

CALLOWAY

REAL ESTATE INVESTMENT TRUST

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CALLOWAY REAL ESTATE INVESTMENT TRUST CLOSSES \$100 MILLION SERIES E SENIOR UNSECURED DEBENTURE ISSUE

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Toronto, Ontario (June 4, 2010) - Calloway Real Estate Investment Trust ("Calloway") (TSX:CWT.UN) has closed its previously announced \$100 million principal amount issue of Series E senior unsecured debentures. These debentures carry a coupon rate of 5.10% and mature on June 4, 2015. The issue was offered by a syndicate of agents led by CIBC.

Calloway intends to use approximately \$47.6 million of the net proceeds to repay the balance and accrued interest owing on the outstanding 4.51% series A senior unsecured debentures due September 22, 2010, and the balance to pay down a portion of the debt owing under its credit facilities and for general trust purposes. Dominion Bond Rating Service has provided Calloway with a credit rating of BBB with a stable trend relating to the debentures.

This offering was made by way of a Prospectus Supplement to Calloway's existing \$2 billion base shelf short form prospectus filed with Canadian securities regulatory authorities.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction. The debentures being offered have not been and will not be registered under the U.S. Securities Act of 1933 and state securities laws. Accordingly, the debentures may not be offered or sold to U.S. persons except pursuant to applicable exemptions from registration requirements.

About Calloway

Calloway Real Estate Investment Trust is an unincorporated open-end real estate investment trust created to invest in a geographically diversified portfolio of high quality retail shopping centres in Canada.

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