

PENNSYLVANIA REAL ESTATE INVESTMENT TRUST

Form 424B5

September 07, 2017

Table of Contents

**The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-201196**

**SUBJECT TO COMPLETION**

**PRELIMINARY PROSPECTUS SUPPLEMENT DATED September 7, 2017**

**PROSPECTUS SUPPLEMENT**

(To Prospectus dated December 22, 2014)

**Shares**

**PENNSYLVANIA REAL ESTATE INVESTMENT TRUST**

**% Series D Cumulative Redeemable Perpetual Preferred Shares**

**(Liquidation Preference \$25.00 Per Share)**

We are selling \_\_\_\_\_ of our \_\_\_\_\_ % Series D Cumulative Redeemable Perpetual Preferred Shares, which we refer to in this prospectus supplement as the Series D Preferred Shares. The Series D Preferred Shares will not be redeemable before September \_\_\_\_\_, 2022, except under circumstances intended to preserve our status as a real estate investment trust, or REIT, for federal and/or state income tax purposes and except as described below upon the occurrence of a Change of Control (as defined in this prospectus supplement). On and after September \_\_\_\_\_, 2022, we may, at our option, redeem any or all of the Series D Preferred Shares for cash at \$25.00 per share plus, subject to exceptions, any accrued and unpaid dividends to but excluding the date fixed for redemption. In addition, upon the occurrence of a Change of Control, we may, at our option, redeem any or all of the Series D Preferred Shares for cash within 120 days after the first date on which such Change of Control occurred at \$25.00 per share plus, subject to certain exceptions, any accrued and unpaid dividends to but excluding the date fixed for redemption. The Series D Preferred Shares have

no stated maturity, are not subject to any sinking fund or mandatory redemption and will remain outstanding indefinitely unless we redeem or otherwise repurchase them or they become convertible and are converted as described in this prospectus supplement.

Upon the occurrence of a Change of Control, each holder of Series D Preferred Shares will have the right (unless, prior to the Change of Control Conversion Date (as defined in this prospectus supplement), we have provided or provide notice of our election to redeem some or all of the Series D Preferred Shares held by such holder as described in this prospectus supplement, in which case such holder will have the right only with respect to Series D Preferred Shares that are not called for redemption) to convert some or all of the Series D Preferred Shares held by such holder on the Change of Control Conversion Date into a number of our common shares per Series D Preferred Share equal to the lesser of:

the quotient obtained by dividing (i) the sum of the \$25.00 liquidation preference per Series D Preferred Share plus the amount of any accrued and unpaid dividends thereon to the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a Series D Preferred Shares dividend payment and prior to the corresponding dividend payment date for the Series D Preferred Shares, in which case no additional amount for such accrued and unpaid dividends will be included in this sum) by (ii) the Common Share Price (as defined herein); and

, or the Share Cap, subject to adjustments for any splits, subdivisions or combinations of our common shares;

subject, in each case, to provisions for the receipt of alternative consideration under specified circumstances as described in this prospectus supplement.

Currently, no market exists for the Series D Preferred Shares. We plan to file an application to list the Series D Preferred Shares on the New York Stock Exchange, or NYSE, under the symbol PEIPrD. If the application is approved, trading of the Series D Preferred Shares on the NYSE is expected to begin within 30 days after the date of initial issuance of the Series D Preferred Shares.

There are restrictions on ownership of our Series D Preferred Shares intended to preserve our qualification as a REIT. See Description of Our Series D Preferred Shares Restrictions on Ownership and Transfer in this prospectus supplement and Description of Preferred Shares of Beneficial Interest Restrictions on Ownership in the accompanying prospectus for additional information about these restrictions. In addition, except under limited circumstances as described in this prospectus supplement, holders of our Series D Preferred Shares generally do not have any voting rights.

**An investment in the Series D Preferred Shares involves various risks, and prospective investors should carefully consider the matters discussed under Risk Factors beginning on page S-11 of this prospectus supplement and under Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2016, as well as the other risks described in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference in each, before making a decision to invest in Series D Preferred Shares.**

	Per Share	Total(2)
Public offering price(1)	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to Pennsylvania Real Estate Investment Trust	\$	\$

(1) Plus accrued dividends from September , 2017, if settlement occurs after that date.

(2) Assumes no exercise of the underwriters option to purchase additional shares described below.

**Neither the Securities and Exchange Commission nor any state or other securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

We have granted the underwriters an option to purchase a maximum of additional Series D Preferred Shares, exercisable at any time and from time to time until 30 days after the date of this prospectus supplement.

The Series D Preferred Shares will be ready for delivery through The Depository Trust Company on or about September , 2017.

#### Joint Book-Running Managers

Wells Fargo Securities

Citigroup

Jefferies

J.P. Morgan

Stifel

Prospectus Supplement dated September , 2017

**Table of Contents**

**TABLE OF CONTENTS**  
**PROSPECTUS SUPPLEMENT**

	<b>Page</b>
<u>About this Prospectus Supplement</u>	S-1
<u>Cautionary Note Regarding Forward-Looking Statements</u>	S-1
<u>Prospectus Supplement Summary</u>	S-3
<u>Risk Factors</u>	S-11
<u>Use of Proceeds</u>	S-16
<u>Ratio of Earnings to Combined Fixed Charges and Preferred Dividends</u>	S-17
<u>Description of Our Series D Preferred Shares</u>	S-18
<u>Additional Material U.S. Federal Income Tax Consequences</u>	S-31
<u>ERISA Considerations</u>	S-40
<u>Underwriting</u>	S-41
<u>Legal Matters</u>	S-44
<u>Experts</u>	S-44
<u>Where You Can Find More Information and Incorporation by Reference</u>	S-45

