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WFD.UN on the TSX  
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FOR IMMEDIATE RELEASE

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## **WESTFIELD REIT CLOSES ON \$34.0 MILLION OF RETAIL & INDUSTRIAL PROPERTY IN CALGARY, ALBERTA**

Westfield Real Estate Investment Trust (TSX: WFD.UN) ("**Westfield REIT**") is pleased to advise that it has closed on the previously announced acquisition of Horizon Heights, a well-located retail development in north-east Calgary, and two industrial properties (Franklin Showcase Warehouse and McCall Lake Industrial) in north-east Calgary.

Horizon Heights is a four building development, shadow anchored by an adjacent Safeway grocery store and in close proximity to the Peter Lougheed Regional Hospital, London Drugs, Sobeys and the regional Sunridge Mall. The centre is comprised of 73,514 square feet of rentable area and is 100% occupied. Over 66% of tenancies are considered "high credit rated" national tenancies, such as Dollarama, the Bank of Nova Scotia and Blockbuster Video. The Horizon Heights site also comes with a PAD expansion opportunity, which is currently under development for a prospective tenant.

The Horizon Heights acquisition closed on July 17, 2006, for a purchase price of \$18.0 million, which represents a going-in capitalization rate of 7.4%. The \$18.0 million purchase price was satisfied with cash and by assuming an existing \$9.7 million mortgage bearing interest at 5.76% per annum.

The Franklin Showcase Warehouse is a two-building complex with approximately 69,000 square feet of leasable area, 100% occupied. Anchor tenants are Windsor Building Supplies and Eastside Dodge. This industrial property is located in the Franklin Industrial Park, which attracts higher rents due to its proximity to Calgary's Northgate Village Mall power centre and the Sunridge and Marlborough Malls. McCall Lake Industrial is an attractive two-storey two-building light-industrial/commercial complex comprised of approximately 91,000 square feet of leasable space. The buildings accommodate both office and warehouse space and are 100% occupied by a combination of local and national tenants. McCall Lake Industrial is located in close proximity to Deerfoot Trail and the 32<sup>nd</sup> Avenue commercial corridor, ten minutes from downtown Calgary.

The Franklin Showcase Warehouse acquisition closed on July 14, 2006, for a purchase price of \$7.79 million, which represents a going-in capitalization rate of 7.5%. The purchase price was satisfied with cash and a mortgage financing package aggregating \$5.1 million. The blended mortgage rate bears interest at a rate of 5.38% per annum. The McCall Lake Industrial acquisition closed on June 29, 2006, for a purchase price of \$8.25 million, which represents a going-in capitalization rate of 7.7%. The acquisition was financed from the proceeds of a new \$5.3 million mortgage bearing interest at a rate of 5.60% per annum.

Including the two industrial acquisitions, Westfield REIT's commercial property acquisitions to date represent approximately 2.9 million square feet of leasable area, 65% of which is in Alberta.

*Westfield REIT's units trade on the TSX under the symbol WFD.UN. Westfield REIT's objective is to acquire and maintain a growing portfolio of properties and provide stable cash distributions to its unitholders. Westfield REIT focuses exclusively on high-quality commercial properties 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.

*This press release contains forward-looking statements. Westfield REIT is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of Westfield REIT to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Such risk factors include, but are not limited to, risks associated with real property ownership, availability of cash flow, general uninsured losses, future property acquisitions, environmental matters, tax related matters, debt financing, unitholder liability, potential conflicts of interest, potential dilution, reliance on key personnel, changes in legislation and potential changes in the tax treatment of trusts. Westfield REIT cannot assure investors that actual results will be consistent with any forward-looking statement and Westfield REIT assumes no obligation to update or revise such forward-looking statements to reflect actual events or new circumstances.*

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

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