

COVER SHEET

SEC Registration Number

C	S	2	0	2	0	5	2	2	9	4
---	---	---	---	---	---	---	---	---	---	---

Company Name

[illegible]

Principal Office (No./Street/Barangay/City/Town/Province)

1	8	/	F	,		A	L	L	I	A	N	C	E			G	L	O	B	A	L		T	O	W	E	R	,			
3	6	T	H		S	T	.	,		C	O	R	.			1	1	T	H		A	V	E	.	,						
U	P	T	O	W	N			B	O	N	I	F	A	C	I	O	,			T	A	G	U	I	G			C	I	T	Y

CHERYLL B. SERENO

Contact Person

(632) 8894-6300/6400

Company Telephone Number

Month	Day

Annual Meeting

[illegible]

Form Type

[illegible]

--	--	--	--

Dept. Requiring this Doc.

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Total No. of Stockholders

Domestic

--

Foreign

To be accomplished by SEC Personnel Concerned

--	--	--	--	--	--	--	--	--	--

File Number

File Number

LCU

Document ID

Document I.D.

Cashier

STAMPS

Remaks = Pls. use black ink for scanning purposes

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2 (c) THEREUNDER**

1. **September 30, 2021**
Date of Report
2. SEC Identification Number: **CS202052294** 3. BIR Tax Identification No: **502-228-971-000**
4. **MREIT, INC.**
Exact name of Issuer as specified in its charter
5. **Metro Manila**
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code
7. **18th Floor, Alliance Global Tower, 36th Street corner 11th Avenue
Uptown Bonifacio, Taguig City 1634**
Address of principal office
8. **(632) 8894-6300/6400**
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Stock Outstanding</u>
Common	2,532,121,381
Preferred	0
Total	2,532,121,381

10. **Item 9(b)**

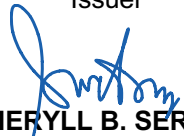
In compliance with Section 10.2 of the Implementing Rules and Regulations of the Real Estate Investment Trust Act of 2009, we hereby submit the report on the performance of the Corporation's funds and assets for the third quarter of 2021, prepared by the Corporation's fund manager, MREIT Fund Manager's, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MREIT, INC.
Issuer

By:


CHERYLL B. SERENO
Compliance Officer and Data Protection Officer
14 January 2022



A MEGAWORLD COMPANY

Performance Report for the Period Ending September of 2021

January 14, 2022

Prepared by: MREIT Fund Managers, Inc.

Use of this document

This document was prepared by MREIT Fund Managers, Inc. ("MFMI" or the "Fund Manager") in compliance with the reportorial requirements of the REIT Implementing Rules and Regulations under Republic Act No. 9856, and is being submitted to the Securities and Exchange Commission ("SEC"), the Philippine Stock Exchange ("PSE"), and the Bureau of Internal Revenue ("BIR").

No part of this document may be reproduced or transmitted in any form or by any means, electronic or mechanical, including but not limited to photocopy, recording on any information storage and retrieval system without the written permission of MREIT, Inc. ("MREIT"), or a valid order of the SEC or the PSE. If you receive this document in error, please return to MFMI.

A. Interim Statement of Comprehensive Income for the Three Months Ended September 30, 2021 (in Php, millions)

[illegible]

B. Income from Related Parties for the Three Months Ended September 30, 2021 (in Php, millions)

Related Parties	Total		Breakdown per Property				
	%	Amount	RMT	1880	1WS	2WS	3WS
Megaworld Corporation	6.4%	37.1	14.1	-	-	17.2	5.7
Empire East Land Holdings, Inc.	0.0%	-	-	-	-	-	-
Suntrust Properties, Inc.	2.4%	14.0	-	-	14.0	-	-
Emperador Inc.	2.2%	12.7	-	12.7	-	-	-
Asia Affinity Property Management Inc.	0.4%	2.1	-	-	2.1	-	-
Anglo Watsons Glass, Inc.	0.2%	1.2	-	1.2	-	-	-
Total rental income from related parties	11.5%	67.0	14.1	13.8	16.1	17.2	5.7

