



SLATE

Retail
REIT



Investor Update
Q3 2017

WHO WE ARE

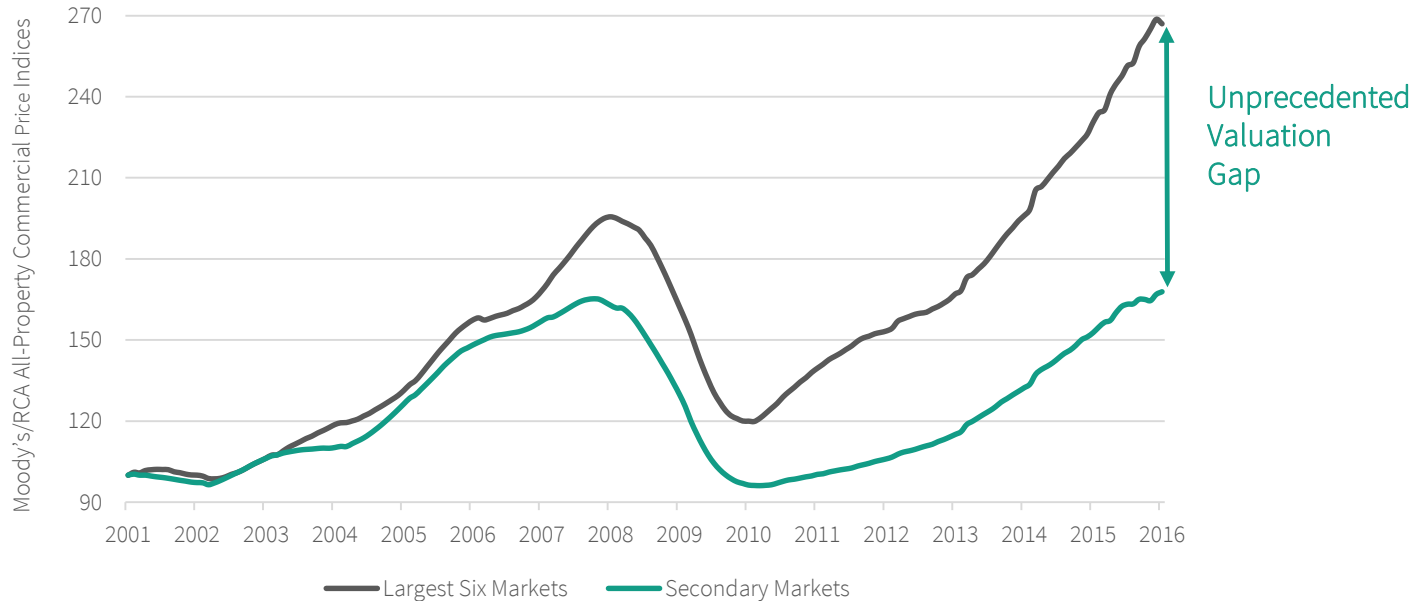
(All amounts in this presentation are in U.S. dollars unless otherwise stated)

- **Pure Play:** 100% grocery-anchored asset base located in the United States
 - 84 properties located across 21 states totaling 10.9 million square feet¹
- **Focused Strategy:** Build scale in large markets with market-leading grocers
 - Focus on over-looked secondary markets in Metropolitan Statistical Areas (“MSAs”) with population of 1 million or more
- **Embedded Growth:** Below-market rents, limited new grocery store supply and anchor redevelopment opportunities
- **Operators:** Apply hands-on real estate expertise through a proactive approach to unlock value in under-managed real estate

¹As of September 30, 2017

OPPORTUNITY FOR GROWTH

Target overlooked markets for mispriced assets



Source: Moody's/RCA

ABILITY TO BUILD SCALE IN THE U.S.

