



H&R Announces TSX Acceptance of its Normal Course Issuer Bid

Toronto, Ontario, December 14, 2018 - H&R Real Estate Investment Trust (“**H&R**”) (TSX: HR.UN) today announced receipt of final acceptance from the Toronto Stock Exchange (“**TSX**”) of H&R’s notice of intention to make a normal course issuer bid (“**NCIB**”). Under the NCIB, H&R will have the ability to purchase for cancellation up to a maximum of 15,000,000 Units on the open market, representing approximately 5.35% of the public float as of December 1, 2018. As at December 1, 2018, H&R had 285,653,922 outstanding Units.

The NCIB will commence on December 17, 2018 and remain in effect until the earlier of December 16, 2019 and the date on which H&R has purchased the maximum number of Units permitted under the NCIB. Purchases of Units under the NCIB will be made in accordance with TSX by-laws, rules and policies through the facilities of the TSX, and through alternative trading systems. The Units so purchased will be cancelled. The price paid for any repurchased Units will be the market price of such Units at the time of acquisition. Daily purchases will be limited to 149,577 Units other than block purchase exemptions.

H&R believes that its outstanding Units represent an attractive investment, and the ongoing purchase of its outstanding Units may benefit all persons who continue to hold Units by increasing their equity interest in H&R.

H&R may establish an automatic purchase plan under which its broker may purchase Units according to a prearranged set of criteria. The plan would enable the purchase of Units at any time, including when H&R would not ordinarily be active in the market because of internal trading blackout periods, insider trading rules or otherwise. The plan will terminate on the earliest of: the date on which the purchase limits specified in the plan have been attained, the date on which the NCIB terminates or the date on which the plan is terminated by a party in accordance with its terms. To H&R’s knowledge, after reasonable inquiry, none of the trustees, officers or other insiders of H&R or any associate of any such persons, or any associate or affiliate of H&R currently intends to sell Units to H&R during the course of the issuer bid.

Under its previous normal course issuer bid approved by the TSX on August 10, 2017 and amended on March 14, 2018 to increase the number of Stapled Units that could be repurchased for cancellation to 15,000,000 Stapled Units, H&R completed the purchase for cancellation through the facilities of the TSX of 7,364,840 Stapled Units at a weighted average price of \$20.67 per Stapled Unit. H&R’s previous normal course issuer bid expired on August 14, 2018.

About H&R REIT

H&R REIT is one of Canada’s largest fully internalized real estate investment trusts with total assets of approximately \$14.2 billion at September 30, 2018. H&R REIT has ownership interests in a North American portfolio of high quality office, retail, industrial and residential properties comprising over 41 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 H&R's expectations regarding future developments in connection with the NCIB and the receipt of regulatory approvals, H&R's intention to repurchase Stapled Units in the open market, H&R's beliefs regarding the benefits of persons who hold Stapled Units and other 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. Those risks and uncertainties include, among other things, risks related to: real property ownership, credit risk and tenant concentration; lease rollover risk, interest and other debt-related risk; construction risks; currency risk; liquidity risk, financing credit risk, cyber security risk, environmental risk; co-ownership interest in properties, joint arrangement risks; unit price risk; availability of cash for distributions; ability to access capital markets; dilution; unitholder liability; redemption right risk; risks relating to debentures, tax risk and tax consequences to U.S. holders. 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 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 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.

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