



FOR IMMEDIATE RELEASE

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**ARTIS REIT PROVIDES UPDATE ON ACQUISITION ACTIVITY:
\$31.9 MILLION OF PREVIOUSLY ANNOUNCED ACQUISITIONS CLOSED
AND \$165.7 MILLION OF PROPERTIES NOW UNCONDITIONAL**

Artis Real Estate Investment Trust (TSX: AX.UN) (“**Artis REIT**”, previously known as Westfield Real Estate Investment Trust), is pleased to provide an update on its previously announced acquisition plans.

“On December 14, 2006 and January 18, 2007 we announced a total of \$197.6 million of signed purchase agreements”, said Armin Martens, CEO of Artis REIT. “We confirm that as of today, four of the proposed acquisitions, representing \$31.9 million in assets, have closed. The remaining six proposed acquisitions are now unconditional. With \$165.7 slated for closing by the end of this fiscal quarter, we are most pleased with our execution. We believe this is an excellent start to another strong year of growth for Artis REIT.”

“We are also pleased to advise our investors that at the overall going-in cash yield of 6.9%, this round of acquisitions is immediately accretive to Artis REIT’s Unitholders. The going-in cash yield of 6.9% does not include additional upside realizable on the roll-over of leases,” said Mr. Martens. “Management estimates that the weighted average in-place rents for these acquisitions are currently 40% below today’s market rates”.

The completed acquisitions are:

| Property Name | Acquisition Date | Location | Type | Key Tenants | Sq. Ft. Leasable Area |
|------------------------------|-------------------|--------------|------------|--|-----------------------|
| Delta Centre | December 29, 2006 | Edmonton, AB | Industrial | Saputo | 35,448 |
| CDI College | January 13, 2007 | Winnipeg, MB | Office | CDI College | 24,300 |
| Keewatin Distribution Centre | January 31, 2007 | Winnipeg, MB | Industrial | Rosedale Transport; Portage Cartage; UPS | 201,154 |
| Clareview Town Centre | February 1, 2007 | Edmonton, AB | Retail | Empire Theaters; XS Cargo | 55,900 |
| | | | | | 316,302 |

The weighted average going-in cash yield, or capitalization rate, on the completed acquisitions is 7.53% based on the aggregate purchase price of \$31.9 million. The acquisitions were financed with cash and from the proceeds of new mortgage financing, bearing a weighted average interest rate of 5.16% per annum.

Due diligence has been completed, and all conditions removed on the following previously announced properties:

| Property Name | Location | Type | Key Tenants | Sq. Ft. Leasable Area | Anticipated Closing Date |
|--------------------|--------------|------------|--|-----------------------|--------------------------|
| Bower Centre | Red Deer, AB | Industrial | Kal Tire, The Grocery People Ltd. (Federated Co-Operative) | 125,777 | March 1/07 |
| Centre 70 | Calgary, AB | Office | CGI, Calgary Health Region | 132,251 | February 28/07 |
| Dome Britannia | Calgary, AB | Office | Geologic Systems, DC Energy Group Inc, Leader Energy | 220,811 | March 30/07 |
| Honeywell Building | Calgary, AB | Industrial | BW Technologies | 58,000 | February 28/07 |
| Millenium Centre | Red Deer, AB | Office | NOVA Chemicals, DC Energy Group Inc. | 104,550 | February 28/07 |
| MTS Centre | Winnipeg, MB | Office | MTS Allstream | 75,986 | March 31/07 |
| | | | | 717,375 | 717,375 |

The capitalization rate on the unconditional purchase agreements is 6.70% based on the aggregate purchase price of \$165.7 million. Artis expects to finance these acquisitions from cash and the proceeds of new mortgage financing. Based on today's market interest rates, Westfield has received financing commitments from lenders at a weighted average interest rate of 5.12% for the properties.

Including all acquisitions to date and the unconditional purchase agreements, Artis REIT's portfolio will consist of 45 commercial properties with an approximate gross book value of \$660 million. The portfolio properties will be comprised of over 3.9 million square feet of leasable space, approximately 39.2% retail, 49.2% office and 11.6% industrial. All of Artis REIT's properties are located in primary and growing secondary markets in Western Canada; approximately 19.7% in Manitoba, 11.7% in Saskatchewan, 67.8% in Alberta, and 0.9% in B.C. Artis REIT's portfolio will have an estimated average lease term to maturity of 4.8 years and occupancy rate of 96.3%.

Artis REIT (formerly Westfield Real Estate Investment Trust, or Westfield REIT) is a growth-oriented real estate investment trust focused exclusively on commercial properties located in primary and growing secondary markets in Western Canada, particularly in Alberta. Artis 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.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer or Mr. Jim Green, Chief Financial Officer of the REIT at (204) 947-1200.

This press release contains forward-looking statements. Artis REIT is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of Artis REIT to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Such risk factors include, but are not limited to, risks associated with real property ownership, availability of cash flow, general uninsured losses, future property acquisitions, environmental matters, tax related matters, debt financing, unitholder liability, potential conflicts of interest, potential dilution, reliance on key personnel, changes in legislation and potential changes in the tax treatment of trusts. Artis REIT cannot assure investors that actual results will be consistent with any forward-looking statement and Artis REIT assumes no obligation to update or revise such forward-looking statements to reflect actual events or new circumstances.

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