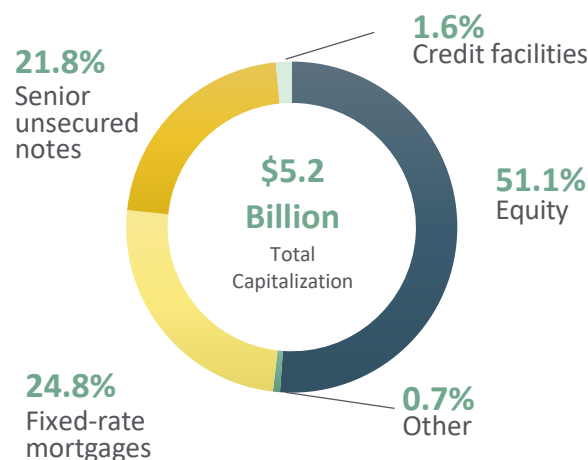
**BBB (low)  
stable**

DBRS rating provides  
attractive unsecured debt  
financing

Debt to Fair Value



Optimal Low-Cost Capital Structure

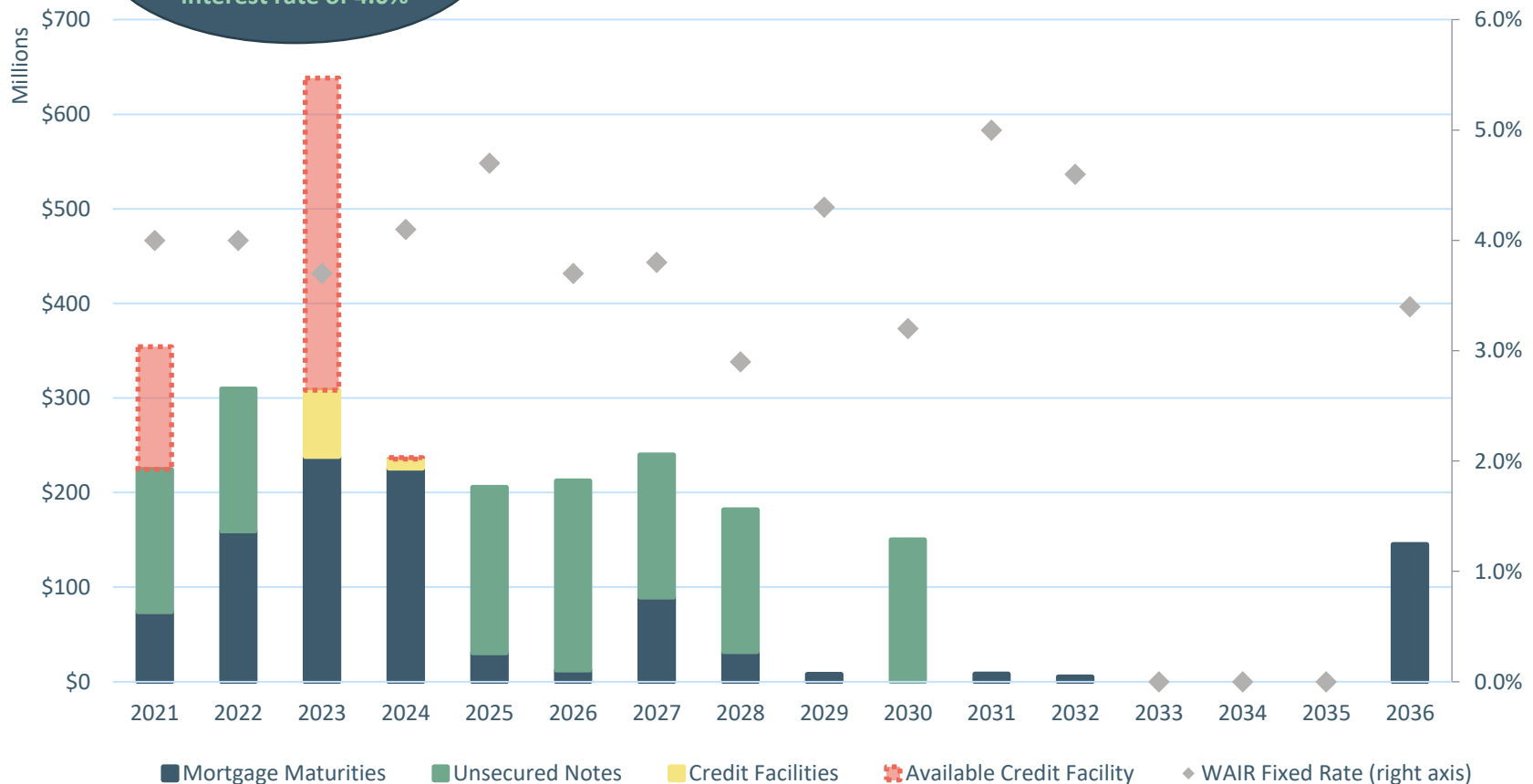


# Well-Laddered Debt Maturity Profile

## Extending Weighted Average Term to Maturity

Increasing allocation to unsecured debt, allowing for additional future financing flexibility

~\$225M of maturing debt in 2021 with weighted average interest rate of 4.0%





# Closing Remarks

Don Clow

President & CEO







Davie Street  
Vancouver, British Columbia

# Proven Stability and Sustainable Growth

