



H&R Real Estate Investment Trust and H&R Finance Trust Announce Receipt of Final Order for the Reorganization

Toronto, Canada (December 15, 2017) – H&R Real Estate Investment Trust (“**H&R REIT**” or “**H&R**”) and H&R Finance Trust (“**H&R Finance Trust**” and, together with H&R REIT, the “**Trusts**”) (TSX: HR.UN and HR.DB.D) have announced today that they have received a final order from the Court of Queen’s Bench of Alberta approving the internal reorganization (the “**Reorganization**”) which was previously announced by the Trusts in a press release dated October 19, 2017.

The Trusts also announced that the required approvals from unitholders of the Trusts (the “**Unitholders**”) were received at the joint special meetings of Unitholders held on December 7, 2017. The Reorganization was approved by approximately 99.8% of the votes cast by Unitholders.

The Reorganization remains subject to the receipt by the Trusts of an advance income tax ruling from the Canada Revenue Agency in form and substance satisfactory to the Trusts and other customary closing conditions. The Reorganization is expected to close in the first quarter of 2018.

For more information on the Reorganization, please see the management information circular of the Trusts dated October 31, 2017 (the “**Circular**”), which is available at www.sedar.com.

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 \$14.0 billion at September 30, 2017. 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 46 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.\$223.9 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 statements within the meaning of applicable securities laws (also known as forward-looking statements). These forward-looking statements include, but are not limited to the Trusts’ plans, objectives, expectations and intentions, including the expected completion date of the Reorganization. Such forward-looking statements reflect the Trusts’ current beliefs and are based on information currently available to management. These statements are not guarantees of future performance and are based on the Trusts’ estimates and assumptions that are subject to risks and uncertainties, including those set forth in the Circular and 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 the Trusts 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 the Trusts believe 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 the Trusts, except as required by applicable law, assume 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 <http://www.hr-reit.com> and on www.sedar.com. For more information, please contact Larry Froom, Chief Financial Officer, H&R REIT and H&R Finance Trust (416) 635-7520, or email info@hr-reit.com.

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