



FOR IMMEDIATE RELEASE

NOVEMBER 9, 2010

ARTIS RELEASES THIRD QUARTER 2010 RESULTS; REPORTS STRONG 49.1% QUARTER-OVER-QUARTER PROPERTY NOI GROWTH

Today Artis Real Estate Investment Trust ("Artis" or "the REIT") issued its financial results and achievements for the three and nine month periods ended September 30, 2010.

Q3-10 FINANCIAL AND OPERATIONAL HIGHLIGHTS

- ◆ Reached gross book value of assets of \$2.1 billion at September 30, 2010.
- ◆ Acquired four Western Canadian retail and office properties in Q3-10. Portfolio increased to 115 income-producing properties comprising approximately 10 million square feet of leasable area as at September 30, 2010.
- ◆ Raised aggregate gross proceeds of \$92.6 million related to an equity offering that closed in the period.
- ◆ Reported increased acquisition capacity at September 30, 2010 with \$129.1 million of cash and cash equivalents on hand, in addition to \$52.0 million available on the line of credit.
- ◆ Increased Q3-10 revenues by 51.0% to \$50.6 million compared to Q3-09; increased year-over-year revenue by 28.8% to \$130.9 million.
- ◆ Increased Q3-10 Property NOI by 49.1% to \$34.3 million compared to Q3-09; increased year-over-year Property NOI by 29.3% to \$90.1 million.
- ◆ Increased Q3-10 same Property NOI by 2.7% compared to Q3-09; increased year-over-year same Property NOI by 3.9%.
- ◆ Increased Q3-10 FFO by 30.9% to \$17.0 million compared to Q3-09; increased year-over-year FFO by 15.6% to \$46.6 million.
- ◆ Reduced mortgage debt to gross book value ("GBV") to 46.2% at September 30, 2010, compared to 47.4% at December 31, 2009.
- ◆ Reported interest coverage ratio of 2.2 at September 30, 2010 unchanged from June 30, 2010.
- ◆ Reported portfolio occupancy of 96.6% (97.8% including committed space) at September 30, 2010, compared to 96.4% at September 30, 2009.
- ◆ Continued to meet the prescribed conditions for status as a tax-exempt Canadian real estate investment trust.

SELECTED FINANCIAL INFORMATION

\$000's, except per unit amounts	Three month period ended September 30,		Nine month period ended September 30,	
	2010	2009	2010	2009
Revenue	\$ 50,603	\$ 33,516	\$ 130,894	\$ 101,609
Property NOI	34,345	23,030	90,113	69,710
DI	16,294	12,187	45,359	38,984
FFO	16,973	12,963	46,637	40,355
DI per unit (basic)	0.27	0.37	0.88	1.18
FFO per unit (basic)	0.28	0.39	0.91	1.22
Distributions	0.27	0.27	0.81	0.81
FFO payout ratio	96.4%	69.2%	89.0%	66.4%

\$000's	September 30, 2010	December 31, 2009
Total assets	\$ 1,838,495	\$ 1,190,209
GBV	2,054,374	1,356,994
Mortgages, loans and bank indebtedness	950,084	642,963
Debt to GBV	46.2%	47.4%

"2010 continues to be a transformative year for Artis. We have grown our portfolio to 10 million square feet of leasable area, increased our GBV to over the \$2.0 billion mark and expanded into new geographical markets," said Armin Martens, President and Chief Executive Officer of Artis REIT. "2010 acquisitions, as at September 30, 2010, aggregated \$560.9 million. This acquisition activity has been the driver of solid growth in revenues, Property NOI, DI and FFO. Capital raises have impacted per unit dilution in the short-term. However, as we continue to deploy our cash on hand into announced acquisitions throughout the remainder of 2010 and early 2011, we anticipate that improvements in our key per unit metrics of Property NOI, DI and FFO will follow."

