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WFD.UN on the TSX

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FOR IMMEDIATE RELEASE

MAY 4, 2006

**WESTFIELD REIT ANNOUNCES CLOSING
OF \$30 MILLION CONVERTIBLE DEBENTURE FINANCING**

Westfield Real Estate Investment Trust (TSX:WFD.UN) ("**Westfield**") announced the closing of its previously announced offering, on a bought deal basis, of \$30,000,000 principal amount of Series C convertible redeemable unsecured subordinated debentures ("**Series C Debentures**") through a syndicate of underwriters led by Canaccord Capital Corporation and including CIBC World Markets Inc., National Bank Financial Inc., Scotia Capital Inc, Bieber Securities Inc. and Westwind Partners Inc.

Westfield intends to use the net proceeds from the sale of the Series C Debentures to fund additional acquisitions and for general working capital purposes.

The Series C Debentures will bear interest at a rate of 6.25% per annum and be payable semi-annually on May 31 and November 30 until maturity on May 31, 2013. The first interest payment date will be November 30, 2006. The Series C Debentures will be convertible at the option of the holder into trust units ("**Units**") of Westfield at any time prior to maturity at a conversion price of \$17.25 per Unit (the "**Conversion Price**"). The Series C Debenture will not be redeemable by Westfield prior to May 31, 2009. On or after May 31, 2009, but prior to May 31, 2011, the Series C Debentures will be redeemable, in whole or in part, at a price equal to the principal amount plus accrued interest, at Westfield's option on a minimum of 30 days notice, provided that the weighted average trading price of the Units is not less than 125% of the Conversion Price. On and after May 31, 2011, the Series C Debentures will be redeemable, in whole or in part, at a price equal to the principal amount plus accrued interest, at Westfield's option on a minimum of 30 days notice. Westfield also has the option of repaying the principal of the Debentures through the issuance of Units at a value equal to 95% of the market price of the Units on the date of maturity.

The Series C Debentures will commence trading on the Toronto Stock Exchange on May 5, 2006 under the trading symbol "WFD.DB.C".

Westfield is a real estate investment trust listed on the TSX. Westfield has the objective of acquiring and maintaining a growing portfolio of properties with stable cash distributions. Westfield focuses on properties located in Western Canada, primarily in the Province of Alberta.

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

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

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