C. Interim Statement of Cash Flows for the Period Ended September 30, 2021 (in Php, millions)

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax	610.1
Adjustment for:	
Interest expense	7.6
Interest income	(4.4)
Fair value gains on investment properties	-
Operating profit before working capital changes	613.3
Increase in trade and other receivables	(98.8)
Increase in other current assets	(18.0)
Decrease (increase) in other non-current assets	0.4
Decrease in due to parent company	-
Increase in deposits and other liabilities	23.2
Cash generated from operations	520.2
Income tax paid	(18.8)
Interest received	4.2

Net cash From Operating Activities	505.5
---	--------------

CASH FLOW FROM A FINANCING ACTIVITY

Proceeds from issuance of shares, net of shares issuance cost	-
---	---

NET INCREASE IN CASH AND CASH EQUIVALENTS	505.5
--	--------------

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,308.9
---	----------------

CASH AND CASH EQUIVALENTS AT END OF PERIOD	2,814.5
---	----------------

D. Operating Statistics for the Three Months Ended September 30, 2021 (in Php, millions)

	Breakdown per property									
	1TP	RMT	ECOM	1800	1880	1WS	2WS	3WS	8/10 UM	18/20 UM
Location										
Overall										
Total gross leasable area (GLA) in sq. m	9,549	13,124	20,940	34,738	33,744	30,482	21,286	21,217	19,938	19,414
Occupied GLA, in sq. m	9,041	13,124	18,740	34,706	33,294	29,994	20,630	21,144	19,938	19,413
Occupancy rate	95%	100%	89%	100%	99%	98%	97%	100%	100%	100%
Revenue Contribution YTD Sept 2021	2%	5%	8%	16%	10%	16%	11%	11%	10%	9%
Cost contribution in YTD Sept 2021	4%	3%	6%	17%	15%	10%	13%	13%	7%	7%
Office										
Occupied GLA, in sq. m	8,953	5,855	18,740	32,478	31,578	29,130	20,225	20,734	19,297	18,948
Average rent per sq. m per month	539	772	880	908	616	1,064	1,015	999	948	896

E. Office Industry Benchmark

	Average Occupancy	Average Lease Rate (per sqm)	Ave. MREIT Lease Rate (per sqm)
Metro Manila			
McKinley Hill	90.2%	Php900 to 1,450	Php992
Quezon City	81.4%	Php650 to 950	Php790
Outside Metro Manila			
Iloilo*	-	-	Php631

Source: CBRE Report - Office Market, Metro Manila Q3 2021

*There are no published rates for Iloilo. Nonetheless, we believe MREIT's Iloilo properties enjoy attractive lease rates comparable to some locations in Metro Manila

F. Adjusted Funds from Operations and Dividend Declaration for the Fiscal Year Ending June 30, 2021 and Three Months Ended September 30, 2021 (in Php millions)

	Jun 2021⁽¹⁾	Sep 2021
Net income after tax	325.5	469.4
Retained Earnings Deficit	(10.3)	-
Fair Value Gain on Investment Properties	(240.6)	-
Deferred Tax	101.2	121.9
Distributable Income	175.8	591.3
Income from Deferred Credits	(2.6)	(8.2)
Interest Expense Accretion	2.4	7.6
Straight-Line Rent Adjustments	(12.4)	(32.3)
Capital Expenditure	-	-
Adjusted Funds from Operations (AFFO)	163.2	558.4
Total Dividends⁽²⁾	139.0	468.7
Dividends per Share (Php per Share)	0.0549	0.1851

(1) AFFO for the period ending in June 2021 covers only one month of operations

(2) Dividends declared from earnings covering both periods were paid on November 15, 2021. MREIT shall comply with Section 4 of the Implementing Rules and Regulations of the Real Estate Investment Trust (REIT) Act of 2009 (R.A. No. 9856), particularly on dividend distribution which requires a minimum of 90% of its distributable income by the end of its fiscal year. Note that on November 4, 2021, MREIT has changed its reporting period which now ends in December 31.

