

Sep 13, 2021

True North Commercial Real Estate Investment Trust Furthers Its Urban Growth Strategy with Acquisition in Victoria, British Columbia

52,000 square feet, 100% occupied, 84% government tenanted

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TORONTO, September 13, 2021 – True North Commercial Real Estate Investment Trust (TSX: TNT.UN) (the "REIT") is pleased to announce it has agreed to acquire an office property located at 1112 Fort Street, Victoria, British Columbia (the "**Victoria Property**"). The acquisition of the Victoria Property continues the REIT's strategy of expanding into urban locations and will also further increase its existing presence in downtown Victoria.

"The REIT continues to improve the stability of its cash flow with the strategic redeployment of the proceeds from its recent disposition into an off-market acquisition comprised largely of government tenants." said Leslie Veiner, the REIT's Chief Executive Officer. "This acquisition is reflective of the REIT's strategy of acquiring properties in urban locations with a high concentration of government and credit rated tenants. It also builds on our existing footprint in the stable Victoria office market which is benefitting from one of the most compelling supply and demand fundamentals in Canada."

The purchase price of the Victoria Property is approximately \$22.0 million, exclusive of closing costs. The acquisition is expected to be satisfied by a combination of: (i) first mortgage financing on the Victoria Property in the amount of approximately \$14.3 million; and (ii) proceeds from the REIT's recent disposition of 5900 Explorer Drive, Mississauga. Closing is expected to occur mid October 2021.

Victoria Property

The Victoria Property is a 6-storey office building of approximately 52,000 rentable square feet with 11 surface parking stalls and 32 underground parking stalls. The Victoria Property is within walking distance to downtown Victoria; is located near two major arterial roads (Patricia Bay Highway and Trans-Canada Highway); and offers access to public transit. With a weighted average remaining lease term of 4.9 years, the building is 100% occupied including 84% by the Province of British Columbia.

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 45 properties consisting of approximately 4.7 million square feet in urban and select strategic secondary markets across Canada. The REIT is focused on growing its portfolio principally through acquisitions across Canada and such other jurisdictions where opportunities exist.

For more information regarding the REIT, please visit 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 of the Victoria Property, and the financial performance of the REIT resulting from the acquisition of the Victoria Property, 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 of the Victoria Property 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 those relating to the acquisition of the Victoria Property, 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 trust units of the REIT ("**Units**") and risks related to the REIT's annual information form for the year ended December 31, 2020, annual and management's discussion & analysis 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 and expected future developments and the financial performance of the REIT resulting from the acquisition of the Victoria Property, 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 of the Victoria Property and secure acceptable mortgage financing; the breadth of impact of the coronavirus (SARS-CoV-2) ("**COVID-19**") on the REIT's business, operations and performance, including the performance of its Units; (b) the REIT's ability to mitigate any impacts related to COVID-19; 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., or any of its affiliate, 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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