

Partners Real Estate Investment Trust obtains additional debt financing

VICTORIA, B.C. (December 16, 2010) - Partners Real Estate Investment Trust (“Partners REIT”) (TSX-V: PAR.UN) announces that Charter Acquisition Corp. (“Charter Acquisition”), a subsidiary of Partners REIT, has borrowed \$25.5 million from Alterna Savings and Credit Union Limited (“Alterna”) under a loan agreement entered into by Charter Acquisition, Alterna and Partners REIT. The loan is secured against the Cornwall Square shopping centre located in Cornwall Ontario which is registered in the name of Charter Acquisition which is beneficially held by Partners REIT. The new loan has been used to repay two existing loans secured against the Cornwall Square property and has a term of five years, bearing interest at the rate of 4.9% annually. Partners REIT has guaranteed the obligations of Charter Acquisition to repay the principal, interest and other amounts owing to the lender. After the repayment of the existing loans and interest thereon which amount to \$17.4 million, the balance of the proceeds of this loan will be used for general trust purposes or to fund or partially fund acquisitions.

About Partners REIT

Partners REIT is a growth-oriented real estate investment trust, which currently owns (directly or indirectly) ten retail properties, located in Ontario and Quebec, aggregating approximately 1.1 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.

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 the use of the balance of the proceeds of the loan, 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.

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.

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