

BTB Real Estate Investment TrustTSX VENTURE: **BTB.UN**

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BTB Real Estate Investment Trust Announces: Public Offering of \$20 Million of Convertible Debentures
MONTREAL, QUÉBEC--(Marketwire - Dec. 14, 2010) -

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BTB Real Estate Investment Trust (TSX VENTURE:BTB.UN) ("**BTB**" or the "**REIT**") announced today that it has reached an agreement with a syndicate of underwriters co-led by National Bank Financial Inc. and Dundee Securities Corp. and including Canaccord Genuity Corp. 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 January 31, 2016 (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 bear an interest rate of 8.00% per annum payable semi-annually in arrears on January 31 and July 31 in each year commencing on July 31, 2011, and will mature on January 31, 2016 (the "Maturity Date"). The Debentures will be convertible at the holder's option into 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 \$1.00 per Unit (the "Conversion Price"), being a ratio of approximately 1,000.000 Units per \$1,000 principal amount of Debentures. The Debentures will not be redeemable before January 31, 2014. On and after January 31, 2014 and prior to January 31, 2015, 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 January 31, 2015 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 pay down the outstanding debt under the REIT's current acquisition credit facility, to fund future property acquisitions and for general corporate purposes.

The REIT will, by December 20, 2010, 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 January 11, 2011.

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 and is not an offering of securities for sale in the United States. 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 growth-oriented real estate investment trust listed on the TSX Venture Exchange. Its objective is to provide unitholders with stable cash distributions from investments in quality portfolio of long-term leased office, industrial, commercial and retail properties predominantly located in the province of Quebec. BTB is led by an experienced management team with in-depth experience in the real estate industry and a Board of Trustees focused on governance and sound business practices.

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 January 11, 2011. 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.

Neither 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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