



DUNDEE REIT CLOSURES OVER-ALLOTMENT OPTION AND COMPLETES ASPEN PORTFOLIO ACQUISITION

FOR IMMEDIATE RELEASE

TORONTO, MARCH 29, 2007, DUNDEE REIT (D.UN – TSX) today announced the closing of the issuance of an additional 495,000 REIT Units, Series A (the “Units”) for gross proceeds of \$20.2 million. The issuance was pursuant to the exercise by the underwriters of a portion their over-allotment option with respect to Dundee REIT’s recently completed offering of 3,700,000 Units on March 2, 2007. The exercise of the over-allotment option increases the total gross proceeds of the offering to approximately \$170.9 million.

The net proceeds of the offering will be used for general trust purposes, including for funding strategic acquisitions. On March 13, 2007, the Trust completed the acquisition of the Aspen Portfolio, which comprises four office buildings in downtown Calgary totalling 543,000 square feet. The purchase price was approximately \$172.1 million, which was satisfied by the assumption of existing mortgages of approximately \$29.2 million and the balance paid in cash, representing a first year yield of 6.4%. The occupancy rate of the portfolio at the time of acquisition was 99% with approximately 38% of the gross leaseable area subject to leases maturing through 2009 at rental rates below current market rental rates. There are currently 72 tenants in the portfolio.

In addition, the Trust presently has under contract 2.1 million square feet of office and industrial properties in Toronto for an aggregate purchase price of approximately \$252.5 million.

Location of Property	Property Type	Interest to be Acquired	Occupancy	Approx. GLA (sq. ft.)
HCI Holdings Portfolio, Toronto	Industrial/office	100%	97%	2,066,000
154 University Avenue, Toronto	Office	100%	100%	66,000
				2,132,000

The units being offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly will 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 in limited circumstances.

Dundee REIT is an unincorporated, open-ended real estate investment trust and is Canada’s leading provider of 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 diversified portfolio consists of approximately 20.0 million square feet of gross leaseable area, located primarily in its target markets of Toronto, Ottawa, Montréal, Calgary and Edmonton. Dundee REIT’s portfolio is well diversified by geographic location and tenant mix. For more information, please visit www.dundeereit.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 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, general 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 general economy remains 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 REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise. Additional information about these assumptions and risks and uncertainties is contained in Dundee REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dundee REIT's website at www.dundeereit.com.

- 30 -

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