

## **PROREIT takes advantage of market conditions to extend term and lower interest costs on a significant portion of its mortgage debt**

PRO Real Estate Investment Trust is pleased to announce that the REIT has received commitments totaling \$19.6 million for the refinancing of approximately 15 percent of its total debt.

The REIT has received a commitment for a \$17.8 million new mortgage with a 10-year term, amortized over 25 years, to refinance the primary loans against four of the REIT's assets, including the three industrial buildings acquired in the Boulevard REIT transaction, which closed on September 30, 2015. It is anticipated that the interest rate on the new mortgage will be approximately 3.9 percent. Proceeds of this portion of the refinancing will be used to repay and extend the term on certain existing mortgages of \$6 million due in 2017, \$1.5 million due in 2018, \$6.8 million due in 2019 and \$2.5 million maturing in 2023, as well as all related fees.

PROREIT has also received a \$1.8 million commitment for a second mortgage on an existing asset. Proceeds of the mortgage will be used to repay a \$1.3 million vendor take back mortgage that is due in September 2016 for an asset purchased in June 2015. The balance of \$0.5 million will be used for general working capital purposes.

"These refinancing transactions create significant value for PROREIT, with anticipated annualized interest savings of \$180 thousand," said James W. Beckerleg, President and Chief Executive Officer. "In addition to the cash savings, the refinancing enables us to mitigate our interest rate renewal risk on the near term maturities, and extends the overall debt maturity profile of our portfolio."

PROREIT was advised by the CBRE Debt and Structured Finance team in Montreal in connection with the \$17.8 million new mortgage. The refinancing transactions are expected to close in early August and are subject to standard closing conditions.

### About PROREIT

PROREIT ([www.proreit.com](http://www.proreit.com)) 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. The portfolio is comprised of 33 properties with approximately 1.7 million square feet of commercial gross leasable area. PROREIT's portfolio is diversified by property type and geography across Québec, New Brunswick, Nova Scotia, Ontario and Alberta.

### 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 expected cash savings, expected interest rates and the proposed refinancing of a significant portion of the REIT's mortgage debt. 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](http://www.sedar.com), and in other filings that PROREIT has made and may make with applicable securities authorities in the future.

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

---

<https://proreit.mediaroom.com/index.php?s=2429&item=122574>