



APRIL 3, 2017

DURUM INDUSTRIAL REIT CLOSES FIRST PROPERTY ACQUISITION

We are pleased to report that on March 30, 2017, Durum Industrial Real Estate Investment Trust (the “REIT”) closed on the acquisition of two Alberta based industrial properties. The acquired properties will increase basic annual rent by \$810,000 and represent an addition of 14.45 acres of land to the total REIT portfolio. Both the Calgary and Edmonton properties will remain occupied by Black Diamond Group under 11 and 9 year leases respectively.

The purchase price for acquiring the properties was funded through an equity investment of \$4 million from Durum Properties LP.¹ The remaining \$7 million was funded through conventional debt financing, guaranteed by the general partner of Durum Industrial Real Estate LP as well as personally by Jay Simmons, Managing Director and CEO of the REIT.

“Alignment of Management is key in any investment decision and we will continue to recognize that,” commented Jay Simmons, when asked about funding the acquisition.

In the opinion of the REIT, the addition of two stable properties is a positive sign for investors for the following reasons: (i) Black Diamond Group has a strong covenant, making it a reliable and ideal tenant for properties of this size and designated use; (ii) the funding structure of the purchase price aligns the interests of Management with those of investors; and (iii) the timing of the acquisition demonstrates Management’s commitment to their stated objectives—to acquire, maintain and operate the current properties; to grow and diversify the portfolio of assets; and to pay quarterly distributions.

As outlined in the announcement on March 15, 2017, the property acquisition details are as follows:

Location	Land (Acres)	Allocation of Purchase Price	Basic Annual Rent	Lease Term
Edmonton, AB	8.23	65%	\$524,538	9 Years
Calgary, AB	6.22	35%	\$285,462	11 Years
Total	14.45	100%	\$810,000	

FOR FURTHER INFORMATION, PLEASE CONTACT:

Eric Hansen

Business Development, Durum Industrial REIT

Phone: 1.780.965.3497

Email: info@durum.ca

¹Durum Properties LP is an entity controlled by certain members of management of the REIT.



About Durum Industrial REIT

Durum Industrial REIT has been formed with the objective of maximizing value for unit holders through the acquisition and operation of a diverse portfolio of industrial properties. Through refinancing efforts, strategic acquisitions, and quality teams relying on first class governance, Durum Industrial REIT intends to pay quarterly distributions while also creating potential for long term capital growth.

Caution Regarding Forward-Looking Information

Certain information set forth in this press release, including information and statements which may contain words such as "could", "plans", "intends", "should", "anticipate", "expects", "will", "propose", "opportunity", "future", "continue", and similar expressions and statements relating to matters that are not historical facts, contain forward-looking statements and forward-looking information (collectively, "forward-looking statements"), including but not limited to, statements regarding: that Black Diamond Group will occupy the acquired properties for the entire duration of their respective leases, the benefits of the transaction for Durum Industrial REIT and the intention of Durum Industrial REIT to pay quarterly distributions. The forward-looking statements contained in this press release speak only as of the date thereof and are expressly qualified by this cautionary statement.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Durum Industrial REIT's control. Readers are cautioned that the assumptions used in the preparation of such forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The actual results, performance or achievement of Durum Industrial REIT could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Durum Industrial REIT will derive therefrom. Durum Industrial REIT 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 by applicable securities laws.

The amount of future cash distributions paid by us, if any, will be subject to the discretion of the trustees of Durum Industrial REIT and may vary depending on a variety of factors and conditions existing from time to time, including fluctuations in capital expenditure requirements, debt service requirements, operating costs, and the satisfaction of the requirements imposed by our trust indenture for the declaration and payment of distributions. Depending on these and various other factors, many of which will be beyond our control, our distribution policy may vary from time to time and, as a result, future cash distributions could be reduced or suspended entirely. To the extent that external sources of capital, including the issuance of additional securities, become limited or unavailable, our ability to make the necessary capital investments to maintain or expand our asset base, as the case may be, will be impaired. To the extent that we are required to use funds from operations to finance capital expenditures or property acquisitions, the cash available for distributions may be reduced.