Retail-focused. Growth-driven.

Investor Presentation

August, 2012

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Founding Partner and CEO of League Assets Corp.,

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League Financial Partners

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Forward Looking Information

This management presentation is intended to provide an overview of the business of Partners Estate Investment Trust(“Partners”). It has been prepared for informational purposes only and does not purport to be complete.

The presentation contains statements that, to the extent that they are not historical fact, may constitute “forward-looking statements” within the meaning of applicable securities legislation. Forward-looking statements in this presentation include but are not limited to statements regarding Partners’ potential acquisition growth, Partners’ beliefs regarding the future prospects for retail centres in Canada, Partners’ remerchandising and redevelopment strategies. In addition to these statements, any statements regarding future plans, objectives or economic performance of Partners, or the assumption underlying any of the foregoing, constitute forward-looking information. This presentation uses words such as “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook”, and other similar expressions to identify forward-looking statements. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this presentation, and, accordingly, readers should not place undue reliance on any such forward-looking statements. Forward-looking information involves significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements and accordingly, should not be read as guarantees of future performance or results. These risks and uncertainties include the business of acquiring and owning real property including: government regulation and environmental matters; illiquidity; uninsured losses; investment concentration; competition; acquisition strategy; occupancy rates; reliance on key personnel; integration of additional properties; debt financing; interest rates; litigation; restrictive covenants; joint venture investments; potential undisclosed liabilities associated with acquisitions; reliance on external sources of capital and other factors that may be detailed from time to time in Partners’ SEDAR filings. Due to the potential impact of these factors, any forward-looking statements speak only as of the date on which such statement is made and Partners disclaims any intention or obligation to update or revise any forward-looking information, as a result of new information, future events or otherwise, unless required by applicable law. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on Partners’ business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Why Partners REIT

- ## Investment Highlights – PAR.UN
  - Opportunity to participate in early stages of growth company
  - High yield & tax efficient distribution
  - Potential for meaningful multiple expansion
  - Diversified portfolio anchored by national and regional tenants
  - Focused external and internal growth strategy
  - Conservative financial profile
  - Building strong relationships with developers
  - Experienced and accomplished management team
  - Solid governance structure

Agenda

1. Profile, Commitment, & Accomplishments
2. Portfolio Strategy & Composition
3. Financial Review & Trends
4. Growth Strategies
5. Strong Development Partner
6. Experienced Management Team & Trustees
7. Value Proposition

Profile - Partners REIT (PAR.UN)

- **F**ocus
  - Acquiring and managing a portfolio of retail and mixed-use retail community and neighbourhood centres.
  - Properties are generally in the mid-market deal size range of $10 to $50 million, from both primary and secondary markets across Canada

- Scale
  - Current portfolio of 30 properties with over 2.2 million sq. ft. of leasable space
  - $430 million in total assets
  - $170 million market capitalization (21.4 million units outstanding)

- Distributions
  - $0.64 per unit annual cash distribution
  - 100% tax deferred in 2010 and 2011
  - Current yield approximately 8%, (roughly 13% pretax interest equivalent)
  - Deliver stable and consistent distributions

Commitment

To enhance and protect Unitholder value while providing stable & increasing monthly cash distributions by:

- Actively managing existing asset base;
- Acquiring properties at or below market value;
- Driving down operating costs
- Reducing debt cost
- Establishing long term tenant relationships
- Establishing property development partnerships
- Maintaining a diversified property portfolio

Accomplishments

Since taking over the Management of the REIT in August 2010 we have:

- Tripled the asset base to over $430 million;
- Grown the Market CAP by six times to over $170 million;
- Driven down weighted average cost of debt by 110bps to 4.6%;
- Leased up 8% of the sq/ft;
- Added $38M worth of credit for acquisitions;
- Increased FFO per unit by 30%; and
- Increased the share price by 31%* a year vs. 15%* for its peer group**

Note: Data as of June 30, 2012. * Compound average annual growth rate from August 31, 2010 to August 21, 2012. ** Simple average of the compound average annual growth rates for REI.U, CWT.U, PMZ.U, FCR, and HR.U

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Portfolio Strategy: Three Retail Formats

- **Format #1:*Single Tenant* Purpose built,**
    - **free standing occupied retail box**

- **Why we like these**
    - **Pride in “ownership” by tenant which translates into lower operating costs which in turn drives the property’s AFFO closer to its FFO.**

Portfolio Strategy: Three Retail Formats

- **Format #2: *Double Anchored* Grocery and Drug store supported retail plaza**

- **Why we like these**
  - **Key tenants are in consumer staple business that are relatively recession resistant and tend to drive high traffic flow through the property.**

Portfolio Strategy: Three Retail Formats

- **Format #3:** ***High Density,*** **Large scale urban mixed use retail centre**

