

Partners Real Estate Investment Trust (TSX-V: CRH.UN) announces DRIP program

Toronto: Partners Real Estate Investment Trust (“Partners REIT”) announces that it has established a Distribution Reinvestment and Optional Unit Purchase Plan (the “Plan”) to enable Canadian resident unitholders (“Unitholders”) to acquire additional units of Partners REIT (“Units”): (a) through the reinvestment of regular monthly distributions on all or any part of their Units; and (b) once enrolled in the Plan, through optional cash payments subject to a minimum of \$1,000 per month and a maximum of \$12,000 per calendar year.

“This is a great opportunity for Unitholders to purchase Units of Partners REIT at a time when our units are trading well below our net book value,” said Ari Silverberg, President and Chief Operating Officer of Partners REIT.

The Plan: To enrol in the Plan, beneficial Unitholders must contact their broker who is a CDS participant and who holds the Unitholder’s uncertificated Units. Registered Unitholders must contact Computershare Trust Company of Canada (the “Plan Agent”) National Customer Contact Centre at 1-800-564-6253. Once enrolled, participation in the Plan will continue automatically unless terminated.

Unitholders wishing to acquire Units under the Plan in connection with the January 2008 distribution must enrol by January 24, 2008.

Plan Units will be issued directly from the treasury of Partners REIT at a price based on the volume-weighted average of the closing price for the 20 trading days immediately preceding the relevant distribution date. Participants will receive “bonus units” in an amount equal in value to 3% of each cash distribution.

Partners REIT reserves the right to amend, suspend or terminate the Plan at any time, but such action shall have no retroactive effect that would prejudice the interest of the Plan participants. All administrative costs associated with the operation of the Plan will be paid by Partners REIT.

Partners REIT has reserved for issuance with the TSX Venture Exchange 500,000 additional Units to accommodate the purchase of Units under the Plan.

For more information about the Plan and its terms and conditions see www.partnersreit.com under “Investor Information – DRIP”.

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.

More information: Ari Silverberg, President and Chief Operating Officer or Floriana Cipollone, Chief Financial Officer Telephone: (416) 364-5705 Facsimile: (416) 861-8166.

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

Certain statements included in this press release constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect", "intend", "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 the ability of Partners REIT to pay the distribution on the date specified. 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. Partners REIT undertakes no obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law.