



**PARTNERS REIT ANNOUNCES DISPOSITION OF RETAIL PROPERTY
IN THUNDER BAY FOR \$39.75 MILLION**

Toronto, ON – June 8, 2017 – Partners Real Estate Investment Trust (TSX:PAR.UN) (“Partners”) announced today that it has entered into an unconditional agreement to sell a shopping centre located in Thunder Bay, Ontario for total consideration of \$39.75 million. This valuation represents a gain on Partners’ current book value of the asset. The shopping centre, commonly referred to as Thunder Centre, comprises 168,000 square feet of retail space within Thunder Bay’s primary retail node. This transaction is anticipated to close on June 30, 2017.

After repayment of outstanding mortgages on the property of approximately \$26.7 million and estimated closing costs of \$0.9 million, the net proceeds generated from this sale are approximately \$12.2 million. The net funds from this transaction, in conjunction with the recently announced rights offering and ongoing refinancing of existing mortgages across the portfolio, embody Partners’ strategy to repay the outstanding convertible debentures as outlined in Partners’ recent rights offering circular dated May 19, 2017.

BMO Capital Markets Real Estate Inc. acted as advisor to Partners on this transaction.

About Partners REIT

Partners REIT is a growth-oriented real estate investment trust focused on the expansion and management of a portfolio of 35 retail and mixed-use community and neighbourhood shopping centres. These properties are located in both primary and secondary markets across British Columbia, Alberta, Manitoba, Ontario, and Quebec, and comprise a total of approximately 2.5 million square feet of leasable space.

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