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FOR IMMEDIATE RELEASE

October 3, 2016

**PURE INDUSTRIAL REAL ESTATE TRUST ANNOUNCES CDN\$277.4 MILLION
OF PROPERTY ACQUISITIONS, THE COMMENCEMENT OF A 330,000 SQUARE
FOOT DEVELOPMENT PROJECT AND A CDN\$125 MILLION EQUITY
FINANCING**

Pure Industrial Real Estate Trust (TSX: AAR.UN) ("PIRET" or the "Trust") announced today that it has entered into an unconditional agreement to acquire a portfolio of income producing properties located in core markets in Alberta (the "Alberta Acquisition") for approximately CDN\$171.1 million, a conditional agreement to acquire a portfolio of income producing properties in the Southeastern U.S. (the "U.S. Acquisition", and together with the Alberta Acquisition, the "Acquisitions") for approximately US\$81.0 million (CDN\$106.3 million) and the commencement of the previously announced 330,000 square foot development project in Richmond, BC (the "Vancouver Development"). In total, the Acquisitions and the Vancouver Development will add 3.1 million square feet to PIRET's gross leasable area ("GLA").

PIRET also announced today that it has entered into an agreement to sell to a syndicate of underwriters led by BMO Nesbitt Burns Inc. and RBC Dominion Securities Inc., on a bought deal basis, 23,370,000 trust units ("Units") at a price of CDN\$5.35 per Unit for gross proceeds to PIRET of approximately CDN\$125 million (the "Financing"). PIRET has granted the underwriters an over-allotment option to purchase up to an additional 3,505,500 Units on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days after the closing of the Financing. The Financing will be completed under the Trust's Base Shelf Prospectus (defined below), is expected to close on or about October 13, 2016 and is subject to customary conditions and regulatory approval. PIRET intends to use the proceeds from the Financing to partially fund the Acquisitions and the Vancouver Development, to fund new acquisitions and for general trust purposes.

The Financing is being made pursuant to the Trust's base shelf prospectus (the "Base Shelf Prospectus") dated August 10, 2016. The terms of the Financing will be described in a prospectus supplement to be filed with Canadian securities regulators.

The Units have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "1933 Act") 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 1933 Act), except pursuant to an exemption from the registration requirements of the 1933 Act. This press release does not constitute an offer to sell or a solicitation of an offer to buy any Units in the United States or to, or for the account or benefit of, U.S. persons.

Alberta Acquisition

The Alberta Acquisition consists of four single-tenant and four multi-tenant industrial properties comprising an aggregate of 1.2 million square feet of GLA. The portfolio is leased to quality international, national and regional tenants and is situated within prime industrial business parks in Calgary and Edmonton. PIRET is acquiring the Alberta Acquisition from Artis Real Estate Investment

Trust for a purchase price of approximately CDN\$171.1 million, representing a 6.3% going-in capitalization rate. PIRET intends to fund the acquisition through new and assumed mortgage financing in the amount of approximately CDN\$86.6 million, proceeds from the Financing and the Trust's existing working capital.

Key highlights of the portfolio include:

- High quality portfolio with an average property age of approximately 13 years. The average age of the five assets considered to be long-term core portfolio additions is eight years.
- Well located assets within some of Alberta's prime industrial business parks.
- 98% occupancy (100% occupancy inclusive of head leases) and a weighted average remaining lease term of approximately five years.
- Total site coverage of 34%, providing for long-term development opportunities.
- High quality tenant base, including Kuehne + Nagel, Navistar Canada, Bunzl Canada, Aluma Systems, Iron Mountain, Southampton Trane, Stericycle, TransForce, Ingersoll Rand and ABB, representing approximately 63% of GLA and 59% of portfolio NOI.
- The addition of Kuehne + Nagel Ltd. to PIRET's top 10 tenant list.

Top 5 Tenants

NOI

(dollar amounts in \$CDN millions)

Kuehne + Nagel Ltd.	\$1.78
Navistar Canada Inc.	\$1.64
T-Lane Nation	\$1.36
Aluma Systems Inc.	\$1.32
Bunzl Canada Inc.	\$0.75

% of Portfolio	62%
Weighted Average Lease Term (Yrs)	5.03



Fourrell Business Park, Edmonton



Eastlake I, Calgary



Aluma Systems Building, Edmonton



Navistar Canada Distribution Centre, Acheson



T-Lane Nation Building, Acheson

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U.S. Acquisition

The U.S. Acquisition consists of six properties comprising approximately 1.6 million square feet of GLA. The portfolio is located within core markets in the Southeastern U.S. The purchase price for the U.S. Acquisition is approximately US\$81.0 million (CDN\$106.3 million), representing a 6.9% going-in capitalization rate. PIRET expects to fund the acquisition with new mortgage financing in the amount of US\$40.5 million (CDN\$53.1 million), proceeds from the Financing and the Trust's existing working capital. The U.S. Acquisition remains conditional but PIRET expects to successfully commit and complete the acquisition in the fourth quarter of 2016. Additional details of the acquisition will be announced as developments occur.

