PROREIT CONTINUES STRONG FINANCIAL AND OPERATING GAINS IN THIRD QUARTER 2016

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November 23, 2016 - Montréal, Québec - PRO Real Estate Investment Trust ("**PROREIT**" or the "**REIT**") (TSXV: PRV.UN) is pleased to report financial and operating results for the three and nine-months ended September 30, 2016 (or "third quarter"). Third quarter results are characterized by continued strong growth in property revenues, net operating income ("NOI") and adjusted funds from operations ("AFFO"), and by strong operating performance.

"Our third quarter results continue to show strong year-to-year growth, and operating performance remains strong and stable," said James W. Beckerleg, President and Chief Executive Officer. "We continue to focus on building value through our acquisition strategy and internal growth. We recently announced 11 conditional acquisitions valued at approximately $58 million, together with a $29.0 million bought deal, which closed successfully on October 18, 2016. The property acquisitions, which are expected to close progressively over the course of the fourth quarter, are expected to be accretive to AFFO and AFFO per unit. We also used approximately $10.2 of the proceeds from our equity financing to reduce a term loan and credit lines, lowering our debt to gross book value ratio from 62.82% to approximately 60% pro forma, once the acquisitions have all closed."

Third Quarter 2016 Financial Results

PROREIT continued to record strong year-over-year gains in property revenues, NOI and AFFO, primarily as a result of the addition of three industrial properties acquired in the Boulevard Industrial REIT transaction on September 30, 2015.

(CAD $ thousands except per unit amounts and unless otherwise stated)	**3 Months Ended September 30 2016**	3 Months Ended September 30 2015	**9 Months Ended September 30 2016**	9 Months Ended September 30 2015
Financial data				
Property revenue	**$ 5,592**	$ 4,878	**$ 16,882**	$ 12,632
Net operating income (NOI) [(1)]	**$ 3,515**	$ 3,062	**$ 10,456**	$ 7,836
Total assets	**$ 209,162**	$ 203,707	**$ 209,162**	$ 203,707
Debt to gross book value [(1)]	**62.82% [(3)]**	60.84%	**62.82% [(3)]**	60.84%
Interest coverage ratio [(1)]	**2.4x**	2.8x	**2.5x**	2.7x
Debt service coverage ratio [(1)]	**1.5x**	1.7x	**1.5x**	1.7x
Weighted average interest rate on mortgage debt	**3.75%**	3.71%	**3.75%**	3.71 %
Net cash flows provided from (used in) operating activities	**$ (115)**	$ 392	**$ 1,477**	$ 3,111
Funds from Operations (FFO) [(1)]	**$ 1,412**	$ 1,501	**$ 4,541**	$ 3,867
Basic FFO per unit [(1) (2)]	**$ 0.0412**	$ 0.0467	**$ 0.1327**	$ 0.1418
Diluted FFO per unit [(1) (2)]	**$ 0.0401**	$ 0.0457	**$ 0.1313**	$ 0.1409
Adjusted Funds from Operations (AFFO) [(1)]	**$ 1,852**	$ 1,736	**$ 5,555**	$ 4,396
Basic AFFO per unit [(1) (2)]	**$ 0.0540**	$ 0.0540	**$ 0.1624**	$ 0.1612
Diluted AFFO per unit [(1) (2)]	**$ 0.0525**	$ 0.0529	**$ 0.1606**	$ 0.1601
AFFO payout ratio – Basic [(1)]	**97.2%**	97.2%	**97.0%**	97.7%
AFFO payout ratio – Diluted [(1)]	**100.0%**	99.3%	**98.0%**	98.4%

(1) Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".
(2) Total units consist of Units (as defined herein) and Class B LP Units (as defined herein).
(3) On a pro forma basis, if the net proceeds from the October 2016 public offering were received before September 30, 2016 and deployed to partially repay the term loan and the credit facility as described in the "Subsequent Events" section, the estimated debt to gross book value would be approximately 54% for the three and nine month periods ended September 30, 2016.

As of September 30, 2016, total assets increased to $209.2 million, compared to $203.7 million on September 30, 2015.

For the third quarter, property revenues increased 14.6% to $5.59 million, from $4.88 million for the third quarter in 2015. Revenue increases were driven primarily by the addition of three industrial properties acquired in the Boulevard Industrial REIT transaction. For the nine-month period ended September 30, 2016, property revenues grew 33.6% to $16.88 million, compared to the same period last year.

NOI grew 14.8% to $3.52 million in the third quarter, compared to $3.06 million for the same quarter in 2015. Growth in NOI was due primarily to the Boulevard Industrial REIT transaction, offset in part by a slightly lower occupancy rate. For the nine-month period ended September 30, 2016, NOI grew 33.4% to $10.46 million, compared to the same period last year.

