

MEQ | TSX

Market: \$70.00

Rating: Outperform

One-Year Target: \$100.00

Total Return: 42.9%

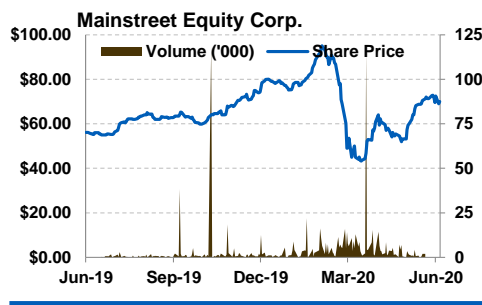
June 23, 2020

Financial Metrics (C\$)	
52-week range:	\$41.75/\$96.25
Dividend Yield:	0.0%
Shares Outstanding (mm):	9.4 (basic) 9.4 (fd)
Market Capitalization (\$mm):	\$654.7
Float (mm)	4.8
3-Month Avg. Daily Volume ('000):	5.8
Net Debt (MRQ) (\$mm):	\$1,118.1
Enterprise Value (\$mm):	\$1,772.8
Book Value per Share (MRQ)	\$86.29

(FYE Sep. 30)	FY2019	FY2020e	FY2021e
Revenue (\$mm)	\$137.6	\$151.1	\$156.0
NOI (\$mm)	\$86.3	\$93.1	\$97.8
FFO/ Share	\$4.20	\$4.60	\$5.20

NOI (\$mm)	Q1	Q2	Q3	Q4
FY2019	\$20.8	\$20.2	\$21.3	\$24.0
FY2020	\$23.3	\$21.7	\$22.6e	\$25.5e
FY2021	\$23.8e	\$23.9e	\$24.1e	\$26.0e

FFO/Share	Q1	Q2	Q3	Q4
FY2019	\$1.00	\$0.92	\$0.99	\$1.29
FY2020	\$1.20	\$0.97	\$1.07e	\$1.36e
FY2021	\$1.22e	\$1.28e	\$1.29e	\$1.42e



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Mainstreet Equity Corp.

Continuing to Perform in the Face of COVID-19

Event: Mainstreet Equity announced Q2/FY20 results for the period ending March 2020, reporting revenue, net operating income (NOI) and diluted FFO/share of \$37.2mm, \$21.7mm and \$0.97, respectively, as compared to our estimates of \$37.6mm, \$23.8mm and \$1.22. Management noted that rent collections remained strong despite the pandemic and that collections were generally in-line sequentially month to date. The pandemic resulted in an increase in the Firm's operating costs in the quarter. Overall, we view the quarter as neutral to our thesis, as the Company continues to take advantage of record low interest rates and, as seen in past downturns, looks to be highly opportunistic while day to day operations remain stable.

Highlights:

- Responding to Pandemic with Aggressive Growth Driven by Lower Prices and Lower Interest Rates:** Following a pause in acquisitions in April, the Company implemented a countercyclical growth strategy involving aggressively acquiring new assets at lower prices and funding these acquisitions through low-interest debt. The Firm acquired 279 units in Alberta and Saskatchewan in the quarter for \$40.6mm and subsequently, 61 units across Calgary and Edmonton for \$5.4mm. The Firm's vacancy rate increased to 7.4% in Q2/FY20, as compared to a vacancy rate of 6.5% in Q2/FY19, while the average monthly rental rate increased to \$942 per unit, as compared to \$920 a year prior.
- Considerable NOI Upside in British Columbia:** Management expects that the lower costs for acquisitions and debt that resulted from the pandemic will offset any near-term downside operating risks. It does not view the current downturn as structural and believes that the gradual lifting of restrictions should return the economy to near-capacity, which it intends to capitalize on with the Company's ~\$170mm in liquidity. The Firm's refinancing continues to progress, with \$75.8mm financed through matured mortgages and clear-title properties at an average interest rate of 2.32%. Management noted that the latest 10-year mortgages carry record-low interest rates at 1.66%, adding that subsequent to Q2, the Company raised \$35.2mm in additional funds at an interest rate of 1.79%. It continues to see considerable opportunity for margin expansion in the Vancouver and Lower Mainland markets, which currently represents 21% of the Firm's portfolio. Over 90% of the Company's tenants in the region remain below the market average, resulting in ~\$257 per unit per month in loss-to-lease, and average annual turnover currently sits at ~25%, affording the Firm a way to reduce loss-to-lease over time and expand NOI.
- Change in Estimates:** Our estimate for FY2020e net operating income revises to \$93.1mm from \$96.6mm, while FY2021e net operating income revises to \$97.8mm from \$99.3mm. Correspondingly, FY2020e FFO/share revises to \$4.60 from \$5.07 and FY2021e FFO/share revises to \$5.20 from \$5.23. While our forecasts do not account for new acquisitions given the unpredictability both in terms of timing and cost, we highlight the acquisition of new properties as a key growth driver for Mainstreet and a potential upside to our fair value estimate.