There are ~15x more grocery stores in the U.S. than in Canada and the largest U.S. landlord only controls ~1% of the inventory, resulting in a fractured investment landscape in which to build scale. (1 shopping cart represents ~500 grocery stores)

United States | ~38,000 Grocery Stores



Canada | ~2,700 Grocery Stores



^ Largest landlord controls ~20% of total inventory

Source: U.S. Census Bureau , Progressive Grocer

FOCUS ON GROCERY RETAIL

Our strategy offers several attractive long-term characteristics

- The grocery business is non-cyclical and less susceptible to economic fluctuation
 - Average shopper visits grocery store 2-3x per week driving strong foot traffic creating a natural draw for other tenants to the center
- Grocery retailing is least threatened by the increasing popularity of e-commerce
- Grocery stores are strategically located close to houses in dense neighborhoods making it difficult to replace their efficacy online.

99%

Grocery purchases in the U.S. made in store

\$700 bln











U.S. grocery sales annually—the largest consumer segment by 70%

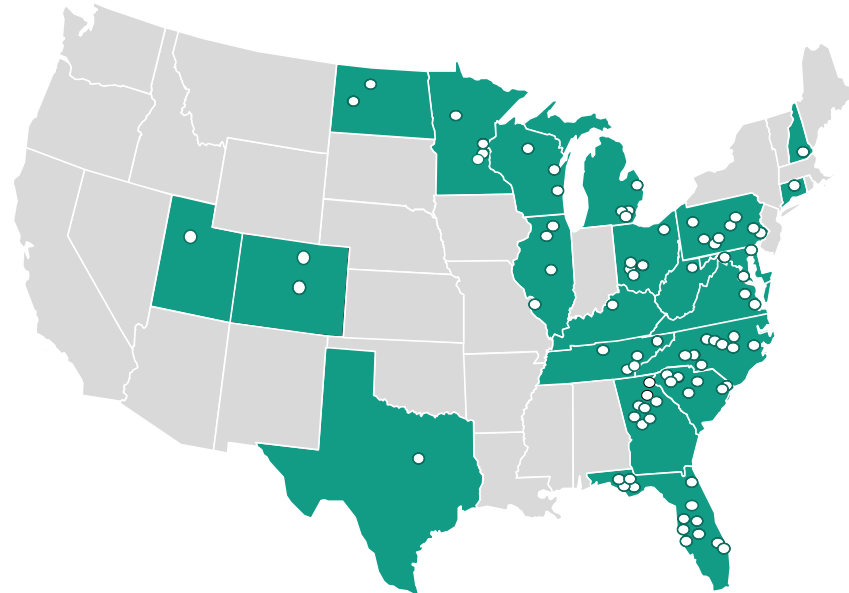
Sources: Kantar Group, U.S Commerce Dept, Progressive Grover

EXPOSURE TO LARGE U.S. MARKETS

Our portfolio is well diversified by geography and grocer with 84 properties across 21 states and presence in 23 major metropolitan areas¹

Top 10 Grocery Tenants

Tenant	% of Base Rent	% of GLA	Credit Rating
 Sams Walmart	8.1%	12.0%	Aa2 / AA
 Kroger	6.1%	9.3%	Baa1 / BBB
 Winn-Dixie	4.3%	4.2%	-
 Stop&Shop	4.1%	2.8%	Baa2 / BBB
 Publix	4.0%	4.6%	A2
 Shop n Save / Farm Fresh	3.2%	3.2%	B1 / B
 CASH WISE	1.8%	1.1%	-
 Jewel-Osco / SAFEWAY	1.7%	2.3%	B3
 Lowe's	1.6%	1.3 %	-
 DOLLAR TREE	1.0%	1.0%	-



