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FOR IMMEDIATE RELEASE

October 22, 2009

Artis REIT Announces Exercise of Underwriters' Over-Allotment Option

Artis Real Estate Investment Trust (TSX: AX.UN) ("Artis") announced today that the syndicate of underwriters led by Canaccord Adams and CIBC World Markets Inc., as co-lead underwriters, and including BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., Blackmont Capital Inc., Desjardins Securities Inc., Macquarie Capital Markets Canada Ltd. and Brookfield Financial Corp. (the "Underwriters") have exercised in full its over-allotment option to purchase up to an additional 510,000 trust units ("Units") at a price of \$9.00 per Unit for additional gross proceeds of \$4,590,000. The issue and sale of the additional Units closed today.

Artis intends to use the net proceeds from the sale of the Units to fund future acquisitions and for general working capital purposes.

The Units have not been registered under the US. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

This press release contains forward looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward looking statements. Without limiting the foregoing, the words "expects", "anticipates", "intends", "estimates", "projects", and similar expressions are intended to identify forward looking statements. Artis is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied in these forward looking statements. Artis cannot assure investors that actual results will be consistent with any forward looking statements and Artis assumes no obligation to update or revise such forward looking statements to reflect actual events or new circumstances. All forward looking statements contained in this press release are qualified by this cautionary statement.

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. Artis' commercial property comprises approximately 6.0 million square feet of leasable area in 83 properties. Leasable area is approximately 32.1% in Manitoba, 7.9% in Saskatchewan, 53.9% in Alberta, and 6.0% in B.C.; by asset class the portfolio is approximately 32.6% retail, 38.0% office and 29.3% industrial.

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,
Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Senior VP – Investor Relations
1.204.947.1250

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

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AX.UN on the TSX