Financing Activities

On July 28, 2010, the REIT issued a short-form base shelf prospectus. Pursuant to a Supplement to the base shelf prospectus, on September 2, 2010, Artis issued 7,590,000 units (including 990,000 units pursuant to the underwriters' over-allotment option) at a price of \$12.20 per unit, for aggregate gross proceeds of \$92.6 million.

Subsequent to September 30, 2010, Artis issued 8,625,000 units at a price of \$13.45 per unit, for aggregate gross proceeds of \$116.0 million. The offering, which was made pursuant to a Supplement to the base shelf prospectus, closed on October 14, 2010.

Portfolio Acquisition Activities

During Q3-10, Artis acquired four properties, as follows:

Property	Location	GLA	Acquisition Date	Asset Class
Uplands Common	Lethbridge, Alberta	53,392	August 13, 2010	Retail
1045 Howe Street	Vancouver, British Columbia	101,145	September 13, 2010	Office
Pembina Village Shopping Centre	Winnipeg, Manitoba	131,326	September 30, 2010	Retail
St Vital Square	Winnipeg, Manitoba	116,353	September 30, 2010	Retail

The aggregate purchase price of the acquisitions was \$103.0 million, which represented a weighted-average going-in capitalization rate of 7.3%. These acquisitions were financed with cash on hand and from the proceeds of \$60.1 million of new or assumed mortgage financing, approximately 31.4% of which is floating rate debt. The weighted-average interest rate on the new or assumed debt is 4.7% and the weighted-average term to maturity on the debt is 13.0 years.

Subsequent to September 30, 2010, Artis acquired the following properties:

Property	Location	Asset Class	Leasable Area (in square feet)	Acquisition Date
Cancross Court	Mississauga, Ontario	Office	143,877	October 1, 2010
Meadowvale Building	Mississauga, Ontario	Office	99,102	October 15, 2010
Horizon II Building	Calgary, Alberta	Industrial	95,542	October 15, 2010
Letourneau Centre	Edmonton, Alberta	Industrial	97,743	October 15, 2010
Furniture Pluss Building	Fort McMurray, Alberta	Retail	21,490	October 20, 2010
Caterpillar Building	Maple Grove, Minnesota	Industrial	174,447	October 22, 2010
Minneapolis Industrial Portfolio (first closing of 6 properties)	Minneapolis, Minnesota	Industrial	776,925	October 29, 2010

The aggregate purchase price of \$131.7 million (CAD \$81.2 million and US \$50.5 million) represents a weighted-average capitalization rate of 7.6%. These acquisitions were financed with cash on hand and from the proceeds of \$64.2 million (CAD \$29.0 million and US \$35.2 million) of new mortgage financing, approximately 55% of which is floating rate debt. The weighted-average interest rate on the new or assumed debt is 3.1% and the weighted-average term to maturity on the debt is 5.0 years.

Artis has entered into unconditional agreements to acquire \$177.2 million (CAD \$104.0 million and US \$73.2 million) of properties over the remainder of 2010 and Q1-11, including the previously announced acquisitions of the Concorde Corporate Centre in Ontario, the Dunwin Portfolio in Ontario and the remainder of the Minneapolis Industrial Portfolio.

Additional information about the REIT's proposed acquisitions can be found in Artis' press releases, which are posted on the REIT's web site at www.artisreit.com.

Liquidity and Capital Resources

At September 30, 2010, Artis had \$129.1 million of cash and cash equivalents on hand, in addition to \$52.0 million available on the revolving term credit facility.

On September 28, 2010, Artis entered into an amended and restated loan agreement for a revolving term credit facility for a total amount of \$60.0 million, which may be utilized to fund acquisitions of office, retail and industrial properties. \$5.0 million of the credit facility may be utilized for general corporate purposes. The credit facility may be extended for an additional year at the REIT's option; if the option is not exercised, the credit facility matures on September 28, 2011.

At September 30, 2010, the ratio of mortgages, loans and bank indebtedness to GBV was 46.2%, a decrease from 47.4% at December 31, 2009. The ratio is well within the 70.0% limit set out in the REIT's Amended and Restated Declaration of Trust. Including the convertible debentures, the ratio is 53.1% at September 30, 2010, a decrease from 53.7% at December 31.