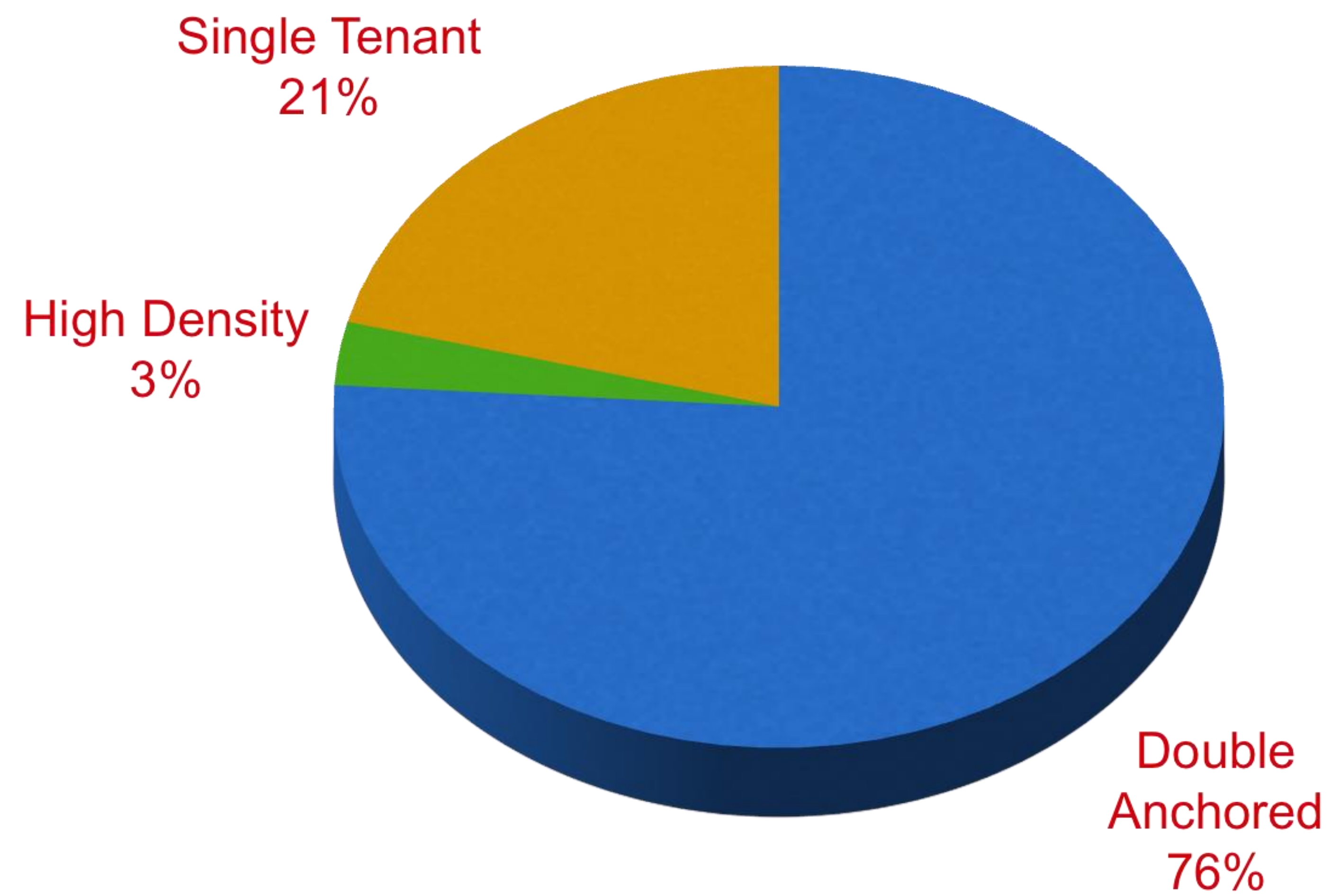
RETROCOM REIT | CALLOWAY REAL ESTATE INVESTMENT TRUST | PARTNERS REIT

Old **Current** **Future**

Shopping Centre Formats

Portfolio: Retail Format

Our focused portfolio strategy has resulted in a portfolio which is defensive in nature with strong growth potential



