



Institutional Equity Research Earnings Update

May 17, 2012

Stock Rating:
Sector Performer

Sector Weighting:
Overweight

12-18 mo. Price Target \$8.00
PAR.UN-TSX (5/16/12) \$7.58

Key Indices: None

3-5-Yr. AFFO Gr. Rate NA
52-week Range \$6.04-\$8.00
Units Outstanding 18.5M
Float 15.3M Units
Avg. Daily Trading Vol. NM
Market Capitalization \$140.3M
Distribution/Distr. Yield \$0.64 / 8.4%
Fiscal Year Ends December
Net Asset Value \$6.75 per Unit
2012 RETURNS
LT Debt \$249.1M
Preferred Nil
Common Equity \$129.1M
Convertible Available Yes

FFO Per Unit*	Prev	Current
2011		\$0.55A
2012	\$0.62E	\$0.69E
2013	\$0.65E	\$0.70E

P/FFO		
2011		13.8x
2012	12.2x	11.0x
2013	11.7x	10.8x

* Fully diluted.

AFFO Per Unit*		
2011		\$0.46A
2012	\$0.55E	\$0.61E
2013	\$0.58E	\$0.62E

P/AFFO		
2010		16.5x
2011	13.8x	12.4x
2012	13.1x	12.2x

* FD

Company Description

Partners REIT is a mid-market shopping centre REIT, focusing on acquisitions of \$10 mln to \$50 mln in primary and secondary markets with a portfolio comprising 29 properties totalling ~2.1 mln sq. ft. www.partnersreit.com

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Real Estate

Partners Real Estate Investment Trust

Q1 SP Cash NOI Rises +4.9%; Actively Pursuing Retail Property Acquisitions

- Q1 FD FFO/unit was slightly ahead at \$0.17 (incl. \$0.03 in interest income), up from \$0.11 in Q1/11 (incl. \$0.03 in transaction costs). Q1/12 same-portfolio cash NOI rose 4.9% Y/Y due to higher in-place and percentage rents. Same property occupancy declined to 95.5% from 97.4% a year ago.
- In 2012 to date, PAR has acquired eight retail properties from third-party vendors for ~\$134 million. (weighted-average cap rate: 7.0%). Further stabilized retail property acquisitions may come from either third-party vendors or through vend-in transactions from an affiliate, League.
- In Q1/12, PAR sold three mortgage assets acquired from NorRock for \$3.2 million, below the book value of \$3.7 million. PAR has also entered into an agreement that provides PAR the option to sell the remaining non-cash assets, if any, to League at the retained value no later than Nov 1/12.
- PAR's units trade at 11.0x 2012E FD FFO, 12% above estimated NAV of \$6.75 (based on annualized cash NOI and employing an average cap rate of 7.25%) and yield 8.4%. Our 12- to 18-month price target is ~11.5x 2012E FD FFO, or \$8.00 (from \$7.75). Our rating remains Sector Performer.

Stock Price Performance



Source: Reuters

All figures in Canadian dollars, unless otherwise stated.

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See "Price Target Calculation" and "Key Risks to Price Target" sections at the end of this report, where applicable.



Partners Real Estate Investment Trust

PAR.UN-V 5/17/2012
 12 - 18 month Price Target: \$8.00 Per Unit
 Sector: Real Estate & Related
 Sector Weighting: Overweight

Current Yield: 8.4%
 Market Capitalization (\$ mlns): \$140.3

Stock Rating: Sector Performer

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Price Target Calculation & NAV

CIBC 2012E FD FFO:	\$0.69
Target Multiple (2012E FD FFO):	11.5x
CIBC Price Target:	\$8.00
Implied 12-18 Month Total Return:	14%
CIBC NAV(E):	\$6.75
Premium/(Discount) To NAV:	12%
Cap Rate:	7.25%

Total Return

	2010	2011	2012 YTD
Price Return	25.5%	5.2%	4.7%
Yield	11.7%	9.3%	2.9%
Total	37.2%	14.5%	7.6%

