

FOR IMMEDIATE RELEASE

FEBRUARY 6, 2006

**WESTFIELD REIT ANNOUNCES
CONDITIONAL ACQUISITION OF \$69 MILLION OF COMMERCIAL PROPERTIES
AND
PUBLIC OFFERING OF TRUST UNITS**

Westfield Real Estate Investment Trust (TSXV:WFD.UN) ("**Westfield REIT**") announced today that it has entered into conditional agreements with respect to the acquisition of four properties (the "**Properties**") for approximately \$69.4 million, bringing completed and conditional property acquisitions to approximately \$297.4 million since June 2005.

The total purchase price of approximately \$69.4 million represents an average going in unlevered return ("**Capitalization rate**") of approximately 7.8%. Assuming that the conditions of closing are satisfied with respect to the various acquisitions, these properties will be closing in the first quarter of 2006. The four acquisitions comprise the following income producing properties: (i) Northwest Centre I & II; (ii) Southwood Mall; (iii) Circle 8 Mall; and (iv) Reenders Square (the "**Proposed Acquisitions**"). In connection with the proposed acquisitions, Westfield would also be responsible for an aggregate of approximately \$1.4 million in mortgage prepayment penalties. No proposed acquisition of any one property is conditional upon the completion of any other proposed acquisition. The four properties proposed to be acquired are owned by different vendors. It is anticipated that the purchase prices for the proposed acquisitions will be satisfied by a combination of cash and mortgage financing.

Proposed Acquisitions

Property	Property Type	Location	GLA (sq ft)	Occupancy	Year Built / Redeveloped
Northwest Centre	Office	Calgary, AB	77,553	99.9%	1981
Southwood Mall	Retail	Calgary, AB	121,184	98.5%	1964 / 1993
Circle 8 Mall	Retail	Saskatoon, SK	76,133	98.4%	1990 - 1993
Reenders Square	Retail	Winnipeg, MB	65,693	100.0%	1998
Total			340,563	99.1%	

Northwest Centre I & II – Calgary, Alberta

Northwest Centre I & II is a suburban office complex located in northwest Calgary on 16th Avenue (TransCanada Highway) near the Calgary Regional Hospital and the University of Calgary. Northwest Centre I & II is comprised of two four-storey office buildings which are connected to a multilevel underground parkade. The total building area comprises approximately 80,000 square feet of GLA. The parking stall ratio is better than one parking stall per 500 square feet of GLA, with 145 parking stalls being underground and an additional 20 surface stalls. The entire complex is well constructed with a reinforced concrete and masonry designed system.

Northwest Centre I & II is a well positioned property which currently has a high occupancy level of approximately 99%. A substantial portion of the rental income is derived from two high credit rated tenants, Komex International (an engineering and consulting firm) and the Calgary Health Region (the local governmental health authority). These two tenants have executed relatively long term leases with terms expiring in 2011 and 2016, respectively. Both leases provide for built-in rental increases

during their respective terms. Westfield's management believes that rents under the current leases are approximately 20% to 30% below current market rates for a property of this caliber and location.

Given the replacement costs of an asset of this nature with underground parking, and the high caliber of its tenants, Westfield believes that the purchase of Northwest Centre I & II represents excellent value for its investment.

All conditions of closing (other than standard closing conditions) have been removed by Westfield. The acquisition of Northwest Centre I & II is expected to close on or about February 28, 2006.

Southwood Mall – Calgary, Alberta

Southwood Mall is a non-enclosed retail mall located in Calgary's affluent southwest district. Situated at the corner of Elbow Drive and Southland Drive S.W., Southwood Mall is located in the heart of a strong demographic area and has excellent visibility and ease of access.

Southwood Mall is comprised of approximately 121,000 square feet of GLA of strip retail premises including some developed pad sites. Southwood Mall is in good condition, and enjoys an excellent parking stall ratio of five parking stalls per 1000 square feet of GLA. Tenants of the Southwood Mall include well known enterprises such as Fabricland, Rexall Drugs, the Province of Alberta, Pet Planet, Fabutan, Dollarland, Tim Horton's, Pizza Hut, the Bank of Montreal and Roger's Video, among others. Several of the current leases have rental increases built in during their respective terms.

Southwood Mall is currently 98% occupied with over 50% of its tenants "national" in caliber.

Circle 8 Mall – Saskatoon, Saskatchewan

Circle 8 Mall is an unenclosed retail mall located at Circle Drive and 8th Street East in Saskatoon, Saskatchewan which Westfield considers to be a prime location.

The property is comprised of approximately 76,000 square feet of GLA of non-enclosed retail premises, including some developed pads. Circle 8 Mall is in good condition, and enjoys a parking stall ratio in excess of five parking stalls per 1000 square feet of GLA. The tenants of Circle 8 Mall include well known retail enterprises such as VHQ, Quizno's, Liquor Board of Saskatchewan, Reitman's, McNally Robinson Booksellers, Canadian Imperial Bank of Commerce, Citi Financial and Moxie's Restaurant and Bar, among others. Several of the current leases have rental increases built in during their respective terms. Circle 8 Mall is currently 98% occupied with over 70% of the tenants being "national" in caliber.

Reenders Square – Winnipeg, Manitoba

Reenders Square is a grocery store-anchored unenclosed retail mall located on Lagimodiere Boulevard, a high traffic arterial in Winnipeg, Manitoba. Reenders Square is anchored by a long-term lease with Sobeys/IGA and is shadow anchored by an adjacent new concept RONA Home Improvement Centre. The location is part of an overall "Power Centre Node" anchored by a large regional shopping centre known as Kildonan Place.

The property is comprised of approximately 66,000 square feet of GLA of non-enclosed retail premises. The mall was recently built and in good condition. Tenants of Reenders Square include well known enterprises such as Sobeys/IGA (long term lease expiring 2018), Blockbuster, Vita Health, PetValu Canada, Rice Financial Group, Subway and Panago's Pizza, among others.

Reenders Square is currently 100% occupied with over 80% of the tenants being "national" in caliber.

"We are extremely pleased to announce these high quality acquisitions, which are immediately accretive to unitholders. With the addition of these properties, Westfield REIT's portfolio will be further diversified across western Canada with a balanced mix of retail and office square footage. This is consistent with our stated strategy of producing a stable and growing stream of cash distributions for unit holders from the ownership and management of high quality income producing properties located

in primary and growing secondary markets in western Canada, with a major focus in Alberta,” said Armin Martens, Chief Executive Officer of Westfield REIT.

Westfield REIT also announced today that it has engaged Canaccord Capital Corporation as its lead underwriter together with a syndicate of underwriters comprising CIBC World Markets Inc., National Bank Financial Inc., Scotia Capital Inc., Bieber Securities Inc., and Westwind Partners Inc. (the “**Underwriters**”) in connection with an offering (the “**Offering**”) of trust units (“**Units**”) by way of short form prospectus in the each province of Canada except Quebec. The Underwriters have been granted an over-allotment option to acquire up to an additional 15% of the Offering for a period of 30 days following closing of the Offering. The size and pricing of the Offering will be determined by the Underwriters and Westfield REIT. The proceeds of the Offering are intended to be used to satisfy the cash portion of the purchase price for the Proposed Acquisitions, for working capital purposes and/or to reduce outstanding indebtedness.

Westfield REIT is a real estate investment trust listed as a Tier 2 issuer on the TSX Venture 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, primarily in the Province of Alberta.

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

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

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