



www.westfieldreit.ca
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info@westfieldreit.ca

FOR IMMEDIATE RELEASE

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**WESTFIELD REIT SIGNS AGREEMENTS TO ACQUIRE
\$60.6 MILLION OF WESTERN CANADIAN COMMERCIAL PROPERTY**

Westfield Real Estate Investment Trust (TSX: WFD.UN) (“**Westfield REIT**” or “**Westfield**”) is pleased to announce that it has entered into agreements for the purchase of approximately \$60.6 million of commercial properties located in Alberta and Manitoba.

The weighted average going-in cash yield, or capitalization rate, on the acquisitions is 7.23% based on the aggregate purchase price of \$60.6 million. The closings are anticipated to occur in the first quarter of 2007.

Westfield will finance these acquisitions with a combination of cash on hand and new mortgage financing. Based on today’s market interest rates, Westfield has received financing commitments from lenders at a weighted average interest rate of 4.9% for the properties.

“External growth remains an integral part of our growth strategy” said Armin Martens, CEO of Westfield REIT, “and we are extremely pleased with the strong deal flow and quality of product we continue to see in Western Canada. Once all of these properties under contract have closed, Westfield will have over 3.3 million square feet of office, retail and industrial properties, all in Western Canada, and 62.2% in Alberta, representing a gross book value of approximately \$520 million.”

Particulars of the properties under agreement include:

<i>Property Name</i>	<i>Location</i>	<i>Type</i>	<i>Key Tenants</i>	<i>Sq. Ft. Leasable Area</i>
* CDI College	Winnipeg, MB	Office	CDI College	24,300
* Clareview Town Centre	Edmonton, AB	Retail	Empire Theaters; XS Cargo	55,900
Delta Centre	Edmonton, AB	Industrial	Saputo	35,448
Honeywell Building	Calgary, AB	Industrial	Honeywell	58,424
Keewatin Distribution Centre	Winnipeg, MB	Industrial	Rosedale Transport; Portage Cartage; UPS	201,154
* MTS Building	Winnipeg, MB	Office	Manitoba Telecom Services (MTS)	75,986
				451,212
* Each of the purchase agreements relating to these properties are unconditional, the balance of the purchase agreements remain subject to the completion of the standard due diligence conducted by Westfield REIT				

The CDI Building, Honeywell Building, Clareview Town Centre and MTS Building all offer strong tenant covenants, with long-term leases in place and contractual rental increases over the term. The MTS Building is fully leased over a 20 year term to Manitoba Telecom Services, commencing in 2007, with contractual rental increases every five years. The Honeywell Building is fully leased to Honeywell for 10 years, commencing 2007, with contractual rental increases throughout. CDI is in the third year of a 10 year lease, with a contractual rental increase in year five. Delta Centre and Keewatin Distribution have relatively shorter average lease terms to maturity, and offer potential for internal growth as management estimates in-place leases are approximately 30% below market.

With the closing of these acquisitions, Westfield's portfolio will be 42.3% retail, 45.8% office and 11.9% industrial, with 48.1% of the leasable area in Calgary. The average lease term-to-maturity on the properties under contract is 8.3 years, which will increase the overall lease term-to-maturity across the portfolio to 5.2 years.

Westfield REIT is a growth-oriented real estate investment trust focused exclusively on commercial properties located in primary and growing secondary markets in Western Canada, particularly in Alberta. Westfield's goal is to provide unitholders the opportunity to invest in high-quality Western Canadian office, retail and industrial properties, as well as to provide monthly cash distributions that are stable, tax efficient, and growing over time.

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.

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