REIT Management

Adam Gant, CEO
 Patrick Miniutti, President and COO

www.partnersreit.com

Earnings Summary

Financial Metric	2011A	2012E	2013E
Funds From Operations	\$0.55	\$0.69	\$0.70
YoY Change	17.0%	25.5%	1.4%
Adjusted FFO	\$0.46	\$0.61	\$0.62
YoY Change	35.3%	32.6%	1.6%

Debt Maturity & Liquidity Profile (At Q1/12, Proforma)

Mlns	2012	2013	2014
Mortgages (Principal)	\$4.2	\$26.9	\$30.4
Credit Facilities	\$0.0	\$13.5	\$0.0
Unsecured Debentures	\$0.0	\$0.0	\$0.0
Total	\$4.2	\$40.4	\$30.4
Weighted Avg Interest Rate	4.9%		

Cash & Equivalents*	\$1.0
Undrawn Credit Facilities	\$0.0
Total	\$1.0

*excludes restricted cash and ~\$10.5 million in mortgage assets

Recent Occupancy History

Year	Q1	Q2	Q3	Q4
2012	95.9%	N/A	N/A	N/A
2011	97.6%	98.3%	98.2%	98.0%
2010	92.0%	95.1%	95.2%	95.7%

Recent Same Portfolio NOI Growth

Year	Q1	Q2	Q3	Q4
2012	5.4%	N/A	N/A	N/A
2011	(1.0%)	3.3%	5.3%	(1.3%)
2010	(13.4%)	(8.6%)	(8.0%)	2.9%

Top 10 Tenants (At Q1/12)

Tenant	Sq.Ft. (%)
Shoppers Drug Mart	10.9%
Canadian Tire	9.6%
Sears	4.8%
Rona	4.3%
Metro/Super C	4.2%
Quebec Government	4.1%
Wal-Mart	4.0%
Braut & Martineau	3.8%
Staples	2.5%
Loblaws	2.0%
Total	50.2%

Company Description

Partners REIT is a mid-market retail REIT, focused on acquisitions of \$10 mln to \$50 mln in primary and secondary market with a portfolio comprising 29 properties, totaling approximately 2.1 million sq. ft. of retail space.

Strategy

PAR's acquisition strategy focuses on mid-market retail properties in primary and secondary markets. Retail property acquisitions completed by PAR could come in the form of single-tenant retail assets leased to national companies; grocery-anchored multi-tenant strip centres; and, to a lesser extent, the retail portion of urban mixed-use properties. Any retail property acquired by PAR must be immediately accretive to AFFO/unit.

Investment Thesis: Sector Performer

-ROBUST ACQUISITION ACTIVITY: PAR intends acquisitions that are immediately accretive to AFFO/unit. Since the start of 2011, PAR has completed or entered into agreements to acquire ~\$230 mln in retail property acquisitions across and trade at 11.0x 2012E FD FFO or a ~6.0x 2012E P/FFO multiple discount to its large-cap shopping centre peers

-DISCOUNT VALUATION AND ATTRACTIVE YIELD: PAR units yield 8.4% (or 8.0% on a 2012E AFFO-covered basis)

- ABOVE-AVERAGE RISKS: PAR's units carry above-avg risks in relation to the Cdn REIT universe, incl: its below-avg. unit liquidity due to its ~\$140 mln market capitalization; greater secondary property market exposure; its above-average financial leverage employed (proforma debt/GBV assets of ~65%); and its distribution of \$0.64/unit exceeds 2012E AFFO of \$0.61/unit.

Comparable Company Table

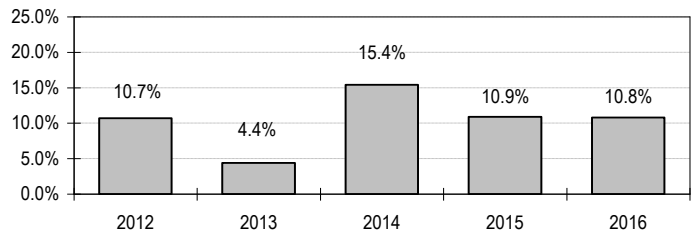
	2011A	2012E	2013E
FFO MULTIPLES			
Partners REIT	13.8x	11.0x	10.8x
Peer Group ¹	17.3x	16.7x	15.9x
AFFO MULTIPLES			
Partners REIT	16.5x	12.4x	12.2x
Peer Group ¹	19.2x	18.4x	17.5x

Note¹: REI.UN, CWT.UN, PMZ.UN and FCR.

