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**ARTIS ANNOUNCES \$75.0 MILLION CONVERTIBLE DEBENTURE FINANCING,
CLOSES PREVIOUSLY ANNOUNCED \$85.2 MILLION ACQUISITION AND
ANNOUNCES \$58.3 MILLION IN NEW PROPERTY ACQUISITIONS**

Artis Real Estate Investment Trust (TSX: AX.UN) ("Artis" or the "REIT") announced today that it has completed the previously announced acquisition of a four-building 811,074 square foot Industrial Portfolio in Edmonton, Alberta, and as well has entered into unconditional agreements to acquire an additional \$58.3 million of retail properties in Alberta and British Columbia.

In conjunction with these announcements, Artis announced it has entered into an agreement to sell to a syndicate of underwriters led by CIBC World Markets Inc. and Canaccord Adams (the "Underwriters"), on a bought deal basis, \$75.0 million of 10-year convertible debentures bearing interest at a rate of 6.00% per annum. Artis intends to use the net proceeds from the Financing to fund future acquisitions, for repayment of existing mortgage debt and for general working capital purposes. The Financing is expected to close on or about April 22, 2010 and is subject to regulatory approval.

The Alberta Industrial Portfolio includes one 399,767 square foot property in Edmonton, one 146,135 square foot building in Calgary, and two properties in Acheson totaling 265,172 square feet. The Acheson industrial area is located just ten minutes outside of west Edmonton, Alberta along the Yellowhead (TransCanada) Highway. The buildings, which were all constructed between 2003 and 2008, are currently 100% leased. Key tenants include Suncor, Navistar Canada and Kuehne & Nagel. Management estimates that the current rental rates are approximately 12% below market. The Industrial Portfolio is being acquired for \$85.2 million which represents a going-in capitalization rate of 7.7%. The purchase price was settled from cash on hand and from the proceeds of \$53.2 million of new 5-year mortgage financing bearing interest at a rate of 4.82% per annum.

Artis has also entered into an unconditional agreement to acquire a 50% interest in Westbank Hub North, a 249,724 square foot newly developed unenclosed retail shopping centre in West Kelowna, British Columbia. Westbank Hub North is anchored by a 172,000 square foot Wal-Mart store; other top tenants include London Drugs, Reitmans, CIBC and HSBC. The centre is 99.7% occupied, with an excellent 4.9:1000 square foot parking ratio. The property is situated on a 22.98 acre site with the potential to develop an additional 15,000 square feet of retail space. The 50% interest in Westbank Hub North will be acquired for price of \$24.3 million. The purchase price represents a going-in cap rate of 7.0% and is expected to be satisfied from cash on hand and from the assumption of \$16.7 million of existing mortgage financing bearing interest at a rate of 5.54% per annum. Management of Artis expects that the closing will occur on or about March 31, 2010.

Artis has entered into an unconditional agreement to acquire Sunrise Towne Square, a 96.8% occupied 111,978 square foot unenclosed retail property located in Spruce Grove, Alberta. Sunrise Towne Square is anchored by a 52,074 square foot Rona store on a long-term lease expiring in 2026,

with regular rent escalations every five years. The centre is shadow-anchored by Wal-Mart and is in close proximity to an existing retail power node with planned expansion. The City of Spruce Grove is only 11 kilometers west of Edmonton, and is considered part of the Edmonton Metropolitan Region. Spruce Grove benefits from its location along the Yellowhead Highway and Highway 16A, a major commercial corridor for the region. Sunrise Towne Square will be acquired for \$22.7 million, which represents a going-in cap rate of 7.2%. The purchase price is expected to be satisfied from cash on hand and from the proceeds of new \$14.8 million mortgage financing bearing interest at a rate of 4.661% per annum. Management of Artis expects that the closing will occur on or about April 1, 2010.

Artis has entered into an unconditional agreement to acquire Visions Electronics Building, a 50,045 square foot retail property located on a 2.97 acre site in northeast Calgary, Alberta, with exposure along the busy 32nd Avenue NE commercial corridor. The property is 100% occupied by Ashley Furniture and Visions Electronics, both on long-term leases with escalations, expiring in 2019 and 2020, respectively. The Visions Electronics Building will be acquired for \$11.3 million, which represents a going-in capitalization rate of 7.4%. The purchase price is expected to be satisfied from cash on hand and from the proceeds of new \$7.3 million mortgage financing bearing interest at a rate anticipated to be less than 4.8% per annum (based on current government of Canada bond yields). Management of Artis expects that the closing will occur on or about April 12, 2010.

“Thus far in 2010, Artis has closed on \$134.0 million of income producing properties in western Canada, and announced a further \$91.8 million of unconditional acquisitions which we expect will close before April 30, 2010,” said Armin Martens, CEO of Artis REIT. “In addition to the \$24.3 million 360 Main and Parkade transaction, Artis is in various stages of negotiation and due diligence on additional deal flow. The proceeds from the Series F debenture offering will provide us with the flexibility to pursue these accretive deals or retire existing balance sheet debt.”

Management estimates that the pro-forma ratio of total debt to gross book value after issuance of the \$75.0 million Series F convertible debentures will be approximately 55%. This estimate includes the impact of all acquisitions completed since December 31, 2009, in the gross book value, as well as the estimated impact of the unconditional and conditional agreements to acquire properties announced to date.

Including the impact of all concluded and announced unconditional acquisitions, Artis' portfolio (by GLA) will be 12.0% in British Columbia, 50.0% in Alberta, 7.4% in Saskatchewan and 30.6% in Manitoba. The REIT's 8.6 million square feet of leasable area will be 42.0% industrial, 30.5% retail and 27.5% office.

Artis is a growth oriented real estate investment trust focused exclusively on commercial properties located in primary and growing secondary markets in western Canada. The REIT'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.

The REIT's Distribution Reinvestment Plan (“DRIP”) allows unitholders to have their monthly cash distributions used to purchase trust units without incurring commission or brokerage fees, and receive bonus units equal to 4% of their monthly cash distributions. More information can be obtained at www.artisreit.com.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer,
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The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this press release.

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