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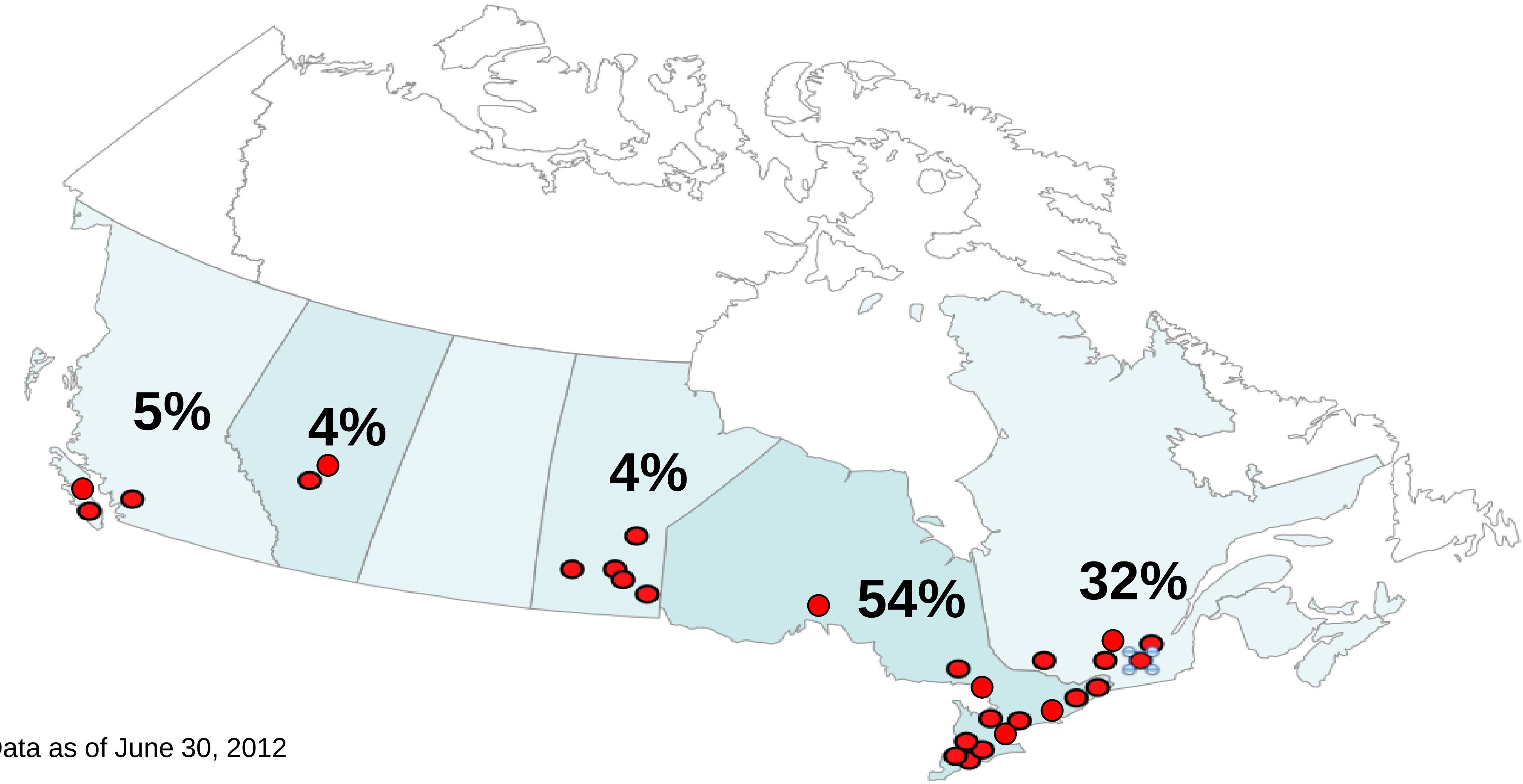
Portfolio: Geography

Strong representation in Central Canada and positioned for growth in Western Canada

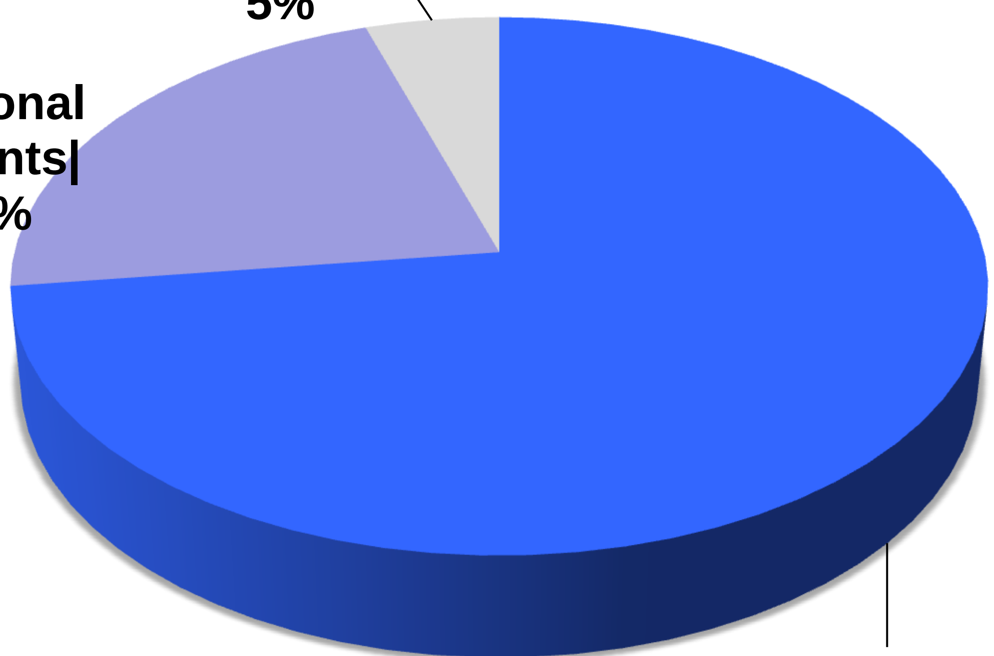


Note: Data as of June 30, 2012

PARTNERS REIT

Portfolio: Tenant Base

Our tenant base is well diversified by major retail sectors, is anchored by national and regional chains and has limited concentration risk