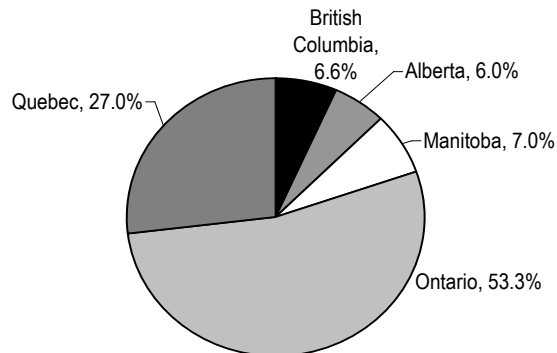
Leverage Summary (IFRS)

LEVERAGE SUMMARY	Q1/12	Q1/11	Limit
EBITDA Interest Coverage:	1.7x	1.7x	
Debt/GBV of Assets:	64.1%	67.4%	75.0%

Lease Maturity Schedule (% OF GLA)



Property Breakdown (Q1/12, % Of Annualized Base Rental Revenue)



Source: Company reports, ThomsonOne and CIBC World Markets Inc.



Q1/12 FD FFO Slightly Ahead Of Expectations

Q1/12 FD FFO was slightly ahead of expectations at \$0.17/unit including \$0.03/unit in interest income earned from mortgage assets acquired from NorRock Realty Finance Corporation (NorRock), up from \$0.11/unit a year earlier including \$0.03/unit in transaction costs. Improvements in Partners' (PAR.UN-SP) same-property rental income (NOI), ~\$220 million in retail property acquisitions completed since the start of 2011 and interest income from mortgage assets acquired from NorRock were partly offset by greater general and administrative (G&A) expenses and an 85% increase in the weighted average number of basic units outstanding. Q1/12 same-property cash NOI rose 4.9% year over year (Y/Y), reflecting increased percentage rent revenues at Cornwall Square, higher in-place rents from a new tenant Place Val Est, increased step rents from tenants at Wellington Southdale Mall and reduced property management fees as result a of the REIT's successful renegotiation of external property management agreements. Same-property occupancy declined to 95.5% from 97.4% a year ago due mainly to increased vacancy at the Mega Centre.

Intends To Strengthen Its Presence In British Columbia Over Time

Partners intends to strengthen its presence in Western Canada over time, particularly in British Columbia (B.C.). The REIT is targeting to increase its contribution from retail properties in B.C. to ~20% of annual NOI. Partners continues to actively pursue stabilized retail property acquisitions, which could come from either third-party vendors or through vend-in transactions from League Asset Corp (League), an affiliate of Partners' external asset manager LAPP Global Asset Management Inc. (LAPP) and controlling unitholder IGW Public LP (IGW). League intends to expand its retail property development platform, which is currently concentrated in B.C. In the long-term, if League is successful in growing its development pipeline the opportunity may exist for Partners to have access to an acquisition pipeline of stabilized retail properties. Management estimates that stabilized retail properties owned by League and IGW that currently could be offered to sell to Partners in the next 12 months approximate \$50 million to \$70 million.

Completes Shopping Centre Acquisitions Totaling ~\$134 Million

In Q1/12, Partners acquired five retail properties in Ontario, one shopping centre in Quebec and one retail property in Alberta totaling 509,919 sq. ft. for \$124.2 million at an estimated cap rate of 7.0% (including rental income guarantees). The transactions were funded by new and assumed mortgage debt of \$69.0 million (average interest rate: 4.5%) and \$55.2 million from proceeds from the NorRock transaction and the issuance of common equity in Q1/12.

