

Partners Real Estate Investment Trust (TSX-V: CRH.UN) announces Q1 2008 financial results

TORONTO: Partners Real Estate Investment Trust (“Partners REIT”) is pleased to announce its financial results for the quarter ended March 31, 2008.

Highlights: During the first quarter 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%;
- currently has \$11,775,000 available under its acquisition facility, for remaining acquisition capacity of between \$29,000,000 and \$34,000,000, 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 24% 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 97.5%, unchanged from December 31, 2007.

Financial highlights:

- Partners REIT’s net book value per unit is \$2.67 – 36% higher than Partners REIT’s trading price as of the close of business on May 5, 2008.
- As of March 31, 2008, Partners REIT’s total assets increased to \$113,306,388 (December 31, 2007 – \$99,576,433), reflecting the Place Val Est acquisition in January 2008.
- For the quarter ended March 31, 2008, Partners REIT recorded net operating income from its properties of \$2,034,971, representing a 20% increase from the quarter ended December 31, 2007 of \$1,693,610 and a 4,734% increase from the quarter ended March 31, 2007 of \$42,100.
- Same property net operating income for the quarter ended March 31, 2008 was only marginally lower at \$1,843,095, compared to \$1,892,701 for the quarter ended December 31, 2007. The decrease was mainly due to increased snow removal costs at the Méga Centre property as a result of the heavier than expected snowfall.
- For the quarter ended March 31, 2008, Partners REIT had a net loss of \$468,977 or \$0.03 per unit basic and diluted (for the quarter ended December 31, 2007, net loss was \$290,031 or \$0.02 per unit basic and diluted and for the quarter ended March 31, 2007, net loss was \$584,833 or \$0.48 per unit basic and diluted).

- For the quarter ended March 31, 2008, Partners REIT's funds from operations ("FFO") were \$703,490 or \$0.04 per unit basic and diluted, an increase of 4% from the quarter ended December 31, 2007 of \$676,304 or \$0.04 per unit basic and diluted and an increase from the quarter ended March 31, 2007 of \$(575,019) or \$(0.47) per unit basic and diluted.

2008 Q1 financial results: For the complete Q1 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.

This press release contains forward-looking statements. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are based on a number of assumptions which may prove to be incorrect. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, local real estate conditions, including the development of properties in close proximity to Partners REIT's properties, competition, changes in government regulation, dependence on tenants, financial conditions, interest rates, the availability of equity and debt financing, environmental and tax-related matters, reliance on the Manager, potential conflicts of interest and reliance on key personnel. The cautionary statements qualify all forward-looking statements attributable to Partners REIT and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and Partners REIT has no obligation to update such statements except as required by law.