



**DUNDEE REAL ESTATE INVESTMENT TRUST**

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS  
TO BE HELD ON DECEMBER 12, 2007**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**PROPOSED MODIFICATION OF THE  
ORGANIZATIONAL STRUCTURE**

**OF**

**DUNDEE REAL ESTATE INVESTMENT TRUST  
TO PROVIDE GREATER CERTAINTY THAT IT WILL BE  
ABLE TO QUALIFY AS A REAL ESTATE INVESTMENT TRUST  
UNDER THE SIFT RULES**

**November 9, 2007**

These materials are important and require your immediate attention. They require unitholders of Dundee Real Estate Investment Trust to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor.

## NOTICE OF SPECIAL MEETING OF UNITHOLDERS

**NOTICE IS HEREBY GIVEN** that a special meeting of the unitholders of Dundee Real Estate Investment Trust will be held:

on Wednesday, December 12, 2007  
at 10:00 a.m. (Toronto time)  
at Osler, Hoskin & Harcourt LLP  
1 First Canadian Place, Suite 6300  
Toronto, Ontario

for the following purposes:

1. to consider and vote on a special resolution, substantially in the form annexed as Appendix A to the Circular accompanying this Notice, authorizing and approving a modification of Dundee REIT's organizational structure. If implemented, the modification would eliminate Dundee REIT's intermediary holding trust and provide greater certainty that Dundee REIT will be able to qualify as a "real estate investment trust" by January 1, 2008 for the purposes of the SIFT Rules; and

2. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The specific details of the matters to be put before the Meeting are set forth in the accompanying Circular.

If you are a registered holder of units of Dundee REIT, whether or not you plan to attend the Meeting in person you are requested to complete, sign, date and return to Computershare Trust Company of Canada, the transfer agent and registrar of Dundee REIT, the enclosed form of proxy. All instruments appointing proxies to be used at the Meeting must be deposited with Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 not later than 4:00 p.m. (Toronto time) on the second last Business Day preceding the date of the Meeting or with the Chair of the Meeting prior to the commencement of the Meeting on the date of the Meeting, and any instruments appointing proxies to be used at any adjournment or postponement of the Meeting must be so deposited at least 48 hours (excluding Saturdays and holidays) prior to the time set for such adjournment or postponement of the Meeting or with the Chair of the adjourned or postponed Meeting prior to the commencement of the Meeting on the date of the Meeting.

If you are a non-registered holder of units of Dundee REIT (for example, if you hold your units in an account with a broker, dealer or other intermediary), whether or not you plan to attend the Meeting in person you should follow the voting procedures described in the voting instruction form or other document accompanying the Circular or call your broker, dealer or other intermediary for information on how you can vote your units.

The Board of Trustees of Dundee REIT has fixed November 9, 2007 as the record date for the determination of unitholders of Dundee REIT entitled to receive notice of and vote at the Meeting. Any unitholder that has acquired units of Dundee REIT after the record date will not be entitled to receive notice of or vote those units at the Meeting.

**DATED** at Toronto, Ontario this 9th day of November, 2007.

By Order of the Board of Trustees

By: 

MICHAEL J. COOPER  
Vice Chairman and Chief Executive Officer

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## **DEFINED TERMS**

Unless otherwise defined or unless the context otherwise requires, capitalized terms used in the Meeting Materials have the meanings given to them in the Glossary of Terms at the end of this Circular.

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Certain statements included in the Meeting Materials constitute “forward-looking statements”. All statements, other than statements of historical fact, included in the Meeting Materials that address future activities, events, developments or financial performance, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. Unitholders are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of Dundee REIT. Such uncertainties, assumptions and other factors could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general and local economic and business conditions, changes in government regulations or in tax laws and timing of the completion of the Reorganization. Although the forward-looking statements contained in this Circular are based upon what Dundee REIT believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain assumptions made in preparing forward-looking information and Dundee REIT’s objectives include the assumptions that there will be no material changes in government regulations or in tax laws, that the Canadian economy will remain stable in 2007 and that the Canadian capital markets will continue to provide Dundee REIT with access to equity and/or debt at reasonable rates. Such forward-looking statements should, therefore, be construed in light of such factors. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements contained in the Meeting Materials speak only as of November 9, 2007 and Dundee REIT is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

## **INFORMATION CONTAINED IN THE CIRCULAR**

Unless otherwise specified, all information in this Circular is current as of November 9, 2007.

No person has been authorized to give information or to make any representations in connection with the matters to be considered at the Meeting other than those contained in the Meeting Materials and, if given or made, any such information or representations should not be relied upon in making a decision as to how to vote on the Special Resolution or be considered to have been authorized by Dundee REIT or the board of trustees of Dundee REIT.

The Meeting Materials do not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Unitholders should not construe the contents of the Meeting Materials as legal, tax or financial advice and should consult with their own professional advisors as to the relevant legal, tax, financial and other matters in connection therewith as these apply to their particular circumstances.

## DISCLAIMER

The statements made in the Meeting Materials are the responsibility of the Trustees in their capacity as trustees and not in their personal capacity and in no event shall the Trustees be personally liable for any statements contained therein nor shall resort be had to, or redress, recourse or satisfaction result from, the private and/or personal property of the Trustees.

## NOTICE TO UNITHOLDERS IN THE UNITED STATES

Dundee REIT is an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario, Canada. The solicitation of proxies and the Reorganization involve securities of Canadian issuers and are being effected in accordance with Canadian securities laws and the Declaration of Trust. The proxy rules under the U.S. Securities Exchange Act of 1934, as amended, are not applicable to Dundee REIT or this solicitation; accordingly, this solicitation is not being effected in accordance with such U.S. securities laws. Unitholders should be aware that the requirements under Canadian laws may differ from requirements under U.S. corporate and securities laws relating to U.S. corporations.

The enforcement by investors of civil liabilities under U.S. federal securities laws may be affected adversely by the fact that Dundee REIT is formed under the laws of the Province of Ontario, that all of its Trustees are residents of countries other than the United States and that a substantial portion of its assets are located outside the United States. You may not be able to sue Dundee REIT or its Trustees in a Canadian court for violations of U.S. securities laws. It may be difficult to compel Dundee REIT and its subsidiaries to subject themselves to a judgment of a U.S. court.

**THE REORGANIZATION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THE REORGANIZATION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

Certain information concerning the tax consequences of the Reorganization for unitholders who are United States taxpayers is set forth in “Certain Canadian Federal Income Tax Considerations — Unitholders Not Resident in Canada”. Unitholders should be aware that the transactions contemplated herein may have tax consequences both in Canada and in the United States. Such consequences may not be described fully herein.

## ADDITIONAL COPIES OF MEETING MATERIALS

Additional copies of the Meeting Materials may be obtained without charge on request from the Secretary of Dundee REIT at 30 Adelaide Street East, Suite 1600, Toronto, Ontario M5C 3H1 (telephone: 416-365-3535 or email:info@dundeereit.com)

## QUESTIONS AND ANSWERS ABOUT THE MEETING

The following questions and answers are to help you understand the matters to be considered and voted on at the Meeting. However, these questions and answers do not describe everything that you should consider before you vote. Accordingly, you are urged to read this Circular in its entirety.

### Q1 What am I being asked to vote on at the Meeting?

A1 The Meeting is a special meeting of Dundee REIT's unitholders at which unitholders will be asked to consider and vote on a special resolution (the "**Special Resolution**") relating to the proposed modification of Dundee REIT's organizational structure as further described in this Circular under the heading "The Reorganization" (the "**Reorganization**"). The proposed Reorganization is a series of steps that would restructure the manner in which Dundee REIT holds its interest in its operating subsidiary, Dundee Properties LP. Dundee Properties LP holds direct and indirect interests in Dundee REIT's commercial revenue producing properties.

Dundee REIT currently holds its interest in Dundee Properties LP through a trust. If approved by unitholders and implemented, the Reorganization would eliminate this trust such that, following the Reorganization, Dundee REIT would hold its interest in Dundee Properties LP through two limited partnerships.

The trustees of Dundee REIT have determined that the Reorganization is in the best interests of Dundee REIT and its unitholders and unanimously recommend that unitholders vote "**FOR**" the Special Resolution authorizing the proposed Reorganization.

For more information, see "The Reorganization".

### Q2 Why is the Reorganization being proposed?

A2 The Reorganization is intended to modify the current organizational structure of Dundee REIT in order to provide greater certainty that it will be able to qualify as a "real estate investment trust" by January 1, 2008 for the purposes of the SIFT Rules described below.

On June 22, 2007, the federal government of Canada implemented amendments to the Tax Act (the "**SIFT Rules**") which modify the tax treatment of publicly traded entities that are specified investment flow-through trusts or partnerships ("**SIFTs**"). The SIFT Rules are more commonly known as the tax rules applying to income trusts that were introduced by the federal government on October 31, 2006.

Under the SIFT Rules, certain income earned by SIFTs and distributed to investors will effectively be taxed at combined rates comparable to the rates that apply to income earned and distributed by Canadian corporations. The SIFT Rules are intended to eliminate the tax advantage of structuring certain businesses as income trusts or partnerships. The SIFT Rules will not apply to most SIFTs until 2011, subject to guidance provided by the Department of Finance (Canada) that sets out the extent to which SIFTs are permitted to "grow" until the SIFT Rules become effective in 2011 (these guidelines are referred to as the "**Normal Growth Guidelines**").

Real estate investment trusts are excluded from the SIFT definition and therefore will not be subject to the SIFT Rules, including the Normal Growth Guidelines, if they satisfy specified conditions relating to the nature of their income and investments (this exception is referred to as the "**REIT Exception**").

