PURE INDUSTRIAL REAL ESTATE TRUST ANNOUNCES RELEASE OF Q3-2016 FINANCIAL RESULTS

Vancouver, BC – November 11, 2016: Pure Industrial Real Estate Trust (the "Trust") (TSX: AAR.UN) is pleased to announce the release of its financial results for the three and nine months ended September 30, 2016.

Q3-2016 Financial Results

The Q3-2016 financial results, consisting of the Trust's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2016, and management's discussion and analysis of results of operations and financial condition ("MD&A") dated November 11, 2016, are available on SEDAR (www.sedar.com) and the Trust's website (www.piret.ca). Unless otherwise indicated, all amounts are in Canadian dollars.

Highlights

(*All metrics have been normalized for IFRIC 21 and assumes all property taxes have been pro-rated and accrued based on the number of days of ownership within the reporting year.)*

- As at September 30, 2016, the Trust's portfolio under management consists of 166 income producing properties representing gross leasable area ("GLA") of approximately 17.8 million square feet ("sf"), a decrease from 169 properties as at December 31, 2015. In addition, the Trust's portfolio consists of: 26.4 acres of land held for development and three properties under development or expansion, which will add 373,760 sf of GLA to the Trust's portfolio, upon completion.

- Investment properties fair value as at September 30, 2016 is $2.09 billion, a $0.03 billion increase from December 31, 2015. The increase in investment properties is due to the acquisition of 2 investment properties, capital expenditures, additions to development projects and fair value increases of $17.2 million year to date, partially offset by the disposition of 6 income producing assets and the impact of a lower US exchange rate at period end compared to December 31, 2015 on the Trust's U.S. assets.

- Loan to Gross Book Value, as defined in the MD&A. as at September 30, 2016 was 43.4%, a 5.4% decrease from 48.8% as at December 31, 2015 due the repayment of debt following the Trust's equity offering completed in June 2016 for gross proceeds of $149.8 million.

- Revenue for the nine months ended September 30 increased 5.7% from $127.5 million in 2015 to $134.8 million in 2016. For the three months ended September 30, the Trust's revenues increased 7.5% from $42.8 million in 2015 to $46.0 million in 2016.

- For the nine months ended September 30, 2016, the Trust's adjusted Net Operating Income ("NOI") of $95.7 million increased 6.3% compared to the prior year. For the three months ended September 30, 2016, the Trust's adjusted NOI of $33.3 million increased 9.6% over the prior year.

- For the nine months ended September 30, 2016, the Trust's same property NOI ("SPNOI") increased by $1.7 million or 2.0%, from properties comprising GLA of 16.8 million sf, compared to the same period in the prior year, representing 94.6% of the Trust's overall portfolio.

- SPNOI for the three months ended September 30, 2016 increased by $0.9 million or 3.2% from properties comprising 17.0 million sf, compared to the same period in the prior year, representing 95.5% of the Trust's overall portfolio. The increase in SPNOI is due primarily to an increase in occupancy of 88,000 sf in British Columbia and 211,000 sf in Ontario, and the successful expansion of the FedEx facility in Barrington, New Jersey.

Excluding the Barrington expansion, SPNOI increased by 2.2% in aggregate and for the USA segment specifically, SPNOI decreased 11% (-11% - in USD).

- Funds from Operations ("FFO") for the three months ended September 30, 2016 was $20.7 million, an increase of 7.6% compared to the same period in the prior year and increased 2.5% compared to 2016-Q2. The increase in FFO is due primarily to SPNOI growth, and NOI growth from development and acquisition activity, partially offset by an increase in general and administrative expenses ("G&A") due to higher unit based compensation expense and incremental severance costs of approximately $0.7 million recognized during the quarter.

- FFO per Unit ("FFOPU") of $0.09 decreased by approximately one cent for the three months ended September 30, 2016 compared to the same period in the prior year and decreased $0.01 compared to 2016-Q2. FFOPU is lower due to the temporary dilutive impact of additional units issued from the June 2016 equity offering.

- Adjusted Funds from Operations ("AFFO") for the three months ended September 30, 2016 was $19.6 million, an increase of 16.4% compared to the same period in the prior year and increased 8.8% compared to 2016-Q2. The increase in AFFO is primarily due to an increase in SPNOI, NOI growth from development and acquisition activity, and lower than average non-recoverable capital expenditures, partially offset by higher interest expense and an increase in G&A expenses including incremental cash-based severance costs of $0.5 million recognized during the quarter.