Maintain Outperform and \$100.00 Price Target: We maintain our Outperform rating and our \$100.00 target price. Our target price remains based on a 22.0x multiple of our forecast FFO for the 12 months ending Q2/FY22 (+1Q), supported by a P/BV multiple of 0.9x and cap rate target methodology assuming a capitalization rate of 4.75%.



Operating & Financial Highlight

Current Valuations						
Share Price (C\$)	\$70.00					
P/FFO						
Peer Average	FY2019	FY2020e	FY2021e			
Peer Average	20.8x	20.2x	18.8x			
Mainstreet Equity Corp.	16.7x	15.2x	13.5x			
Key Earnings Data						
	FY2019	FY2020e	FY2021e	Trend		
Rental revenue	135,642	148,981	153,743	↗		
Ancillary rental income	1,971	2,120	2,229	↗		
Revenue	137,613	151,101	155,971	↗		
Property operating expenses	(51,305)	(57,994)	(58,189)	↘		
Net Operating Income	86,308	93,108	97,783	↗		
Interest income	179	109	23	↘		
Mortgage interest	(31,674)	(33,008)	(32,860)	↘		
Amortization of financing cost	(3,097)	(3,621)	(3,667)	↘		
General & administrative expenses	(12,463)	(13,205)	(12,478)	↘		
Depreciation	(505)	(879)	(1,034)	↘		
Profit before taxes & other	39,008	42,504	47,767	↗		
Gains and Other Expenses	26,908	(11,632)	-	↘		
Profit before taxes	65,916	30,872	47,767	↗		
Income taxes	(7,231)	(5,289)	(12,897)	↘		
Net income - cont. ops.	58,685	25,582	34,870	↗		
Net income - discout. ops.	51,454	20,293	21,973	↗		
Basic EPS - cont. ops.	\$6.45	\$2.73	\$3.72	↗		
FD EPS - cont. ops.	\$6.28	\$2.73	\$3.72	↗		
NAV Per Share						
Valuation Quarter	Q2/FY20					
	Net Operating Income					
	(10.0%)	(5.0%)	0.0%	5.0%	10.0%	
Cap Rate	3.50%	\$151.58	\$166.69	\$181.80	\$196.91	\$212.02
	4.50%	\$91.15	\$102.90	\$114.65	\$126.40	\$138.15
	4.75%	\$80.01	\$91.15	\$102.28	\$113.41	\$124.55
	5.00%	\$69.99	\$80.57	\$91.15	\$101.72	\$112.30
	5.20%	\$62.67	\$72.84	\$83.01	\$93.18	\$103.35
Price to Book Value						
Peer Average	0.9x					
Mainstreet Equity Corp.	0.8x					
Leverage Metrics						
	FY2019	FY2020e	FY2021e	Trend		
Net Debt	1,076,095	1,134,347	1,144,154	↗		
Net Debt to TTM EBITDA	14.5x	14.2x	13.4x	↘		
Net Debt to Capitalization	52.3%	52.8%	51.9%	↘		
Funded debt to gross book value ratio	50.0%	51.0%	51.0%	↘		
Debt Service Coverage Ratio	1.67x	1.72x	1.82x	↗		
Key Operating Metrics						
	FY2019	FY2020e	FY2021e	Trend		
EBITDA	74,105	79,902	85,305	↗		
Funds from Operations (FFO)	39,258	43,183	48,801	↗		
FFO/share	\$4.20	\$4.60	\$5.20	↗		
Avg. vacancy rate	6.3%	6.9%	7.1%	↗		
Wt. avg. number of units	12,430	13,199	13,314	↗		
% Stabilized	81.3%	91.5%	96.1%	↗		
Avg. rental rate per unit per month	917	955	976	↗		
Margin Metrics						
	FY2019	FY2020e	FY2021e	Trend		
Net Operating Income	62.7%	61.6%	62.7%	↘		
EBITDA	53.9%	52.9%	54.7%	↘		
FFO	28.5%	28.6%	31.3%	↘		
Growth Metrics						
	FY2019	FY2020e	FY2021e	Trend		
Rental revenue	18.8%	9.8%	3.2%	↘		
Ancillary rental income	28.4%	7.5%	5.1%	↘		
Net Operating Income	19.5%	7.9%	5.0%	↘		
EBITDA	20.9%	7.8%	6.8%	↘		
FFO	31.8%	10.0%	13.0%	↘		
Wt. avg. number of units	11.9%	6.2%	0.9%	↘		
Avg. rental rate per unit per month	7.7%	4.1%	2.2%	↘		

