



H&R Completes US\$125MM Senior Unsecured Debenture Financing

Toronto, February 13, 2018 – H&R Real Estate Investment Trust (“H&R REIT” or “H&R”) (TSX: HR.UN and HR.DB.D) announced today that it completed its previously announced offering of US\$125 million principal amount of floating rate Series P senior unsecured debentures due February 13, 2020 (the “Series P Debentures”). H&R REIT had previously agreed with a syndicate of agents co-led and bookrun by TD Securities, BMO Capital Markets, CIBC Capital Markets, National Bank Financial Inc. and Scotiabank to sell the Series P Debentures on a private placement “best efforts” agency basis. The Series P Debentures have been issued at par, bear interest at a rate equal to 3-month LIBOR plus 79 basis points payable quarterly in arrears and mature on February 13, 2020. The net proceeds of the offering will be used for the repayment of existing indebtedness and for general trust purposes, including the redemption of the REIT’s 5.90% convertible unsecured subordinated debentures due June 30, 2020, of which \$99,652,000 aggregate principal amount is currently outstanding (the “2020 Convertible Debentures”).

H&R is also pleased to announce that it has delivered the redemption notice in respect of the 2020 Convertible Debentures to the trustee, BNY Trust Company of Canada. The 2020 Convertible Debentures will be redeemed on March 12, 2018 (the “Redemption Date”). The 2020 Convertible Debentures are listed for trading on the TSX under the trading symbol HR.DB.D. The outstanding 2020 Convertible Debentures will be redeemed as at the Redemption Date upon payment by H&R of a redemption amount equal to the aggregate principal amount (being \$99,652,000 on the date hereof) and all accrued and unpaid interest thereon up to but excluding the Redemption Date, less any applicable withholding taxes.

About H&R REIT

H&R REIT is Canada’s largest diversified real estate investment trust with total assets of approximately \$14.0 billion as 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 REIT’s plans, objectives, expectations and intentions, including the expected use of proceeds of the offering. 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 risks 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 statements contained in this news release. 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 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 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 is available at <http://www.hr-reit.com> and on www.sedar.com.

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