Top 10 Tenants	% of Gross Leased Square Footage
Shoppers Drug Mart	10.4%
Canadian Tire	9.4%
Sears	4.7%
Rona	4.2%
Québec Government	4.0%
Walmart	4.0%
Brault & Martineau	3.8%
Metro/Super C	2.5%
Staples	2.5%
Loblaws	2.0%

Note: Data as of June 30, 2012

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Financial Highlights

	Reporting Period						Annualized Growth in Quarterly Results Since Mgt Change
	Q3 2010	2010	Q2 2011	2011	Q1 2012	Q2 2012	
Property Revenues*	$4,048	$16,948	$5,578	$24,165	$9,078	$11,302	80%
Occupancy	95.2%	95.7%	98.3%	98.0%	95.9%	94.1%	-
Net operating income*	$2,499	$9,984	$3,658	$15,539	$5,788	$7,349	85%
FFO	$940	$3,365	$1,196	$5,019	$2,511	$3,425	109%
FFO per Unit	$0.14	$0.67	$0.15	$0.65	$0.18	$0.18	16%
Cash Distribution	$0.15	$0.59	$0.15	$0.60	$0.16	$0.16	3%

* Management changed occurred on August 31, 2010. For purposes of this calculation the closest quarter end (Sept 30, 2010) was used as the starting data point. Growth rate used is the compound annual growth rate

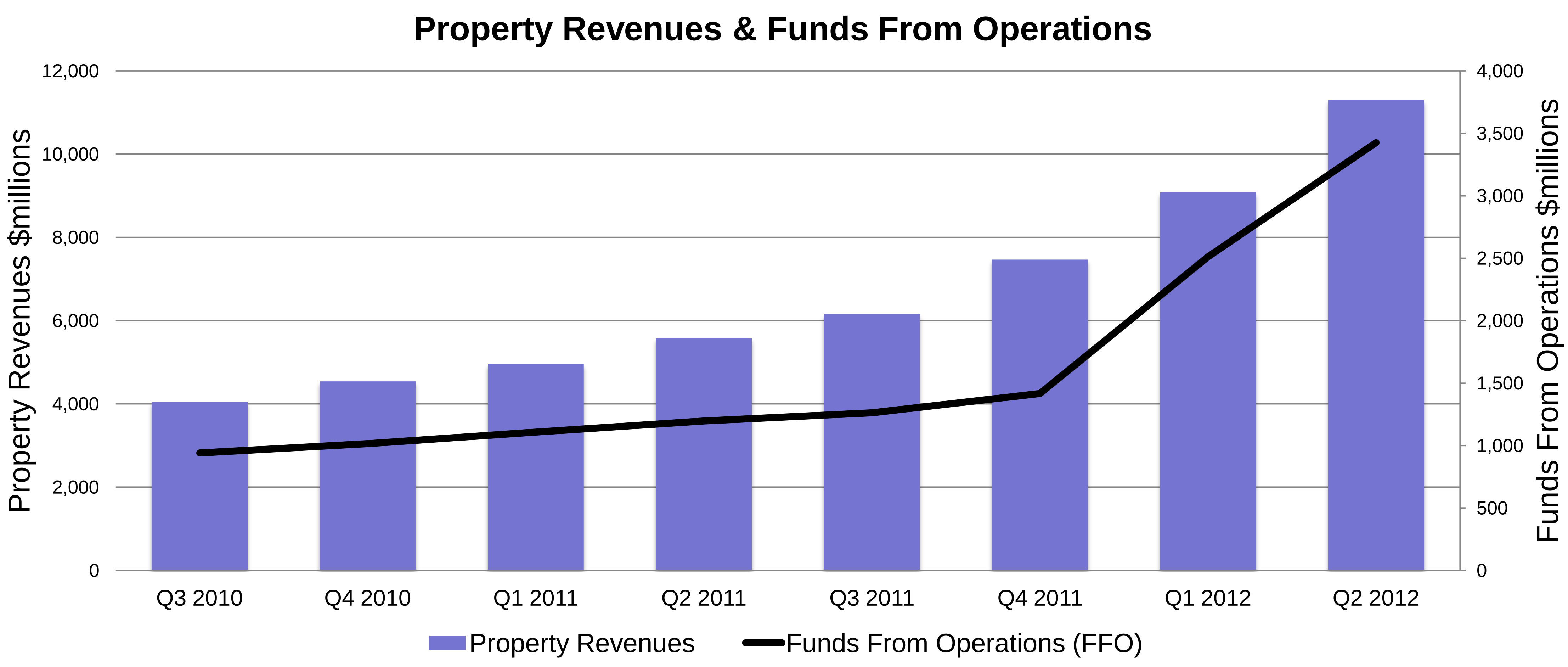
Balance Sheet

Even after significant asset growth our balance sheet remains strong and our coverage ratios are healthy

