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OneREIT™ ANNOUNCES SECOND QUARTER 2016 RESULTS

Toronto, Ontario – August 10, 2016 – (TSX: **ONR.UN**) – OneREIT today announced results for the second quarter ended June 30, 2016.

Highlights:

- ✓ FFO, adjusted per unit was 10.6 cents and 21.1 cents for the three and six month periods ended June 30, 2016, consistent with comparative 2015 periods.
- ✓ FFO, adjusted payout ratio for the second quarter was 70.8%.
- ✓ The weighted average cost of mortgage debt decreased to 4.30%, an improvement of 20 basis points since March 31, 2016.
- ✓ Interest cost savings of approximately \$1.1 million per year are expected to be achieved through refinancing activity in 2016, leading to a contribution of 1.2 cents of FFO per unit.
- ✓ Portfolio occupancy increased to 86.6% as at June 30, 2016, compared to 86.2% as at March 31, 2016.
- ✓ Committed occupancy is expected to rise to approximately 92% from the current portfolio occupancy of 86.6%, with the finalization of leasing activity currently at an advanced stage and the sale of two previously identified non-core assets.
- ✓ On June 3, 2016, the REIT reached an agreement with a Canadian chartered bank to amend and extend its credit facility with an availability of \$40.0 million to June 30, 2018.
- ✓ On June 10, 2016, the REIT obtained a new mortgage loan of \$22.0 million bearing an interest rate of 2.90% to refinance a maturing loan of \$16.6 million bearing an interest rate of 4.51% on Lancaster Mall, located in Saint John, New Brunswick
- ✓ On June 28, 2016, the REIT obtained a new mortgage loan of \$34.0 million bearing an interest rate of 3.31% to refinance a maturing loan of \$17.5 million bearing an interest rate of 5.56% on Kingspoint Plaza, located in Brampton, Ontario.
- ✓ Net operating income ("NOI") was \$18.2 million for the three months ended June 30, 2016, a decrease of \$0.6 million from the same period in 2015 mainly attributable to the sale of two non-core properties.
- ✓ Debt to gross book value ratio (excluding and including convertible debentures) as at June 30, 2016 was 52.1% and 58.3% respectively, consistent with the ratios at December 31, 2015.
- ✓ The process to explore strategic alternatives announced on June 8, 2016 is ongoing.

Richard Michaeloff, President and CEO of OneREIT, said "During the second quarter of 2016, we lowered our average portfolio interest rate to an all-time low, we improved our occupancy level and are close to finalizing several significant lease deals. Our redevelopment project at Golden Mile is proceeding on schedule and has received strong tenant interest. The internalization of property management for most of our properties was completed on April 1st and has begun contributing positively to our results."

Financial Highlights

	Three months ended June 30		Six months ended June 30	
(all amounts in \$000's , except per unit amounts and ratios)	2016	2015	2016	2015
Rental revenue and other income	29,847	30,813	60,119	62,065
Property operating expenses	12,158	12,515	24,461	25,624
Property operating income	17,689	18,298	35,658	36,441
Share of joint venture net operating income	462	459	919	911
Net operating income ⁽¹⁾	18,151	18,757	36,577	37,352
Trust expenses	1,300	1,215	2,545	2,254
Finance costs - joint venture operations	173	196	356	394
Finance costs - operations	8,046	8,217	15,983	16,553
Finance costs - distributions on Class B Units	831	1,240	1,661	2,480
Income before fair value gains (losses) and other income	7,801	7,889	16,032	15,671
Fair value gains (losses) associated with financial instruments	(9,485)	7,876	(13,942)	(606)
Fair value (losses) on investment property	(1,454)	(2,215)	(2,734)	(2,970)
Fair value gains (losses) on joint venture property	(86)	581	229	639
Net Income (loss) for the period	(3,224)	14,131	(415)	12,734
FFO, adjusted ⁽²⁾	9,248	9,157	18,337	18,208
FFO, adjusted per unit	\$ 0.106	\$ 0.107	\$ 0.211	\$ 0.212
FFO, adjusted payout ratio ⁽³⁾	70.8%	70.1%	71.1%	70.8%

Full Financial Results and MD&A will be available on SEDAR (www.sedar.com) as well as the Investors Relations section of the REIT's website (www.onereit.ca).

(1) A non-IFRS measurement, calculated by the REIT as rental revenue (net rents, property tax and operating cost recoveries, as well as other miscellaneous income from tenants) less operating expenses for properties.

(2) The reconciliations from net income (loss) to Funds from Operations, adjusted are included in the REIT's MD&A.

(3) FFO, adjusted payout ratio has been calculated based on the REIT's annualized distribution rate of \$0.30 per unit.

The REIT's management considers Net Operating Income, Funds from Operations, adjusted and Debt to Gross Book Value ratio to be indicative measures in evaluating the REIT's performance. The table above includes non-IFRS information that should not be construed as an alternative to net income or cash flows from operations and may not be comparable to similar measures presented by other issuers as there is no standardized meaning prescribed by IFRS.

Conference Call

OneREIT will hold a conference call on Thursday, August 11th, 2016 at 11:00 am (ET). Participating on the call will be members of the REIT's senior management.

Investors are invited to access the call by dialling 416-204-9702 or 1-800-524-8850. A recording of this call will be made available Thursday, August 11, 2016 beginning at 2:00 pm (ET) through to Thursday, August 25, 2016 ending at 2:00pm (ET). To access the recording, please call 647-436-0148 or 1-888-203-1112 and use the reservation number 1202040.

About OneREIT

OneREIT is an unincorporated, open-end real estate investment trust which focuses on owning and acquiring retail properties across Canada with the goal of enhancing long-term Unitholder value.

Forward-Looking Information

This press release contains forward-looking statements, which reflect management's expectations regarding the REIT's future growth, results of operations, performance, and business prospects and opportunities. These statements relate to, but are not limited to, the REIT's expectations, intentions, plans and beliefs. In some cases, forward-looking statements can be identified by the use of words such as "may", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative or grammatical variations of these terms or other comparable terminology. Readers should be aware that these statements are subject to known and unknown risks, uncertainties and other factors, including, but not limited to: those discussed or referenced under the heading "Risk Factors" in the REIT's Management's Discussion and Analysis for the three and six months ended June 30, 2016, as well as competition within the commercial real estate sector, the effective international, national and regional economic conditions and the availability of capital to fund further investments in the REIT's business. Actual events or results may differ materially from those suggested by any forward-looking statements. Readers should not place undue reliance on any forward-looking statements contained in this press release. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Although management of the REIT believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that future results, levels of activity, performance or achievements will occur as anticipated. Neither the REIT nor any other person assumes responsibility for the accuracy and completeness of any forward-looking statements, and no one has any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or such other factors which affect this information, except as required by law.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, which may be made only by means of a prospectus, nor shall there be any sale of the Units in any state, province or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under securities laws of any such state, province or other jurisdiction. The Units of the OneREIT have not been, and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or delivered in the United States absent registration or an exemption from the registration requirements of U.S. securities laws.

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