- Adjusted Funds from Operations per Unit ("AFFOPU") of $0.09 for the three months ended September 30, 2016 is flat compared to the same period in the prior year and decreased by less than one cent relative to 2016-Q2. AFFOPU decreased slightly due to the temporary dilutive impact of additional units issued from the June 2016 equity offering.

- General and administrative ("G&A") expenses for the three months ended September 30, 2016 increased to $2.8 million from $1.3 million in 2015. G&A expenses represent 6.1% of rental revenue, an increase of approximately 300 basis points from the prior year. G&A expenses increased by $0.9 million over the previous quarter due primarily to higher unit based compensation expenses driven by the increase in the Trust's unit price, and incremental severance costs of approximately $0.7 million. Excluding the incremental severance costs recognized in the quarter, G&A expenses represent 4.6% of rental revenue.

- The occupancy of the portfolio was 95.3% as at September 30, 2016, an increase of 70 basis points from December 31, 2015, with a weighted average lease term of 6.7 years. Including committed space, the occupancy is 97.9% as at September 30, 2016, an increase of 170 basis points from December 31, 2015.

- Of the 2.38 million sf of expiring GLA in the nine months ended September 30, 2016, approximately 1.62 million sf, or 68.1% was renewed and approximately 1.2 million sf was signed as new leases. Approximately 387,352 sf, or 56.3% of expiring space in the quarter was renewed at an average rental rate increase of 9.1%.

- Subsequent to the quarter, on October 13, 2016 the Trust completed an equity offering and issued 26,875,500 Class A units, inclusive of 3,505,500 units issued pursuant to the exercised in full over-allotment option, at a price of $5.35 per unit for total gross proceeds of $143.8 million.

Acquisitions and Dispositions

- Subsequent to the quarter, on November 1, 2016 the Trust completed the acquisition of eight industrial properties in Alberta for $171.1 million (the "Alberta Acquisition"). The Alberta Acquisition consists of four single-tenant and four multi-tenant industrial properties comprising an aggregate of approximately 1.2 million sf of GLA. The Alberta Acquisition was financed through new and assumed mortgage financing in the amount of $86.5 million with a weighted average term of 5.1 years and a weighted average interest rate of 3.0% per annum, and net proceeds from the Trust's October equity offering which closed on October 13, 2016.

- Subsequent to the quarter, on October 3, 2016 the Trust also announced that it entered into a conditional agreement to acquire a portfolio of income producing properties in the Southeastern United States for approximately $106.3 million (U.S. $81.0 million) (the "US Acquisition"). The portfolio comprises an aggregate of approximately 1.6 million sf of GLA. Later in October, the Trust entered into a purchase and sale agreement and the US Acquisition is expected to close in the second half of November 2016 and is subject to customary closing conditions. The acquisition will be funded by a $53.2 million (US$40.5 million) first mortgage financing with a term of eight years and fixed interest rate of 3.06% per annum, and net proceeds from the Trust's October equity offering which closed October 13, 2016.

- On August 26, 2016, the Trust acquired the rights to a 51-year ground lease in Richmond, British Columbia for the construction of a new building of approximately 330,000 sf. Costs incurred to September 30, 2016 amounted to $4.2 million. Total contracted costs to complete construction are estimated to be $40.0 million.

- During the three months ended September 30, 2016, the Trust sold its interest in one investment property located in Brampton, Ontario for gross proceeds of $7.2 million. The associated mortgage of $1.6 million was repaid. The property was acquired by the Trust in 2011 for a purchase price of $2.8 million.

Selected Financial Information

	For the nine months ended September 30		**For the three months ended September 30**	
($000s, except per unit basis)	**2016**	**2015**	**2016**	**2015**
Revenue	**$ 134,801**	$ 127,463	**$ 45,951**	$ 42,784
Net operating income [(1)]	**$ 95,718**	$ 90,033	**$ 33,250**	$ 30,330
Distributions declared per Class A Unit	**$ 0.23**	$ 0.23	**$ 0.08**	$ 0.08
FFO[(2)] per unit (fully diluted)	**$ 0.30**	$ 0.29	**$ 0.09**	$ 0.10
Payout Ratio[(3)]	**79.1%**	81.4%	**82.7%**	77.5%
AFFO[(2)] per unit (fully diluted)	**$ 0.27**	$ 0.26	**$ 0.09**	$ 0.09
Payout ratio[(3)]	**85.9%**	91.2%	**87.5%**	88.8%
G&A as a Percent of Revenue	**4.7%**	4.3%	**6.1%[(4)]**	2.9%

