

# FRONSAC REAL ESTATE INVESTMENT TRUST

## PRESS RELEASE

### FOR IMMEDIATE RELEASE

March 14, 2017

## FRONSAC REIT ANNOUNCES AN ACQUISITION

**Montreal (Québec) - (TSX-V: GAZ.UN)** Fronsac Real Estate Investment Trust (“**Fronsac REIT**” or “**Fronsac**”) is pleased to announce an acquisition, located in Ste-Sophie, Quebec. The property is located along Boulevard Ste-Sophie and is composed of a recently built Ultramar service station as well as a freestanding Benny & Co restaurant. Total consideration paid was \$364,018.32 for a 50% interest in Odacité Ste-Sophie LP, which holds the interests of said properties. The purchase price was settled for in cash, while taking into consideration already in place financing as well as customary closing adjustments. Fronsac assumed a 50% share of a long-term mortgage related to the properties of \$2,150,000 (Fronsac share \$1,075,000). In addition Fronsac assumed 50% of accruals related to closing adjustments, which amounted to \$7,150.70 (Fronsac share \$3,675.85). This is Fronsac’s first partnership with Odacité Immobilier, a development company.

A 25% interest was purchased from a third party with no previous ties to Fronsac. A 10% interest was purchased from a company (Investissements B.S.G. Inc.), which is controlled by an individual related to a Trustee and a 15% interest was purchased from a company (B&C Immo Inc.) controlled by a Trustee.

The nephew of Jacques Beaudry, a Trustee, controls Investissements B.S.G. Inc. while Jacques Beaudry controls B&C Immo Inc. The independent Trustees of Fronsac approved the acquisition based on a \$2,860,000 valuation for the 2 buildings. An independent valuation firm was contracted to provide a valuation, which was used to determine a purchase price.

For more information regarding these acquisitions, which are, in part, related party transactions, please refer to Policy 61-101 of the Ontario Securities Commission.

**About Fronsac** - Fronsac Real Estate Investment Trust is an open-ended trust that acquires and owns high quality commercial real estate properties situated along highways or frequently travelled routes, rented to exclusively to tenants operating fast food chains, convenience stores and gas stations.

**Forward-Looking Statements** - This press release contains forward-looking statements and information as defined by applicable securities laws. Fronsac warns the reader that actual events may differ materially from current expectations due to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated in such statements. Among these include the risks related to economic conditions, the risks associated with the local real estate market, the dependence to the financial condition of tenants, the uncertainties related to real estate activities, the changes in interest rates, the availability of financing in the form of debt or equity, the effects related to the adoption of new standards, as well as other risks and factors described from time to time in the documents filed by Fronsac with securities regulators, including the management report. Fronsac does not intend or undertake to update or modify its forward-looking statements even if future events occur or for any other reason, unless required by law or any regulatory authority.

Neither the TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the Policy of the TSX Venture Exchange) accepts any responsibility for the adequacy or accuracy of this release. This transaction is subject to the approval of the applicable regulatory authorities.

For further information please contact Jason Parravano at (450) 536-5328.