

## **Whiterock to Acquire \$31 Million Office Complex from ING and Complete 20 Year Sale-leaseback**

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TORONTO, February 3, 2006 /CNW/ - Whiterock Real Estate Investment Trust ("Whiterock") has entered into a long term sale-leaseback agreement with ING Insurance Company of Canada ("ING") covering a three-building, 230,000 square foot office complex, in Saint-Hyacinthe, Quebec for approximately \$31 million (subject to usual closing adjustments). The lease has a term of 20 years with four, five-year extensions, and is triple net including all structural repairs and maintenance expenses.

"Whiterock is very pleased to enter into a long-term transaction with ING, the largest provider of property and casualty insurance in Canada with an A+ credit rating by Standard & Poor's. The acquisition complements our recently assembled portfolio of high quality office buildings in Quebec City and allows us to continue to expand our activities within the province. With the completion of this acquisition and our previously announced acquisitions, we will have accretively assembled approximately \$225 million of high quality properties in which approximately 76% of the revenues will be generated from provincial government and high credit tenants, with an overall portfolio average remaining lease term of over 8 years," said Jason Underwood, CEO of Whiterock. "Our annualized \$0.28 distribution gives our Unitholders a 9.7% yield on high quality assets based on yesterday's Unit closing price of \$2.90."

The office complex is located at 2450 rue Girouard Ouest, and 450 rue St-Joseph and will be leased back in its totality to ING until 2026. 2450 rue Girouard Ouest consists of two buildings connected by an elevated walkway, of which one building totaling 115,000 square feet was newly constructed in 2005, and the second building totaling 85,000 square feet is currently undergoing significant renovations by the tenant. The third building, totaling approximately 30,000 square feet was significantly upgraded in 1990, and again in 2005. The properties also contain approximately 560 surface parking stalls, all of which are utilized by ING. Whiterock intends to finance the going-in 7.5% cap rate acquisition with 20 year fixed rate debt for approximately 75% of the purchase price.

Jason Underwood, CEO of Whiterock, continued, "the ING office complex combines one newly constructed building and two newly renovated buildings with a top-tier tenant on a long term lease. This asset accretively adds to the foundation of a top tier portfolio that Whiterock is continuing to assemble in a disciplined manner in select markets across Canada."

The office complex is currently under a binding purchase and sale agreement, subject to standard financing conditions and is expected to close this month. For further information on the ING office complex, as well as other completed and announced transactions, please visit our website at [www.whiterockreit.ca](http://www.whiterockreit.ca).

#### About Whiterock

Whiterock is a 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 or announced it is acquiring approximately 1.9 million square feet with a value on acquisition of approximately \$225 million.

#### Forward Looking Statements

This press release contains forward looking statements. 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. Such risk factors include, but are not limited to, risks associated with real property ownership, availability of cash flow, restrictions on redemption, general uninsured losses, future property acquisitions, environmental matters, tax related matters, debt financing, Unitholder liability, potential conflicts of interest, potential dilution, and reliance on key personnel. A full description of these risk factors can be found in Whiterock's final prospectus dated June 21, 2005 which can be found at [www.sedar.com](http://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 TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

**For further information**

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Source: Whiterock Real Estate Investment Trust