



DUNDEE REIT COMPLETES HCI PORTFOLIO ACQUISITION

FOR IMMEDIATE RELEASE

TORONTO, MAY 1, 2007, DUNDEE REIT (D.UN – TSX) today announced that it has completed the acquisition of a 2.1 million square foot property portfolio from Consolidated HCI Holdings Corporation (“the Portfolio”) for approximately \$237.7 million.

The Portfolio comprises 59 industrial buildings in the Pine Valley Business Park in Vaughan, Ontario; one 160,000 square foot industrial building in Burlington, Ontario; and one 43,000 square foot office building in Mississauga, Ontario. The buildings in Burlington and Mississauga are in close proximity to other assets owned by the Trust. The Portfolio also includes 141,000 square feet of retail space and auto park assets located in the Pine Valley Business Park.

There are currently 185 tenants in the Portfolio, which has an occupancy rate of 98%. The average lease term across the portfolio is 3.9 years and the average in-place rent is \$7.64. The Trust assumed \$53.5 million principal amount of existing mortgages with an average face rate of 6.85% and an average term to maturity of just under six years. “We are very pleased to have acquired this well-located, well-leased portfolio. With a 6.4% going-in cap rate, we believe the purchase price represents excellent value for a concentrated portfolio,” said Michael Cooper, Vice Chairman and CEO of Dundee REIT.

In addition, on May 1, 2007, the Trust acquired 501 Applewood Crescent in Vaughan, Ontario, a 76,000 square foot single-tenant industrial building, for approximately \$6.8 million.

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 22.1 million square feet of gross leasable 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.

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