

FOR IMMEDIATE RELEASE



## **BTB ANNOUNCES PUBLIC OFFERING OF \$20 MILLION OF CONVERTIBLE DEBENTURES**

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DISSEMINATION IN THE UNITED STATES*

Montreal, Québec (January 30, 2013): 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., Canaccord Genuity Corp., GMP Securities L.P., TD Securities L.P., Desjardins Securities Inc. and HSBC Securities (Canada) Inc. to issue to the public, subject to regulatory approval, on a bought deal basis, \$20.0 Million aggregate principal amount of convertible unsecured subordinated debentures due March 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 \$3.0 Million principal amount of Debentures at the same offering price.

The Debentures will bear an interest rate of 6.90% per annum payable semi-annually in arrears on March 31 and September 30 in each year commencing on September 30, 2013, and will mature on March 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 \$6.15 per Unit (the "Conversion Price"), being a ratio of approximately 162.6016 Units per \$1,000 principal amount of Debentures. The Debentures will not be redeemable before March 31, 2016. On and after March 31, 2016 and prior to March 31, 2018, 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 March 31, 2018 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 intends to use the net proceeds from this offering (after deducting the underwriters' fee and offering expenses) to repay the \$13 Million Series B convertible debentures due March 31, 2013, to repay a portion of its Acquisition Credit Facility, to fund future property acquisitions and for general trust purposes.

The REIT will, by February 5 2013, 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 February 20, 2013.

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. BTB owns 65 commercial, office and industrial properties for a total of more than 4.3 million square feet. BTB's asset value is in excess of \$500M. 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.

### **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 February 20, 2013. 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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