

Partners Real Estate Investment Trust Announces Closing of Previously Announced Grand Bend Towne Centre Acquisition

FOR IMMEDIATE RELEASE

Victoria, BC, May 1, 2012 – Partners Real Estate Investment Trust (TSX: PAR.UN) (“Partners REIT”) announced today the closing of its previously announced acquisition of Grand Bend Towne Centre. Grand Bend Town Centre is an existing 36,100 square foot centre comprised of a Sobeys grocery store with a lease extending to April 2023 and a Shoppers Drug Mart with a lease extending to September 2017 located on Main Street East in downtown Grand Bend, Ontario. The property currently generates net operating income of approximately \$550,000 on an annualized basis and management expects it will generate approximately \$400,000 in incremental annualized funds from operations.

Partners REIT paid approximately \$8.1 million for the property, prior to an effective \$200,000 adjustment for the above market interest rate on the assumed mortgage, for a net acquisition price of \$7.9 million. The acquisition was funded by the assumption of an existing mortgage of approximately \$3.2 million, originally maturing July 2017, with a stated interest rate of 5.44%, but with an effective interest rate of 3.85% taking into consideration the \$200,000 purchase price adjustment. The mortgage was increased by approximately \$0.8 million at an interest rate of 3.6% and maturing with the original mortgage. The balance of the acquisition was paid by Partners REIT’s available funds on hand.

About Partners REIT

Partners REIT is a growth-oriented real estate investment trust, which currently owns (directly or indirectly) 29 retail properties located in British Columbia, Alberta, Ontario, Manitoba and Quebec, aggregating approximately 2.2 million square feet of leaseable space. Partners REIT focuses on expanding and managing a portfolio of retail and mixed-use community and neighbourhood shopping centres located in both primary and secondary markets across Canada.

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Forward-looking Statements

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 forwardlooking 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 integration of the acquisitions with our property portfolio, the receipt of regulatory approval, our expectations regarding closing the proposed acquisitions, the expected increase in the mortgage, our expectations regarding an increase in incremental funds as a result of the acquisitions, our intention to continue to grow and diversify our portfolio, 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.