

Partners Real Estate Investment Trust (TSX-V: CRH.UN) announces Q2 2008 financial results

Toronto: Partners Real Estate Investment Trust (“Partners REIT”) is pleased to announce its financial results for the quarter ended June 30, 2008.

Highlights: During the second quarter and the first six months of 2008, Partners REIT:

- acquired its seventh property – Place Val Est in Sudbury, a 110,313 square foot grocery-anchored retail strip centre for an aggregate purchase price of \$14,720,000, bringing total assets acquired to approximately \$112,000,000 since January 1, 2007;
- has a balance sheet that remains strong, with a debt-to-gross book value of 54.6%;
- currently has \$10,775,000 available under its acquisition facility, for remaining acquisition capacity of between \$27,000,000 and \$31,000,000, while a further \$14,000,000 bridge facility from C.A. Bancorp Inc. remains undrawn;
- established a Distribution Reinvestment and Optional Unit Purchase Plan, which currently has approximately 26% participation by existing unitholders, saving Partners REIT significant cash in terms of its monthly distributions; and
- had an average occupancy rate for the portfolio of 97.8%, slightly higher than 97.5% at the end of the first quarter.

Financial highlights:

- As of June 30, 2008, Partners REIT’s total assets increased to \$112,908,227 (December 31, 2007 – \$99,576,433), reflecting the Place Val Est acquisition in January 2008.
- For the quarter ended June 30, 2008, Partners REIT recorded net operating income from its properties of \$2,262,172, representing an 11% increase from the quarter ended March 31, 2008 of \$2,034,971 and a 181% increase from the quarter ended June 30, 2007 of \$804,802.
- Same property net operating income for the quarter ended June 30, 2008 was 6.2% higher at \$2,262,172, compared to \$2,130,909 for the quarter ended March 31, 2008.
- For the quarter ended June 30, 2008, Partners REIT had a net loss of \$230,240 or \$0.01 per unit basic and diluted (for the quarter ended March 31, 2008, net loss was \$468,977 or \$0.03 per unit basic and diluted and for the quarter ended June 30, 2007, net loss was \$1,145,407 or \$0.52 per unit basic and diluted).
- For the quarter ended June 30, 2008, Partners REIT’s funds from operations (“FFO”) were \$988,711 or \$0.06 per unit basic and diluted, an increase of 41% from the quarter ended March 31, 2008 of \$703,490 or \$0.04 per unit basic and diluted and an increase of \$1,611,468 from the quarter ended June 30, 2007 of \$(622,757) or \$(0.28) per unit basic and diluted.

2008 Q2 financial results: For the complete Q2 2008 Management's Discussion and Analysis and Financial Statements, please visit www.sedar.com or www.partnersreit.com.

Partners REIT: Partners Real Estate Investment Trust is an open-end real estate investment trust established under the laws of the Province of Ontario. Partners REIT is focused on acquiring a portfolio of retail and mixed-use retail community and neighbourhood centres, generally in the mid-market deal size range of \$10 to \$40 million, comprised of stable cash flow and value-add properties from both primary and secondary markets throughout Canada. Partners REIT's principal goal is to generate a reliable and growing yield for its investors. Partners REIT currently owns 10 retail properties located in Ontario and Quebec.

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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