

# INOVALIS

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REAL ESTATE INVESTMENT TRUST

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## **Inovalis REIT Provides Rent Collection and Portfolio Update Related to COVID-19**

**Toronto, Ontario October 13, 2020 – Inovalis Real Estate Investment Trust (“Inovalis” or the “REIT”) (TSX: INO.UN)** today provided an update on the rent collection.

The REIT announced today that rent collections for the month of September and for the quarter ended September 30, 2020 are on normal terms which reflects the creditworthiness of the REIT’s tenants and the enduring value offered by the REIT’s assets.

Khalil Hankach, CFO and CIO of the REIT commented: *“The quality of the REIT’s tenants and continued demand for office space in our REIT property locations have positioned the REIT to perform well despite the challenges presented by the global pandemic conditions in 2020. As a result, the REIT has been able to maintain its cashflow during otherwise uncertain times.”* Mr. Hankach noted that *“Our team’s strength has been its focus on tenant relationships, operational efficiency and organic growth”*.

To date, nearly 100% of Q3 rent on the German portfolio, and approximately 90% of rent on French portfolio have been collected. 94% of Q3 rent for French properties is expected to be collected by end of October with 97% of rent due to the end of Q3 expected to be collected by early 2021.

The REIT’s occupancy rate over the total portfolio increased from 89.9% in Q2 to 90.1% in Q3 due to new leasing activity at the Metropolitan, Pantin and the Arrow properties. These new leases partially offset the change in the total portfolio weighted average lease term which decreased from 4.1 years in Q2 to 3.9 years in Q3.

### **ABOUT INOVALIS REAL ESTATE INVESTMENT TRUST**

Inovalis Real Estate Investment Trust is an unincorporated, open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. The REIT has been created for the purpose of acquiring and owning office properties primarily located in France and Germany but also opportunistically in other European countries where assets meet the REIT’s investment criteria. The REIT currently owns interests in office properties in both France and Germany.

### **Forward-Looking information**

This news release contains forward-looking information within the meaning of applicable securities legislation. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", or "continue", or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the REIT's control that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, global and local economic and business conditions; ability to refinance maturing debt; leasing risks, including those associated with the ability to lease vacant space; and interest and currency rate functions. The REIT's objectives and forward-looking statements are based on certain assumptions, including that the Canadian and European economies remain stable, interest rates remain stable, conditions within the real estate market remain consistent, competition for acquisitions remains consistent with the current climate and that

the capital markets continue to provide ready access to equity and/or debt. In particular, there is uncertainty about the spread of the COVID-19 virus and the impact it will have on the REIT's operations, the demand for the REIT's properties and global supply chains and economic activity in general. All forward-looking information in this news release speaks as of the date of this news release. The REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in the REIT's filings with securities regulators, including its latest annual information form and MD&A.

**SOURCE** Inovalis Real Estate Investment Trust

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