

**PENNSYLVANIA REAL ESTATE INVESTMENT TRUST
PREIT SERVICES, LLC**

**Code of Business Conduct and Ethics:
Policy on Selective Disclosure of and/or Use of Inside Information**

1.0 PURPOSE

This Policy is intended to (i) prevent trading in Pennsylvania Real Estate Investment Trust securities by any trustee or employee in possession of material, non-public information concerning Pennsylvania Real Estate Investment Trust ("PREIT"), PREIT-RUBIN, Inc. or any of their respective subsidiaries; (ii) prevent selective disclosure by any trustee or employee of inside information; and (iii) establish guidelines for employees' and trustees' purchases and sales of PREIT securities. This Policy applies to all trustees and employees of PREIT, PREIT Services, LLC and their respective subsidiaries (collectively, the "PREIT Group"). Any waiver of the requirements and prohibitions contained in this Policy must be pre-approved by PREIT's Nominating and Governance Committee and disclosed in the appropriate filing by PREIT with the SEC.

2.0 LEGAL BACKGROUND; ENFORCEMENT

Federal and state securities laws govern the use and public disclosure of corporate inside information (also referred to herein as "material, non-public information"). The purpose of such laws is to assure that all persons trading in a company's securities have equal, simultaneous access to all "material" information about that company.

In general, it is a violation of federal securities laws for any person in possession of material, non-public information concerning a company to (i) buy or sell securities of such company or (ii) provide other people with such information or to recommend that they buy or sell securities of such company (this activity is called "tipping"). In the latter case, both the person who "tips" and the person who receives the information may be held liable.

Securities violations are subject to strict enforcement proceedings and stringent criminal and civil penalties. The PREIT Group has adopted this Policy to comply with federal and state securities laws as well as to avoid inadvertent violations and the appearance of impropriety on the part of anyone employed by or associated with the PREIT Group. Prosecution, or even an investigation, under federal or state securities laws could harm PREIT's reputation for high standards of integrity and ethical conduct.

Severe criminal and civil penalties attend violations of federal securities laws. Individuals who trade on inside information (or tip information to others) may be subject to:

- a civil penalty of up to three times the profit gained or the loss avoided in the transaction,
- a criminal fine of up to \$1,000,000 (even if the profit was very small), and
- a prison term of up to ten years.

Supervisors and the PREIT Group may also be liable for insider trading violations by PREIT Group personnel if they do not take appropriate steps to prevent such violations, and may also be subject to:

- a civil penalty of the greater of \$1,000,000 or three times the profit gained or losses avoided as a result of an employee's violation, and
- (for the PREIT Group) a criminal penalty of up to \$2,500,000.

Moreover, an employee who violates this Policy is subject to disciplinary action by the PREIT Group, up to and including dismissal for cause.

3.0 POLICIES

3.1 Prohibition of Insider Trading

Trading in PREIT Securities. No trustee or employee shall place a purchase or sale order, or recommend that another person place a purchase or sale order, in PREIT's securities when he or she has knowledge of material information concerning the PREIT Group that has not been disclosed to the public. Each trustee and employee who possesses material, non-public information shall refrain from trading or recommending that others trade until the information has been disseminated to the general public in such a fashion that investors have had a reasonable opportunity to assess and evaluate it. Generally, relatively straightforward information, such as earnings results, may be considered to have been adequately disseminated and absorbed by the marketplace two full business days after its public release. More complex matters, such as a major acquisition or disposition, may require additional time to be fully digested by investors.

Speculation. PREIT discourages trustees and employees from speculating in PREIT securities. PREIT does encourage trustees and employees to invest in PREIT securities, but investing means buying to share in the growth of PREIT; it does not mean short-term speculation based on fluctuations in the market. PREIT recommends that personnel plan to hold any PREIT securities purchased in the open market for at least six months. (With few exceptions, the trustees and executive officers of PREIT are already subject to this restriction because of federal short swing profit rules.) PREIT strongly discourages employees and trustees (trustees and executive officers in some cases being subject to express legal prohibitions) from purchasing PREIT securities on margin, engaging in short sales of PREIT securities or buying and selling puts or calls for such securities.

