

PRIMARIS RETAIL REIT Completes \$572 Million Acquisition of Five Shopping Centres and Provides Update on Financings and Target Store Conversions

Toronto (Ontario), June 22, 2011 - Primaris Retail REIT (TSX: PMZ.UN) announces that today it completed the acquisition (the "Acquisition") of five shopping centres from Ivanhoe Cambridge for \$572 million dollars.

Property	Location	Gross Leasable Area
Oakville Place	Oakville, ON	455,000
Burlington Mall	Burlington, ON	636,000
Tecumseh Mall	Windsor, ON	373,000
St. Albert Centre	St Albert (Edmonton), AB	312,000
Place Vertu	Montreal, QC	738,000
		<u>2,514,000</u>

John Morrison, President and CEO of Primaris said "The acquisition of these five shopping centres is significant for the growth of Primaris and will be accretive to the Primaris portfolio of properties. We are very pleased with this investment as we are adding a strong mix of shopping centres and retailers to our portfolio. We also welcome new employees to the Primaris team. This investment is consistent with our core strategy of owning shopping centres that have dominant positions in their primary trade areas." The transaction was previously announced on May 24, 2011.

Financing Update

Primaris Retail REIT previously reported that it completed the issuance to the public (including the full exercise of the over-allotment option) of 12,650,000 subscription receipts (the "Subscription Receipts") and \$75 million aggregate principal amount of 5.40% extendible convertible unsecured subordinated debentures (the "Debentures"). Gross proceeds are \$260,590,000 from the Subscription Receipts and \$75 million from the Debentures. The securities were issued on a bought deal basis, through a syndicate of underwriters co-led by RBC Capital Markets and CIBC World Markets Inc., with RBC Capital Markets acting as bookrunner.

The net proceeds from the offering were used to pay a portion of the purchase price for the Acquisition as well as the REIT's expenses with respect to the Acquisition. The Subscription Receipts were automatically exchanged today into Units of the REIT, in accordance with their terms. It is expected that the Subscription Receipts will be immediately halted from trading on the Toronto Stock Exchange and will be de-listed at the end of the day.

Primaris also announced today that the maturity date for the Debentures has been automatically extended to November 30, 2018 as a result of the completion of the

Acquisition. The Debentures are convertible at the option of the holder, into trust units of Primaris Retail REIT at \$28.84 per trust unit.

Primaris placed permanent financing of \$115 million secured by Oakville Place. The net proceeds of this loan were used to pay a portion of the purchase price of the Acquisition. This loan bears interest at a fixed rate of 4.735% and will mature on July 1, 2021.

In addition, Primaris is seeking permanent financing to be secured by Burlington Mall. The commitment is expected to be approximately \$108 million, bear interest at a fixed rate and have a five year term. Primaris expects that this loan will be completed prior to June 30, 2011. The net proceeds of this loan, once completed, will be used to repay a \$57.5 million bridge loan and to repay the \$43 million balance drawn on Primaris' operating credit facility. These loans had both been used to pay a portion of the purchase price of the Acquisition. After these anticipated repayments, Primaris will have fully repaid the bridge credit facility and is expected to be left with a nil balance on its \$130 million operating facility. No debt has been placed on the remaining three properties forming part of the Acquisition.

Target Corporation Update

Four of the acquired assets include a Zellers store while Primaris' pre-existing properties include eight Zellers stores.

On January 13, 2011 Target announced that it had agreed to acquire up to 220 Zellers leasehold interests from Zellers Inc. and the Hudson Bay Company. Target Corporation announced in May the completion of its first tranche of Zellers lease purchases from the Hudson Bay Company.

Included in this first tranche of 105 locations are eight locations across four provinces that are owned by Primaris and currently occupied by Zellers. All eight of these locations will be converted to, and open as, Target stores. Additional sites owned by Primaris may be chosen in Target's decision on the second tranche of store locations, which is expected to occur during the third quarter of 2011. Any remaining locations not selected by Target will continue to be leased by Zellers until the end of the term of the current lease.

Location	Approximate size of existing Zellers Store
Sunridge Mall, Calgary, AB	143,750
St. Albert Centre, St. Albert, AB	94,618
Grant Park, Winnipeg, MB	116,573
Burlington Mall, Burlington, ON	121,523
Cataraqui Town Centre, Kingston, ON	115,307
Place D'Orleans, Ottawa, ON	121,448
Place Vertu, Montreal, PQ	123,975
Place Fleur de Lys, Quebec City, PQ	115,000

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 34 income-producing properties comprising approximately 13.6 million square feet located in Canada. As of May 31, 2011, the REIT had 69,571,328 units issued and outstanding, including Exchangeable Units.

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