



DUNDEE REIT ACQUIRES TWO-THIRDS INTEREST IN SCOTIA PLAZA

FOR IMMEDIATE RELEASE

TORONTO, JUNE 15, 2012, DUNDEE REIT (D.UN – TSX) today announced the closing of the Scotia Plaza complex (“Scotia Plaza”) acquisition for a total purchase price of approximately \$1.266 billion. Dundee REIT holds a two-thirds interest and jointly owns and manages the property with its partner, H&R REIT, which holds the remaining one-third interest.

Dundee REIT’s portion of the purchase price was \$844.3 million and was funded through a combination of proceeds from a public equity offering and a private placement of mortgage bonds, as well as drawing on existing credit facilities:

- On June 12, 2012, Dundee REIT issued 10.4 million REIT Units, Series A at \$35.90 per unit for gross proceeds of \$373.1 million.
- On June 15, 2012, special purpose subsidiaries of Dundee REIT and H&R REIT completed the sale of \$650.0 million aggregate principal amount of 7-year first mortgage bonds (of which \$433.3 million is allocated to Dundee REIT). The first mortgage bonds are non-recourse to Dundee REIT, are secured by a first-ranking charge on Scotia Plaza and bear interest at 3.21% per annum. DBRS Limited has assigned the bonds an A (high) rating with a stable trend.

As a result of the combination of equity and debt financing used to complete the acquisition, Dundee REIT has maintained a conservative balance sheet with 52% debt-to-gross-book-value.

“Scotia Plaza is an exciting addition to our portfolio – improving the quality of our assets and strengthening our cash flow. We are very pleased to have secured such attractive long term financing at an interest rate of 3.21%. From every perspective, we feel that this is a really great investment,” said Michael Cooper, Chief Executive Officer of Dundee REIT.

Dundee REIT is an unincorporated, open-ended real estate investment trust. Dundee REIT is focused on owning, acquiring, leasing and managing well-located, high-quality central business district and suburban office properties. Its portfolio currently comprises approximately 28.3 million square feet of gross leasable area in major urban centres across Canada. Dundee REIT’s portfolio is well diversified by geographic location and tenant mix. For more information, please visit www.dundeereit.com.

Forward looking information

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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