In May, the REIT acquired the Grand Bend Town Centre, a 36,100-sq.-ft. unenclosed shopping centre in Grand Bend, Ontario for \$9.3 million at an estimated cap rate of 7.0% (including a rental income guarantee). The transaction was funded by the new and assumed mortgage debt of \$4.9 million (average effective interest rate: 4.5%) and balance funded by cash on hand. A rental income guarantee was provided for the planned construction of a 6,100-sq.-ft. new retail pad that will be leased to LCBO commencing in May 2013.

Exhibit 1. 2012 To Date Retail Property Acquisitions

Property	Location	Description	GLA (Sq. Ft.)	Anchor(s)	Purchase Price ⁽¹⁾ (\$000)	Cap Rate ⁽⁴⁾ (%)	Mortgage Debt ⁽²⁾ (\$000)	Average Interest Rate ⁽³⁾ (%)	Equity Financing (\$000)
Crossing Bridge Square	Stittsville, ON	Unenclosed Shopping Centre	45,800	IDA Drug Mart	11,200	6.7%	5,600	3.6%	5,600
Grand Bend Town Centre	Grand Bend, ON	Unenclosed Shopping Centre	36,100	Shoppers, LCBO	9,300	7.0%	4,900	4.8%	4,400
King George Square	Brantford, ON	Unenclosed Shopping Centre	67,100	Shoppers, Dollarama	16,700	7.2%	8,400	3.6%	8,300
Manning Crossing	Edmonton, AB	Retail Strip Centre	64,500	RBC, Smitty's, Tim Hortons, A&W	21,000	6.9%	12,600	4.7%	8,400
St. Clair Beach Towne Centre	Windsor, ON	Unenclosed Shopping Centre	40,100	Shoppers, Swiss Chalet	11,800	7.6%	6,200	5.4%	5,600
Thunder Centre	Thunder Bay, ON	Power Centre	168,000	Canadian Tire, Home Depot (Shadow anchors)	38,200	7.2%	19,700	5.2%	18,500
Plaza Des Seigneurs	Terrebonne, QC	Unenclosed Shopping Centre	20,833	SAQ, National Bank, Uniprix Drug Store	4,050	7.4%	2,250	3.5%	1,800
Quinte Crossroads	Belleville, ON	Power Centre	88,319	Home Depot (Shadow anchor)	21,250	6.6%	14,200	3.8%	7,050
			530,752		133,500	7.0%	73,850	4.5%	59,650

¹ The purchase price is reflected as net of price adjustments for the above market interest rate on assumed mortgage debt.

² Includes new and assumed mortgage debt.

³ Average Interest rates on assumed mortgage debt based on the face rates ranging from 5.44% to 6.6%. After adjusting for price adjustment, effective interest rates on assumed mortgage debt range from 3.5% to 3.9%.

⁴ Includes ~\$400k in rental income guarantees over a two-year period at: 1) Grand Bend Town Centre; 2) King George Square; 3) Manning Crossing; 4) St. Clair Beach Town Centre; and 5) Thunder Centre.

Source: Partners REIT.

Sale Of Mortgage Assets Acquired From NorRock; Enters Into An Agreement With League

In Q1/12, Partners REIT acquired \$41.5 million in cash and cash equivalents and \$9.4 million in non-cash assets (mainly mortgage securities) for gross proceeds of \$50.9 million from NorRock. The transaction was funded through for the issuance of equity, rights and cash to NorRock security holders.

Two separate payments will be made to fund the NorRock transaction. As part of the initial payment, Partners issued ~7.4 million REIT units at a price of \$6.92/unit for ~\$51.2 million. In addition, Holders of NorRock Class A shares and stock appreciation rights received ~3.1 million rights on a pro rata basis with an initial estimated value of \$4.4 million. The rights entitle the holder to receive additional payments, if any, on a pro rata basis after closing if the fair value of non-cash assets acquired is greater than the original price paid by Partners.

