



## **PROREIT ANNOUNCES CLOSING OF BOULEVARD INDUSTRIAL REIT ACQUISITION**

### **New unitholders invited to join in PROREIT's strong track record of growth and monthly distributions**

**Montreal, QC – September 30, 2015** – PRO Real Estate Investment Trust ("PROREIT" or the "REIT") (TSX-V: PRV.UN) and Boulevard Industrial Real Estate Investment Trust ("Boulevard") (TSX-V: BVD.UN; BVD.DB) are pleased to announce that PROREIT has closed its previously announced transaction to acquire the outstanding trust units of Boulevard, by way of a plan of arrangement.

James Beckerleg, President and Chief Executive Officer of PROREIT, said: "We welcome Boulevard unitholders as unitholders of PROREIT. We invite you, and indeed all our unitholders, to review carefully our strong track record of success while benefiting from our significant, consistent monthly distributions to all unitholders. We believe you will like what you see and that you will want to maintain your investment in PROREIT, and grow with us.

"Our goal is to build PROREIT into a larger capitalization pan-Canadian REIT with high quality commercial real estate in the retail, office and industrial sectors, producing stable returns. The Boulevard properties are important additions to our growing portfolio, and Boulevard unitholders are important to our growing base of investors in the REIT," Mr. Beckerleg concluded.

PROREIT would like to thank the board of trustees and management of Boulevard for their support and co-operation throughout the transaction process and the unitholders of Boulevard for their overwhelming support of the transaction.

#### **Benefits to Unitholders**

Subsequent to closing, all ongoing unitholders of PROREIT will benefit from the acquisition of Boulevard:

- Since its initial distribution was declared in December 2013, PROREIT has consistently declared and distributed \$0.0175 per month per PROREIT unit. The REIT is highly confident in its ability to continue paying such distributions in the future;
- Unitholders will benefit from PROREIT's increased market capitalization and liquidity;
- The acquisition is accretive to PROREIT's net asset value ("NAV") and adjusted funds from operations ("AFFO");
- PROREIT has scale, a strong balance sheet, a well-respected management team with a long-term track record of creating growth and income, and an ability to raise capital.

#### **Impact of the Boulevard Acquisition on PROREIT**

As a result of the acquisition of Boulevard:

- The PROREIT portfolio will grow to over \$200 million of gross book value, with 32 properties and approximately 1.7 million square feet of gross leasable area;
- PROREIT adds three high quality light industrial buildings. The buildings are 95% occupied by 15 tenants with 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.

Boulevard Industrial REIT unitholders are invited to visit [www.proreit.com](http://www.proreit.com) as well as PROREIT's most recent Investor Presentation (to be found on the website) to learn more about the REIT, its management team and strategies, its portfolio of properties and its past performance.

### **Terms of the Acquisition**

Pursuant to the plan of arrangement, which was approved by the Ontario Superior Court of Justice (Commercial List) on September 25, 2015, unitholders of Boulevard will receive 0.04651 of a trust unit of PROREIT for each trust unit of Boulevard they hold. 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. With the completion of the transaction, Boulevard's trust units and convertible debentures are expected to be delisted from the TSX Venture Exchange at the close of business on October 2, 2015.

Registered holders of Boulevard trust units are reminded that they must properly complete, sign and return the letter of transmittal, along with their unit certificate(s), to Equity Financial Trust Company, as depositary, in order to receive the PROREIT units they are entitled to under the transaction. Holders of Boulevard trust units who hold their units through a broker, investment dealer or other intermediary should carefully follow the instructions provided by such broker, investment dealer or other intermediary in order to receive the PROREIT units they are entitled to under the transaction. PROREIT has delivered to Equity Financial Trust Company, the depositary for the arrangement, sufficient funds to enable the depositary to make the payments described in the arrangement to the holders of Boulevard convertible debentures as soon as practicable following the date hereof.

Additional copies of the letter of transmittal may be requested from Equity Financial Trust Company by telephone at 1-866-393-4891 or by email at [TMXInvestorServices@tmx.com](mailto:TMXInvestorServices@tmx.com).

### **Advisors and Legal Counsel**

Canaccord Genuity Corp. acted as financial advisor and Osler, Hoskin & Harcourt acted as legal advisor to PROREIT. Trimaven Capital Advisors Inc. acted as financial advisor and WeirFoulds LLP acted as legal advisor to Boulevard.

PROREIT has issued 119,565 trust units to Canaccord Genuity Corp. at a deemed price of \$2.30 per unit as payment for services rendered in connection with the arrangement. Such units are subject to a customary hold period.

### **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.

## Forward-Looking Information

Certain statements contained in this news release constitute forward-looking information within the meaning of applicable securities laws. In some cases, forward-looking information can be identified by such terms such as “may”, “might”, “will”, “could”, “should”, “would”, “occur”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue”, “likely”, “schedule”, or the negative thereof or other similar expressions concerning matters that are not historical facts. Some of the specific forward-looking statements in this news release include, but are not limited to, statements with respect to the extent to which the transaction is expected to be accretive to PROREIT; PROREIT’s future financial performance; the ability of PROREIT to execute its growth strategies; PROREIT’s ability to continue paying monthly distributions; and PROREIT’s ability to raise capital. Forward-looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond PROREIT’s control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements.

PROREIT’s objectives and forward-looking statements are based on certain assumptions, including that (i) PROREIT will receive financing on favourable terms; (ii) the future level of indebtedness of PROREIT and its future growth potential will remain consistent with PROREIT’s current expectations; (iii) there will be no changes to tax laws adversely affecting PROREIT’s financing capacity or operations; (iv) the impact of the current economic climate and the current global financial conditions on PROREIT’s operations, including its financing capacity and asset value, will remain consistent with PROREIT’s current expectations; (v) the performance of PROREIT’s investments in Canada will proceed on a basis consistent with PROREIT’s current expectations; and (vi) capital markets will provide PROREIT with readily available access to equity and/or debt.

Additional information about these assumptions and risks and uncertainties is contained under “Risk Factors” in PROREIT’s latest annual information form, which is available on SEDAR at [www.sedar.com](http://www.sedar.com), and in other filings that PROREIT has made and may make with applicable securities authorities in the future.

The forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement. Investors are cautioned not to put undue reliance on forward-looking statements. All forward-looking statements in this press release are made as of the date of this press release. PROREIT does 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.

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**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, CPA, CA  
Chief Financial Officer  
514-933-9552