



FOR IMMEDIATE RELEASE

June 26, 2007

ARTIS REIT ADOPTS UNITHOLDERS' RIGHTS PLAN

Artis Real Estate Investment Trust (TSX: AX.UN) ("**Artis REIT**") announced today that it has adopted a unitholders' rights plan (the "**Rights Plan**"). The Rights Plan is designed to ensure the fair treatment of unitholders in any transaction involving a change of control of Artis REIT and will provide the board of trustees and unitholders with more time to evaluate any unsolicited take-over bid and, if appropriate, to seek out other alternatives to maximize unitholder value.

The Rights Plan was not adopted by Artis REIT in response to any specific proposal to acquire control of Artis REIT and the board of trustees is not aware of any such proposal. Although the Rights Plan takes effect immediately, unitholders will be asked to confirm the Rights Plan at a meeting of unitholders. If approved, the Rights Plan would be in effect for a further three year period from the date of unitholder approval.

The Rights Plan is similar to other security holder rights plans adopted by other Canadian real estate investment trusts, income trusts and corporations. Until the occurrence of certain specified events, the rights will trade with the trust units ("**Units**") of Artis REIT and will be represented by the certificates for Units. The rights become exercisable only when a person (including a related party and joint actor of such person) acquires or announces its intention to acquire twenty (20%) or more of the outstanding Units without complying with the "permitted bid" provisions of the Rights Plan. Should a non-permitted acquisition occur, each right would entitle the holder of Units (other than the acquiring person and related persons and joint actors of such acquiring person) to purchase additional Units at a fifty (50%) percent discount to the market price at the time.

The Rights Plan permits a "permitted bid", which is a take-over bid made to all unitholders on identical terms and conditions that is open for acceptance for a period of at least 60 days. If at the end of the 60 day period at least 50% of the outstanding Units (other than those owned by the offeror and related parties and joint actors of the offeror) have been tendered under the bid, the offeror may take up and pay for the tendered Units but must extend the bid for a further 10 days to allow all unitholders to tender to the bid.

The Toronto Stock Exchange has approved the adoption of the Rights Plan. A copy of the Rights Plan is available at www.sedar.com or www.artisreit.com.

ABOUT ARTIS REIT

Artis 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. To date, Artis REIT has acquired over \$685 million of commercial property; approximately 19.1% in Manitoba, 11.3% in Saskatchewan, 66.2% in Alberta, and 3.4% in B.C. Artis REIT owns 49 properties, comprising over 4.0 million square feet of leasable area (36.1% retail, 49.4% office and 14.5% industrial).

DRIP

Artis 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 or Mr. Jim Green, Chief Financial Officer of Artis REIT at (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