The final payment for the transaction will be made up to 90 days following the earlier of: (a) the liquidation of all non-cash assets acquired by Partners from NorRock; and (b) August 1, 2012. These rights will entitle the holder to receive, at the REIT's discretion, either: a) REIT units; b) cash; or c) a combination of cash and REIT units. The number of units to be issued by Partners through the rights offering will be based on the prior five-day volume weighted average trading price, determined on the date of issue.

On March 29, the REIT sold three mortgage assets for \$3.2 million, below the book value of \$3.7 million. The difference was applied as a reduction in the fair value adjustment (noted above).

Partners has entered into an agreement with League that provides, at any time, the REIT the option to sell the remaining non-cash assets acquired from NorRock to League at the retained value. As part of the agreement, League would purchase the remaining mortgage assets, if any, owned by Partners no later than November 1/12.

Exploring Growth Opportunities Through Potential Value-creation Initiatives

Partners intends to pursue, where appropriate, value-adding initiatives in its property portfolio, including exploring re-positioning, re-development and re-tenanting opportunities. Value-creation opportunities may exist at the Mega Centre in Montreal, Quebec, which is currently 89% occupied and includes 71,118 sq. ft. (26% of the property's total GLA) leased on a short-term basis, providing Partners the flexibility to pursue longer-term leasing initiatives and redevelopment strategies. It should be noted that any property renovations initiated may cause a temporary decline in NOI as GLA is taken offline for construction.

Financial Position: No Mortgage Debt Maturities Until 2013

At March 31, debt/gross book value (GBV) assets including convertible debentures on an IFRS basis was 64.1% (maximum: 75%, target: under 65%). The REIT's current average term to maturity on its mortgage payable is approximately four years and weighted average contractual interest rate is 4.89%. Partners does not have any mortgage maturities until 2013. The REIT's current liquidity position is ~\$1.0 million (excluding ~\$10.5 million in mortgage assets).

Issues ~3.0 Million Units For Gross Proceeds Of \$23 Million

In Q1/12, Partners issued ~3.0 million trust units at a price of \$7.44/unit for gross proceeds of \$22.7 million.

Graduates To The TSX

In March, Partners received final approval to list its securities on the Toronto Stock Exchange (TSX). In April, Partners' units were listed on the TSX and its securities were no longer listed on the TSX Venture. The REIT's trading symbols remain unchanged.

Investment Outlook

Partner's external asset manager and controlling unitholder (~17% indirect controlling interest held through affiliated entity IGW), League, intends to grow Partners through various value-enhancing strategies, including: 1) leasing initiatives; 2) value-creation strategies that may include the re-development or re-positioning of Partners' properties; and 3) sourcing and executing accretive retail and mixed-use property acquisitions. In the long term, League and IGW (a private REIT externally managed by League) may offer to sell stabilized retail and mixed-use properties to Partners. If League is successful in growing its development platform, the REIT may have access to an acquisition pipeline. Partners intends to complete property acquisitions that are immediately accretive to AFFO/unit.

Partners should experience positive same-portfolio NOI growth in 2012 driven by the full year reflection of lease agreements that were completed in 2011 at Place Val Est, Cornwall Square and the REIT's Chateauguay property. Partners' FD FFO should also benefit from ~\$230 million in retail and mixed-use property acquisitions that have been completed since the start of 2011. However, this forecasted NOI growth is anticipated to be partly offset by a ~125% Y/Y increase in the weighted average number of units outstanding.

Reflecting the net of: Q1/12 results, a reduction in the cash drag expected from the NorRock transaction and Q1/12 equity offering, higher forecasted interest income and lower G&A expenses, our 2012E FD FFO is increased to \$0.69/unit from \$0.62/unit and our 2012E FD AFFO rises to \$0.61/unit from \$0.55/unit. Our 2013E FD FFO is \$0.70/unit, up from \$0.65/unit and our 2013E FD AFFO is \$0.62/unit, up from \$0.58/unit, respectively.

