



**INDUSTRIAL**  
**WPT | REIT**

**ANNUAL GENERAL MEETING**  
May 10, 2018

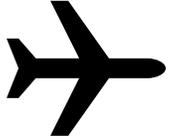


# Forward-Looking Statements

This presentation contains "forward-looking information" as defined under Canadian securities laws which reflect management's expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance, business prospects and opportunities of WPT Industrial Real Estate Investment Trust (the "REIT"). The words "plans", "expects", "scheduled", "estimates", "intends", "anticipates", "projects", "believes", or variations of such words and phrases (including negative variations) or statements to the effect that certain actions, events or results "may", "will", "could", "would", "might", "be achieved", or "continue" and similar expressions identify forward-looking statements. These statements reflect the REIT's current expectations regarding future events and operating performance, the REIT's future growth potential and other prospects and opportunities, results of operations, demographic and industry trends and future legislative and regulatory approaches with respect to matters affecting the REIT and speak only as of the date of this presentation. Forward looking statements are necessarily based on a number of estimates, beliefs and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies which could cause actual results to differ materially from those that are disclosed in such forward-looking statements. While considered reasonable by management of the REIT as of the date of this presentation, any of these estimates, beliefs or assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those estimates, beliefs or assumptions could be incorrect. When relying on forward-looking statements to make decisions, the REIT cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved, if achieved at all. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including but not limited to those factors discussed or referenced under the "Risk Factors" section of the REIT's MD&A and the REIT's annual information form (the "AIF") for the year ended December 31, 2017.

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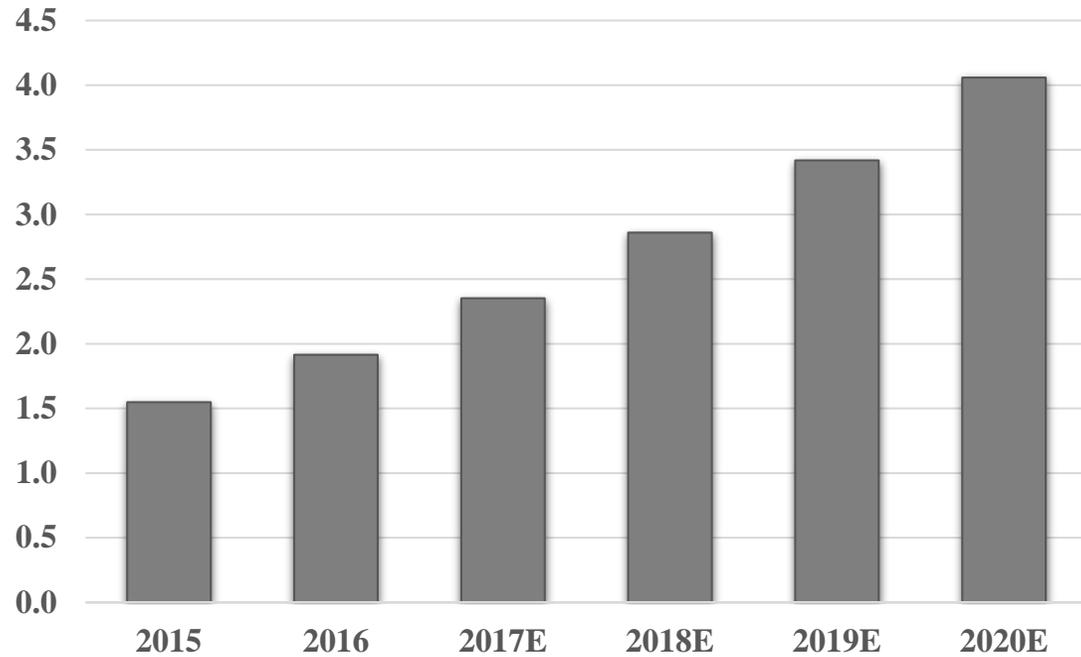
Certain terms included in this presentation such as funds from operations ("FFO"), adjusted funds from operations ("AFFO"), adjusted cash flow from operations ("ACFO") and net operating income ("NOI") are used by management to measure, compare and explain the operating results and financial performance of the REIT and are not recognized terms under IFRS, and therefore should not be construed as alternatives to net income (loss) and comprehensive income (loss) or cash flow from operating activities calculated in accordance with IFRS. Management believes these terms are relevant measures in comparing the REIT's performance to industry data, the REIT's ability to earn and distribute cash returns to holders of the REIT's trust units, and the REIT's ability to meet its ongoing obligations. These terms are defined and reconciled to the most directly comparable measure specified in the REIT's MD&A. Such terms do not have a standardized meaning prescribed by IFRS and may not be comparable to similarly titled measures presented by other issuers.



