



H&R REIT NOMINATES STEPHEN SENDER AS TRUSTEE AND PROPOSES IMPROVED GOVERNANCE AT ITS UPCOMING AGM

Toronto, Ontario, June 6, 2016 - H&R Real Estate Investment Trust (“H&R REIT” or the “REIT”) and H&R Finance Trust (“Finance Trust” and together with the REIT, “H&R”) (TSX: HR.UN; HR.DB.D; HR.DB.E and HR.DB.H) would like to remind unitholders of the upcoming annual and special meetings (the “Meetings”) of the REIT and Finance Trust to be held on Friday, June 17, 2016 at 1:00 p.m. (Toronto time) at the TSX Gallery, 130 King Street West, Toronto, Ontario.

Among matters to be voted on at the Meetings, as a result of H&R’s ongoing review of its corporate governance matters and in order to best serve unitholders, H&R has proposed to expand the size of the board of the REIT in order to nominate Stephen Sender as a trustee of the REIT. Mr. Sender has over 30 years of experience in the investment banking industry and H&R believes that Mr. Sender will bring valuable experience and insight to the board and assist the REIT in continuing to bring value to unitholders. Additional biographical information in respect of Mr. Sender is included in the management information circular (the “Circular”) of H&R dated May 6, 2016 and is excerpted below.

In addition to expanding the size of the board of the REIT, the REIT’s Board has introduced 10-year term limits for newly elected trustees, and all current trustees (other than trustees that are also members of management) are expected to tender their resignation within five years, subject to waiver by the Board.

H&R has also proposed amendments to the respective declarations of trust of the REIT and Finance Trust to be voted on at the Meetings which amendments will provide unitholders with, among other things, additional rights, remedies and procedures such as an oppression remedy, dissent and appraisal rights, a mechanism for submitting unitholder proposals, all as more particularly described in the Circular. The amendments are intended to further align the declarations of trust with evolving governance best practices, which include introducing rights and remedies in favour of unitholders consistent with those available to shareholders of a corporation governed by the Canada Business Corporations Act.

In addition, H&R will hold semi-annual conference calls with the investor community to discuss its financial performance beginning with the release of the Q2 2016 results.

Unitholders are encouraged to attend the Meetings in person or via webcast at www.hr-reit.com and to provide their voting instructions well in advance of the deadline for the deposit of proxies of 5:00 p.m. (Toronto Time) on June 15, 2016.

Stephen Sender - Mr. Sender has over 30 years of experience in the investment banking industry in Canada and abroad. Most recently and since December 2005, he was Managing Director, Industry Head - Real Estate in Scotiabank’s Global Banking and Markets division representing the bank’s capital markets activities in the Canadian real estate industry. Since the early 1990’s he has specialized in the Canadian real estate sector, providing investment banking advice to numerous public entities with respect to capital markets activities. He has been directly involved in raising equity and debt capital in a large number of transactions and has provided financial advice in numerous large transactions including mergers, takeovers and related party transactions. Mr. Sender has been a frequent moderator/speaker at conferences in Canada focusing on capital markets developments in the real estate sector. Mr. Sender holds a B.Comm. (Honours) degree from the University of Cape Town and qualified as a C.A. (S.A.) in 1984.

About H&R REIT and H&R Finance Trust

H&R REIT is Canada's largest diversified real estate investment trust with total assets of approximately \$14.6 billion as at March 31, 2016. H&R REIT is a fully internalized real estate investment trust and has ownership interests in a North American portfolio of high quality office, retail, industrial and residential properties comprising over 47 million square feet.

H&R Finance Trust is an unincorporated investment trust, which primarily invests in notes issued by a U.S. corporation which is a subsidiary of H&R REIT. The current note receivable balance is U.S. \$220.4 million. In 2008, H&R REIT completed an internal reorganization which resulted in each issued and outstanding H&R REIT unit trading together with a unit of H&R Finance Trust as a "Stapled Unit" on the Toronto Stock Exchange.

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). These forward-looking statements include, but are not limited to H&R's plans, objectives, expectations and intentions, including H&R's expectations regarding future developments in corporate governance matters, the expansion of the board and statements contained in this release that are not historical facts. 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. 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.

Additional information regarding H&R REIT is available at www.hr-reit.com and on www.sedar.com. For more information, please contact Larry Froom, Chief Financial Officer, H&R Real Estate Investment Trust, 416-635-7520, or e-mail info@hr-reit.com.