AFFO increased 6.7% to $1.85 million in the third quarter compared to $1.74 million in the third quarter of 2015. At $0.054 per unit, AFFO per basic unit was flat for the three months ended September 30, 2016 compared to the same three months in 2015. For the nine-month period ended September 30, 2016, AFFO per basic unit increased to $0.1624 per unit from $0.1612 per unit in the same period last year. The AFFO payout ratio per basic unit was unchanged at 97.2% for the third quarter compared to the same quarter of 2015, and down to 97.0% for the nine-month period ended September 30, 2016 from 97.7% for the same period in 2015. Distributions to unitholders totaling $0.0525 per unit were declared during the three-months ended September 30, 2016. Total distributions per unit were $0.1575 for the nine-month period.

Total debt to gross book value stood at 62.82% at September 30, 2016, compared to 60.84% on the same date in 2015. Subsequent to September 30, 2016, the REIT completed a $29.0 million bought-deal equity financing, as mentioned above. Approximately $7 million of the proceeds from that financing were used to pay down a term loan, and an additional $3.2 million was used to pay down a credit facility. As a result, on a pro forma basis, the estimated debt to gross book value at the time of writing is approximately 54% on an interim pro forma basis. However, once the 11 properties have been purchased, we estimate our pro forma debt to gross book value will be in the 60% range, down approximately 3% from September 30, 2016 levels.

During the third quarter, the REIT refinanced four properties with a new $17.8 million 10-year mortgage creating annual interest savings of $180,000 as well as avoiding certain loan extension fees, mitigating interest rate renewal risk on near-term maturities, and extending the debt maturity of the portfolio. The cost of the prepayments was $0.95 million.

Third Quarter 2016 Operating results

	September 30 2016	September 30 2015
Operational data		
Number of properties	**33**	32
Gross leasable area ("GLA") (square feet)	**1,677,247**	1,667,491
Occupancy rate [(1)]	**94.2%**	95.8%
Weighted average lease term to maturity (years)	**6.1**	6.7

(1) Occupancy rate includes lease contracts for future occupancy of currently vacant space. Management believes the inclusion of this committed space provides a more balanced reporting. The committed space at September 30, 2016 was approximately 8,300 square feet of GLA.

At September 30, 2016, the occupancy rate stood at 94.2%, compared to 95.8% a year earlier, reflecting the loss of two small tenants in the retail and industrial portfolio. Re-leasing efforts are underway.

On September 30, 2016, the REIT's portfolio consisted of 33 properties, compared to 32 at the same date in 2015. Gross leasable area increased marginally during the quarter to 1,677,247 square feet. The weighted average lease term declined slightly to 6.1 years, from 6.7 years. The recently announced property acquisitions enjoy longer lease terms, and on a pro forma basis, should all of the acquisitions be completed as announced, the average lease term of the properties owned by the REIT is expected to increase to 6.8 years.

Subsequent Events

On October 18, 2016, the REIT announced the closing of a public offering of trust units of the REIT ("Units"), on a bought-deal basis, at a price of $2.25 per Unit (the "Offering") resulting in 11,200,000 Units being issued for total gross proceeds of $25.2 million, as well as an additional 1,680,000 Units being issued on the closing date as a result of the exercise in full of the over-allotment option granted to the underwriters for additional gross proceeds of $3.78 million. Total underwriting fees and other directly related expense were approximately $2.0 million.

As previously disclosed, the REIT entered into various agreements to conditionally acquire 11 commercial properties for an aggregate purchase price of approximately $58.3 million, excluding closing costs, to be satisfied by a combination of the following funding sources: (1) approximately $13.7 million of cash from the Offering, (2) the issuance of approximately $4.0 million of Class B limited partnership units of PRO REIT Limited Partnership ("Class B LP Units"), a subsidiary of the REIT, at a price of $2.25 per Class B LP Unit to certain vendors, (3) the assumption of approximately $10.0 million aggregate principal amount of existing mortgage debt, and (4) approximately $30.6 million aggregate principal amount of new mortgage financing.

As mentioned above, the REIT used part of the proceeds from the Offering to pay down one of its term loans by approximately $7.0 million and to pay down its credit facility by approximately $3.2 million.

Of the eleven properties to be acquired, six will be purchased from various independent vendors. The first of these transactions, St. Margaret's Square in the Halifax, Nova Scotia suburb of Upper Tantallon, closed on November 15, 2016. St. Margaret's Square is a 58,907 square-foot, three building, multi-tenant retail property. The property is anchored by a Lawtons Drugs on a long-term lease until 2024 with other notable tenants including Tim Horton's and Credit Union Atlantic, and shadow anchored by a Canadian Tire. The property has a minimum of 24,500 square foot additional density for future development. The total purchase price of $14.1 million was satisfied with $4.7 million in cash from the proceeds of the October 18, 2016 equity offering as well as a new $9.4 million, 3.82% 10-year mortgage.

Five additional properties conditionally contracted from independent vendors are expected to be acquired in early December for a total purchase price of approximately $29.2 million (excluding closing costs). Once these initial six properties (including St. Margaret's Square) have closed, substantially all cash proceeds from the Offering will have been deployed.

