



TRUE NORTH APARTMENT REIT COMPLETES PREVIOUSLY ANNOUNCED STRATEGIC TRANSACTIONS IN THE GREATER TORONTO AREA

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TORONTO, June 1, 2015 /CNW/ - True North Apartment Real Estate Investment Trust (the “**REIT**”) (TSX: TN.UN; TN.DB) is pleased to report that it has closed the previously announced acquisition of 150 and 160 Market Street in Hamilton, Ontario (collectively, the “**Acquisitions**”) for a total purchase price of approximately \$25.4 million, as well as the sale by two separate transactions of 380 Gibb Street in Oshawa, Ontario and 2292 Weston Road in Toronto, Ontario (collectively, the “**Dispositions**”) for approximately \$19.3 million and \$10.2 million, respectively. The purchaser of 380 Gibb Street has assumed the existing mortgage of approximately \$10.1 million. A first ranked mortgage secured on 150 Market Street will replace a first ranked mortgage secured on 2292 Weston Road as security in place for the REIT’s revolving credit facility.

The Acquisitions are comprised of two, well maintained, high-rise, concrete towers with a combined 278 residential suites that have recently undergone significant balcony and lobby upgrades. The purchase price of approximately \$25.4 million, representing a combined capitalization rate of 5.2%, was satisfied through approximately \$12.1 million in cash, the issuance of 460,978 class B limited partnership units of subsidiaries of the REIT (“**Class B LP Units**”), which are economically equivalent to, and exchangeable for, the REIT’s trust units, at a price of \$9.00 per Class B LP Unit, with the balance funded through new mortgage financing for a five year term at a rate of approximately 2.1%.

Further details regarding the Acquisitions and Dispositions are set out in the REIT’s news release made May 25, 2015.

About the REIT

The REIT is an unincorporated, open-ended real estate investment trust established under the laws of the Province of Ontario. The REIT focuses on a long-term strategy to generate stable cash distributions on a tax-efficient basis for unitholders. The REIT intends to actively look for opportunities to expand its asset base and increase its distributable cash flow through acquisitions of additional multi-suite residential rental properties across Canada, the United States, and other jurisdictions where opportunities may arise.

Additional information concerning the REIT is available at www.sedar.com or the REIT’s website at www.truenorthreit.com.

Forward-looking Information

Certain statements contained in this press release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information is provided for the purposes of presenting information about management’s current expectations and plans relating to the future and readers are cautioned that such information may not be appropriate for other purposes. Forward-looking information relates to the REIT’s future outlook and anticipated events, including statements regarding the Acquisitions and Dispositions and may also include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and

objectives of or involving the REIT. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the REIT or the real estate industry are forward-looking information. In some cases, forward-looking information can be identified by terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific, and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the REIT's control, affect the operations, performance and results of the REIT and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to, the synergies, strategies, opportunities and growth resulting from the Acquisitions and Dispositions, and the risks discussed in the REIT's materials filed with Canadian securities regulatory authorities from time to time on www.sedar.com. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information as there can be no assurance that actual results will be consistent with such forward-looking information.

Forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including the following: that the Acquisitions and Dispositions will benefit the REIT; that the Acquisitions will result in synergies; that the Canadian economy will remain stable over the next 12 months; that inflation will remain relatively low; that interest rates will remain stable; that conditions within the real estate market, including competition for acquisitions, will be consistent with the current climate; that the Canadian capital markets will continue to provide the REIT with access to equity and/or debt at reasonable rates when required; and that Starlight Investments Ltd. will continue its involvement as asset manager of the REIT in accordance with its current asset management agreement. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

The forward-looking information in this press release is dated, and relates only to events or information, as of the date of this press release. Except as specifically required by law, the REIT undertakes no obligation to update or revise publicly any forward-looking information, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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