

Dec 14, 2012

True North Commercial Real Estate Investment Trust Completes Qualifying Transaction

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TORONTO, Dec. 14, 2012 /CNW/ - True North Commercial Real Estate Investment Trust (the "**REIT**") (TSX: TNT.UN, formerly TQ.P) is pleased to announce the completion of its Qualifying Transaction (as described in Policy 2.4 of the TSX Venture Exchange ("**TSXV**") Corporate Finance Manual), previously announced in the news release of Tanq Capital Corporation (the "**Corporation**") on September 21, 2012, by way of a plan of arrangement under Section 182 of the *Business Corporations Act* (Ontario) (the "**Arrangement**"). The Arrangement was approved pursuant to a final order issued by the Ontario Superior Court of Justice (Commercial List) today, but remains subject to receipt of final approval of the TSXV through the issuance of the TSXV's final exchange bulletin regarding the Qualifying Transaction (the "**Final Exchange Bulletin**"), which is expected next week.

Meeting

At a meeting held on December 13, 2012, the shareholders of the Corporation (the "**Shareholders**"):

1. elected Jeff Baryshnik, Roland Cardy, William Biggar and Sandy Poklar to serve on the board of trustees of the REIT with Daniel Drimmer and Alon Ossip;
2. approved the Arrangement, as well as all matters relating to the Arrangement;
3. approved the granting of certain pre-emptive rights, registration rights and tag/drag rights to Starlight Investments Ltd. ("**Starlight**"), under an exchange agreement entered into among, *inter alia*, the REIT and Starlight (the "**Exchange Agreement**"); and
4. approved the unitholders' rights plan of the REIT.

Acquisition of the Property

As part of its Qualifying Transaction, the REIT acquired a 48,994 square foot retail shopping centre that is comprised of two retail buildings located at 341-391 Trans-Canada Highway in Duncan, British Columbia (the "**Property**"). The Property was originally constructed in 1970, but was recently extensively updated in 2010 and 2011. The shopping centre is ideally situated on a 3.58 acre site on the corner of the Trans-Canada Highway and Coronation Avenue, and is highly visible and accessible given that the average daily traffic passing the Property is over 22,000 vehicles. Located in the heart of the prime retail corridor in the thriving commercial hub of Duncan, in an area known as the Cowichan Valley - one of the fastest growing regions in British Columbia - the Property is also in close proximity to an established residential base. A copy of the purchase agreement entered into in connection with the acquisition of the Property is available on the REIT's profile at www.sedar.com.

Plan of Arrangement

Pursuant to the Arrangement, among other things: (i) the issued and outstanding common shares ("**Shares**") of the Corporation have been exchanged for units ("**Units**") of the REIT on an 8 for 1 basis (1 Unit for every 8 Shares) (the "**Exchange Ratio**"); and (ii) the issued and outstanding options ("**Options**") to purchase Shares were exchanged for options ("**True North Options**") to purchase Units on terms and conditions identical to the terms and conditions of the Options, subject to adjustments to the exercise price of, and the number of Units underlying, the True North Options based upon the Exchange Ratio. Certain Shareholders elected to receive class B limited partnership units (the "**Class B LP Units**") of True North Commercial Limited Partnership as consideration for all or a portion of their Shares which are exchangeable on a one-for-one basis for Units pursuant to the Exchange Agreement. Copies of the arrangement agreement entered into in connection with the Arrangement and the Exchange Agreement are available on the REIT's profile at www.sedar.com.

The Units will trade under the symbol "TNT.UN" when trading commences, which is expected to be next week following the issuance by the TSXV of the Final Exchange Bulletin regarding the Qualifying Transaction.

REIT Private Placement

Immediately following the completion of the Arrangement, the REIT completed a non-brokered private placement of 133,690 Units at a price of \$3.74 per Unit, for gross proceeds of approximately \$500,000 (the "**REIT Private Placement**"). It is expected that funds raised under the REIT Private Placement will be used for funding acquisitions and general trust purposes. The REIT Private Placement is subject to final approval by the TSXV and the Units issued under the REIT Private Placement will be subject to a hold period that expires on April 15, 2013.

Securities Ownership

Following the completion of the Arrangement and the REIT Private Placement, 2,739,940 Units and 4,268,750 Class B LP Units were issued and outstanding on a non-diluted basis. Daniel Drimmer, through D.D. Acquisitions Partnership and Drimmer Holdings Ltd., beneficially owns 1,656,250 Class B LP Units, and 57,856 Units, representing approximately 24.46% of the outstanding REIT Units (based on 7,008,690 REIT Units outstanding on a non-diluted basis following the completion of the Arrangement after giving effect to the exchange of all outstanding Class B LP Units for Units on a one-for-one basis pursuant the Exchange Agreement).

Pursuant to the requirements of the TSXV, 812,500 Units, 2,632,865 Class B LP Units, and 487,500 True North Options will be subject to a value security escrow agreement whereby 10% of the escrowed securities will become eligible for release from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**"). The REIT expects to be listed on the TSXV as a Tier 2 issuer upon receipt of the Final Exchange Bulletin and accordingly, an additional 15% of the escrowed Units, Class B LP Units, and True North Options will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release.

Directors and Officers

Following the completion of the Arrangement, the following individuals are the trustees and officers of the REIT:

Board of Trustees

<i>Name</i>	<i>Board Committee Membership</i>
Daniel Drimmer (Chairman)	Investment Committee
Alon Ossip	Governance, Compensation and Nominating Committee
Jeff Baryshnik	Investment Committee
Roland Cardy	Audit Committee and Governance, Compensation and Nominating Committee
William Biggar	Audit Committee and Investment Committee
Sandy Poklar	Audit Committee and Governance, Compensation and Nominating Committee

Officers

<i>Name</i>	<i>Office Held</i>
Daniel Drimmer	President and Chief Executive Officer
Tracy Sherren	Chief Financial Officer

About True North

The REIT is an unincorporated, open-ended real estate investment trust established under the laws of the Province of Ontario. The REIT was formed to indirectly acquire the Property pursuant to the Arrangement. Following completion of the Arrangement, the REIT and its affiliates will focus on acquiring and owning additional commercial rental properties across Canada, the United States and such other jurisdictions where opportunities exist.

Disclaimer for Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information may relate to the REIT's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the REIT. Particularly, statements regarding future results, performance, achievements and 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 such terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts. Some of the specific forward-looking statements in this press release include, but are not limited to, statements with respect to the following: the expected commencement of trading of Units of the REIT on the TSXV and the use of proceeds of the REIT Private Placement.

Although the forward-looking statements contained in this press release are based upon assumptions that management of the REIT believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the REIT's control, which may cause actual results to differ materially from those expressed or implied by such forward-looking statements.

The forward-looking statements made in this press release relate only to events or information as of the date hereof. Except as 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.

The TSXV has in no way passed upon the merits of the Qualifying Transaction and has neither approved nor disapproved the contents of this press release.

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.

Copies of all constating and material documents of the REIT are available for review at www.sedar.com.

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