Trading in Other Securities. No trustee or employee shall place a purchase or sale order, or recommend that another person place a purchase or sale order, in the securities of another company (including related derivative securities, such as put or call options) if the trustee or employee learns in the course of his or her position or employment confidential information about the other company that is likely to affect the value of those securities. For example, it would be a violation of this policy if an employee learned through PREIT Group sources that the

PREIT Group intended to purchase assets from another company, and then bought or sold stock in that other company because of the likely increase or decrease in the value of its securities.

3.2 Prohibition of Selective Disclosure of Insider Information

Selected Disclosure Prohibited. No trustee or employee shall disclose material, non-public information to securities market professionals or persons who might trade on the information before such information is disclosed to the public. For example, it would be a violation of this policy if an employee were to disclose quarterly earnings, or provide earnings guidance, to an investment analyst or person who might trade in PREIT securities before this information is disclosed to the public through a press release or other comparable avenue.

3.3 Procedures to Reduce Risk of Disclosure and/or Insider Trading Violations.

Window Period. PREIT advises that employees and trustees generally will reduce the likelihood of violating the insider trading rules if they plan their trades for the two-week period (the "window period") beginning on the third business day after quarter-end data are released to the public. There is no guarantee, however, that you will be able to trade during this window period; employees and trustees must, even during this two-week window period, consider whether they are in possession of other material, nonpublic information that will preclude trading during this period.

Blackout Period. Because of their access to confidential information on a regular basis and to avoid the appearance of trading on material, non-public information, this Policy subjects all trustees and all officers of the PREIT Group and their secretaries and any other employees designated from time to time by the Chief Executive Officer or Chief Financial Officer of PREIT (collectively, the "Blackout Group") to the following additional restrictions on trading in PREIT securities:

- subject to prior clearance and review of PREIT's Compliance Officer (which is PREIT's Executive Vice President, General Counsel and Secretary, currently Mr. Bruce Goldman) or his designee, as long as such individual is not in possession of material, non-public information, an individual in the Blackout Group may trade PREIT securities except during a blackout period (the "Blackout Period") beginning ten days before the end of any fiscal quarter and continuing until the third business day after PREIT issues a press release reporting its financial results for the quarter.
- no trades, including private transfers, but excluding transactions with PREIT and bona fide gifts not made with the intention of avoiding the restrictions contained in this Policy, may be made by members of the Blackout Group within the Blackout Period except for reasons of exceptional personal hardship and subject to prior review and clearance of PREIT's Compliance Officer or his designee.
- individuals in the Blackout Group are also subject to the general policy regarding prohibition of insider trading applicable to all trustees and employees set forth above in paragraph 3.1.

Non-Exclusionary Disclosure. PREIT and PREIT-RUBIN, Inc. policy prohibits any trustee or employee of the PREIT Group who acquires material, non-public information relating to the PREIT Group or the affairs of the PREIT Group from communicating or providing such information to any other person (including family members and friends) except as authorized by PREIT's Compliance Officer. Upon authorization, there will be a broad, non-exclusionary distribution of such information to the public.

3.4 What is Material Inside Information?

As noted above, the federal securities laws and PREIT and PREIT-RUBIN, Inc. policy prohibit any trustee or employee who is in possession of "material, non-public information" concerning the PREIT Group from purchasing or selling any of PREIT's securities, or selectively disclosing such information. As an employee or trustee of the PREIT Group, you may often have access to "material" information that has not yet been publicly announced. Information is material if it is likely that a reasonable investor would consider it important in making an investment decision to buy, hold, or sell securities. In short, material information includes any information (positive or negative) that could reasonably be expected to affect the price of PREIT securities.

Examples of information frequently regarded as material include:

- financial results
- a pending or proposed acquisition, disposition, or joint venture,
- proposed financings,
- significant litigation initiation or resolution,
- management changes, and
- significant new strategic directions.

