

**PRESS RELEASE**

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**CANADIAN APARTMENT PROPERTIES REAL ESTATE INVESTMENT TRUST  
ANNOUNCES CLOSING OF \$176.3 MM EQUITY FINANCING**

Toronto, Ontario - May 17, 2012, (Marketwire) - Canadian Apartment Properties Real Estate Investment Trust ("CAPREIT") (TSX:CAR.UN) announced today that it has closed its previously announced issue and sale of 7,750,000 Units, which includes the exercise in full of the over-allotment option to purchase an additional 900,000 Units, for \$22.75 per Unit for aggregate gross proceeds of \$176,312,500. The offering was sold through a syndicate of underwriters led by RBC Capital Markets on a bought-deal basis.

CAPREIT intends to use a portion of the net proceeds of the offering to repay the \$85.4 million owing under its Acquisition and Operating Facility as of March 31, 2012. Upon closing of the acquisition of 3,562 apartment suites in 14 properties across the Greater Toronto Area, Southwest Ontario, Montréal Region, Québec City and Halifax (the "Acquisition Properties"), CAPREIT intends to apply to remainder of the net proceeds of the offering towards the purchase price of the Acquisition Properties. In the event the Acquisition Properties are not acquired, CAPREIT intends to use the remainder of the net proceeds of the offering to fund future acquisitions, repay maturing mortgages and for general trust purposes.

"We have financed our portfolio growth and value-enhancing capital investment programs with debt and internally generated funds since our last equity offering in October 2011," commented Thomas Schwartz, President and CEO. "With the proceeds from this offering, we have significantly strengthened our balance sheet and positioned ourselves to capitalize on future investments aimed at enhancing Unitholder value."

As one of Canada's largest residential landlords, CAPREIT is a growth-oriented investment trust owning interests in 30,878 residential units, comprised of 29,545 residential suites and two manufactured home communities comprising 1,333 land lease sites located in and near major urban centres across Canada. Since its Initial Public Offering in May 1997, CAPREIT has grown monthly cash distributions per Unit by 51%. For more information about CAPREIT, its business and its investment highlights, please refer to our website at [www.capreit.net](http://www.capreit.net) and our public disclosure, which can be found under our profile at [www.sedar.com](http://www.sedar.com).

*All statements in this press release that do not relate to historical facts constitute forward-looking statements. These statements represent CAPREIT's intentions, plans, expectations and beliefs and are subject to certain risks and uncertainties that could result in actual results differing materially from these forward-looking statements. These risks and uncertainties are more fully described in regulatory filings that can be obtained on SEDAR at [www.sedar.com](http://www.sedar.com).*

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