Liquidity and capital resources will be impacted by financings and portfolio acquisition activities occurring subsequent to September 30, 2010.

Operational Improvements and Internal Growth

Artis' portfolio occupancy level at September 30, 2010 was 96.6% (excluding properties currently in redevelopment) compared to 97.1% at June 30, 2010, 96.6% at December 31, 2009 and 96.4% at September 30, 2009. At September 30, 2010, occupancy plus executed lease commitments on vacancy was 97.8%. Of the 192,058 square feet currently considered to be undergoing redevelopment, lease commitments are in place for 54.9% of the leasable area, compared to 54.6% at June 30, 2010.

Excluding GAAP adjustments for straight-line rent and above- and below-market rent adjustments, Q3-10 same Property NOI results increased 2.7% over Q3-09; year-to-date same Property NOI results increased 3.9%. Growth was reported in all asset classes and all provinces, with the largest quarterly and year-to-date gains reported in the office segment and in Manitoba and Saskatchewan.

Considering all properties owned at September 30, 2010, 4.4% of the portfolio's leasable area is set to expire in the remainder of 2010 and 14.0% in 2011. As of today's date, 97.9% of the 2010, 43.7% of the 2011 and 14.1% of the 2012 leasing programs are complete. The tenant retention ratio for 2010 thus far is 79.2%. In Q3-10, the weighted-average rental rates on total activity increased by 1.8% and the weighted-average rental rates on renewal activity increased by 6.1%.

Portfolio Leasing and Tenant Profile

Considering all properties owned at September 30, 2010, Artis' portfolio includes over 1,540 tenant leases with a weighted-average term to maturity of 5.7 years. Approximately 66.2% of the REIT's GLA is occupied by national or government tenants. The top twenty non-government tenants account for 27.8% of the portfolio's gross revenues at September 30, 2010, with a weighted-average lease term to maturity of 8.8 years. No single tenant in the portfolio accounts for more than 4.3% of gross revenues.

Upcoming Webcast and Conference Call

Interested parties are invited to participate in a conference call with management on Wednesday, November 10, 2010 at 3:00 p.m. CST (4:00 p.m. EST). In order to participate, please dial 1-416-340-2216 or 1-877-440-9795. You will be required to identify yourself and the organization on whose behalf you are participating.

Alternatively, you may access the simultaneous webcast by following the link from our website at http://www.artisreit.ca/areit_investor.php. Prior to the webcast, you may follow the link to confirm you have the right software and system requirements.

If you cannot participate on November 10, 2010, a replay of the conference call will be available by dialing 1-416-695-5800 or 1-800-408-3053 and entering passcode #5800245. The replay will be available until November 24, 2010. The webcast will be archived 24 hours after the end of the conference call and will be accessible for 90 days.

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 income-producing properties, with a major focus on Western Canada. Artis' commercial property comprises over 11.4 million square feet of leasable area in 128 properties. Leasable area by asset class is approximately 28.5% retail, 30.5% office and 41.0% industrial. The portfolio is located 12.7% in B.C., 41.6% in Alberta, 5.6% in Saskatchewan, 28.6% in Manitoba, 2.1% in Ontario and 9.4% in the U.S.

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.

Non-GAAP Performance Measures

Property NOI, DI and FFO are non-GAAP measures commonly used by Canadian income trusts as an indicator of financial performance. Management uses Property NOI, DI and FFO to analyze operating performance. Property NOI, DI, and FFO may not be comparable to similar measures presented by other issuers. Property NOI, DI and FFO are not intended to represent operating profits for the period or from a property, nor should any such measure be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with GAAP.

Cautionary Statements

The comments and highlights herein should be read in conjunction with the consolidated financial statements and management's discussion and analysis for the same period. These documents are available on the SEDAR website at www.sedar.com. They are also posted on the Artis web site at www.artisreit.com.

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.

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

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 of the REIT at (204) 947-1250

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