

Nov 13, 2013

True North Commercial Real Estate Investment Trust Closes Previously Announced Acquisition and Private Placement

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TORONTO, Nov. 13, 2013 /CNW/ - True North Commercial Real Estate Investment Trust (the "**REIT**") (TSX: TNT.UN) is pleased to announce that it has closed its previously announced acquisition (the "**Acquisition**") of an office property located at 551 King Street in Fredericton, New Brunswick (the "**King Street Property**") and a concurrent non-brokered private placement of 386,364 trust units of the REIT ("**Units**") at a price of \$6.60 per Unit for aggregate gross proceeds of approximately \$2.55 million (the "**Private Placement**").

The King Street Property is a stand-alone premier office building situated in the heart of downtown Fredericton, New Brunswick with a total of 84,915 rentable square feet. Built in 2002, the property is 100% occupied with an average lease term of 8.9 years remaining and is well situated with accessibility to major arterial highways and routes including the Trans-Canada Highway. 98.4% of the King Street Property's gross revenue is derived from government or credit rated tenants, including the Government of New Brunswick and National Bank of Canada. This tenant base aligns well with the REIT's strategy by providing long-term, visible, credit-backed cash flow.

The \$17.0 million purchase price for the King Street Property was satisfied through the payment of \$2.1 million in cash from the proceeds of the Private Placement and the issuance to the vendor of 454,545 class B limited partnership units of True North Commercial Limited Partnership ("**Class B LP Units**"), which are economically equivalent to, and exchangeable for, Units, at a price of \$6.60 per Class B LP Unit. The balance of the purchase price for the King Street Property was funded by a new five year mortgage in the amount of \$11.9 million with an interest rate of 3.79%.

In connection with the Private Placement, D.D. Acquisitions Partnership, an affiliate of Daniel Drimmer, purchased 378,788 Units. As of the date of this news release, Mr. Drimmer (together with his affiliates) holds an approximate 21.74% effective interest in the REIT (based on the number of issued and outstanding Units and Class B LP Units as at September 30, 2013 and including the Class B LP Units and Units issued in connection with the Acquisition and the Private Placement, but excluding Mr. Drimmer's options to purchase Units) through his ownership of, or control or direction over, Units, Class B LP Units, and the accompanying special voting units of the REIT, which provide a holder of Class B LP Units with equivalent voting rights in respect of the REIT to holders of Units.

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 is focused on acquiring and operating commercial rental properties across Canada and such other jurisdictions where opportunities exist. Additional information concerning the REIT is available 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 statements are provided for the purposes of assisting the reader in understanding the REIT's financial position and results of operations 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 the REIT's future outlook and anticipated events, including financial or operating results and may include statements regarding the financial position, business strategy, budgets, financing rates and costs, 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 statements. 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 statements necessarily involve known and unknown risks and uncertainties, that 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 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 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 that actual results will be consistent with such forward-looking statements.

Information contained in forward-looking statements is based upon certain material assumptions, including management's perceptions of historical trends, current conditions and expected future developments that are believed to be appropriate in the circumstances, such as: 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 Investments Ltd. 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 press release are dated, and relate 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 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.

SOURCE True North Commercial Real Estate Investment Trust

**True North Commercial Real Estate
Investment Trust**

3280 Bloor Street West
Suite 1400, Centre Tower
Toronto, Ontario
M8X 2X3
+1 (416) 234-8444

ircommercial@truenorthreit.com

Transfer Agent

TSX Trust Company
100 Adelaide Street West
Suite 301
Toronto, Ontario
M5H 4H1
+1 (416) 361-0152

