

PROREIT COMPLETES SALE OF THREE NON-CORE PROPERTIES AND PROVIDES BUSINESS UPDATE

- Gross proceeds of \$13.2 million generated from three dispositions
- \$24.9 million of remaining 2023 mortgage maturities refinanced
- As of December 22, 2023:
 - Approx. 90% of 2023 GLA renewed at approximately 44% positive average spread
 - Approx. 26% of 2024 GLA renewed at approximately 28% positive average spread

MONTREAL, Dec. 28, 2023 /CNW/ - PRO Real Estate Investment Trust ("PROREIT" or the "REIT") (TSX: PRV.UN) today announced that it has completed the sale of three non-core retail properties totalling approximately 68,000 square feet of gross leasable area ("GLA") for total gross proceeds of \$13.2 million, excluding closing costs. Proceeds of the sale were used to repay approximately \$4.4 million in related mortgages, with the balance used for general business purposes.

Additionally, PROREIT announced that it has refinanced its remaining mortgages maturing in 2023 with current lenders. The refinancing included a two-year renewal of approximately \$19.0 million at a rate of 6.64% and a one-year renewal of approximately \$5.9 million at a rate of 6.93%.

"We are pleased with the sale of these non-core assets as we continue to optimize our portfolio and generate organic growth, as evidenced by our successful GLA renewals for 2023 and 2024," said Gordon G. Lawlor, President and Chief Executive Officer of PROREIT. "With the refinancing of all mortgages for 2023 completed, we now have additional near-term financial flexibility and are well positioned to capture future opportunities in the industrial sector."

Portfolio Transaction Details

Including today's announcement, PROREIT has sold seven non-core properties in 2023, as follows:

Disposal Date (2023)	Sector	Address	GLA (sq.ft.)	Gross Proceeds	Use of Proceeds	
					Mortgage Repayment	General Business
April 21	Office	26-32 Prince Arthur, Amherst, NS 11-15 Prince Street, Amherst, NS	49,481	\$2.1M	--	\$2.1M
August 31	Office	9 Auriga Drive, Ottawa, ON	30,912	\$9.1M	\$5.7M	\$3.4M
August 31	Office	31 Auriga Drive, Ottawa, ON	29,338			
September 28	Retail	875 King Street, Sherbrooke, QC	3,240	\$2.2M	\$1.5M	\$0.7M
November 27	Retail	165 Chain Lake Drive, Halifax, NS	44,720	\$8.7M	\$4.4M	\$4.3M
November 27	Retail	800 Taniata Avenue, Levis, QC	4,500	\$2.2M	--	\$2.2M
December 22	Retail	1670 Notre Dame Street, Quebec City, QC (held for redevelopment)	19,000	\$2.3M	--	\$2.3M
	TOTAL		181,191	\$26.6M	\$11.6M	\$15.0M

Following these dispositions, PROREIT owns 123 investment properties (including a 50% ownership interest in 42 investment properties) representing approximately 6.2 million square feet of GLA, with the industrial segment accounting for 82% of GLA and 73% of base rent.

Business Update

As of today's date, PROREIT's occupancy rate remains high at approximately 98%, including committed occupancy.

About 90% of 2023 GLA has been renewed at approximately 44% positive average spread and about 26% of 2024 GLA has been renewed at approximately 28% positive average spread.

Mortgage maturity exposure is limited to approximately \$33 million for 2024, and PROREIT has \$43 million available on its credit facility.

About PROREIT

PROREIT (TSX:PRV.UN) is an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. Founded in 2013, PROREIT owns a portfolio of high-quality commercial real estate properties in Canada, with a strong industrial focus in robust secondary markets.

For more information on PROREIT, please visit the website at: <https://proreit.com>.

Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities legislation, including statements relating to certain expectations, projections, growth plans and other information related to REIT's business strategy and future plans. 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.

Forward-looking statements contained in this press release include, without limitation, statements pertaining to the execution by PROREIT of its growth strategy and the optimization of its portfolio. 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 the REIT'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. 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.

Additional information about these assumptions and risks and uncertainties is contained under "Risk Factors" in PROREIT's latest annual information form and "Risk and Uncertainties" in PROREIT's management's discussion and analysis for the three and nine month periods ended September 30, 2023, which are available under PROREIT's profile on SEDAR+ at www.sedarplus.ca.

SOURCE PROREIT

For further information: Investor Relations: PRO Real Estate Investment Trust, Gordon G. Lawlor, CPA, President and Chief Executive Officer, 514-933-9552; PRO Real Estate Investment Trust, Alison Schafer, CPA, Chief Financial Officer and Secretary, 514-933-9552

<https://proreit.mediaroom.com/2023-12-28-PROREIT-COMPLETES-SALE-OF-THREE-NON-CORE-PROPERTIES-AND-PROVIDES-BUSINESS-UPDATE>