

# Quarterly Bulletin

## Q3 2020



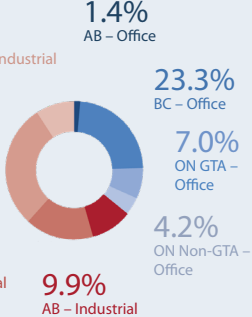
### June 30, 2020

**Dixie-Eglinton Centre, 1790, 1820 & 1830 Matheson Blvd., Mississauga, ON**

Asset Type: Office  
Gross Leasable Area: 134,688 sq ft  
Occupancy: 100%  
Built: 2007

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.

Despite negative stresses of the COVID-19 pandemic on the broader economy, the Fund is pleased to report strong performance in the most recently completed quarter marked by occupancy levels inching slightly higher to 97.7%, positive rent collection and growth in rental revenue. The Fund remains well positioned relative to its peers due to a strong balance sheet and high allocation to industrial assets, and it is well capitalized to execute on potential opportunities that arise.

<h3>Key Statistics</h3> <p><b>Inception Date</b> October 2016</p> <p><b>Debt Leverage Ratio</b> 33.5%</p> <p><b>Reporting Date</b> June 30, 2020</p> <p><b>Number of Assets</b> 70</p> <p><b>Gross Asset Value</b> \$1,878,007,250</p> <p><b>Total Square Feet (Ownership)</b> 9,514,145</p> <p><b>Portfolio Occupancy</b> 97.7%</p>	<h3>Tenant Update</h3> <p>The Fund is pleased to house national tenants like FedEx Freight Canada Corp., which fully occupies 285250 Wrangler Crescent, a distribution centre located just outside Calgary. With COVID-19 further accelerating the critical role of e-commerce and supply chain logistics, the Fund's high allocation to industrial properties in key Canadian markets continues to provide stability and growth.</p> 	<h3>Featured Property</h3> <p>1190 Hornby Street, Vancouver is a 12 storey, 100% leased downtown office building with 110,925 square feet of leasable area, featuring a diverse mix of local, national and government tenants. Concert, which houses its national headquarters at the property, is pleased to announce the recent completion of a major multi-floor renovation, implementing an efficient and modern open floorplan concept and incorporating LEED and Fitwel design elements.</p> 
<h3>Portfolio Composition</h3>  <p>9.0% ON Non-GTA - Industrial</p> <p>1.4% AB - Office</p> <p>23.3% BC - Office</p> <p>7.0% ON GTA - Office</p> <p>4.2% ON Non-GTA - Office</p> <p>16.1% BC - Industrial</p> <p>9.9% AB - Industrial</p>	<h3>Concert Update</h3> <p>Concert is committed to helping its tenants through the financial hardships posed by the COVID-19 pandemic. In mid-April, the Federal Government announced the Canada Emergency Commercial Rent Assistance (CECRA) program, targeting tenants severely impacted by COVID-19. The program provides a 75% rent reduction for the months of April to August, with the reduction cost shared by the landlord and the government. Concert leveraged its close relationships with the program administrators, CMHC, MCAP and First Canadian Title, to rapidly assess and familiarize itself with the program and make it available to any of the Fund's 450 potentially eligible tenants who met the required 70% revenue reduction threshold. To date this program has benefitted numerous tenants across our portfolio, and our staff continue to work closely with our tenants to navigate this period of change.</p>	

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

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CREC COMMERCIAL FUND LP