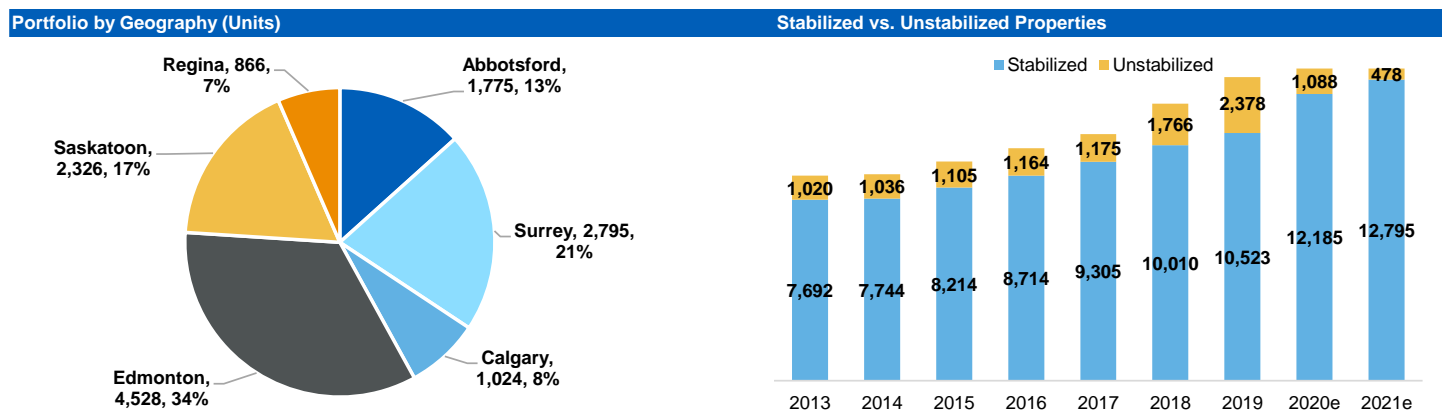


Figure 1 – Operating & Financial Highlights
 Source: Mainstreet Equity Corp., AltaCorp Capital Inc.



Q2/FY20 Results

Mainstreet Equity announced Q2/FY20 results for the period ending March 2020, reporting revenue, net operating income (NOI) and diluted FFO/share of \$37.2mm, \$21.7mm and \$0.97, respectively, as compared to our estimates of \$37.6mm, \$23.8mm and \$1.22. Management noted that rent collections remained strong despite the pandemic and that collections were generally in-line sequentially month to date. Although the Company is offering rent deferrals on a case by case basis, it collected 94% of rent in April, 97% of rent in May and 95% of June rent as of June 19. The pandemic resulted in an increase in the Firm's operating costs in the quarter due to the extension of paid leave to members with children, additional cleaning and sanitizing, and the purchase of personal protective equipment. In addition, the Company saw higher property taxes, particularly in Calgary where taxes increased by 20%, as well as a 35% increase in insurance costs and an incremental carbon tax which came into effect in Alberta in 2020.

Q2/FY20 Highlights

	ACCe	Reported	y/y Actual	Q1/20 y/y	Actual vs. Consensus	Actual vs.
	Q2/FY20	Q2/FY20	Q2/FY19	Growth	Q2/FY20	Consensus
<i>(\$000's, unless otherwise noted)</i>						
Rental revenue	37,143	36,700	33,201	10.5%	12.5%	
Ancillary rental income	497	532	536	(0.7%)	16.6%	
Rental and Ancillary Revenue	37,640	37,232	33,737	10.4%	12.5%	(1.1%) 37,520 (0.8%)
Net Operating Income	23,821	21,704	20,156	7.7%	12.0%	(8.9%)
<i>Margin</i>	63.3%	58.3%	59.7%	(2.4%)	(0.5%)	(7.9%)
EBITDA	20,932	18,323	16,847	8.8%	14.2%	(12.5%)
<i>EBITDA Margin</i>	55.6%	49.2%	49.9%	(1.4%)	1.5%	(11.5%)
Funds from Operations (FFO)	11,443	9,091	8,272	9.9%	18.5%	(20.6%) 11,322 (19.7%)
<i>FFO Margin</i>	30.4%	24.4%	24.5%	(0.4%)	5.3%	(19.7%) 30.2% (19.1%)
FFO/Share	\$1.22	\$0.97	\$0.92	5.8%	20.7%	(20.5%) \$1.15 (15.8%)
FD EPS	\$0.87	\$0.39	\$1.36	(71.2%)	(2.8%)	(54.8%)
Average vacancy rate	5.8%	7.4%	6.5%	13.8%	(11.9%)	26.8%
Wtd. Avg. number of units	13,035	13,179	12,227	7.8%	8.3%	1.1%
Avg. rental rate per unit per month	963	942	920	2.4%	4.2%	(2.1%)

