TRUE NORTH APARTMENT REIT ANNOUNCES RESULTS FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2014

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TORONTO, ONTARIO - March 4, 2015 - True North Apartment Real Estate Investment Trust (TSX: TN.UN; TN.DB) (the "REIT") today announced its results of operations and financial condition for the three months and year ended December 31, 2014.

Fourth Quarter Highlights

- Net Operating Income ("NOI") of $11.6 million, a 58.8% increase from the fourth quarter of 2013, primarily reflecting the impact of acquisitions.
- Average Monthly Rent ("AMR") increased to $808, a 6.3% increase from $760 at December 31, 2013 and 0.5% above the September 30, 2014 level of $804.
- Strong Same Property NOI growth of 2.7% driven by Same Property revenue growth of 3.3%.
- Portfolio occupancy of 96.3%, a 0.9% increase from occupancy of 95.4% as at December 31, 2013.
- Basic and diluted funds from operations ("FFO") of $0.18 per trust unit ("Unit"), in line with the previous year.
- Basic and diluted adjusted funds from operations ("AFFO") of $0.16 per Unit, equivalent to the same period in 2013.
- FFO and AFFO payout ratios of 98% and 108% respectively, and 88% and 97% respectively, on a cash basis.
- Executed interest rate swaps on $77.6 million of mortgages maturing in 2015, estimated to result in annual interest savings of approximately $350,000, or $0.01 of AFFO per Unit

"Momentum was tangible in the fourth quarter, as Same Property revenue and NOI growth in the period exceeded the levels attained in the first nine months of the year," said Leslie Veiner, the REIT's President and Chief Executive Officer. "This improvement reflects the impact of value creation initiatives at properties that have now been in the portfolio for over a year. The REIT has also successfully executed interest rate swaps on $77.6 million of mortgages, representing approximately 78% of the REIT's debt that is scheduled to mature in 2015. The swaps are estimated to result in annual interest savings of approximately $350,000, or $0.01 per Unit, a decrease in the pro forma weighted average interest rate on the REIT's debt to approximately 3.05% and an increase in the pro forma average term to maturity to approximately 4.6 years."

"Looking out to 2015 and beyond, the REIT is well positioned for consistent growth," added Mr. Veiner. "We have identified approximately 600 suites in the portfolio that are positioned for our high-end upgrade program. This program generates higher rents and yields attractive returns on capital. In conjunction with sustained demand for mid-market accommodations in our markets, improved occupancy in our Montréal complex, new suite creations, and cost control and energy conservation projects, the REIT is focused on numerous initiatives to increase NOI. In addition, building on our $286 million acquisition of a portfolio of 29 properties in 2014, we continue to explore opportunities to add scale through further strategic acquisitions."

Operating Results

Property revenues for the three months ended December 31, 2014 were $21.5 million, representing an increase of $8.0 million, or 59.2%, compared to the three month period ended December 31, 2013. The increase was primarily due to the impact of acquisitions subsequent to December 31, 2013. Property revenue also increased due to Same Property AMR growth of 2.0% across the portfolio and higher average occupancy in the Ontario and Québec regions.

Property revenues for the year ended December 31, 2014 were $70.4 million, representing an increase of $20.1 million, or 40.0%, compared to the year ended December 31, 2013. This increase was also primarily due to the impact of acquisitions, partially offset by two property dispositions. Rental revenue growth was achieved in all regions except Québec, where growth resumed in the fourth quarter.

NOI for the three months ended December 31, 2014 was $11.6 million, an increase of $4.3 million, or 58.8%, when compared to the three month period ended December 31, 2013. This increase was due to the impact of acquisitions completed subsequent to December 31, 2013, in addition to Same Property NOI growth of 2.7%. This Same Property NOI improvement is attributable to rental revenue growth across the portfolio, partially offset by an increase in operating costs. The REIT's NOI margin for the three months ended December 31, 2014 was 54.0%, compared to 54.1% for the three months ended December 31, 2013. The slight reduction was due to increases in repair and maintenance expenses and property taxes across the portfolio.

