



DUNDEE REIT ANNOUNCES \$125 MILLION EQUITY OFFERING

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TORONTO, JANUARY 18, 2011 DUNDEE REIT (TSX:D.UN) announced today that it has entered into an agreement to sell 4,130,000 REIT Units, Series A on a bought deal basis at a price of \$30.30 per Unit to a syndicate of investment dealers led by TD Securities Inc. for gross proceeds of \$125,139,000. In addition, Dundee REIT has granted the syndicate an over-allotment option, exercisable for a period of 30 days following closing, to purchase up to an additional 619,500 Units which, if exercised, would increase the gross offering size to \$143,909,850. The offering is scheduled to close on or about February 4, 2011, and is subject to regulatory approval.

The net proceeds from the offering will be used to partially fund the acquisition of Realex Properties Corp., to fund potential future acquisitions and for general trust purposes. This offering is not conditional on the acquisition by Dundee REIT of Realex Properties Corp.

In Q4 2010 alone, Dundee REIT completed approximately \$276 million of acquisitions, followed by another two acquisitions for approximately \$88 million in January 2011. In addition, Dundee REIT expects to acquire approximately \$373 million of assets pursuant to an agreement to acquire all of the outstanding common shares of Realex Properties Corp. for cash consideration of approximately \$154.4 million. The acquisition of Realex Properties Corp., which requires shareholder approval by Realex's shareholders, will be carried out by way of a court-approved plan of arrangement. Realex is an owner and manager of primarily office properties located principally in Alberta and Southwestern Ontario and owns interests in 24 office and industrial properties comprising approximately 1.8 million square feet.

The following table provides an overview of Dundee REIT's acquisitions in 2010 and to date in 2011:

Acquisitions	Property Type	Approx. GLA (sq. ft.)	Purchase Price (\$millions)	Date
Q1 - Q3 2010 *	Office / Industrial	3,571,696	639.5	
Q4 2010				
Brownlow Centre, Halifax	Office	60,739	7.2	October 5, 2010
970 Fraser Drive, Burlington	Office	95,444	6.8	October 19, 2010
2200 & 2204 Walkley Road, Ottawa	Office	156,551	22.1	November 2, 2010
2625 Queensview Drive, Ottawa	Office	46,156	8.6	November 5, 2010
30 Simmonds Dr. & 105 Akerley Blvd., Halifax	Industrial	94,676	4.5	November 22, 2010
4259 – 4299 Canada Way, Burnaby	Office	118,536	25.4	December 15, 2010
Renfrew Business Centre, Vancouver	Office	81,662	35.1	December 21, 2010
AFIAA Portfolio, Toronto, Mississauga and Calgary	Office	198,271	43.7	December 21, 2010
10250 – 101 st Street, Edmonton	Office	296,998	83.4	December 22, 2010
580 Industrial Road, London	Industrial	113,595	9.4	December 30, 2010
100 Gough Road, Markham	Office	111,840	30.0	December 30, 2010
Total Closed in 2010		4,946,164	\$ 915.7	
Saskatoon Square, Saskatoon	Office	209,600	50.0	January 4, 2011
400 Cumberland Street, Ottawa	Office	174,921	38.3	January 17, 2011
Total Closed in 2010 & 2011		5,330,685	\$ 1,004.0	
Realex Properties Corp.	Office / Industrial	1,837,300	\$373.4	
TOTAL CLOSED AND UNDER CONTRACT		7,167,985	\$ 1,377.4	

*including transaction costs

Dundee REIT's acquisition program has significantly improved the quality of the Trust's assets and further diversified its portfolio across Canada. Subsequent to this offering, and including the acquisitions under contract, Dundee REIT will be operating near its target debt-to-gross book value of 55%.

This press release is not an offer of securities for sale in the United States. The units being offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly are not being offered for sale and may 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 pursuant to an exemption from the registration requirements of that Act.

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 12.6 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.

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