



Crombie

Final Transcript

Crombie Real Estate Investment Trust

Third Quarter 2022 Earnings Call

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Forward-Looking Information

This transcript contains forward-looking statements about expected future events and the financial and operating performance of Crombie. These statements include, but are not limited to, statements concerning management's beliefs, plans, estimates, intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical fact. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "estimate", "anticipate", "believe", "expect", "intend" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking information in this transcript includes statements regarding:

- (I) The disposition of properties, including properties under contract, and the anticipated reinvestment of net proceeds, which could be impacted by the availability of purchasers, the availability of accretive property acquisitions, requirements and timing for Empire investments, the timing of property development activities or other uses for net proceeds and real estate market conditions;
- (II) Our development pipeline and diversification to mixed-use residential developments, including statements regarding the locations identified, timing, cost, development size and nature, anticipated yield on cost, and impact on net asset value and net asset value per unit, cash flow growth, unitholder value or other financial measures, all of which may be impacted by real estate market cycles, the availability of financing opportunities and labour, actual development costs, continuance of current market and capitalization rate conditions and general economic conditions and factors described under the "property development/redevelopment" section of our most recent management's discussion and analysis, and which assumes obtaining required municipal zoning and development approvals and successful agreements with existing tenants, and where applicable, successful execution of development activities undertaken by related parties not under the direct control of Crombie;
- (III) Set growth and reinvesting to develop or otherwise make improvements to existing properties, which could be impacted by the availability of labour, capital resource availability and allocation decisions as well as actual development costs;
- (IV) The accretive acquisition of properties, including the cost and timing of new properties under right of first offer agreements, and the anticipated extent of the accretion of any acquisitions, which could be impacted by demand for properties and the effect that demand has on acquisition capitalization rates and changes in interest rates;
- (V) Overall indebtedness levels and terms and expectations relating to refinancing, which could be impacted by the level of acquisition and disposition activity that Crombie is able to achieve, levels of indebtedness, Crombie's ability to maintain and strengthen its investment grade credit rating, future financing opportunities, future interest rates, creditworthiness of major tenants, and market conditions;

- (VI) Generating improved rental income and occupancy levels, which could be impacted by changes in demand for Crombie's properties, tenant bankruptcies, the effects of general economic conditions and supply of competitive locations in proximity to Crombie locations;
- (VII) Expected increase in revenue in 2022 and 2023, which could be impacted by timing of completion of development projects underway, ability to secure tenants and the effects of general economic conditions;
- (VIII) Anticipated replacement of expiring tenancies, which could be impacted by the effects of general economic conditions and the supply of competitive locations;
- (IX) The anticipated rate of general and administrative expenses as a percentage of property revenue, which could be impacted by changes in property revenue and/or changes in general and administrative expenses; and
- (X) Anticipated distributions, distribution growth and payout ratios, which could be impacted by results of operations and capital resource allocation decisions.
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PRESENTATION

Operator

Good morning, ladies and gentlemen, and welcome to the Crombie REIT's third quarter earnings call. At this time, all lines are in a listen-only mode. Following the presentation, we will conduct a question-and-answer session. If at any time during this call you require immediate assistance, please press star, zero for the Operator. Note that this call is being recorded on November 10, 2022.

And I would like to turn the conference over to Ruth Martin. Please go ahead.

Ruth Martin — Director, Investor Relations & Financial Analysis, Crombie REIT

Thank you. Good day, everyone, and welcome to Crombie REIT's third quarter conference call and webcast. Thank you for joining us. This call is being recorded in live audio and is available on our website at www.crombie.ca. Slides to accompany today's call are available on the Investors section of our website under Presentations & Events.

On the call today are Don Clow, President and Chief Executive Officer, and Clinton Keay, Chief Financial Officer and Secretary.

Today's discussion includes forward-looking statements. As always, we want to caution you that such statements are based on management's assumptions and beliefs. These forward-looking statements are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. Please see our public filings including our MD&A and Annual Information Form for a discussion of these risk factors.

I will now turn the call over to Don, who will begin our discussion with comments on Crombie's overall strategy and outlook along with a development update. Clinton will review Crombie's operating fundamentals and highlights and then discuss our financial results, capital allocation, and approach to funding, and Don will conclude with a few final remarks. Over to you, Don.

