



H&R Announces \$250 MM Senior Unsecured Debenture Financing

Toronto, January 18, 2018 – H&R Real Estate Investment Trust (“H&R REIT” or “H&R”) (TSX: HR.UN and HR.DB.D) is pleased to announce an offering (the “Offering”) of \$250 million principal amount of Series O Senior Unsecured Debentures (the “Series O Debentures”). The Series O Debentures are being offered on an agency basis by a syndicate of agents co-led by BMO Capital Markets, Scotiabank, CIBC Capital Markets, National Bank Financial Inc. and TD Securities. These debentures will carry a coupon rate of 3.416% and will mature on January 23, 2023. The Offering is expected to close on or about January 23, 2018. It is a condition of closing that a final rating by DBRS of BBB (high) be obtained.

H&R intends to use the net proceeds of the Offering for the repayment of outstanding indebtedness and for general trust purposes.

The Offering of the Series O Debentures is being made under H&R REIT's existing short form base shelf prospectus dated May 3, 2017. The terms of the Offering of the Series O Debentures will be described in a prospectus supplement to be filed with Canadian securities regulators.

About H&R REIT

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.

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 the date of closing of the Offering, the filing of a prospectus supplement and the intended use of proceeds. 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 <http://www.hr-reit.com> and on www.sedar.com.

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