THE SECURITIES ACT)	Order No. 3181
)	
Section 20)	December 18 2000

MORGUARD REAL ESTATE INVESTMENT TRUST

WHEREAS:

- (A) Morguard Real Estate Investment Trust (the "Trust") has applied to the Manitoba Securities Commission (the "Commission") pursuant to subsection 20(1) of *The Securities Act* (Manitoba) (the "Act") for an order of the Commission exempting the Trust from the prospectus and registration requirements of the Act in connection with certain trades in securities pursuant to a proposed rights offering (the "Rights Offering") by the Trust, as is more particularly described below:
- **(B)** It has been represented to the Commission that:
 - 1. The applicant, Morguard Real Estate Investment Trust, is an unincorporated closed end real estate investment trust created in accordance with the laws of the province of Ontario by a Declaration of Trust dated June 18, 1997, as amended and restated from time to time.
 - 2. The principal office of Morguard is located at 1 University Avenue, Suite 1400, Toronto, Ontario M5J 2P1.
 - 3. The operations of the Trust, including its investments and management, are subject to the continuing control and direction of the trustees of the Trust.
 - 4. The units of the Trust (the "Units") have been listed and posted for trading on the Toronto Stock Exchange (the "TSE") since October 14, 1997 under the symbol "MRT.UN".
 - 5. The Trust is a reporting issuer or equivalent in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.
 - 6. The Trust is up to date with respect to its filing obligations pursuant to the Act.
 - 7. The Trust is proposing to issue to holders of Units ("Holders") transferable rights ("Rights") to subscribe for additional Units of the Trust. Each Holder of a Unit is entitled to receive one Right for each Unit held at the applicable record date. It is intended that the net proceeds of the Rights Offering will be used to reduce the debt of the Trust.

- 8. The Rights will be listed and posted for trading on the TSE and will remain listed and posted for trading until the expiry of the Rights.
- 9. The Rights Offering is being effected by the Trust in those provinces wherein Unit Holders reside pursuant to available exemptions from the prospectus and registration requirements of applicable securities laws, and in accordance with proposed National Instrument 45-101.
- 10. There is no exemption from the prospectus and registration requirements of the Act available to the Trust under the Act.
- (C) In the opinion of the Commission it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

- **1. THAT**, pursuant to subsection 20(1) of *The Securities Act* (Manitoba), the issuance of Rights pursuant to the Rights Offering by the Trust is exempt from the registration and prospectus requirements of the Act, on the condition that the Trust provide the Commission with all documents filed with the securities regulatory authorities of the other provinces in Canada where the Rights are being issued and the Trust provide each Unit Holder resident in Manitoba with all documents related to the Rights Offering that are delivered to Unit Holders resident in other provinces of Canada.
- **2. THAT.** the fee for this order shall be \$1,000.00.

BY ORDER OF THE COMMISSION

Director