Price Target Calculation

Partners' units trade at 11.0x 2012E FD FFO, compared to its public shopping centre peers, which average 16.7x 2012E FFO and yield 8.4% (shopping centre peers average: 5.3%). Our 12- to 18-month price target is ~11.5x (reduced from 12.5x to offset the increase in NAV premium) 2012E FD FFO of \$0.69/unit, or \$8.00 (from \$7.75), ~20% above our estimated NAV of \$6.75/unit (based on annualized cash NOI and employing a 7.25% average cap rate). We continue to rate Partners as Sector Performer.

Key Risks To Price Target

Risks include the potential for an unanticipated increase in interest rates, unexpected deterioration in economic and/or retail market fundamentals, and/or diversion of investors' capital flows toward other asset classes, away from REITs.

Our FFO estimates are shown below:

	1 Qtr.	2 Qtr.	3 Qtr.	4 Qtr.	Yearly
2011 Current	\$0.11A	\$0.14A	\$0.16A	\$0.13A	\$0.55A
2012 Prior	\$0.14E	\$0.16E	\$0.16E	\$0.17E	\$0.62E
2012 Current	\$0.17A	\$0.17E	\$0.17E	\$0.18E	\$0.69E
2013 Prior	--	--	--	--	\$0.65E
2013 Current	\$0.17E	--	--	--	\$0.70E

Note: 2011 FD FFO includes \$0.09/unit in transaction costs. Owing to rounding and the method of calculating fully diluted units, quarterly figures may not add up to annual numbers.

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Canadian Tire Corporation, Ltd. (2g, 7, 13) (CTC.A-TSX, \$66.65, Sector Outperformer)
Dollarama Inc. (2g) (DOL-TSX, \$54.24, Sector Outperformer)
First Capital Realty Inc. (2a, 2c, 2e, 2g) (FCR-TSX, \$18.21, Sector Performer)
Loblaw Companies Limited (2g) (L-TSX, \$32.19, Sector Performer)
National Bank Of Canada (2a, 2c, 2d, 2e, 2f, 2g, 3a, 3c, 7) (NA-TSX, \$72.44, Sector Performer)
Primaris Retail REIT (2a, 2c, 2e, 2g, 7) (PMZ.UN-TSX, \$22.79, Restricted)
RioCan REIT (2a, 2c, 2e, 2g, 7) (REI.UN-TSX, \$27.14, Sector Outperformer)
RONA Inc. (2g, 7) (RON-TSX, \$9.92, Sector Performer)
Royal Bank of Canada (2a, 2c, 2e, 2f, 2g, 3a, 3c, 7) (RY-TSX, \$51.97, Sector Performer)
Shoppers Drug Mart Corporation (2g, 7) (SC-TSX, \$41.01, Sector Performer)
Tim Hortons, Inc. (2g, 7) (THI-TSX, \$54.15, Sector Performer)

Companies Mentioned in this Report that Are Not Covered by CIBC World Markets Inc.:

Stock Prices as of 05/17/2012:

