

PROREIT TO ACQUIRE BOULEVARD INDUSTRIAL REIT IN A SUPPORTED TRANSACTION

- Transaction increases scale of PROREIT's portfolio to over \$200 million of gross book value through the acquisition of Boulevard
- Transaction is expected to be accretive to PROREIT's net asset value and AFFO (adjusted funds from operations) per unit
- PROREIT will acquire high quality real estate, consistent with PROREIT's portfolio
- Boulevard unitholders to benefit from ongoing participation in a well-sponsored entity with scale, portfolio diversification, a strong balance sheet, a well-respected management team and an ability to raise capital
- Unitholders of both REITs will benefit from an increased market capitalization and liquidity

Montreal and Toronto – July 31, 2015. PRO Real Estate Investment Trust (“**PROREIT**”) (TSX-V: PRV.UN) and Boulevard Industrial Real Estate Investment Trust (“**Boulevard**”) (TSX-V: BVD.UN) announced jointly today that they have entered into an arrangement agreement pursuant to which PROREIT will acquire all of the outstanding trust units of Boulevard in a friendly transaction approved unanimously by the boards of trustees of both PROREIT and Boulevard (the “**Agreement**”).

The acquisition will be effected by way of a plan of arrangement pursuant to which unitholders of Boulevard will receive 0.04651 of a trust unit of PROREIT for each trust unit of Boulevard they hold (the “**Plan of Arrangement**”).

Based on the \$2.00 closing price of PROREIT's units on the TSX Venture Exchange (“**TSX-V**”) on July 30, 2015, the day prior to entering into the Agreement, the offer implies a purchase price of \$0.093 per Boulevard unit, representing a premium of approximately 43% to the \$0.065 closing price of Boulevard's units on July 30, 2015 and a premium of approximately 45% based on the volume weighted average prices of each respective REIT on the TSX-V for the 20-day period ended July 30, 2015.

Trustees, management and certain other unitholders of Boulevard who collectively hold approximately 26% of the total trust units of Boulevard outstanding have entered into agreements pursuant to which they have agreed to vote their units in favour of the transaction. The Plan of Arrangement will be voted upon by Boulevard unitholders and debenture holders at a meeting called for such purpose. The trustees of Boulevard unanimously recommend that Boulevard unitholders vote in favour of the Plan of Arrangement based on advice from a special committee of independent trustees.

The transaction provides benefits to unitholders of both REITs.

Benefits of the Transaction to PROREIT Unitholders

- Transaction increases scale of PROREIT's portfolio to over \$200 million of gross book value, 32 properties and approximately 1.7 million square feet of gross leasable area
- Transaction is expected to be accretive to PROREIT's net asset value and AFFO (adjusted funds from operations) per unit
- PROREIT will acquire high quality real estate, consistent with its existing portfolio
- Unitholders will benefit from an increased market capitalization and liquidity

“The acquisition is accretive to PROREIT's net asset value and AFFO per unit. It enables PROREIT to acquire three high quality industrial properties in a stable market where we have existing properties and expertise. They fit closely into our existing expansion strategy,” said James W. Beckerleg, President and Chief Executive Officer of PROREIT. “Once completed, the acquisition will add 236,692 square feet of gross leasable area to our portfolio, expanding our total gross leasable area by more than 10%. PROREIT's assets will surpass \$200 million at the conclusion of this transaction and all unitholders will benefit from the increased liquidity and diversification that a larger enterprise provides”, continued Mr. Beckerleg.

Benefits of the Transaction to Boulevard REIT Unitholders

- Significant premium to Boulevard's current trading price
- Fully financed transaction with no due diligence or financing conditions, subject only to customary conditions, provides deal certainty
- 100% PROREIT unit consideration gives Boulevard unitholders the opportunity to participate in a well-sponsored entity with size, scale, portfolio diversification, a strong balance sheet and an ability to raise capital going forward
- Further potential upside to Boulevard unitholders through capital appreciation of PROREIT units over time
- PROREIT is a distribution paying entity with a current payout ratio of approximately 92%

"Boulevard unitholders will benefit greatly from a combination with PROREIT," said Scott Hayes, Chief Executive Officer of Boulevard. "PROREIT owns a large, stable portfolio of 29 buildings in the retail, office and industrial segments of the commercial property market. The PROREIT units offer an attractive monthly distribution and provide the potential for further unit price appreciation as PROREIT executes on its strategic plan. It also offers greater scale and liquidity to the Boulevard unitholders. Our debenture holders will have the opportunity to be paid 101% of their debenture principal."

The Boulevard Portfolio

The portfolio of Boulevard is comprised of three high quality light industrial buildings, all located in Moncton, New Brunswick. The properties are 95% occupied by 15 tenants who carry an average lease terms of 4.65 years. The general financial covenants of the tenants are strong with national and investment grade tenants occupying over 90% of the gross leasable area.

