

**Press Release - For Immediate Release**

## **Whiterock REIT Completes Review of Sale or Merger Alternatives**

TORONTO, July 18, 2007 - Whiterock Real Estate Investment Trust ("Whiterock") (TSX:WRK.UN) today announced that its Trustees have completed the process of reviewing sale or merger alternatives (the "Process"), originally announced on January 16, 2007.

Over the past six months, the Special Committee of Whiterock sought interest from a wide variety of parties and received multiple expressions of interest and non-binding offers. Whiterock most recently had been in discussions with a potential bidder regarding the possible acquisition of substantially all of the assets of Whiterock. The Trustees reviewed the terms of this conditional proposal and determined that it did not offer a sufficient combination of a premium value to Unitholders and certainty of execution to justify proceeding further.

At the same time, Whiterock's existing portfolio of high credit, long term leased assets has provided solid results, above management's expectations at the start of the process. Reinvestment of available cash, operating improvements, and further internal growth opportunities are expected to increase its adjusted funds from operations ("AFFO") such that annualized run rate AFFO is expected to exceed distributions in 2008. Further details outlining Whiterock's anticipated near term internal growth opportunities and performance of the existing portfolio are included in management's AGM presentation available at [www.whiterockreit.ca](http://www.whiterockreit.ca).

As a result of completing its review of sale or merger alternatives, and in light of the portfolio's strong performance and increased outlook, the Trustees have unanimously determined that having management continue to operate the business is the best means to build and deliver value to Unitholders. As a result, the Special Committee of Trustees has been disbanded.

### **About Whiterock**

Whiterock is a TSX listed, 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 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, which can be obtained at [www.sedar.com](http://www.sedar.com). In particular but without limitation, there is no assurance that Whiterock will be able to increase its AFFO as anticipated or that annualized run rate AFFO will exceed distributions in 2008 or thereafter.

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](http://www.whiterockreit.ca)

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Source: Whiterock Real Estate Investment Trust