

FRONSAC REAL ESTATE INVESTMENT TRUST

PRESS RELEASE

FOR IMMEDIATE RELEASE

October 19, 2017

FRONSAC ANNOUNCES THE ACQUISITION OF THREE PROPERTIES

Montreal (Québec) - (TSX-V: GAZ.UN) Fronsac Real Estate Investment Trust (“**Fronsac REIT**” or “**Fronsac**”) is pleased to announce the closing of three (3) acquisitions. The first two properties were acquired under a sale and lease-back agreement with Value Village Canada. They are located in Quebec City, Quebec, and are both operated as retail stores under the Village des Valeurs banner. Total consideration paid for these properties was \$6,200,000 (excluding transaction costs) and was settled in cash. Combined, the properties will generate approximately \$475,000 per year in net operating income.

The third property acquired is located in Lac Megantic, Quebec. The property is a gas station operated under the Canadian Tire banner and is strategically located at the entrance of Carrefour Lac Megantic, the town’s largest shopping mall. Total consideration paid for the property was \$1,450,000 (excluding transaction costs) and was settled in cash. The property was purchased from a third party with no previous ties to Fronsac.

Jason Parravano, President and CEO, said: “We are very pleased to announce the acquisition of the Value Village properties, our first acquisition in this asset class. We believe that this acquisition will compliment and diversify the existing portfolio all while staying true to our business model. Value Village, a subsidiary of Savers, operates over 300 retail locations under various banners in Canada, the US and Australia. We are also very pleased to welcome Canadian Tire among our business partners.”

About Fronsac - Fronsac Real Estate Investment Trust is an open-ended trust that acquires and owns high quality triple net and management-free commercial real estate properties.

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.

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