



DUNDEE REIT FAIR MARKET UNIT VALUE AT JUNE 30, 2003

FOR IMMEDIATE RELEASE

Toronto, September 18, 2003, DUNDEE REAL ESTATE INVESTMENT TRUST (D.UN – TSX) announces that the fair market value of a REIT Unit, Series A of Dundee REIT as of June 30, 2003 has been determined to be C\$20.40. This number may be of assistance to investors in preparing applicable Canadian income tax filings or for other Canadian income tax purposes.

On June 30, 2003, Dundee REIT acquired substantially all of the commercial real estate division of Dundee Realty Corporation (“Dundee Realty”) and a joint interest in Dundee Realty’s property management business. The value of C\$20.40 was recently agreed to by Dundee REIT and Dundee Realty, in accordance with the terms and conditions governing the statutory arrangement. The REIT Units, Series A of Dundee REIT (D.UN - TSX) began trading on The Toronto Stock Exchange on July 2, 2003.

In general, based on a value of a REIT Unit, Series A of Dundee REIT of C\$20.40 as at June 30, 2003, former shareholders of Dundee Realty who disposed of their shares of Dundee Realty on June 30, 2003 under the statutory arrangement and ultimately received as consideration C\$3.00 cash and one REIT Unit, Series A for each common share of Dundee Realty they held as capital property would have proceeds of disposition for Canadian income tax purposes, for each of their Dundee Realty common shares, of C\$23.40.

The tax matters referred to in this press release do not constitute tax advice to any investors, and investors should consult their own tax advisors with respect to any tax matters pertaining to their circumstances. Investors are also referred to the management information circular of Dundee Realty dated May 23, 2003 and, in particular, the summaries under the heading “Certain Canadian Federal Income Tax Considerations” beginning at page 144 of the circular. The circular is available on SEDAR (www.sedar.com) as a document of Dundee Realty Corporation.

Dundee REIT is an unincorporated, open-ended limited purpose real estate investment trust. We are a provider of high quality, affordable business premises. We focus on owning, acquiring, leasing and managing mid-sized urban and suburban office and industrial properties in Canada. Our diversified portfolio consists of over 11.1 million square feet of gross leasable area, located primarily in our target markets of Toronto, Ottawa, Montreal, Calgary and Edmonton. Our portfolio is well diversified by asset type, geographic location and tenants mix.

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