Figure 2 – Q2/FY20 Highlights

Source: Mainstreet Equity Corp., AltaCorp Capital Inc.

Items of Note

Following a pause in acquisitions in April, the Company implemented a countercyclical growth strategy involving aggressively acquiring new assets at lower prices and funding these acquisitions through low-interest debt. The Firm acquired 279 units in Alberta and Saskatchewan in the quarter for \$40.6mm and subsequently, 61 units across Calgary and Edmonton for \$5.4mm. The Firm's vacancy rate increased to 7.4% in Q2/FY20, as compared to a vacancy rate of 6.5% in Q2/FY19, while the average monthly rental rate increased to \$942 per unit, as compared to \$920 a year prior.

Historical Vacancy Rate

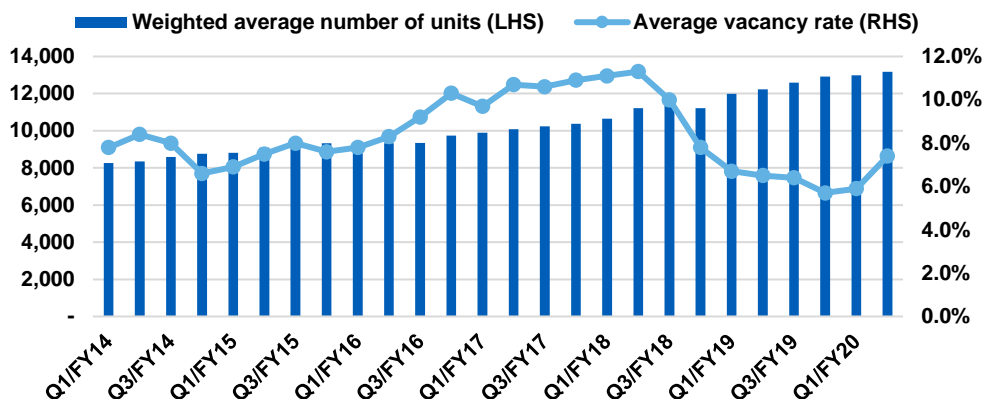


Figure 3 – Historical Vacancy Rate

Source: Mainstreet Equity Corp., AltaCorp Capital Inc.



At the end of the quarter, 89% of the Company's portfolio of 13,314 units were stabilized. The Company's portfolio consisted of three freestanding commercial houses and 13,311 residential units, with 92.6% of residences rented, 4.6% in the process of being renovated and the remainder left vacant, predominantly in Alberta and Saskatchewan. The Company recorded a \$3.3mm fair value loss in the quarter as compared to a fair value loss of \$8.3mm in Q1/FY20, while the Company's overall accounting capitalization rate decreased to 5.26% as compared to 5.34% in Q1/FY20.

Reported Overall Capitalization Rate

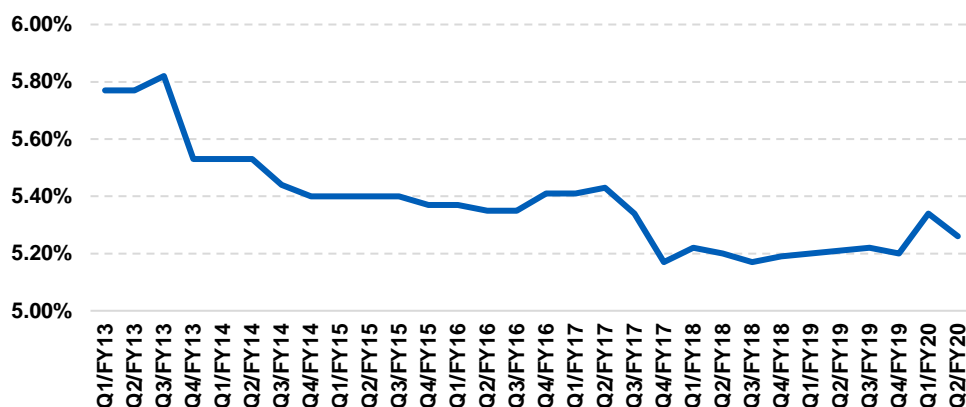


Figure 4 – Reported Overall Capitalization Rate
Source: Mainstreet Equity Corp., AltaCorp Capital Inc.