Currently, Dundee REIT is not subject to the SIFT Rules because it has adhered to the Normal Growth Guidelines. However, it is unclear whether Dundee REIT, with its current organizational structure, would satisfy all of the conditions for the REIT Exception. The Reorganization is intended to modify the current organizational structure of Dundee REIT in order to provide greater certainty that it will be able to qualify as a "real estate investment trust" by January 1, 2008 for the purposes of the SIFT Rules.

For more information, see "The Reorganization".

**Q3 How will the Reorganization affect my REIT Units?**

A3 The Reorganization will not have a noticeable impact on unitholders. After the Reorganization is completed, you will hold the same number, type and percentage of outstanding REIT Units as you held immediately before the Reorganization. Also, the total number of REIT Units outstanding immediately following the Reorganization will be the same as before, and the Units will continue to be listed on the TSX. There will be no change to the distribution policy of Dundee REIT in connection with the Reorganization.

In order to complete the Reorganization, a number of steps will be taken, including steps that will result in the distribution of trust units of a newly-created trust as well as additional REIT Units to unitholders for a brief period of time. While these steps are complicated, they are necessary in order to implement the Reorganization on a tax-deferred basis. They will not affect your status as a unitholder or your holdings of REIT Units once the Reorganization is completed. Dundee REIT has applied for and received an advance income tax ruling (the “**CRA Ruling**”) from the Canada Revenue Agency (“**CRA**”) in connection with the Reorganization. Dundee REIT believes that the Reorganization will occur on a tax-deferred basis and will not cause it to exceed the Normal Growth Guidelines.

For more information, see “The Reorganization — Reorganization Steps”.

**Q4 When will the Reorganization be completed?**

A4 Dundee REIT anticipates that the Reorganization will be implemented on a single day in December, 2007. However, completion of the Reorganization is dependent upon a number of conditions, including the approval of the Special Resolution by at least 66⅔% of REIT Units voted at the Meeting and the approval of the TSX. We cannot assure you that all such conditions will be satisfied and that the Reorganization will be completed. Even if these conditions are satisfied, Dundee REIT may decide not to proceed with the Reorganization or may decide to amend or modify the structure of the Reorganization. However, Dundee REIT will not amend the structure of the Reorganization in a manner that would be materially prejudicial to unitholders.

For more information, see “The Reorganization — Conditions and Other Factors Affecting Completion of the Reorganization”.

**Q5 What happens if the Reorganization is not completed?**

A5 If the Reorganization is not completed, the organizational structure of Dundee REIT will remain as it exists on the date of this Circular. As it is uncertain whether Dundee REIT will qualify for the REIT Exception with its current organizational structure, Dundee REIT may be taxed in a manner similar to corporations on its income from business carried on in Canada and certain of its income and capital gains at a combined federal and provincial tax rate similar to that of a corporation from and after 2011, or earlier if Dundee REIT fails to adhere to the Normal Growth Guidelines. In turn, allocations or distributions of income and capital gains by Dundee REIT would be taxed as a dividend from a taxable Canadian corporation in the hands of unitholders from and after such time.

**Q6 How can I vote?**

A6 If you are a **registered holder** of units of Dundee REIT, whether or not you plan to attend the Meeting in person you are requested to complete, sign, date and return to Computershare Trust Company of Canada, the transfer agent and registrar of Dundee REIT, the enclosed form of proxy. All instruments appointing proxies to be used at the Meeting must be deposited with Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 not later than 4:00 p.m. (Toronto time) on the second last Business Day preceding the date of the Meeting or with the Chair of the Meeting prior to the commencement of the Meeting on the date of the Meeting, and any instruments appointing proxies to be used at any adjournment or postponement of the Meeting must be so deposited at least 48 hours (excluding Saturdays and holidays) prior to the time set for such adjournment or postponement of the Meeting or with the Chair of the adjourned or postponed Meeting prior to the commencement of the Meeting on the date of the Meeting.

If you are a **non-registered holder** of units of Dundee REIT (for example, if you hold your units in an account with a broker, dealer or other intermediary), whether or not you plan to attend the meeting you should follow the voting procedures described in the voting instruction form or other document accompanying the Circular or call your broker, dealer or other intermediary for information on how you can vote your units.

For more information, see “The Special Meeting — How to Vote Your REIT Units”.

**Q7 What are the principal income tax consequences to me of the Reorganization?**

A7 The Reorganization will occur on a tax-deferred basis for Dundee REIT and its Affiliates. Unitholders resident in Canada will not recognize any income, gain or loss as a result of the Reorganization for Canadian federal income tax purposes. An amount in respect of non-resident withholding tax will be remitted by Dundee REIT on behalf of unitholders who are non-residents of Canada.

For more information, see “Certain Canadian Federal Income Tax Considerations”.

**Q8 Where can I find more information about Dundee REIT?**

A8 As required by applicable securities legislation and regulatory requirements, Dundee REIT periodically files information with various securities regulatory authorities in Canada. This information can be viewed on the SEDAR website at [www.sedar.com](http://www.sedar.com) or on Dundee REIT’s website at [www.dundeereit.com](http://www.dundeereit.com).

**Q9 Who should I call with questions regarding Dundee REIT, the Meeting or the Reorganization?**

A9 For more information, please call Mario Barrafato, Senior Vice-President and Chief Financial Officer of Dundee REIT, at (416) 365-4132. Alternatively, you may e-mail Dundee REIT at [info@dundeereit.com](mailto:info@dundeereit.com).

## THE SPECIAL MEETING

Management of Dundee REIT is using this Circular to solicit proxies from unitholders for use at the Meeting to be held on December 12, 2007.

### Date, Time and Place

The Meeting will be held on Wednesday, December 12, 2007 at 10:00 a.m. (Toronto time) at Osler, Hoskin & Harcourt LLP, 1 First Canadian Place, Suite 6300, Toronto, Ontario.

### Purpose of the Meeting

The purpose of the Meeting is for unitholders:

1. to consider and vote on a special resolution, substantially in the form annexed as Appendix A to the Circular, authorizing and approving a modification of Dundee REIT's organizational structure. If implemented, the modification would eliminate Dundee REIT's intermediary holding trust and provide greater certainty that Dundee REIT will be able to qualify as a "real estate investment trust" by January 1, 2008 for the purposes of the SIFT Rules; and

2. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

### Record Date

The Trustees have fixed November 9, 2007 as the record date for the determination of unitholders of Dundee REIT entitled to receive notice of and vote at the Meeting. Unitholders of record at the close of business on that date will be entitled to vote at the Meeting, even if they have sold their REIT Units since the record date. Accordingly, any holder acquiring REIT Units after the record date will not be entitled to receive notice of or vote those REIT Units at the Meeting.

### Voting Units

The Declaration of Trust authorizes the issuance of an unlimited number of two classes of units: REIT units and Special Trust Units. REIT units are issuable in two series: REIT Units, Series A ("Units") and REIT Units, Series B. As at November 9, 2007, there were 17,053,098 Units and 476,316 REIT Units, Series B outstanding.

Special Trust Units may be issued only to holders of certain limited partnership units of Dundee Properties LP, and allow persons holding those limited partnership units to vote on matters relating to Dundee REIT. As at November 9, 2007, there were 3,315,349 Special Trust Units outstanding.

Each Unit, REIT Unit, Series B and Special Trust Unit entitles the holder of record to one vote per unit on each matter to be acted upon at the Meeting, including the Special Resolution. If you were a unitholder at the close of business on November 9, 2007, you are entitled to vote at the Meeting.

### Voting REIT Units Outstanding as at November 9, 2007

REIT Units, Series A . . . . .	17,053,098
REIT Units, Series B . . . . .	476,316
Special Trust Units . . . . .	<u>3,315,349</u>
Total Voting REIT Units Outstanding . . . . .	<u><u>20,844,763</u></u>

### Principal Holders of Voting Securities

To the knowledge of the Trustees and executive officers of Dundee REIT, the only persons or companies that beneficially own, directly or indirectly, or control or direct, voting securities of Dundee REIT carrying

10% or more of the voting rights attached to any class of outstanding voting securities of Dundee REIT as at November 9, 2007 are:

**Principal Unitholder**

<u>Name and Municipality of Residence</u>	<u>Number and Class of Units</u>	<u>Percentage of Outstanding Class</u>
Dundee Corporation, directly and indirectly through its Subsidiaries	3,315,349 Special Trust Units	100% (representing approximately 15.9% of the outstanding voting securities of Dundee REIT)
	341,754 REIT Units, Series A	2.0% (representing approximately 1.6% of the outstanding voting securities of Dundee REIT)
GE Real Estate and its affiliates	2,997,371 REIT Units, Series A	17.6% (representing approximately 14.4% of the outstanding voting securities of Dundee REIT)
	476,316 REIT Units, Series B	100% (representing approximately 2.3% of the outstanding voting securities of Dundee REIT)

Management understands that the Units registered in the name of CDS & Co. are beneficially owned through various dealers and other intermediaries on behalf of their clients and other parties. The names of the beneficial owners of such Units are not known to Dundee REIT. Except as set out above, the Trustees and executive officers of Dundee REIT have no knowledge of any person or company that beneficially owns, directly or indirectly, or exercises control or direction over 10% or more of the outstanding REIT Units.

**Quorum and Votes Required**

Under the Declaration of Trust, the quorum necessary for any meeting of unitholders is two individuals present being unitholders or representing unitholders by proxy who hold in the aggregate not less than 10% of the votes attached to all outstanding REIT Units (on a fully diluted basis).

In order for the Special Resolution to be adopted, it must be approved by at least 66<sup>2</sup>/<sub>3</sub>% of the votes cast at the Meeting by holders of REIT Units.

**Your vote is important — Unitholder Approval of the Special Resolution is necessary in order to complete the Reorganization.**

**Recommendation of the Board of Trustees**

After giving careful consideration to a variety of factors, the Board has unanimously determined that the Reorganization is in the best interests of Dundee REIT and its unitholders and unanimously recommends that unitholders vote “FOR” the Special Resolution authorizing the proposed Reorganization at the Meeting.