**PROSPECTUS**

	<b>Page</b>
<u>Summary</u>	1
<u>Risk Factors</u>	3
<u>Forward-Looking Statements</u>	3
<u>Where You Can Find More Information</u>	5
<u>Incorporation Of Certain Information By Reference</u>	5
<u>Use Of Proceeds</u>	7
<u>Ratio Of Earnings To Fixed Charges And Ratio Of Earnings To Combined Fixed Charges And Preferred Dividends</u>	8
<u>Recent Developments</u>	9
<u>General Description Of Securities</u>	9
<u>Description Of Common Shares</u>	10
<u>Description Of Preferred Shares Of Beneficial Interest</u>	12
<u>Description Of Debt Securities</u>	16
<u>Description Of Warrants</u>	33
<u>Description Of Shareholder Rights</u>	33
<u>Description Of Depositary Shares</u>	34
<u>Description Of Units</u>	38
<u>Certain Provisions Of Our Trust Agreement And By-Laws</u>	38
<u>Description Of The Partnership Agreement Of PREIT Associates, L.P.</u>	39
<u>Material U.S. Federal Income Tax Consequences</u>	41
<u>Plan Of Distribution</u>	62
<u>Legal Matters</u>	65
<u>Experts</u>	65

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference. The second part is the accompanying prospectus, which gives more general information about the securities we may offer, some of which may not apply to this offering. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus, on the other hand, the information in this prospectus supplement will control. In addition, any statement in a filing we make with the Securities and Exchange Commission, or SEC, that adds to, updates or changes information contained in an earlier filing we made with the SEC or in this prospectus supplement or the accompanying prospectus shall be deemed to modify and supersede such previous information.

**You should read this document together with additional information described under the heading *Where You Can Find More Information and Incorporation by Reference* in this prospectus supplement. You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any free writing prospectus that we may file with the SEC. Neither we nor the underwriters have authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information in this prospectus supplement, the accompanying prospectus and any free-writing prospectus, as well as the information we have previously filed with the SEC and incorporated by reference in this document, is accurate only as of its date or the date which is specified in such documents. Our business, financial condition, liquidity, results of operations and prospects may have changed since those respective dates.**

Unless the context requires otherwise, references in this prospectus supplement to *we*, *our*, *us*, *the Company*, *our Company* and *PREIT* refer to Pennsylvania Real Estate Investment Trust and its subsidiaries, including our operating partnership, PREIT Associates, L.P. (the *Operating Partnership*). The term *you* refers to a prospective investor.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference into these documents contain certain *forward-looking statements* within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements relate to expectations, beliefs, projections, future plans, strategies, anticipated events, trends and other matters that are not historical facts. When used, the words *anticipate*, *believe*, *estimate*, *expect*, *intend*, *may*, *might*, *plan*, *result*, *should*, *will* and similar expressions, which do not relate solely to historical matters, are intended to identify forward-looking statements. We caution investors that any forward-looking statements presented in this prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference into these documents are based on management's beliefs and assumptions made by, and information currently available to, management. 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 uncertainties affecting real estate businesses generally as well as the following, among other factors:

changes in the retail industry, including consolidation and store closings, particularly among anchor tenants;



**Table of Contents**

our ability to maintain and increase property occupancy, sales and rental rates, in light of the relatively high number of leases that have expired or are expiring in the next two years;

increases in operating costs that cannot be passed on to tenants;

current economic conditions and the state of employment growth and consumer confidence and spending, and the corresponding effects on tenant business performance, prospects, solvency and leasing decisions and on our cash flows, and the value and potential impairment of our properties;

the effects of online shopping and other uses of technology on our retail tenants;

risks related to our development and redevelopment activities;

acts of violence at malls, including our properties, or at other similar spaces, and the potential effect on traffic and sales;

our ability to identify and execute on suitable acquisition opportunities and to integrate acquired properties into our portfolio;

our partnerships and joint ventures with third parties to acquire or develop properties;

concentration of our properties in the Mid-Atlantic region;

changes in local market conditions, such as the supply of or demand for retail space, or other competitive factors;

changes to our corporate management team and any resulting modifications to our business strategies;

our ability to sell properties that we seek to dispose of or our ability to obtain prices we seek;

potential losses on impairment of certain long-lived assets, such as real estate, or of intangible assets, such as goodwill, including such losses that we might be required to record in connection with any dispositions of assets;

our substantial debt and the liquidation preference value of our preferred shares and our high leverage ratio;

constraining leverage, unencumbered debt yield, interest and tangible net worth covenants under our principal credit agreements;

our ability to refinance our existing indebtedness when it matures, on favorable terms or at all;

our ability to raise capital, including through joint ventures or other partnerships, through sales of properties or interests in properties, through the issuance of equity or equity-related securities if market conditions are favorable, or through other actions;

our short- and long-term liquidity position;

potential dilution from any capital raising transactions or other equity issuances; and

general economic, financial and political conditions, including credit and capital market conditions, changes in interest rates or unemployment.

The risks included here are non-exhaustive, and there are additional factors that might cause future events, achievements or results to differ materially from those expressed or implied by our forward-looking statements, including those discussed in the section entitled "Risk Factors" in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein, including our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2017 and June 30, 2017. We do not intend to update or revise any forward-looking statements to reflect new information, future events or otherwise.