Completing the eleven acquisitions are five additional properties being acquired from two separate related parties for a total purchase price of approximately $15.0 million (excluding closing costs) and expected to close by December 31, 2016 or shortly thereafter. The transactions with related parties are expected to be financed by a small amount of cash, mortgage assumptions and by the issue of Class B LP Units of the REIT, and are subject to regulatory approvals, including the approval of the TSX Venture Exchange. The REIT has executed letters of intent with the related parties and is in the process of finalizing the binding purchase agreements for these acquisitions.

Outlook

The outlook for PROREIT and the real estate investment trust industry is determined primarily by the quality and risk profile of the portfolio, based most importantly on covenants and average lease terms.

PROREIT is focused on building a high quality portfolio of low-risk commercial properties in secondary urban and suburban communities. For example, retail properties in these communities are anchored by a diverse range of strong national and regional brands with everyday utility to local consumers. This is a strategy that has worked for PROREIT and that Management believes will help mitigate risks to the REIT from excessive or unexpected fluctuations in the economy.

The U.S. election has exacerbated a degree of recent uncertainty in fixed income markets, and this uncertainty may persist for a period in both debt and equity markets. Nevertheless, the current increase in rates is not expected to have a material impact on the REIT, nor on its ability to renegotiate debt coming due in the near term. Excluding our $11.5 million operating facility, only $1.4 million of PROREIT's current debt is due within the next twelve months and Management does not foresee any issues in renewing long-term debt at current rates, or in financing the debt portion of new projects.

Based on the current trading price of the Units, PROREIT offers a distribution yield of approximately 10% and Management strongly believes that the REIT offers a high-quality, low-risk portfolio with a conservative financial structure, which provides income and growth potential for its unitholders.

Additional Financial Information

Information appearing in this news release is a select summary of results. The condensed consolidated financial statements and management's discussion and analysis of PROREIT for the three and nine-months ended September 30, 2016 will be filed on SEDAR at www.sedar.com and will be available on PROREIT's website at www.proreit.com.

About PROREIT

PROREIT is an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. PROREIT was established in March 2013 to own a portfolio of diversified commercial real estate properties in Canada, with a focus on primary and secondary markets in Québec, Atlantic Canada and Ontario with selective expansion into Western Canada.

Non-IFRS and Operational Key Performance Indicators

PROREIT's condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). In this press release, as a complement to results provided in accordance with IFRS, PROREIT discloses and discusses certain non-IFRS financial measures, including Adjusted Funds From Operations ("AFFO"), Funds From Operations ("FFO"), Net Operating Income ("NOI"), debt to gross book value, interest coverage ratio, debt service coverage ratio, and payout ratios as well as other measures discussed elsewhere in this release. These non-IFRS measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. PROREIT has presented such non-IFRS measures as Management believes they are relevant measures of PROREIT's underlying operating performance and debt management. Non-IFRS measures should not be considered as alternatives to net income, cash generated from (utilized in) operating activities or comparable metrics determined in accordance with IFRS as indicators of PROREIT's performance, liquidity, cash flow, and profitability. For a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS, please refer to the "Non-IFRS and Operational Key Performance Indicators" section in PROREIT's Management's Discussion and Analysis for the three months ended September 30, 2016, available on SEDAR at www.sedar.com.

Forward-Looking Information

Certain statements contained in this news release constitute forward-looking information within the meaning of applicable securities laws. 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 news release include, but are not limited to, statements with respect to the closing of PROREIT's announced acquisitions and the terms of such acquisitions; the performance of the capital markets in the future; PROREIT's future financial performance; the ability of PROREIT to execute its growth strategies; and PROREIT's ability to raise capital. Forward-looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond PROREIT's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements. PROREIT's objectives and forward-looking statements are based on certain assumptions, including that (i) PROREIT will receive financing on favourable terms; (ii) the future level of indebtedness of PROREIT and its future growth potential will remain consistent with PROREIT's current expectations; (iii) there will be no changes to tax laws adversely affecting PROREIT's financing capacity or operations; (iv) the impact of the current economic climate and the current global financial conditions on PROREIT's operations, including its financing capacity and asset value, will remain consistent with PROREIT's current expectations; (v) the performance of PROREIT's investments in Canada will proceed on a basis consistent with PROREIT's current expectations; and (vi) capital markets will provide PROREIT with readily available access to equity and/or debt. Additional information about these assumptions and risks and uncertainties is contained under "Risk Factors" in PROREIT's latest annual information form, which is available on SEDAR at www.sedar.com, and in other filings that PROREIT has made and may make with applicable securities authorities in the future. For additional information with respect to the proposed acquisitions of PROREIT and the risks and uncertainties relating thereto, please refer to PROREIT's prospectus dated October 12, 2016, available on SEDAR at www.sedar.com.

The forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement. Investors are cautioned not to put undue reliance on forward-looking statements. All forward-looking statements in this press release are made as of the date of this press release. PROREIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law.

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

For further information:

PRO Real Estate Investment Trust
James W. Beckerleg
President and Chief Executive Officer
514-933-9552

PRO Real Estate Investment Trust
Gordon G. Lawlor, CPA, CA
Chief Financial Officer
514-933-9552