205 Commerce Street

205 Commerce Street, located in Moncton, New Brunswick, in the Caledonia industrial park area, is a well-maintained, light industrial property located only 5.5 kilometers from the Greater Moncton International Airport. It is comprised of 56,833 square feet of gross leasable area, was constructed in 2005, and is 79% occupied by Cardinal Health Canada.

1180 St. George Boulevard

1180 St. George Boulevard, located in Moncton, New Brunswick, is a well-functioning, highly maintained light industrial property that enjoys prominent street frontage and highway access, offering secondary street frontage onto Wheeler Boulevard, a divided highway that encircles the City of Moncton and acts as its major traffic artery. Constructed in 1976 and expanded in 1999, 1180 St. George Boulevard sits on 7.12 acres of land (37.6% site coverage) and is 116,506 square feet. It is 100% leased to seven tenants, including Iron Mountain Canada and Emco Corporation. This property is located immediately west of Boulevard's third Moncton property - 1070 St. George Boulevard - offering leasing and operating efficiencies.

1070 St. George Boulevard

1070 St. George Boulevard is a well maintained, multi-tenant light industrial property located in Moncton, New Brunswick. It has prominent street frontage on St. George Boulevard and is situated at the gateway to the Moncton Industrial Park. The property is located 2.5 kilometers from the CN Intermodal Yard and has secondary frontage onto Wheeler Boulevard, a divided highway that encircles the City of Moncton and is its major traffic artery. Constructed in 1989, and expanded in 1991, it has a total rentable area of 63,353 square feet and sits on 5.29 acres of land (27.5% coverage ratio), allowing for future expansion of the building. It is currently 100% leased to seven tenants, including Stihl Limited. This property is located immediately east of the 1180 St. George Boulevard property.

“The addition of these industrial properties to our portfolio in New Brunswick increases our footprint in the Maritimes market and provides increased operating efficiencies there. We are pleased with the quality of the tenant base and the properties are accretive to our existing portfolio,” added Mr. Beckerleg.

Transaction Details

Under the terms of the Agreement, PROREIT will, among other things, acquire all of the issued and outstanding trust units of Boulevard and Boulevard unitholders will receive 0.04651 of a PROREIT trust unit for each trust unit of Boulevard held.

The effective purchase price for the assets is supported by current appraisals. The units of PROREIT issued to fund the net equity requirement are calculated at \$2.30 per unit and the transaction will therefore be accretive to PROREIT’s net asset value and AFFO.

The implementation of the Plan of Arrangement is subject to the approval of 66 2/3% of Boulevard units voted at a special meeting of Boulevard unitholders and, if required under applicable securities laws, a majority of disinterested Boulevard unitholders. Trustees, management and certain other unitholders of Boulevard who collectively hold approximately 26% of the total trust units of Boulevard outstanding have entered into agreements pursuant to which they have agreed to vote their units in favour of the transaction.

It is expected that Boulevard will prepare and mail a meeting circular to its unitholders within the next few weeks and that the special unitholder meeting will be held in September. The transaction is also subject to regulatory approvals, including of the TSX-V, court approvals, required consents and other customary closing conditions. Assuming the requisite approvals and consents are received and other conditions are met or waived, the Plan of Arrangement is expected to be implemented by early October. The transaction is not subject to any financing condition.

The Agreement provides for, among other things, customary board support and non-solicitation covenants from Boulevard, with “fiduciary out” provisions that allow Boulevard to accept a superior proposal in certain circumstances and a “right to match” in favour of PROREIT. Under the Agreement, PROREIT is entitled to a \$350,000 break fee in certain circumstances, including the acceptance by Boulevard of an unsolicited superior proposal from a third party.

Important details regarding the terms of the convertible debentures are set out in the debenture indenture, which is available on SEDAR at www.sedar.com. Holders of convertible debentures are encouraged to read the full text of the debenture indenture.

Under the terms of the proposed transaction, the holders of outstanding Boulevard convertible debentures will receive a cash amount equal to 101% of the principal amount plus accrued and unpaid interest and an additional 30 days of interest as part of the plan of arrangement. The holders of convertible debentures will be asked to vote on the Plan of Arrangement. However, completion of the transaction is not conditional on such approval.

If the requisite debenture holder approval is not obtained, any convertible debentures of Boulevard outstanding at the time of closing will be assumed by PROREIT, and following closing, holders of debentures will be entitled to receive trust units of PROREIT upon conversion based on the exchange ratio contemplated by the transaction. PROREIT will be required to offer to purchase the convertible debentures following closing of the transaction for 101% of their principal amount plus accrued and unpaid interest.

Under the transaction, existing Boulevard options held by Boulevard trustees, management and former management will be cancelled for no consideration. Also under the transaction, existing warrants to purchase Boulevard units held by third parties will become warrants to purchase PROREIT units.