Don Clow — President and Chief Executive Officer, Crombie REIT

Thank you, Ruth, and good day, everyone, and thanks for joining us. We are wrapping up our third quarter at a time when the world is facing substantial headwinds on many fronts, whether they be geopolitics, the economy, inflation, rising interest rates, climate change, or important social issues. It is at times like these when I am especially thankful to be leading an organization that is focused on a long-term strategy that is defensive in nature yet has a unique ability to drive solid, consistent growth. Our commitment to strategic alignment and investing in our sustainable competitive advantage and our largest tenant, Empire, while at the same time investing in real estate development to accelerate growth in both AFFO and net asset value is underpinned by our proven stability and well positioned portfolio. We've supported this approach to capital allocation with a strong balance sheet and a respected team, which together, give us confidence that we are not only prepared for any additional turbulence that may impact the real estate industry or the economy in Canada, but we are also poised to grow our company prudently well into the future.

Consistently solid fundamentals have been a hallmark of Crombie from the time of IPO 16 years ago. This quarter is no exception as our third quarter results show record occupancy, healthy NOI growth, one of the lowest debt to gross fair value and debt to EBITDA in our history and the highest level of unencumbered assets at \$2.2 billion. These solid operational and financial results come from a deliberate curation of our portfolio through purposeful investment in the acquisition of grocery assets, modernizations and conversions, the disposition of low-growth and/or non-core properties, paired with increased development of grocery-anchored retail, retail-related industrial, and mixed-use residential properties in Canada's largest cities. The improvement in our portfolio required a lot of hard work by our team over a long period of time, and we are now seeing the benefits of this transition in our operational performance and financial results.

Grocery-anchored retail, industrial and mixed-use residential are three of the most desirable asset classes in Canada and, as such, have a profile of resiliency in tough times with the opportunity for growth during good times that we believe will outperform other market classes over the long term. Additionally, Crombie's strategic relationship with Empire, including our shared intelligence, allows us to understand consumer markets and supply chains in real time and anticipate the future performance of real estate with data driven analytics that we believe will also result in strong performance.

In this time of interest rate volatility and the highest inflation we have seen in over a generation, our focus on defensive assets with a unique ability to drive long-term sustainable growth, and a commitment to the continuous improvement of our balance sheet allows us to remain resilient yet balanced with a level of growth that we believe is responsible for these highly unusual times.

Development remains a key component of our strategy, as after an initial drag during construction and lease-up, these projects will ultimately drive NAV and AFFO growth, while importantly expanding our presence in the country's top markets, particularly VECTOM.

Bronte Village, our 481-unit mixed-use residential development, inclusive of grocery and pharmacy, located in Oakville, reached substantial completion earlier this year. Bronte continues to lease up as 50%, or 240 units, have been leased as of November 4, 2022, at rents over 10% above pro forma. Stabilization of NOI is expected to be reached in the first half of 2024.

Momentum continues at Le Duke, our 387-unit mixed-use grocery and residential development located in Montreal. Le Duke continues to demonstrate solid leasing results with 90%, or 345 units, leased as of November 4, 2022, at rents over 5% above pro forma. Stabilization of NOI is expected in early 2023.

At our 300,000 square foot Voilà customer fulfillment centre, in Calgary, base building work is nearing completion. Building handover occurred in late September, allowing Ocado to commence their building of the interior grid, including the robotic grid platform.

Our team continues the hard work of moving projects through the entitlement process. At the end of the third quarter, eight projects had zoning in place or had rezoning applications submitted, with the potential to add 4.0 million square feet of GLA, including over 4,000 residential units.

The sale of our King George site in Surrey, British Columbia, closed in early November. This transaction is proof of the concept we have stated over a number of years, where we work hard on achieving the entitlement of mixed-use development lands that will be utilized for the build-out of our development pipeline or, from time to time, be utilized to fund our business with low-cost capital as an alternative to issuing equity that is trading at a significant discount to NAV. King George was sold at a sub-two cap rate to an honourable local Vancouver developer with the preservation of the retail opportunity for Empire, a solid strategic outcome.

With that, I'll now turn the call over to Clinton, who will highlight our third quarter operational and financial results and discuss our capital funding approach.

Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Thank you, Donnie, and good day, everyone. Crombie achieved record occupancy in the third quarter with economic occupancy at 96.2% and committed occupancy at 96.8%. Year to date, new leases increased occupancy by 286,000 square feet, at an average first-year rate of \$21.39, while we experienced 171,000 square feet of net lease expiries, vacancies, terminations, and space adjustments. Approximately 68% of new leases were completed in VECTOM and Major Markets.

At the end of the quarter, 119,000 square feet of GLA was committed at an average first-year rate of \$22.86 per square foot, which will boost future NOI growth as tenants take possession throughout 2022 and into 2023.

During the quarter, 152,000 square feet of renewals were completed at an average increase of 3.7% over expiring rental rates. Driving this increase was 116,000 square feet at retail plazas with an

increase of 4.4% over expiring rental rates. An increase of 5.2% was achieved for third quarter renewals when comparing expiring rental rates to the average rental rate for the renewal term.

Year to date, Crombie demonstrated portfolio stability with approximately 45% of renewals occurring in VECTOM and Major Markets. Total renewal activity consisted of 682,000 square feet with an increase of 4.5% over expiring rental rates. We have achieved a balance of renewal growth across VECTOM, Major Markets, and Rest of Canada.

Strong operating fundamentals supported a quarterly same-asset cash NOI increase of 2.1% compared to the same quarter in 2021. Primary drivers of this increase are strong occupancy, higher percentage rent from increased sales, and increased parking revenue. This is offset in part by a decrease in lease termination income, primarily in our office portfolio. Adjusting for the removal of lease termination income in 2021, same-asset cash NOI increased by 2.7%.

For the quarter, AFFO per unit was \$0.26, increasing from \$0.25 for the same quarter last year, while FFO per unit was \$0.30, increasing from \$0.29 for the same quarter last year. AFFO and FFO payout ratios in the quarter were 84.5% and 75.0% respectively. The increase in AFFO and FFO for the quarter is primarily due to lower finance costs from operations, driven by lower mortgage interest as a result of mortgage repayments and dispositions since the third quarter of last year, and a decrease in G&A due to a reduction in Unit-based compensation costs.

For the third quarter, G&A was \$3.7 million or, 3.6% as a percentage of property revenue.

Crombie has and will continue to prudently manage our balance sheet and responsibly allocate capital. These actions have led to notable deleveraging, well-laddered debt maturities with minimal near-term expiries, and a healthy weighted-average term to maturity, all of which are extremely important, especially in today's challenging macro-economic environment.



Our unencumbered asset pool reached a record high of approximately \$2.2 billion, increasing from \$1.8 billion at Q4 2021. As a percentage of unsecured debt, unencumbered assets were 183%, up from 129% in the fourth quarter of 2021, providing Crombie with additional financing flexibility and optionality. We also had ample available liquidity of \$445 million at the end of the third quarter.

Debt to gross fair value, including Crombie's portion of debt and assets held in equity accounted joint ventures, was 42.0% at the end of Q3, improving from 45.3% at Q4 2021. The improvement in our leverage ratio was primarily the result of an increase in total gross fair value of \$319 million from acquisition activity, investment in developments, and the substantial completion of Bronte Village in early 2022.

We ended the quarter with debt to trailing-12-months adjusted EBITDA at 8.50 times, down from 8.99 times at December 31, 2021. The improvement is primarily due to lower outstanding debt as a result of mortgage repayments, and higher adjusted EBITDA driven by increased property revenue mainly from acquisitions and strong occupancy.

Crombie had a weighted average cap rate of 5.71%, excluding joint ventures at the end of the third quarter, compared to 5.65% at December 31, 2021. Property dispositions, development completions, and strong demand for grocery-anchored assets all helped compress capitalization rates. However, this compression has been more than offset by the recent increase in capitalization rates for certain types of retail properties. Our weighted average cap rate, inclusive of joint ventures, remained flat at 5.54% when compared to December 31, 2021.

As Don indicated earlier, subsequent to the quarter, on November 1st, Crombie disposed of King George with net proceeds of approximately \$84 million; well above our book value. This transaction is a stellar example of the significant underlying value embedded within our portfolio. These funds will be

used to repay short-term debt and provide financing optionality for future growth initiatives, including Empire-related investments and our development program.

With respect to the \$150 million Series D Unsecured Note maturing November 21, 2022, management intends to utilize a new unsecured non-revolving bank credit facility in order to provide maximum flexibility with respect to the timing of obtaining longer term unsecured debt, while maintaining ample liquidity.

