

Press Release - For Immediate Release

Whiterock REIT Completes \$40 Million Public Equity and Convertible Debenture Offering and \$21 Million of Previously Announced Acquisitions

TORONTO, December 8 / CNW / - Whiterock Real Estate Investment Trust ("Whiterock") announced today that it has closed its \$40 million public equity and convertible debenture offering consisting of 1,261,000 trust units ("Units") at a price of \$11.90 per Unit for aggregate gross proceeds of approximately \$15 million and 6.3% Series E Convertible Unsecured Subordinated Debentures (the "Series E Debentures") having an aggregate principal amount of \$25 million, a maturity date of December 31, 2011 and a conversion price of \$13.75 per Unit. The offering was completed on a bought deal basis, through a syndicate of underwriters led by Canaccord Adams and including Blackmont Capital Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., Desjardins Securities Inc., Genuity Capital Markets and TD Securities Inc.

Whiterock intends to use the net proceeds of the offering to substantially pay down its acquisition facility, to fund future acquisitions, and for general business purposes.

In addition, Whiterock announced today that it has completed its previously announced acquisition of 8550 Newman Boulevard in Montreal, Quebec and 277 Pleasant Street in Dartmouth, Nova Scotia for \$21.1 million before closing costs.

8550 Newman Boulevard is a 66,397 square foot, newly constructed medical office building, the first phase of which is currently 100% leased, with primary tenants being government funded healthcare institutions and the second phase of which is currently approximately 70% occupied by a mix of medical tenants. The leases have a weighted average remaining term of 5.2 years. The property was purchased for \$9.9 million, before closing costs, and financed with \$7.4 million of 10 year mortgage debt at a rate of 5.25%.

277 Pleasant Street (also known as Dartmouth Professional Centre) is a 75,989 square foot multi-tenant office building, which is 100% leased, and is located immediately north of the new Nova Scotia Community College and Dartmouth General Hospital. The property was purchased for \$11.2 million, before closing costs, and financed with a \$4.7 million assumed mortgage at a rate of 5.23%, maturing in December 2015. In addition, 205,354 LP Class B Units with a value of \$2.5 million of Whiterock Limited Partnership and 205,354 Special Trust Units were issued as partial consideration of the purchase price.

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 real estate investment trust on June 28, 2005, Whiterock has acquired or announced the acquisition of properties totaling approximately 3.1 million square feet with a gross book value of approximately \$382 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 market for Whiterock’s securities, the general risks associated with real property ownership and acquisition 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 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