(1) *Net operating income has been normalized for IFRIC 21 and assumes all property taxes have been pro-rated and accrued based on number of days of ownership within the reporting year.*

(2) *FFO and AFFO are widely accepted supplemental measures of financial performance for real estate entities. These measures are not defined under IFRS, however. For a description of these measures and an IFRS to non-IFRS reconciliation, see the Trust's MD&A under "Funds from Operations and Adjusted Funds from Operations" and "Operational and Financial Highlights" and "Non-IFRS Measures". The Trust's MD&A is available on SEDAR at www.sedar.com.*

(3) *FFO and AFFO payout ratios are calculated based on the ratio of distribution rate to fully diluted FFO and AFFO per unit.*

(4) *G&A expense for the quarter includes approximately $0.7 million of incremental severance costs. Excluding this expense, G&A as a percent of revenue would be 4.5%*

	September 30, 2016	**December 31, 2015**
Debt-to-Gross Book Value	**43.4%**	48.8%
Employees	**43**	38

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Outlook

Real Estate Fundamentals

According to CBRE, the Canadian National availability rate fell slightly in 2016-Q3 at 5.5%, with availability declines in Toronto and Montreal offset by increasing availability in Calgary and Edmonton. Approximately 3.8 million sf of positive net absorption occurred in the quarter following a relatively quiet Q2-2016, led by Toronto, Montreal and Vancouver at 2.5, 1.3 and 0.7 million sf respectively, offset by negative absorption of 0.7 million sf in Calgary. Net absorption year-to-date of approximately 11 million sf was led by gains in Toronto, Vancouver and Edmonton at 6.4, 3.6 and 1.1 million sf, respectively. The average net asking rent fell slightly for two consecutive quarters and from $6.49 per sf (“psf”) in 2016-Q2 to $6.46 psf in this quarter, led by declines in Edmonton and Montreal and offset by gains in Toronto and Vancouver.

According to the CBRE cap rate survey for the third quarter, demand for stabilized Class A industrial real estate remains extremely strong nationally as investors continue to look for safety and security in the industrial asset class. Estimated cap rates for class A and B product remained steady or lower from the previous quarter across all markets. The overall cap rate for the quarter fell from 5.86% in Q2-2016 to 5.73% this quarter, led by a decline in cap rates in Vancouver, Calgary and Edmonton. The national Class B Industrial real estate overall cap rate fell from 6.86% to 6.77% this quarter, led by declines in Vancouver and Toronto.

Outlook for Remainder of 2016

Leasing activity continues to be steady across the Trust’s portfolio. The Trust has completed roughly 2.8 million sf of leasing year to date and 0.6 million sf in the quarter, including expiring space, vacancy and future expiries, resulting in a 1.7% increase in committed occupancy since December 31, 2015 and contributing to a 2% year-over-year increase and 3.2% quarter-over-quarter, increase in same-property NOI. Same-property NOI growth is expected to remain positive through 2017.

On September 14, 2016 Tervita, one of the Trust’s top 10 tenant in terms of revenue, announced it had submitted a proposal to its creditors to undergo a recapitalization transaction under the Canada Business Corporations Act (“CBCA”). On October 17, 2016 Tervita announced that it had achieved an interim order authorizing meetings to be held between key stakeholders and creditors to consider and vote upon a corporate plan of arrangement under the CBCA to implement the proposed recapitalization transaction. Tervita further announced on October 26, 2016 that noteholders holding approximately 94% of Tervita’s outstanding notes have executed support agreements and have committed to support Tervita’s announced recapitalization and plan of arrangement under the CBCA. The obligations under Tervita’s lease remain unchanged. The Trust continues to monitor Tervita’s plan of arrangement and will address any issues, if any, as they arise. Pro-forma the acquisitions announced in Alberta and southeastern US (see Section VI – “Significant Events and Subsequent Events”), the Trust estimates that Tervita will represent approximately 1.7% of the Trust’s total NOI.

In addition to the Vaughan and Barrington development projects, management has been in dialogue with existing tenants in Ontario and the US on future expansions, and recently substantially completed an approximately 44,000 sf expansion for an existing tenant in Woodstock, Ontario. The expansion will generate an additional $327,300 in NOI annually, with rent commencing in October, 2016. Management expects future expansions to continue to generate additional NOI and AFFO on an accretive basis for the Trust.

