

Partners Realty Holdings Ltd. (TSX-V: CRH.UN) announces first quarter 2007 financial results

TORONTO: Partners Realty Holdings Ltd. (the “Company”) is pleased to announce its financial results for the first quarter of 2007.

HIGHLIGHTS:

- On February 23, 2007, the Company completed its qualifying transaction, consisting of a private placement of 15,000,000 common shares at a price of \$0.20 per share and the acquisition of three free-standing commercial retail real estate properties for an aggregate cash purchase price of \$2,065,000 (before closing costs).
- On March 27, 2007, the Company formalized a management arrangement with C.A. Realty Management Inc. (the “Manager”), a wholly-owned subsidiary of C.A. Bancorp Inc. (the Company’s majority shareholder). Pursuant to the management agreement, the Manager will provide the Company with strategic, advisory, asset management and administrative services in exchange for an annual management fee of 0.30% of the “adjusted book value” of the Company’s assets, and an acquisition fee equal to 0.50% of the “property cost” of each property acquired by the Company.
- On March 30, 2007, the Company completed the acquisition of Méga Centre Côte-Vertu (“Méga Centre”), a shopping centre in St. Laurent, Quebec from RRVP Côte-Vertu Inc., for an aggregate cash purchase price of \$36.7 million (before closing costs). The Company obtained a standard first mortgage loan from a Canadian chartered bank in the amount of \$27.525 million, secured by the property. KingSett Capital and C.A. Bancorp Inc. have each provided the Company with a \$10 million acquisition facility. Of the combined \$20 million, \$10.5 million was used to fund the Méga Centre acquisition with \$6 million being drawn on the KingSett Capital facility and \$4.5 million being drawn on the C.A. Bancorp Inc. facility.
- On May 10, 2007 the Company completed its conversion to a real estate investment trust (the “REIT”). The name of the REIT is Partners Real Estate Investment Trust and its units trade on the TSX Venture Exchange under the symbol CRH.UN. Each 10 common shares of the Company were exchanged for one unit of Partners Real Estate Investment Trust.
- As of March 31, 2007, the Company’s total assets increased to \$42,970,932 (2006 – \$852,994), reflecting the property acquisitions in the first quarter.
- For the quarter ended March 31, 2007, the Company recorded revenues from rental properties of \$51,454 (2006 – nil).
- For the quarter ended March 31, 2007, the Company had a net loss of \$584,833 or \$0.048 per share basic and diluted (2006 – net loss of \$26,772 or \$0.008 basic and diluted). The

current year net loss includes corporate transaction costs of \$349,835 relating to the REIT conversion.

Q1 FINANCIAL RESULTS: For the complete first quarter Management's Discussion and Analysis, and Financial Statements, please visit www.SEDAR.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 the Company'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 the Company and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the Company has no obligation to update such statements except as required by law.