# INDUSTRIAL MARKET UPDATE

# Demand is Strong

## E-Commerce Sales, Global (\$, Trillions)



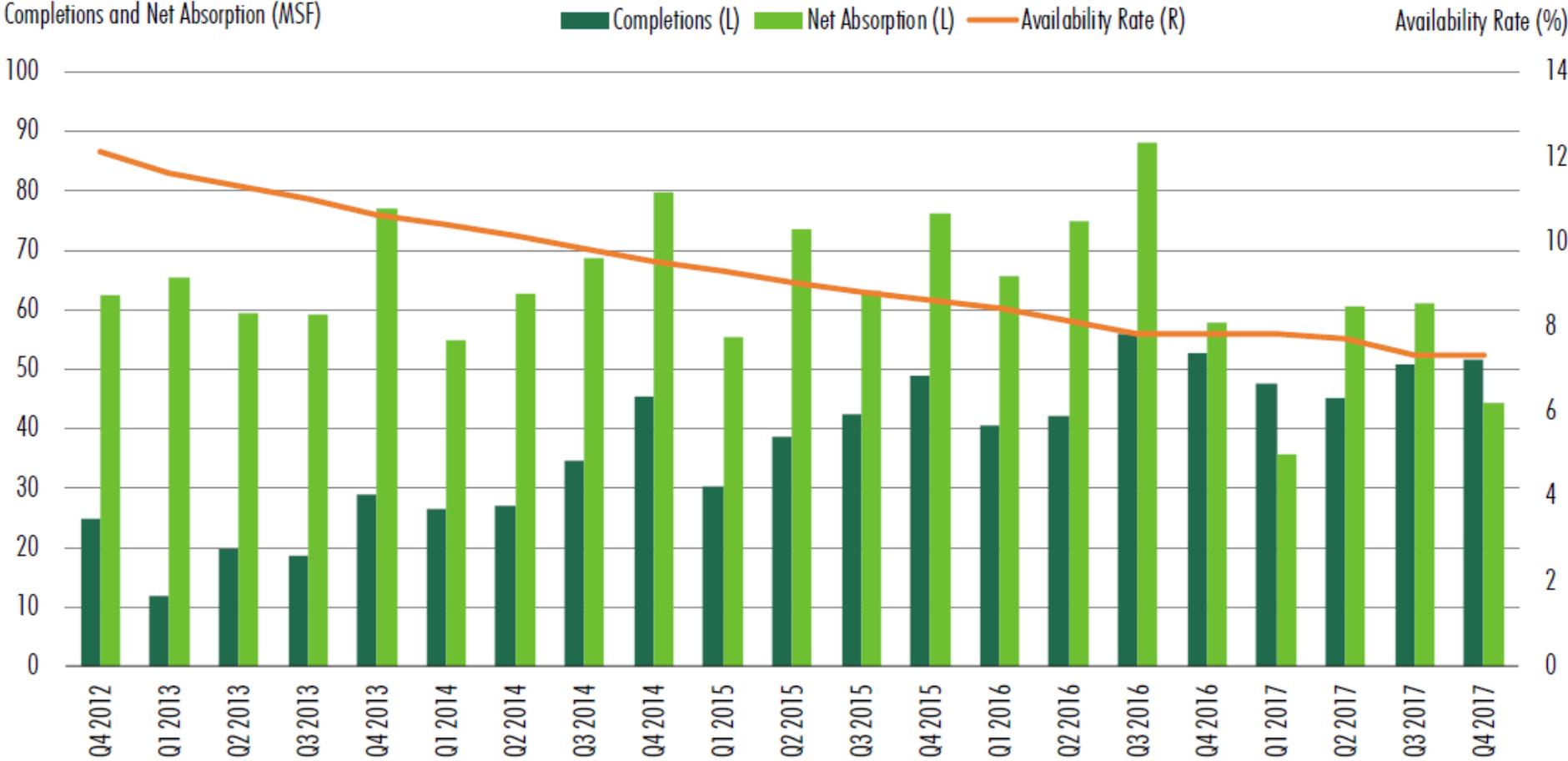
Source: e-Marketer

