FOR IMMEDIATE RELEASE

TORONTO, August 24, 2007, DUNDEE REIT (D.UN – TSX) has completed the sale of its Eastern real estate portfolio and related assets to GE Real Estate for a total purchase price of $2.3 billion, including cash proceeds of $1.4 billion.

Dundee REIT intends to proceed with the redemption and transfer of outstanding REIT units in accordance with the terms of its amended and restated declaration of trust entered into on closing. Pursuant to the redemption and transfer, $1.4 billion of the proceeds from the sale, together with $165 million in cash from GE Real Estate reflecting its equity investment, will be used to acquire a total of approximately 33.4 million (subject to rounding) issued and outstanding units of the REIT at a price of $47.50 per unit. This number represents approximately 66% of the total number of voting units of Dundee REIT outstanding today. Accordingly, the “pro rata” percentage for the purposes of the redemption and transfer will be approximately 66%, and those unitholders making a “pro rata” election with respect to the redemption and transfer will have approximately 66% (subject to rounding) of their units acquired at $47.50 per unit.

Registered unitholders of Dundee REIT are reminded that the deadline for making elections in respect of the redemption and transfer is 5:00 p.m. (Toronto time) today.

Elections with respect to the redemption and transfer will be counted after the election deadline today, and the redemption and transfer of units is expected to occur at 8:00 a.m. (Toronto time) on Monday, August 27, 2007 and prior to the start of trading on the Toronto Stock Exchange the same day. At or shortly after such time, Dundee REIT will issue an additional press release announcing the results of the redemption and transfer, including the actual percentage of units acquired from unitholders who elected to have more or less than their pro rata percentage of units acquired. The press release will also announce the total number of units of each class and series of Dundee REIT outstanding after the redemption and transfer, and the total number of units of each class that, to the knowledge of the REIT, are held by affiliates of Dundee Corporation and GE Real Estate.

Following the redemption and transfer, the REIT’s remaining units will commence trading under a new CUSIP number at the opening of the Toronto Stock Exchange on August 27, 2007. There will be no change to the REIT’s ticker symbol of “D.UN”. It is anticipated that the delivery of cash and definitive certificates for the REIT units that remain outstanding after the redemption and transfer will occur on August 29, 2007.

Dundee REIT has previously announced a cash distribution of $0.183 per unit for the month of August which is payable on September 15, 2007 to unitholders of record as of August 31, 2007. Accordingly, unitholders who retain units following the redemption and transfer will receive the August distribution on their remaining units, provided that they are shown as the holder of record of those units on the record date of August 31, 2007. However, unitholders will not receive any cash distribution for the month of August in respect of units of the REIT acquired pursuant to the redemption and transfer.

Dundee REIT will continue to own assets comprising 4.7 million square feet of office properties and 2.1 million square feet of industrial properties located throughout Western Canada, which includes 1.0 million square feet of office and industrial properties (including 110 Sheppard Avenue East, Toronto; 720 Bay Street, Toronto; and 30 Adelaide Street East, Toronto) not sold to GE Real Estate as contemplated by the purchase agreement, as amended, because the applicable co-owner or tenant consent was not
obtained prior to closing. Dundee REIT and GE Real Estate have agreed to use reasonable commercial efforts to obtain such consents prior to the end of the year. If any such consents are obtained, the relevant property will be conveyed to GE Real Estate.

The REIT recently released its second quarter results and reported that its Western Portfolio generated net operating income of $41.8 million. For the six-month period, net operating income from the comparative property portfolio grew 11%. "Our in-place contract rents in Alberta are well below the current market rents and, with an average lease term of just over four years the new Dundee REIT has significant potential to benefit from the current market conditions and generate internal growth," said Michael Knowlton, President and Chief Operating Officer. Michael Cooper, Vice Chairman and Chief Executive Officer, went on to say "by reducing the size of our portfolio by two thirds and keeping the high growth assets located in Western Canada, we expect to have a lower cost of capital and be able to grow the scale of the business in a significant and accretive way. We are confident that with a smaller, more flexible and nimble REIT, we will be able to generate higher returns for our unitholders."

"Canada is one of the world’s leading real estate markets and an important focus for GE Real Estate. The assets we are acquiring primarily located in Ontario, Quebec, Edmonton and Newfoundland with its excellent people will enhance our existing platform in Canada. We are very pleased with this acquisition," said Katherine Lee, Managing Director, GE Real Estate.

Dundee REIT is an unincorporated, open-ended real estate investment trust and provides high quality, affordable business premises. It is focused on owning, acquiring, leasing and managing mid-sized urban and suburban office and industrial properties in Canada. Dundee REIT’s portfolio currently consists of approximately 6.8 million square feet of gross leasable area, located primarily in Western Canada. Dundee REIT’s portfolio is well diversified by geographic location and tenant mix. For more information, please visit www.dundeereit.com.

For further information, please contact:

DUNDEE REAL ESTATE INVESTMENT TRUST

Michael J. Cooper
Vice Chairman and Chief Executive Officer
(416) 365-5145 mcooper@dundeereit.com

J. Michael Knowlton
President and Chief Operating Officer
(416) 365-2325 mknowlton@dundeereit.com

Mario Barrafato
Senior Vice-President and Chief Financial Officer
(416) 365-4132 mbarrafato@dundeereit.com