



## H&R REAL ESTATE INVESTMENT TRUST

### **Announces US\$125MM Private Placement of Floating Rate Senior Unsecured Debentures**

TORONTO, February 2, 2015 – H&R Real Estate Investment Trust (“H&R REIT”) (TSX: HR.UN; HR.DB.D; HR.DB.E and HR.DB.H) is pleased to announce it has entered into an agreement to sell on a private placement “best efforts” agency basis, through a syndicate of agents led by TD Securities Inc., US\$125 million principal amount of senior unsecured debentures (the “Series J Debentures”). The Series J Debentures will be issued at par, bear interest at a rate equal to the 3-month LIBOR plus 108 basis points payable quarterly in arrears and will mature on February 9, 2018.

Subject to customary closing conditions, the offering is scheduled to close on February 9, 2015. It is a condition of closing to the offering that the debentures be rated at least BBB (high) with a stable trend by DBRS. The offering is on a private placement basis and the debentures will be issued pursuant to H&R REIT’s trust indenture dated February 3, 2010 as supplemented. These debentures will rank *pari passu* with H&R REIT’s outstanding senior unsecured debentures.

The net proceeds of the offering will be used for the repayment of existing indebtedness and for general trust purposes.

The debentures offered have not been 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 an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the debentures in any jurisdiction in which such offer, solicitation or sale would be unlawful.

#### **About H&R REIT**

H&R REIT is Canada’s largest diversified real estate investment trust with total assets of approximately \$13.6 billion as at September 30, 2014. H&R REIT is a fully internalized REIT and has ownership interests in a North American portfolio of high quality office, retail and industrial properties comprising over 55 million square feet.

#### **Forward-looking Statements**

Certain information in this news release contains forward-looking information within the meaning of applicable securities laws (also known as forward-looking statements) including, among others, statements relating to the expected date of closing for the offering, the objectives of H&R REIT, strategies to achieve those objectives, H&R REIT’s beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by words such as “outlook”, “objective”, “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “plans”, “project”, “budget” or “continue” or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect H&R REIT’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 REIT’s estimates and assumptions that are subject to risk and uncertainties, including those discussed in H&R REIT’s materials filed with the Canadian securities regulatory authorities from time to time, which could cause the actual results and performance of H&R REIT to differ materially from the forward-looking statement 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 REIT; 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; and changes in legislation and indebtedness of H&R REIT. 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 REIT 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 REIT believes are reasonable assumptions, there can be no assurance that actual results will be consistent with those 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 REIT, 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.

Additional information regarding H&R REIT and H&R Finance Trust is available at [www.hr-reit.com](http://www.hr-reit.com) and on [www.sedar.com](http://www.sedar.com).

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