



FOR IMMEDIATE RELEASE

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ARTIS ANNOUNCES \$84.4 MILLION OF NEW ACQUISITIONS AND COMPLETES \$136.8 MILLION OF PREVIOUSLY ANNOUNCED ACQUISITIONS

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) announced today that it has entered into new unconditional agreements with respect to the acquisition of US\$32.9 million of industrial and office properties in the United States and \$51.5 million of Canadian industrial properties. Artis also confirmed the closing of \$83.5 million of previously announced Canadian property acquisitions and US\$53.3 million of previously announced U.S. property acquisitions.

The previously announced acquisitions of 415 Yonge Street in Toronto, Ontario and MTS Place in Winnipeg, Manitoba, aggregating \$105.5 million, are anticipated to close this summer.

Artis recalculated its reported Q1-2011 Property NOI to adjust for the impact of Q1-2011 acquisitions completed in the period, as well as for the impact of all other acquisitions completed and announced to date. This results in a pro-forma quarterly Property NOI of \$49.0 million, or \$196.0 million on an annualized basis.

New Acquisitions

[201 Westcreek Boulevard](#) is a 301,113 square foot Class A industrial building, with 70,977 square feet of office space on two floors. The property is centrally located in the Greater Toronto Area West Industrial market and is in close proximity to Highway 407, Highway 410, and the Pearson International Airport. 201 Westcreek Boulevard is 100.0% leased to ABB Inc., a group holding based in Zurich, Switzerland and the largest organization of electrotechnical companies in the world. The property is situated on a 13.33 acre site and provides an additional development opportunity of ten acres of serviced, surplus land. The purchase price of \$34.4 million, representing a going-in capitalization rate of 8.4%, is expected to be financed with cash on hand and from the proceeds of an anticipated new \$22.8 million three-year mortgage bearing interest at a fixed rate of 3.43% per annum. The acquisition is anticipated to close on or about June 30, 2011.

[Union Hills Office Plaza](#) is a 142,773 square foot three-storey Class A Energy Star certified office building located in north metropolitan Phoenix, Arizona. The property is 95.5% occupied, with its largest tenant, the University of Phoenix/Apollo Group occupying 59.5% of the building on a long-term lease expiring in 2017, with contractual rent increases. Union Hills Office Plaza has 695 surface parking stalls, which provides for an excellent parking ratio of 4.9 stalls per 1,000 square feet of leasable area. The purchase price of US\$27.1 million, representing a going-in capitalization rate of 8.1%, is expected to be financed with cash on hand and from the proceeds of a new US\$18.9 million five-year mortgage bearing interest at a floating rate currently equivalent to 2.44% per annum based on current bond rates. The acquisition is anticipated to close on or about June 30, 2011.

[Plymouth Corporate Campus](#) is an 83,617 square foot industrial showroom complex located in a suburb of Minneapolis, Minnesota. The property is situated within one of the strongest industrial markets in Minneapolis, in close proximity to Interstate 494 and County Road 6. Plymouth Corporate Campus is 100.0% occupied by four high-quality tenants, including Tile by Design and United

Operations, with an average term to maturity of 10.7 years. The purchase price of US\$5.8 million, representing a going-in capitalization rate of 8.3%, is expected to be financed with cash on hand and from the proceeds of an anticipated new \$4.0 million five-year mortgage bearing interest at a floating rate currently equivalent to 2.44% per annum. The acquisition is anticipated to close on or about July 6, 2011.

The [Aluma Systems Building](#) is being constructed as a 65,000 square foot industrial building in Edmonton, Alberta. The property is 100.0% pre-leased to Aluma Systems on a 15-year lease with rent escalations every five years. Aluma Systems is wholly owned by Brand Energy, Inc., the leading provider of multi-craft services to the energy infrastructure market. The purchase price of \$17.1 million, representing a going-in capitalization rate of 7.6%, is expected to be financed with cash on hand and from the proceeds of an anticipated new mortgage on terms yet to be determined. The acquisition is anticipated to close in November 2011, once the building is substantially complete.

Previously Announced Acquisitions

Particulars about our recently closed transactions are as follows:

Property	Location	Asset Class	GLA (sq. ft.)	Occupancy	Acquisition Date
1165 Kenaston	Ottawa, ON	Industrial	180,689	100.0%	May 27, 2011
Victoria Square Shopping Centre	Regina, Saskatchewan	Retail	290,627	97.2%	May 31, 2011
Ryan Retail Portfolio	Minneapolis, MN	Retail	508,862	98.7%	May 31, 2011
605 Waterford Park	Minneapolis, MN	Office	199,365	88.1%	June 1, 2011
McGillivray Cineplex	Winnipeg, MB	Retail	42,725	100.0%	June 10, 2011

The purchase prices for the acquisitions were settled with cash on hand and from the proceeds of the below-noted mortgages:

Property	Purchase Price (in Millions)	Going-In Capitalization Rate	Mortgage Financing (in Millions)	Mortgage Interest Rate
1165 Kenaston	\$21.5	6.9%	\$11.8	4.50%
Victoria Square Shopping Centre	\$49.0	6.8%	\$23.6	4.50%
Ryan Retail Portfolio	US\$28.3	7.9%	-	-
605 Waterford Park	US\$25.0	9.2%	US\$17.3	2.44% ⁽¹⁾
McGillivray Cineplex	\$13.0	7.0% ⁽²⁾	\$7.4	5.75% ⁽³⁾

⁽¹⁾ Floating rates based on rates in effect on June 22, 2011.

⁽²⁾ The capitalization rate of the McGillivray Cineplex includes an \$8.0 million development asset.

⁽³⁾ Additional financing proceeds of \$1.7 million, bearing interest at a rate of 4.51% per annum are expected to be received, such that the blended rate on a total of \$9.1 million of financing maturing in 2018 will be 5.52%.

Artis anticipates it will close on the previously announced 415 Yonge Street acquisition on or about June 28, 2011. The purchase price for this 98.6% occupied 191,880 square foot downtown Toronto office property is \$49.7 million. The going-in capitalization rate for this property is 7.0%. Artis expects to finance the acquisition with cash on hand and from the proceeds of a new \$35 million, 10-year mortgage bearing interest at a rate of 4.67% per annum.

Artis anticipates it will close on the previously announced MTS Place acquisition during the summer of 2011. The property comprises 269,124 square feet of leasable area and is 100.0% occupied. The purchase price of \$55.8 million, representing an average capitalization rate of 7.1%, is expected to be financed with cash on hand and by way of the assumption of approximately \$39.5 million of existing mortgage financing, maturing in June 2017 and bearing interest at a fixed rate of 5.14% per annum.

Artis is a diversified Canadian real estate investment trust investing in office, industrial and retail properties. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial properties in Canada and the United States, with a major focus on Western Canada. Artis' commercial property comprises over 15.6 million square feet of leasable area in 157 properties. Leasable area by asset class is approximately 23.7% retail, 42.9% office and 33.4% industrial. The portfolio is located 10.3% in British Columbia, 31.0% in Alberta, 6.0% in Saskatchewan, 20.6% in Manitoba, 9.6% in Ontario and 22.5% in the U.S.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer,
Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Chief Administrative Officer
1.204.947.1250

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

Suite 300 – 360 Main Street
Winnipeg, MB R3C 3Z3
T 204.947.1250 F 204.947.0453

www.artisreit.com
AX.UN on the TSX