**How to Vote Your REIT Units**

*For Registered Holders*

If you are a registered holder of REIT Units (that is, you have a unit certificate registered in your name), you may vote in person at the Meeting or you may appoint another person to represent you as proxyholder and vote your REIT Units at the Meeting. Whether or not you plan to attend the Meeting in person, you are requested to vote your units. If you wish to vote by proxy, you should complete and return the enclosed form of proxy.

You may appoint a person to represent you as proxyholder, and provide your voting instructions to that person, in one of the following ways:

(a) *By Mail.* You may vote by completing, signing (by you, or by your attorney authorized in writing, or if you are a corporation, by a duly authorized officer or attorney) and dating (with the date on which it is executed) the form of proxy accompanying this Circular and returning it in the postage-paid envelope that is also provided to the Transfer Agent by mail at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1.

(b) *By Facsimile.* You may vote by completing, signing (by you, or by your attorney authorized in writing, or if you are a corporation, by a duly authorized officer or attorney) and dating (with the date on which it is executed) the form of proxy accompanying this Circular and returning it to the Transfer Agent by facsimile at (416) 263-9524 or 1-866-249-7775.

(c) *By Telephone.* You may vote by dialling the toll-free number set out in the form of proxy accompanying this Circular using a touch-tone telephone within North America. You will be asked to provide your control number, holder account number and access number, all of which are located at the bottom of the form of proxy accompanying this Circular, in order to verify your identity.

(d) *By Internet.* You may vote by logging on to the following website: [www.investorvote.com](http://www.investorvote.com). Once you have accessed this website, you will be asked to provide your control number, holder account number and access number, all of which are located at the bottom of the form of proxy accompanying this Circular, in order to verify your identity.

To be valid, your proxy must be received by the Transfer Agent prior to 4:00 p.m. (Toronto time) on the second last Business Day preceding the date of the Meeting. The Chairman of the Meeting may waive, in his discretion, the time limit for the deposit of proxies by unitholders if he deems it advisable to do so.

The individuals named in the form of proxy are representatives of Dundee REIT. **You have the right to appoint someone else to represent you at the Meeting, but only if you provide that instruction on the form of proxy and deposit your proxy by mail or facsimile (as making such an appointment is not available by telephone or internet). If you wish to appoint someone else to represent you at the Meeting, you must strike out the names of the persons named in the proxy and insert that other person's name in the blank space in the form of proxy. The person you appoint to represent you at the Meeting need not be a unitholder.**

#### ***For Non-Registered Holders***

If your REIT Units are registered in the name of a depository (such as CDS) or an intermediary (such as a bank, trust company, securities dealer or broker, or trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan), you are a non-registered holder.

**If you are a non-registered holder, you should follow the instructions in the request for voting instructions or form of proxy that you received from your intermediary. You should also follow the instructions for voting by mail, facsimile, telephone or internet that you received from your intermediary and contact your intermediary promptly if you need assistance.**

Only registered owners of REIT Units, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. If you are a non-registered owner, you are entitled to direct how the REIT Units beneficially owned by you are to be voted or you may obtain a form of legal proxy that will entitle you to attend and vote at the Meeting.

Since Dundee REIT generally does not have access to the names of its non-registered owners, if you wish to attend the Meeting and vote in person (or have another person attend and vote on your behalf), you should insert your own name (or the other person's name) in the blank space provided in the request for voting instructions or form of proxy to appoint yourself (or the other person) as proxyholder and then follow your intermediary's instructions for returning the request for voting instructions or form of proxy. You (or the other person) must register with the Transfer Agent when you arrive at the Meeting.

### *Voting of Proxies*

If voting instructions are given on your form of proxy or request for voting instructions, then your proxyholder must vote your REIT Units in accordance with those instructions. If no voting instructions are given, then your proxyholder may vote your REIT Units as he or she sees fit. **If you appoint the proxyholders named on the attached form of proxy, who are representatives of Dundee REIT, and do not specify how they should vote your REIT Units, then your REIT Units will be voted “FOR” the Special Resolution.**

The representatives designated in the enclosed form of proxy have discretionary authority with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters that may properly come before the Meeting. As of the date of this Circular, Dundee REIT is not aware of any amendments or variations to these matters or any other matter to be presented at the Meeting. If any other matter should properly be presented at the Meeting, your proxyholder will have the discretion to vote your REIT Units in accordance with his or her best judgment.

Proxies returned by intermediaries as “non-votes” on behalf of REIT Units held in street name, because the beneficial unitholder has not provided voting instructions or the intermediary does not have the discretion to vote such REIT Units, will be treated as present for purposes of determining a quorum but will not be counted as having been voted in respect of any such matter. As a result, such proxies will have no effect on the outcome of the vote.

### *If You Change Your Mind*

If you are a registered unitholder and have submitted a proxy and later wish to revoke it, you can do so by:

(a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent as described above;

(b) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf) (i) at the registered office of Dundee REIT at any time up to 4:00 p.m. (Toronto time) on the second last Business Day preceding the date of the Meeting at which the proxy is to be used, or (ii) with the Chair of the Meeting on the day of the Meeting before the Meeting starts; or

(c) following any other procedure that is permitted by law.

**Only registered unitholders have the right to revoke a proxy. Non-registered unitholders who wish to change their vote must make appropriate arrangements with their respective dealers or other intermediaries.**

### **Solicitation of Proxies**

It is expected that the solicitation will be made primarily by mail, but proxies and voting instructions may also be solicited personally by representatives of Dundee REIT. The solicitation of proxies and voting instructions by this Circular is being made by or on behalf of the management of Dundee REIT. The total cost of the solicitation of proxies in connection with the Reorganization will be borne by Dundee REIT.

## THE REORGANIZATION

Unitholders are being asked to consider and to vote on the Special Resolution authorizing and approving the Reorganization described in this Circular. The Special Resolution is in the form annexed as Appendix A to this Circular, and must be approved by at least 66⅔% of all of the votes cast by unitholders represented at the Meeting, present in person or by proxy, voting by ballot.

### Background and Purpose of the Reorganization

On June 22, 2007, the federal government of Canada implemented the SIFT Rules. Under the SIFT Rules, a SIFT will generally be taxed in a manner similar to corporations on income from a business carried on in Canada by the SIFT and income (other than taxable dividends) or capital gains from non-portfolio properties (as defined in the Tax Act) at a combined federal/provincial tax rate similar to that of a corporation. Allocations or distributions of income and capital gains that are subject to the SIFT Rules will be taxed as a dividend from a taxable Canadian corporation in the hands of the beneficiaries or partners of the SIFT. Subject to the Normal Growth Guidelines, the SIFT Rules will not apply until 2011 to trusts or partnerships that would have been SIFTs on October 31, 2006 if the “SIFT trust” and “SIFT partnership” definitions in the Tax Act had been in force as of that date.

Currently, Dundee REIT is not subject to the SIFT Rules because it has adhered to the Normal Growth Guidelines.

A real estate investment trust (“REIT”) that satisfies all of the conditions for the REIT Exception is excluded from the SIFT definition and therefore will not be subject to the SIFT Rules, including the Normal Growth Guidelines. In order to qualify for the REIT Exception in respect of a taxation year: (i) the REIT must, at no time in that taxation year, hold non-portfolio property other than “qualified REIT properties” (as defined in the Tax Act); (ii) not less than 95% of the REIT’s revenues for that taxation year must be derived from rent from real or immovable properties, interest, capital gains from dispositions of real or immovable, properties, dividends and royalties; (iii) not less than 75% of the REIT’s revenues for that taxation year must be derived from rent from, interest from mortgages or hypothecs on and capital gains from the disposition of real or immovable properties situated in Canada; and (iv) the REIT must, throughout the taxation year, hold real or immovable properties situated in Canada, cash and certain government-guaranteed debt with a total fair market value that is not less than 75% of the REIT’s equity value.

While Dundee REIT believes that the SIFT Rules should not apply to REITs that have a holding structure similar to that of Dundee REIT, it is unclear whether Dundee REIT, with its current organizational structure, could satisfy all of the conditions for the REIT Exception. Accordingly, management of Dundee REIT, with the concurrence of its Trustees, conducted a detailed review with its professional advisors of possible structural alternatives that would provide greater certainty that Dundee REIT would be able to qualify for the REIT Exception. Dundee REIT believes that holding its interest in Dundee Properties LP through two limited partnerships will provide greater certainty that it will be able to satisfy these conditions.

### Effects of the Reorganization

Following the Reorganization, the currently-existing trust through which Dundee REIT holds its interest in Dundee Properties LP will no longer be a part of the organizational structure of Dundee REIT, and Dundee REIT will instead hold its interest in Dundee Properties LP through two limited partnerships.

The Reorganization will not have a noticeable impact on unitholders. After the Reorganization is completed, unitholders will hold the same number, type and percentage of outstanding REIT Units as they held immediately before the Reorganization. Also, the total number of REIT Units outstanding immediately following the Reorganization will be the same as before, and the Units will continue to be listed on the TSX. There will be no change to the distribution policy of Dundee REIT in connection with the Reorganization. Dundee REIT believes that the Reorganization will occur on a tax-deferred basis and will not cause it to exceed the Normal Growth Guidelines.

In order to complete the Reorganization, a number of steps will be taken, including steps that will result in the distribution of trust units of a newly-created trust as well as additional REIT Units to unitholders for a brief period of time. While these steps are complicated, they are necessary in order to implement the Reorganization on a tax-deferred basis. They will not affect a unitholder's status as a unitholder or the number of REIT Units held once the Reorganization is completed.