	Q3, 2010	Q2, 2012
Total Assets $millions	$135	$430
Total Debt to GBV	58%	61%
Total Debt to GBV (excluding converts)	N/A	55%
Weighted Average Interest Rate	5.88%	4.63%
Weighted Average Term to Maturity	7 yrs.	6 yrs.
Debt Coverage	1.36	1.37
Interest Coverage	1.67	1.89

Trends

Revenues and FFO for the portfolio have grown substantially while occupancy rates have remained above 94%



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Growth Strategies

- ## Aggressive Acquisition Program
  - Target properties primarily in the community retail & mixed-use sector
  - Higher-yielding large primary and medium sized cities
  - Mid to Large deal
  - Highest Quality Afforded

- ## Operational Excellence
  - Actively managing existing asset base to foster internal growth.
  - Scheduled rental increases in existing leases, lease renewals, and new leases
  - Ongoing preventive maintenance programs

Acquisitions – Preferred Pool

- Neighborhood and community shopping centres
  - Largely fragmented market
  - Segment comprises approximately 2,180 properties across Canada
  - Approximately 300 million sq. ft. of total GLA across Canada

Acquisitions – Focus, Target, Criteria

- **Focused** on acquiring and managing a portfolio of retail and mixed-use community and civic centers
- **Target** higher-yielding assets in both large & medium sized cities across Canada
- **Investment Criteria**
  - Tenant quality
  - Market demographics
  - Lease terms
  - Expansion opportunities
  - Security of cash flow
  - Potential for increasing value

Acquisitions - Dual Focus

Generate
Higher ROI,
Proportionally
Less Risk

- **Mid to large deal sizes provide differentiation from small public and private real estate investors**
- **Minimizes competition from larger pension plan owners**

Operational Excellence

Cost Control and Revenue Maximizing Initiatives

Proactive Leasing Program

Ongoing Preventive Maintenance Programs

Geographic Portfolio Clustering

Portfolio

Benefits to Unitholders

Increased Occupancy and Higher Renewal Rents

Stable and Competitive Operating Expenses

Operating Economies

Operational Excellence

- Expansion and redevelopment opportunities
  - Meet needs of existing tenants
  - Attract new retailers
- Management team has a proven track record

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Strong Developer Relationships

Why Developers want a relationship with Partners REIT:

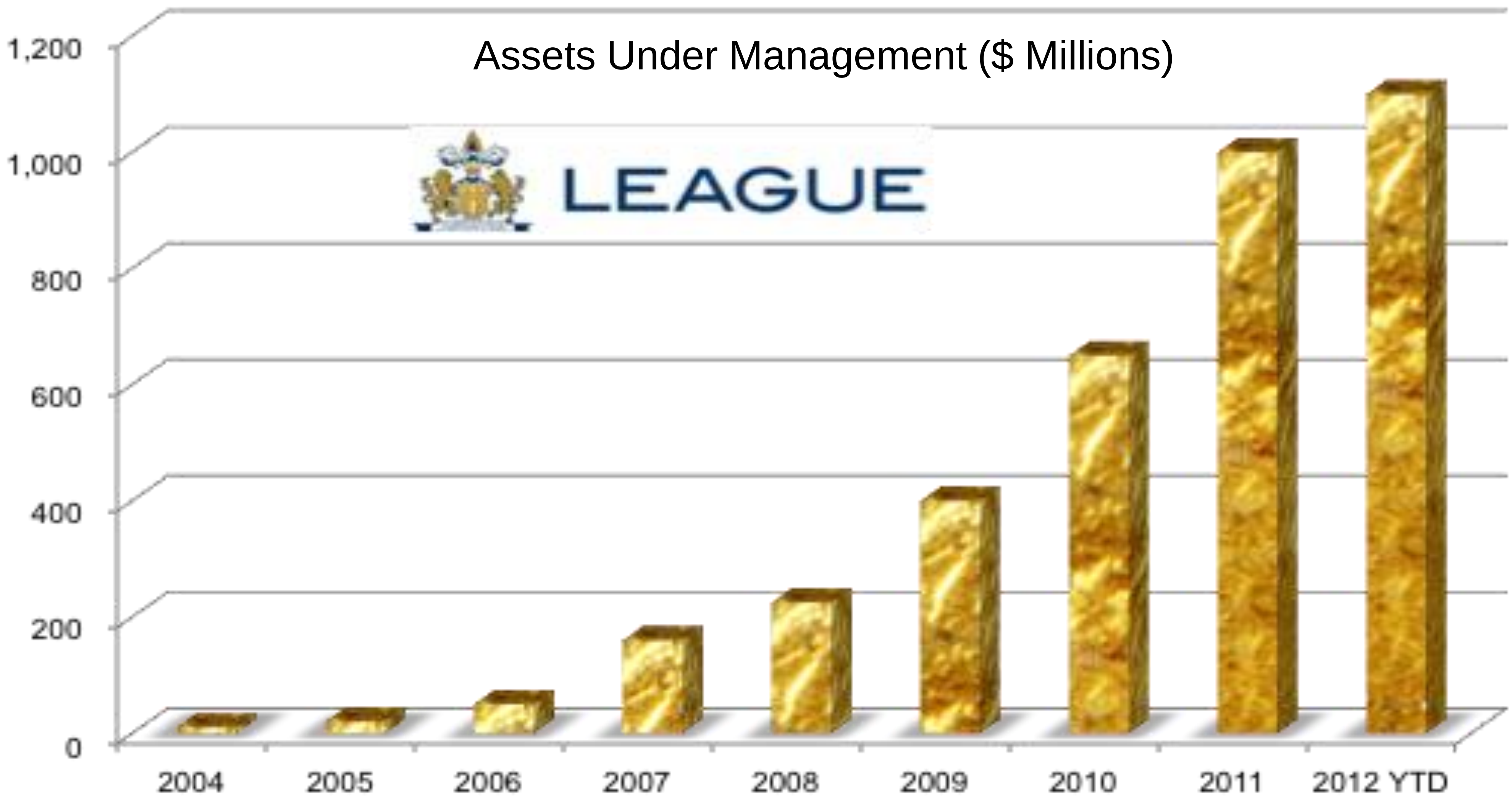
- We provide construction financing through LEAGUE
- Being developers ourselves we understand how to do business with them.
- Our culture is partnership centric and as such we realize that all partners should benefit from any transaction.