¹As of September 30, 2017

E-COMMERCE RESISTANT TENANTS

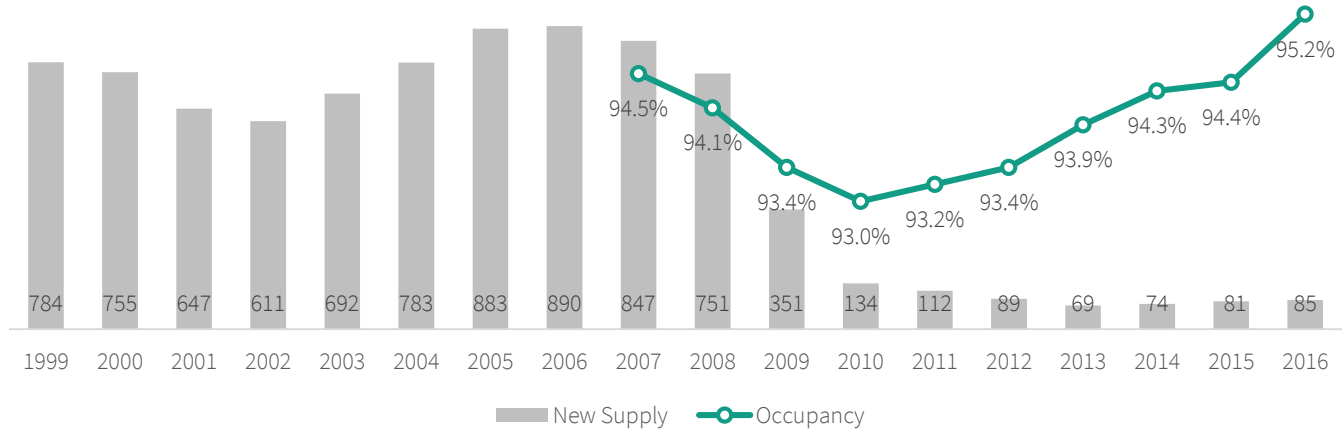
Grocery-anchored retail is a defensive and well positioned asset class offering **protection from e-commerce** impacting other retail real estate

Category	# of Stores	% of Rent	
Supermarkets	73	34%	
Medical & Personal Services	395	14%	
Restaurants	269	13%	
National & Discount Retailers	74	13%	
Financial Institutions	107	4%	
Fitness Facilities	26	3%	
Liquor Stores	26	2%	
Pharmacies	10	1%	
Other Tenants	278	16%	

WELL-POSITIONED IN THE CYCLE

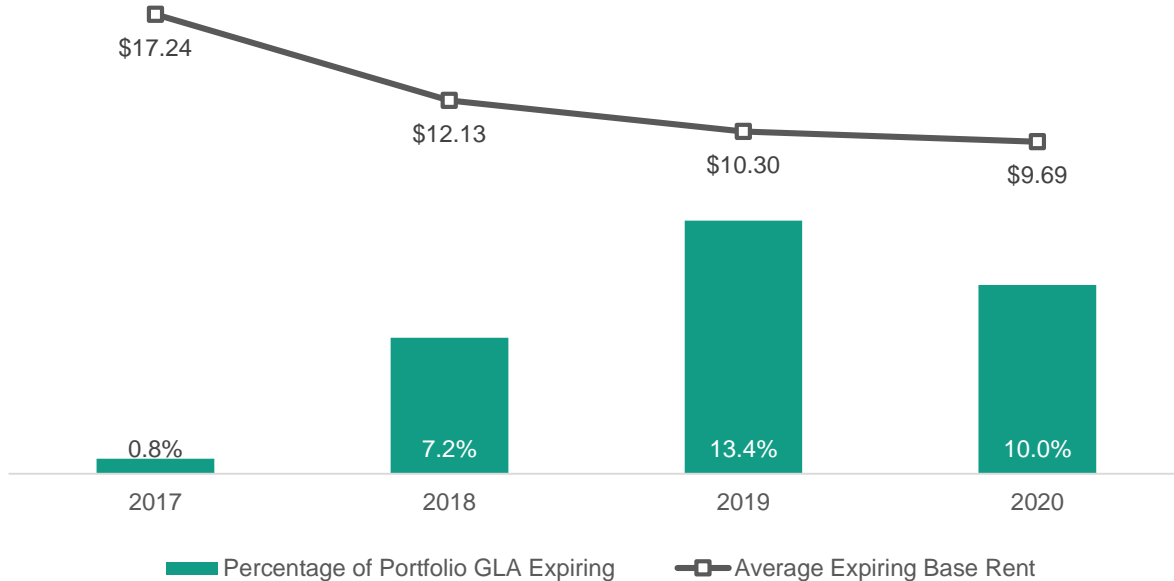
High occupancy and historically low new supply creates upward pressure on rents

