

Earnings Metrics

	(CAD \$)
	<i>Twelve months ended Dec 31, 2017</i>
Adjusted Funds From Operations (AFFO)⁽¹⁾	
Net Income	\$ 18,065,244
Add: Distributions to holders of redeemable units	5,496,279
Less: Fair Value Gains	\$ (13,308,070)
Add: Deferred and Current Income Tax	\$ (2,264,577)
Add: Amortization and write off of deferred financing costs	\$ 400,696
Add: Loss on disposal of investment properties	\$ 457,964
Less: Gain from insurance claim coverage	\$ (326,850)
Less: Fort Lawton Net Income	\$ (2,680,048)
AFFO	\$ 5,840,638

Debt & Financial Leverage Ratios

	<i>At Dec 31, 2017</i>
Debt to Enterprise Value	
Mortgages payable - non-current portion	\$ 147,096,937
Mortgages payable – current portion	\$ 909,854
Less: Cash	\$ (9,560,288)
Net Debt:	\$ 138,446,503
Trust's Net Asset Value	\$ 130,251,367
Plus: Non-controlling interest	\$ 8,806,337
Plus: Net Debt	\$ 138,446,503
Enterprise Value	\$ 277,504,207
Net Debt to Enterprise Value	49.89%
	<i>Twelve months ended Dec 31, 2017</i>
Interest coverage ratio	
AFFO	\$ 5,840,638
Plus: Interest Expense	\$ 5,373,756
Total:	\$ 11,214,394
Interest Expense	\$ 5,373,756
Interest Coverage Ratio	2.09 x
	<i>At Dec 31, 2017</i>
Liquidity Ratio	
Cash	\$ 9,560,288
Add: Available Lines of Credit	\$ 11,290,500
Less: Required Loan Reserve	\$ (3,293,063)
Available Liquidity:	\$ 17,557,725
Total Net Asset Value for Trust and Non-Controlling Interest	\$ 139,057,704
Liquidity Ratio	12.63%

Distribution Capacity and Valuation Ratios

	<i>Twelve months ended Dec 31, 2017</i>
Distribution Coverage Ratio (DCR)	
AFFO	\$ 5,840,638
Distributions	\$ 5,959,694
Distribution Coverage Ratio	0.98 x

(1) Adjusted funds from operations ("AFFO") is a non-IFRS measure and should not be construed as an alternative to net earnings or cash flows, as applicable, determined in accordance with IFRS. However, AFFO is an operating performance measure which is widely used by the real estate industry. RISE Properties Trust's method of calculating AFFO may differ from other companies and accordingly may not be comparable to similar measures presented by other companies.

The use of AFFO, combined with the required IFRS presentations, has been presented for the purpose of improving the understanding of operating results in the real estate industry and in making comparisons of the companies operating results more meaningful for investors. When compared period over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and realty taxes; acquisition activities; and interest costs, and provides a perspective of financial performance that is not immediately apparent from net earnings determined in accordance with IFRS.

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