

Press Release - For Immediate Release

Whiterock REIT Announces Process to Solicit Acquisition or Merger Proposals for the REIT

TORONTO, January 16, 2007 / CNW / - Whiterock Real Estate Investment Trust ("Whiterock" or the "REIT") today announced that it has commenced a process to solicit proposals to acquire or merge with the REIT, in an effort to continue to enhance its unit value.

Whiterock owns a high quality portfolio of well-located, long-term leased office, industrial and retail properties located predominantly in central and eastern Canada. Whiterock's portfolio comprises 33 properties, consisting of 17 office, 10 industrial and 6 retail properties, and totals approximately 3 million square feet.

The Board of Trustees of Whiterock has established a Special Committee of Independent Trustees to advise the Board, which is comprised of David Thomson, currently serving as Chairman of the Board of Trustees, and Stanley Swartzman, currently serving as Chairman of the Investment Committee. Whiterock has retained Canaccord Adams and BMO Capital Markets to act as co-financial advisors to manage the process. Prospective bidders will be encouraged to make offers for all the outstanding units of Whiterock.

A conference call with the investor community has been scheduled for Wednesday, January 17, 2007 at 3:00 pm EST. You may participate in the live conference call toll free at 1-866-237-3252 and you will be prompted by the operator to provide the passcode 409966. To ensure your participation, please call five minutes prior to the scheduled start of the call.

The call will be recorded and archived on Whiterock's website, www.whiterockreit.ca.

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.

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 or debt 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 (including in particular but without limitation that any or all of the properties subject to conditional agreement of purchase

and sale will be acquired as scheduled and/or on the terms currently anticipated and/or described) 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