NOI for the year ended December 31, 2014 was $38.0 million, an increase of $10.4 million, or 37.7%, when compared to the 2013 level. This increase was primarily due to the impact of acquisitions, net of two property dispositions. The NOI margin for the year was 54.0%, compared to 54.9% for the year ended December 31, 2013. The decrease was primarily due to the lower NOI margin in Québec and Ontario, as a result of elevated heating costs due to the significantly colder weather in the first half of 2014 and an increase in related repair and maintenance expenses.

As at December 31, 2014, the REIT's AMR was $808, an improvement of $48, or 6.3%, when compared to $760 at year-end 2013. Sequentially, AMR increased 0.5% from $804 at September 30, 2014. The year-over-year improvement was partly driven by a 2.0% increase in Same Property AMR, from $760 to $775. In addition, AMR increased as a result of properties acquired subsequent to December 31, 2013, which had higher average monthly rents.

As at December 31, 2014, portfolio occupancy was 96.3%, a 0.9% increase from occupancy of 95.4% at December 31, 2013 and unchanged from the level at September 30, 2014. Occupancies were 96.2% in Southwestern Ontario, 97.4% in the Greater Toronto Area, 97.7% in Eastern Ontario, 94.2% in Québec, 96.8% in Alberta, 98.1% in Nova Scotia and 97.1% in New Brunswick. At the Montréal complex, occupancy increased from 90.6% to 93.1%, as property management initiatives resulted in successful leasing and tenant retention.

REIT Consolidated	Three months ended December 31, 2014	Three months ended December 31, 2013	% Change	Year ended December 31, 2014	Year ended December 31, 2013	% Change
Revenue	$ 21,530	$ 13,524	59.2%	$ 70,418	$ 50,282	40.0%
Expenses:						
Operating costs	7,226	4,637	55.8%	23,689	16,781	41.2%
Property taxes	2,678	1,568	70.8%	8,680	5,877	47.7%
	9,904	6,205	59.6%	32,369	22,658	42.9%
NOI	$ 11,626	$ 7,319	58.8%	$ 38,049	$ 27,624	37.7%
NOI margin	54.0%	54.1%		54.0%	54.9%	

	As at December 31, 2014	As at December 31, 2013
Operational Information		
Number of properties	83	54
Total suites	8,827	5,996
Occupancy %	96.3%	95.4%
AMR (in actual dollars)	$808	$760

For the fourth quarter and year ended December 31, 2014, basic FFO were $0.18 per Unit and $0.70 per Unit, respectively, and diluted FFO were $0.18 per Unit and $0.69 per Unit respectively. The FFO payout ratios for the fourth quarter and year were 98% and 100% respectively. On a cash basis, which excludes non-cash distributions made under the REIT's distribution reinvestment plan ("DRIP"), the FFO payout ratios were 88% and 86% respectively. For the fourth quarter and year ended December 31, 2014, basic and diluted AFFO were $0.16 per Unit and $0.62 per Unit respectively. The AFFO payout ratios for the fourth quarter and year were 108% and 112% respectively. On a cash basis, which excludes non-cash distributions made under the REIT's DRIP, the AFFO payout ratio was 97% in each period.

