FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1 NAME AND ADDRESS OF COMPANY

Northern Property Real Estate Investment Trust (the “**Trust**”)
110, 6131 – 6th Street SE
Calgary, Alberta T2H 1L9

ITEM 2 DATE OF MATERIAL CHANGE

February 1, 2014.

ITEM 3 NEWS RELEASE

A press release describing the material change was issued by the Trust on February 3, 2014 and disseminated via CNW Group. The Trust’s material change report dated February 4, 2014 was filed in error and included a version of the press release which disclosed an incorrect number of outstanding units of the Trust. The Trust wishes to correct its previous disclosure with the press release attached hereto as Schedule “A”.

ITEM 4 SUMMARY OF MATERIAL CHANGES

NorSerCo Inc. (“**NorSerCo**”) has transferred all of its active business to NPR Limited Partnership and filed articles of dissolution with the Registrar of Corporations (Alberta). Stapled securities (“**Stapled Securities**”), each being comprised of one unit of the Trust and one common share of NorSerCo, have been separated. Common shares of NorSerCo will be de-listed from the Toronto Stock Exchange (“**TSX**”) and units of the Trust will be listed on the TSX in substitution of the Stapled Securities.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

The full description of the material change is set out in Schedule “A” attached hereto.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTIONS

The full description of the restructuring transactions is set out in Schedule “A” attached hereto.

ITEM 6 RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not Applicable.

ITEM 7 OMITTED INFORMATION

Not Applicable.

ITEM 8 EXECUTIVE OFFICER

Robert J. Palmer, Chief Financial Officer
Telephone: (403) 531-3545

ITEM 9 DATE OF REPORT

February 13, 2014

Schedule "A"

FOR IMMEDIATE RELEASE **February 3, 2014**

Northern Property Real Estate Investment Trust Announces End of Stapled Securities Structure

CALGARY, Alberta – February 3, 2014 - Northern Property Real Estate Investment Trust ("NPR") (NPR.UN – TSX) is pleased to announce the termination of its stapled unit structure after the close of markets on January 31, 2014.

NorSerCo Inc., NPR's related corporation has transferred all its active business assets to NPR Limited Partnership, and filed articles of dissolution with the Registrar of Corporations of Alberta. The NorSerCo common shares which traded as part of the NPR stapled security will be de-listed from the Toronto Stock Exchange ("TSX"). The NorSerCo common shares have historically only traded as part of the Stapled Security. These actions were approved by NorSerCo shareholders in a Special Meeting held July 13, 2012.

Northern Property Real Estate Investment Trust units continue to be listed on the TSX in substitution of the stapled securities under the trading symbol NPR.UN. As at the date hereof, there are 31,900,380 trust units of NPR issued and outstanding and 67,796 Class B exchangeable limited partnership units issued and outstanding.

NPR does not expect that monthly distributions for Trust Units will be affected by the asset transfer, unstapling and wind-up of NorSerCo.

Holders of Stapled Securities certificates may, but are not required to, exchange their Stapled Security certificate for a Trust Unit certificate at their convenience by contacting NPR's registrar and transfer agent, Computershare Trust Company of Canada, at 1-800-564-6253.

About NPR

NPR is primarily a multi-family residential real estate investor, providing a broad spectrum of rental accommodations in Canadian secondary markets with strong economic fundamentals where capitalization rates are generally higher and competition somewhat restrained. NPR's residential portfolio is comprised of: multi-family segment apartments, town homes and single family rental units; and execusuites and hotels, where the rental periods range from a few days to several months. NPR also has a portfolio of commercial buildings focused on government tenancies predominantly located in Canada's far north. Geographically, NPR operates in British Columbia, the Northwest Territories, Alberta, Saskatchewan, Nunavut, Quebec and

Newfoundland and Labrador. As at September 30, 2013, NPR has 10,142 residential units and 1,064,944 square feet of commercial space.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS.
This news release contains forward-looking statements relating to the amount of future monthly distributions to holders of Trust Units. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, 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, a forward-looking statement speaks only as of the date on which such statement is made.

For further information:
Mr. Robert J. Palmer, Chief Financial Officer at (403) 531-3545