S-2



**Table of Contents**

**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary description of us and our business highlights selected information about us contained elsewhere in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference herein or therein. This summary does not contain all of the information about us that you should consider before deciding to buy securities in this offering. You should carefully read this entire prospectus supplement and the accompanying prospectus, including each of the documents incorporated herein and therein by reference, before making an investment decision.*

**Our Company**

Pennsylvania Real Estate Investment Trust, a Pennsylvania business trust founded in 1960 and one of the first equity real estate investment trusts ( REITs ) in the United States, has a primary investment focus on retail shopping malls located in the eastern half of the United States, primarily in the Mid-Atlantic region.

We currently own interests in 28 retail properties in nine states, of which 24 are operating properties and four are development or redevelopment properties. The 24 operating properties include 20 shopping malls and four other operating retail properties, have a total of 19.3 million square feet and are located in eight states. We and partnerships in which we own an interest own 14.8 million square feet at these properties. The above property counts and square feet do not include Logan Valley Mall in Altoona, Pennsylvania and Valley View Mall in La Crosse, Wisconsin because these properties have been classified as held for sale as of June 30, 2017. See Recent Development in this prospectus supplement.

There are 18 operating retail properties in our portfolio that we consolidate for financial reporting purposes. These consolidated operating properties have a total of 15.2 million square feet, of which we own 12.0 million square feet. The six operating retail properties that are owned by unconsolidated partnerships with third parties have a total of 4.1 million square feet, of which 2.8 million square feet are owned by such partnerships. The above property counts and square feet do not include Logan Valley Mall in Altoona, Pennsylvania and Valley View Mall in La Crosse, Wisconsin because these properties have been classified as held for sale as of June 30, 2017. See Recent Developments in this prospectus supplement.

The development portion of our portfolio contains four properties in two states, with two classified as mixed use (a combination of retail and other uses), one classified as retail (redevelopment of The Gallery at Market East into the Fashion Outlets of Philadelphia), and one classified as other. We have two properties (Woodland Mall in Grand Rapids, Michigan and The Mall at Prince Georges in Hyattsville, Maryland) that have redevelopment projects currently underway. We also have five properties with projects underway to replace vacant anchor stores (Capital City Mall in Harrisburg, Pennsylvania, Exton Square Mall in Exton, Pennsylvania, Magnolia Mall in Florence, South Carolina, Viewmont Mall in Scranton, Pennsylvania and Valley View Mall in LaCrosse, Wisconsin).

We are a fully integrated, self-managed and self-administered REIT that has elected to be treated as a REIT for federal income tax purposes. In general, we are required each year to distribute to our shareholders at least 90% of our net taxable income and to meet certain other requirements in order to maintain the favorable tax treatment associated with qualifying as a REIT.

We hold our interests in our portfolio of properties primarily through the Operating Partnership. We are the sole general partner of the Operating Partnership and, as of June 30, 2017, held an 89.4% controlling interest in the Operating Partnership, and consolidated it for reporting purposes. We own our interests in our properties through various ownership structures, including partnerships and tenancy in common arrangements.

S-3

## **Table of Contents**

Our primary business is owning and operating retail shopping malls, which we primarily do through the Operating Partnership. We provide management, leasing and real estate development services through PREIT Services, LLC, which generally develops and manages properties that we consolidate for financial reporting purposes, and PREIT-RUBIN, Inc., which generally develops and manages properties that we do not consolidate for financial reporting purposes, including properties in which we own interests through partnerships with third parties and properties that are owned by third parties in which we do not have an interest. PREIT-RUBIN, Inc. is a taxable REIT subsidiary, as defined by federal tax laws, which means that it is able to offer additional services to tenants without jeopardizing our continuing qualification as a REIT under federal tax law.

## **Recent Developments**

Subsequent to June 30, 2017, we entered into three transactions with an aggregate sales price of approximately \$75 million, at our share. The transactions are the sales of Logan Valley Mall, the 801 Market Office condominium, and a 4.9 acre land parcel at Exton Square Mall. The Logan Valley Mall transaction closed on August 31, 2017 for a price of \$33.2 million, net of credits issued to the buyer. The 801 Market office condominium transaction is anticipated to close in the third quarter of 2017 and the land parcel sale is anticipated to close once entitlements are obtained by the buyer.

## **Corporate Information**

Our principal corporate offices are located at The Bellevue, 200 South Broad Street, Philadelphia, Pennsylvania 19102-3803, and our telephone number is (215) 875-0700. We maintain a web site that contains information about us at <http://www.preit.com>. The information included on the web site is not, and should not be considered to be, a part of, nor incorporated by reference into, this prospectus supplement or the accompanying prospectus.

**Table of Contents**

**The Offering**

*The following is a brief summary of the terms of this offering. For a description of some of the terms of the Series D Preferred Shares, see Description of Our Series D Preferred Shares in this prospectus supplement.*

**Issuer** Pennsylvania Real Estate Investment Trust

**Securities Offered** % Series D Cumulative Redeemable Perpetual Preferred Shares, par value \$0.01 per share. We have granted the underwriters an option to purchase up to an additional Series D Preferred Shares. We reserve the right to reopen this series and issue additional Series D Preferred Shares either through public or private sales at any time.

