



PARTNERS REIT COMMENTS ON SEARS CANADA CCAA

TORONTO, ON – June 22, 2017 – Partners Real Estate Investment Trust (the “REIT”) (TSX:PAR.UN) today commented on the press release dated June 22, 2017 by Sears Canada Inc. and its subsidiaries (“Sears Canada”) to the effect that Sears Canada has been granted an order (the “Initial Order”) from the Ontario Superior Court of Justice under the *Companies Creditors Arrangement Act* (the “CCAA”).

Partners REIT has not yet seen the Initial Order, but Sears Canada reports that it provides for a stay of proceedings in favour of Sears Canada for an initial period of 30 days, subject to extension thereafter as the Court deems appropriate. The Initial Order authorizes Sears Canada to obtain debtor-in-possession financing that Sears Canada expects will provide sufficient liquidity to allow it to maintain operations throughout the CCAA proceedings.

Sears Canada also announced the closing of a number of stores, including the Sears Outlet store in Cornwall, Ontario, which is an anchor tenant at the Cornwall Square enclosed mall owned and operated by Partners REIT.

The specific timing of the store closures has not yet been finalized by Sears Canada.

The closing of the Sears Outlet store at the Cornwall Square mall may impact the value of that mall. Partners REIT will be monitoring the situation and reviewing its alternatives with respect to this property.

About Partners REIT

Partners REIT is a growth-oriented real estate investment trust focused on the expansion and management of a portfolio of 35 retail and mixed-use community and neighbourhood shopping centres. These properties are located in both primary and secondary markets across British Columbia, Alberta, Manitoba, Ontario, and Quebec, and comprise a total of approximately 2.5 million square feet of leasable space.

Disclaimer

Certain statements included in this press release constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect," "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 access to capital, regulatory approvals, intended acquisitions and general economic and industry conditions. 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.

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