

BTB Announces \$25 Million Bought Deal of Trust Units

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MONTREAL, May 27, 2019 (GLOBE NEWSWIRE) -- BTB Real Estate Investment Trust (TSX: BTB.UN) ("**BTB**" or the "**REIT**") announces today that it has reached an agreement with a syndicate of underwriters led by National Bank Financial Inc. and including Scotiabank, TD Securities Inc., Echelon Wealth Partners Inc., Laurentian Bank Securities Inc., Raymond James Ltd and Industrial Alliance Securities Inc. (together, the "**Underwriters**") to issue to the public, subject to regulatory approval, on a bought deal basis 5,354,000 trust units (the "**Units**") at a price of \$4.67 per Unit for gross proceeds of approximately \$25 million. 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 803,100 Units at the same offering price.

The net proceeds from the offering (after deducting the Underwriters' fee and expenses of the offering) will be used to finance the acquisition of two properties (as described below) and to repay a portion of the amounts outstanding on BTB's acquisition line of credit. Should either or both of these acquisitions not materialize, BTB will use the unallocated net proceeds to repay a greater portion of the amounts outstanding on its acquisition line of credit and for general trust purposes.

The REIT will file with the securities commissions and other similar regulatory authorities in each of the provinces of Canada a short form preliminary prospectus relating to the offering of the Units on or about May 31, 2019. Closing of the offering is expected to take place on or about June 14, 2019.

This press release does 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.

Acquisition of Two Properties in the South Shore of Montreal

BTB has entered into an agreement for the acquisition of two properties located on the South Shore of Montreal (the "Transaction"). The properties which are generating a net operating income as estimated by BTB of approximately \$4.6 million, are being sold for an aggregate purchase price of \$62.6 million.

The first property is a 128,000 square feet mixed-use office and retail property excluding the shadow anchor. The second property is a 310,000 square feet strip mall which is anchored by a well-known international retailer, occupying over 150,000 square feet. It is also understood that the first property does not include the building which includes a 47,706 square feet shadow anchor.

BTB expects that approximately 65% of the purchase price will be financed by way of a new mortgage with the balance being funded using a portion of the proceeds of the offering.

The Transaction is expected to close within the next five weeks, subject to completing confirmatory due diligence and customary closing conditions.

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. BTB owns 65 commercial, office and industrial properties for a total leasable area of more than 5.3 million square feet. BTB's asset value is approximately \$830M. 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 3%.

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 BTB is expected to complete the Transaction, and the fact that the offering is expected to close on or about June 14, 2019. 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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