

European Commercial REIT's ("EC-REIT") Distribution Reinvestment Plan (the "Plan") allows eligible Canadian and non-U.S. Unitholders, and holders of class B limited partnership units ("Class B LP Units") of ECRE Limited Partnership (collectively, "Participants") to use their cash distributions to steadily increase ownership in EC-REIT without incurring any commission or other transaction costs.

To encourage participation, investors registered in the Plan will each receive a right to receive an additional amount equal to 5% of their quarterly distributions (subject to rounding down fractional Units to the nearest whole Unit, as applicable), which they have elected to reinvest, such amount being paid in the form of additional units of EC-REIT (the "Units").

In addition to there being no commission or transaction fees applied in respect of Units purchased through the Plan, this will represent a compelling reason to enroll in the Plan and increase ownership in EC-REIT.

Please note that if your Units are held in an investment dealer's account and are not registered in your name, you may still arrange to participate in the Plan by contacting your investment dealer.

Many frequently asked questions concerning the Plan are answered below. Please note that the answers are in summary form only and more detailed and complete information is available in the Plan itself. An electronic version of EC-REIT's Distribution Reinvestment Plan is available on our website (www.ecreit.com) for your review, as well as an authorization form to enroll in the Plan.

The following Frequently Asked Questions have been developed to assist Participants in understanding the Plan. Participants are encouraged to carefully read the full details of the Plan before enrolling.

What is the Plan?

The Plan allows Unitholders of EC-REIT and holders of Class B LP Units to have their quarterly cash distributions reinvested in additional Units. In addition, Participants registered in the Plan will receive a right to receive an additional amount equal to 5% of their quarterly distributions (subject to rounding down fractional Units to the nearest whole Unit, as applicable), such amount being paid in the form of additional Units under the Plan.

Who can join the Plan?

Any eligible Canadian or non-U.S. Unitholder, or holder of Class B LP Units, is eligible to join the Plan. If your Units or Class B LP Units are held in an investment dealer's account and not registered in your name, you may also arrange to participate in the Plan by contacting your investment dealer.

What price do I pay for the Units?

The price paid by Participants registered in the Plan will be equal to the weighted-average of the daily closing prices of the Units on the TSX Venture Exchange (the "TSXV") for the five (5) consecutive trading days immediately preceding to the applicable distribution date, appropriately adjusted for certain capital changes (including Unit subdivisions, Unit consolidations, certain rights offerings and certain distributions).

What are the benefits to enrolling in the Plan?

Unitholders and holders of Class B LP Units enrolling in the Plan can steadily increase their ownership of EC-REIT on a convenient and cost-effective basis. Participants pay no commissions, service charges or brokerage fees because Units are acquired directly from EC-REIT. Participants also receive additional Units representing 5% of each distribution reinvested (subject to rounding down fractional Units to the nearest whole Unit, as applicable), pursuant to the Plan.

Eligible Unitholders or holders of Class B LP Units are not required to participate in the DRIP and participation in the DRIP must be initiated by such Unitholder or holder of Class B LP Units. If you do not participate, then you will continue to receive your cash distributions in the normal manner.

How will the Plan work?

The following is an example of how the distribution proceeds will be reinvested pursuant to the Plan.

Example: Distribution amount: \$100
Average Market Price (as defined in the Plan) of one Unit: \$5

Based on the above amounts, the number of Units a participant will receive under the Plan will be 21 (20 Units in respect of the distribution amount, plus a further 1 Unit in respect of the additional 5% distribution), with a cost for tax purposes of \$100. The tax cost of these Units will be averaged with the tax cost of the other Units held by such Participant from time to time.

Who administers the Plan?

The Plan is administered by EC-REIT's transfer agent, Computershare Trust Company of Canada (the "Agent"). Arrangements can be made through your investment advisor if your investment dealer participates in the Plan.

Will I receive a report of my purchases under the Plan?

The Agent or your investment dealer will send you statements of your purchases in the Plan. If you hold your Units or Class B LP Units in registered form, you will receive your statement on a quarterly basis. Otherwise, you will receive your statement in accordance with your investment dealer's usual practice. You will also receive appropriate tax information for reporting distributions paid through the Plan.

Are there any tax consequences of enrolling in the Plan?

EC-REIT encourages you to seek advice relating to the tax consequences of enrolling in the Plan from your tax advisor.

When can I join the Plan?

You can join the Plan at any time. If your authorization form is received no less than five (5) business days before the record date of a distribution, you will become a Participant in the Plan.

How do I terminate my participation in the Plan?

Participants can terminate their participation in the Plan at any time by advising their investment dealer or, in the case of registered holders, duly completing the termination portion of the voucher located on the reverse of the Participant's statement of account and sending such completed voucher to the Agent. Upon termination in the Plan you will be issued a DRS notice for Units, unless you make alternative arrangements with your investment dealer.

Can EC-REIT amend, suspend or terminate the Plan?

EC-REIT reserves the right to amend, suspend or terminate the Plan at any time, subject to the approval of the TSXV, but such action shall have no retroactive effect that would prejudice the interest of Participants. All Participants will be sent written notice of any such amendment, suspension or termination in accordance with the terms of the Plan.

How do I enroll in the Plan?

You may call your investment advisor and simply ask your investment advisor to make the necessary arrangements. Otherwise, if your Units or Class B LP Units are registered in your name, you can complete the Authorization Form located on our website or at the Agent's Investor Centre website at www.investorcentre.com and forward it to the Agent.