PROREIT ANNOUNCES FOURTH QUARTER AND FULL YEAR 2018 RESULTS

- **Total assets reached $509.7 million, a 39% year-over-year increase**
- **Net comprehensive income grew 86.7% on a year-over-year basis**
- **Net operating income[1] grew 42.6% on a year-over-year basis**
- **AFFO[1] increased 38.9% year-over-year**
- **Occupancy rate rose 250 basis points to 98.2%**
- **Internalization of asset management effective April 1, 2019**
- **Update on TSX graduation process**

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MONTREAL, March 27, 2019 - PRO Real Estate Investment Trust ("PROREIT" or the "REIT") (TSXV: PRV.UN) today reported its financial and operating results for the three-month (or "fourth quarter") and twelve-month (or "full year") periods ended December 31, 2018.

"Our strong results in the fourth quarter of 2018 cap off an outstanding year for PROREIT," said Jim Beckerleg, President and CEO, PROREIT.

"We reached significant milestones, as we surpassed our $500 million asset target, improved our financial and operational performance and completed the internalization of our property management platform," added Mr. Beckerleg. "We achieved greater diversification both in terms of asset class and geography, and we have reduced our overall operating and financial risks."

"We now have a truly national footprint comprised of 84 high-quality commercial properties in nine provinces, with access to an even larger and higher quality pool of acquisitions. Our increased scale brings added potential to generate internal growth and economies of scale. We intend to leverage our new position to improve our cost of capital and increase our growth per unit to the benefit of our unitholders, and we remain focused on our objective to build a mid-cap, diversified commercial Canadian REIT," Mr. Beckerleg concluded.

1 Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

FINANCIAL HIGHLIGHTS

(CAD $ THOUSANDS EXCEPT UNIT, PER UNIT AMOUNTS AND UNLESS OTHERWISE STATED)	**3 Months Ended December 31 2018**	3 Months Ended December 31 2017	**Year Ended December 31 2018**	Year Ended December 31 2017
Financial data				
Property revenue	**$ 12,207**	$ 8,161	**$ 40,889**	$ 29,639
Net operating income (NOI) (1)	**$ 7,661**	$ 4,954	**$ 26,049**	$ 18,266
Total assets	**$ 509,663**	$ 365,894	**$ 509,663**	$ 365,894
Debt to Gross Book Value (1)	**58.63%**	62.30%	**58.63%**	62.30%
Interest Coverage Ratio (1)	**2.6x**	2.6x	**2.6x**	2.7x
Debt Service Coverage Ratio (1)	**1.6x**	1.6x	**1.6x**	1.6x
Weighted average interest rate on mortgage debt	**3.89%**	3.73%	**3.89%**	3.73%
Net cash flows provided from operating activities	**$ 5,102**	$ 3,917	**$ 13,885**	$ 9,053
Funds from Operations (FFO) (1)	**$ 3,921**	$ 2,317	**$ 12,255**	$ 9,400
Basic FFO per unit (1)(2)	**$ 0.0417**	$ 0.0379	**$ 0.1559**	$ 0.1722
Diluted FFO per unit (1)(2)	**$ 0.0410**	$ 0.0371	**$ 0.1529**	$ 0.0168
Adjusted Funds from Operations (AFFO) (1)	**$ 4,234**	$ 2,813	**$ 14,340**	$ 10,325
Basic AFFO per unit (1)(2)	**$ 0.0450**	$ 0.0460	**$ 0.1825**	$ 0.1892
Diluted AFFO per unit (1)(2)	**$ 0.0442**	$ 0.0451	**$ 0.1789**	$ 0.1854
AFFO Payout Ratio – Basic (1)	**116.7%**	114.1%	**115.1%**	111.0%
AFFO Payout Ratio – Diluted (1)	**118.8%**	116.4%	**117.4%**	113.3%

(1) Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

(2) Total basic units consist of Units (as defined herein) and Class B LP Units (as defined herein). Total diluted units also include deferred trust units and restricted trust units issued under the REIT's long-term incentive plan.

Total assets amounted to $509.7 million as at December 31, 2018, representing an increase of $143.8 million, or 39.3%, compared to $365.9 million as at December 31, 2017. During the twelve-month period ended December 31, 2018, PROREIT acquired 19 properties, purchased the remaining 50% interest in another property, and sold one property.