#### **If the Reorganization is not Completed**

If the Reorganization is not completed, the organizational structure of Dundee REIT will remain as it exists on the date of this Circular. Dundee REIT will continue to hold all of the units of its holding trust and the holding trust will continue to hold its interest in Dundee Properties LP through two limited partnerships. As it is uncertain whether Dundee REIT will qualify for the REIT Exception if it continues to hold its interest in Dundee Properties LP through a trust, Dundee REIT may be taxed in a manner similar to corporations on its income from business carried on in Canada and its income (other than taxable dividends) or capital gains from non-portfolio properties (as defined in the Tax Act) at a combined federal and provincial tax rate similar to that of a corporation from and after 2011, or earlier if Dundee REIT fails to adhere to the Normal Growth Guidelines. In turn, distributions of income and capital gains by Dundee REIT would be taxed as a dividend from a taxable Canadian corporation in the hands of unitholders from and after such time.

#### **Recommendation of the Trustees**

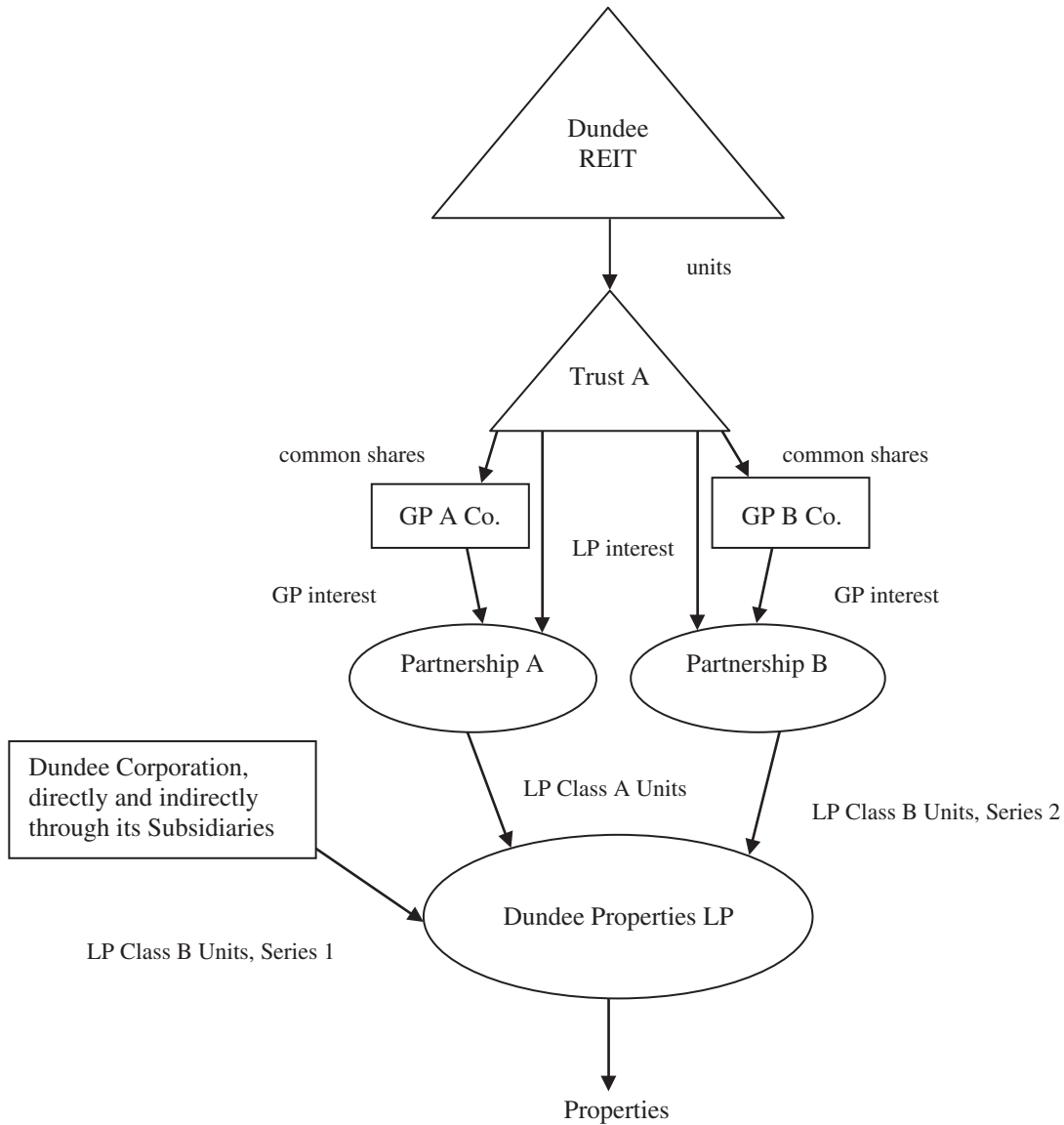
The Trustees have approved the Reorganization and the submission of the Reorganization to unitholders for approval at the Meeting. The Trustees have determined that the Reorganization is in the best interests of Dundee REIT and its unitholders and unanimously recommend that unitholders vote **"FOR"** the Special Resolution authorizing the proposed Reorganization.

#### **RECOMMENDATION TO UNITHOLDERS**

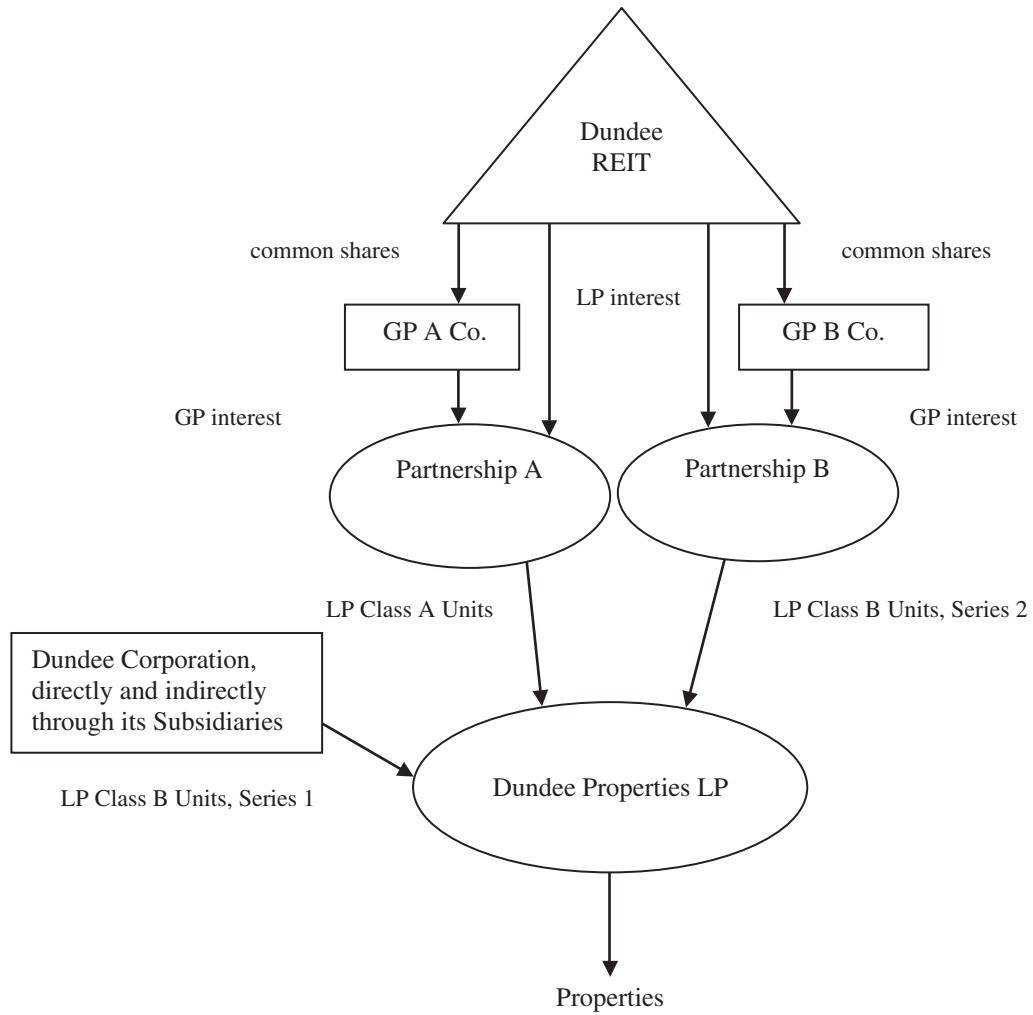
**The Board of Trustees recommends that all unitholders  
VOTE "FOR" the Special Resolution authorizing the proposed Reorganization.**

**Organizational Structure Before and After the Reorganization**

In connection with and following the sale of its portfolio of real estate assets located primarily in Eastern Canada to GE Real Estate on August 24, 2007, Dundee REIT made certain changes to its then-existing organizational structure. The following diagram sets out the current simplified organizational structure of Dundee REIT:



The following diagram sets out the simplified organizational structure of Dundee REIT after giving effect to the Reorganization.