## Net Absorption/Rent NNN 4-QTR TRAILING AVERAGE



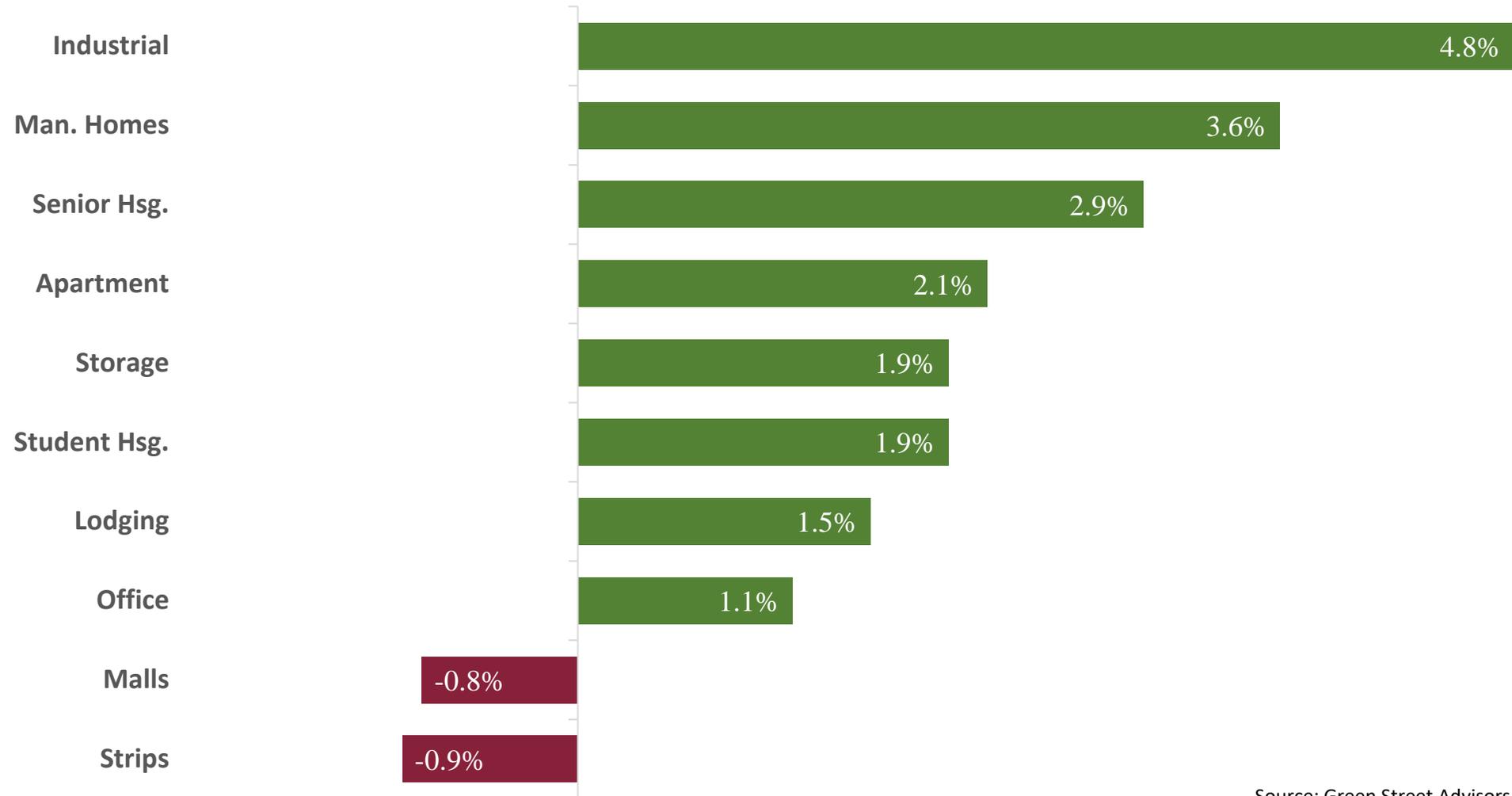
Source: Cushman & Wakefield Research – Q4 2017

