

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. **12 November 2024**
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 | 2,795,821,381 |
| Preferred | 0 |
| Total | 2,795,821,381 |

10. **Item 9**

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 period ending 30 September 2024, 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: 
ANGEL S. TRISTEZA
Compliance Officer
12 November 2024



Performance Report For the Period Ending September of 2024

November 12, 2024

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, or a valid order of the SEC or the PSE. If you receive this document in error, please return to MFMI.

B. Income from Related Parties for the Nine Months Ended September 30, 2024 (in Php, millions)

| Related Parties | % | Total Amount | Breakdown per Property | | | | | | | | | | | | |
|---|--------------|--------------|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|-------------|------------|-------------|
| | | | 1880 | ECOM | RMT | 1WS | 18UM | 8UM | 1800 | 2WS | 3WS | 2TP | WFP | 1WC | FW1B |
| Megaworld Corporation | 19.1% | 446.4 | 57.2 | 41.0 | 42.3 | 24.3 | 39.8 | 23.9 | 22.8 | 78.3 | 30.9 | 0.8 | 72.3 | 0.5 | 12.3 |
| Anglo Watsons Glass Inc. | 0.1% | 2.9 | 2.9 | - | - | - | - | - | - | - | - | - | - | - | - |
| Emperador Distillers Inc. | 1.3% | 31.2 | 31.2 | - | - | - | - | - | - | - | - | - | - | - | - |
| Asia Affinity Property Management | 0.2% | 5.1 | - | - | - | 5.1 | - | - | - | - | - | - | - | - | - |
| Suntrust Properties Inc. | 1.3% | 31.5 | - | - | - | 31.5 | - | - | - | - | - | - | - | - | - |
| Integrated Town Management Corporation | 0.3% | 6.8 | - | - | - | - | - | - | - | 6.8 | - | - | - | - | - |
| Total rental income from related parties | 22.4% | 523.8 | 91.3 | 41.0 | 42.3 | 60.8 | 39.8 | 23.9 | 22.8 | 85.1 | 30.9 | 0.8 | 72.3 | 0.5 | 12.3 |

C. Statement of Cash Flows for the Nine Months Ended September 30, 2024 (in Php, millions)

| | |
|--|------------------|
| Cash Flows from Operating Activities | |
| Profit (loss) before tax | P 2,197.4 |
| Adjustments for: | |
| Interest expense | 225.7 |
| Interest income | (42.6) |
| Operating profit before working capital changes | 2,380.4 |
| Increase in trade and other receivables | (199.5) |
| Decrease (increase) in other current assets | (276.2) |
| Decrease (increase) in other non-current assets | (120.7) |
| Increase in accounts and other payables | (14.1) |
| Increase (decrease) in deposits and other liabilities | (12.2) |
| Cash generated from operations | 1,757.8 |
| Interest received | 40.6 |
| Final tax paid | (8.2) |
| Net Cash from Operating Activities | 1,790.2 |
| Cash Flow from an Investing Activity | - |
| Cash Flow from Financing Activity | |
| Dividends paid | (2,067.2) |
| Interest paid | (201.4) |
| Net Cash Used in Financing Activities | (2,268.6) |
| Net Increase in | |
| Cash and Cash Equivalents | (478.4) |
| Cash and Cash Equivalents | |
| at the Beginning of Period | 1,678.9 |
| Cash and Cash Equivalents at the End of Period | P 1,200.5 |

D. Operating Statistics for the Nine Months Ended September 30, 2024 (in Php, millions)

| | Overall | | | | | Office | |
|----------------------|----------------------------|----------------|----------------|--------------|-----------------|----------------|---------------|
| | Gross leasable area (GLA)* | Leased area | Occupancy rate | Total Rent** | % of Total Rent | Occupied GLA | Average rent |
| Properties | in sqm | in sqm | | in mPhp | | in sqm | Php/sqm/month |
| 1800 Eastwood Avenue | 34,738 | 34,599 | 100% | 173 | 11% | 32,478 | 785 |
| 1880 Eastwood Avenue | 33,745 | 33,480 | 99% | 159 | 10% | 31,578 | 735 |
| E-Commerce Plaza | 21,032 | 21,032 | 100% | 100 | 6% | 21,032 | 776 |
| One World Square | 30,482 | 22,689 | 74% | 154 | 10% | 21,749 | 1,024 |
| Two World Square | 21,286 | 19,773 | 93% | 130 | 8% | 19,368 | 1,024 |
| Three World Square | 21,222 | 19,712 | 93% | 114 | 7% | 19,224 | 923 |
| 8/10 Upper McKinley | 19,938 | 19,789 | 99% | 126 | 8% | 19,297 | 1,018 |
| 18/20 Upper McKinley | 19,413 | 17,107 | 88% | 119 | 8% | 16,642 | 1,059 |
| World Finance Plaza | 25,067 | 21,420 | 85% | 143 | 9% | 21,116 | 1,088 |
| Richmonde Tower | 13,124 | 12,396 | 94% | 54 | 3% | 5,059 | 822 |
| One Techno Place | 9,549 | 9,287 | 97% | 33 | 2% | 8,707 | 574 |
| Two Techno Place | 11,393 | 7,895 | 69% | 39 | 2% | 7,310 | 763 |
| Three Techno Place | 9,568 | 9,392 | 98% | 30 | 2% | 8,726 | 529 |
| One Global Center | 10,301 | 9,751 | 95% | 36 | 2% | 9,337 | 608 |
| One West Campus | 9,704 | 9,704 | 100% | 39 | 2% | 9,657 | 832 |
| Five West Campus | 10,257 | 10,257 | 100% | 46 | 3% | 10,257 | 945 |
| Festive Walk 1B | 14,703 | 13,687 | 93% | 51 | 3% | 12,103 | 657 |
| Two Global Center | 9,903 | 9,903 | 100% | 39 | 2% | 9,048 | 627 |
| Total | 325,425 | 301,871 | 93% | 1,586 | | 282,688 | |

