DUNDEE REIT STRONG 2009 SAME PROPERTY GROWTH AND $380 MILLION IN ACQUISITIONS

This news release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release.

TORONTO, FEBRUARY 23, 2010 DUNDEE REIT (D.UN-TSX) today posted strong financial results for the quarter and year ended December 31, 2009. Dundee REIT's management team will be holding a conference call to discuss the results on Wednesday, February 24 at 1:00 p.m. (EST). To access the conference call, please dial 416-695-7848 in Toronto and overseas or 1-800-766-6630 elsewhere in Canada and the United States. A taped replay of the call will be available from February 24, 2010 at 3:00 p.m. (EST) to March 10, 2010 at 11:59 p.m. (EST). Please dial 416-695-5800 or 1-800-408-3053 and use passcode 6726500 to access the replay. The call will also be available via webcast at www.dundeereit.com.

HIGHLIGHTS

Impressive year-over-year growth:

- **6% growth in comparative properties net operating income ("NOI") on an annual basis**
- **7% growth in rental property revenues**
- **14% increase in adjusted funds from operations**
- **Portfolio diversification - $380 million of acquisitions completed in Toronto and Ottawa**

Stable operations – 95.4% occupancy rate

Strong financial position:

- **$174 million of equity raised between September 2009 and January 2010**
- **5.75% weighted average interest rate**
- **2.3 times interest coverage ratio**

SELECTED FINANCIAL INFORMATION (unaudited) ($000's except unit and per unit amounts)	**Three Months Ended Dec. 31, 2009**	Three Months Ended Sept. 30, 2009	Three Months Ended Dec. 31, 2008	**Year Ended Dec. 31, 2009**	Year Ended Dec. 31, 2008
Rental property revenues	**$ 50,156**	$ 47,398	$ 48,385	**$ 192,083**	$ 179,779
Net operating income ("NOI")(1)	**30,791**	29,847	30,203	**120,954**	113,753
Funds from operations ("FFO")(2)	**17,363**	16,209	16,985	**67,633**	64,652
Adjusted funds from operations ("AFFO")(3)	**13,033**	11,747	11,745	**49,783**	43,856
Book value of rental properties	**1,181,058**	1,118,264	1,145,993		
Debt	**857,060**	840,377	883,695		
Cash	**12,022**	109,568	69,267		
Per unit data (basic)					
FFO	**0.70**	0.74	0.82	**3.04**	3.06
AFFO	**0.52**	0.54	0.57	**2.24**	2.08
Distributions	**0.55**	0.55	0.55	**2.20**	2.20
Units (period end)					
REIT Units, Series A	**21,247,397**	21,204,815	16,947,240		
REIT Units, Series B	**16,316**	16,316	16,316		
LP Class B Units, Series 1	**3,454,188**	3,454,188	3,454,188		
Total number of units	**24,717,901**	24,675,319	20,417,744		
Occupied and committed space	**95.4%**	94.9%	94.0%		
Office	**96.7%**	95.9%	96.6%		
Industrial	**90.6%**	92.0%	87.0%		

"2009 turned out to be a very good year for Dundee REIT. In a challenging economic environment, our portfolio produced solid results, we completed significant acquisitions in Toronto and Ottawa and we have significant financial flexibility," said Michael Cooper, Vice Chairman and Chief Executive Officer.

FINANCIAL HIGHLIGHTS

- **NOI up 6% to $121.0 million** – rental properties NOI increased by 2% and 6% for the three- and twelve-month periods, respectively, reflecting comparative property growth and the contribution from acquisitions.
- **Comparative properties NOI up 6% to $98.6 million** – comparative NOI increased by 2% and 6% for the three- and twelve-month periods, respectively, reflecting occupancy and rental rate increases across most of the portfolio. Comparative office NOI increased by 1% and industrial NOI by 12% for the three-month period, and by 6% and 4%, respectively, for the 12-month period.
- **Funds from operations grew to $67.6 million** – on a per unit basis, FFO decreased marginally for the twelve-month period to $3.04 from 3.06 per unit a year earlier mainly as a result of the dilutive effect of the equity offering completed in the third quarter of 2009.
- **Adjusted funds from operations increased by 14% to $49.8 million** – on a per unit basis, AFFO increased to $2.24 from $2.08 for the twelve-month period. The year-over-year decrease in the fourth quarter to $0.52 from $0.57 is a result of the Trust's equity offering completed in the third quarter.

OPERATIONAL HIGHLIGHTS

- **Portfolio occupancy remains strong at 95.4%** – the overall percentage of occupied and committed space increased to 95.4% and the average in-place net rent remained solid at $15.30 per square foot. "We are very pleased that amidst a difficult economic environment, we continued to retain existing tenants and attract new tenants, leading to an increase in our occupancy," said Michael Knowlton, President and Chief Operating Officer.

