CONTACT:
Heather Crowell
SVP, Strategy & Communications
(215) 454-1241
heather.crowell@preit.com

PREIT Highlights Differentiated Portfolio in Response to Bon-Ton Liquidation

The Company has the lowest exposure to the department store in the mall sector

Philadelphia, PA, April 18, 2018 – PREIT (NYSE: PEI) today showcased the results of its portfolio improvement effort in response to Bon-Ton's planned liquidation, differentiating the REIT from its mall peers.

PREIT's proactive anchor replacement program has been a critical differentiator for its portfolio, minimizing the Company's exposure to challenged department stores with only **two** Bon-Ton stores that will be impacted by this announcement. PREIT has a proven ability to replace department stores and has retailer interest on the two Bon-Ton boxes.

From January 2017 to March 2018, PREIT has successfully outlined plans for 11 vacant anchors, with five new anchors open and operating; executed leases for four additional replacements – including Belk replacing Bon-Ton at Valley Mall, opening fall 2018; Leases pending for remaining two anchors. The result of this initiative is 17 sought-after tenants, spanning seven diverse uses, paying rents eight times greater than the space was previously generating.

"PREITs portfolio repositioning effort is paying off with strong year to date sales trends, an improved demographic profile and continued success in our anchor enhancement strategy," said Joseph F. Coradino, CEO of PREIT.

Substantiating this point, PREIT noted:

- Year-to-date comparable store sales in its portfolio were up 8.2% through February.
    - The Company now boasts 8 properties with Rolling 12 month sales per square foot over $500, over one third of the Company's operating portfolio.
    - Sales increases for the year-to-date period occurred at all properties with the exception of one.
    - Rolling 12 sales per square foot have reached an all-time high for the portfolio at **$483**.

Coradino continued, "Over the past several years, PREIT's strategy has been laser focused on crafting a portfolio of attractive properties with productive retailers reflecting evolving consumer habits. In fact, our aggressive disposition and proactive anchor replacement program has resulted in the lowest exposure to Bon-Ton within our sector. We have found great opportunity in replacing department stores and have been leading the industry in so doing, remerchandising with new concepts to transform the mall experience and drive traffic."

Complementing the robust anchor repositioning strategy, PREIT's sector-leading asset disposition program, in addition to generating proceeds to fund reinvestment in core portfolio, has also reduced its exposure to struggling retailers. The Company was the first to execute and complete a large-scale low-productivity mall disposition program to improve portfolio quality. Since PREIT's sale of 17

underperforming properties over the past five years, 25 anchor stores in those malls have since closed – validating PREIT's foresight and keen understanding of the retail marketplace.

As a result of PREIT's effective disposition effort and proactive anchor replacement strategy, PREIT has reduced its Bon-Ton exposure from 10 in 2012 to only 2 today.

About PREIT

PREIT (NYSE:PEI) is a publicly traded real estate investment trust that owns and manages quality properties in compelling markets. PREIT's robust portfolio of carefully curated retail and lifestyle offerings mixed with destination dining and entertainment experiences are located primarily in the densely-populated eastern U.S. with concentrations in the mid-Atlantic's top MSAs. Since 2012, the Company has driven a transformation guided by an emphasis on portfolio quality and balance sheet strength driven by disciplined capital expenditures. Additional information is available at www.preit.com or on Twitter or LinkedIn.

Forward Looking Statements

This press release contains certain forward-looking statements that can be identified by the use of words such as "anticipate," "believe," "estimate," "expect," "project," "intend," "may" or similar expressions. Forward-looking statements relate to expectations, beliefs, projections, future plans, strategies, anticipated events, trends and other matters that are not historical facts. These forward-looking statements reflect our current views about future events, achievements or results and are subject to risks, uncertainties and changes in circumstances that might cause future events, achievements or results to differ materially from those expressed or implied by the forward-looking statements. In particular, our business might be materially and adversely affected by changes in the retail and real estate industries, including consolidation and store closings, particularly among anchor tenants; current economic conditions and the corresponding effects on tenant business performance, prospects, solvency and leasing decisions; our inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise; our ability to maintain and increase property occupancy, sales and rental rates; increases in operating costs that cannot be passed on to tenants; the effects of online shopping and other uses of technology on our retail tenants; risks related to our development and redevelopment activities, including delays, cost overruns and our inability to reach projected occupancy or rental rates; acts of violence at malls, including our properties, or at other similar spaces, and the potential effect on traffic and sales; our ability to sell properties that we seek to dispose of or our ability to obtain prices we seek; our substantial debt and the liquidation preference of our preferred shares and our high leverage ratio; our ability to refinance our existing indebtedness when it matures, on favorable terms or at all; our ability to raise capital, including through sales of properties or interests in properties and through the issuance of equity or equity-related securities if market conditions are favorable; and potential dilution from any capital raising transactions or other equity issuances.

Additional factors that might cause future events, achievements or results to differ materially from those expressed or implied by our forward-looking statements include those discussed herein and in our Annual Report on Form 10-K for the year ended December 31, 2017 in the section entitled "Item 1A. Risk Factors." We do not intend to update or revise any forward-looking statements to reflect new information, future events or otherwise.

###