## Reorganization Steps

The Reorganization is proposed to be implemented in a series of steps, which will be substantially as follows:

1. A Canadian resident third party settlor will establish a new trust governed by the laws of Ontario (“MFT”). MFT will be capitalized with a nominal cash contribution in exchange for one MFT Unit. See “Description of Dundee Properties Mutual Fund Trust”.
2. Dundee REIT will subscribe for a number of MFT Units for nominal cash consideration and MFT will repurchase the initial MFT Unit which was issued upon establishment of MFT.
3. Trust A and MFT will enter into a transfer agreement pursuant to which Trust A will transfer all of its assets to MFT.
4. Trust A will be terminated.
5. Dundee REIT will distribute a certain number of MFT Units held by it to holders of REIT units on a *pro rata* basis as a distribution of capital. The value of the MFT Units distributed in respect of each REIT unit will be nominal. Dundee REIT will remit to the Receiver General of Canada, on behalf of each holder of REIT units that is a non-resident of Canada, an amount equal to the amount required by the Tax Act to be withheld on behalf of REIT unitholders in respect of the distribution of capital.
6. The Declaration of Trust will be amended and restated as described under “Amendments of Agreements in Connection with the Reorganization — Declaration of Trust”.
7. Dundee REIT and MFT will enter into a transfer agreement pursuant to which MFT will transfer all of its assets to Dundee REIT. Dundee REIT will satisfy the purchase price by assuming any outstanding liabilities of MFT and issuing REIT units to MFT having an aggregate fair market value equal to the aggregate fair market value of the assets transferred to Dundee REIT less any assumed liabilities.
8. Within 60 days of the above transfer, MFT will redeem all of the issued and outstanding MFT Units except for one MFT Unit held by Dundee REIT. MFT will satisfy the redemption price for such MFT Units by transferring the REIT units held by it to the MFT Unitholders.
9. Dundee REIT will cancel the Units received by it upon the redemption of the MFT Units upon receipt of such Units.
10. The outstanding REIT units will be consolidated on a basis such that the number of Units outstanding following such consolidation will be equal to the number of Units outstanding immediately before the Reorganization and the number of REIT Units, Series B outstanding following such consolidation will be equal to the number of REIT Units, Series B outstanding immediately before the Reorganization.
11. Dundee REIT and MFT will jointly elect, in accordance with subsection 132.2(2) of the Tax Act, to have the rules in Section 132.2 of the Tax Act apply to the transactions described in paragraphs 3 to 8 above.
12. MFT will continue to exist until the later of the last day on which the foregoing election under paragraph 132.2(2)(c) of the Tax Act and the election under subsection 132(6.1) of the Tax Act can be filed, after which time MFT will be terminated and the one MFT Unit held by Dundee REIT will be cancelled.

## Conditions and Other Factors Affecting Completion of the Reorganization

Dundee REIT anticipates that the Reorganization will be implemented on a single day in December, 2007. However, completion of the Reorganization is dependent upon a number of conditions.

The following conditions and other factors will be relevant in connection with the Trustees' determination to complete the Reorganization, either in accordance with the steps described in this Circular, or in accordance with those steps as they may be changed:

(a) Dundee REIT having obtained approval of the TSX;

(b) there being no order or decree of any court, tribunal, governmental agency or other regulatory authority or administrative agency, board or commission, and no law, regulation, policy, directive or order will have been enacted, promulgated, made, issued or applied to cease trade, enjoin, prohibit or impose material limitations on, the Reorganization or the transactions contemplated thereby in a manner unacceptable to the Trustees; and

(c) the Trustees being satisfied that there will be no material adverse tax consequences under the Tax Act or any provincial tax legislation to Dundee REIT, any of its Affiliates, MFT or unitholders generally in respect of the Reorganization.

We cannot assure you that all such conditions will be satisfied and that the Reorganization will be completed.

Unitholders should be aware that the Special Resolution relating to the Reorganization provides the Trustees with the discretion to make changes to the steps in the Reorganization in their discretion or to elect not to proceed with the Reorganization notwithstanding that such resolution has been approved by unitholders. However, Dundee REIT will not change the steps in the Reorganization in a manner that would be materially prejudicial to unitholders as compared to the treatment described in this Circular.

### **Regulatory and Third Party Approvals**

On September 26, 2007, Dundee REIT obtained the CRA Ruling in connection with the Reorganization.

Completion of the Reorganization is subject to approval by the TSX. On November 13, 2007, Dundee REIT provided notice to the TSX regarding the Reorganization.

In relation to the Reorganization, Dundee Corporation and GE Real Estate have agreed to waive their preemptive right to acquire additional REIT Units, and GE Real Estate has consented to the completion of those steps of the Reorganization that would otherwise be prohibited under the terms of the purchase agreement dated June 3, 2007 between GE Real Estate and Dundee REIT and certain of its Subsidiaries.

### **Timing of Completing the Reorganization**

If the conditions to the Reorganization are satisfied, Dundee REIT anticipates that all of the Reorganization steps will be completed on a single day in December, 2007.

### **AMENDMENT OF AGREEMENTS IN CONNECTION WITH THE REORGANIZATION**

In the event that the Reorganization is completed, certain agreements to which Dundee REIT or its Subsidiaries are a party will be amended, assigned or replaced with new agreements in order to give effect to the Reorganization and to reflect the new organizational and governance structure of Dundee REIT. The following is a summary of the principal amendments that are anticipated to be made to those agreements (whether they are amended, assigned or replaced with new agreements). Following completion of the Reorganization, copies of these amended agreements and any new material agreements will be made available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Declaration of Trust**

Unitholders who vote in favour of the Special Resolution will be authorizing and approving amendments to the Declaration of Trust in connection with the Reorganization. Among other things, amendments will be made to remove all references to Dundee REIT's holding trusts and to add references to the limited

partnerships and their respective general partners, as applicable. These amendments will be incorporated into an amended and restated declaration of trust of Dundee REIT. Other amendments expected to be made to the Declaration of Trust include the following:

(a) The provisions regarding distributions by Dundee REIT will be amended to permit the distribution of MFT Units contemplated by step 5 in “— Reorganization Steps” above.

(b) The investment guidelines will be amended to provide that Dundee REIT may invest in securities of MFT, GP A Co., GP B Co., Partnership A and Partnership B as contemplated by steps 2 and 7 in “— Reorganization Steps”.

(c) The provisions regarding the consolidation of REIT units will be amended to permit the consolidation of REIT units contemplated by step 10 in “— Reorganization Steps” above.

(d) The redemption provisions will be revised to provide that the redemption proceeds may be paid and satisfied by way of a distribution *in specie* of securities of a Subsidiary of Dundee REIT by Dundee REIT to its unitholders.

### **Other Agreements**

In addition to amending the Declaration of Trust, consequential amendments will be made to the Dundee Limited Partnership Agreement, the Exchange and Support Agreement and the Governance Agreement, including to remove all references to Dundee REIT’s holding trusts and to add references to the limited partnerships and their respective general partners, as applicable.

## **DESCRIPTION OF DUNDEE PROPERTIES MUTUAL FUND TRUST**

### **General**

MFT will be an unincorporated open-ended trust established under the laws of the Province of Ontario pursuant to the MFT Declaration of Trust. The sole trustee of MFT will be an individual resident in Canada. MFT will qualify as a “unit trust” pursuant to the Tax Act on the basis that its units are redeemable on demand by the holder thereof. MFT will be a limited purpose trust and its activities are restricted to, among other things, (i) investing in cash and securities, including those issued by Partnership A, Partnership B, GP A Co., GP B Co. and Dundee REIT; (ii) issuing MFT Units; (iii) redeeming MFT Units; and (iv) satisfying its obligations, liabilities or other indebtedness. MFT may also carry on such other activities as may be reasonably incidental to the foregoing or necessary in connection with the performance by the trustee of MFT of his/her obligations under any agreement to which he/she may become a party for such purposes or in connection with such activities.

The MFT Declaration of Trust will contain provisions that are substantially similar to those contained in the Trust A Declaration of Trust, a copy of which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Some of the principal differences between the MFT Declaration of Trust and the Trust A Declaration of Trust are set out below.

### **Investment Guidelines**

The MFT Declaration of Trust will state that the assets of MFT shall only be invested in limited partnership interests of Partnership A and Partnership B, securities of GP A Co. and GP B Co., REIT Units and debt, cash or deposits of a Canadian chartered bank or trust company. The MFT Declaration of Trust will also provide that MFT shall not make or permit a subsidiary to make any investment that would result in:

(a) the REIT Units being disqualified for investment by Deferred Income Plans; or

(b) Dundee REIT ceasing to qualify as a “unit trust”, “mutual fund trust” or “registered investment” and MFT ceasing to qualify as a “unit trust” or a “mutual fund trust”, each within the meaning of the Tax Act.

## Redemption Right

The MFT Declaration of Trust will provide that the MFT Units will be redeemable at any time on demand by the holders thereof upon delivery to MFT of a duly completed and properly executed notice requiring MFT to redeem the MFT Units, in a form reasonably acceptable to the trustee of MFT, together with the certificates representing the MFT Units to be redeemed and written instructions as to the number of MFT Units to be redeemed. Upon tender of the MFT Units by a holder thereof for redemption, the holder of the MFT Units tendered for redemption will no longer have any rights with respect to such MFT Units (other than the right to receive the redemption price for such MFT Units) including the right to receive distributions thereon which are declared payable to unitholders of record on a date which is subsequent to the day of receipt by MFT of the redemption notice. The redemption price for each of the MFT Units tendered for redemption will be equal to the fair market value of each tendered MFT Unit.

The trustees of MFT will also be entitled to call for redemption, at any time, all or part of the outstanding MFT Units registered in the name of Dundee REIT or any other holder of MFT Units at the same redemption price as described above for each MFT Unit called for redemption calculated with reference to the date the trustees of MFT approved the redemption of the MFT Units.

The aggregate redemption price payable by MFT in respect of any MFT Units tendered for redemption by the holders thereof during any month may be satisfied, at the option of the trustees of MFT, in immediately available funds by cheque or by such other manner of payment approved by the trustees of MFT from time to time or in Units or REIT Units, Series B of Dundee REIT.

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Wilson & Partners LLP, a law firm affiliated with PricewaterhouseCoopers LLP and special tax counsel to Dundee REIT, the following is a summary of the principal Canadian federal income tax considerations relating to the Reorganization generally applicable under the Tax Act to a unitholder who, at all relevant times and for purposes of the Tax Act, holds its REIT units as capital property and who deals at arm's length, and is not affiliated, with Dundee REIT and its Affiliates. Generally, REIT units will be considered to be capital property to a unitholder provided that the unitholder does not hold the REIT units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain unitholders who might not otherwise be considered to hold their REIT units as capital property may, in certain circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have such REIT units, and any other "Canadian security" (as defined in the Tax Act) owned in the taxation year in which the election is made and all subsequent taxation years, deemed to be capital property. Unitholders who do not hold their REIT units as capital property should consult their own tax advisors regarding their particular circumstances.