The Agreement will be available on SEDAR at www.sedar.com. Copies of Boulevard's management information circular and certain related documents will be sent to unitholders and filed with Canadian securities regulators and will be available on SEDAR.

Boulevard Board of Trustees Recommendation

Following the recommendation of a special committee of independent trustees, the board of trustees of Boulevard has unanimously resolved to recommend that Boulevard unitholders and debenture holders vote –in favour of the transaction. Trimaven Capital Advisors Inc. has provided a fairness opinion to the special committee of independent trustees of Boulevard that, subject to the assumptions, limitations and qualifications set out in such fairness opinion, the consideration to be received by Boulevard unitholders pursuant to the arrangement is fair from a financial point of view to Boulevard unitholders. The fairness opinion will be included in the management information circular of Boulevard to be mailed to unitholders and holders of debentures of Boulevard in connection with the approval of the transaction.

Advisors and Counsel

Canaccord Genuity Corp. is acting as financial advisor to PROREIT in connection with the transaction and Osler, Hoskin & Harcourt LLP is acting as legal counsel to PROREIT.

Trimaven Capital Advisors Inc. is acting as financial advisor to the special committee of independent trustees of Boulevard in connection with the transaction and WeirFoulds LLP is acting as legal counsel to Boulevard.

About PROREIT

PROREIT is an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust under the laws of the Province of Ontario. PROREIT owns a portfolio of diversified commercial real estate properties in Canada, with growth objectives focused on primary and secondary markets in Québec and Atlantic Canada, with selective expansion into Ontario and Western Canada.

About Boulevard Industrial REIT

Boulevard Industrial REIT is an unincorporated, open-ended real estate investment trust established under the laws of the Province of Ontario. The REIT was established to grow and manage a portfolio of light industrial properties in primary and secondary markets in Canada.

Forward-Looking Statements

This news release contains forward-looking statements about PROREIT and Boulevard. Forward-looking statements are typically identified by words such as “expect”, “anticipate”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “strive”, “will”, “may”, “potential” and “should” and similar expressions. Forward-looking statements reflect current estimates, beliefs and assumptions which are based on PROREIT's and Boulevard's perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. PROREIT's and Boulevard's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. PROREIT and Boulevard can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Forward-looking statements in this news release contain those relating to: the extent to which the transaction is expected to be accretive to PROREIT; PROREIT's financial position following the completion of the transaction and its property portfolio, cash flow and growth prospects; certain strategic benefits, and capital markets, operational, competitive and cost synergies; and the completion and proposed timing of the transaction.

Numerous risks and uncertainties could cause actual results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: economic and market factors specific to the real estate industry; general economic and market factors; local real estate conditions; interest rates; the availability of equity and debt financing; efficiencies and operating costs; tax related matters; reliance on key personnel; additional funding requirements; governmental regulations; environmental regulation and liability; competition; uninsured risks; litigation; trustees' and officers' conflicts of interest; the risks associated with the transaction.

Readers are cautioned that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to PROREIT and Boulevard or that PROREIT and Boulevard presently believe are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional information on these and other factors that could affect the operations or financial results of PROREIT or Boulevard are included in documents filed by PROREIT and Boulevard with applicable securities regulatory authorities and may be accessed through the SEDAR website at www.sedar.com.

There can be no assurance that the proposed transaction will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized. The proposed transaction is subject to various regulatory approvals and the fulfillment of certain other conditions, including approval of unitholders of Boulevard, and there can be no assurance that any such approvals will be obtained and/or any such conditions will be met. The proposed transaction could be modified, restructured or terminated.

The forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement. All forward-looking statements in this press release are made as of the date of this press release. PROREIT and Boulevard do not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law.

This news release contains information provided by each of PROREIT and Boulevard. The information concerning each of PROREIT and Boulevard contained in this news release has been provided by PROREIT and Boulevard, as applicable. Although neither PROREIT nor Boulevard has knowledge that would indicate that any of information about the other is untrue or incomplete, neither PROREIT nor Boulevard assumes any responsibility for the accuracy or completeness of information about the other.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

NOT FOR DISSEMINATION IN THE UNITED STATES OR DISTRIBUTION THROUGH UNITED STATES NEWS OR WIRE SERVICES.

For further information:

PRO Real Estate Investment Trust
James W. Beckerleg
President and Chief Executive Officer
514-933-9552

PRO Real Estate Investment Trust
Gordon G. Lawlor, CA
Chief Financial Officer
514-933-9552

Boulevard Industrial Real Estate Investment Trust
Scott Hayes
Chief Executive Officer
647-795-8629

Boulevard Industrial Real Estate Investment Trust
Ali Mahdavi
Capital Markets & Investor Relations
416-962-3300