■ Net Completions of U.S. Community and Neighbourhood Shopping Centres 1999-2016
● Grocery-Anchored Supermarkets and Shopping Centres Occupancy 2007-2016



EMBEDDED LEASING UPSIDE

Significant runway remains to reset expiring rents upward in-line with market rents



Average lease renewals <10,000 square feet in Q3 2017: \$18.83

VALUE ADD OPPORTUNITIES

- Food City ~\$5M Remodeling in St. Elmo Central, Tennessee
 - Food City acquired BI-LO lease to grow platform
 - Food City completed overhaul of the interior and exterior and the addition of a gas station
 - Slate invested ~\$700,000 in capital improvements including parking lot overlay, LED lighting, new roof, significant landscape work and exterior painting of the shopping center
 - Extended the term for an additional 6 years (until 2026) at a new rental structure (for the entire 10 year term) from \$8.36 psf to \$8.56 psf on the 44,977 square feet
 - Weighted average rent for the expiring 7,700 square feet is \$9.95 psf compared to \$19.70 psf for new deals, a 98% increase

Before



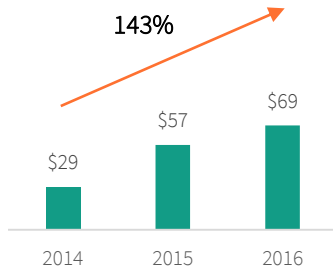
After



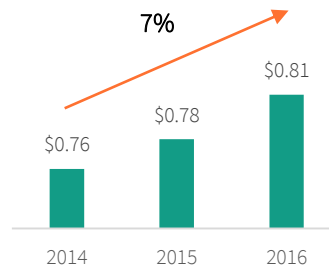
TRACK RECORD

Growing size and unitholder value

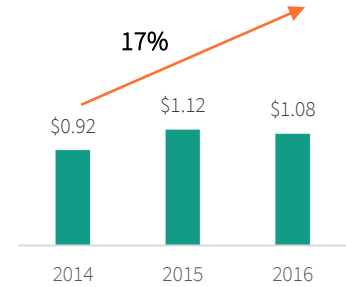
Net Operating Income (\$ millions)



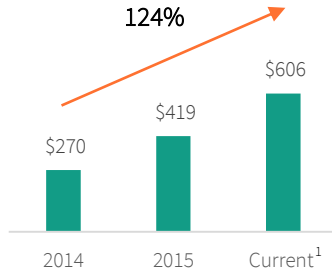
Distributions per unit (\$)



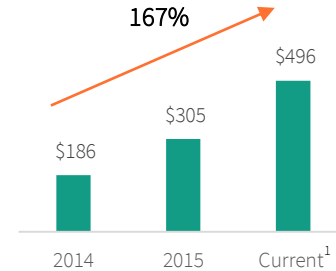
AFFO per unit (\$)



Net Asset Value (\$millions)



Market Capitalization (\$millions)