E. Office Industry Benchmark

| | Average Occupancy | | Average Office Lease Rate (per sqm) | |
|-----------------------------|-------------------|-------|--|-------|
| | Industry | MREIT | Industry | MREIT |
| Metro Manila | | | | |
| McKinley | 84% | 89% | Php800 to 1,600 | 1,004 |
| Quezon City | 80% | 100% | Php600 to 1000 | 764 |
| Outside Metro Manila | | | | |
| Iloilo | 96% | 92% | Php350 to 1000 | 641 |

Source: JLL Report Q2 2024, CBRE Report – Philippines Market Monitor Q2 2024

F. Adjusted Funds from Operations and Dividend Declaration (in Php, millions)

| | Dec 23 3M | Mar 24 3M | June 24 3M | Sep 24 3M |
|---|----------------|--------------|---------------|--------------|
| Net Income After Tax | -2009.1 | 733.1 | 736.5 | 719.6 |
| Straight-Line Adjustment and Amortization of Deferred Credits | -22.6 | 1.1 | 0.3 | -2.2 |
| Other Account Adjustments | 8.7 | 7.7 | 7.0 | 6.5 |
| Fair value gains (losses) on investment properties | 2732.2 | | | |
| Distributable Income | 709.2 | 741.9 | 743.7 | 723.8 |
| Total Dividends | 687.8 | 687.8 | 691.7 | 695.9 |
| Dividends per Share | 0.2460 | 0.2460 | 0.2474 | 0.2489 |
| Declaration Date | Mar 1, 2024 | May 10, 2024 | Aug 2, 2024 | Nov 4, 2024 |
| % of Distributable Income | 97% | 93% | 93% | 96% |

G. Investment Return

| Period Ending September 30, 2024 | |
|--|---------------------|
| MREIT Returns | |
| Dividends per share (last 12 months) | Php0.9854 per share |
| Price per Share as of closing of September, 2024 | Php13.60 per share |
| IPO Price | Php16.10 per share |
| Dividend Yield at current share price | 7.27% |
| Dividend Yield at listing price | 6.14% |
| Total Return since IPO | 4.26% |
| Benchmark Returns | |
| FTSE Asia Pacific ex Japan ex China – Mid Cap and Large Cap – Total Returns per Annum (3Y) | 5.90% |
| FTSE Asia Pacific All Cap – Total Returns per Annum (3Y) | 2.90% |
| FTSE Asia Pacific ex Japan ex China – Mid Cap and Large Cap – Total Returns per Annum (5Y) | 11.60% |
| FTSE Asia Pacific All Cap – Total Returns per Annum (5Y) | 7.80% |

Source: FTSE Russell Factsheet: FTSE Asia Pacific ex Japan ex China and FTSE Asia Pacific All Cap Indexes (September 30, 2024)

H. Current Valuation of the MREIT Properties

MREIT's properties and their 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 | Years Completed | GLA | Appraisal |
|-------------------------------------|------------------------|-----------------|----------------|---------------|
| | | | in sqm | mPhp |
| Eastwood, Quezon City | 1800 Eastwood Avenue | 2006 | 34,738 | 6,912 |
| | 1880 Eastwood Avenue | 2007 | 33,745 | 6,124 |
| | E-Commerce Plaza | 2008 | 21,032 | 4,020 |
| McKinley Hill, Taguig | One World Square | 2007 | 30,482 | 6,853 |
| | Two World Square | 2009 | 21,286 | 5,064 |
| | Three World Square | 2010 | 21,222 | 4,341 |
| | 8/10 Upper McKinley | 2009 | 19,938 | 4,636 |
| | 18/20 Upper McKinley | 2009 | 19,413 | 4,031 |
| | World Finance Plaza | 2010 | 25,067 | 5,279 |
| McKinley West, Taguig | One West Campus | 2016 | 9,704 | 1,583 |
| | Five West Campus | 2016 | 10,257 | 1,873 |
| Iloilo Business Park, Iloilo | One Techno Place | 2017 | 9,549 | 1,061 |
| | Richmonde | | | |
| | Richmonde Tower | 2016 | 6,355 | 892 |
| | Richmonde Hotel Iloilo | 2016 | 6,769 | 426 |
| | Two Techno Place | 2019 | 11,393 | 1,487 |
| | Three Techno Place | 2017 | 9,568 | 1,155 |
| | One Global Center | 2015 | 10,301 | 1,278 |
| | Two Global Center | 2014 | 9,903 | 1,133 |
| Festive Walk 1B | 2018 | 14,703 | 1,524 | |
| Total | | | 325,425 | 59,672 |