The Company reported a debt to gross book value of 54% and a debt service coverage ratio of 1.47x at March 31, 2020, meeting covenants of a maximum debt to gross book value of 65% and a minimum debt service coverage ratio of 1.20x.

Mortgage Maturity Schedule

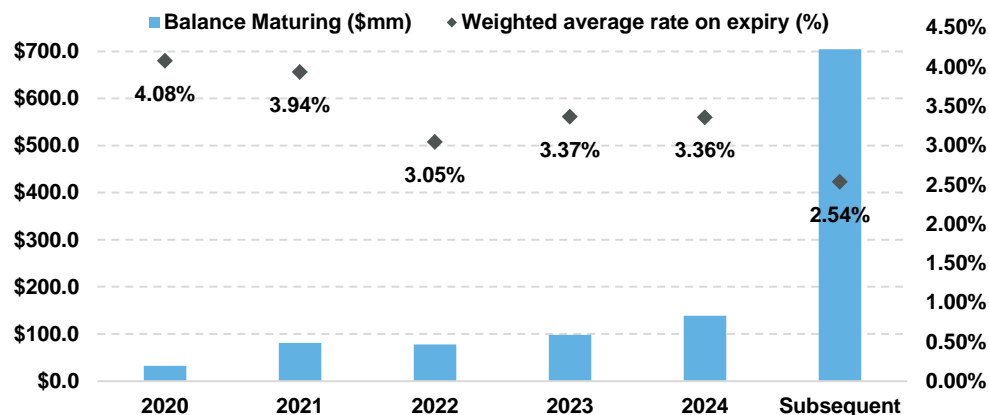


Figure 5 – Mortgage Maturity Schedule
Source: Mainstreet Equity Corp., AltaCorp Capital Inc.

Forecast and Outlook

Management expects that the lower costs for acquisitions and debt that resulted from the pandemic will offset any near-term downside operating risks. It does not view the current downturn as structural and believes that the gradual lifting of restrictions should return the economy to near-capacity, which it intends to capitalize on with the Company's ~\$170mm in liquidity. The Firm's refinancing continues to progress, with \$75.8mm financed through matured mortgages and clear-title properties at an average interest rate of 2.32%. Management noted that the latest 10-year mortgages carry record-low interest rates at 1.66%, adding that subsequent to Q2, the Company raised \$35.2mm in additional funds at an interest rate of 1.79%. It continues to see considerable opportunity for margin expansion in the Vancouver and Lower Mainland markets, which currently represents 21% of the Firm's portfolio. Over 90% of the Company's tenants in the region remain below the market average, resulting in ~\$257 per unit per month in loss-to-lease, and average



annual turnover currently sits at ~25%, affording the Firm a way to reduce loss-to-lease over time and expand NOI.

Our estimate for FY2020e net operating income revises to \$93.1mm from \$96.6mm, while FY2021e net operating income revises to \$97.8mm from \$99.3mm. Correspondingly, FY2020e FFO/share revises to \$4.60 from \$5.07 and FY2021e FFO/share revises to \$5.20 from \$5.23. While our forecasts do not account for new acquisitions given the unpredictability both in terms of timing and cost, we highlight the acquisition of new properties as a key growth driver for Mainstreet and a potential upside to our fair value estimate.