How Unitholders benefit from these relationship:

- Proven development pipelines and continual development of brand new buildings with fresh leases.
- Ability to acquire off market properties with accretive pricing through tax differed roll overs and creative structuring.

Captive Pipeline of Acquisition Opportunities

- League Asset Management, over $1.1 billion in assets with several significant development projects and a total 5 year build-out value of ~ $700 million



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Management Team

Adam Gant, - Chief Executive Officer Partners REIT

Adam is also Founding Partner and Chief Executive Officer of League Assets Corp., which through affiliates, maintains a controlling interest in and manages the operations of Partners REIT. Adam has a special interest in the financial aspects and mathematical analysis of real estate economics and valuation.

Patrick M. Miniutti - President, Chief Operating Officer at Partners REIT

A seasoned real estate professional with over 30 years experience. Patrick has held EVP, COO, CFO and Trustee positions at major North American REITs with significant retail property exposure.

Tony Quo Vadis, CA, CGA – Chief Financial Officer at LEAGUE Financial Partners

Tony has accountability and responsibility for the role of Chief Financial Officer for Partners Real Estate Investment Trust. Tony has over 25 years experience as a senior financial and operations executive. He has broad-based experience driving global results for industry-leading organizations across diverse industries including real estate asset management.

Marianne O'Leary, CPM, CMOC - Chief Development Officer at LEAGUE Financial Partners

Marianne has over 20 years experience in property management and was formerly a senior executive with major Canadian REIT where she oversaw the Property Management Division and negotiated over $750 million in acquisitions.

Jay Lin - Vice President Retail Development at LEAGUE Financial Partners

Jay is the Acquisition Partner and Asset Manager for Partners Real Estate Investment Trust. He has over 15 years experience with a broad range of responsibilities in real estate including development and construction management, acquisitions, financing and leasing.

Greg Placidi MBA, CFA - Managing Director, Investment Strategy at LEAGUE Financial Partners

Greg is an accomplished professional with over 20 years of global financial services experience, including evaluating and dissecting financial services companies and markets around the world while working as an equity portfolio manager, equity analyst, strategist, regulator, and company executive in North America, Europe and Asia.

Board of Trustees

Lou Maroun, Chairman & Independent Trustee
Founder and Executive Chair of Sigma Real Estate Advisors LLP
Former CEO of Summit REIT
Former Executive Chair of ING Real Estate Canada

Paul Dykeman CA, Independent Trustee
CEO of Sigma Real Estate Advisors LLP
Former CEO of ING Real Estate Canada
Former CFO of Summit REIT

Saul Shulman LL.B, Independent Trustee
CEO of MLG Management Inc.
Former Partner of Goodman and Carr LLP

John van Haastrecht, Independent Trustee
President of Vanreal Ltd.
Former President & CEO of Morguard REIT