# Supply is in Check



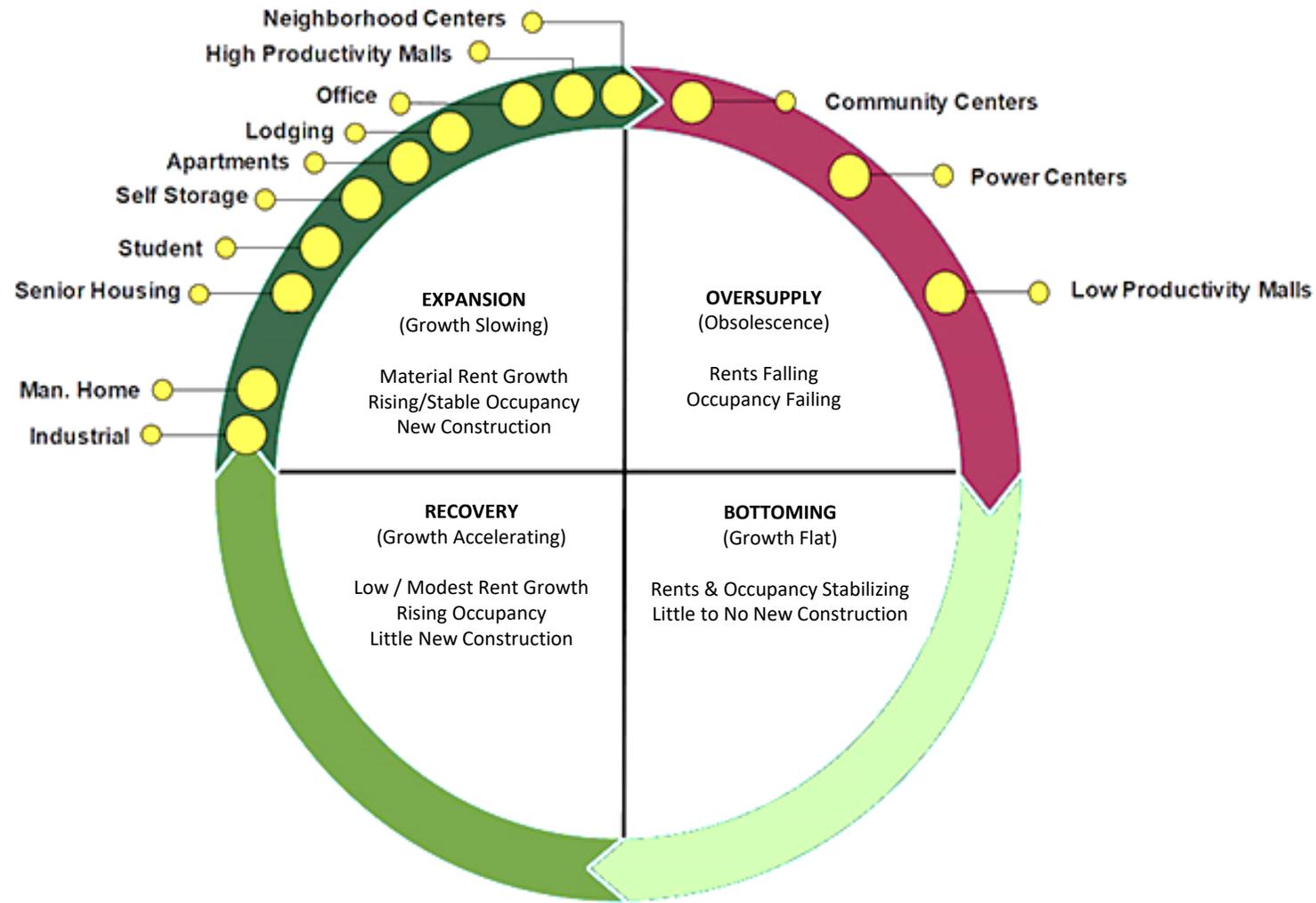
Source: CBRE Q4 2017 US Industrial & Logistics Figures

