

May 14, 2018

True North Commercial Real Estate Investment Trust Continues Urban Growth with Acquisition of Toronto Trophy Asset

Flagship Office Property fronting Yonge Street with Direct Subway and Bus Transit Hub Access

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TORONTO, May 14, 2018 – True North Commercial Real Estate Investment Trust (the "REIT") (TSX: TNT.UN) is pleased to announce it has agreed to acquire (the "**Acquisition**") a 274,085 square foot Class "A" LEED Gold office building located at 5775 Yonge Street, Toronto, Ontario (the "**Yonge Street Property**").

"We are extremely pleased to have successfully and fully deployed the proceeds from our March equity raise into this superior asset located in Toronto," said Daniel Drimmer, the REIT's President and Chief Executive Officer. "This acquisition demonstrates all the attributes the REIT is seeking in its acquisitions: strategically located next to a major transit hub allowing direct access for its tenants and visitors, high-quality tenancy anchored by the Province of Ontario, and a Class "A" facility with superior operational efficiencies."

The purchase price for the Yonge Street Property is approximately \$85.15 million, exclusive of closing costs, and is expected to be satisfied by a combination of: (i) first mortgage financing in the amount of approximately \$55.0 million, with an estimated interest rate of approximately 3.7% for a five-year term; and (ii) cash on hand. The closing of the acquisition of the Yonge Street Property is expected to occur on or about June 6, 2018. With an average remaining lease term of 4.3 years, the Yonge Street Property is 92.4% occupied, with 74% of its revenue generated by government and credit-rated tenants.

Yonge Street Property

Situated on 1.23 acres of prime real estate in North Toronto, this Class "A" office building fronting Yonge Street, includes a striking façade spanning 18 storeys with 274,085 rentable square feet, and has achieved LEED Gold and BOMA Best Level 3 certifications. The Yonge Street Property boasts unparalleled multiple regional transit accessibility, including a direct underground connection to the Finch TTC Subway Station, GO Transit and YRT/VIVA bus terminals. The Yonge Street Property is also easily accessible from the 400 series highways via Yonge Street and Finch Avenue. The Yonge Street Property provides tenants with direct access to numerous amenities including restaurants, retail shopping and a fitness centre.

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 40 commercial properties

consisting of approximately 3.05 million square feet in urban and strategic 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 or the REIT's website at www.truenorthreit.com.

Forward-looking Statements

Certain statements contained in this news 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, and the anticipated financial performance of the REIT resulting from the Acquisition) 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, outlook and anticipated events or results, and may include statements regarding the Acquisition, highlighted metrics of the REIT, and investments by the REIT, as well as the financial position, business strategy, budgets, projected costs, capital expenditures, financial results, financing rates and costs, 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", "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 statements necessarily 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, without limitation, those relating to the Acquisition) 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 REIT's trust units and risks related to the REIT's Annual Information Form for the year ended December 31, 2016, annual MD&A at "Risks and Uncertainties" 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 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 anticipated financial performance of the REIT, as well as other considerations that are believed to be appropriate in the circumstances, including the following: the ability of the REIT to complete the Acquisition 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 continue to provide the REIT with access to equity and/or debt at reasonable rates when required; Starlight Group Property Holdings Inc. will continue its involvement as asset manager of the REIT in accordance with its current asset management agreement; and the risks identified or 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 in this news release are dated and relate only to events or information as of the date of this news release. Except as specifically required by applicable 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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