During the fourth quarter of 2018, acquisitions totaled $77.1 million and contributed to diversifying the REIT's portfolio. PROREIT's industrial exposure rose to 27.0% at the end of the fourth quarter of 2018 compared to 25.9% at the end of the third quarter of 2018. Office exposure rose to 16.5% at the end of the fourth quarter of 2018 compared to 7.4% at the end of the third quarter of 2018. The acquisitions also increased the REIT's exposure to the Ontario market, which rose from 7.3% of the portfolio at end of the third quarter of 2018 to 19.5% at the end of the fourth quarter of 2018.

For the twelve-month period ended December 31, 2018:

- Property revenue amounted to $40.9 million, representing an increase of $11.3 million, or 38.0%, compared to $29.6 million for the same period last year. The increase was mainly driven by the acquisitions made in 2018.
- Net comprehensive income reached $18.8 million, an increase of $8.7 million, or 86.7%, compared to $10.1 million for the same period last year.

- Net operating income[1] was $26.0 million, an increase of $7.7 million compared to $18.3 million for the comparable period in 2017, or 42.6% year-over-year. The increase resulted mainly from the incremental revenues derived from the 2018 acquisitions, the overall increase in occupancy during the year and the synergies related to the Compass Commercial Realty Limited ("Compass") acquisition, partially offset by the incremental expenses from the 2018 acquisitions.
- AFFO[1] totaled $14.3 million, a $4.0 million increase compared to $10.3 million for the same period last year, or a 38.9% increase year-over-year.

For the fourth-quarter ending December 31, 2018:

- Property revenue amounted to $12.2 million, representing an increase of $4.0 million, or 49.6%, compared to $8.2 million for the same period last year. The increase was mainly driven by the incremental revenues derived from the acquisitions.
- Net comprehensive income reached $6.5 million, an increase of $1.6 million, or 31.2%, compared to $4.9 million for the same period last year.
- Net operating income[1] was at $7.7 million, an increase of $2.7 million, or 54.6%, compared to $5.0 million for the comparable period in 2017. The increase resulted from the same explanations noted for the twelve-month period above.
- AFFO[1] totaled $4.2 million, a $1.4 million, or 50.5%, increase compared to $2.8 million for the same period last year.

PROREIT continued to exercise prudent capital management resulting in a strong balance sheet at December 31, 2018. Debt to gross book value[1] ratio improved from 62.3% at December 31, 2017 to 58.6% at December 31, 2018. The weighted average interest on mortgage debt was 3.89% at the end of 2018, compared to 3.73% at December 31, 2017.

Distributions of $0.0175 per trust unit of the REIT ("Units") and Class B limited partnership units of PRO REIT Limited Partnership ("Class B LP Units"), a subsidiary of the REIT, were declared monthly during the twelve-month period ending 2018, representing distributions of $0.2100 on an annual basis. PROREIT has declared uninterrupted monthly distributions since January 2014.

In 2018, PROREIT completed two equity financings, on a bought deal basis, totaling $69.1 million, and the funds were fully deployed by year end. The impact on the AFFO contributions will therefore be fully reflected in the first quarter of 2019, marking a significant improvement in the AFFO payout ratio[1].

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[1] Non-IFRS measure. See "Non-IFRS and Operational Key Performance Indicators".

OPERATIONAL HIGHLIGHTS

	December 31 2018	December 31 2017
Operational data		
Number of properties	**84**	66
Gross leasable area (square feet)	**3,702,901**	2,689,536
Occupancy rate (1)	**98.2%**	95.7%
Weighted average lease term to maturity (years)	**6.1**	6.9

GLA increased 37.7% to 3,702,901 square feet at December 31, 2018, compared to 2,689,536 square feet at year-end 2017. The increase of 1,013,365 square feet in GLA is mainly attributable to the acquisitions made in 2018.

Occupancy rate continued to increase for the second consecutive year and stood at 98.2% as at December 31, 2018, up from 95.7% a year earlier, along with same property net operating income[1] also improving with a 1.1% increase year-over-year. The ten largest tenants in the REIT's portfolio accounted for approximately 35.9% on annualized in-place and committed base rent and comprise approximately 8.3 years of remaining lease term.

