



DUNDEE INTERNATIONAL REIT ANNOUNCES \$100 MILLION EQUITY OFFERING, INCREASES ACQUISITION PIPELINE AND ADDS TO MANAGEMENT

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TORONTO, NOVEMBER 19, 2012 DUNDEE INTERNATIONAL REIT (DI.UN – TSX) has entered into an agreement to sell 9,710,000 units of Dundee International REIT (the “Units”) on a bought deal basis at a price of \$10.30 per Unit to a syndicate of underwriters led by TD Securities Inc. (the “Underwriters”) for gross proceeds of \$100,013,000. In addition, Dundee International REIT has granted the syndicate an over-allotment option, exercisable for a period of 30 days following closing, to purchase up to an additional 1,456,500 Units which, if exercised, would increase the gross offering size to \$115,014,950. Closing of the Offering is expected to occur on or about December 7, 2012. The Offering is subject to certain customary conditions, including the approval of the Toronto Stock Exchange.

Dundee International REIT intends to use the net proceeds from the sale of Units to fund future acquisitions and for general trust purposes.

Dundee International REIT has entered into agreements to purchase two additional office properties in Frankfurt and Munich, comprising approximately 277,600 square feet of space, for an aggregate purchase price of approximately €87.9 (\$111.9) million.

Acquisitions under contract	Approx. GLA (sq. ft.)	Estimated closing
Neue Mainzer Strasse 28, Frankfurt	123,300	Q4 2012
Leopoldstrasse 252, Munich	154,300	Q4 2012

Including these properties, Dundee International REIT now has five properties under contract, comprising approximately 806,100 square feet of high quality office space in Germany’s top five markets, at an average cap rate of 6.9%, an average occupancy of 92.8% and an average remaining lease term of 6.1 years. The aggregate purchase price for all five properties is approximately €184.8 (\$235.3) million. There are financing term sheets in place for these acquisitions at an average loan-to-value of 59%.

Since its initial public offering last year, Dundee International REIT has closed or has under contract the acquisition of eight properties for an aggregate purchase price of approximately €303.9 (\$388.5) million. The eight properties closed and under contract comprise approximately 30% of Dundee International REIT’s overall portfolio based on asset value, including properties under contract. In addition, Dundee International REIT is currently in exclusive negotiations with respect to two additional properties for an aggregate purchase price of approximately €62.0 (\$79.0) million and is at various stages of due diligence with respect to a number of additional office properties in Germany. Adding the two properties under exclusivity, the percentage of acquisitions closed, under contract and under exclusivity would further increase to 34% of the overall portfolio. All of the properties are located in the largest office markets in Germany and are larger and of higher quality than Dundee International REIT’s initial properties acquired in 2011.

Dundee International REIT continues to take advantage of the lower cost of debt as a result of the decline in interest rates and lower spreads on debt in Germany. Based on an average debt term of 6.5 years, the effective AFFO return for the eight properties acquired and under contract is expected to be \$0.96 per unit, which is approximately 20% higher than Dundee International REIT’s distribution to unitholders.

"We intend to continue our growth by acquiring high quality buildings in large markets at attractive initial yields and take advantage of compelling cap rate/interest rate spreads. This will not only help increase AFFO per unit, but will also increase the percentage of our portfolio of higher quality assets in the largest office markets in Germany." said Jane Gavan, CEO of Dundee International REIT.

The Board of Trustees of Dundee International REIT is also pleased to announce the addition of Mr. Rene Gulliver to its management team. Mr. Gulliver will be joining the REIT in January, 2013 as Chief Financial Officer. Mr. Doug Quesnel, who has acted as Chief Financial Officer since the creation of the REIT, will become Chief Accounting Officer and continue management of the REIT's accounting and financial reporting platform and have oversight of currency management, treasury and taxation. Mr. Gulliver brings over 30 years of progressive experience in corporate finance, business development and operational analysis. He joins Dundee International REIT from his position as Chief Financial Officer, Americas at Cushman & Wakefield.

The foregoing acquisitions under contract are subject to applicable statutory approvals and the satisfaction of certain other closing conditions customary in transactions of this nature. Subject to these approvals and conditions, the acquisitions are expected to be completed over the next three months. However, there can be no assurance that all conditions will be satisfied or that all of the acquisitions will be completed. With respect to properties under exclusivity, Dundee International REIT expects to continue its negotiations in respect of these acquisitions and will actively pursue these and other acquisition and investment opportunities. However, there can be no assurance that any of these discussions will result in a definitive agreement or, if they do, what the terms or timing of any acquisition would be.

This press release is not an offer of securities for sale in the United States. The units being offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly are not being offered for sale and may not be offered, sold or delivered, directly or indirectly within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, except pursuant to an exemption from the registration requirements of that Act.

Dundee International REIT is an unincorporated, open-ended real estate investment trust that provides investors with the opportunity to invest in commercial real estate exclusively outside of Canada. Dundee International REIT's portfolio currently consists of approximately 12.9 million square feet of gross leasable area of office, industrial and mixed use properties across Germany. For more information, please visit www.dundeeinternational.com.

This press release may contain forward-looking information within the meaning of applicable securities legislation. Forward looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dundee International REIT's control that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, global and local economic and business conditions; the financial condition of tenants; our ability to refinance maturing debt; leasing risks, including those associated with the ability to lease vacant space; and interest and currency rate functions. Our objectives and forward-looking statements are based on certain assumptions, including that the Canadian and German economies remain stable, interest rates remain stable, conditions within the real estate market remain consistent, competition for acquisitions remains consistent with the current climate and that the capital markets continue to provide ready access to equity and/or debt. All forward looking information in this press release speaks as of the date of this press release. Dundee International REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law. Additional information about these assumptions and risks and uncertainties is contained in Dundee International REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dundee International REIT's website at www.dundeeinternational.com.

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