Change in Estimates

	ACC Old Estimates		ACC New Estimates			
	FY2020e	FY2021e	FY2020e	FY2021e	FY2020e	FY2021e
<i>(Figures in C\$'000s unless otherwise specified)</i>						
Rental revenue	150,025	156,220	148,981	153,743	(0.7%)	(1.6%)
Ancillary rental income	2,009	2,092	2,120	2,229	5.5%	6.5%
Revenue	152,034	158,312	151,101	155,971	(0.6%)	(1.5%)
Property operating expenses	(55,469)	(59,005)	(57,994)	(58,189)	(4.6%)	1.4%
Net Operating Income	96,565	99,307	93,108	97,783	(3.6%)	(1.5%)
<i>Margin</i>	63.5%	62.7%	61.6%	62.7%	(190) bps	(4) bps
EBITDA	84,898	86,642	79,902	85,305	(5.9%)	(1.5%)
<i>Margin</i>	55.8%	54.7%	52.9%	54.7%	(296) bps	(4) bps
Mortgage Interest	(33,760)	(33,953)	(33,008)	(32,860)	(2.2%)	(3.2%)
Net Income	31,221	34,674	25,582	34,870	(18.1%)	0.6%
Basic EPS - cont. ops.	\$3.33	\$3.70	\$2.73	\$3.72	(18.1%)	0.6%
FD EPS - cont. ops.	\$3.33	\$3.70	\$2.73	\$3.72	(18.1%)	0.6%
Funds from Operations (FFO)	47,522	49,112	43,183	48,801	(9.1%)	(0.6%)
<i>Margin</i>	31.3%	31.0%	28.6%	31.3%	(268) bps	27 bps
FFO/share	\$5.07	\$5.23	\$4.60	\$5.20	(9.1%)	(0.6%)
Net Debt	1,129,708	1,138,451	1,134,347	1,144,154	0.4%	0.5%
Net Debt to TTM EBITDA	13.3x	13.1x	14.2x	13.4x		
Net Debt to Capitalization	52.5%	51.5%	52.8%	51.9%		
Funded debt to gross book value rat	51.0%	51.0%	51.0%	51.0%		
Debt Service Coverage Ratio	1.8x	1.8x	1.7x	1.8x		
Avg. vacancy rate	5.8%	5.8%	6.9%	7.1%	108 bps	131 bps
Wt. avg. number of units	13,024	13,035	13,199	13,314	1.3%	2.1%
<i>% Stabilized</i>	92.3%	96.3%	91.5%	96.1%	(80) bps	(22) bps
Avg. rental rate per unit per month	974	1,012	955	976	(1.9%)	(3.5%)

Figure 6 – Change in Estimates

Source: Mainstreet Equity Corp., AltaCorp Capital Inc.



Price Target Calculation

We maintain our Outperform rating and our \$100.00 target price. Our target price remains based on a 22.0x multiple of our forecast FFO for the 12 months ending Q2/FY22 (+1Q), supported by a P/BV multiple of 0.9x and cap rate target methodology assuming a capitalization rate of 4.75%. We believe our choice of multiples reflect comparisons to peer trading valuations with similar financial performance as well as cap rates, with the demand being shown by institutional investors for asset classes of this type, which have driven Canadian cap rates for multi-unit residential values to multi-year lows. While Mainstreet’s portfolio is more concentrated in Western Canada and features lower density, we are anticipating some improvement in cap rates moving forward.

Historical Price to Book Multiples

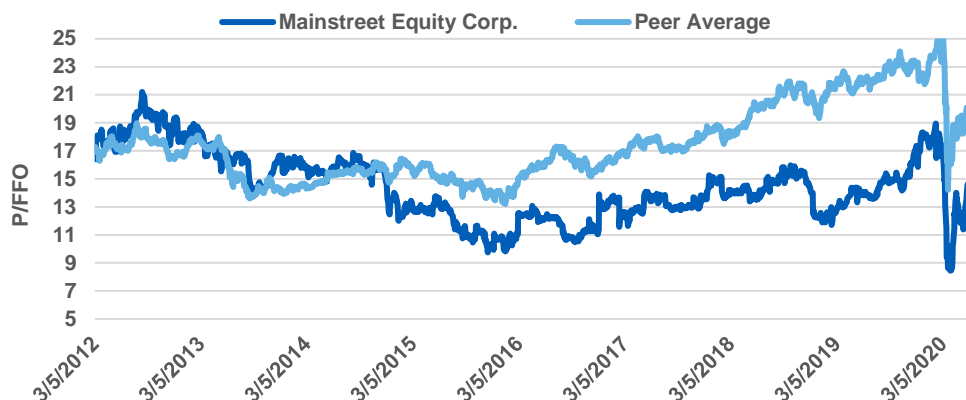


Figure 7 – Historical Price to Book Multiples
Source: Capital IQ, AltaCorp Capital Inc.