In 2018, PROREIT acquired and integrated the assets of Compass, an established property manager with 60 properties under management at closing. This strategic transaction enabled PROREIT to internalize the property management function for its properties and to repatriate property management fees.

SUBSEQUENT EVENTS

Internalization of Asset Management

On March 27, 2019, PROREIT exercised its option to complete the internalization of its asset management function in accordance with the terms of its external management agreement with Labec Realty Advisors Inc., its external manager. The internalization will result in the elimination of the asset management and acquisition fees payable to the external manager, will facilitate economies of scale and provide greater transparency. PROREIT and the external manager have agreed that the internalization will be effective April 1, 2019. Following the completion of the internalization, the REIT's executive officers, James Beckerleg and Gordon Lawlor, will be employed directly by the REIT, and Gordon Lawlor will be promoted to the position of Executive Vice President, in addition to his current role of Chief Financial Officer and Secretary.

In accordance with the terms of the external management agreement, the external manager will be entitled to a termination payment of approximately $2.3 million, representing one time the management fees and expenses paid to it in the most recent fiscal year prior to the internalization.

TSX Graduation and Related Matters

PROREIT is pleased to report that the Toronto Stock Exchange (the "TSX") has conditionally approved the graduation of the REIT from the TSX Venture Exchange to the TSX. The listing of the Units on the TSX is subject to PROREIT fulfilling all of the requirements of the TSX. In conjunction with the graduation to the TSX, the Units would be voluntarily delisted from the TSX Venture Exchange prior to the commencement of trading on the TSX. The Units would continue to trade under the symbol "PRV.UN".

In connection with and subject to the graduation to the TSX, the REIT intends to consolidate its Units on a basis of 3 pre-consolidation Units for 1 post-consolidation Unit. Based on the number of Units currently outstanding, the REIT would have a total of approximately 31.4 million units issued and outstanding after giving effect to the consolidation. Management and Trustees believe the consolidation is in the best interests of the REIT and its stakeholders, potentially increasing the pool of investors who would consider PROREIT an eligible investment.

STRATEGY AND OUTLOOK

PROREIT remains focused on strong secondary markets, where many of Canada's largest REITs are currently divesting assets in order to concentrate on Canada's largest urban centres. This strategy provides PROREIT with numerous and significant opportunities to acquire high-quality, low-risk real estate in attractive urban markets and regional economic centres, including: outside central Vancouver, Toronto and Montreal. PROREIT is also committed to selecting high-quality Class B assets, given the strong upside of a real estate market in transformation. PROREIT is focused on driving growth and creating value for its unitholders, while maintaining a strong balance sheet.

Commercial real estate markets in Canada continue to perform well and property values in PROREIT's markets are generally rising. Based on current visibility, management believes that interest rates and capital markets will remain stable.

Annual Meeting of Unitholders

All unitholders are invited to participate in the Annual Meeting of Unitholders, which will be held this year on June 4, 2019 in the Blue room at the Ritz-Carlton Hotel, 1228 Sherbrooke Street West in Montreal, at 11:00 a.m. Management and Trustees of the REIT will be on hand to meet and chat with unitholders over a light lunch, following the meeting.

About PROREIT

PROREIT is an unincorporated open-ended real estate investment trust owning a diversified portfolio of 84 commercial properties across Canada representing over 3.7 million square feet of gross leasable area. Established in 2013, PROREIT is mainly focused on strong secondary markets in Quebec, Atlantic Canada and Ontario, with selective exposure in Western Canada.

Non-IFRS and Operational Key Performance Indicators

PROREIT's 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 net operating income ("NOI"), adjusted funds from operations ("AFFO"), debt to gross book value, interest coverage ratio, debt service coverage ratio, funds from operations ("FFO"), AFFO payout ratio and same property net operating income ("same property NOI"). 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 and year ended December 31, 2018, available under PROREIT's profile on SEDAR at www.sedar.com.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of applicable securities legislation. 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 PROREIT's future financial performance, the execution of its growth strategy, including its objective to build a mid-cap diversified commercial REIT, the internalization of its asset management function and its proposed graduation to the TSX. 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, which is available on SEDAR at www.sedar.com.

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:

Investor Relations:

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