Adam Gant, Trustee
CEO of Partners REIT

Patrick Miniutti, Trustee
President and COO of Partners REIT

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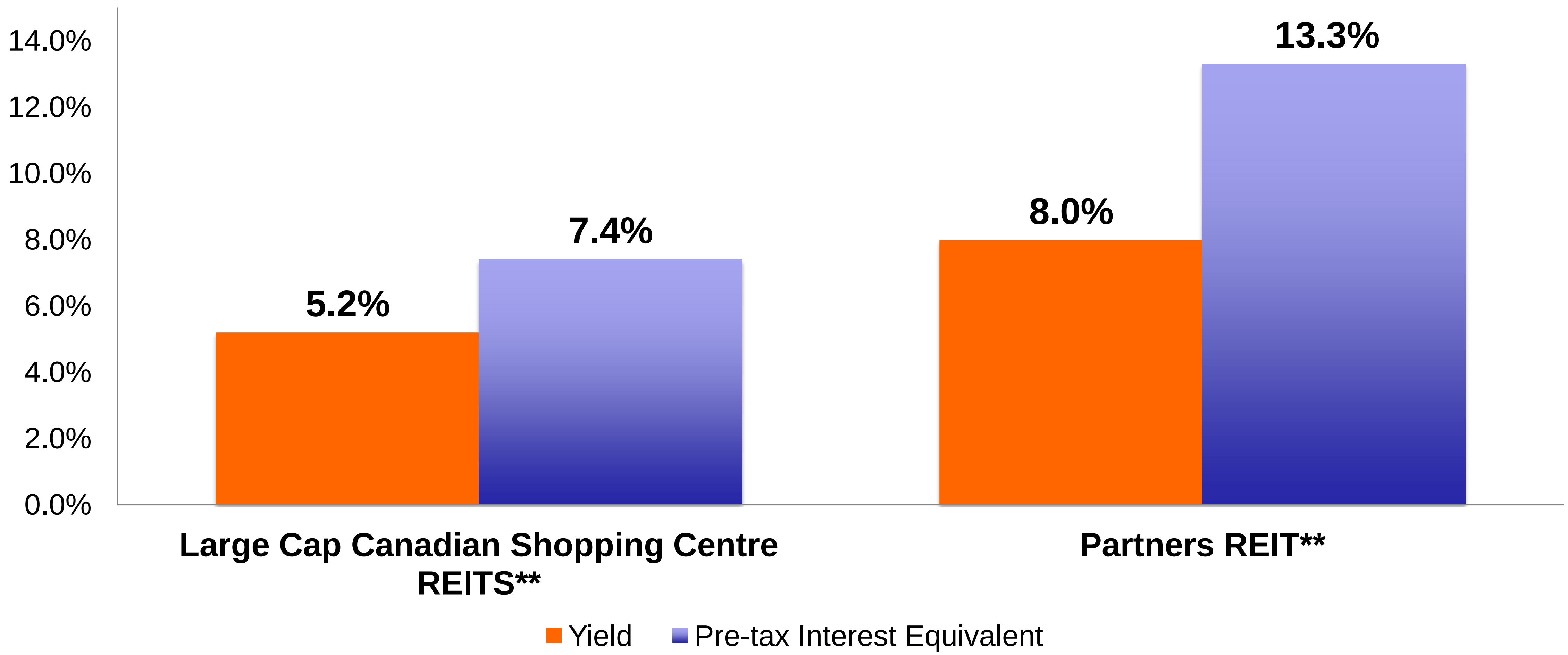
Partners REIT is a Yield Investment



With a strong balance sheet and sustainable payout ratio

• **FFO payout ratio***	**86%**
• **Total Debt to GBV***	**61%**
• **Debt Coverage***	**1.37**
• **Interest Coverage***	**1.89**

* Data as of June 30, 2012, ** Data as of August 21, 2012

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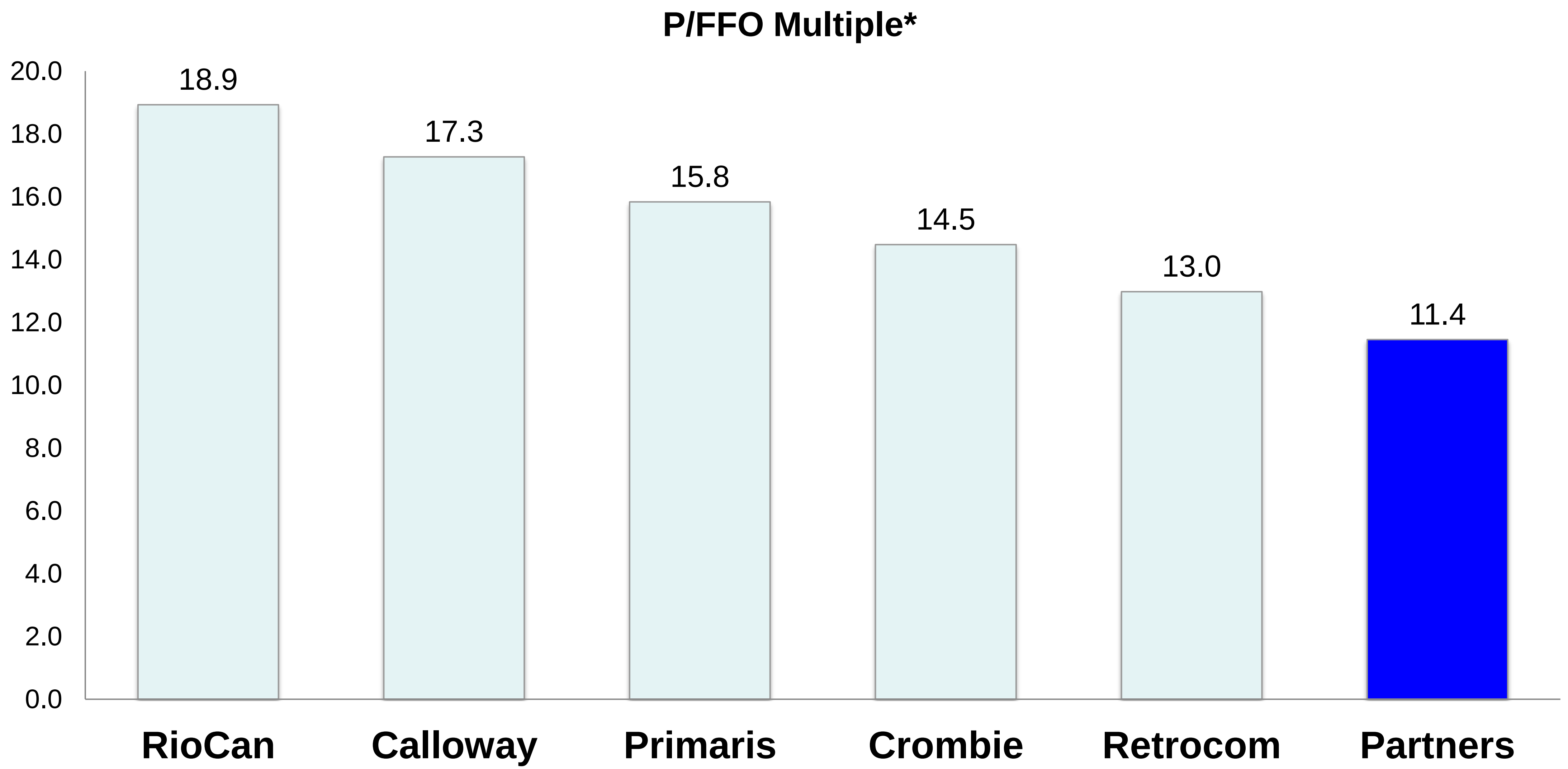
… a Value Investment