This list illustrates the types of events that would ordinarily involve material information but it is not all-inclusive. If there is any reasonable question about whether information is material, that information should be treated as being material.

3.5 How will the policy regarding the prohibition of insider trading affect any employee stock purchase plan or dividend reinvestment plan that may be adopted?

PREIT has adopted an employee stock purchase plan ("Purchase Plan") and a dividend reinvestment and share purchase plan ("DRIP"). If you make regular payroll deductions in order to participate in the Purchase Plan or regular investments through the DRIP, you will not have to discontinue your payroll deductions or regular investments even though you may be in possession of material inside information. However, any sales of the shares purchased pursuant to either such plan must comply with this policy.

3.6 Is there a way to dispose of shares in an orderly fashion in compliance with the prohibition on insider trading and this Policy?

Rule 10b5-1 of the Securities Exchange Act of 1934 provides a rule-based defense to insider trading liability such that a person will not be viewed as having traded "on the basis" of material nonpublic information if the person demonstrates that the transaction was effected pursuant to a contract, instructions or a written plan (a "10b5-1 Plan") that was established before the person became aware of the information. Notwithstanding anything to the contrary in this Policy, sales of shares made in compliance with Rule 10b5-1 will not be deemed to be in violation of this Policy. It is recommended that the Company's General Counsel be advised of any such 10-b5-1 Plan, and that any such 10b5-1 Plan be implemented with the advice of an experienced securities lawyer.

3.7 Confidentiality

No trustee or employee of the PREIT Group who acquires material, non-public information relating to the PREIT Group or the affairs of the PREIT Group shall communicate or provide such information to any other person (including family members and friends) except to the extent that person has a need to know the information for legitimate PREIT-related reasons.

You may be subject to the penalties described above and/or disciplinary action by the PREIT Group for disclosing material, non-public information to persons irrespective of whether they then purchase or sell PREIT securities, and irrespective of whether or not you personally derived benefits from the trade.

This policy does not mean that ordinary business disclosure cannot or should not be made in the course of conducting business. However, the distinction between ordinary business disclosure and disclosure of material inside information can sometimes be gray. Personnel should, in close cases, consult with PREIT's Chief Executive Officer, Chief Financial Officer or PREIT's Compliance Officer. It is, of course, a corporate decision whether and when to make public disclosure of material information concerning the PREIT Group. These decisions will be made based upon judgments by senior management that takes into account business objectives and relevant legal rules as to when a duty to disclose may arise.

3.8 Reporting Obligation

The PREIT Group and all supervisory employees within the PREIT Group have an obligation to be alert to situations where persons within the PREIT Group may not be observing the laws against selective disclosure or insider trading. Liability could be imposed where a supervisor or other responsible employee knew or recklessly disregarded facts that another person was likely to engage in illegal conduct and failed to take appropriate steps to prevent such violations. If you have knowledge of facts that suggest a possible violation of securities laws, you should report such information to PREIT's Compliance Officer immediately.

3.9 Annual Compliance Certificate

Trustees and employees must sign an undertaking upon first receipt of this Policy and thereafter certify on an annual basis their continued compliance with this Policy using the form attached hereto.

4.0 INTERPRETATION/COMPLIANCE

PREIT's Compliance Officer, with the assistance of PREIT's counsel, interprets and ensures compliance with this Policy. Any questions concerning this Policy or its applicability to specific circumstances or transactions, including decisions on whether information is material, should be directed to PREIT's Compliance Officer.

PENNSYLVANIA REAL ESTATE INVESTMENT TRUST
PREIT-RUBIN, INC.

Code of Business Conduct and Ethics:
Use and Public Disclosure of Insider Information

**(To Be Executed Upon Receipt of the Code of Business Conduct and Ethics
and Thereafter in January of Each Year)**

I, _____ hereby acknowledge that I have received,
read, and understand the attached Code of Business Conduct and Ethics and agree to comply
with its requirements.

Name of Employee or Trustee
(Printed/Typed)

Signature of Employee or Trustee

Social Security Number

Date