



DUNDEE REIT CLOSSES FIRST ACQUISITIONS

FOR IMMEDIATE RELEASE

Toronto, December 4, 2003, DUNDEE REAL ESTATE INVESTMENT TRUST (D.UN – TSX) today reported that it has now closed two previously announced acquisitions.

The first acquisition, the Palladium Corporate Centre, a 229,000 square foot Class A office complex located in suburban Ottawa, Ontario, was purchased for approximately \$37 million. The three building complex, completed in 2001, is under long-term lease to three high quality tenants, with all three leases running until 2011.

In a separate transaction, Dundee REIT completed the acquisition of its 50% interest in the Telus Tower, a 28 storey, 705,000 square foot office building in Calgary, Alberta. Our strategic partner, H&R REIT, acquired the remaining 50% and will also manage the building. Constructed in 1981, this Class A office tower is located on the edge of the financial core of downtown Calgary and is approximately 93% leased to Telus Communications until 2016 with the balance leased to the Alberta government and to local tenants. The purchase price for the building was approximately \$136 million.

Together, these properties represent acquisitions of more than \$105 million for Dundee REIT. Both of these transactions are consistent with the REIT's strategy of acquiring high quality office and industrial properties in Canada's largest markets as well as increasing the average rent and lease term while reducing the overall average cost and increasing the average term to maturity of the REIT's debt.

Dundee REIT is an unincorporated, open-ended real estate investment trust. We are a provider of high quality, affordable business premises. We focus on owning, acquiring, leasing and managing mid-sized urban and suburban office and industrial properties in Canada. Our diversified portfolio consists of approximately 11.7 million square feet of gross leasable area, located primarily in our target markets of Toronto, Ottawa, Montréal, Calgary and Edmonton. Our portfolio is well diversified by asset type, geographic location and tenant mix. For more information, please visit www.dundeereit.com.

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