I. Performance Indicators as of September 30, 2024

| Ratio | Formula | September 30, 2024 |
|------------------------------|---|---------------------------|
| Current ratio | Current assets / current liabilities | 1.66 |
| Debt-to-equity ratio | Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings and bonds and notes payable) | 0.14 |
| Interest rate coverage ratio | EBIT / Total Interest (Total interest includes interest expense and capitalized interest) | 10.71 |
| Return on equity | Net profit / Average Stockholders' equity | 4.19% |
| Return on assets | Net profit / Average total assets | 3.56% |
| Net profit margin | Net profit / Total revenues | 70.38% |
| Market-to-book ratio | Market Capitalization / Book value | 0.73 |

J. Disbursements of Proceeds Received by the Sponsor in relation to Certain Reinvestment Plans

i. Disbursements in relation to the Reinvestment Plan dated April 22, 2024 for the period July 01, 2024 to September 30, 2024

The proceeds are in connection with the Block Sale of 40,650,000 common shares of MREIT which was settled on April 22, 2024. For the quarter ending September 30, 2024, the Sponsor has disbursed the proceeds from the block sale as detailed below:

| | Project Name | Township/ Location | Investment Type | Product | Disbursement | Disbursing Entity |
|---|--------------------|-----------------------|---|---|-----------------------|-------------------------------------|
| 1 | The Mactan Newtown | Cebu City | Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries | Malls, Offices, Land Development and other developments | 35,000,000.00 | Megaworld Oceantown Properties, Inc |
| 2 | ArcoVia City | Pasig City | Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries | Malls, Offices, Land Development and other developments | 30,000,000.00 | ArcoVia Properties, Inc |
| 3 | Bacolod Projects | Bacolod City | Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries | Malls, Offices, Land Development and other developments | 65,000,000.00 | Megaworld Bacolod Properties, Inc |
| | TOTAL | | | PHP | 130,000,000.00 | |

ii. Disbursements in relation to the Reinvestment Plan dated June 05, 2024 for the period July 01, 2024 to September 30, 2024

The proceeds are in connection with the Sale of 79,700,000 common shares of MREIT which was settled on June 05, 2024. For the quarter ending September 30, 2024, the Sponsor has disbursed the proceeds from the block sale as detailed below:


| | Project Name | Township/ Location | Investment Type | Product | Disbursement | Disbursing Entity |
|---|--------------------|-----------------------|---|---|----------------------|-------------------------------------|
| 1 | The Mactan Newtown | Cebu City | Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries | Malls, Offices, Land Development and other developments | 20,000,000.00 | Megaworld Oceantown Properties, Inc |
| 2 | ArcoVia City | Pasig City | Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries | Malls, Offices, Land Development and other developments | 10,000,000.00 | ArcoVia Properties, Inc |
| 3 | Bacolod Projects | Bacolod City | Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries | Malls, Offices, Land Development and other developments | 25,000,000.00 | Megaworld Bacolod Properties, Inc |
| | TOTAL | | | PHP | 55,000,000.00 | |

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:

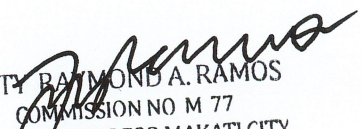
MREIT Fund Managers, Inc. (MFMI)


Joey I. Villafuerte
Treasurer

SUBSCRIBED AND SWORN to before me this 12 NOV 2024 at MAKATI CITY with the affiant/s exhibiting to me the following identification document/s:

| Name | Competent Evidence of Identity | Date and Place of Issue |
|----------------------------------|--------------------------------|-------------------------|
| MREIT Fund Managers, Inc. By: | | |
| Joey I. Villafuerte | TIN: 202-249-678 | |

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Book No. 345
Series of 2024.


ATTY. RAYMOND A. RAMOS
COMMISSION NO. M 77
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31 2024
2364 ANGONO STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 374750/12-26-2023/Pasig City
PTR NO. MKT 10074525/01-02-2024/Makati City
MCLE Compliance No. VII-0020180/04-14-2025

NOTARY PUBLIC