

Partners Real Estate Investment Trust Announces Completion of Over-Allotment Option

VICTORIA, BC., March 8, 2012 - Partners Real Estate Investment Trust (the "**REIT**" or "**Partners REIT**") (TSXV: PAR. UN; PAR.DB) is pleased to announce the closing of the over-allotment option (the "**Over-Allotment Option**") relating to its previously announced offering (the "**Offering**") of 10,753,000 units ("**Units**") (on a pre-consolidation basis) at a price of \$1.86 per Unit (on a pre-consolidation basis) of the REIT representing gross proceeds of approximately \$20 million. In connection with closing of the Over-Allotment Option, the REIT issued an additional 360,812 Units on a 1:4 post-consolidation basis (1,443,248 Units on a pre-consolidation basis) at a price of \$7.44 per Unit on a post-consolidation basis (\$1.86 per Unit on a pre-consolidation basis), for gross proceeds of approximately \$2.684 million. Total gross proceeds to the REIT from the Offering and the Over-Allotment Option are approximately \$22.684 million.

The net proceeds to the REIT for the Over-Allotment Option, after deducting the Underwriters' fee of \$120,800 but before deducting the expenses of the Over-Allotment Option, are approximately \$2.564 million.

The net proceeds from the Offering were used by the REIT to pay out a loan facility entered into in connection with certain property purchases and to pay down a portion of the REIT's acquisition facility advanced in respect of a property purchase completed in 2011.

The underwriting syndicate for the Offering was co-led by National Bank Financial Inc. and Canaccord Genuity Corp., and including Scotia Capital Inc., CIBC World Markets Inc., TD Securities Inc., Desjardins Securities Inc., Macquarie Capital Markets Canada Ltd., Raymond James Ltd. and GMP Securities L.P.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been and will not be registered under the U.S. Securities Act of 1933 as amended and may not be offered or sold in the United States absent registration or pursuant to applicable exemption from registration.

About Partners REIT

Partners REIT is a growth-oriented real estate investment trust, which currently owns (directly or indirectly) twenty-eight retail properties located in British Columbia, Alberta, Manitoba, Ontario and Quebec, aggregating approximately 2.1 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.

For further information, please contact:

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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 “believe”, “expect,” “will”, “offers the opportunity”, “intend, “look forward” 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 completion of the Over-Allotment Option, access to capital, regulatory approvals, our intention to grow and diversify our portfolio, intended acquisitions, our status as a “real estate investment trust” 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.

The forward-looking statements contained in this press release reflect our current views with respect to future events and are also subject to certain other risks and uncertainties and other risks detailed from time-to-time in Partners REIT's ongoing filings with the securities regulatory authorities, which filings can be found at www.sedar.com. Actual results, events, and performance may differ materially from those contemplated in Partners REIT's forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. Partners REIT does not undertake any obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.