**Dividends** Holders of Series D Preferred Shares will be entitled to receive cumulative cash dividends on the Series D Preferred Shares at the rate of % per annum of the \$25.00 per share liquidation preference, which is equivalent to \$ per annum per share. Dividends on the Series D Preferred Shares are payable quarterly in arrears on or about the 15th day of March, June, September and December of each year (or, if the 15th day of any such month is not a business day, on the next business day), commencing December 15, 2017. Dividends will accrue and be cumulative from, and including, the date of original issuance, which is expected to be September , 2017. Because the first date on which dividends will be paid after the date of original issuance will be December 15, 2017, the dividend payable on each Series D Preferred Share on that date will be greater than the full amount of a regular quarterly dividend per share. The dividend payable on December 15, 2017 will be paid to the persons who are the holders of record of the Series D Preferred Shares at the close of business on the corresponding record date, which will be December 1, 2017.

**No Maturity** Our Series D Preferred Shares have no maturity date, and we are not required to repurchase or redeem our Series D Preferred Shares at any time. Accordingly, our Series D Preferred Shares will remain outstanding indefinitely, unless we elect to repurchase or redeem them for cash or unless, under circumstances where the holders of Series D Preferred Shares have a conversion right, such holders decide to convert their shares into our common shares. We are not required to set aside funds to repurchase or redeem our Series D Preferred Shares.

**Ranking** Our Series D Preferred Shares will rank, with respect to the payment of dividends and distribution of assets upon our liquidation, dissolution or

winding up: (i) senior to our common shares and any other junior equity securities that we may issue in the future, if any; (ii) equally with our 8.25% Series A Cumulative Redeemable Perpetual Preferred Shares (the Series A Preferred Shares ), our 7.375% Series B Cumulative Redeemable Perpetual Preferred Shares

S-5

## **Table of Contents**

(the Series B Preferred Shares ), our 7.20% Series C Cumulative Redeemable Perpetual Preferred Shares (the Series C Preferred Shares ) and any other parity equity securities that we may issue in the future, if any; and (iii) junior to all of our existing and future indebtedness and senior equity securities, if any, the issuance of which is approved by holders of the Series D Preferred Shares voting together as a single class with all other classes or series of parity equity securities upon which like voting rights have been conferred and are exercisable, as described in this prospectus supplement.

### **Optional Redemption**

Except in circumstances intended to preserve our qualification as a REIT or pursuant to our special optional redemption right discussed below, our Series D Preferred Shares are not redeemable prior to September , 2022. To assist us in complying with the limitations on the concentration of ownership of a REIT imposed by the Internal Revenue Code, we may, at our option, redeem our Series D Preferred Shares, in whole, at any time, or in part, from time to time, for cash at \$25.00 per share, plus, subject to exceptions, any accrued and unpaid dividends (whether or not declared) to, but not including, the date of redemption. On and after September , 2022, we may, at our option, redeem our Series D Preferred Shares, in whole, at any time, or in part, from time to time, for cash at a redemption price of \$25.00 per share, plus, subject to exceptions, any accrued and unpaid dividends (whether or not declared) to, but not including, the date of redemption. Any partial redemption will be selected by lot or pro rata.

### **Special Optional Redemption**

Upon the occurrence of a Change of Control (as defined under Conversion Rights below), we will have the option to redeem our Series D Preferred Shares, in whole, at any time, or in part, from time to time, within 120 days after the first date on which such Change of Control occurred, for cash at a redemption price of \$25.00 per share, plus, subject to exceptions, any accrued and unpaid dividends (whether or not declared) to, but not including, the redemption date.

### **Conversion Rights**

Upon the occurrence of a Change of Control, each holder of Series D Preferred Shares will have the right (the Change of Control Conversion Right ) (unless, prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem some or all of the Series D Preferred Shares held by such holder as described above under Optional Redemption or Special Optional Redemption, in which case such holder will have the right only with respect to Series D Preferred Shares that are not called for redemption) to convert some or all of the Series D Preferred Shares held by such holder on the Change of Control Conversion Date into a number of our common shares per Series D Preferred Share equal to the lesser of:

the quotient obtained by dividing (i) the sum of the \$25.00 liquidation preference per Series D Preferred Share plus the amount of any accrued and unpaid dividends thereon to the Change of

S-6

**Table of Contents**

Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a Series D Preferred Shares dividend payment and prior to the corresponding dividend payment date for the Series D Preferred Shares, in which case no additional amount for such accrued and unpaid dividends will be included in this sum) by (ii) the Common Share Price; and

(referred to as the Share Cap ), subject to adjustments for any splits, subdivisions or combinations of our common shares;

subject, in each case, to provisions for the receipt of alternative consideration under specified circumstances as described in this prospectus supplement.

As a result of the Share Cap, subject to the immediately succeeding sentence, the number of our common shares (or corresponding alternative consideration, as applicable) issuable or deliverable, as applicable, upon conversion of Series D Preferred Shares in connection with a Change of Control will not exceed common shares in total (or corresponding alternative consideration, as applicable), subject to proportionate increase to the extent the underwriters' option to purchase additional Series D Preferred Shares is exercised, not to exceed common shares in total (or corresponding alternative consideration, as applicable) (referred to as the Exchange Cap ). The Exchange Cap is subject to pro rata adjustments for any splits, subdivisions or combinations of our common shares on the same basis as corresponding adjustments to the Share Cap, and shall be increased on a pro rata basis for any additional Series D Preferred Shares that we may issue in the future.

If, prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem some or all of the Series D Preferred Shares, whether pursuant to our special optional redemption right or our optional redemption right described above, holders of Series D Preferred Shares will not have the right to convert the Series D Preferred Shares called for redemption, and any Series D Preferred Shares called for redemption that have been tendered for conversion will be redeemed on the applicable redemption date instead of converted on the Change of Control Conversion Date.

