

# Summit II REIT

Summit Industrial Income REIT

## Investor Fact Sheet

February, 2015

### Profile:

**Summit Industrial Income Real Estate Investment Trust** is an unincorporated open-end trust focused on growing and managing a portfolio of light industrial properties across Canada. Currently the REIT owns 44 properties well-located in five Canadian provinces aggregating approximately 4.4 million square feet of gross leaseable area. The REIT is managed by Sigma Asset Management Limited, composed of an experienced and proven team of real estate professionals responsible for a ten-year 20% compound annual return generated for investors with the former Summit REIT.

### Quick Facts

Stock Exchange:	TSX (SMU.UN)
Units Outstanding:	28.6 million
Manager/Principals Interest	13.0%
Investor Contact:	Mr. Paul Dykeman Chief Executive Officer (902) 405-8813 pmdykeman@sigmarea.com

### Why Invest in Summit II REIT?

- Solid industry fundamentals provide stable secure and growing cash flows
  - Highly fragmented asset class provides consolidation opportunity
- Strong portfolio growth
  - Targeting high growth Greater Toronto Area market
- Attractive current cash yield
  - Annual \$0.504 per Unit distribution
- Experienced, proven management team
  - Fully aligned with 13.0% principals' interest



### Recent Events:

- ✓ Recent acquisitions expand presence in vibrant GTA market
- ✓ Attractive and accretive acquisition financing
- ✓ Successful leasing of majority of head lease space
- ✓ New joint venture partnerships to drive additional growth
- ✓ First cash distribution increase in June 2014, a 3% annualized increase



### SUMMARY OF QUARTERLY RESULTS:

Quarter ended (\$,000 except per Unit amounts)	Dec 31, 2014	Sept 30, 2014	June 30, 2014	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013	June 30, 2013
Revenue from Income properties	7,532	6,987	7,153	7,068	7,570	6,139	5,655
Property Operating Expenses	2,073	1,736	2,017	1,700	2,240	1,505	1,236
Net Operating Income (NOI)	5,459	5,251	5,136	5,368	5,330	4,634	4,419
Funds from Operations (FFO)	3,250	3,326	2,871	3,089	2,946	2,878	2,654
FFO per Unit	\$0.14	\$0.14	\$0.15	\$0.17	\$0.16	\$0.16	\$0.15
Adjusted Funds from Operations (AFFO)	3,004	2,791	2,420	2,816	2,677	2,596	2,441
AFFO per Unit	\$0.13	\$0.12	\$0.12	\$0.16	\$0.15	\$0.14	\$0.14
Weighted Average Units Outstanding	23,368	23,308	19,698	18,201	18,126	18,083	18,029
FFO Payout Ratio (%)	90.6%	91.1%	85.2%	72.3%	75.3%	77.2%	81.3%
AFFO Payout Ratio (%)	98.0%	105.2%	100.6%	79.1%	82.9%	85.3%	88.2%
Total Debt to Gross Book Value (%)	55.2%	51.7%	51.3%	60.8%	60.9%	60.3%	53.9%
Debt Service Coverage (times)	1.69	1.83	1.67	1.73	1.69	1.97	2.04
Interest Coverage (times)	2.72	2.80	2.46	2.54	2.47	2.87	2.90