



**PARTNERS CONFIRMS COMPLETION OF INITIAL PARTIAL REDEMPTION OF ITS SERIES II DEBENTURES
ON JULY 31, 2017 AND
CONFIRMS ALL REMAINING SERIES II DEBENTURES AND 67% OF ITS SERIES III DEBENTURES WILL BE
REDEEMED ON AUGUST 18, 2017**

TORONTO, ON – August 1, 2017 – Partners Real Estate Investment Trust (the “REIT,” or “Partners”) (TSX: PAR.UN) announced it has completed the partial redemption of 50% of its outstanding Series II 6.0% Convertible Unsecured Subordinated Debentures due September 30, 2017 (TSX: PAR.DB.A) (“Series II Debentures”) as initially announced on June 30, 2017.

As announced on July 19, 2017, the REIT also confirms that all remaining Series II Debentures will be fully redeemed on August 18, 2017, upon payment of a redemption amount of \$1,023.013699 for each \$1,000 principal amount of Series II Debentures, being equal to the aggregate of \$1,000, and all accrued and unpaid interest to but excluding the redemption date. The REIT further confirms that 67% of its outstanding Series III 5.5% Convertible Unsecured Subordinated Debentures due March 31, 2017 (TSX: PAR.DB.B) (“Series III Debentures”) will be redeemed on August 18, 2017, on a pro rata basis, upon payment of a redemption amount of \$1,021.095890 for each \$1,000 principal amount of Series III Debentures, being equal to the aggregate of \$1,000 and all accrued and unpaid interest to but excluding the redemption date.

Upon completion of the anticipated redemptions, \$7.6 million principal amount of the Series III Debentures will remain outstanding and, as previously disclosed, the REIT intends to pay this off prior to expiry through property refinancing and potential property sale(s).

About Partners REIT

Partners REIT is a growth-oriented real estate investment trust focused on the expansion and management of a portfolio of 34 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 2.3 million square feet of leasable space.

Disclaimer

Certain statements included in this press release constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect," "will" and similar expressions to the extent they relate to Partners REIT. The forward-looking statements are not historical facts but reflect Partners REIT's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including access to capital, regulatory approvals, intended acquisitions and general economic and industry conditions. Although Partners REIT believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements

are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein.

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