

**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. **31 March 2022**
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 first quarter of 2022, 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
16 May 2022



Performance Report for the Period Ending March of 2022

May 13, 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").

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B. Income from Related Parties for the Three Months Ended March 31, 2022 (in Php, millions)

Related Parties	Total		Breakdown per Property				
	%	Amount	RMT	1880	1WS	2WS	3WS
Megaworld Corporation	7.1%	52.6	14.1	15.5	-	17.2	5.7
Empire East Land Holdings, Inc.	0.0%	-	-	-	-	-	-
Suntrust Properties, Inc.	1.9%	13.8	-	-	13.8	-	-
Emperador Inc.	1.7%	12.7	-	12.7	-	-	-
Asia Affinity Property Management Inc.	0.3%	2.1	-	-	2.1	-	-
Anglo Watsons Glass, Inc.	0.2%	1.2	-	1.2	-	-	-
Integrated Town Management Corp	0.3%	2.3	-	-	-	2.3	-
Total rental income from related parties	11.4%	84.6	14.1	29.3	15.8	19.5	5.7

C. Interim Statement of Cash Flows for the Three Months Ended March 31, 2022 (in Php, millions)

CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before tax	687.7
Adjustment for:	
Interest expense	76.7
Interest income	(2.8)
Operating profit before working capital changes	761.6
Increase in trade and other receivables	(42.3)
Increase in other current assets	(50.2)
Decrease in other non-current assets	0.4
Increase in accounts and other payables	72.2
Decrease in deposits and other liabilities	(9.9)
Cash generated from operations	731.9
Interest received	2.5
Income tax paid	(0.5)
Net cash From Operating Activities	733.9
CASH FLOW FROM AN INVESTING ACTIVITY	
Acquisition of property and equipment	(0.1)
CASH FLOW FROM A FINANCING ACTIVITY	
Dividends paid	(607.5)
Interest paid	(65.9)
Net Cash From Financing Activities	(673.4)
NET INCREASE IN CASH AND CASH EQUIVALENTS	60.5
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,333.8
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,394.3

D. Operating Statistics for the Three Months Ended March 31, 2022 (in Php, millions)

	Overall					Office	
	Gross leasable area (GLA)	Leased area	Occupancy rate	Rental Income - Billed*	% of Total Rent	Occupied GLA	Average rent
	in sqm	in sqm		in mPhp		in sqm	Php/sqm/month
1800 Eastwood Avenue	34,738	34,704	100%	90.6	13%	32,478	870
1880 Eastwood Avenue	33,744	29,753	88%	60.4	9%	28,038	672
E-Commerce Plaza	20,940	16,636	79%	38.0	6%	16,636	761
One World Square	30,482	30,181	99%	87.2	13%	29,130	960
Two World Square	21,286	20,630	97%	71.9	11%	20,225	1,133
Three World Square	21,217	21,144	100%	59.5	9%	20,734	919
8/10 Upper McKinley	19,938	19,669	99%	69.3	10%	19,297	1,178
18/20 Upper McKinley	19,414	19,413	100%	49.2	7%	18,948	802
World Finance Plaza	25,067	25,003	100%	74.4	11%	24,718	972
Richmonde Tower	13,124	13,124	100%	27.1	4%	5,855	722
One Techno Place**	9,549	9,041	95%	5.1	1%	8,953	188
Two Techno Place	10,809	10,653	99%	19.0	3%	10,653	596
Three Techno Place	9,568	9,305	97%	16.8	2%	8,726	596
One Global Center	10,301	10,043	97%	15.2	2%	9,337	520
Total	280,175	269,298	96%	683.6		253,727	

*Excludes income from straight-line method of recognizing rental income and amortization of deferred credits

**Includes a contract that is enjoying a two-month rent-free period granted as part of the renewal terms which has the effect of pulling down the average rental rate for the relevant property for this quarter.

E. Office Industry Benchmark

	Average Occupancy		Average Office Lease Rate (per sqm)	
	Industry	MREIT	Industry	MREIT
Metro Manila				
McKinley Hill	90%	97%	Php900 to 1,400	991
Quezon City	80%	86%	Php650 to 900	775
Outside Metro Manila				
Iloilo*	93%	82%	Php450 to 600	513

Source: CBRE Report - Office Market, Metro Manila Q4 2021, Colliers Philippines Quarterly Report – Vis-Min Property Market Briefing, Q4 2021

*Excluding One Techno Place in Iloilo Business Park which has a tenant enjoying a rent-free period in this quarter, the average office lease rate for Iloilo is Php597 per sqm

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

	Mar-22
	3M
Net income after tax	687.2
Straight-Line Adjustment and Amortization of Deferred Credits	(59.1)
Amortization of Loan Transaction Costs	1.3
Other Accounting Adjustments	9.6
Distributable Income	639.0
Total Dividends	615.3
Dividends per Share	0.2430
Declaration Date	Apr 22, 2022
% of Distributable Income	96%

G. Investment Return

	Period Ending March 31, 2022
MREIT Returns	
Dividends per share	Php0.2430 per share
Price per Share as of closing of March 31, 2022	Php18.70 per share
IPO Price	Php16.10 per share
Total Return since IPO (unannualized)	17.7%
Benchmark Returns	
FTSE Asia Pacific ex Japan ex China – Mid Cap and Large Cap – Total Returns per Annum (5Y)	8.1%
FTSE Asia Pacific ex Japan ex China All Cap – Total Returns per Annum (5Y)	8.1%

Source: FTSE Russell Factsheet: FTSE Asia Pacific ex Japan ex China Indexes (April 29, 2022)

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	Year Completed	GLA	Appraisal
			Sqm	mPhp
Eastwood City	1800 Eastwood Avenue	2006	34,738	7,836
	1880 Eastwood Avenue	2007	33,744	6,814
	E-Commerce Plaza	2008	20,940	4,289
McKinley Hill	One World Square	2007	30,482	8,047
	Two World Square	2009	21,286	5,554
	Three World Square	2010	21,217	5,208
	8/10 Upper McKinley Building	2009	19,938	5,000
	18/20 Upper McKinley Building	2009	19,414	4,460
	World Finance Plaza	2010	25,067	5,265
Iloilo Business Park	Richmonde Tower	2016	13,124	1,709
	One Techno Place Iloilo	2017	9,549	1,228
	Two Techno Place	2019	10,809	1,498
	Three Techno Place	2017	9,568	1,244
	One Global Center	2015	10,301	1,274
Total			280,175	59,426

I. Performance Indicators as of 31 March 2022

Ratio	Formula	March 31, 2022
Current ratio	Current assets / Current liabilities	3.11
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)	9.96
Return on equity	Net profit / Average total stockholders' equity	1.32%
Return on assets	Net profit / Average total assets	1.13%
Net profit margin	Net profit / Total revenues	76.22%
Market-to-book ratio	Market capitalization / Book value	0.91

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 ^{MAY 15 2022} 15th day of May 2022 at **LAGUIG 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		

Doc No. 495
Page No. 100
Book No. 47
Series of 2022.

NOTARY PUBLIC

ATTY. EDUARDO P. BAROT
Notary Public for Taguig Roll No. 36248
Commission No. 3 until December 31, 2022
PTR No. 4863627 / 01.03.2022 / Mandaluyong City
IBP Lifetime No. 013895 / 06.02.15 / RSM
MCLE Compliance No. VI-0007875 / 04.14.2022
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31st St. Bonifacio Global City, Taguig City