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

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TORONTO, Feb. 12, 2013 /CNW/ - True North Commercial Real Estate Investment Trust (the "**REIT**") (TSXV: TNT.UN) is pleased to announce that it has closed its previously announced bought deal offering (the "**Offering**"). The REIT has issued an aggregate of 14,549,914 trust units of the REIT (the "**Units**") at a price of \$3.83 per Unit (the "**Offering Price**") for gross proceeds of \$55,726,171 to a syndicate of underwriters led by Raymond James Ltd.

The distribution of the Units under the Offering was qualified by a short-form prospectus dated February 6, 2013 that has been filed with the regulatory authorities and is available at www.sedar.com. As of February 12, 2013, there were 18,073,144 Units and 4,268,750 class B limited partnership units of True North Commercial Limited Partnership (economically equivalent to and exchangeable for Units) ("**Class B LP Units**") outstanding.

The net proceeds from the Offering are expected to be used to satisfy the cash portion of the acquisition price of the previously announced acquisitions of five commercial properties (the "**Acquisition Properties**") comprising a total of 561,882 square feet of office and retail space, located in the provinces of Ontario, Alberta and New Brunswick. The Acquisition Properties are comprised of approximately 91% office space and 9% retail space, and have a high quality tenant base, with a 99.7% occupancy rate and approximately 88% of gross revenue represented by government or credit rated tenants.

*340 Laurier Avenue West, Ottawa, Ontario (the "**Laurier Property**")*

The Laurier Property is 100% occupied, with the Canadian Federal Government leasing approximately 98% of its rentable area, and is well maintained with high quality common area and building systems. The Laurier Property has a prominent location on a well-recognized downtown arterial road and is located within Ottawa's downtown central business district, five blocks from Parliament Hill.

*Century Park Place, 855 8th Avenue SW, Calgary, Alberta (the "**Century Property**")*

The Century Property is located in downtown Calgary, Alberta. The Century Property is approximately 63.5% occupied by the Province of Alberta with a remaining lease term of just under five years. The area where the Century Property is located is experiencing an increasing concentration of new developments including 8 West and the recently redeveloped University of Calgary Downtown Campus. Light rail train station is within walking distance, providing for access to public transportation.

*400 Maple Grove Road, Ottawa, Ontario (the "**Maple Property**")*

The Maple Property is fully leased to Honeywell International. The Maple Property is located near the intersection of Terry Fox Drive and Maple Grove Road in the heart of Terry Fox Business Park, one of the more desirable suburban office nodes in Ottawa. The Maple Property is located approximately 20 minutes west of the downtown core of Ottawa.

*Miramichi Business Complex, 410 King George Highway, Miramichi, New Brunswick (the "**Miramichi Property**")*

The Miramichi Property is an office/retail facility originally constructed in 1969 as a neighbourhood retail strip plaza with major renovations completed in 1995, 1996, and 2012. Over \$4 million of capital improvements were made over the last two years to facilitate the change of use for recent tenant additions, namely the Federal Government of Canada.

*400 Carlingview Drive, Toronto, Ontario (the "**Carlingview Property**")*

The Carlingview Property is 100% occupied on a recently entered into five year lease. The Carlingview Property benefits from the close proximity to Toronto Pearson International Airport and has access to highways 401, 407, 427, and 409.

Daniel Drimmer, the President, Chief Executive Officer and Chairman of the Board of Trustees of the REIT, subscribed for 1,827,676 Units under the Offering. Concurrent with the completion of the Offering, Mr. Drimmer also subscribed for an additional 783,290 Units at the Offering Price on a non-brokered private placement basis for gross proceeds of approximately \$3 million. As of the date hereof, Mr. Drimmer (together with his affiliates) holds an approximate 19.36% effective interest in the REIT through the ownership of, or direction or control over, 2,668,822 Units, 1,656,250 Class B LP Units and 1,656,250 special voting units of the REIT, which were issued in conjunction with the Class B LP Units to provide voting rights with respect to the REIT.

Concurrent with the closing of the Offering, the REIT granted options (the "**Options**") to acquire an aggregate of 855,000 Units to certain officers and trustees of the REIT and certain employees of Starlight Investments Ltd., the REIT's asset manager, including 200,000 options each to Mr. Drimmer (President, Chief Executive Officer and Chairman of the Board of Trustees of the REIT) and Tracy Sherren (Chief Financial Officer of the REIT), and 50,000 Options to each of the other trustees of the REIT. The Options were granted pursuant to the REIT's unit option plan at an exercise price equal to the Offering Price. Each Option entitles the holder to purchase one Unit for a period of five years from the date of grant. The Options will vest equally over a three-year period, commencing on the first anniversary of the date of grant. The grant of the Options is subject to TSXV approval.

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 completion of the Acquisitions, and may include statements regarding the financial position, business strategy, budgets, financing rates and costs, the capitalization rate attributable to the Acquisitions, 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, including the completion of the Acquisitions, as well as other considerations 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.

The Units have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements of that act. This new release does not constitute an offer to sell the Units in the United States.

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 intends to focus on acquiring and owning commercial rental properties across Canada, the United States and such other jurisdictions where opportunities exist. Additional information concerning the REIT is available at www.sedar.com.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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