



## PROREIT ANNOUNCES TERMS OF PUBLIC OFFERING AND FILES A FINAL PROSPECTUS

November 19, 2013 - Montréal, Québec - PRO Real Estate Investment Trust (“**PROREIT**” or the “**REIT**”) (TSXV: PRV.UN) announced today that, in connection with its previously announced marketed public offering and the closing of certain acquisitions, it intends to issue a total of \$16.9 million of new equity (or up to \$18.6 million if an over-allotment option is exercised as more fully described below), comprised of \$11.1 million of Units to be issued pursuant to the Offering and \$5.8 million of Class B LP Units to be issued to certain property vendors

### Offering and Underwriting Agreement

In connection with its marketed public offering, the REIT has today entered into an underwriting agreement (the “**Underwriting Agreement**”) with a syndicate of underwriters led by Canaccord Genuity Corp. and including TD Securities Inc., Scotia Capital Inc., National Bank Financial Inc., Desjardins Securities Inc., GMP Securities L.P., and Dundee Securities Ltd. (collectively, the “**Underwriters**”) to sell 4,622,417 units of the REIT (the “**Units**”) at a price of \$2.40 per Unit (the “**Offering Price**”) for gross proceeds of \$11,093,800 (the “**Offering**”).

The REIT has also granted the Underwriters an over-allotment option exercisable, in whole or in part, to purchase up to an additional 693,362 Units at a price of \$2.40 per unit (for estimated aggregate gross proceeds to the REIT of \$12,757,870 if the over-allotment option is exercised in full) for a period of 30 days from the closing date of the Offering, to cover over-allotments, if any, and for market stabilization purposes. The REIT has filed a final short form prospectus dated November 19, 2013 with securities authorities in all provinces of Canada (the “**Prospectus**”). A copy will be available under the REIT’s profile on SEDAR at [www.sedar.com](http://www.sedar.com), once a receipt for the Prospectus has been issued.

The net proceeds from the Offering of Units are expected to be used by the REIT, along with the issuance of Class B limited partnership units of PRO REIT Limited Partnership to certain property vendors (“**Class B LP Units**”), cash on hand, an assumed mortgage, a new mortgage, and a revolving credit facility to be established, to fund the purchase of four commercial properties (collectively, the “**Acquisitions**” and individually, an “**Acquisition**”) from four separate and unrelated vendors.

### Acquisitions and Issuance of Equity to Certain Vendors

Vendors of certain of the properties that PROREIT intends to acquire have agreed to accept approximately \$5.8 million of Class B LP Units as partial consideration for the sale of such properties. The Class B LP Units are economically equivalent to and exchangeable for Units on a one-for-one basis, and will be accompanied by special voting units that provide their holder

with equivalent voting rights to holders of Units of the REIT. The Class B LP Units will be issued upon the closing of the acquisition of the applicable properties at the Offering Price.

The Class B LP Units will be issued on a private placement basis, which is subject to regulatory approvals, including the approval of the TSX Venture Exchange. The vendors that will receive Class B LP Units have agreed that such units will be subject to a hold period of 120 to 180 days following the closing of the relevant Acquisitions, and are all dealing at arm's length with the REIT.

Upon closing of the Acquisitions, the REIT's initial portfolio will be comprised of 8 commercial properties totalling 372,878 square feet of gross leasable area. The initial portfolio of the REIT will be diversified by property type and geography across Eastern Canada, including the Greater Montréal Area and certain urban centres of Atlantic Canada.

The aggregate purchase price (excluding closing costs) for the Acquisitions is anticipated to be approximately \$39.0 million and the Acquisitions are subject to customary closing conditions. For more information on the Offering and the Acquisitions, please refer to the Prospectus.

### **Closing of the Offering**

The Offering is scheduled to close on or about November 26, 2013 and is subject to standard closing conditions, as provided in the Underwriting Agreement.

Immediately following the closing of the Offering and the Acquisitions, members of management, the board of trustees, and certain vendors are expected to hold a 32.1% equity interest in the REIT.

The securities offered have not and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any U.S. State securities laws and may not be offered or sold, directly or indirectly, within the United States or its territories or possessions or to or for the account of any U.S. person (as defined in Regulation S under the U.S. Securities Act) other than pursuant to an available exemption from the registration requirements of the U.S. Securities Act. This press release does not constitute an offer to sell or a solicitation of an offer to buy any such securities within the United States, or its territories or possessions, or to or for the account of any U.S. person.

### **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.

### **Forward-Looking Statements**

This news release may contain forward-looking information within the meaning of applicable securities legislation. Forward-looking information is based on a number of assumptions and is 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 information.

Forward-looking information contained in this press release includes, without limitation, statements pertaining to the proposed Offering and the closing of the Acquisitions. 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.

The forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement and the "Notice Regarding Forward-Looking Statements" in the Prospectus. 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 statements whether as a result of new information, future events or otherwise, except as required by law.

Additional information about these assumptions and risks and uncertainties is contained in the Prospectus under "Risk Factors".

*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.*

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