

Mar 25, 2015

True North Commercial Real Estate Investment Trust Completes Accretive Acquisition in Fredericton

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

TORONTO, March 25, 2015 /CNW/ - True North Commercial Real Estate Investment Trust (the "**REIT**") (TSX: TNT.UN) today announced that it has closed the previously announced \$5.9 million acquisition of 845 Prospect Street, located in Fredericton, New Brunswick (the "**Property**"). The addition of the Property to the REIT's portfolio is expected to be immediately accretive to its Funds from Operations ("**FFO**") and Adjusted Funds from Operations ("**AFFO**") per trust unit of the REIT.

"We are very pleased to add this Property to our growing portfolio," said Daniel Drimmer, President and Chief Executive Officer of the REIT. "It represents a great fit with our core strategy of acquiring properties that are well located in strong secondary markets and tenanted by government or credit-rated organizations. Fredericton is a profitable and stable market and we look forward to identifying other opportunities there."

The acquisition of the Property was financed primarily by a \$4.1 million mortgage with a five-year term and a fixed rate of approximately 2.69%, with the balance funded through the REIT's credit facility. The Property was acquired at a capitalization rate of 7.6%.

The Property is a stand-alone, four-storey office building with a total of approximately 39,000 rentable square feet, and is 100% occupied by Stantec Inc. ("**Stantec**") under a lease expiring in 2022. Stantec is a \$3 billion market capitalization company whose shares are listed on the NASDAQ and Toronto stock exchanges. Built in 1975, the Property is well-located in uptown Fredericton, a suburban area with close proximity to downtown with exposure to the Fredericton Bypass and is a short drive from Regent Mall.

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.

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.

Non-IFRS measures

FFO and AFFO are not measures defined under International Financial Reporting Standards ("**IFRS**") as prescribed by the International Accounting Standards Board, do not have standardized meanings prescribed by IFRS and should not be compared to or construed as alternatives to profit/loss, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. FFO and AFFO as computed by the REIT may not be comparable to similar measures presented by other issuers. The REIT uses these measures to better assess the REIT's underlying performance and provides these additional measures 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**") and Annual Information Form ("**AIF**") for the year ended December 31, 2014 and available on the REIT's profile 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 such statements may not be appropriate for other purposes. Forward-looking information may relate to the REIT's future outlook and anticipated events or results, including the performance of the Property, and may include statements regarding the financial position, business strategy, budgets, projected costs, capital expenditures, 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", 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 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 including the risks discussed in the 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, including management's perceptions of historical trends, current conditions expected future developments 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.

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

