

BTB

REAL ESTATE INVESTMENT TRUST

PRESS RELEASE FOR IMMEDIATE RELEASE

BTB Real Estate Investment Trust announces today its 2008 third quarter results, ended September 30, 2008 and reports an excellent 11% increase in the average rate of the recently renewed leases.

Montreal, Quebec, November 11, 2008 – The Board of trustees of BTB Real Estate Investment Trust (TSX Venture Exchange: BTB.UN and BTB.DB) ("BTB" or the "Trust") released today its financial statements for the third quarter of 2008, ending September 30, 2008.

2008 THIRD QUARTER HIGHLIGHTS

- **Growth of adjusted funds from operations ("AFFO"):** An AFFO of \$1.5 million for the third quarter, or \$0.045 per unit. On an annualized and recurring basis, the estimated AFFO, from the existing portfolio as at September 30, 2008, is approximately \$0.20 per unit.
- **Increased cash generated from portfolio growth:** BTB's portfolio has generated cash of \$1.6 million and distributable income of approximately \$1.2 million for the third quarter of 2008 compared to \$1.3 million and \$1.2 million respectively for the third quarter of 2007.
- **Revenue growth:** At \$7.2 million of rental income for the third quarter, rental income has more than doubled compared to the 2007 third quarter. In accordance with the current portfolio, annual income is estimated at \$30.5 million.
- **Excellent rental activities:** More than 74% of the space where leases were expiring in 2008, has been renewed as at September 30, 2008 at an average growth rate of 11%. Management is already negotiating the renewal of leases with respect to most of the remaining space expiring this year at equally advantageous conditions.
- **Internalization of the management of real estate assets** The Trust has commenced procedures for the internalization of the management of its real estate assets, which will eventually result in the reduction of its operating expenses.
- **Refinancing:** In July 2008, the Trust entered into financing agreements pertaining to the financing and refinancing of certain properties it owns for an aggregate amount of \$16.9 million at a weighted average interest rate of 5.90%. \$8.1 million of the proceeds has been used to reimburse existing financings.

- **Acquisition:** During the third quarter, the Trust closed on the acquisition of five commercial properties located in the province of Québec, for an approximate leasable area of 153,000 square feet, at an estimated capitalisation rate of 9.0% and a total purchase price of \$22.6 million. BTB management estimates that these transactions will generate an accretive cash flow of \$0.02 per outstanding unit and, on an annualized basis, generate total cash flow of \$0.20 per unit.

“BTB’s cash from by operations is more than 4.5¢ per unit for the quarter, and approximately 20¢ per unit on an annualized basis. This will help ensure a yearly distribution of 16¢ per unit to our unitholders” indicated Michel Léonard, President and Chief Executive Officer. He adds that: “Our excellent rental activities and stricter management policies with respect to the operating expenses, namely the commencement of the internalization of real estate management activities, will ensure that the cash provided by operations continues to grow”.

ABOUT BTB

BTB is a real estate investment trust listed on the TSX Venture Exchange. Its objective is to provide unitholders with stable cash distributions from investments in a quality portfolio of long-term leased office, industrial, commercial and retail properties predominantly located in the province of Quebec. BTB is led by a team that boasts in-depth experience in the real estate field and a governance and business-focused board of trustees.

FORWARD LOOKING STATEMENTS

This press release contains forward looking statements. Forward-looking statements are subject to risks, uncertainties and assumptions. Although the trustees of BTB believe that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Some of the factors and risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include the impact of general economic conditions, industry conditions, laws and regulations, environmental risks, competition from other industry participants, stock market volatility, the ability to access sufficient capital from internal and external sources and the risk of fluctuation and variation in actual operating results, which variation may be material. A full description of these risks and uncertainties can be found in BTB’s Short Form Prospectus dated March 13, 2008 and Annual Information Form dated April 28, 2008 which are available electronically at www.sedar.com.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included herein are made as of the date hereof and BTB does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise.

The TSX Venture Exchange has neither approved nor disapproved the contents of this press release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this press release.

