

FOR IMMEDIATE RELEASE



## **BTB ANNOUNCES PUBLIC OFFERING OF \$25 MILLION OF CONVERTIBLE DEBENTURES**

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DISSEMINATION IN THE UNITED STATES*

Montreal, Québec (November 16, 2015): BTB Real Estate Investment Trust (TSX: BTB.UN) ("BTB" or the "REIT") announced today that it has reached an agreement with a syndicate of underwriters led by National Bank Financial Inc. and including Dundee Securities Ltd., Laurentian Bank Securities Inc., Raymond James Ltd., TD Securities Inc., Euro Pacific Canada Inc., GMP Securities L.P. and Scotia Capital Inc. to issue to the public, subject to regulatory approval, on a bought deal basis, \$25.0 Million aggregate principal amount of convertible unsecured subordinated debentures due December 31, 2020 (the "Debentures"). The REIT has granted the underwriters an over-allotment option exercisable in whole or in part at any time up to 30 days after closing, to purchase up to an additional \$3.75 Million principal amount of Debentures at the same offering price.

The Debentures will bear an interest rate of 7.15% per annum payable semi-annually in arrears on June 30 and December 31 in each year commencing on June 30, 2016, and will mature on December 31, 2020 (the "Maturity Date"). The Debentures will be convertible at the holder's option into trust units of BTB (the "Units") at any time prior to the earlier of the Maturity Date and the date fixed for redemption at a conversion price of \$5.65 per Unit (the "Conversion Price"), being a ratio of approximately 176.9912 Units per \$1,000 principal amount of Debentures. The Debentures will not be redeemable before December 31, 2018. On and after December 31, 2018 and prior to December 31, 2019, the Debentures may be redeemed in whole or in part from time to time at BTB's option provided that the volume weighted average trading price for the Units is not less than 125% of the Conversion Price. On and after December 31, 2019 and prior to the Maturity Date, the Debentures may be redeemed in whole or in part from time to time at BTB's option at a price equal to their principal amount plus accrued interest. Subject to regulatory approval, BTB may satisfy its obligation to repay the principal amount of the Debentures on redemption or at maturity, in whole or in part, by delivering that number of Units equal to the amount due divided by 95% of the market price for the Units at that time, plus accrued interest in cash.

BTB will use the net proceeds from this offering (after deducting the underwriters' fee and offering expenses) to redeem the \$23 Million Series C convertible debentures due January 31, 2016 and for general trust purposes. Upon the closing of the offering of the Debentures, BTB will file its notice of redemption for all outstanding Series C convertible debentures.

The REIT will, by November 20, 2015, file with the securities commissions and other similar regulatory authorities in each of the provinces of Canada a preliminary short form prospectus

relating to the issuance of the Debentures. Closing of the offering is expected to take place on or about December 4, 2015.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been and will not be registered under the U.S. Securities Act of 1933 as amended and may not be offered or sold in the United States absent registration or pursuant to applicable exemption from registration.

### **About BTB**

BTB is a real estate investment trust listed on the Toronto Stock Exchange. BTB is an important owner of properties in eastern Canada. Today, BTB owns 75 commercial, office and industrial properties for a total leasable area of more than 5.2 million square feet. BTB's asset value is approximately \$650M. The objectives of BTB are: i) to grow its revenues from its assets to increase distributable income and therefore fund distributions; (ii) to maximize the value of its assets through dynamic management of its properties in order to sustain the long-term value of its units; and (iii) to generate cash distributions that are fiscally beneficial to unitholders.

BTB offers a distribution reinvestment plan to unitholders whereby the participants may elect to have their monthly cash distribution reinvested in additional units of BTB at a price based on the weighted average price for BTB's Units on the Toronto Stock Exchange for the five trading days immediately preceding the distribution date, discounted by 5%.

### **Forward-Looking Statements**

This press release may contain forward-looking statements with respect to BTB. These statements generally can be identified by use of forward looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of BTB could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation and the factors described from time to time in the documents filed by BTB with the securities regulators in Canada. Forward looking statements in this news release include namely that the offering is expected to close on or about December 4, 2015. The cautionary statements qualify all forward looking statements attributable to BTB and persons acting on their behalf. Unless otherwise stated or required by applicable law, all forward-looking statements speak only as of the date of this press release.

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### **For more information, please contact:**

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