

2007 BCSECCOM 340

May 28, 2007

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - National Instrument 51-102 *Continuous Disclosure Obligations*, s. 13.1 – relief from BAR requirements - BAR – An issuer requires relief from the requirement to include certain financial statements in a business acquisition report - The issuer made a significant acquisition of properties owned by a private company; the private company owned the properties for an extended period; the necessary information to prepare the required financial statements is unavailable; the BAR will contain sufficient alternative information about the acquisition

Applicable British Columbia Provisions

NI 51-102, ss. 8.4 and 13.1

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova
Scotia, New Brunswick, and Newfoundland And Labrador
(the “Jurisdictions”)

and

In the Matter of
the Mutual Reliance Review System For Exemptive Relief Applications

and

In the Matter of
BTB Real Estate Investment Trust
(the “Filer”)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the “Legislation”) to grant an exemption from the continuous disclosure obligation to include the financial statements in a business acquisition report (“BAR”) in connection with the Significant Acquisition (as defined below) as required by subsection 8.4(1) of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI51-102”) (the “Requested Relief”).

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Application of Principal Regulator System

Under the Mutual Reliance Review System (“MRRS”) for Exemptive Relief Applications:

- (a) the Autorité des marchés financiers is the principal regulator for the Filer;
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meanings in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the filer:

1. the Filer has been created pursuant to a declaration of trust dated July 12, 2006 as amended and restated on August 1st, 2006;
2. the Filer’s head office is located at 1000 De La Gauchetière Street West, Suite 2900, Montreal, Québec, H3B 4W5;
3. the Filer has been a reporting issuer in all Canadian provinces since September 26, 2006;
4. the Filer’s units have been listed on the TSX Venture Exchange under the symbol BTB since October 3, 2006;
5. the Filer is a Venture Issuer according to NI 51-102;
6. the Filer’s financial year-end is December 31;
7. the Filer filed, on April 30, 2007, its audited consolidated financial statements for the year ended December 31, 2006;
8. the Filer acquired eight real estate properties on February 1st, 2007 for approximately \$ 26,000,000 (the “Significant Acquisition”);
9. this Significant Acquisition consisted of a portfolio of mixed-use office, commercial and light industrial buildings under common control and management (the “Acquired Properties”);

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10. the value of the Acquired Properties on February 1st, 2007 is the same as on December 31, 2006;
11. the Filer shall file a BAR in connection with the Significant Acquisition at the latest on May 31, 2007, pursuant to paragraph 8.2 (2)(b) of NI 51-102;
12. the Filer is required to provide audited financial statements of the Significant Acquisition for a minimum of one year in the BAR;
13. the financial statements of the Acquired Properties have never been audited;
14. the books, records and other justificatory documents pertaining to the Acquired Properties are not available and it is impracticable to provide the financial statements required pursuant to item 8.4 of NI-51-102;
15. the Acquired Properties have been owned by the sellers for more than 15 years;
16. the Acquired Properties have been self-constructed more than 15 years ago and, as such, the sellers do not have information on hand which provides a basis to validate the accounting historical cost;
17. the Filer will provide the purchase price of the Acquired Properties as of December 31, 2006, which purchase price is based on the value of the Acquired Properties as at February 1st, 2007;
18. the Filer is not in default of his continuous disclosure obligations under the Legislation.

Decision

The Decision Makers being satisfied that they have jurisdiction to make this decision and that the relevant test under the Legislation has been met, the Requested Relief is granted provided that the following financial statements are filed in the required BAR :

1. an audited statement of assets purchased and liabilities assumed as at December 31, 2006 and an audited combined statement of income before amortization, interest and taxes (the "Statement of Income") for the properties comprising the Significant Acquisition for the year ended December 31, 2006 including unaudited comparative figures as of December 31, 2005 for the Statement of Income;

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2. unaudited consolidated pro forma financial statements of the Filer giving effect to the Significant Acquisition as at December 31, 2006.

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