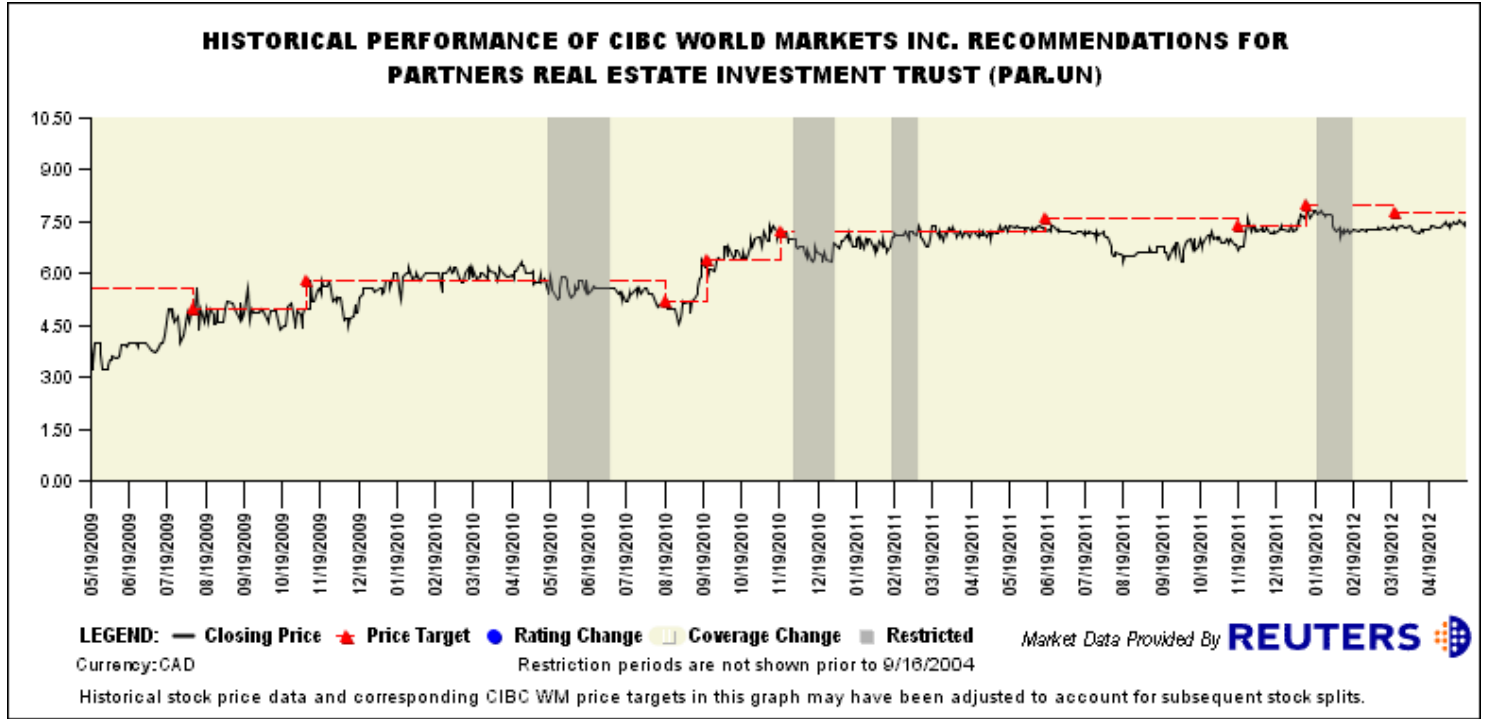
Home Depot (HD-NYSE, US\$47.44, Not Rated)
Sears Canada Inc. (SCC-TSX, \$10.75, Not Rated)
Staples Inc. (SPLS-NASDAQ, US\$13.36, Not Rated)
Wal-Mart (WMT-NYSE, US\$62.18, Not Rated)

Important disclosure footnotes that correspond to the footnotes in this table may be found in the "Key to Important Disclosure Footnotes" section of this report.

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- 2d CIBC World Markets Corp. has received compensation for investment banking services from this company in the past 12 months.
- 2e CIBC World Markets Inc. has received compensation for investment banking services from this company in the past 12 months.
- 2f CIBC World Markets Corp. expects to receive or intends to seek compensation for investment banking services from this company in the next 3 months.
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- 12 The equity securities of this company are subordinate voting shares.
- 13 The equity securities of this company are non-voting shares.
- 14 The equity securities of this company are limited voting shares.

CIBC World Markets Inc. Price Chart



HISTORICAL PERFORMANCE OF CIBC WORLD MARKETS INC. RECOMMENDATIONS FOR PARTNERS REAL ESTATE INVESTMENT TRUST (PAR.UN)

