



**True North Commercial Real Estate Investment Trust
Announces \$22.5 Million Equity Offering
and Potential Acquisitions with Urban Focus**

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TORONTO, August 16, 2016 – True North Commercial Real Estate Investment Trust (the "REIT") (TSX: TNT.UN) is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by CIBC Capital Markets and Raymond James Ltd. (collectively, the "Underwriters") to sell on a bought deal basis, 3,630,000 units of the REIT at a price \$6.20 per unit for gross proceeds to the REIT of approximately \$22,506,000 (the "Offering"). The Offering is being made under the REIT's short form base shelf prospectus dated April 27, 2016. The terms of the Offering will be described in a prospectus supplement to be filed with Canadian securities regulatory authorities.

The REIT has also granted the Underwriters an option (the "Over-Allotment Option"), exercisable for a period of 30 days following the closing of the Offering, to purchase up to an additional 544,500 units of the REIT to cover over-allotments, if any. The Offering is expected to close on or about August 25, 2016.

The REIT intends to use the net proceeds from the Offering to fund the potential acquisition of high-quality commercial properties that are located in strategic, urban markets and feature strong tenant profiles including the potential acquisition of three office, retail and industrial properties aggregating 321,000 square feet of leasable space with 100% occupancy located in the Greater Toronto Area and the Waterloo Region of Ontario in addition to Halifax, Nova Scotia. Until deployed for these purposes, the REIT intends to repay existing outstanding indebtedness (currently \$8.675 million drawn) which can then be re-borrowed and used by the REIT as noted above, and to fund working capital and other general trust purposes. The REIT is currently conducting due diligence and negotiations in respect of the three identified potential acquisitions but there can be no assurance that any or all of the acquisitions will become subject to a purchase agreement beyond a non-binding letter of intent to be completed. The Offering is not conditional on the closing of any of the identified potential acquisitions, and in the event that any such acquisitions do not close, the net proceeds will then be used to fund other potential future acquisitions.

"Management of the REIT continues to identify outstanding acquisition opportunities that meet our specific investment criteria, including the Greater Toronto Area, Waterloo Region and Halifax properties," said Daniel Drimmer, President and Chief Executive Officer. "The net proceeds of this offering will facilitate the potential acquisition of these properties and increase the REIT's presence in core urban markets while we continue to execute on our strategic growth plan."

This news release shall not constitute an offer to sell or a solicitation of any offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and such securities may not be offered or sold within the United States absent registration under the U.S. Securities Act or an applicable exemption from the registration requirements thereunder.

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 26 commercial properties consisting of approximately 1.5 million square feet in secondary markets across Canada. The REIT is focused on growing its portfolio principally through acquisitions across Canada and such other jurisdictions where opportunities exist.

For complete financial statements and management's discussion and analysis for the period, and any other information relating to the REIT, please visit www.sedar.com or the REIT's website at www.truenorthreit.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 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 closing date of the Offering, the use of proceeds from the Offering, the repayment and re-borrowing of indebtedness by the REIT, the completion of the acquisitions described herein, the completion of the other future acquisitions or investments by the REIT, 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 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 Annual Information Form for the year ended December 31, 2015 and annual 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 and expected future developments, as well as other considerations believed to be appropriate in the circumstances, including the following: all regulatory approvals in connection with the Offering are received on a timely basis, 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.

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