



UNITHOLDERS OF DUNDEE REIT APPROVE SALE OF EASTERN PORTFOLIO AND RELATED MATTERS

UNITHOLDERS ARE REMINDED OF PROCEDURES FOR MAKING ELECTIONS

FOR IMMEDIATE RELEASE

TORONTO, August 15, 2007, DUNDEE REIT (D.UN – TSX) announced that its unitholders have approved, at a special meeting of unitholders held today, a special resolution relating to the previously announced sale of Dundee REIT's portfolio of real estate assets located principally in Ontario, Québec and Newfoundland to GE Real Estate and various amendments to the REIT's declaration of trust and other governing documents, including to provide for a one-time redemption and transfer of outstanding REIT units at a price of \$47.50 per unit. The special resolution was approved by over 99% of the votes cast by unitholders, including over 99% of the votes cast by minority unitholders as required by applicable securities laws.

The completion date of the sale transaction is currently anticipated to be Friday, August 24, 2007, but is subject to the satisfaction or waiver of all conditions to completion, including the receipt of required regulatory approvals. If the sale transaction is completed as anticipated on August 24, 2007, the redemption and transfer of units using the cash proceeds received from the sale on closing and the cash from GE Real Estate's equity investment will be effective at 8:00 a.m. (Toronto time) on Monday, August 27, 2007. It is anticipated that the delivery of cash and new unit certificates for the balance of Dundee REIT units that remain outstanding after the redemption and transfer will occur on August 29, 2007.

Unitholders of Dundee REIT are reminded that they may make elections regarding the portion of their units that they wish to have acquired at \$47.50 per unit pursuant to the redemption and transfer. Unitholders have six choices. They may elect to have (i) none, (ii) 25%, (iii) 50%, (iv) 58%, (v) their pro rata percentage, or (vi) 100% of their outstanding units acquired, subject to proration, and in each case at a price of \$47.50 per unit. Unitholders who make no election will be treated as if they had elected to have none of their units acquired. Accordingly, the "default" option if a holder makes no election is keeping 100% of the holder's units of Dundee REIT. However, all unitholders, other than those who elect "pro rata", may have a greater number or a lesser number of their units acquired, depending on the total elections made by other unitholders.

Those who elect "pro rata" will have the percentage of their units acquired that will be the same as the percentage of outstanding units acquired by the REIT and GE Real Estate overall. For instance, if 70% of Dundee REIT's outstanding units are acquired pursuant to the redemption and transfer, each unitholder who elected "pro rata" will also have 70% of his or her units acquired. These unitholders will receive cash for 70% of their REIT units, and will keep 30% of their units.

Based on the maximum cash proceeds that could be received on the closing of the sale transaction, and the cash from GE Real Estate's equity investment, a maximum of approximately 35.5 million outstanding units (which is subject to downward adjustment) could be acquired pursuant to the redemption and transfer. If not enough units are elected to be acquired, unitholders who have elected to have none, 25%, 50% or 58% of their units acquired and those who made no election will have more of their units acquired on a proportional basis. This means that the percentage of their units that is acquired may be greater than none, 25%, 50% or 58%.

Conversely, should the elections to have units acquired be oversubscribed, those unitholders who made an election to receive all cash will have less than 100% of their units acquired. The actual percentage of their units acquired will depend on the extent to which the elections are oversubscribed, and will be determined on a proportional basis.

Unitholders who are participants in Dundee REIT's distribution reinvestment and unit purchase plan ("DRIP") are advised that they must terminate their participation in the DRIP in order to make an election. Failure to terminate participation in the DRIP will invalidate any election with the consequence that the holder will be considered to have elected to have none of its units acquired pursuant to the redemption and transfer.

A unitholder of Dundee REIT who holds units through a broker, investment advisor or other intermediary and who does not hold unit certificates of Dundee REIT is likely a "non-registered" unitholder. **A non-registered unitholder must contact his, her or its broker or other intermediary to give instructions that will enable the intermediary to make an election on behalf of the unitholder.** Non-registered unitholders must contact their intermediaries as soon as possible in order to make an election. The deadline for non-registered unitholders to make an election will be **earlier** than the election deadline for registered unitholders of Dundee REIT, and is likely to be some time during the early part of the week of August 20, 2007. Non-registered unitholders who have questions about how to make an election, how to terminate participation in the DRIP or when the election deadline is should contact their broker, investment advisor or other intermediary as soon as possible.

Unitholders who are registered unitholders and wish to make an election must follow different procedures than those that apply to non-registered unitholders. Registered unitholders must deliver a completed and validly executed document called a "letter of transmittal and election form", together with their unit certificates, to Computershare Investor Services Inc., by 5:00 p.m. (Toronto time) on the completion date for the sale transaction, which is anticipated to be Friday, August 24, 2007. Registered unitholders should carefully read and follow the instructions on their letter of transmittal and election form so that their form will be properly completed and delivered. Registered unitholders who have questions about how to make an election by completing a letter of transmittal and election form or how to terminate participation in the DRIP should contact Computershare Investor Services Inc. at 1-800-564-6253 (toll-free).

Further details regarding the transaction, including the procedures for the making of elections, are contained in Dundee REIT's management information circular dated July 13, 2007, which has been mailed to registered unitholders. **This news release only highlights certain matters relating to the procedures for making elections. Unitholders are strongly urged to read the management information circular in its entirety.** The management information circular is available on the SEDAR website at www.sedar.com under the documents relating to Dundee Real Estate Investment Trust, and is also available on the REIT's website at www.dundeereit.com under "Regulatory Filings" in the "Investor Information" menu.

Dundee REIT is an unincorporated, open-ended real estate investment trust and is Canada's leading provider of high quality, affordable business premises. It is focused on owning, acquiring, leasing and managing mid-sized urban and suburban office and industrial properties in Canada. Dundee REIT's diversified portfolio consists of approximately 22.3 million square feet of gross leasable area, located primarily in its target markets of Toronto, Ottawa, Montréal, Calgary and Edmonton. Dundee REIT's portfolio is well diversified by geographic location and tenant mix. For more information, please visit www.dundeereit.com.

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