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FOR IMMEDIATE RELEASE

July 15, 2009

Artis REIT Announces Exercise of Over-Allotment Option

Artis Real Estate Investment Trust (TSX:AX.UN) ("Artis" or the "Trust") announced that the syndicate of underwriters led by Canaccord Capital Corporation and CIBC World Markets Inc. and including BMO Capital Markets, National Bank Financial Inc., RBC Capital Markets, Scotia Capital Inc., TD Securities Inc., Blackmont Capital Inc., Desjardins Securities Inc., Macquarie Capital Markets Canada Ltd. and Brookfield Financial Corp. (collectively, the "Underwriters") have exercised in full its over-allotment option to purchase up to an additional \$6,000,000 principal amount of 5 year, 7.50% Series E Convertible Redeemable Debentures. The issue and sale of the additional debentures closed today.

Artis intends to use the net proceeds from the Offering to repay certain indebtedness and for working capital purposes.

The Series E Debentures and the underlying Units have not been and will not be registered under the United States Securities Act of 1933 and accordingly will not be offered, sold or delivered, directly or indirectly within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, except pursuant to applicable exemptions from the registration requirements. The offering is subject to normal regulatory approvals including approval of the Toronto Stock Exchange.

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 6.3 million square feet of leasable area in 85 properties. Leasable area is approximately 30.7% in Manitoba, 7.8% in Saskatchewan, 55.7% in Alberta, and 5.8% in B.C.; by asset class the portfolio is 31.4% retail, 41.0% office and 27.6% 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
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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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AX.UN on the TSX