

Partners Real Estate Investment Trust (TSX-V: CRH.UN) updates status of acquisition of Western Canadian portfolio

TORONTO: Partners Real Estate Investment Trust (“Partners REIT”) announces that it has decided not to move forward with the acquisition of a portfolio of Western Canadian properties announced on July 9, 2007. Partners REIT was not satisfied with certain aspects of the deal and could not come to agreeable revised terms with the vendor. As a result, Partners REIT decided it would be in the best interest of unitholders not to complete the acquisition. Partners REIT has an active acquisition pipeline and will continue to pursue properties that fit its acquisition criteria.

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. Forward looking statements are based on a number of assumptions which may prove to be incorrect. Unless otherwise stated, all forward looking statements speak only as of the date of this press release and Partners REIT undertakes no obligation to update such statements except as required by law.