This summary is not applicable to a unitholder that is a "financial institution", as defined in the Tax Act for purposes of the mark-to-market rules, or a "specified financial institution", as defined in the Tax Act, a unitholder to whom proposed subsection 261(4) of the Tax Act applies, or to a unitholder an interest in which is a "tax shelter investment", as defined in the Tax Act. Any such unitholder should consult their own tax advisors.

This summary is based upon the provisions of the Tax Act and the regulations thereunder as of the date of this Circular, and counsel's understanding of the current published administrative and assessing policies of the CRA. There can be no assurance that the CRA will not change its administrative policies or assessing practices. This summary takes into account all specific proposals to amend the Tax Act and the regulations thereunder that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular, as well as a letter issued by the Department of Finance which is dated February 14, 2006 with respect to sections 132.2, 116, and 218.3 of the Tax Act (the "**Proposed Amendments**"). This summary assumes that all Proposed Amendments shall be enacted as currently proposed although no assurance can be given in this regard. This summary is also based on the CRA Ruling issued which confirms certain consequences under the Tax Act of the Reorganization.

This summary is based on the assumptions that Dundee REIT and MFT qualify, and will continue to qualify at all relevant times, as “mutual fund trusts” as defined in the Tax Act and that Dundee REIT qualifies as a registered investment under the Tax Act effective from the date of its settlement. If either Dundee REIT or MFT were not to qualify as a mutual fund trust, the income tax considerations below would, in some respects, be materially different.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law, whether by legislative, governmental or judicial action, or changes in CRA’s administrative and assessing policies, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular unitholder, and no representation with respect to the Canadian federal income tax consequences to any particular unitholder is made. Consequently, unitholders are advised to consult their own tax advisors to determine the tax consequences to them of the Reorganization having regard to their particular circumstances, including the application and effect of the income and other tax laws of any country, province, territory, state or local tax authority.**

## **Tax Considerations Applicable to the Reorganization**

### *Transfer by Trust A to MFT*

Provided that the necessary election is filed within the prescribed time period, the transfer of assets by Trust A to MFT will be characterized as a “qualifying disposition” for purposes of section 107.4 of the Tax Act such that the assets will be transferred to MFT for proceeds of disposition equal to the tax cost of such assets. In such circumstances, there should be no taxable income to Trust A arising from such transfer.

### *Transfer by MFT to Dundee REIT*

Provided that Dundee REIT and MFT jointly file the appropriate election under section 132.2 of the Tax Act within the prescribed time period, the transfer of assets by MFT to Dundee REIT and the redemption by MFT of the MFT Units as described in this Circular will constitute a “qualifying exchange” as defined in section 132.2 of the Tax Act, thereby allowing the assets of MFT to be transferred to Dundee REIT for proceeds of disposition equal to the tax cost of such assets. In such circumstances, there should be no taxable income to MFT arising from such transfer. In addition, MFT will not realize a gain or loss on the transfer of the REIT units to its unitholders on the redemption of MFT Units.

### *Unitholders Resident in Canada*

The following portion of the summary is generally applicable to a unitholder who, for purposes of the Tax Act and any applicable tax treaty or convention, and at all relevant times is, or is deemed to be, a resident of Canada.

### *Return of Capital on REIT units*

A unitholder will not be required to include in computing income for the year the value of the MFT Units received from Dundee REIT as a return of capital on its REIT units. A unitholder will be required to reduce the adjusted cost base of its REIT units by the fair market value of the MFT Units received by that unitholder. To the extent that the adjusted cost based of a REIT unit would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the REIT unit will then be nil. The cost to a unitholder of an MFT Unit distributed to such holder will be equal to the fair market value of such MFT Unit at the time of distribution.

### ***Disposition of MFT Units in Exchange for REIT units***

A unitholder holding MFT Units will not realize a capital gain or capital loss as a result of the receipt of REIT units on the redemption of MFT Units. The cost to a unitholder of REIT units received by such unitholder on the redemption of MFT Units will be equal to the adjusted cost base of the redeemed MFT Units to the unitholder immediately prior to the redemption. The cost of these REIT units will be required to be averaged with the adjusted cost base of all other REIT units held by the unitholder as capital property immediately before the redemption in order to determine the adjusted cost base of each REIT unit.

### ***Consolidation of REIT units***

The consolidation of the REIT units occurring as part of the Reorganization will not be considered to result in a disposition of REIT units by the unitholder. In general, the aggregate adjusted cost base of REIT units owned by a unitholder after the Reorganization will be equal to the aggregate adjusted cost base of the REIT units owned by such unitholder immediately prior to the Reorganization.

### ***Eligibility of Investment in MFT Units***

The MFT Units will be qualified investments for purposes of the Tax Act for Deferred Income Plans.

## **Tax Considerations Following the Reorganization**

### ***Taxation of Dundee REIT***

As discussed in this Circular, as a result of the Reorganization and the implementation of additional steps, it is expected that Dundee REIT will satisfy the REIT Exception by December 31, 2007 such that Dundee REIT will not be subject to the SIFT Rules, including the Normal Growth Guidelines, after 2007. There also exists a possible interpretation of the SIFT Rules under which subsidiary partnerships in income fund structures, such as Partnership A, Partnership B and Dundee Properties LP, could be considered to be SIFTs. Counsel believes that this interpretation would not be consistent with the general intent of the Department of Finance in introducing the SIFT Rules and, in any event, does not believe that this interpretation is correct.

The taxation year of Dundee REIT, and the fiscal period of each of Partnership A and Partnership B, is the calendar year. Dundee REIT will generally be subject to tax under Part I of the Tax Act on its income, including net taxable gains for that year and its allocated share of the income of Partnership A and Partnership B for the fiscal period of such Partnerships ending on or before the year end of Dundee REIT, less the portion thereof that it deducts in respect of amounts paid or payable, or deemed to be paid or payable, to unitholders in the year. An amount will not be considered to be payable to a unitholder in a taxation year unless it is paid to the unitholder in the year by Dundee REIT or the unitholder is entitled in that year to enforce payment of the amount. The Dundee REIT Declaration of Trust provides, in general, that distributions for any year shall not be less than the amount necessary to ensure that Dundee REIT will not be liable for tax under Part I of the Tax Act in that year.

Losses incurred by Dundee REIT, if any, cannot be allocated to unitholders but may be deducted by Dundee REIT in accordance with the Tax Act.

Investment restrictions in the Dundee REIT Declaration of Trust provide that Dundee REIT may not make any investments which would result in REIT units being disqualified for investment by any Deferred Income Plan, Dundee REIT being liable to pay a tax imposed under either paragraph 122(1)(b) or Part XII.2 of the Tax Act, Dundee REIT failing or ceasing to qualify as a “mutual fund trust”, “real estate investment trust” or “registered investment” for purposes of the Tax Act, or prior to January 1, 2008, Dundee REIT exceeding “normal growth” as determined by the Normal Growth Guidelines.

### ***Holding REIT units***

A unitholder will generally be required to include in computing its income for tax purposes for a particular year the portion of the net income, including net taxable capital gains, if any, paid or payable, or

deemed to be paid or payable, by Dundee REIT to the unitholder in the year, whether such amount is received in cash, additional REIT units or otherwise.

Provided that appropriate designations are made by Dundee REIT, such portions of its net taxable capital gains, taxable dividends received, or deemed to be received, on shares of taxable Canadian corporations and foreign source income as are paid or payable, or deemed to be paid or payable, by Dundee REIT to a unitholder will effectively retain their character and be treated and taxed as such in the hands of the unitholder for purposes of the Tax Act.

The non-taxable portion of any net capital gains of Dundee REIT that is paid or payable, or deemed to be paid or payable, by Dundee REIT to a unitholder in a taxation year will not be included in computing the unitholder's income for the year. Any other amount in excess of the net income and net taxable capital gains of Dundee REIT that is paid or payable, or deemed to be paid or payable, by Dundee REIT to a unitholder, will generally not be included in computing the income of the unitholder for the year. A unitholder will be required to reduce the adjusted cost base of its REIT units by the portion of any amount (other than proceeds of disposition in respect of the redemption of REIT units and the non-taxable portion of capital gains) paid or payable to such unitholder by Dundee REIT that was not included in computing the unitholder's income and will realize a capital gain to the extent that the adjusted cost base of the unitholder's REIT units would otherwise be a negative amount.

#### ***Disposition of REIT units***

In general, a unitholder will realize a capital gain (or a capital loss) on the disposition of its REIT units equal to the amount by which the proceeds of disposition of the REIT units, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the REIT units to such unitholder. One-half of any capital gain will be required to be included in computing the unitholder's income under the Tax Act and, subject to certain detailed rules in the Tax Act, one-half of any capital loss may be deducted against taxable capital gains. Proceeds of disposition will not include any amount payable by Dundee REIT that is otherwise required to be included in unitholder income.

Where the redemption price for REIT units is paid and satisfied by way of a distribution *in specie* to the unitholder of securities of a Subsidiary of Dundee REIT ("**Subsidiary Securities**"), the proceeds of disposition to the unitholder of REIT units will be equal to the fair market value of the property so distributed less any income or capital gain realized by Dundee REIT as a result of the redemption of those REIT units (where such income or capital gain is designated by Dundee REIT to the redeeming unitholder). Where income or capital gain realized by Dundee REIT as a result of the redemption of REIT units has been designated by Dundee REIT to a redeeming unitholder, the unitholder will be required to include in computing its income for tax purposes the income and the taxable portion of the capital gain so designated. The cost of any Subsidiary Securities distributed by Dundee REIT to a unitholder upon a redemption of REIT units will generally be equal to the fair market value of such Subsidiary Securities at the time of distribution.

