



**FOR IMMEDIATE RELEASE:**

**BSR REAL ESTATE INVESTMENT TRUST FILES FINAL PROSPECTUS FOR  
US\$135 MILLION INITIAL PUBLIC OFFERING**

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**Toronto, Ontario, May 11, 2018** – BSR Real Estate Investment Trust (the "**REIT**") announced today that it has filed, and obtained a receipt for, a final long-form prospectus with the securities regulatory authorities in each of the provinces and territories in Canada for an initial public offering of 13,500,000 trust units of the REIT (the "**Offering**"). The units will be issued at a price of US\$10.00 per unit and are expected to provide unitholders with an initial annual cash distribution yield of 5.0%. The gross proceeds of the Offering will be US\$135,000,000.

On closing of the Offering, the REIT will indirectly acquire a 48-property portfolio of multifamily garden-style residential properties located across five bordering states in the Sunbelt region of the United States, being the region that stretches across the South Atlantic and Southwest portions of the country, held indirectly by BSR Trust, LLC ("**BSR**"). Following closing of the Offering, the existing members of BSR will retain an aggregate approximate 66% ownership interest in the REIT, and an aggregate approximate 63% ownership interest in the REIT if the over-allotment option is exercised (in each case, determined as if all redeemable securities are redeemed for units of the REIT). The net proceeds of the Offering will be used by the REIT to repay approximately US\$122.3 million of indebtedness owing by BSR and to fund transaction costs associated with the Offering.

The Offering is being underwritten by a syndicate of underwriters led by BMO Capital Markets, and including CIBC Capital Markets, RBC Capital Markets, Scotiabank, TD Securities Inc., National Bank Financial Inc., Raymond James Ltd., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc. and Echelon Wealth Partners Inc. (collectively, the "**Underwriters**"). The REIT has granted to the Underwriters an over-allotment option, exercisable in whole or in part at any time up to 30 days after the closing of the Offering, to purchase up to an additional 2,025,000 units which, if exercised in full, would increase the total gross proceeds to US\$155,250,000. The net proceeds of the over-allotment option, to the extent exercised, will be used by the REIT for capital expenditures on the initial properties, to repay indebtedness or for future acquisitions.

The REIT intends to make its first distribution on July 16, 2018 for the period from closing to June 30, 2018 in the amount of US\$0.0591 per unit, assuming closing occurs on May 18, 2018. The REIT intends to make subsequent monthly distributions in the estimated amount of US\$0.0417 per unit commencing on or about August 15, 2018.

The Offering is expected to close on May 18, 2018, subject to customary closing conditions. The Toronto Stock Exchange ("**TSX**") has conditionally approved the listing of the trust units under the symbol "HOM.U", subject to fulfilling customary TSX requirements. A copy of the final

prospectus containing full details of the Offering and the REIT is available under the REIT's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Goodmans LLP is acting as Canadian counsel to the REIT and Mitchell, Williams, Selig, Gates & Woodyard, PLLC is acting as U.S. counsel to the REIT. Blake, Cassels & Graydon LLP is acting as Canadian counsel for the Underwriters and Greenberg Traurig LLP is acting as U.S. counsel to the Underwriters.

No securities regulatory authority has either approved or disapproved the contents of this news release. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "**U.S. Securities Act**"), as amended, or any state securities laws, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act). Accordingly, the securities may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

#### **About BSR Real Estate Investment Trust**

BSR Real Estate Investment Trust is an internally managed, unincorporated, open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. Following completion of the Offering and related transactions, the REIT will indirectly acquire interests in a portfolio of 48 multifamily garden-style residential properties consisting of 9,879 apartment units located across five bordering states in the Sunbelt region of the United States.

#### **Forward-Looking Statements**

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to the business of the REIT. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the REIT's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the completion of the Offering, the proposed use of proceeds thereof, and the initial annual cash distribution yield. The forward-looking statements in this news release are based on certain assumptions, including without limitation that Offering will be completed on May 18, 2018 as expected and that the REIT will have sufficient cash to pay its distributions. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "Risk Factors" in the REIT's final prospectus available at [www.sedar.com](http://www.sedar.com). There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

#### **For further information, please contact:**

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