Historical Price to Funds From Operations Multiples

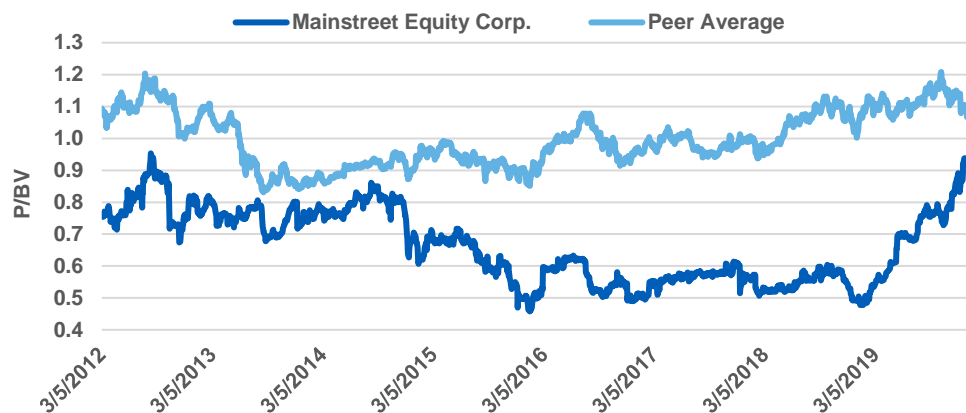


Figure 8 – Historical Price to Funds From Operations Multiples
Source: Capital IQ, AltaCorp Capital Inc.

Price Target Sensitivity to Changes in Cap Rate & Net Operating Income

		Net Operating Income				
		(10.0%)	(5.0%)	0.0%	5.0%	10.0%
		89,304	94,265	99,226	104,187	109,149
Cap Rate	3.50%	\$151.58	\$166.69	\$181.80	\$196.91	\$212.02
	4.50%	\$91.15	\$102.90	\$114.65	\$126.40	\$138.15
	4.75%	\$80.01	\$91.15	\$102.28	\$113.41	\$124.55
	5.00%	\$69.99	\$80.57	\$91.15	\$101.72	\$112.30
	5.20%	\$62.67	\$72.84	\$83.01	\$93.18	\$103.35

Figure 9 – Price Target Sensitivity to Changes in Cap Rate & Net Operating Income
Source: Mainstreet Equity Corp., AltaCorp Capital Inc.



Key Risks to Target Price

- **Concentration Risk:** Mainstreet's Alberta properties account for over 40% of its total portfolio units, representing one of the highest exposures to Alberta within the universe of publicly traded real estate companies. Economic weakness in Alberta could have a disproportionately negative impact on Mainstreet's portfolio.
- **Vacancies and Rents:** The profitability and value of Mainstreet's portfolio is largely driven by vacancy and rental rates of its properties. Economic weakness or a high ratio of unstabilized properties could weigh on these metrics.
- **Interest Rates and Financing Environment:** In a rising interest rate environment, Mainstreet faces the risk of refinancing at higher rates, which could impact its FFO as well as the total loan value that can be serviced by a property. This, in turn, could impact Mainstreet's ability to extract capital for deployment into other acquisitions. In addition, higher interest rates could negatively impact property values and real estate company valuations in general.
- **Acquisitions:** We believe Mainstreet's successful acquisition strategy underpins at least a portion of its valuation. Ongoing growth is dependent on sourcing and completing successful acquisitions.
- **Renovation Delays:** Mainstreet regularly acquires properties in need of substantial renovations. Delays in the renovation process could lengthen the timeframe to stabilize properties and generate a return on investment. Such risks are unique to Mainstreet versus other real estate companies that invest in stabilized properties.
- **Key Employees:** We believe Mainstreet's competitive advantage in sourcing, acquiring, and renovating properties in a cost-effective manner stems from the skills and relationships of its senior management team. As well, a large concentration of shares outstanding is held by management.
- **Forecast Error:** Our estimates are based on sources believed to be reliable, including Company audited and unaudited annual and interim financial reports, guidance, corporate presentations and other disclosure materials, as well as other third party data. However, our forecasts are subject to revisions due to changes in inputs, baselines, accounting changes or model errors, among others, and can impact our valuation and estimates for the Company materially.

Comparable Valuation

	Ticker	Mkt Cap (\$mm)	Net Debt (\$mm)	EV (\$mm)	Net Debt / TTM EBITDA	Total Cap	P/FFO FY2019	P/FFO FY2020e	P/FFO FY2021e	EV/EBITDA FY2019	EV/EBITDA FY2020e	EV/EBITDA FY2021e	Price to BV	ROIC	ROE
Mainstreet Equity Corp.	TSX:MEQ	655	1,118	1,738	14.3x	57.7%	16.7x	15.2x	13.5x	23.5x	21.8x	20.4x	0.8x	2.6%	6.3%
Residential															
Boardwalk Real Estate Investment Trust	TSX:BEL.UN	1,331	2,958	4,289	13.2x	48.1%	11.4	11.6	11.6	19.7x	20.2x	19.6x	0.4x	2.2%	3.2%
Canadian Apartment Properties Real Estate Investment Trust	TSX:CAR.UN	8,433	5,073	13,507	10.5x	36.8%	23.4	21.8	20.6	28.3x	24.8x	23.8x	1.0x	2.4%	13.7%
InterRent Real Estate Investment Trust	TSX:IIP.UN	2,001	983	2,984	10.0x	35.8%	30.2	29.5	26.0	35.3x	31.8x	27.4x	1.0x	2.5%	27.9%
Killam Apartment Real Estate Investment Trust	TSX:KMP.UN	1,732	1,540	3,272	10.8x	48.5%	18.0	18.0	17.0	23.7x	22.0x	20.5x	1.1x	3.1%	20.3%
Average					11.1x	33.8%	20.8x	20.2x	18.8x	26.8x	24.7x	22.8x	0.9x	2.0%	13.0%

