

Quarterly Bulletin

Q1 2020

December 31, 2019

227 King Street South, Waterloo, Ontario

Asset Type: Office

Tenant: Sun Life

Gross Buildable Area: 647,713 sq ft

Built: 1912

The CREC Commercial Fund LP (the "Fund") was formed on October 1, 2016. The Fund's objective is to maximize long-term value for investors by investing in and managing industrial, office and commercial real estate in Canada. Creation of the Fund was sponsored by Concert Real Estate Corporation ("Concert") which retains a majority interest in the units of the Fund. The Fund is managed by Concert Realty Services Ltd., a wholly owned subsidiary of Concert.

With high portfolio occupancy at 97.0% and strong income and capital growth, the Fund was pleased to have a great start to its 2020 fiscal year. This quarter marks the beginning of the next three-year investment period; during this time, the Fund will be evaluating potential acquisition opportunities of quality assets to further diversify geographically within Canada and deploy the \$250 million of capital commitments raised at the end of last year. In addition, the Fund will continue to invest in its existing properties to improve the tenant experience and maximize performance.

Key Statistics

Inception Date October 2016	Debt Leverage Ratio 35.1%
Reporting Date December 31, 2019	Number of Assets 70
Gross Asset Value \$1,832,028,451	Total Square Feet (Ownership) 9,514,563
Portfolio Occupancy 97.0%	

Financing Update

The Fund recently completed the financing of its one million square foot distribution centre in Ottawa, Ontario. Purchased by the Fund at the end of fiscal 2019, this property is newly constructed and leased to Amazon. The Fund was delighted to secure long-term financing on this best-in-class asset and take advantage of the low interest rate environment.

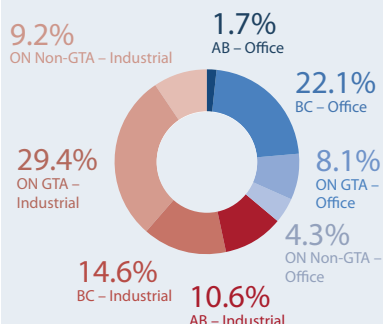


Featured Property

Knightsbridge Business Park is a multi-tenant complex in North Richmond, B.C. featuring five industrial buildings (215,169 sq ft) and two office buildings (38,508 sq ft) that cater to a diverse mix of office and small-bay industrial users of various sizes. The Fund believes in the strategic location with nearby access to Highway 91 and 99, and currently owns four properties (totaling 27.1 acres) as part of an assembly strategy.



Portfolio Composition



Sustainability Update

The Fund, in conjunction with Concert, is pleased to present a sustainability framework that lays out a plan for the next 30 years to make it a leader in all three aspects of sustainability – economic, environmental and social. This includes a plan for reducing green-house gas emissions in its existing buildings to achieve an 80% reduction by 2050. As part of the roll out of this framework, a key priority for the Fund for fiscal 2020 is to execute targeted initiatives on certain assets that management believes will enhance the long-term value of the portfolio over time. Please refer to the following link for further details: <https://www.concertproperties.com/about/sustainability>.

For further information on the Fund, its properties and activities, please contact:

Brian McCauley, President & CEO
BMcCauley@ConcertProperties.com

John McLaughlin, CFO
JMcLaughlin@ConcertProperties.com

Andrew Tong, Managing Director
ATong@ConcertProperties.com

CONCERT[®]
CREC COMMERCIAL FUND LP