



PROREIT ANNOUNCES CLOSING OF \$40.5 MILLION ACQUISITION PROGRAM OF SEVEN PROPERTIES IN MARITIMES AND ONTARIO

- Total GLA increases 41% to 1,431,296 square feet
- Total assets grow to approximately \$183 million
- Significant accretion provided to unitholders

June 30, 2015 - Montréal, Québec - PRO Real Estate Investment Trust (“**PROREIT**” or the “**REIT**”) (TSXV: PRV.UN) is pleased to announce that it has completed the previously announced acquisition of seven properties that it agreed to acquire further to the closing of its public offering of \$17.5 million of new equity (the “**Offering**”), on June 9, 2015. The acquisitions are significantly accretive to the REIT’s unitholders.

“PROREIT has made important strides forward in the past 30 months, and these seven acquisitions add to our momentum. The acquisitions increase our gross leasable area by 41.1%, add significantly to our assets and will have a strong positive impact on net operating income and adjusted flow of funds from operations,” said James Beckerleg, President and CEO.

“With a going-in capitalization rate of 7.5%, the acquisitions are immediately accretive to PROREIT’s adjusted flow of funds from operations,” added Mr. Beckerleg. “They further diversify our portfolio and in addition to confirming our strong presence in the Maritimes, they take us for the first time into the suburban Toronto market. These seven new properties further expand our base of high quality tenants with long-term leases. The acquisitions demonstrate that we are executing on our core business strategy.”

Diversified Portfolio

PROREIT’s portfolio is now comprised of 29 commercial properties totalling 1,431,296 square feet of gross leasable area (“GLA”). Five of the seven acquisitions are in the Maritimes and two are high quality industrial properties in suburban Toronto, representing PROREIT’s initial investments in Ontario.

The portfolio now consists of four office properties representing 154,357 square feet of GLA, 16 retail properties representing 522,626 square feet of GLA, six industrial properties with 529,781 square feet of GLA, and three commercial mixed use properties representing 224,532 square feet of GLA.

As of the date of this release, the portfolio occupancy rate is 95.9% with an average lease term to maturity of 7.3 years, with the top ten tenants, which represent 57% of the portfolio, having an average lease term to maturity of 8.7 years. Government and national tenants represent 83.4% of base rent.

Attractive Financing Terms

“We are pleased that we were able to finance the equity portion of these acquisitions by way of our first bought deal,” said Mr. Beckerleg. “With this achievement, PROREIT has crossed a new threshold in its

relationship with the investment community, a step that we believe will stand us well in the financing of future acquisitions.”

The total purchase price for the seven properties acquired by PROREIT was approximately \$40.5 million (excluding closing and transaction costs) and was financed by:

- Approximately \$1.2 million through the issuance of Class B limited partnership units of PROREIT Limited Partnership (“Class B LP Units”), a subsidiary of the REIT, at a price of \$2.30 per unit, representing the offering price of the REIT’s units issued under the Offering;
- A portion of the net proceeds from the Offering;
- New first mortgages of approximately \$19.5 million which were signed at a weighted average interest rate of 3.4% and an average term to maturity of 6.8 years; and
- Assumption existing mortgage debt of approximately \$6.0 million which were signed at a weighted average interest rate of 3.8% and an average term to maturity of 7.1 years;
- Issuance of a vendor take-back mortgage in the aggregate amount of approximately \$1.3 million which matures in 15 months and bears interest at a fixed rate of 3.5% per annum.

The Class B LP Units are economically equivalent to and exchangeable for trust units of the REIT on a one-for-one basis, and are accompanied by special voting units that provide their holder with equivalent voting rights to holders of trust units. A total of 530,436 Class B LP Unit were issued. The Class B LP Units were issued on a private placement basis, and are subject to statutory or negotiated hold periods.

For more information on the acquisitions, please refer to the final short form prospectus of the REIT dated June 3, 2015, available under the REIT’s profile on SEDAR at www.sedar.com (the “Prospectus”).

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 owns 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.

Forward-Looking Statements

This news release may contain 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, which 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 expected returns on its 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. 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 the Prospectus and in PROREIT's latest annual information form, which are 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.

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