

FOR IMMEDIATE RELEASE

**WESTFIELD REAL ESTATE INVESTMENT TRUST ANNOUNCES COMPLETION
OF ITS \$3 MILLION EQUITY FINANCING AND TRUST REORGANIZATION**

WINNIPEG, Manitoba (December 21, 2004): Westfield Real Estate Investment Trust (TSXV: WRT.UN) (“**Westfield REIT**”) announced that its previously announced \$3,000,000 equity financing (the “**Offering**”) and the reorganization (the “**Trust Reorganization**”) of Westfield Properties Ltd. into a real estate investment trust by way of plan of arrangement were completed on December 20, 2004.

Pursuant to the Offering, Westfield REIT sold 7,500,000 trust units (“**Units**”) at a price of \$0.40 per Unit for aggregate gross proceeds to Westfield REIT of \$3,000,000. The proceeds of the Offering will be used by Westfield REIT to purchase additional properties (yet to be identified) and for general purposes. Bieber Securities Inc. (the “**Agent**”) acted as agent under the Offering, on a best efforts basis, and was paid a commission in an amount equal to 8% of the gross proceeds of the Offering. The Agent was also granted an option to sell additional Units up to 15% of the number of Units sold pursuant to the Offering within 60 days of the closing of the Offering.

Pursuant to the Trust Reorganization, Westfield Properties Ltd., which until the completion of the Trust Reorganization was listed on the TSX Venture Exchange under the symbol “WPL”, effectively reorganized into a real estate investment trust, namely Westfield REIT, by way of a plan of arrangement under the Canada Business Corporations Act pursuant to which, among other things, the issued and outstanding common shares of Westfield Properties Ltd. were exchanged for Units on a one for one basis. Westfield Properties Ltd. was dissolved in connection with the Reorganization. Westfield REIT is the resulting issuer from the Reorganization and the Units will commence trading on the Exchange on or about December 22, 2004.

Westfield REIT owns the same property formerly owned by Westfield Properties Ltd., namely a property (the “**Sunridge Property**”) more commonly known as the “Home Outfitters Centre”, anchored by Home Outfitters, a division of the Hudson’s Bay Company. The Sunridge Property is a retail development in a “Power Centre Node” within the Sunridge Business Park located in the vicinity of 16th Avenue and 36th Street in northeast Calgary. The Sunridge Property has 50,905 square feet of leasable space and is fully occupied by two tenants. Home Outfitters occupies 39,939 square feet of space under a lease which commenced in October of 2001 and expires in November of 2016, with options to renew up to 2031. The second tenant occupies 10,966 square feet of space under a lease which commenced in September of 2003 and expires in October of 2013, with an option to renew up to 2018. Both leases provide for rental increases every five years. Annual base rent under the two leases net of operating costs and taxes is over \$700,000 per year.

Westfield REIT also announced today that it continues to evaluate and negotiate a proposed transaction involving the office/retail property commonly known as the Johnston Terminal located at 25 Forks Market Road in the area commonly known as “The Forks” located at the confluence of the Red River and the Assiniboine River in downtown Winnipeg, Manitoba.

Westfield REIT is a real estate investment trust listed as a Tier 2 issuer on the Exchange with the objective of acquiring and maintaining a growing portfolio of properties with stable cash distributions. Westfield REIT intends to initially focus on properties located in Western Canada.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer of the Corporation, or Mr. Jim Green, Chief Financial Officer of the Corporation, at (204) 947-1200.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this press release.