¹ As of September 30, 2017

U.S. STRIP CENTRE REIT COMPS

REIT/REOC	Average Base Rent (per square foot)	Occupancy	Median Household Income	Population
American Assets Trust	\$27.33	97%	89,214	97,105
Acadia Realty Trust	\$26.68	96%	87,524	379,184
Brixmor	\$13.50	93%	65,476	86,272
DDR	\$15.25	92%	77,136	133,093
Federal Realty Trust	\$26.44	94%	102,307	125,838
Kimco	\$15.11	95%	79,253	130,941
Regency Centres	\$20.43	95%	86,417	141,998
Retail Opportunity Investments Corp.	\$19.74	97%	82,751	110,352
Retail Properties of America	\$17.33	95%	72,248	218,263
Urban Edge Properties	\$17.14	96%	82,262	171,835
Weingarten Realty Investors	\$18.03	94%	73,938	113,480
U.S. Strip Centre REIT W/A	\$17.04	95%	79,861	138,075
Slate Retail REIT	\$10.55	93%	\$61,861	112,380

Source: Green Street Advisors



REIT/REOC TRADING COMPS

	Price 29-Sep-17	Change Since Listing	Market Cap	TEV	Premium/(Disc) To NAV	Yield	2018E FFO		2018E AFFO		Debt/ TEV	Debt/ GBV	Implied Cap Rate	TEV/ Owned %	
							Multiple	Payout Ratio	Multiple	Payout Ratio					
Canadian Retail Comparables - C\$			<i>(\$ millions)</i>												
RioCan REIT	\$23.93	(13.0%)	\$7,829	\$13,686	(10.4%)	5.9%	13.3 x	78.2%	14.9 x	87.8%	43.1%	41.5%	5.9%	\$302	
Choice Properties	\$13.29	24.4%	\$5,467	\$9,753	0.2%	5.6%	12.3 x	68.2%	14.9 x	82.9%	44.0%	45.8%	6.0%	\$223	
First Capital Realty	\$19.68	10.3%	\$4,800	\$9,008	(10.7%)	4.4%	16.4 x	71.7%	17.9 x	78.3%	46.8%	43.6%	5.5%	\$357	
SmartCentres REIT	\$29.44	9.6%	\$4,676	\$8,912	(9.6%)	5.8%	12.8 x	73.9%	13.7 x	79.1%	47.8%	45.6%	6.1%	\$261	
CT REIT	\$13.89	20.3%	\$2,964	\$5,316	(1.8%)	5.0%	12.0 x	60.2%	14.4 x	72.6%	44.9%	45.7%	6.0%	\$212	
Crombie REIT	\$13.63	1.6%	\$2,039	\$4,474	(11.0%)	6.5%	11.2 x	72.0%	13.5 x	88.2%	54.4%	49.8%	6.4%	\$233	
Plaza Retail REIT	\$4.38	7.9%	\$449	\$996	(8.6%)	6.2%	12.1 x	74.4%	13.1 x	81.0%	55.7%	53.2%	7.2%	\$185	
Average		8.7%			(7.4%)	5.6%	12.9 x	71.2%	14.6 x	81.4%	48.1%	46.4%	6.2%	\$253	
U.S. Retail Comparables - US\$															
Regency Centers	\$62.04	18.4%	\$10,553	\$14,381	(11.7%)	3.4%	16.2 x	55.5%	19.4 x	66.3%	24.4%	68.4%	5.9%	\$325	
Kimco	\$19.55	(13.2%)	\$8,321	\$14,253	(18.6%)	5.5%	12.2 x	67.5%	15.1 x	83.4%	37.8%	44.1%	7.0%	\$210	
Brixmor Property Group	\$18.80	(11.5%)	\$5,733	\$11,425	(27.2%)	5.5%	8.8 x	48.5%	11.1 x	61.5%	50.9%	51.8%	7.9%	\$134	
Weingarten Realty Investors	\$31.74	2.9%	\$4,076	\$6,573	(16.4%)	4.9%	12.8 x	62.0%	15.5 x	75.3%	34.9%	47.4%	6.7%	\$236	
DDR	\$9.16	(46.0%)	\$3,369	\$7,801	(30.1%)	8.3%	8.8 x	73.0%	10.6 x	87.7%	58.5%	40.0%	8.2%	\$107	
Acadia Realty Trust	\$28.62	6.8%	\$2,394	\$4,698	(17.0%)	3.6%	18.3 x	66.5%	22.1 x	80.3%	34.4%	54.2%	5.2%	\$521	
Cedar Realty Trust	\$5.62	(7.3%)	\$513	\$1,328	(18.4%)	3.6%	10.1 x	36.1%	13.1 x	46.5%	46.7%	40.0%	7.8%	\$147	
Average		(7.1%)			(19.9%)	5.0%	12.5 x	58.4%	15.3 x	71.6%	41.1%	49.4%	7.0%	\$240	
Slate Retail REIT C\$	\$13.41	(9.6%)	\$621	\$1,728	(12.0%)	7.6%	8.0 x	60.2%	10.1 x	75.9%	63.7%	58.9%	7.4%	\$189	
Slate Retail REIT US\$	\$10.70	(20.5%)	\$495	\$1,381	(12.2%)	7.6%	8.0 x	60.2%	10.0 x	75.9%	63.7%	58.9%	7.4%	\$151	