With that, I will now turn the call over to Don for a few closing comments.

Don Clow — President & Chief Executive Officer, Crombie REIT

Thank you, Clinton. Before we move to questions, I'd like to highlight the work our team has completed on the sustainability front. While we've always been mindful of our impact on the environment, we are upping our game through a focus on sustainability and the accountability created through external reporting, target setting, and internal scorecard metrics. This is no small feat, and for those who have also committed to this hard work, I applaud you.

Crombie completed its second submission to GRESB, to the standing investments and development benchmarks. We are pleased to be awarded a green star for excellence in development. With that, we are focused and committed to improving our performance for a greener tomorrow.

In September, Avalon Mall won BOMA Canada's 2022 Outstanding Building of the Year, the "TOBY" Award, in the retail category. The TOBY Award is the most prestigious and comprehensive program of its kind in the commercial real estate industry in Canada. Judging for this award is based upon building standards, community impact, tenant relations, energy conservation, environmental and sustainability management, emergency preparedness, and building personnel training. We are very proud of our team at Avalon Mall for this significant accomplishment. Our continued and significant level of work

on sustainability will evolve over time, and I am excited to authentically confirm Crombie's advancements over the next few years.

In conclusion, this quarter's results are further proof that we have a solid strategy, a resilient portfolio, strong financial condition, and a capable team that is able to withstand economic volatility while also providing solid long-term growth. Our team has earned this place through hard work, adaptation to significant external market forces, and savvy delivery of our unique strategy. Well done, team.

That concludes our prepared remarks. We are now happy to answer your questions.

Q&A

Operator

Thank you, sir. Ladies and gentlemen, if you would like to ask a question, please press star, followed by one on your touch-tone phone. You will then hear a three-tone prompt acknowledging your request. And if you would like to withdraw from the question queue, please press star, followed by two. And if you're using a speakerphone, we do ask that you please lift the handset before pressing any keys. Please go ahead and press star, one now if you do have any questions.

And your first question will be from Mario Saric at Scotiabank. Please go ahead.

Mario Saric — Analyst, Scotiabank

Hi. Good afternoon.

Don Clow — President & Chief Executive Officer, Crombie REIT

Hi, Mario.

Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Hi, Mario.

Mario Saric — Analyst, Scotiabank

I wanted to focus a bit on the occupancy gain this quarter. It was up 30 basis points on a lease basis, which was good to see. It pretty much all came from the Rest of Canada as opposed to VECTOM or Major Markets. So I was hoping you can shed a bit of colour on kind of which specific tenants are taking space and kind of the geographic locations where you're seeing the most traction today.

Don Clow — President & Chief Executive Officer, Crombie REIT

Hi, Mario. It's Don. It's all over. The good news is it's widespread. I think it's really more a commentary on the sector, the grocery-anchored plazas as a sector, call it bifurcated from retail in general. But it's pet stores. It's Dollarama. It's QSR. It's, you know, an old football analogy—I'm an old football player—was blocking and tackling just the hard work day to day of leasing. And I'd just give a shout-out to our leasing team who's doing, I think, an incredible job to get us to that record occupancy. We don't often have records, and it's nice to have one, so. But it's all over the country, quite frankly, and it's more a sectoral issue than I think anything else and great teamwork.

We talk about curating our portfolio over the last decade. It's just a consistent improvement of the quality of the portfolio that's, I think, driving this.

Mario Saric — Analyst, Scotiabank

Got it. And so some of the pet stores, the Dollaramas, those are kind of, they're not new tenants to your retail format. Part of the discussion during and hopefully post-COVID is the potential migration of retail tenants from enclosed structures to more open-air strips and centres that you own. Are you seeing any of that? Like are you seeing any new tenant formats? Any new tenant types coming into your office?

Don Clow — President & Chief Executive Officer, Crombie REIT

I'd say we're seeing it selectively. So you're seeing a number of tenants that used to only be in enclosed coming to plazas, outdoor plazas, and are seeing the benefits of being near a grocery store. So I think that theme is certainly started and moving, but it's not widespread. And especially in, I'll call it,

tertiary markets where the grocery stores are so important as the centre of town often, so it's moving.

Yeah. I'd say it's a positive for our sector.

