



## DUNDEE REIT ANNOUNCES INCREASE TO BOUGHT DEAL FINANCING

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

**TORONTO, MAY 19, 2011 DUNDEE REIT (TSX:D.UN)** is pleased to announce it will increase its previously announced financing of REIT Units, Series A to 4,660,000 Units at a price of \$33.30 per Unit for gross proceeds of \$155,178,000 to a syndicate of underwriters led by TD Securities Inc. and including Scotia Capital Inc., CIBC, RBC Capital Markets, BMO Capital Markets, Dundee Securities Corporation, Canaccord Genuity Corp., HSBC Securities (Canada) Inc., Brookfield Financial Corp. and National Bank Financial Inc. The offering includes 356,000 REIT Units, Series A to be purchased by Dundee Corporation at the offering price pursuant to the exercise of its pre-emptive right under Dundee REIT's declaration of trust. 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 699,000 Units which, if exercised, would increase the gross offering size to \$178,454,700. The offering is scheduled to close on or about June 14, 2011, and is subject to regulatory approval.

The net proceeds from the offering will be used to fund potential future acquisitions and for general trust purposes.

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 14.8 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](http://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](http://www.dundeereit.com)*

For further information, please contact:

Michael J. Cooper  
Vice Chairman and  
Chief Executive Officer  
(416) 365-5145  
[mcooper@dundeereit.com](mailto:mcooper@dundeereit.com)

Mario Barrafato  
Senior Vice-President and  
Chief Financial Officer  
(416) 365-4132  
[mbarrafato@dundeereit.com](mailto:mbarrafato@dundeereit.com)