Source: CIBC, SNL Financial, FactSet, company reports

ALIGNED MANAGER

Low-cost external management contract rewards clear focus and ability to execute

- Annual asset management fee equal to 40 bps of Gross Book Value
- Performance fee totaling 15% of FFO per unit above \$1.30 (plus inflation mechanism)
- Acquisition fee equal to 75 bps of gross acquisition cost, capitalized upon closing
- No leasing, property management, construction, re-financing or disposition fees
- Slate Asset Management L.P. and insiders own ~6.7% of Slate Retail REIT

EQUITY ANALYST COVERAGE

The REIT has seen a significant increase in equity research coverage over the last two years. There are currently 6 analysts who cover the REIT

Company	Analyst	Email
BMO	Troy MacLean	troy.macleam@research.bmo.com
CIBC	Dean Wilkinson	dean.wilkinson@cibc.com
GMP Securities	Jimmy Shan	jshan@gmpsecurities.com
National Bank Financial	Dawoon Chung	dawoon.chung@nbc.ca
Raymond James	Johann Rodrigues	johann.rodrigues@raymondjames.ca
RBC Capital Markets	Michael Smith	michael.smith-tor@rnccm.com

CAUTIONARY STATEMENTS

Forward-Looking Statements

This presentation contains forward-looking information within the meaning of applicable securities laws. These statements include, but are not limited to, statements concerning the REIT's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Readers should not place undue reliance on any such forward-looking statements. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained herein. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, the continued availability of mortgage financing and current interest rates; the extent of competition for properties; assumptions about the markets in which the REIT and its subsidiaries operate; the global and North American economic environment; and changes in governmental regulations or tax laws. Although the forward-looking information contained in this presentation is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this presentation may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this presentation. Except as required by applicable law, the REIT undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-IFRS Measures

This presentation contains financial measures that do not have a standardized meaning under International Financial Reporting Standards ("IFRS") as prescribed by the International Accounting Standards Board. Slate Retail uses the following non-IFRS financial measures: Funds from Operations ("FFO"), Adjusted Funds from Operations ("AFFO"), Net Operating Income ("NOI"), and Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"). Management believes that in addition to conventional measures prepared in accordance with IFRS, investors in the real estate industry use these non-IFRS financial measures to evaluate the REIT's performance and financial condition. Accordingly, these non-IFRS financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS. In addition, they do not have standardized meanings and may not be comparable to measures used by other issuers in the real estate industry or other industries.

Use of Estimates

The preparation of the REIT financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management's estimates are based on historical experience and other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates under different assumptions.



Slate Asset Management L.P.
121 King St W, Suite 200
Toronto, ON M5H 3T9

slateam.com

Investor Relations

Slate Retail REIT

+1 416 644 4264

ir@slateam.com