For definitions of Change of Control, Change of Control Conversion Right, Change of Control Conversion Date and Common Share Price, and for a description of the adjustments and provisions for the receipt of



alternative consideration that may be applicable to the Change of Control Conversion Right, see Description of the Series D Preferred Shares Conversion Rights.

Except as provided above in connection with a Change of Control, the Series D Preferred Shares are not convertible into or exchangeable for any other securities or property.

S-7

## **Table of Contents**

### **Liquidation Preference Amount**

If we liquidate, dissolve or wind-up, holders of our Series D Preferred Shares will have the right to receive \$25.00 per share, plus an amount per share equal to accrued and unpaid dividends (whether or not earned or declared) to, but not including, the date of payment, before any payments are made to holders of our common shares or other junior equity securities.

### **Voting Rights**

Holders of our Series D Preferred Shares will generally have no voting rights. However, if dividends on our Series D Preferred Shares are in arrears for six quarterly dividend periods (whether or not consecutive), the holders of our Series D Preferred Shares (voting together as a single class with the holders of our Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares and any other classes or series of parity equity securities upon which like voting rights have been conferred and are exercisable) will have the right to elect two additional members to serve on our Board of Trustees until we pay all dividends that are then in arrears on our Series D Preferred Shares and any such parity equity securities. In addition, the affirmative vote of the holders of at least two-thirds of the outstanding Series D Preferred Shares is required for us to authorize, create or increase the number of any class or series of equity securities ranking senior to the Series D Preferred Shares with respect to the payment of dividends or the distribution of assets on liquidation, to amend our Trust Agreement (including the Amendment to the Trust Agreement establishing the Series D Preferred Shares (the Preferred Shares Amendment )) in a manner that materially and adversely affects the rights of the holders of Series D Preferred Shares or to take certain other actions. See Description of Our Series D Preferred Shares Voting Rights in this prospectus supplement.

Among other things, we may, without any vote of the holders of Series D Preferred Shares, issue additional Series D Preferred Shares and we may authorize and issue additional classes or series of parity and junior equity securities.

### **Information Rights**

During any period in which we are not subject to Section 13 or 15(d) of the Exchange Act, and any of our Series D Preferred Shares are outstanding, we will (i) transmit by mail (or other permissible means under the Exchange Act) to all holders of Series D Preferred Shares, as their names and addresses appear in our record books and without cost to such holders, copies of the annual reports and quarterly reports that we would have been required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act if we were subject thereto (other than any exhibits that would have been required) and (ii) promptly, upon request, supply copies of such reports to any prospective holder of Series D Preferred Shares. We will mail (or otherwise provide) the information to

the holders of Series D Preferred Shares within 15 days after the respective dates by which a periodic report on Form 10-K or Form 10-Q, as the case may be, in

S-8

## **Table of Contents**

respect of such information would have been required to be filed with the SEC if we were subject to Section 13 or 15(d) of the Exchange Act.

### **Listing**

Currently, no market exists for the Series D Preferred Shares. We intend to file an application to list our Series D Preferred Shares on the NYSE under the symbol PEIPrD. We expect trading of the Series D Preferred Shares on the NYSE, if listing is approved, to commence within 30 days after the date of initial delivery of the shares. See [Underwriting](#) in this prospectus supplement for a discussion of the expected trading of our Series D Preferred Shares on the NYSE. The underwriters have advised us that they intend to make a market in the Series D Preferred Shares prior to the commencement of any trading on the NYSE. However, the underwriters have no obligation to do so, and we cannot assure you that a market for the Series D Preferred Shares will develop prior to commencement of trading on the NYSE or, if developed, will be maintained or will provide you with adequate liquidity.

### **Use of Proceeds**

We estimate that the net proceeds of this offering will be approximately \$ \_\_\_\_\_ million (or approximately \$ \_\_\_\_\_ million if the underwriters exercise their option to purchase additional Series D Preferred Shares in full), after deducting the underwriting discount and other estimated offering expenses payable by us. We expect to use the net proceeds from this offering to redeem all or a portion of our outstanding Series A Preferred Shares with an aggregate liquidation preference of approximately \$115.0 million and to use any remaining proceeds for general corporate purposes, including to fund the Company's anchor replacement and redevelopment pipeline. Pending such application, we may invest the net proceeds in short term investments, some or all of which may not be investment grade rated. Affiliates of certain of the underwriters in this offering are holders of outstanding Series A Preferred Shares and will receive a portion of the net proceeds of this offering that are used to redeem the outstanding Series A Preferred Shares. See [Use of Proceeds](#) in this prospectus supplement.

### **Restrictions on Ownership and Transfer**

To assist us in complying with the limitations on the concentration of ownership of a REIT imposed by the Internal Revenue Code, our Trust Agreement and the Preferred Shares Amendment setting forth the terms of the Series D Preferred Shares contain ownership and transfer restrictions relating to our shares. For example, the terms of the Series D Preferred Shares restrict any person from acquiring actual or constructive ownership of more than 9.9% (by number of shares or value, whichever is more restrictive) of the outstanding Series D Preferred Shares. See [Description of Our Series D Preferred Shares](#) [Restrictions on Ownership and Transfer](#) in this prospectus supplement and [Description of Preferred Shares of Beneficial Interest](#) [Restrictions on Ownership](#) in the

accompanying prospectus for additional information about these restrictions.

