



H&R Completes \$150 Million Public Offering of Stapled Units

Toronto, November 29, 2012 – H&R Real Estate Investment Trust (the “REIT”) and H&R Finance Trust (collectively with the REIT, “H&R”) (TSX: HR.UN; HR.DB.C; HR.DB.D; HR.DB.E) announced today that they have closed an offering of 6,360,000 H&R stapled units (the “Stapled Units”) at a price of \$23.60 per Stapled Unit, for aggregate gross proceeds of approximately \$150.1 million.

The Stapled Units were sold to a syndicate of underwriters co-led by CIBC and RBC Capital Markets on a bought deal basis. Following the successful sale of the initially announced 5,300,000 Stapled Units, the underwriters exercised an option to purchase an additional 1,060,000 Stapled Units.

The REIT will use its portion of the net proceeds from the offering for future acquisitions and the repayment of bank indebtedness and mortgage debt, including mortgages totaling \$69.7 million due February 1, 2013, which currently bear interest at 8.16% per annum. Upon repayment of these mortgages the REIT will have an unencumbered pool of 26 income producing properties valued at approximately \$468.9 million. H&R Finance Trust will use its portion of the net proceeds from the offering to subscribe for additional notes to be issued by H&R REIT (U.S.) Holdings Inc.

Forward-looking Statements

Certain statements in this news release contain forward-looking information within the meaning of applicable securities laws (also known as forward-looking statements) including, in particular, H&R’s expectations regarding the use of proceeds of the offering and the description of the unencumbered pool of mortgages. Such forward-looking statements reflect H&R’s current beliefs and are based on information currently available to management. These statements are not guarantees of future performance and are based on H&R’s estimates and assumptions that are subject to risks and uncertainties, including those discussed in H&R’s materials filed with the Canadian securities regulatory authorities from time to time, which could cause the actual results and performance of H&R to differ materially from the forward-looking statements contained in this news release. Those risks and uncertainties include, among other things, risks related to: prices and market value of securities of H&R; availability of cash for distributions; restrictions pursuant to the terms of indebtedness; liquidity; credit risk and tenant concentration; interest rate and other debt related risk; tax risk; ability to access capital markets; dilution; lease rollover risk; construction risks; currency risk; unitholder liability; co-ownership interest in properties; competition for real property investments; environmental matters; reliance on one corporation for management of substantially all of the REIT’s properties and changes in legislation and indebtedness of H&R. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include that the general economy is stable; local real estate conditions are stable; interest rates are relatively stable; and equity and debt markets continue to provide access to capital. H&R cautions that this list of factors is not exhaustive. Although the forward-looking statements contained in this news release are based upon what H&R believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. All forward-looking statements in this news release are qualified by these cautionary statements. These forward-looking statements are made as of today and H&R, except as required by applicable law, assumes no obligation to update or revise them to reflect new information or the occurrence of future events or circumstances.

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