

Press Release-For Immediate Release

Whiterock Completes \$61 Million Previously Announced Acquisition of 655 Bay Street in Downtown Toronto

Toronto, Ontario - October 31, 2006 /CNW/ - Whiterock Real Estate Investment Trust (TSX:WRK.UN) announced today that it has completed its previously announced acquisition of 655 Bay Street in downtown Toronto, Ontario for \$61.3 million before closing and mortgage refinancing costs. The acquisition was financed by the assumption of a restructured \$40.6 million 10 year 5.23% mortgage at a cost of \$3.34 million and by drawing on Whiterock's acquisition facility. The mortgage will be interest only for the first five years and thereafter will be amortized over 26.3 years.

"This acquisition is expected to further add to Whiterock's Funds from Operations ("FFO") per unit and Adjusted Funds from Operations ("AFFO") per unit. The purchase price represents a going-in capitalization rate of 8.5% (cash basis). Our portfolio has also maintained its high credit quality with approximately 70% of revenues, including announced acquisitions, coming from government or investment grade tenants," said Jason Underwood, CEO.

655 Bay Street is a 98% leased Class A multi-tenant office building with 295,413 square feet of gross leaseable area located just north of the financial district on the corner of Bay and Elm Streets in Toronto. The building's proximity to Queen's Park makes it a logical choice for the government tenants who contribute 41% of the rental stream in the building, including the Canada Revenue Agency, the Ontario Municipal Board and the Ministry of the Attorney General. Its leases have a weighted average term of 4.1 years.

Whiterock's total portfolio of acquired and announced assets is now over \$381 million, situated in a total of 11 primary and secondary markets across Canada. Approximately 77% of its revenue comes from office properties, 11% from retail properties and 12% from industrial properties.

Reinvestment Program

Whiterock's Distribution Reinvestment Plan allows Unitholders to purchase additional Units using their distributions, without brokerage fees, at 96% of the weighted average trading price for the 10 days immediately preceding a distribution payment date. The enrolment form and further details are available at www.whiterockreit.ca/drip.html.

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.

Non-GAAP Measures

FFO per unit and AFFO per unit are not measures defined by Generally Accepted Accounting Principles ("GAAP") and should not be construed as an alternative to net earnings per share determined in accordance with GAAP as an indicator of Whiterock's performance. Whiterock's methods of calculating these measures may differ from other issuers' methods and accordingly, they may not be comparable to measures used by other issuers. See Whiterock's Management Discussion and Analysis for a description of the measures and their reconciliation to net income.

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. 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”. Whiterock is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of Whiterock to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements contained in this release. A full description of these risk factors can be found in Whiterock’s Annual Information Form dated April 26, 2006 which can be found at www.sedar.com. Whiterock cannot assure investors that actual results will be consistent with these forward looking statements and Whiterock assumes no obligation to update or revise the forward looking statements contained in this release to reflect actual events or new circumstances.

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

Jason Underwood, 416-907-4861
Paul Simcox, 416-907-4862
Frank Bucys, CFO, 416-907-4864

Source: Whiterock Real Estate Investment Trust