

FOR IMMEDIATE RELEASE

**CANADIAN REAL ESTATE INVESTMENT TRUST
ANNOUNCES FIRST QUARTER 2010 RESULTS
AND AN INCREASE IN DISTRIBUTIONS**

May 7, 2010, *Toronto, Ontario (TSX: REF.UN)* – Canadian Real Estate Investment Trust (“CREIT”) today announced results for the first quarter ended March 31, 2010.

For the three months ended March 31, 2010, CREIT reported total Funds from Operations (FFO) of \$40.2 million, an increase of \$3.2 million or 9% over the same quarter in 2009. However on a per-unit basis there was no quarter-over-quarter FFO increase as a result of the dilutive impact associated with the equity issue completed in April 2009, combined with property dispositions exceeding acquisition activities during 2009.

Stephen Johnson, President and Chief Executive Officer of CREIT, said, “We are satisfied with our operating performance for the first quarter of 2010. We have a strong balance sheet with significant liquidity and we continue to generate and retain meaningful cash flow from operations. Currently we have sufficient capacity to acquire approximately \$548 million of new income property, and we are actively looking to acquire, at appropriate pricing, high-quality real estate assets to add to our portfolio.”

CREIT also announced an increase in its future distributions. Effective with the June 2010 distribution (payable in July 2010) the CREIT monthly distribution will be increased to 11.75 per Unit (\$1.41 per Unit annualized) from 11.50 cents per Unit (\$1.38 per Unit annualized).

Mr. Johnson added, “We are delighted that, again this year, we are in a position to raise our monthly distributions to Unitholders. This is the ninth consecutive year that CREIT has increased its distribution. Our business model continues to function very well, notwithstanding the more difficult economic environment.”

For the three months ended March 31, 2010, FFO and Net Income were as follows:

(\$ millions, except per Unit amounts)	THREE MONTHS ENDED MARCH 31		CHANGE	
	2010	2009	(\$)	(%)
FFO	\$ 40.2	\$ 37.0	\$ 3.2	9%
FFO per Unit	\$ 0.61	\$ 0.61	\$ —	—%
FFO per Unit annualized	\$ 2.42	\$ 2.42	\$ —	—%

THREE MONTHS ENDED MARCH 31

(\$ millions, except per Unit amounts)	2010	2009	CHANGE	
			(\$)	(%)
Income from				
Continuing operations	\$ 23.3	\$ 17.6	\$ 5.7	32%
Discontinued operations	—	11.4	(11.4)	(100)
Net income	\$ 23.3	\$ 29.0	(\$ 5.7)	(20%)
Income from				
Continuing operations per Unit	\$ 0.35	\$ 0.29	\$ 0.06	21%
Discontinued operations per Unit	—	0.18	(0.18)	(100)
Net income per Unit	\$ 0.35	\$ 0.47	(\$ 0.12)	(26%)

Income from discontinued operations for the three months ended March 31, 2009 relates primarily to the gain on a disposition of a property in 2009.

FFO is a generally accepted supplemental measure of operating performance for real estate entities; however, it is not a measure defined by Canadian Generally Accepted Accounting Principles. Readers are directed to the Management Discussion and Analysis of Results of Operations and Financial Condition (MD&A) for a description of the measure and its reconciliation to Net Income.

CREIT's Consolidated Financial Statements and MD&A for the three months ended March 31, 2010 are posted on CREIT's website at www.creit.ca. Readers are directed to these documents for financial details and a fulsome discussion on CREIT's results.

CREIT is a real estate investment trust focused on accumulating a portfolio of high-quality real estate assets and delivering the benefits of real estate ownership to Unitholders. The primary benefit is a reliable and, over time, increasing cash distribution. CREIT owns a portfolio of 158 retail, office and industrial properties.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to our operations and the environment in which we operate, which are based on our expectations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. We undertake no obligation to publicly update any such statement, to reflect new information or the occurrence of future events or circumstances, except as required by law.

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