Units of Partners REIT are trading at a substantial discount relative to the other major Canadian Retail REITS



* Data as of July 31, 2012

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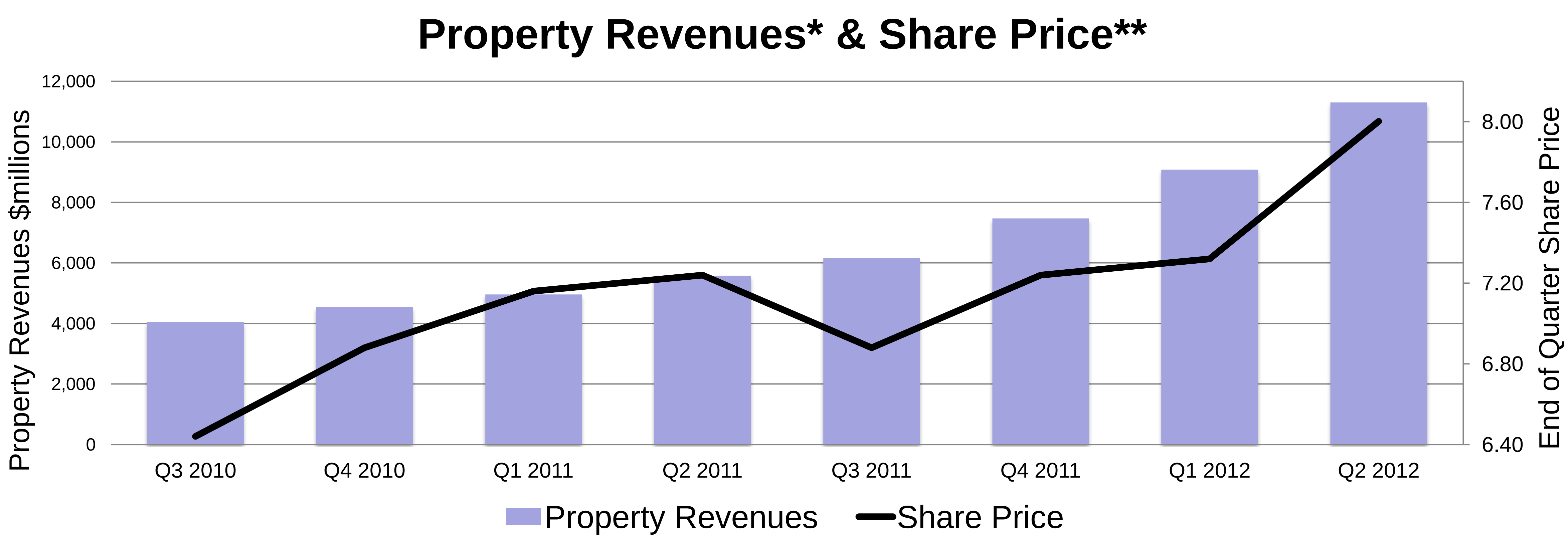
….and a Growth Investment

Since taking over the Management of the REIT in August 2010 we have:

- Tripled the asset base to over $430 million*;
- Grew the Market CAP by six times to over $170 million*;
- Added $38M* worth of credit for acquisitions; and
- Increased FFO per unit by 16%* per annum and share price by 31% per annum.



* Data as of June 30, 2012, ** End of Quarter share prices are used except for Q2 2012 where share price as of August 21, 2012 was used

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