Date	Change Type	Closing Price	Rating	Price Target	Coverage
08/07/2009	▲	4.96	SP	5.00	Brad Sturges, CFA
11/05/2009	▲	5.00	SP	5.80	Brad Sturges, CFA
05/17/2010	■	5.48	R	-	Brad Sturges, CFA
07/05/2010	■	5.60	SP	5.80	Brad Sturges, CFA
08/18/2010	▲	5.12	SP	5.20	Brad Sturges, CFA
09/20/2010	▲	6.16	SP	6.40	Brad Sturges, CFA
11/18/2010	▲	7.08	SP	7.20	Brad Sturges, CFA
11/29/2010	■	7.00	R	-	Brad Sturges, CFA
12/31/2010	■	6.88	SP	7.20	Brad Sturges, CFA
02/14/2011	■	6.80	R	-	Brad Sturges, CFA
03/08/2011	■	7.40	SP	7.20	Brad Sturges, CFA
06/17/2011	▲	7.24	SP	7.60	Brad Sturges, CFA
11/16/2011	▲	6.84	SP	7.40	Brad Sturges, CFA
01/10/2012	▲	7.72	SP	8.00	Brad Sturges, CFA
01/18/2012	■	7.84	R	-	Brad Sturges, CFA
02/16/2012	■	7.24	SP	8.00	Brad Sturges, CFA
03/21/2012	▲	7.35	SP	7.75	Brad Sturges, CFA

CIBC World Markets Inc. Stock Rating System

Abbreviation	Rating	Description
Stock Ratings		
SO	Sector Outperformer	Stock is expected to outperform the sector during the next 12-18 months.
SP	Sector Performer	Stock is expected to perform in line with the sector during the next 12-18 months.
SU	Sector Underperformer	Stock is expected to underperform the sector during the next 12-18 months.
NR	Not Rated	CIBC World Markets does not maintain an investment recommendation on the stock.
R	Restricted	CIBC World Markets is restricted*** from rating the stock.
Sector Weightings**		
O	Overweight	Sector is expected to outperform the broader market averages.
M	Market Weight	Sector is expected to equal the performance of the broader market averages.
U	Underweight	Sector is expected to underperform the broader market averages.
NA	None	Sector rating is not applicable.

**Broader market averages refer to the S&P 500 in the U.S. and the S&P/TSX Composite in Canada.

"Speculative" indicates that an investment in this security involves a high amount of risk due to volatility and/or liquidity issues.

***Restricted due to a potential conflict of interest.

Ratings Distribution*: CIBC World Markets Inc. Coverage Universe

(as of 17 May 2012)	Count	Percent	Inv. Banking Relationships	Count	Percent
Sector Outperformer (Buy)	153	41.5%	Sector Outperformer (Buy)	151	98.7%
Sector Performer (Hold/Neutral)	167	45.3%	Sector Performer (Hold/Neutral)	165	98.8%
Sector Underperformer (Sell)	30	8.1%	Sector Underperformer (Sell)	28	93.3%
Restricted	18	4.9%	Restricted	17	94.4%

Ratings Distribution: Real Estate Coverage Universe

(as of 17 May 2012)	Count	Percent	Inv. Banking Relationships	Count	Percent
Sector Outperformer (Buy)	12	37.5%	Sector Outperformer (Buy)	11	91.7%
Sector Performer (Hold/Neutral)	13	40.6%	Sector Performer (Hold/Neutral)	12	92.3%
Sector Underperformer (Sell)	2	6.3%	Sector Underperformer (Sell)	0	0.0%
Restricted	5	15.6%	Restricted	5	100.0%

Real Estate Sector includes the following tickers: ACC, AIF, AP.UN, AX.UN, BEI.UN, BOX.UN, BPO, BRE, CAR.UN, CRR.UN, CSH.UN, CUF.UN, CWT.UN, D.UN, EXE.UN, FCR, HR.UN, INN.UN, KMP, LW, MRT.UN, NPR.UN, NWH.UN, PAR.UN, PMZ.UN, REF.UN, REI.UN, RMM.UN, RYL, SRQ.UN, TGA.UN, WB.

*Although the investment recommendations within the three-tiered, relative stock rating system utilized by CIBC World Markets Inc. do not correlate to buy, hold and sell recommendations, for the purposes of complying with NYSE and NASD rules, CIBC World Markets Inc. has assigned buy ratings to securities rated Sector Outperformer, hold ratings to securities rated Sector Performer, and sell ratings to securities rated Sector Underperformer without taking into consideration the analyst's sector weighting.

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