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For investors and analysts

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Appendix: Selected Financial Information

BTB REAL ESTATE INVESTMENT TRUST

Interim Consolidated Balance Sheet
(Unaudited)

September 30, 2008, with comparative figures as of December 31, 2007
(in thousands of dollars)

	2008	2007
Assets		
Income-producing properties:		
Buildings and improvements	\$ 172,541	\$ 137,466
Land	41,516	31,846
Intangible assets	12,610	12,981
Intangible liabilities	(1,713)	(2,030)
	224,954	180,263
Future income taxes	5	—
Fixed assets	40	8
Prepaid expenses and deposits	3,628	1,781
Accounts receivable	1,589	755
Cash and cash equivalents	—	6,171
	\$ 230,216	\$ 188,978
Liabilities and Unitholders' Equity		
Mortgage loans	\$ 141,160	\$ 103,943
Convertible debentures	22,397	10,789
Bank loans	6,812	9,245
Accounts payable and accrued liabilities	4,403	3,570
Distributions payable to unitholders	441	761
Future income taxes	—	584
	175,213	128,892
Unitholders' equity:		
Unitholders' equity	55,003	60,086
Subsequent events		
	\$ 230,216	\$ 188,978

Approved by the Board:

(signed) Michel Léonard _____, Trustee

(signed) Jocelyn Proteau _____, Trustee

BTB REAL ESTATE INVESTMENT TRUST

Interim Consolidated Statement of Earnings and Comprehensive Income
(Unaudited)

Periods ended September 30, 2008 and 2007
(in thousands of dollars, except per unit amounts)

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2008	2007	2008	2007
Operating revenues:				
Rental revenue from income-producing properties	\$ 7,199	\$ 3,453	\$ 20,174	\$ 6,236
Operating expenses:				
Operating costs	1,180	565	3,543	983
Property taxes and utilities	1,758	730	5,091	1,215
Property management expenses	179	63	454	119
	3,117	1,358	9,088	2,317
Operating income before the undernoted items	4,082	2,095	11,086	3,919
Interest on loans	2,642	965	7,002	2,206
Amortization of financing costs	203	77	530	212
Amortization of buildings and improvements	1,052	547	2,889	918
Amortization of intangible and other assets	526	93	1,443	162
Interest accretion expenses on convertible debentures	96	61	256	181
Interest income	(28)	(20)	(52)	(436)
	4,491	1,723	12,068	3,243
Operating income (loss) from real estate assets	(409)	372	(982)	676
Trust-related administrative expenses	332	212	956	831
Unit-based compensation	42	18	77	27
Operating income (loss) before income taxes and discontinued operations	(783)	142	(2,015)	(182)
Future income taxes	—	(150)	785	(406)
Net loss from operating activities and before discontinued operations	(783)	(8)	(1,230)	(588)
Net income from discontinued operations	—	44	—	105
Net income (loss) and comprehensive income	\$ (783)	\$ 36	\$ (1,230)	\$ (483)
Earnings (loss) per unit basic and diluted	\$ (0.024)	\$ 0.001	\$ (0.037)	\$ (0.021)

BTB REAL ESTATE INVESTMENT TRUST

Interim Consolidated Statement of Cash Flows
(Unaudited)

Periods ended September 30, 2008 and 2007
(in thousands of dollars)

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2008	2007	2008	2007
Cash flows from operating activities:				
Net (income) loss	\$ (783)	\$ 36	\$ (1,230)	\$ (483)
Net change in non-cash items:				
Amortization of income-producing properties	1,052	564	2,889	963
Interest and accretion expense on convertible debentures	96	61	256	181
Amortization of financing costs	203	77	530	212
Amortization of intangible assets and liabilities	522	95	1,434	168
Amortization of straight-line lease adjustment	(41)	(78)	(247)	(117)
Amortization of above- or below-market trusts	310	328	964	429
Unit option-based compensation expenses	42	18	77	26
Property management expenses	143	68	384	124
Future income taxes	—	150	(785)	407
Amortization of fixed assets	(4)	1	9	—
Net change in non-cash operating working capital items	675	206	(1,645)	405
	2,215	1,526	2,636	2,315
Cash flows from financing activities:				
Net proceeds from issuance of convertible debentures	(100)	—	11,725	—
Mortgage loans, net of financing costs	6,365	(207)	11,183	36,772
Bank loans	(193)	10,300	(2,433)	10,300
Net proceeds from issuance of units	(1)	13	17	43,585
Distributions to unitholders	(1,319)	(2,268)	(5,246)	(4,687)
	4,752	7,838	15,246	85,970
Cash flows from investing activities:				
Additions to income-producing properties	(7,077)	(9,183)	(24,016)	(108,958)
Additions to fixed assets	5	(3)	(37)	(5)
Deferred expenses	—	—	—	251
	(7,072)	(9,186)	(24,053)	(108,712)
Net change in cash and cash equivalents	(105)	178	(6,171)	(20,427)
Cash and cash equivalents, beginning of period	105	305	6,171	20,910
Cash and cash equivalents, end of period	\$ —	\$ 483	\$ —	\$ 483