Figure 10 – Comparable Valuation

Source: Capital IQ, Mainstreet Equity Corp., AltaCorp Capital Inc.

Quarterly Summary

	Q1/FY19	Q2/FY19	Q3/FY19	Q4/FY19	FY2019	Q1/FY20	Q2/FY20	Q3/FY20e	Q4/FY20e	FY2020e	Q1/FY21e	Q2/FY21e	Q3/FY21e	Q4/FY21e	FY2021e
<i>(Figures in C\$'000s unless otherwise specified)</i>															
Rental revenue	32,192	33,201	34,273	35,976	135,642	36,210	36,700	36,646	39,426	148,981	37,336	37,904	37,779	40,723	153,743
Ancillary rental income	416	536	420	599	1,971	485	532	531	572	2,120	541	549	548	590	2,229
Revenue	32,608	33,737	34,693	36,575	137,613	36,695	37,232	37,177	39,997	151,101	37,877	38,454	38,327	41,313	155,971
Property operating expenses	(11,815)	(13,581)	(13,366)	(12,543)	(51,305)	(13,407)	(15,528)	(14,576)	(14,483)	(57,994)	(14,102)	(14,511)	(14,267)	(15,309)	(58,189)
Net Operating Income	20,793	20,156	21,327	24,032	86,308	23,288	21,704	22,601	25,514	93,108	23,775	23,943	24,060	26,004	97,783
Margin	63.8%	59.7%	61.5%	65.7%	62.7%	63.5%	58.3%	60.8%	63.8%	61.6%	62.8%	62.3%	62.8%	62.9%	62.7%
Funds from Operations (FFO)	9,532	8,272	9,320	12,134	39,258	11,295	9,091	10,014	12,783	43,183	11,407	11,993	12,056	13,345	48,801
Margin	29.2%	24.5%	26.9%	33.2%	28.5%	30.8%	24.4%	26.9%	32.0%	28.6%	30.1%	31.2%	31.5%	32.3%	31.3%
FFO/share	\$1.00	\$0.92	\$0.99	\$1.29	\$4.20	\$1.20	\$0.97	\$1.07	\$1.36	\$4.60	\$1.22	\$1.28	\$1.29	\$1.42	\$5.20
FD EPS - cont. ops.	\$0.61	\$1.36	\$1.21	\$3.10	\$6.28	\$0.59	\$0.39	\$0.76	\$0.98	\$2.73	\$0.87	\$0.91	\$0.92	\$1.02	\$3.72

Figure 11 – Quarterly Summary

Source: Mainstreet Equity Corp., AltaCorp Capital Inc.



Mainstreet Equity Corp.

MEQ **C\$70.00**
Rating: **Outperform**
12 Month Target: **C\$100.00**

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1	Is this an issuer related or industry related publication?	Issuer
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A **Sector Perform (Hold)** rating represents a security expected to provide a return in line with the peer group average.

An **Underperform (Sell)** rating represents a security expected to provide a return less than the peer group average.

A **Speculative Buy** rating represents a security where the return potential is high, but the risk of a significant loss is material.

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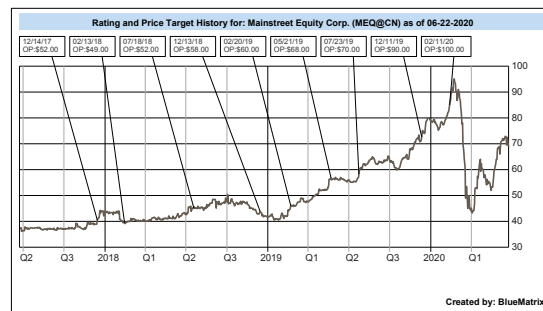
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Sector Perform	33%	10%
Underperform	11%	10%
Speculative Buy	5%	60%
Restricted	0%	0%
Not Rated	0%	0%
Tender	0%	0%
Total	100%	20%

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