#### ***Alternative Minimum Tax***

In general terms, net income of Dundee REIT that is paid, or deemed to be paid or payable, by Dundee REIT to a unitholder who is an individual or trust (other than certain specified trusts) and that is designated as taxable dividends or as net taxable capital gains, and capital gains realized on the disposition of REIT units, may increase the unitholder's liability for alternative minimum tax.

#### ***Eligibility for Investment***

Units are qualified investments for Deferred Income Plans. If: (i) Dundee REIT ceases to qualify as a mutual fund trust and as a registered investment, and (ii) the Units cease to be listed on a designated stock exchange, the Units will cease to be qualified investments for those plans. Subsidiary Securities received as a result of an *in specie* redemption of Units may not be qualified investments for such plans, and this could give rise to adverse tax consequences to such plans or the annuitant or beneficiary under such plans. Accordingly, Deferred Income Plans that own Units should consult their own tax advisors before deciding to exercise the redemption rights attached to the Units.

## **Unitholders Not Resident in Canada**

The following portion of the summary is generally applicable to a unitholder who, for purposes of the Tax Act and any applicable tax treaty or convention, and at all relevant times, is not, has not been, or is not deemed to be, a resident of Canada and whose REIT units or MFT Units are not “taxable Canadian property” (as defined in the Tax Act) (a “**Non-Resident Unitholder**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Unitholder that is an insurer that carries on an insurance business in Canada and elsewhere. Generally, REIT units and MFT Units will not be taxable Canadian property of a Non-Resident Unitholder provided that (i) each of Dundee REIT and MFT is a mutual fund trust at the time of disposition of such units; (ii) such Non-Resident Unitholder does not use or hold, and is not deemed to use or hold, such REIT units and MFT Units in connection with carrying on a business in Canada; and (iii) persons with whom the Non-Resident Unitholder did not deal at arm’s length, or the Non-Resident Unitholder, either alone or together with such persons, has not owned 25% or more of the issued units of Dundee REIT or MFT at any time within 60 months preceding the date of disposition of the REIT units or MFT Units, as the case may be.

### ***Tax Considerations Applicable to the Reorganization***

Generally, a Non-Resident Unitholder will be subject to the same tax considerations in respect of the reorganization as described above under “Unitholders Resident in Canada” and such Non-Resident Unitholder will not be subject to income tax under the Tax Act as a result of the Reorganization. However, a Non-Resident Unitholder will be subject to Canadian withholding tax at a rate of 15% under Part XIII.2 of the Tax Act (the “**Mutual Fund Withholding Tax**”) on any distribution in respect of a REIT unit of a “mutual fund trust” that is a “Canadian property mutual fund investment” that is not otherwise subject to Canadian income tax under Part I of the Tax Act or Canadian withholding taxes under Part XIII of the Tax Act. A REIT unit will be a “Canadian property mutual fund investment” to a Non-Resident Unitholder. Since a Non-Resident Unitholder will generally not be subject to Canadian income tax under Part I of the Tax Act or Canadian withholding taxes under Part XIII of the Tax Act on the value of the MFT Units distributed as a return of capital on its REIT units, such Non-Resident Unitholder will generally be subject to the Mutual Fund Withholding Tax on such distribution. Dundee REIT will remit, on behalf of the Non-Resident Unitholders, the amount of Mutual Fund Withholding Tax required to be withheld pursuant to the Tax Act in respect of the return of capital on the REIT units. As a result, Non-Resident Unitholders will not bear the cost of such Mutual Fund Withholding Tax.

### ***Tax Considerations Following the Reorganization***

Where Dundee REIT pays or credits, or is deemed to pay or credit, an amount to a Non-Resident Unitholder out of the income of Dundee REIT, the Non-Resident Unitholder will be subject to Canadian withholding taxes at rate of 25% under Part XIII of the Tax Act, unless the rate is reduced under the provisions of an applicable tax treaty or convention. In addition, a distribution to a Non-resident Unitholder, which distribution is considered to have been made out of the net capital gains of Dundee REIT from dispositions of taxable Canadian property will be subject to Canadian withholding taxes at a rate of 25% under Part XIII of the Tax Act, unless such rate is reduced under the provisions of an applicable tax treaty or convention. For example, the reduced rate under the *Canada-United States Tax Convention (1980)* is 15%. As noted above, any distribution by Dundee REIT to a unitholder that is not otherwise subject to income taxes under Part I of the Tax Act or to Canadian withholding taxes under Part XIII of the Act may be subject to the Mutual Fund Withholding Tax.

A disposition (whether on redemption, by virtue of capital distributions in excess of adjusted cost base or otherwise) of the REIT units of a Non-Resident Unitholder will not give rise to any capital gain that is subject to tax under the Tax Act provided the REIT units disposed of are not “taxable Canadian property” of the Non-Resident Unitholder or the Non-Resident Unitholder is entitled to relief under an applicable tax treaty or convention.

## EQUITY COMPENSATION PLAN INFORMATION

The following table provides information regarding the Deferred Unit Incentive Plan, being the only equity compensation plan of Dundee REIT. Information is provided as at November 9, 2007.

<u>Plan Category</u>	<u>Number of Units to be Issued Upon Vesting of Deferred Units</u>	<u>Weighted-Average Price of Invested Deferred Units</u>	<u>Number of Deferred Units Remaining for Future Grant Under the Deferred Unit Incentive Plan(1)</u>
Equity Compensation Plans approved by unitholders. . . . .	264,423	N/A	657,366

(1) 1,000,000 Deferred Units were authorized under the Deferred Unit Incentive Plan.

## INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in the management information circular of Dundee REIT dated July 13, 2007 under the headings, “Interests of Informed Persons in Material Transactions” and “Interest of Persons in the Matters to be Acted upon at the Meeting” or in this Circular, Dundee REIT and executive officers of Dundee REIT are not aware of any material interest, direct or indirect, of any Trustee, executive officer of Dundee REIT, trustee, director or executive officer of any subsidiary of Dundee REIT or any person or company who beneficially owns, directly or indirectly, voting securities of Dundee REIT or who exercises control or direction over voting securities of Dundee REIT or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of Dundee REIT, or any associate or affiliate of any of the foregoing, in any transaction since the commencement of Dundee REIT’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Dundee REIT or its subsidiaries. See also “The Special Meeting — Principal Holders of Voting Securities”.

## MANAGEMENT CONTRACTS

Upon completion of the sale of the Eastern Portfolio by Dundee REIT to GE Real Estate, DRC entered into the Asset Management Agreement with Dundee REIT and certain of its Subsidiaries. Pursuant to the Asset Management Agreement, DRC performs asset management services on behalf of Dundee REIT. The head office of DRC is located at 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1. DRC is an associate of Michael J. Cooper and an indirect Subsidiary of Dundee Corporation. The directors of DRC are Michael J. Cooper and Ned Goodman and the executive officers of DRC are Mario Barrafato, Michael J. Cooper, Joanne Ferstman, Jane Gavan, Michael Knowlton, Jason Lester and Bruce Traversey. For more information, a copy of the Asset Management Agreement is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## EXPENSES

In connection with the Reorganization, Dundee REIT and its Subsidiaries expect to incur expenses, of approximately \$350,000, including legal, accounting, tax, transfer agent, filing, mailing, printing and meeting fees.

## LEGAL MATTERS

Osler, Hoskin & Harcourt LLP, counsel to Dundee REIT, has advised Dundee REIT with respect to certain legal matters in connection with the Reorganization. Wilson & Partners LLP, a law firm affiliated with PricewaterhouseCoopers LLP, has acted as special tax counsel to Dundee REIT and has advised Dundee REIT with respect to certain tax matters in connection with the Reorganization.

## **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The auditors of Dundee REIT are PricewaterhouseCoopers LLP, located in Toronto, Ontario, who were appointed as auditors of Dundee REIT on June 23, 2003. The transfer agent and registrar of Dundee REIT is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

## **OTHER BUSINESS**

Management does not currently know of any matters to be brought before the Meeting other than those set forth in the Notice of Meeting accompanying this Circular.

## **ADDITIONAL INFORMATION**

Additional information relating to Dundee REIT is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Unitholders may request copies of Dundee REIT's financial statements and Management's Discussion and Analysis by sending a request in writing to:

Dundee Real Estate Investment Trust  
c/o Chief Financial Officer  
30 Adelaide Street East, Suite 1600  
Toronto, Ontario  
M5C 3H1

Financial information is provided in Dundee REIT's comparative financial statements and Management's Discussion and Analysis for its most recently completed financial year.

## GLOSSARY OF TERMS

The following is a glossary of terms used frequently throughout the Meeting Materials.

“*Affiliate*” or “*affiliate*” has the meaning ascribed to that term in National Instrument 45-106 of the Canadian Securities Administrators.

“*Asset Management Agreement*” means the asset management agreement dated as of August 24, 2007, as it may be amended or amended and restated from time to time.

“*associate*” has the meaning ascribed thereto in the Securities Act.

“*Board of Trustees*” or “*Board*” means the board of trustees of Dundee REIT.

“*CDS*” means CDS Clearing and Depository Services Inc.

“*Circular*” means this management information circular dated November 9, 2007.

“*CRA*” means Canada Revenue Agency.

“*CRA Ruling*” means the Advance Income Tax Ruling issued by the CRA on September 26, 2007.

“*Declaration of Trust*” means the amended and restated declaration of trust of Dundee REIT dated as of August 24, 2007, as it may be amended or amended and restated from time to time.

“*Deferred Income Plan*” means any trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan or a deferred profit sharing plan, each as defined in the Tax Act.

