



Pure Industrial Real Estate Trust Announces Development of New Distribution Centre in Vaughan, Ontario & Acquisition of North Carolina Portfolio

Vancouver, BC – February 9, 2015: Pure Industrial Real Estate Trust (“PIRET”) (TSX: AAR.UN) announced today that it has closed on 60 acres of development land in Vaughan, Ontario for \$45 million in partnership with Scannell Properties for the construction of a state-of-the-art distribution and sorting facility that will serve the Greater Toronto Area (“GTA”). In addition, PIRET announced its intention to acquire a portfolio of three income-producing assets located in North Carolina for US\$57 million.

Vaughan Development

PIRET is partnering with Scannell Properties to develop one of Canada’s premier automated package sorting and distribution facilities. The property will comprise approximately 422,433 square feet located on a 60 acre parcel of land centrally located in Vaughan, Ontario. The new facility will be fully bonded to facilitate the efficient delivery of domestic and international customs freight throughout the GTA. The tenant, Fedex Ground, has entered into a binding fifteen year lease.



Rendering of Vaughan development

The \$128.0 million development project will be funded from \$92.0 million in construction financing and existing working capital, and is expected to generate approximately \$0.023 in incremental net operating income (“NOI”) per unit upon stabilization in May 2016. The development is expected to generate a year 1 NOI yield of 6.85% with rent escalations within the lease term.

Kevan Gorrie, President & co-CEO of PIRET, commented on the transaction, “We’re extremely proud to be involved with one of the most strategic and valuable industrial real estate developments ever in Canada. This development adds significant scale and stable cash flow in PIRET’s largest market, and the company continues to enhance the

quality of its cash flow while leveraging our platform and strategic relationships to deliver significant added value for our unitholders. It is also satisfying to see that the deleveraging we undertook in 2014 has positioned us to execute on both of these transactions without having to issue new equity.”

North Carolina Portfolio

PIRET also announced that it has entered into a definitive agreement to acquire a 51% interest in a 1.33 million square feet portfolio (the “North Carolina Portfolio”) of bulk distribution and warehouse facilities

in the Greensboro/Winston-Salem markets of North Carolina. The North Carolina Portfolio is leased to three credit-rated tenants and has an average weighted remaining lease term of 3.5 years. All tenants are listed on the NYSE, including Proctor & Gamble, Sonoco Display and MWI Veterinarian Supply (to be acquired by Amerisource Bergen Corp.). Proctor & Gamble is the largest tenant, occupying 861,000 square feet at 6104 & 6105 Corporate Park Drive. The two locations are strategically located within one kilometre of their Browns Summit manufacturing facility, where they recently announced a US\$100 million expansion and a commitment to increased employment levels in the region.



6104 & 6105 Corporate Park Drive, Greensborough, NC

The North Carolina Portfolio is being acquired for US\$57 million (US\$43 per square foot), with US\$29.1 million for PIRET's interest, at a going-in cap rate of 8.0%. The NOI yield on the North Carolina Portfolio will decrease to 7.7% if Proctor & Gamble exercises its renewal option at 6104 Corporate Park Drive in March 2016. In addition, PIRET will asset manage the North Carolina Portfolio and receive market fees from the co-ownership for its services.



3928 Westpoint Blvd, Winston-Salem, NC

This functional warehouse and distribution product complements PIRET's U.S. strategy in one of its target growth markets and the transaction is highly accretive to its existing portfolio, providing adequate protection against the currency exchange risk. The acquisition will be funded from US\$29 million in mortgage financing and existing working capital. PIRET's interest is expected to generate approximately

US\$0.012 in NOI per unit upon closing of the acquisition, which is expected by the end of February 2015.

Location	GLA (sq. ft.)	Year Built	Term Remaining (Years)	NOI (US\$000s)
6104 Corporate Park Drive, NC	504,000	2006	2.0	\$ 1,726
6105 Corporate Park Drive, NC	582,037	1996/2003	4.6	2,262*
3928 Westpoint Blvd., NC	240,000	1986	3.9	668
	1,326,037		3.5	\$ 4,656

* NOI will be reduced to approximately US\$1,847,000 in March 2016 if Proctor & Gamble exercises its renewal option.

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.

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 press 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 that: (i) In addition, PIRET announced its intention to acquire a portfolio of three income-producing assets located in North Carolina for US\$57 million; (ii) the \$128.0 million development project will be funded from \$92.0 million in construction financing and existing working capital, and is expected to generate approximately \$0.023 in incremental net operating income ("NOI") per unit; (iii) the development is expected to generate a year 1 NOI yield of 6.85%; and (iv) PIRET's interest is expected to generate approximately \$0.012 in NOI per Unit upon closing of the acquisition, which is expected by the end of February, 2015.

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 complete the development or to close the property acquisitions, 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 press 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.

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