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Whiterock REIT Announces Completion of $10 Million Debenture Issuance

Monday, August 14, 2006

TORONTO, August 14 / CNW / - Whiterock Real Estate Investment Trust ("Whiterock") today announced that it completed an issuance of $10 million aggregate principal amount of 7.5% Redeemable Subordinated Convertible Debentures Series D (the "Debentures") maturing on July 31, 2011, which were acquired by an affiliate of Kimco Realty Corporation. The Debentures were issued to fund the redemption of all of Whiterock's 9% Redeemable Subordinated Series B Convertible Debentures (the "Series B Debentures") and for general trust purposes. The Debentures carry a semi-annual interest payment and are convertible at the request of the holder after July 31, 2007 at a conversion price of $3.75 per unit. The redeemed Series B Debentures carried a monthly interest payment, had a conversion price of $3.00 per unit and matured in December 2008. Therefore, this accretive refinancing results in reduced interest payments, an extension of term and an increase in conversion price. RBC Capital Markets acted as Whiterock's financial advisor in connection with the issue.

About Whiterock

Whiterock is a TSX listed rapidly expanding, growth oriented real estate investment trust focused on increasing Unitholder value through the strategic acquisition, ownership and management of well-located, long-term leased office, industrial and retail properties in select markets across Canada. Since its formation as a Trust on June 28, 2005, Whiterock has acquired properties totaling approximately 2.4 million square feet with a gross book value of approximately $260 million.

Forward Looking Statements

This news release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to financial performance, sale-leaseback opportunities, proposed acquisitions and equity offerings, new markets for growth, financial position, comparable commercial REITs and proposed acquisitions. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Whiterock to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: the risks related to the public financial market for Whiterock's securities, the general risks associated with real property ownership and acquisition (including in particular but without limitation that any or all of the properties subject to conditional agreement of purchase and sale discussed will be acquired as scheduled and/or on the terms currently anticipated and/or described) including that future accretive acquisition opportunities will be identified and/or completed by Whiterock, lease maturities, risk management, liquidity, debt financing, credit risk, competition, general uninsured losses, interest rate fluctuations, environmental matters, restrictions on redemptions of outstanding Whiterock securities, lack of

availability of growth opportunities, diversification, reliance on anchor or single tenant properties, potential Unitholder liability, potential conflicts of interest, the relationship with Whiterock Real Estate Capital Inc., the availability of sufficient cash flow, fluctuations in cash distributions, the market price of Whiterock's units, the failure to obtain additional financing, dilution, reliance on key personnel, changes in legislation, failure to obtain or maintain mutual fund trust status and delays in obtaining governmental approvals or financing as well as those additional factors discussed in the section entitled "Risk Factors" in Whiterock's Annual Information Form dated April 26, 2006, which can be obtained at www.sedar.com.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information: www.whiterockreit.ca

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Source: Whiterock Real Estate Investment Trust