

# News Release

February 5, 2020



## **Adventus Realty Trust Business Updates**

### **Signs Agreement to Purchase First Property in Dallas**

Adventus Realty Trust, by its Trustee, Adventus Realty Services Inc. (the “Trust”) is pleased to announce it has signed a Purchase and Sale Agreement (“PSA”) to acquire its first property (“The Point” or the “Property”) in the Las Colinas submarket of Dallas, Texas subject to customary due diligence. Closing is expected in March, 2020. This represents a continuation of the Adventus Strategic Plan to grow into select geographic areas. The Trust is excited to execute on its growth strategy and we look forward to continuing that strategy in both Atlanta and Dallas. This acquisition will bring Total Assets of the Trust to over US\$1.0 billion.

The Point is centrally located in the Las Colinas submarket surrounded by Dallas / Fort Worth’s most exciting mixed-use projects and offer tenants an unparalleled mix of accessibility and amenities. The Property is a 415,123 square foot LEED Silver office tower, 96% occupied, with a long weighted-average lease term of 10.3 years. The operating and financial metrics of this property exceed our expectations for our first acquisition in the Dallas area.

The Las Colinas submarket is a 12,000-acre master planned business and residential community equidistant to Dallas and Fort Worth with immediate access to the Dallas / Fort Worth International Airport, the world’s fourth busiest airport. Las Colinas is home to seven Fortune 500 companies, including two Fortune 10 companies, further exemplifying its strength and appeal as a market.

### **Equity Financing for The Point**

The purchase of The Point is expected to be funded with a combination of bank debt and equity from the sale of Trust units. The Trust is currently undertaking a private placement to raise proceeds of up to US\$30 million, priced at US\$16.75 per unit, which opportunity will be available until the end of February, 2020. The subscription price of US\$16.75 per unit would be an approximate 12% to 14% discount to management’s expected Net Asset Value (NAV) per unit at December 31, 2019.

### **Major Portfolio Lease Renewals**

In addition to the positive acquisition news noted above, the Trust is also pleased to announce that over the past 18 months it has completed three significant lease renewals. These leases total over 500,000 square feet, representing approximately 11% of the Trust portfolio by area and 18% of the portfolio by net operating income. The largest of these leases is with US Foods Inc., a Fortune 500 company and one of America’s leading foodservice distributors and suppliers for a range of customers nationwide, including restaurants, hospitals, hotels and universities. The US Foods lease is approximately 300,000 square feet and is the largest office lease signed in the Chicago suburbs since 2017. Refer also to the Trust’s news release dated December 17, 2019 for additional information.

Significant accretion has been created as a direct result, with values to be reflected as the various properties become stabilized for third party real estate appraisal purposes. The impact to stabilized value of concluding these three leases is anticipated to increase portfolio appraisal value in the range of \$67 million to \$73 million by 2023.

## **About Adventus**

Adventus is a Canadian based private Real Estate Investment Trust (REIT) and is focused on US income producing commercial real estate, in the suburban office markets of Chicago, Illinois and Atlanta, Georgia. For more information on Adventus, including our team, corporate strategy, photo gallery, details of our portfolio and press releases, we invite you to visit our website at [www.adventusrealty.com](http://www.adventusrealty.com).

## **Cautionary Statements Regarding Forward-Looking Statements**

This press release may contain forward-looking statements with respect to the REIT and its operations, strategy, financial performance and financial condition, as well as with respect to the previously disclosed acquisitions and future acquisitions of properties. These statements generally can be identified by the use of forward-looking terminology such as “anticipate”, “believe”, “plan”, “forecast”, “expect”, “intend”, “would”, “could”, “if”, “may” and similar expressions. The actual results and performance of the REIT and the acquisitions discussed herein could differ materially from those expressed or implied by such statements. Accordingly, readers should not place undue reliance on forward-looking statements. These cautionary statements qualify all forward-looking statements attributable to the REIT and persons acting on its behalf. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, changes in interest rates, competition and changes in securities or other laws or regulations or the application thereof. The cautionary statements qualify all forward-looking statements attributable to the REIT and persons acting on its behalf.

Unless otherwise stated, all forward-looking statements speak only as of the date of this press release. Except as required by applicable law, the REIT specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

ADVENTUS REALTY TRUST

By its Trustee: ADVENTUS REALTY SERVICES INC.

Per: Rodney B. Johnston, FCPA, FCA  
President and Chief Executive Officer