

FOR IMMEDIATE RELEASE

SEPTEMBER 28, 2005

**WESTFIELD REIT ANNOUNCES
CONDITIONAL ACQUISITIONS OF \$150 MILLION AND
\$65 MILLION PRIVATE PLACEMENT**

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 27 properties ("**the Properties**") for approximately \$150 million, bringing completed and conditional property acquisitions to approximately \$295 million since June 2005.

The Properties will be acquired from seven different vendors totaling 1,145,000 sq. ft. of net leasable area and comprise retail, office and industrial space all located in major and growing secondary markets in western Canada. The Properties are located in Calgary, Edmonton, Airdrie, Grande Prairie, Fort McMurray, Red Deer, Kamloops, Brandon and Regina, with approximately 73% of the square footage overall located in Alberta. The overall occupancy rate of the Properties is approximately 95%, with approximately 23% of the Gross Leasable Area being industrial buildings, approximately 15% office properties, and the balance represented by shopping centres. In addition, approximately 30% of the net operating income from the Properties has leases in place which management believes carry below market lease rates.

The total purchase price of approximately \$150 million represents an average going in unlevered return ("**capitalization rate**") of approximately 8.2% and a return on invested equity of approximately 14.5%. Assuming that the conditions of closing are satisfied with respect to the various acquisitions, management expects that these properties will be closing in the fourth fiscal quarter of 2005, with one property closing in the first month of 2006.

"We are extremely pleased to announce these high quality acquisitions, which are immediately accretive to unitholders and will double the size of Westfield REIT. With the addition of these properties, Westfield REIT's portfolio will be further diversified across western Canada with a balanced mix of retail, office and industrial square footage. This is also consistent with our stated strategy of producing a stable and growing stream of cash distributions for unitholders from the ownership and management of high quality income producing properties located in primary and growing secondary markets in western Canada," said Armin Martens, Chief Executive Officer of Westfield REIT.

Westfield REIT 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 \$50 million in trust units ("**Units**") and \$15 million aggregate principal amount of subordinated convertible redeemable debentures ("**Debentures**"), for gross proceeds to Westfield REIT of up to \$65 million. The Agent will have the option to increase the offering by up to \$10 million in 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 October 28, 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 announces that it intends to consolidate its Units on a 10 for 1 basis following the completion of the private placement, subject to receipt of all necessary approvals.

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.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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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