	Three months ended December 31, 2014	Three months ended December 31, 2013	Year ended December 31, 2014	Year ended December 31, 2013
Summary of Financial Information				
Interest coverage ratio	2.44 x	3.07 x	2.52 x	3.06 x
Indebtedness coverage ratio	1.47 x	1.77 x	1.53 x	1.78 x
Revenue	$21,530	$13,524	$70,418	$50,282
NOI	$11,626	$7,319	$38,049	$27,624
Net income and comprehensive income	$11,213	$1,950	$19,079	$46,124
FFO - basic	$5,799	$4,105	$19,502	$15,722
FFO - diluted	$6,134	$4,105	$20,223	$15,722
FFO per Unit - basic	$0.18	$0.18	$0.70	$0.72
FFO per Unit - diluted	$0.18	$0.18	$0.69	$0.72
AFFO - basic	$5,268	$3,717	$17,397	$14,211
AFFO - diluted	$5,603	$3,717	$18,118	$14,211
AFFO per Unit - basic	$0.16	$0.16	$0.62	$0.65
AFFO per Unit - diluted	$0.16	$0.16	$0.62	$0.64
Distributions per Unit	$0.175	$0.175	$0.70	$0.70
FFO payout ratio	98%	99%	100%	97%
AFFO payout ratio	108%	109%	112%	107%
Weighted average Units outstanding:				
Basic - (000s)	32,428	23,155	27,973	21,839
Add: unexercised unit options (000s)	101	228	115	261
Add: 2019 Debentures	2,473	-	1,346	-
Diluted - (000s)	35,002	23,383	29,434	22,100

Financial Position

At the conclusion of 2014, the REIT's debt to gross book value was 62.9% and its interest coverage ratio was 2.52 times. Both metrics fall within the REIT's stated targets. The weighted average interest rate on the REIT's portfolio was 3.15% and the weighted average term to maturity was 3.56 years. Interest rate swaps completed during and subsequent to the three months ended December 31, 2014, reduced the pro forma interest rate to 3.05% and increased the pro forma term to maturity to 4.6 years. During 2014, the REIT's financial flexibility was enhanced by an increase in its revolving credit facility from $25 million to $45 million. CMHC-insured debt accounted for approximately 44% of the REIT's overall mortgage portfolio at year-end, a ratio that is expected to increase in the coming periods.

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.

For complete financial statements and management's discussion and analysis for the period, and any other information relating to the REIT, please visit either www.sedar.com or the REIT's website, www.truenorthreit.com.

Non-IFRS measures

The REIT's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The following measures, NOI, FFO, AFFO, Same Property NOI, indebtedness, gross book value, indebtedness to gross book value ratio, indebtedness coverage ratio and interest coverage ratio as well as other measures discussed elsewhere in this press release, do not have a standardized definition prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures presented by other reporting issuers. The REIT uses these measures to better assess the REIT's underlying performance and financial position and provides these additional measures so that investors may do the same. Details on non-IFRS measures are set out in the REIT's Management's Discussion and Analysis for the period ended December 31, 2014 and available on the REIT's profile on SEDAR at www.sedar.com.

Forward-looking Statements

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 assisting the reader in understanding the REIT's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking information may relate to future results, performance, achievements, events, prospects or opportunities for the REIT or the real estate industry and may include statements regarding: the REIT's financial position; business strategy; budgets; litigation; projected costs; capital expenditures; financial results; occupancy levels; AMR; taxes; the REIT's intention with respect to, and ability to execute, its internal and external growth strategies; the REIT's distribution policy and the distributions to be paid to holders of Units; the distributions to be paid to holders of Class B LP Units; the REIT's debt strategy; derivative instruments; plans and policies regarding capital expenditures; the REIT's distributions and payout ratio; the REIT's use of its normal course issuer bid and Base Shelf Prospectus; and the ability of the REIT to qualify as a "real estate investment trust and a mutual fund trust", as defined in the *Income Tax Act* (Canada). Particularly, statements regarding future geographic diversification, determinations of investment property fair values, per suite repair and maintenance expenditures, the REIT's ability to meet its obligations and the REIT's use of Canada Mortgage and Housing Corporation insured debt 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", "goal", "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 risks discussed in the REIT’s materials filed with Canadian securities regulatory authorities from time to time. 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.

Information contained in 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: the Canadian economy will remain stable over the next twelve months; inflation will remain relatively low; interest rates will remain stable; conditions within the real estate market, including competition for acquisitions, will be consistent with the current climate; the Canadian capital markets will provide the REIT with access to equity and/or debt at reasonable rates when required; and that the risks referenced above, collectively, will not have a material impact on the REIT. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

The forward-looking information included in this press release relates only to events or information as of the date hereof. Except as specifically required by applicable Canadian 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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