

INOVALIS

REAL ESTATE INVESTMENT TRUST

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INOVALIS REAL ESTATE INVESTMENT TRUST ANNOUNCES FEBRUARY 2014 DISTRIBUTION

Toronto, Ontario, February 21, 2014 – Inovalis Real Estate Investment Trust (the “**REIT**”) (TSX: INO.UN) announced today that its Board of Trustees has declared the REIT’s monthly cash distribution of CDN\$0.06875 per unit for the period from February 1, 2014 to February 28, 2014. The distribution will be payable on March 17, 2014 to unitholders of record as of the close of business on February 28, 2014. Distributions paid to unitholders who are non-residents of Canada will be subject to applicable Canadian withholding tax.

The REIT is giving the following tax information estimate for the CDN\$0.06875 distribution payable on March 17, 2014 (the “**Distribution**”). The following is based on the REIT’s current estimate of taxable income for Canadian federal income tax purposes for the 2013 taxation year (final actual numbers for the 2013 taxation year are not available yet and will be communicated as soon as they are). For Canadian federal income tax purposes, CDN\$0.0515625 of the Distribution is considered to be a return of capital. CDN\$0.0171875 of the Distribution is considered to be a distribution of trust income. The trust income portion of the Distribution is subject to Canadian withholding tax at a rate of 25 percent, subject to relief provided under an applicable income tax convention. The return of capital portion of the Distribution is exempt from Canadian withholding tax.

About Inovalis Real Estate Investment Trust

Inovalis Real Estate Investment Trust is an unincorporated, open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. The REIT has been created for the purpose of acquiring and owning office properties primarily located in France and Germany but also opportunistically in other European countries where assets meet the REIT’s investment criteria. The REIT currently owns an interest in four office properties in France and Germany, comprising 529,267 square feet (49,170 square metres) of gross leasable area.

For further information, please contact:

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