Kevan Gorrie, President and Chief Executive Officer, commented on the announcements, "Today's announcements reflect our continued focus on building an industry-leading portfolio of modern distribution properties in key Industrial markets in Canada and the U.S.

"The quality of the portfolio we are acquiring in Alberta is very high, and the majority of those assets will form part of our core portfolio moving forward. Although the acquisition will increase our concentration in Alberta in the short term, we intend to reduce our overall exposure in time through the sale of a partial interest in certain assets to joint-venture partners and the selective disposition of non-core assets.

"The U.S. portfolio is well situated in U.S. industrial markets with strong long-term growth prospects. We believe the continued strength of the U.S. economy, combined with the expansions of the Panama Canal and the Port of Houston, will continue to drive demand for larger, high quality distribution facilities in the southeastern United States. A portfolio of this size and quality fits perfectly with our plans to expand our portfolio in select growth markets in the U.S.

"Further, the equity raise will enable us to continue to pursue strategic growth opportunities in our key markets, including Ontario, BC and select markets in the U.S. while maintaining our target leverage."

Vancouver Development

The Vancouver Development consists of a 330,000 square foot state-of-the-art distribution facility, in Richmond, BC. This is the fourth phase of development in PIRET's existing industrial park. Total cost for the development is estimated to be CDN\$40.0 million and construction is currently underway. PIRET is in the process of securing a CDN\$22.3 million development loan to fund construction. The remainder of the project costs are expected to be funded using proceeds from the Financing and the Trust's existing working capital.

Mortgages

In aggregate, PIRET intends to place new and assumed mortgage financing in respect of the Acquisitions of approximately CDN\$139.7 million, representing 50.4% of the aggregate purchase price, bearing an anticipated weighted average interest rate of 2.9% and a weighted average term to maturity of five years. Pro forma the Acquisitions, the Vancouver Development and the Financing, PIRET's debt to Gross Book Value is expected to be approximately 45.5%.

About Pure Industrial Real Estate Trust

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

Net operating income or NOI is a non-IFRS measure. PIRET calculates NOI as total revenues less property recoverable operating expenses such as insurance, management fees, recoverable operating costs, and property taxes.

Additional information about PIRET is available at www.piret.ca or www.sedar.com.

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Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", 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. Forward looking statements in this news release include the following: (i) the Financing will be completed under the Trust's Base Shelf Prospectus, is expected to close on or about October 1, 2016 and is subject to customary conditions and regulatory approval, (ii) PIRET intends to use the proceeds from the Financing to partially fund the Acquisitions and the Vancouver Development, to fund new acquisitions and for general trust purposes; (iii) PIRET intends to fund the Alberta Acquisition through new and assumed mortgage financing in the amount of approximately CDN\$86.6 million, proceeds from the Financing and the Trust's existing working capital. BMO Capital Markets acted as advisor to Artis for the transaction; (iv) PIRET expects to fund the U.S. Acquisition with new mortgage financing in the amount of US\$40.5 million (CDN\$53.1 million), proceeds from the Financing and the Trust's existing working capital; (v) the U.S. Acquisition remains conditional but PIRET expects to successfully commit and complete the acquisition in the fourth quarter of 2016; (vi) we intend to reduce our exposure in Alberta in time through the sale of a partial interest in certain assets to joint-venture partners and the selective disposition of non-core assets; (vii) we believe the continued strength of the U.S. economy, combined with the expansions of the Panama Canal and the Port of Houston, will continue to drive demand for larger, high quality distribution facilities in the southeastern United States; (viii) the remainder of the project costs for the Vancouver Development are expected to be funded using proceeds from the Financing and the Trust's existing working capital; (ix) PIRET intends to place new and assume mortgage financing in respect of the Acquisitions of approximately CDN\$139.7 million, representing 50.4% of the aggregate purchase price, bearing an anticipated weighted average interest rate of 2.9% and a weighted average term to maturity of five years; and (x) pro forma the Acquisitions, the Vancouver Development and the Financing, PIRET's debt to Gross Book Value is expected to be approximately 45.5%.

Although PIRET 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 PIRET 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 Financing or failure to obtain mortgage and development financings, competitive factors in the industries in which PIRET operates, prevailing economic conditions, and other factors, many of which are beyond the control of the PIRET.

The forward-looking statements contained in this news release represent PIRET's expectations as of the date hereof, and are subject to change after such date. PIRET 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 AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR THE ACCURACY OF THIS RELEASE.