

FOR IMMEDIATE RELEASE

June 29, 2005

**WESTFIELD REIT ANNOUNCES CONDITIONAL ACQUISITIONS OF  
\$133 MILLION, A \$40 MILLION PRIVATE PLACEMENT, AND ITS INTENTION TO  
INCREASE CASH DISTRIBUTIONS**

Westfield Real Estate Investment Trust (TSXV: WRT.UN) (“**Westfield REIT**”) announced today that it has entered into conditional agreements with respect to the acquisition of eleven properties (the “**Properties**”) in the provinces of Manitoba, Saskatchewan and Alberta for a total purchase price of approximately \$133 million.

The Properties comprise a total of 1,166,000 sq ft in net leasable area, of which 700,000 s.f. is primarily represented by unenclosed shopping centres, with the balance of the acquisitions comprised of office space and one industrial building. The retail properties are approximately 70% leased to national and regional tenancies, and 50% of the office space is leased to government tenants under long-term leases. The Properties are located in the cities of Calgary, Winnipeg, Regina, Saskatoon, Medicine Hat, and Grand Prairie.

The overall occupancy rate of the Properties is 94% and all eleven acquisitions meet Westfield REIT’s 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.

The total purchase price of \$133 million represents a weighted average going in unlevered return (“**capitalization rate**”) of 8.4%, and Westfield REIT believes that, upon closing, these acquisitions will be immediately accretive to cash flow and earnings on a per unit basis. Assuming that the conditions of closing are satisfied with respect to the various acquisitions, closing of most of the Properties is expected to occur near the end of Westfield REIT’s third fiscal quarter of 2005.

Subject to the successful completion of the private placement described below, Westfield REIT intends to increase its monthly cash distributions to Unitholders by 75% to \$0.07 annually, or from \$0.00333 per unit monthly to \$0.00583.

We are very excited to announce these property acquisitions which significantly grow and diversify our income property portfolio in our core markets across western Canada. This important step also represents our first major announcement of what we believe will be many accretive acquisitions since becoming a publicly traded REIT in December 2004. Our decision to increase monthly cash distributions at this time underscores our confidence with our ongoing acquisition pipeline as well as the accretion expected from the property acquisitions announced today, said Mr. Armin Martens, Chief Executive Officer of Westfield REIT.

Westfield also announced today that it has engaged Canaccord Capital Corporation (the “**Agent**”) as its lead agent in connection with a private placement offering (the “**Offering**”), on a best efforts basis, of up to \$30 million in trust units (“**Units**”) and \$10 million aggregate principal amount of subordinated convertible redeemable debentures (“**Debentures**”), for gross proceeds to Westfield REIT of up to \$40 million. The agent will have the option to increase the offering by up to \$10 million in trust units. The pricing of the Units and the Debentures, and the terms of the conversion and the redemption of the Debentures, will be determined by the Agent and Westfield REIT. The offering is expected to close on or about July 29, 2005. Units and Debentures sold pursuant to the Offering will be subject to a four-month hold period pursuant to the requirements of the TSX Venture Exchange and applicable securities laws. The proceeds of the Offering are intended to be used to satisfy the cash portion of the purchase price for the acquisition of the Properties described herein and for general purposes.

Westfield REIT also intends to seek a listing of its units on the Toronto Stock Exchange in conjunction with the acquisition and financing of the Properties.

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.

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.*

Suite 300 – 360 Main Street ■ Winnipeg, Manitoba ■ Canada ■ R3C 3Z3  
Phone (204) 947-1200 ■ Fax (204) 947-0453