

FRONSAC

PRESS RELEASE

FOR IMMEDIATE RELEASE

December 23rd, 2014

Fronsac announces the acquisition of two properties and a sale.

Montreal (Quebec) - (TSX-V: GAZ.UN) Fronsac Real Estate Investment Trust (“Fronsac”) announces the acquisition, through a wholly-owned subsidiary, SEC Fronsac Quebec Levis, of two new properties. The first is a free standing Tim Hortons located in Levis, Quebec, whereas the second is an Ultramar gas station and a convenience store in Quebec city. The total transaction value of these acquisitions is 3.87M\$ (before customary closing adjustments), and the annual combined double net rental revenues of the two properties are 270,000\$. The acquisition of these properties was all paid cash. The seller of these properties is an unrelated party to Fronsac and the parties have agreed that Fronsac will effectively take possession of these properties on January 1st, 2015. The properties are rented to tenants under middle and long term leases.

Michel Lassonde President and CEO said: “We are pleased to announce these transactions, as they not only grow our portfolio but also strategically improve our geographic diversification.”

Fronsac also announces the sale, to an arm’s-length party, of its property located in St-Hubert for an amount of \$ 2,020,000. The net proceeds of this sale of an amount of \$583,155, following the reimbursement of the mortgage and the penalty on the early repayment of the mortgage, the payment of the commission to a real estate agent as well as the customary adjustments, will be used for future acquisitions. This property was acquired in 2012 for a price of \$ 1,950,000.

About Fronsac - Fronsac Real Estate Investment Trust is an open-ended trust that acquires and owns high quality commercial real estate properties, rented to strong tenants under long term, management free and net leases.

Forward-Looking Statements

This press release contains forward-looking statements and information as defined by applicable securities laws, including statements relating to Fronsac and expectations of the management regarding a proposed transaction and the expected benefits thereof. There is no assurance that the proposed transaction will be carried out and that the anticipated benefits will materialize. The proposed transaction is subject to approval and consent of stakeholders and there is no certainty that these will be achieved. 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 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.

The TSX Venture Exchange and its regulatory service provider (as that term is defined in the policies of the TSX Venture Exchange) decline all responsibility for the adequacy or accuracy of this release.

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