Mario Saric — Analyst, Scotiabank

Okay. And then having achieved record occupancy, when you look out into 2023, whether it be retail or office, are there any meaningful lease expiries that you're aware of that won't be renewing at this stage?

Don Clow — President & Chief Executive Officer, Crombie REIT

No. We've got a small amount of leasing coming due rolling over in 2023 and 2024 versus what we're used to. So that's a good thing in terms of especially at times when the economy is a little more volatile, people are talking about recession, et cetera, so. And, again, the assets are defensive in nature, so we're cautiously optimistic that we'll be fine.

Mario Saric — Analyst, Scotiabank

Got it. Two more quick ones on my end. Just any updated thoughts on owning 100% of CFC3?

Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Calgary? That is owned entirely by Crombie.

Mario Saric — Analyst, Scotiabank

No, I know, but any updated thoughts on continuing to own 100% of it? Or do you see an opportunity given pricing?

Don Clow — President & Chief Executive Officer, Crombie REIT

No. I'll jump in, Mario. So, selling assets is not our strategy. Right? Keeping them for the long term and the cash flow growth is clearly our strategy.

The sale of King George, by way of example, or even 50% of CFC2, they were really just more funding issues, funding opportunities I'll call it, and so it depends on when the conditions are right. But

it's definitely not our strategy to sell, and it's a very strategic asset, but it obviously depends on the times as to what happens in the next year or two or three. The capital markets have been extremely volatile. You're seeing prices bounce all over the place and often within massive disconnect to reality on the ground. So for us it can, from time to time, be a funding issue, but it's not our strategy.

Mario Saric — Analyst, Scotiabank

Okay. My last one just for Clinton, the 7.0 to 8.0 basis point quarter-over-quarter Q3 versus Q2 cap rate increase. Can you highlight kind of the breadth of that increase over the portfolio? And how much of it would be kind of substantiated by the actual transactions on the ground versus kind of, you know, for lack of a better way of saying it, putting your kind of finger up in the air?

Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Mario, in the quarter, we didn't see a lot of activity, and most of that's just, I would call it, some of the minor sort of evaluations that we would have received. So it's really minor adjustments and nowhere real in particular. So I would characterize the quarter as being sort of not much change at all from quarter over quarter from what we've been seeing.

Mario Saric — Analyst, Scotiabank

Okay. Thanks, guys.

Don Clow — President & Chief Executive Officer, Crombie REIT

Thanks, Mario.

Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Thanks, Mario.

Operator

Thanks you. Once again, as a reminder, ladies and gentlemen, if you would like to ask a question, please press star, followed by one on your touch-tone phone.

And your next question will be from Tal Woolley at National Bank. Please go ahead.

Tal Woolley — Analyst, National Bank Financial

Hey, good afternoon.

Clinton Key — Chief Financial Officer and Secretary, Crombie REIT

Good afternoon, Tal.

Don Clow — President & Chief Executive Officer, Crombie REIT

Hey, Tal.

Tal Woolley — Analyst, National Bank Financial

In terms of like the \$100 million-plus you're raising from the King George site sale, do you have an immediate use of proceeds for it? Like should we be expecting some Empire drop-downs or something like that to come? Like how are you thinking about using those funds as they come in?

Clinton Key — Chief Financial Officer and Secretary, Crombie REIT

Yes. I think in the short term, definitely to pay down our debt. We do have a Series D Unsecured Note coming due at the end of this month. So clearly that sort of supports allowing us to have ample liquidity by the end of the year.

Tal Woolley — Analyst, National Bank Financial

Okay. And then it'll be sort of another meaningful year for dispositions as well. I think—can't remember—I think it was the last year before COVID where you sort of had significant volume and required a special distribution at the end of the year. When you look at your tax books, do you think you're fine for this year?

Clinton Key — Chief Financial Officer and Secretary, Crombie REIT

Yes. Based on our current projections, certainly okay for this year.

Tal Woolley — Analyst, National Bank Financial

Okay. And then it's sort of the time where we start rolling out 2024 estimates. And, Don, I'm wondering if you can comment a little bit just about capital deployment. I know you sort of discussed on prior calls that like 2023 might look a little lighter than normal. Is your working theory right now that 2024 will look a little bit more normal based on what you expect to have approved and ready to go in the pipeline?