S-9

**Table of Contents**

**Settlement Date**

The underwriters expect to deliver the shares through The Depository Trust Company on or about September , 2017.

**Form**

Our Series D Preferred Shares will be maintained in book-entry form registered in the name of the nominee of The Depository Trust Company, except in limited circumstances.

**Risk Factors**

Investing in our Series D Preferred Shares involves a high degree of risk and the purchasers of our Series D Preferred Shares may lose their entire investment. See Risk Factors beginning on page S-11 and the other information included and incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of risk factors you should carefully consider before deciding to invest in our Series D Preferred Shares.

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**Table of Contents****RISK FACTORS**

*Investing in our Series D Preferred Shares will provide you with an equity ownership in our Company. As one of our shareholders, you will be subject to risks inherent in our business. The trading price of our Series D Preferred Shares will be affected by the performance of our business relative to, among other things, competition, market conditions and general economic and industry conditions. The value of your investment may decrease, resulting in a loss. You should carefully consider the following factors as well as the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2017 and June 30, 2017 (which are incorporated by reference into this prospectus supplement) before deciding to invest in our Series D Preferred Shares.*

**Risks Relating to this Offering**

***Our Series D Preferred Shares are subordinate to our debt, and your interests could be diluted by the issuance of additional preferred shares, including additional Series D Preferred Shares, and by other transactions.***

Our Series D Preferred Shares are subordinate to all of our and our subsidiaries' existing and future debt. Our existing debt restricts, and our future debt may include restrictions on, our ability to pay dividends to preferred shareholders, including holders of the Series D Preferred Shares. Our Trust Agreement currently authorizes the issuance of up to 25,000,000 preferred shares in one or more series. In April 2012, October 2012 and January 2017, we issued 4,600,000 8.25% Series A Preferred Shares, 3,450,000 7.375% Series B Preferred Shares, and 6,900,000 7.20% Series C Preferred Shares respectively, each with a liquidation preference of \$25.00 per share. Subject to limitations prescribed by Pennsylvania law and our Trust Agreement, the Board of Trustees is authorized to issue, from our authorized but unissued capital shares, additional preferred shares in such classes or series as our Board of Trustees may determine and to establish from time to time the number of preferred shares to be included in any such class or series. We may not issue senior preferred shares without the affirmative vote of at least two-thirds of the outstanding Series D Preferred Shares and any parity equity securities; however, we may issue additional preferred shares that rank equally with the Series D Preferred Shares and any parity equity securities without the consent of any holder of the Series D Preferred Shares or such parity equity securities. The issuance of additional equity securities ranking equally with or senior to our Series D Preferred Shares would dilute the interests of the holders of our Series D Preferred Shares, and any issuance of equity securities senior to our Series D Preferred Shares or of additional indebtedness could affect our ability to pay dividends on, redeem or pay the liquidation preference on our Series D Preferred Shares. Other than the conversion right afforded to holders of Series D Preferred Shares that may become exercisable in connection with a Change of Control described under "Description of Our Series D Preferred Shares Conversion Rights" in this prospectus supplement, none of the provisions relating to our Series D Preferred Shares contain any terms relating to or limiting our ability to incur indebtedness or affording the holders of our Series D Preferred Shares protection in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all our assets or business, that might materially and adversely affect the holders of our Series D Preferred Shares.

***We have significant outstanding indebtedness that exposes us to the risk of default under our debt obligations, which could adversely affect our ability to pay dividends on our Series D Preferred Shares.***

As of June 30, 2017, we had an aggregate consolidated indebtedness outstanding of \$1,642.4 million, consisting of consolidated mortgage loans of \$1,040.4 million, which were secured by a subset of our properties, \$550.0 million outstanding under the 2014 7-Year Term Loan, the 2014 5-Year Term Loan, and the 2015 5-Year Term Loan and \$52.0 million outstanding under the 2013 Revolving Facility (with \$15.8 million pledged as collateral for two letters of credit). This indebtedness does not include our proportionate share of indebtedness of our partnership properties,

which was \$199.8 million at June 30, 2017, or indebtedness of \$28.9 million related to assets held for sale. We may incur additional debt for various purposes, including, without limitation, to fund future asset acquisitions or ground-up development and operational needs. Our outstanding indebtedness,

S-11



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**Table of Contents**

and the limitations imposed on us by our debt agreements, could have significant adverse consequences, including making it more difficult for us to pay quarterly cash dividends on the Series D Preferred Shares.

***Our outstanding debt obligations restrict our ability to pay dividends on our Series D Preferred Shares or to redeem our Series D Preferred Shares.***

We, our Operating Partnership and our subsidiaries are, and may in the future become, parties to debt agreements and instruments, which, among other things, restrict or prevent the payment of dividends on our capital shares or our ability to redeem any of our capital shares. For example, under the terms of our 2013 Revolving Facility, we are required to satisfy certain financial covenants, including among others, (1) total liabilities to gross asset value not to exceed 0.60:1; (2) minimum unencumbered NOI to Unsecured Interest Expense of 1.75:1; and (3) minimum ratio of adjusted EBITDA to fixed charges of 1.50:1. Our inability to meet the various financial and operating covenants contained in our debt agreements and instruments, including those discussed above, would prevent us from paying dividends to holders of our Series D Preferred Shares or redeeming our Series D Preferred Shares.