# Forecasted Revenue Growth (2018 – 2022)

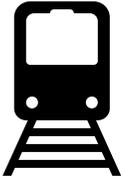
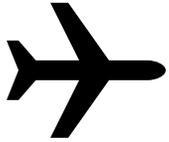


Source: Green Street Advisors Blog: *Commercial Real Estate Outlook: Are Cap Rates Heady Up? April 2018*

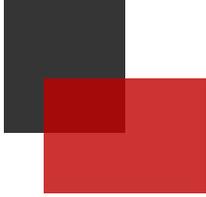
# Where Are We in The Cycle?



Source: Green Street Advisors Blog: *Commercial Real Estate Outlook: Are Cap Rates Heady Up?* April 2018



# LOGISTICS TRENDS



# The Future Flow of Goods

Macro Demand Drivers Creating a Dramatic Transformation



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**E-commerce growth** – disrupting traditional retail market with powerful rising consumer demand for e-commerce deliveries



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**Urbanization** – more people concentrated in large cities looking for speed of delivery of goods and wide variety of products



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**Technology** – pursuit of lower costs and efficient supply chain incorporating predictive analytics, artificial intelligence and robotics

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## The Supply Chain Components



**Transportation** – makes up approximately 50% of the supply chain expenses

50%



**Labor** – warehouse employees, truck drivers and other labor costs make up approximately 25% of the supply chain expenses

25%



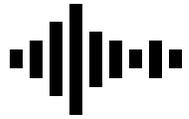
**Inventory carry** – Storage expenses make up approximately 20% of the supply chain cost

20%



**Rent** – Accounts for roughly 5% of the total supply chain expense

5%



**Fourth Industrial Revolution** – combining digital, physical and biological technologies



**On-Demand**– predictive analytics, automated material handling, robotics and pick systems



**Robots** – with vision, item retrieval and direct delivery to humans



**Wearables** – augmented reality glasses to aid route pickers



## Evolution of Trucks



**Electric** – Tesla announced orders from Fedex, UPS, Anheuser Busch and many others

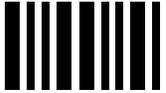


**Autonomous** – Extends delivery radius dramatically by eliminating duty day requirements for drivers





## Drone Technology



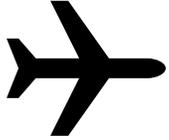
**Inside Facility** – Tracking inventory by scanning RFID tags and barcodes



## Customer Delivery

- Amazon
- FedEx
- DHL
- UPS





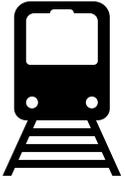
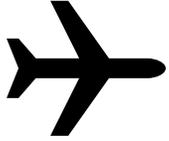
## Forward Looking - What this means for WPT

- Own and build highly-functional and flexible buildings
- Focus on prime locations
- Listen and react to customers
- Embrace evolving technology
- Continue to provide the physical platform for the logistics and e-commerce revolution

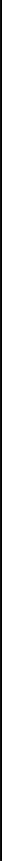
## State-of-the-Art Buildings Increased Focus on Functionality

- 32' – 40' Clear Heights
- Fully Air Conditioned Warehouse
- Expanded Auto Parking
- Dedicated On-site Trailer Storage
- Office-Style Tenant Amenities
- 60' Speed Bays
- Loop Road & Guard Shack
- LED Lighting
- ESFR Fire Sprinkler System





QUESTIONS?



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