“*Deferred Unit Incentive Plan*” means the deferred unit incentive plan of Dundee REIT.

“*Deferred Units*” means deferred trust units and income deferred trust units under the Deferred Unit Incentive Plan.

“*Department*” means the Department of Finance (Canada).

“*DRC*” means Dundee Realty Corporation, a corporation governed by the laws of the Province of British Columbia.

“*Dundee Limited Partnership Agreement*” means the amended and restated Dundee Properties Limited Partnership Agreement dated as of August 24, 2007, as it may be amended or amended and restated from time to time.

“*Dundee Properties LP*” means Dundee Properties Limited Partnership, a limited partnership formed under the laws of the Province of Ontario.

“*Dundee REIT*” means Dundee Real Estate Investment Trust, an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario.

“*Eastern Portfolio*” means Dundee REIT’s portfolio of real estate assets located primarily in Eastern Canada.

“*Exchange and Support Agreement*” means the amended and restated exchange and support agreement dated as of August 24, 2007, as it may be amended or amended and restated from time to time.

“*GE Real Estate*” means General Electric Capital Canada or its Affiliates or divisions of its Affiliates, as the context requires.

“*Governance Agreement*” means the governance agreement dated as of August 24, 2007, as it may be amended or amended and restated from time to time.

“*GP A Co.*” means Dundee Properties OTA (GP) Inc., a corporation governed by the laws of the Province of Ontario;

“*GP B Co.*” means Dundee Properties OTB (GP) Inc., a corporation governed by the laws of the Province of Ontario;

“*LP Class A Units*” means the LP Class A limited partnership units of Dundee Properties LP.

“*LP Class B Units, Series 1*” or “*LP Units*” means the LP Class B, Series 1 limited partnership units of Dundee Properties LP.

“*LP Class B Units, Series 2*” means the LP Class B, Series 2 limited partnership units of Dundee Properties LP.

“*Meeting*” means the special meeting of unitholders to be held on Wednesday, December 12, 2007 at 10:00 a.m. (Toronto time) to consider and, if deemed advisable, approve the Special Resolution, and any postponements or adjournments thereof.

“*Meeting Materials*” means the Notice of Meeting, the Circular and the form of proxy.

“*MFT*” means Dundee Properties Mutual Fund Trust, an open-ended limited purpose trust to be formed under the laws of the Province of Ontario.

“*MFT Declaration of Trust*” means the declaration of trust of MFT.

“*MFT Units*” means the unit of MFT.

“*MFT Unitholders*” means the holders of MFT Units.

“*Minister*” means the Minister of Finance (Canada).

“*Normal Growth Guidelines*” means the Guidance Provided on “Normal Growth” for Income Trusts and Other Flow-Through Entities issued in a press release by the Department on December 15, 2006, which guidelines are incorporated by reference into the SIFT Rules.

“*Notice of Meeting*” means the notice of special meeting accompanying the Circular.

“*Partnership A*” means Dundee Properties OTA Limited Partnership, a limited partnership formed under the laws of the Province of Ontario.

“*Partnership B*” means Dundee Properties OTB Limited Partnership, a limited partnership formed under the laws of the Province of Ontario.

“*Person*” includes any individual, firm, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, trust, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status.

“*Properties General Partner*” means Dundee Properties (GP) Inc., a corporation governed by the laws of the Province of Ontario, which is the sole general partner of Dundee Properties LP.

“*REIT*” means a real estate investment trust.

“*REIT Exception*” means the exception under the SIFT Rules applicable to certain real estate investment trusts that satisfy certain specified conditions relating to the nature of their income and investments.

“*REIT Units*” means, collectively, the Units, REIT Units, Series B and the Special Trust Units, but “REIT units”, when units is used in lower case type, means, collectively, the Units and REIT Units, Series B.

“*REIT Units, Series A*” means REIT Units, Series A of Dundee REIT, each representing an undivided beneficial interest in any distributions from Dundee REIT.

“*REIT Units, Series B*” means REIT Units, Series B of Dundee REIT, each representing an undivided beneficial interest in any distributions from Dundee REIT.

“*Reorganization*” means the proposed reorganization of Dundee REIT’s structure as described in this Circular under the heading, “The Reorganization”.

“*Securities Act*” means the Securities Act (Ontario), as now in effect and as it may be amended from time to time.

“*Securities Laws*” mean the Securities Act and all other applicable Canadian securities Laws and the rules and published policies of the TSX.

“*Securities Regulatory Authorities*” means collectively, the provincial and territorial securities regulatory authorities in the provinces and territories of Canada in which Dundee REIT is a reporting issuer (or the equivalent), and the TSX.

“*SIFT*” means a specified investment flow-through trust or partnership for purposes of the Tax Act.

“*SIFT Rules*” means the amendments to the Tax Act enacted on June 22, 2007 which modify the tax treatment of certain publicly traded trusts and partnerships that are SIFTs and their beneficiaries and partners.

“*Special Resolution*” means the special resolution of the unitholders concerning the Reorganization and amendments to the Declaration of Trust to be considered at the Meeting, substantially in the form set forth in Appendix A to the Circular.

“*Special Trust Units*” means the Special Trust Units of Dundee REIT issued to the holders of LP Class B Units, Series 1 providing rights to vote (and only a nominal economic interest) as a unitholder of Dundee REIT, all of which are currently indirectly held by Dundee REIT Corporation.

“*Subsidiaries*” has the meaning ascribed to that term in the National Instrument 45-106 — Prospectus and Registration Exemptions.

“*Tax Act*” means the Income Tax Act (Canada), R.S.C. 1985, c. 1 (5th Supplement), as amended.

“*Transfer Agent*” means Computershare Trust Company of Canada, and its successors and assigns.

“*Trust A*” means Dundee Properties Operating Trust A, an open-ended unit trust formed under the laws of the Province of Ontario, all of the units of which are owned by Dundee REIT.

“*Trust A Declaration of Trust*” means the amended and restated declaration of trust of Trust A dated as of August 24, 2007 as it may be amended or amended and restated from time to time.

“*Trustees*” means the trustees of Dundee REIT.

“*TSX*” means the Toronto Stock Exchange.

“*Unitholder Approval*” means the approval of the Special Resolution by at least two-thirds of the votes cast on the Special Resolution by the unitholders present in person or represented by proxy at the Meeting.

“*Unitholders*” means holders of Units, but “**unitholders**”, when used in lower case type, refers to all holders of REIT Units.

“*Units*” means REIT Units, Series A.

“*U.S.*” or “*United States*” means United States of America.

**TRUSTEES' APPROVAL**

The contents of this Circular and the sending thereof to unitholders have been approved by the Board of Trustees.

**DATED** at Toronto, Ontario, the 9<sup>th</sup> day of November, 2007.

By Order of the Board of Trustees

By: 

MICHAEL J. COOPER

**CONSENT**

**Consent of Wilson & Partners LLP**

To: The Trustees of Dundee Real Estate Investment Trust

We hereby consent to the reference to our opinion under “Certain Canadian Federal Income Tax Considerations” and to being named in the management information circular dated November 9<sup>th</sup>, 2007.

Yours truly,

(signed) WILSON & PARTNERS LLP

November 9, 2007

## APPENDIX A

### DUNDEE REAL ESTATE INVESTMENT TRUST ("Dundee REIT")

#### SPECIAL RESOLUTION OF UNITHOLDERS

##### RECITAL

Capitalized terms used and not defined in this Special Resolution have the respective meanings given to them in the management information circular of Dundee REIT dated November 9, 2007 (the "Circular") with respect to the Special Meeting of Unitholders to be held on December 12, 2007.

##### RESOLVED AS A SPECIAL RESOLUTION THAT:

##### Amendments to Declaration of Trust and Governing Documents in Connection with the Reorganization

1. The Trustees are hereby authorized to:
  - (a) approve and make such amendments to the Declaration of Trust as the Trustees consider necessary or desirable to give effect to the Reorganization and as a consequence of the Reorganization, including without limitation amendments:
    - (i) to permit the distribution by Dundee REIT of MFT Units to unitholders;
    - (ii) to provide for the investment by Dundee REIT in securities of GP A Co., GP B Co., Partnership A and Partnership B;
    - (iii) to permit the consolidation by Dundee REIT of REIT Units; and
    - (iv) to provide that the redemption proceeds may be paid and satisfied by way of a distribution *in specie* of securities of a subsidiary of Dundee REIT by Dundee REIT to its unitholders; all in the manner contemplated in the Circular; and
  - (b) approve and authorize such amendments to the Governance Agreement, the Dundee Limited Partnership Agreement and the Exchange and Support Agreement, in each case, as the Trustees consider necessary or desirable to give effect to the Reorganization and as a consequence of the Reorganization in the manner contemplated in the Circular.

##### General

2. The Trustees are hereby authorized to approve, execute or deliver such further documents, agreements, certificates and instruments and take any and all such further action in connection with the foregoing resolutions, as the Trustees consider necessary or desirable.
3. Any one Trustee or officer of Dundee REIT is authorized and directed, for and on behalf of Dundee REIT, to negotiate, finalize, execute or deliver all documents, agreements, certificates and instruments and take any and all such further action as such Trustee or officer, in his or her sole discretion, deems necessary or desirable in order to give effect to the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, certificate or other instrument or the taking of any such further action.
4. Notwithstanding that this Special Resolution has received Unitholder Approval, the Trustees are hereby authorized, in their discretion and without the further approval of the unitholders, to:
  - (a) modify the specific steps involved in the Reorganization, provided that the Trustees will not modify such steps in a manner that would be materially prejudicial to unitholders;
  - (b) determine the timing and arrange for the implementation of the Reorganization;
  - (c) decide not to proceed with the Reorganization; and
  - (d) revoke this Special Resolution before it is acted on.