***Our Series D Preferred Shares have not been rated.***

We have not sought to obtain a rating for our Series D Preferred Shares. No assurance can be given, however, that one or more rating agencies might not independently determine to issue such a rating or that such a rating, if issued, would not adversely affect the market price of our Series D Preferred Shares. In addition, we may elect in the future to obtain a rating of our Series D Preferred Shares, which could adversely affect the market price of our Series D Preferred Shares. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on a watch list or withdrawn entirely at the discretion of the issuing rating agency if, in its judgment, circumstances so warrant. Any such downward revision, placing on a watch list or withdrawal of a rating could have a material adverse effect on the market price of our Series D Preferred Shares.

***As a holder of Series D Preferred Shares, you will have extremely limited voting rights.***

Your voting rights as a holder of Series D Preferred Shares will be extremely limited. Our common shares are the only class of our capital shares carrying full voting rights. Voting rights for holders of Series D Preferred Shares exist primarily with respect to the ability to appoint, together with holders of our parity equity securities having like voting rights (including holders of our Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares), two additional trustees to our Board of Trustees in the event that six quarterly dividends (whether or not consecutive) payable on our Series D Preferred Shares (and such parity equity securities) are in arrears, and with respect to voting on amendments to our Trust Agreement or the Preferred Shares Amendment setting forth the terms of the Series D Preferred Shares that materially and adversely affect the rights of Series D Preferred Shareholders or create additional classes or series of preferred shares that are senior to our Series D Preferred Shares. See Description of Our Series D Preferred Shares Voting Rights below. Other than the limited circumstances described in this prospectus supplement, holders of Series D Preferred Shares will not have any voting rights.

***The change of control feature of our Series D Preferred Shares may not allow you to recover the liquidation preference of the Series D Preferred Shares, and the change of control conversion and redemption features of the Series D Preferred Shares may make it more difficult for, or discourage, a party from taking over our Company.***

Upon the occurrence of a Change of Control, as a result of which our common shares and the common securities of the acquiring or surviving entity (or ADRs representing such common securities) are not listed on the NYSE, the NYSE American, or the NASDAQ Stock Market, or NASDAQ, or listed or quoted on an exchange or quotation system that is a successor to the NYSE, NYSE MKT or NASDAQ, holders of Series D

S-12

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**Table of Contents**

Preferred Shares will have the right to convert some or all of their Series D Preferred Shares into our common shares (or equivalent value of alternative consideration). Notwithstanding that we generally may not redeem the Series D Preferred Shares prior to September , 2022, we have a special optional redemption right to redeem the Series D Preferred Shares at any time in the event of a Change of Control, and holders of Series D Preferred Shares will not have the right to convert any shares that we have elected to redeem prior to the Change of Control Conversion Date. See Description of the Series D Preferred Shares Conversion Rights and Description of the Series D Preferred Shares Redemption. Upon such a conversion, the holders will be limited to a maximum number of common shares equal to the Share Cap multiplied by the number of Series D Preferred Shares converted. If the Common Share Price (as defined in Description of the Series D Preferred Shares Conversion Rights ) is less than \$ (which is % of the per-share closing sale price of our common shares on September , 2017), subject to adjustment, each holder will receive a maximum of of our common shares per Series D Preferred Share, which may result in a holder receiving value that is less than the liquidation preference of the holder s Series D Preferred Shares. In addition, those features of the Series D Preferred Shares may have the effect of inhibiting a third party from making an acquisition proposal for our Company or of delaying, deferring or preventing a change of control of our Company under circumstances that otherwise could provide the holders of our common shares and Series D Preferred Shares with the opportunity to realize a premium over the then-current market price or that shareholders may otherwise believe is in their best interests.

***There is no established trading market for the Series D Preferred Shares and listing on the NYSE does not guarantee a market for the Series D Preferred Shares.***

Our Series D Preferred Shares are a new issue of securities with no established trading market. We intend to file an application to list our Series D Preferred Shares on the NYSE, but there can be no assurance that the NYSE will approve the Series D Preferred Shares for listing. Even if the Series D Preferred Shares were to be listed, an active trading market on the NYSE for our Series D Preferred Shares may not develop or, if it does develop, may not last, in which case the trading price of our Series D Preferred Shares could be adversely affected. If an active trading market does develop on the NYSE, our Series D Preferred Shares may trade at prices lower than the initial offering price. In addition, we have been advised by the underwriters that they intend to make a market in our Series D Preferred Shares, but they are not obligated to do so and may discontinue market-making at any time without notice.

***The market price and trading volume of the Series D Preferred Shares may fluctuate significantly and be volatile due to numerous factors beyond our control.***

The Series D Preferred Shares are a new issue of securities with no established trading market, which may result in significant volatility in the market price and trading volume of the Series D Preferred Shares. In addition, the market price of our Series D Preferred Shares will depend on many factors (some of which are beyond our control), including:

prevailing interest rates;

the market for similar securities;

general economic and financial market conditions;

our issuance of additional preferred shares or debt securities; and

our financial condition, cash flows, results of operations and prospects.

The trading prices of common and preferred shares issued by REITs and other real estate companies historically have been affected by changes in market interest rates. One of the factors that may influence the market price of the Series D Preferred Shares is the annual yield from distributions on the Series D Preferred Shares as compared to yields on other financial instruments. An increase in market interest rates may lead

S-13

## **Table of Contents**

prospective purchasers of the Series D Preferred Shares to demand a higher annual yield, which could reduce the market price of the Series D Preferred Shares.

