



DUNDEE REIT ANNOUNCES INCREASE TO BOUGHT DEAL FINANCING

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TORONTO, May 23, 2012 DUNDEE REIT (TSX:D.UN) announced today that, due to increased institutional investor demand, it has increased its previously announced financing of REIT Units, Series A to 9,037,000 Units on a bought deal basis at a price of \$35.90 per Unit for gross proceeds of \$324,428,300 to a syndicate of underwriters co-led by TD Securities Inc. and Scotia Capital Inc. and including CIBC, RBC Capital Markets, BMO Capital Markets, Canaccord Genuity Corp., Dundee Securities Ltd., Brookfield Financial Corp., Desjardins Securities Inc., HSBC Securities (Canada) Inc. and National Bank Financial Inc. (collectively, the "Underwriters"). The offering includes \$14 million of Units to be purchased by Dundee Corporation at the offering price and \$10 million of Units to be purchased by Michael Cooper, Vice Chairman and Chief Executive Officer of Dundee REIT, at the offering price. In addition, Dundee REIT has granted the Underwriters an over-allotment option, exercisable for a period of 30 days following closing, to purchase up to an additional 1,355,550 Units which, if exercised, would increase the gross offering size to \$373,092,545. The offering is scheduled to close on or about June 12, 2012, and is subject to regulatory approval.

The net proceeds from the offering will be used to partially fund the acquisition of Scotia Plaza and for general trust purposes.

This press release is not an offer of securities for sale in the United States. The securities 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. 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 26.1 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.

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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