G. Investment Return

Not applicable for this reporting period. MREIT was listed on October 1, 2021, subsequent to the period covered under this report. MFMI shall start tracking returns on the next quarterly performance report.

H. Current Valuation of the MREIT Properties

MREIT's properties and its corresponding valuations are listed below. The fair values of the MREIT's properties are determined on the basis of the appraisals performed by Santos Knight Frank, Inc., an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

Fair value as determined by independent appraisers are based on the Income Approach. Under Income Approach, the fair value of an asset is measured by calculating the present value of its economic benefits by discounting expected cash flows at a rate of return that compensates the risks associated with the particular investment. The most common approach in valuing future economic benefits of a projected income stream is the discounted cash flows model. This valuation process of this model consists of the following: (a) estimation of the revenues generated; (b) estimation of the costs expenses related to the operations of the development; (c) estimation of an appropriate discount rate; and (d) discounting process using an appropriate discount rate to arrive at an indicative fair value.

Township	Building	Year Completed	GLA Sqm	Appraisal mPhp
Eastwood City	1800 Eastwood Avenue (1800)	2006	34,738.2	7,706
	1880 Eastwood Avenue (1880)	2007	33,743.8	6,790
	E-Commerce Plaza (ECOM)	2008	20,940.2	4,279
McKinley Hill	One World Square (1WS)	2007	30,481.7	8,018
	Two World Square (2WS)	2009	21,286.4	5,501
	Three World Square (3WS)	2010	21,216.6	5,190
	8/10 Upper McKinley Building (8/10 UM)	2010	19,937.5	4,660
	18/20 Upper McKinley Building (18/20 UM)	2009	19,413.8	4,337
Iloilo Business Park	One Techno Place Iloilo (1TP)	2017	9,548.7	1,170
	Richmonde (RMT)			
	Richmonde Tower	2016	6,354.8	866
	Richmonde Hotel Iloilo	2016	6,769.1	799
Total			224,430.8	49,316

I. Performance Indicators as of September 30 2021

Ratio	Formula	September 30, 2021
Current ratio	Current assets / Current liabilities	13.21
Debt-to-equity ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings and bonds and notes payable)*	N/A
Interest rate coverage ratio	EBIT / Total Interest (Total interest includes interest expense and capitalized interest)	81.55
Return on equity	Net profit / Average total stockholders' equity	0.01
Return on assets	Net profit / Average total assets	0.01
Net profit margin	Net profit / Total revenues	0.66
Market-to-book ratio	Market capitalization / Book value**	N/A

*MREIT has no interest-bearing loans and borrowings and bonds and notes payable as of the period covered.

**MREIT is not yet listed as of September 30, 2021

CERTIFICATION

This Performance Report was prepared and assembled under my supervision in accordance with existing rules of the Securities and Exchange Commission. The information and data provided are complete, true, and correct to the best of my knowledge and/or based on authentic records.

By:

MREIT Fund Managers, Inc. (MFMI)


Joey I. Villafuerte
Treasurer

SUBSCRIBED AND SWORN to before me this 14th day of January 2022 at QUEZON CITY, with the affiant/s exhibiting to me the following identification document/s:

Name	Competent Evidence of Identity
MREIT Fund Managers, Inc. By: Joey I. Villafuerte	UMID-CRN-0033-5009940-9

Doc No. 9
Page No. 3
Book No. I
Series of 2022.

NOTARY PUBLIC


CELINE-MARIA B. JANOLO

NOTARY PUBLIC

City of Quezon

Adm Matter No NP-254 (2021-2022)

9th Floor Eastwood Global Plaza Building.

Palm Tree Avenue Eastwood City Bagumbayan, Quezon City

Attorney's Roll No. 65785

IBP No. 171094, 12/21/2021 / Batangas Chapter

PTR No. 2368147, 01/04/2022 / Quezon City

MCLE Compliance No. VII-0005610