### ***Future offerings of debt or senior equity securities may adversely affect the market price of the Series D Preferred Shares.***

If we decide to incur debt or issue senior equity securities in the future, it is possible that such debt or senior equity securities will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Additionally, any convertible or exchangeable securities that we issue in the future might have rights, preferences and privileges more favorable than those of the Series D Preferred Shares and might result in dilution to holders of the Series D Preferred Shares. We and, indirectly, our shareholders, will bear the cost of issuing and servicing such securities. Because our decision to incur debt or issue equity securities in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future capital-raising efforts. Thus, holders of the Series D Preferred Shares will bear the risk that our future capital-raising efforts will reduce the market price of the Series D Preferred Shares and dilute the value of their holdings in us.

### ***If our common shares are delisted, your ability to transfer or sell your Series D Preferred Shares may be limited and the market price of the Series D Preferred Shares will be materially adversely affected.***

Other than in connection with certain change of control transactions, the Series D Preferred Shares will not contain provisions that protect you if our common shares are delisted from the NYSE. Since the Series D Preferred Shares have no stated maturity date, you may be forced to hold your Series D Preferred Shares indefinitely and receive dividends thereon only when, as and if authorized by our Board of Trustees and declared by us, with no assurance as to ever receiving the liquidation preference. In addition, if our common shares are delisted, it is likely that the Series D Preferred Shares will be delisted, which will limit your ability to transfer or sell your Series D Preferred Shares and would have a material adverse effect on the market price of the Series D Preferred Shares.

### ***Market interest rates and other factors may have an effect on the price of the Series D Preferred Shares.***

One of the factors that will influence the price of the Series D Preferred Shares will be the dividend yield on the Series D Preferred Shares (i.e. annual dividends as a percentage of the price of the Series D Preferred Shares, as applicable) relative to market interest rates. An increase in market interest rates, which are currently at low levels relative to historical rates, may lead prospective purchasers of the Series D Preferred Shares to expect a higher dividend yield and higher interest rates would likely increase our borrowing costs and potentially decrease funds available for distribution to our shareholders. Thus, higher market interest rates could cause the market price of the Series D Preferred Shares to decrease.

In addition, over the last several years, prices of equity securities in the U.S. trading markets have been experiencing extreme price fluctuations, and the market price of our common shares has also fluctuated significantly during this period. As a result of these and other factors, investors who purchase the Series D Preferred Shares in this offering may experience a decrease, which could be substantial and rapid, in the market price of the Series D Preferred Shares, including decreases unrelated to our operating performance or prospects. Likewise, in the event that the Series D Preferred Shares become convertible upon a Change of Control and are converted into our common shares, holders of our common shares issued on conversion may experience a similar decrease in the market price of our common shares.

***Our Trust Agreement contains, and the Preferred Shares Amendment setting forth the terms of the Series D Preferred Shares will contain, restrictions upon ownership and transfer of the Series D Preferred Shares.***

The Preferred Shares Amendment setting forth the terms of the Series D Preferred Shares will contain restrictions on ownership and transfer of the Series D Preferred Shares intended to assist us in maintaining our

S-14

**Table of Contents**

status as a REIT for U.S. federal income tax purposes. For example, the terms of the Series D Preferred Shares will restrict any person from acquiring beneficial or constructive ownership of more than 9.9% (by value or number of shares, whichever is more restrictive) of the outstanding Series D Preferred Shares, and our Trust Agreement, among other restrictions, restricts any person from acquiring beneficially or constructively more than 9.9% of the aggregate of our outstanding common shares, or 9.9% of the aggregate of the outstanding shares of a class or series of our preferred shares. See Description of our Series D Preferred Shares Restrictions on Ownership and Transfer in this prospectus supplement. You should consider these ownership limitations prior to making a decision to purchase the Series D Preferred Shares. These ownership restrictions could also have anti-takeover effects and could reduce the possibility that a third party will attempt to acquire control of us, which could adversely affect the market price of the Series D Preferred Shares.

**Table of Contents**

**USE OF PROCEEDS**

The net proceeds from this offering will be approximately \$ \_\_\_\_\_ million (or approximately \$ \_\_\_\_\_ million if the underwriters exercise in full their option to purchase \_\_\_\_\_ additional Series D Preferred Shares), after deducting the underwriting discount and our estimated offering expenses.

We expect to use the net proceeds from this offering to redeem all or a portion of our outstanding Series A Preferred Shares with an aggregate liquidation preference of approximately \$115.0 million and to use any remaining proceeds for general corporate purposes, including to fund the Company's anchor replacement and redevelopment pipeline. Pending such application, we may invest the net proceeds in short term investments, some or all of which may not be investment grade rated.

Affiliates of certain of the underwriters in this offering are holders of outstanding Series A Preferred Shares and will receive a portion of the net proceeds of this offering that are used to redeem the outstanding Series A Preferred Shares. See "Underwriting" in this prospectus supplement.

S-16



**Table of Contents****RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED DIVIDENDS**

Our ratio of earnings to combined fixed charges and preferred dividends for the six months ended June 30, 2017 and for the fiscal years ended December 31, 2016, 2015, 2014, 2013 and 2012 was as follows:

	<b>Six Months Ended June 30, 2017 Pro</b>		<b>Year ended December 31,</b>				
	<b>Actual</b>	<b>Forma(1)</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
			<b>Pro</b>				
			<b>Actual</b>	<b>Forma(2)</b>			
	<b>(unaudited)</b>		<b>(unaudited)</b>				
Ratio of Earnings to Combined Fixed Charges and Preferred Dividends	(A)		(A)		(A)	(A)	(A)