As announced on October 3, 2016 the trust has entered into an agreement with Hopewell Development to construct a new 330,000 sf state-of-the-art distribution facility in Richmond, BC. The project represents the fourth and final phase of the Trust’s existing business park, with the costs being funded by a $22.3 million construction loan and the Trust’s existing working capital. Construction is underway and project completion is scheduled for Q2-2017.

Capital expenditures decreased significantly over the previous quarter due primarily to commissions related to higher leasing activity in the second quarter, which favourably impacted AFFO in this quarter. The decrease in capital expenditures for the quarter was partially offset by higher G&A expense related to incremental severance costs. Capital expenditures and G&A costs are expected to normalize in the fourth quarter of 2016.

The acquisition of the Alberta portfolio successfully closed on November 1, 2016 and is expected to generate approximately $11 million in NOI annually. The portfolio is predominantly comprised of modern distribution assets, consistent with our strategy of continuously improving the overall quality and functionality of the portfolio. As announced, although the acquisition increases our concentration in Alberta in the short term, the Trust intends to reduce its overall exposure in 2017 through the sale of a partial interest in certain assets to joint-venture partners and the selective disposition of non-core assets.

The approximate $106.3 million (US$81.0 million) US Acquisition announced on October 3, 2016 is now firm and expected to close on or around November 15, 2016. The portfolio, with a going-in capitalization rate of 6.9%, consists of six assets located in the southeastern US totaling approximately 1.6 million sf. The acquisition will be funded by a $53.1 million (US$40.5 million) first mortgage financing and existing working capital.

Conference Call

As previously announced on October 5, 2016 management will host the conference call at 1:00 pm (EST), 10:00 am (PST), on Monday, November 14, 2016, to review the financial results and corporate developments for the three and nine months ended September 30, 2016.

To participate in this conference call, please dial one of the following numbers approximately 10 minutes prior to the commencement of the call, and ask to join the Pure Industrial Real Estate Trust Conference Call.

Dial in numbers:

Toll free dial in number (from Canada and USA) 1-888-390-0546
International or Local Toronto 1-416-764-8688

Conference Call Replay

If you cannot participate on November 14, 2016, a replay of the conference call will be available by dialing one of the following replay numbers. You will be able to dial in and listen to the conference 120 minutes after the meeting end time, and the replay will be available until November 22, 2016.

Please enter the Replay ID# 583608, followed by the # key.

Replay toll free dial in number (from Canada and USA) 1-888-390-0541
Replay international or local Toronto.. 1-416-764-8677

About Pure Industrial Real Estate Trust

The Trust is an unincorporated, open-ended investment trust that owns and operates a diversified portfolio of income-producing industrial properties in leading markets. The Trust is an internally managed REIT that focuses exclusively on investing in industrial properties.

Additional information about the Trust is available at www.piret.ca and www.sedar.com.

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Forward-Looking Information:

Certain statements contained in this press release may constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as such as "outlook", "believe", "expect", "may", "anticipate", "should", "intend", "estimates" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by the Trust, including: (i)the accretive acquisition of properties and the anticipated extent of the accretion of any acquisitions, which could be impacted by demand for properties and the effect that demand has on acquisition capitalization rates and changes in the cost of capital; (ii) the maintaining of occupancy levels and rental revenue, which could be impacted by changes in demand for the Trust's properties, tenant bankruptcies, the effects of general economic conditions and supply of competitive locations in proximity to the Trust's locations; (iii) the overall indebtedness levels and the Trust's ability to refinance expiring debt, which could be impacted by the level of acquisition activity and the state of debt markets in general; (iv) The Trust's REIT status, which can be impacted by regulatory changes enacted by governmental authorities; (v) The Trust's cost estimates and expected yields pertaining to development activity which could be impacted by construction cost overruns or delays; (vi) the anticipated distributions and payout ratios, which could be impacted by capital expenditures, results of operations and capital resource allocation decisions; and (vii) the anticipated replacement of expiring tenancies, which could be impacted by the effects of general economic conditions and the supply of competitive locations.

Although the Trust believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Trust can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals or satisfy the conditions to closing the property acquisitions, competitive factors in the industries in which the Trust operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Trust.

The forward-looking statements contained in this press release represent the Trust's expectations as of the date hereof, and are subject to change after such date. The Trust disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

The Toronto Stock Exchange has not reviewed nor approved the contents of this press release and does not accept responsibility for the adequacy or accuracy of this press release.