	Occupancy		
	Dec. 31, 2009	Sept. 30, 2009	Dec. 31, 2008
British Columbia	**95.3%**	93.5%	96.9%
Alberta	**95.2%**	95.1%	96.4%
Saskatchewan & NWT	**98.7%**	99.3%	98.2%
Ontario	**99.1%**	96.4%	95.2%
Total Office	**96.7%**	95.9%	96.6%
Industrial	**90.6%**	92.0%	87.0%
Total Portfolio	**95.4%**	94.9%	94.0%

ACQUISITION HIGHLIGHTS

From September 2009 to January 2010, the Trust completed $380 million of acquisitions. The table below highlights acquisitions completed in 2009.

For the Year Ended December 31, 2009	Property Type	Interest Acquired (%)	Acquired GLA (sq.ft.)	Occupancy on Acquisition (%)	Purchase Price	Fair Value of Mortgage Assumed	Date Acquired
720 Bay Street, Toronto	office	50	123,870	100	$ 25,948	$ -	September 1, 2009
1125-1145 Innovation Drive, Ottawa	office	100	118,563	100	16,679	-	December 16, 2009
6655-6725 Airport Road, Mississauga	office	100	329,728	100	50,637	26,717	December 18, 2009
Gateway Business Park, Ottawa	office	100	120,600	91	14,700	-	December 30, 2009
2645 Skymark Avenue, Mississauga	office	100	142,487	100	14,923	-	December 30, 2009
Total			835,248	99	$ 122,887	$ 26,717	

Subsequent to year end, the Trust purchased Adelaide Place, comprising 181 University Avenue and 150 York Street in the financial core of Toronto, for approximately $211.5 million. This 655,000 square foot, Class A office complex was extensively retrofitted in 2001 and is connected to Toronto's PATH underground walkway system. The Trust also acquired Aviva Corporate Centre, a complex comprising three office buildings and a warehouse building located in eastern Toronto, for approximately $45.7 million, including the assumption of approximately $30.6 million of debt.

The acquisitions completed in 2009 and early 2010 improve the geographic diversification of the Trust's portfolio and set the stage for future growth.

CAPITAL INITIATIVES

- **New equity issues** – In September 2009, the Trust completed a public offering of 3,852,500 REIT Units, Series A, including the exercise of an over-allotment option of 502,500 REIT Units, Series A, at a price of $18.35 per unit for gross proceeds of $70.7 million. Subsequent to year end, the Trust completed another public offering of 5,520,000 REIT Units, Series A, at a price of $18.75 per unit for gross proceeds of $103.5 million, increasing the equity raised between September 2009 and January 2010 to $174.2 million.
- **Debt** – During the fourth quarter, the Trust made $4.0 million of scheduled repayments on mortgages and term debt and repaid an additional $6.0 million upon the maturity of a mortgage related to one property. Furthermore, six of the Trust's unencumbered properties may be leveraged to provide additional financing. The overall weighted average interest rate was further reduced to 5.75% from 5.83% at December 31, 2008. The interest coverage ratio remains strong at 2.3 times (December 31, 2008 – 2.3 times). The Trust maintained a conservative level of debt-to-gross book value of 59.3% as at December 31, 2009.
- **Financings completed subsequent to year-end** – Subsequent to year-end the Trust completed the acquisition of Adelaide Place and also secured a $120 million non-recourse mortgage with a five-year term bearing interest at 4.795%. In addition, the Trust also completed the acquisition of the Aviva Corporate Centre, which included the assumption of a $31 million mortgage bearing interest at 5.3% and maturing in 2017. Taken together, these two financings significantly lower the Trust's year-end weighted average interest rate to 5.64% and slightly lengthen the average term to maturity. The Trust's overall debt-to-equity level and interest coverage ratio remain consistent with the year-end indicators.
- **Normal course issuer bid** – On September 23, 2009, the Trust received TSX approval to renew its normal course issuer bid and has the ability to purchase for cancellation up to a maximum of 1,648,026 REIT A Units through the facilities of the TSX. To date, no units have been purchased for cancellation under the current bid.

Information appearing in this news release is a select summary of results. The financial statements and management's discussion and analysis for the Trust, as well as its Supplementary Information Package are available at www.dundeereit.com and on www.sedar.com.

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 8.5 million square feet of gross leasable area across Canada. Dundee REIT's portfolio is well diversified by geographic location and tenant mix. For more information, please visit www.dundeereit.com.

FOOTNOTES

(1) NOI – rental property operating revenue less rental property operating expenses excluding discontinued operations.

(2) FFO - net income, adjusted for future income tax, depreciation and amortization, provision for impairment in value of discontinued assets, loss on sale, and other amortization from continuing and discontinued operations.

(3) AFFO – distributable income (as defined in Dundee REIT's Declaration of Trust) adjusted for the Trust's estimates of normalized leasing costs and normalized non-recoverable recurring capital expenditures.

NOI, FFO and AFFO are key measures of performance used by real estate operating companies; however, they are not defined by generally accepted accounting principles (GAAP), do not have standard meanings and may not be comparable with other industries or income trusts.

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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