



DUNDEE INTERNATIONAL REIT PROVIDES TRANSACTION UPDATE COMPLETES ACQUISITION OF \$107.7 MILLION PROPERTY IN DÜSSELDORF, GERMANY

TORONTO, DECEMBER 3, 2013 DUNDEE INTERNATIONAL REIT (DI.UN – TSX) (“Dundee International” or the “REIT”) announced today that it has completed the acquisition of an office property in Düsseldorf, Germany, for approximately €74.7 million (\$107.7 million) at a going in capitalization rate (“cap rate”) of 7.6%. The property is located at Feldmühleplatz 1 + 15 and Mönchenwerther Strasse 11 in the Oberkassel district immediately adjacent to the Rhine River and the Oberkasseler Bridge, connecting the neighbourhood to the city’s Central Business District. This property marks the REIT’s third high quality office acquisition in Düsseldorf since its initial public offering in August 2011.

The property is situated on four acres of land and consists of one seven storey and one five storey building, both of which were completely rebuilt and expanded in 2005, as well as another five storey office building constructed in 2007. The property comprises approximately 246,000 square feet of gross leasable area and is 100% occupied with a weighted average lease term of 6.4 years. Major tenants include Freshfields Bruckhaus Deringer (an international law firm) and Grohe AG (Europe's largest manufacturer of bathroom and kitchen fittings).

“We are excited to have added such a high quality asset in one of the most desirable markets in Germany to our platform on accretive terms to our unitholders,” said Jane Gavan, CEO of the REIT. “We continue to execute our strategy of expanding Dundee International’s presence in the “Big 7” office markets in Germany. Including this latest acquisition, over two thirds of our asset base is now located within these markets.”

The purchase price of this transaction was fully funded with cash on hand. In addition, the REIT has entered into a mortgage agreement with a principal balance of €46.5 million at a fixed interest rate of 2.32% with an average term to maturity of 5 years. The mortgage funds are expected to be drawn on or about December 23, 2013. The transaction was structured as a share deal.

“On a pro forma basis, we have cash on hand to enable us to complete a further \$165 to \$170 million of acquisitions. We intend to continue to deploy this cash by the end of the first quarter of 2014” commented Rene Gulliver, CFO of the REIT. “We continue to diversify our tenant base, with our exposure to Deutsche Post now reduced to 35% of our gross rental income after including this recent acquisition.”



In addition, the REIT is also pleased to announce that subsequent to the third quarter of 2013, it has completed €6.3 million (\$9.0 million) of property dispositions in its original portfolio, taking its year-to-date total to 15 properties for an aggregate sales price of €17.6 million (\$23.8 million). The REIT has also signed sale agreements for three additional properties for an aggregate €11.3 million, subject to various closing conditions. The aggregate sales price of €28.9 million for the 18 dispositions closed and under contract to date in 2013 represents 105% of the assets' book value.

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 15.7 million square feet of gross leasable area of office, industrial and mixed use properties across Germany. For more information, please visit www.dundeeinternational.com.

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