



DUNDEE REIT ENTERS INTO UNDERWRITING AGREEMENT FOR NEW EQUITY ISSUE PRICED AT \$21.70

FOR IMMEDIATE RELEASE

Toronto, October 29, 2003, DUNDEE REIT (D.UN – TSX) today announced that it has agreed to issue 2,363,637 REIT Units, Series A at a price of \$21.70 per unit to a syndicate of underwriters led by TD Securities Inc. and Scotia Capital Inc., and including BMO Nesbitt Burns Inc., Dundee Securities Corporation and National Bank Financial Inc. Dundee REIT has granted to the underwriters an option to purchase up to an additional 236,363 REIT Units, Series A on the same terms to cover over-allotments. The underwriters have advised Dundee REIT that they intend to exercise this option prior to closing, resulting in the issuance of a total of 2,600,000 units for total gross proceeds of \$56.4 million. Dundee REIT will file today a final prospectus with the securities regulatory authorities in each of the provinces of Canada. The offering is scheduled to close on November 5, 2003.

The Toronto Stock Exchange has conditionally approved the listing of the units offered under this prospectus, subject to Dundee REIT fulfilling all of the requirements of the Toronto Stock Exchange on or before December 24, 2003.

This is Dundee REIT's first public offering of units since the REIT acquired its portfolio of revenue producing properties from Dundee Realty Corporation on June 30, 2003. The proceeds from the offering will be used to repay certain indebtedness relating to its properties and for general purposes, including for funding the previously announced acquisition of the Palladium Campus in Ottawa and other possible future acquisitions.

The final prospectus contains, among other things, a detailed description of Dundee REIT's business, including its objectives and strategy, structure and portfolio of assets. Also included are pro forma financial statements for Dundee REIT. The final prospectus will be available both on Dundee REIT's web site (www.dundeereit.com/investorinformation/regulatoryfilings) and in the normal course on SEDAR (www.sedar.com).

The units being offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly will 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 in limited circumstances.

Dundee REIT is an unincorporated, open-ended real estate investment trust. We are a provider of high quality, affordable business premises. We focus on owning, acquiring, leasing and managing mid-sized urban and suburban office and industrial properties in Canada. Our diversified portfolio consists of approximately 11.1 million square feet of gross leasable area, located primarily in our target markets of Toronto, Ottawa, Montréal, Calgary and Edmonton. Our portfolio is well diversified by asset type, geographic location and tenant mix. For more information, please visit www.dundeereit.com.

- 30 -

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