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PRIMARIS RETAIL REIT ISSUES ADDITIONAL \$11.25 MILLION OF
CONVERTIBLE UNSECURED DEBENTURES PURSUANT TO EXERCISE OF
OVER-ALLOTMENT OPTION

Toronto (Ontario), October 9, 2009 - Primaris Retail REIT (TSX:PMZ.UN) announced today that it has successfully closed the issuance of an additional \$11.25 million aggregate principal amount of its 6.30% convertible unsecured subordinated debentures due September 30, 2015 (the "Debentures") following the exercise in full of the over-allotment option granted by Primaris Retail REIT to the underwriters in connection with the previously announced offering of \$75 million aggregate principal amount of the Debentures, which closed on October 6, 2009. The gross proceeds from the offering, including the proceeds from the exercise of the over-allotment option, are \$86.25 million. The Debentures are listed on the Toronto Stock Exchange under the symbol PMZ.DB.B.

The net proceeds from this offering (after deducting the Underwriters' fee and estimated offering expenses) will be used to fund future property acquisitions, the redevelopment of the REIT's existing properties and for general trust purposes.

The syndicate of underwriters was co-led by RBC Capital Markets and CIBC World Markets Inc., with RBC Capital Markets acting as bookrunner.

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.

Forward-Looking Information

The press release contains forward-looking information based on management's best estimates and the current operating environment. These forward-looking statements are related to, but not limited to, the REIT's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan", or similar words suggesting future outcomes. Such forward-looking statements are subject to

risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements.

Although the forward-looking statements contained in this press release are based on what management of the REIT believes are reasonable assumptions, forward-looking statements involve significant risks and uncertainties. They should not be read as guarantees of future performance or results and will not necessarily be an accurate indicator of whether or not such results will be achieved. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results to differ from targets, expectations or estimates expressed in the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, economic, competitive and commercial real estate conditions, unplanned compliance-related expenses, uninsured property losses and tenant-related risks.

Primaris Retail REIT owns 26 income-producing properties comprising approximately 9.3 million square feet located in Canada. As of September 30, 2009, the REIT had 62,477,749 units issued and outstanding.

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