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EUROPEAN COMMERCIAL REAL ESTATE INVESTMENT TRUST COMPLETES APPROXIMATELY \$35 MILLION CAPITAL RAISE

Toronto, Ontario (July 26, 2017) European Commercial Real Estate Investment Trust (“**EC-REIT**” or the “**REIT**”) (TSXV: ERE.UN) is pleased to announce today that the REIT has completed a prospectus offering (the “**Offering**”) of 7,430,500 units of the REIT (the “**Units**”) at a price of \$4.50 per Unit (the “**Offering Price**”) as well as a concurrent private placement of 347,500 Units at the Offering Price (the “**Private Placement**”) for aggregate gross proceeds of approximately \$35.0 million. The Offering, which will provide the REIT with total gross proceeds of \$33.4 million, was underwritten by a syndicate of underwriters led by CIBC Capital Markets.

The underwriters have been granted an over-allotment option, exercisable up to 30 days following closing of the Offering, to purchase up to an additional 1,114,575 Units, which, if exercised in full, will increase the total gross proceeds of the Offering to approximately \$38.5 million. The net proceeds of the over-allotment option, if exercised, will be used by the REIT for future acquisitions and for general trust purposes.

In connection with the Offering, the REIT concurrently closed the Private Placement to the officers of the REIT for gross proceeds of approximately \$1.5 million. The Units issued pursuant to the Private Placement will be subject to a customary hold period required by Canadian securities laws, which will terminate on November 27, 2017.

In connection with the closings of the Offering and the Private Placement, the net proceeds of the Offering and the Private Placement will be used in part to fund the previously announced acquisition of an office property located in the central business district of Brussels, Belgium, for approximately €40.7 million (the “**Brussels Property**”). The acquisition of the Brussels Property is expected to be completed in the third quarter of 2017.

The Offering and Private Placement remain subject to the final approval of the TSX Venture Exchange (the “**TSXV**”).

The Units have not been, nor will they be, registered under the *U.S. Securities Act of 1933*, as amended, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the *United States Securities Act of 1933*, as amended) except pursuant to certain exemptions. This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the Units in the United States or to, or for the account or benefit of, U.S. persons.

About European Commercial Real Estate Investment Trust

EC-REIT is an unincorporated, open-ended real estate investment trust focused on aggregating a bespoke portfolio of high-quality, non-prime core commercial real estate assets in key European markets with strong fundamentals. EC-REIT’s strategy is designed primarily to deliver long-term, secure income with additional potential for capital appreciation. The REIT intends to grow by acquiring additional assets consistent with its

strategy and which are expected to be accretive, on a per Unit basis, to its earnings. EC-REIT's Units are listed on the TSXV under the symbol ERE.UN.

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Certain statements contained in this press release constitute forward-looking statements within the meaning of applicable Canadian securities laws which reflect the REIT's current expectations and projections about future results. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intent", "estimate", "anticipate", "believe", "should", "plans", "predict", "estimate", "potential", "could", "likely", "approximately", "scheduled", "forecast", "variation" or "continue", or similar expressions suggesting future outcomes or events. They include, but are not limited to, statements with respect to expectations, projections or other characterizations of future events or circumstances, and the REIT's objectives, goals, strategies, beliefs, intentions, plans, estimates, projections and outlook, including statements relating to the REIT's plans and objectives of the REIT's board of trustees, or estimates or predictions of actions of tenants, suppliers, competitors or regulatory authorities and statements regarding the REIT's future economic performance. The REIT has based these forward-looking statements on its current expectations about future events. Some of the specific forward-looking statements in this press release include, but are not limited to, statements with respect to: (i) the completion of the acquisition of the Brussels Property, the Offering and the Private Placement; (ii) the underwriters exercising the over-allotment option; and (iii) the Units trading on the TSXV. The forward-looking statements made in this press release relate only to events or information as of the date on which the statements are made in this press release. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this press release. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect.

Except as specifically required by applicable Canadian securities law, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. These forward-looking statements should not be relied upon as representing the REIT's views as of any date subsequent to the date of this press release. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the REIT. For more information, please see "Forward Looking Statements" and "Financial Instruments and Risks and Uncertainties" in the REIT's management discussion and analysis for the three-month period ended March 31, 2017 and European Commercial Real Estate Limited's management information circular dated March 20, 2017 as well as "Forward-Looking Information" in the final short form prospectus of the REIT dated July 18, 2017.

Neither TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.