

Press Release - For Immediate Release

Whiterock REIT Closes \$47 million Acquisition of Quebec City Properties

Friday, May 19, 2006

TSX-WRK.UN

TORONTO, May 19 /CNW/ - Whiterock Real Estate Investment Trust, ("Whiterock") announced today that it has closed the previously announced agreements to acquire a 50% interest in a high quality, three asset office portfolio totaling 728,554 square feet in Quebec City, Quebec. The 50% interest in the portfolio was acquired by Whiterock for \$46.6 million, excluding closing costs, implying a total value for the portfolio of approximately \$93 million. The properties have a going-in capitalization rate on purchase price of approximately 8.3%. New and assumed mortgages in connection with these acquisitions total \$32.1 million with an average interest rate of 6.0%, including \$10.2 million of assumed financing that has an existing rate of 6.55%.

The properties, which are 99% occupied, have an average remaining lease term of approximately eight years and approximately 91.5% of the revenues from the properties are generated from the Quebec provincial government and other credit-rated national or international firms. In addition to Whiterock's 50% interest, another 45% is owned by major Montreal and Quebec City based pension funds and 5% by the developer of the properties.

"We are excited about the completion of this acquisition and our strategic relationships with major Quebec based pension funds, as well as Kevlar, the original developer and ongoing manager of these properties. The acquisition also solidifies our position in the Quebec City market with 8 office buildings, and one industrial asset totaling 1.1 million square feet. Whiterock continues to demonstrate its ability to source well tenanted assets, leased on a long-term basis that are accretive," said Whiterock CEO Jason Underwood.

About Whiterock

Whiterock is a TSX listed growth oriented REIT 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 properties totaling over 2.4 million square feet with a value on acquisition of approximately \$275 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. 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