Don Clow — President and Chief Executive Officer, Crombie REIT

What we said last quarter was that we were just moderating our spending to some degree, based on external conditions. Everybody can see, call it various risks that are out there, and I named them all in my prepared remarks. There's a lot of them.

And so we're okay with that. I still think our ranges are in that \$100 to \$200 for Sobeys and \$150 to \$250 for development. And some years you'll be at the upper end or some years at the lower end. I think what I would say to you is that we'd probably be at the upper end for Sobeys and at the lower end on development. Just some of the projects like Broadway and Commercial are taking a little more time to get extra density. Westhill is looking like it's, you know, we're targeting getting it started, hopefully, in 2023 but subject to lots of pre-work to get the development ready to make a decision. And other small D developments, as we've called them, where we are working very closely with Sobeys to increase the amount of, I'll call it, risk-adjusted or lower-risk-type spending. So but net-net all sort of in those two ranges.

And the increase on the Sobeys side is, again, just to have what we think we start on second base. We own the land. We have a great relationship with the tenant. That gives you two big things. And when you're going to do some development, whether that be hubs or spokes, most likely they'll be spokes now because the hubs are selected. But modernizations, expansions, conversions, et cetera, et cetera, those are solid returns for us. They help our major tenant significantly meet its targets under Project

Horizon, and the returns are good. And so it's accretive investments. And so for us, that's a little more of the focus than the major development in 2023, but nevertheless still in those ranges, Tal.

Tal Woolley — Analyst, National Bank Financial

And I'm just wondering if we think about like maybe something that's a little bit more, a little larger and more complex, like the Broadway project. Like if you had the zoning in hand today, do you think you'd be green-lighting that today?

Because I appreciate that like today's conditions might not be ideal, but it's probably four to five years of work in front of you. I'm just wondering how you're thinking about that if these conditions that we're sort of in right now persist for a while.

Don Clow — President and Chief Executive Officer, Crombie REIT

There's no question it's a tougher time for people to commit to large projects. I think you're seeing it all over the real estate industry. We can talk about a number of different types of developers that have pushed pause or stopped, put pens down, but you're still seeing others move forward. The good news for Crombie is that our pipeline has a big weighting in Vancouver and Halifax. And in those markets, even though we're seeing inflation still rampant to some degree, we're also seeing rents rise. And so the numbers still work. The margins may be a little smaller, but it's still manageable.

But I wouldn't tell you exactly would we go today or not. It would depend on us. We generally pre-price 70% of the contracts. We want to have them locked in. And in that project, you're going to need a bit of pre-selling on—there's one condo tower out of three. So you have work to do to be ready to push the button to go.

So I think the good news is the markets are—if there's any two markets in the country, I think those two are two of the best to actually continue on. And you look around Halifax, as an example, or Vancouver, there's still cranes in the sky. People are still doing good work. So they're still reasonable. But

on a macro level, it's harder. No question. Right? So we'd have a tougher consideration of that as a tougher lens to look through. There's no question.

Tal Woolley — Analyst, National Bank Financial

Okay. And then just lastly, Empire had put out a press release just about some IT issues that they were dealing with. I think everything's completely separated between the two of you. I just wanted to verify that there's no issue for you guys as a result of that.

Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Tal, we're not going to comment on Empire. Just refer to their November 7th press release. And we'll just say there's no material impacts at Crombie to the best of our knowledge.

Tal Woolley — Analyst, National Bank Financial

Okay. That's great. Thanks very much, gentlemen.

Don Clow — President and Chief Executive Officer, Crombie REIT

Thank you.

Operator

Thank you. Once again, ladies and gentlemen, if you would like to ask a question at this time, please press star, followed by one on your touch-tone phone.

And at this time, we have no other questions registered.

I would like to turn the call back over to Ruth Martin.

Ruth Martin — Director, Investor Relations & Financial Analysis, Crombie REIT

Thank you for your time today, and we look forward to updating you on our fourth quarter call in February.

Don Clow — President and Chief Executive Officer, Crombie REIT

Thanks, everybody.



Clinton Keay — Chief Financial Officer and Secretary, Crombie REIT

Thanks, everyone.

Operator

Thank you. Ladies and gentlemen, this does indeed conclude your conference call for today.

Once again, thank you for attending. And at this time, we do ask that you please disconnect your lines.