



**True North Commercial Real Estate Investment Trust  
Adds Quality Assets with Long-Term Leases in Urban Cities**

**/NOT FOR DISTRIBUTION IN THE U.S. OR OVER U.S. NEWSWIRES/**

TORONTO, November 16, 2016 – True North Commercial Real Estate Investment Trust (the "**REIT**") (TSX: TNT.UN) is pleased to announce it has closed the acquisition of an industrial property located at 1035 Industrial Road, Waterloo, Ontario (the "**Waterloo Property**"). The Waterloo Property is an industrial building situated on 8.01 acres of land with approximately 156,300 rentable square feet, featuring direct exposure to Highway 401. With an average lease term of 9.8 years remaining, the building is 100% occupied by a single tenant with a strong private covenant. The \$8.40 million purchase price for the Waterloo Property was satisfied from the REIT's August public unit offering and mortgage financing of \$5.46 million, with an annual interest rate of 2.81% for a 5 year term.

The REIT is also pleased to announce it has completed due diligence and has agreed to acquire a 77,600 square foot office property located at 4500 & 4520 16<sup>th</sup> Avenue NW, Calgary, Alberta (the "**Government Property**"). Closing is expected to be on or about December 6, 2016. The purchase price for the Government Property is \$24.5 million, subject to customary adjustments and closing costs, which represents an implied capitalization rate of 9.0% and is expected to be immediately accretive to the REIT's adjusted funds from operations ("**AFFO**"). The Government Property is an office building with approximately 77,600 rentable square feet that enjoys convenient access to the Trans-Canada Highway. It is 100% occupied with 91.1% by a provincial government agency, with an average remaining lease term of 7.7 years. The purchase price is expected to be satisfied with mortgage financing of approximately \$14.6 million, with an estimated interest rate of 3.19% for an estimated five year term, with the balance satisfied with proceeds from the REIT's August public unit offering.

"We are very pleased to continue to add quality properties to our growing portfolio with long-term leases in urban markets and to continue to deploy the proceeds from our August public unit offering," said Daniel Drimmer, President and Chief Executive Officer of the REIT.

**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 currently owns and operates a portfolio of 28 commercial properties consisting of approximately 1.70 million square feet in urban cities and secondary markets across Canada focusing on long term leases with government and credit-rated tenants.

The REIT is focused on growing its portfolio principally through acquisitions across Canada and such other jurisdictions where opportunities exist. Additional information concerning the REIT is available at [www.sedar.com](http://www.sedar.com) or the REIT's website at [www.truenorthreit.com](http://www.truenorthreit.com).

### **Non-IFRS measures**

AFFO is not a measure defined under International Financial Reporting Standards (“IFRS”) as prescribed by the International Accounting Standards Board, does not have a standardized meaning prescribed by IFRS and should not be compared to or construed as an alternative to profit/loss, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. AFFO as computed by the REIT may not be comparable to similar measures presented by other issuers. The REIT uses this measure to better assess the REIT’s underlying performance and provides this additional measure so that investors may do the same. Details on non-IFRS measures are set out in the REIT’s Management’s Discussion and Analysis (“MD&A”) for the period ended September 30, 2016 and Annual Information Form (“AIF”) for the year ended December 31, 2015 and available on the REIT’s profile at [www.sedar.com](http://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 statements are 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 including the successful completion of the acquisition of the Government Property, and the financial performance of the REIT resulting from the acquisition of the Government Property, and readers are cautioned 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 acquisition of the Government Property, and the use of proceeds in the event that the acquisition of the Government Property is not completed, as well as the financial position, business strategy, budgets, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the REIT. In some cases, forward-looking information can be identified by such terms as “may”, “might”, “will”, “could”, “should”, “would”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “seek”, “aim”, “estimate”, “target”, “goal”, “project”, “predict”, “forecast”, “potential”, “continue”, “likely”, or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking statements involve 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, assumptions may not be correct and objectives, strategic goals and priorities may 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, including those relating to the acquisition of the Government Property, to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to, risks related to the Units and risks related to the REIT’s AIF and MD&A at “Risks and Uncertainties”. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements as there can be no assurance actual results will be consistent with such forward-looking statements.

Information contained in forward-looking statements 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, expected future developments and the financial performance of the REIT resulting from the acquisition of the Government Property, as well as other considerations believed to be appropriate in the circumstances, including the following: the ability of the REIT to complete the acquisition of the Government Property and secure acceptable mortgage financing; the Canadian economy will remain stable over the next 12 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; Starlight Investments Ltd. will continue its involvement as asset manager of the REIT in accordance with its current asset management agreement; and 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 statements made relate only to events or information as of the date on which the statements are made in this press release. Except as specifically required by applicable Canadian law, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, 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.

**For further information please contact:**

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