



DUNDEE INDUSTRIAL REIT COMPLETES \$498 MILLION ACQUISITION OF NATIONAL INDUSTRIAL PORTFOLIO

TORONTO, DECEMBER 19, 2012 DUNDEE INDUSTRIAL REIT (TSX: DIR.UN) today announced that it has completed the previously announced acquisition of a portfolio of 79 industrial properties for approximately \$498.5 million. The portfolio comprises 5.3 million square feet of gross leaseable area in Calgary, Halifax, Greater Toronto Area and Greater Montreal Area.

The acquisition was funded in part with the net proceeds of the \$230.1 million public offering of units and convertible debentures completed on December 13, 2012, as well as the issuance today of \$25.0 million of units and \$25.0 million of convertible debentures to an affiliate of the vendor, KingSett Capital Inc..

The REIT satisfied the balance of the purchase price by assuming approximately \$148.5 million of existing mortgage debt, with a weighted average term of 3.1 years and an effective interest rate of 3.0%, by incurring \$35 million of new mortgage debt, with a term of 5 years and an effective interest rate of 3.46%, and with funds drawn under a bridge credit facility established to close the transaction. The REIT has a commitment in place for \$50.0 million of new mortgage financing with a term of 7 years and interest at a rate equal to a spread of 200 bps over the GOC rate. This mortgage financing is expected to close in January and will be used to repay the funds drawn under the bridge credit facility.

Dundee Industrial REIT is an unincorporated, open-ended real estate investment trust. Dundee Industrial owns a portfolio of 156 primarily light industrial properties comprising approximately 11.3 million square feet of gross leasable area in key industrial markets across Canada. Its objective is to build upon and grow its portfolio and to provide stable, sustainable and growing distributions to its unitholders. For more information, please visit www.dundeeindustrial.com.

This press release contains forward-looking statements with respect to Dundee Industrial and its operations, strategy, financial performance and financial condition, as well as with respect to the acquisition of the Portfolio. These statements generally can be identified by the use of forward-looking words such as "forecast", "may", "will", "expect", "estimate", "anticipate", "intend", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Dundee Industrial and the Portfolio discussed herein could differ materially from those expressed or implied by such statements. See the risk factors in the public filings of Dundee Industrial REIT. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, the failure to receive any required approvals or consents in connection with the acquisition of the Portfolio or the failure to satisfy or waive any other condition to the acquisition of the Portfolio, the failure of Dundee Industrial REIT to realize expected benefits from the acquisition of the Portfolio, the performance of the Portfolio generally, changes in securities or other laws or regulations or the application thereof. The cautionary statements qualify all forward-looking statements attributable to Dundee Industrial and persons acting on its behalf. The assumptions made in making forward-looking statements are referred to in the public filings of Dundee Industrial REIT. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release. Except as required by applicable law, Dundee Industrial specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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