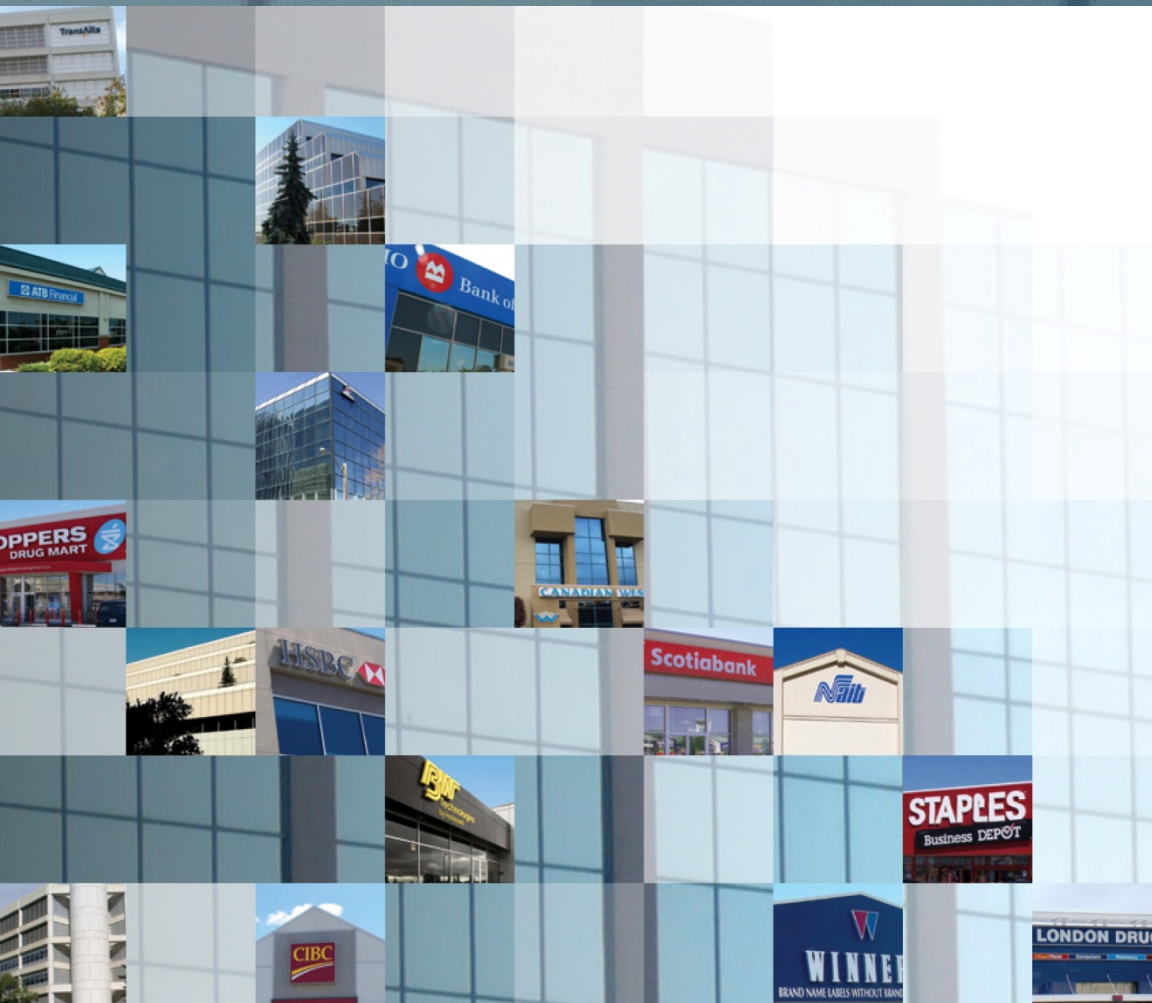




PROPERTIES OF SUCCESS



JANUARY 15, 2010 Q3-09 INSTITUTIONAL INVESTOR PRESENTATION



FORWARD-LOOKING DISCLAIMER

Certain information included in this presentation contains forward-looking statements within the meaning of applicable securities laws. 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 Real Estate Investment Trust (“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 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.

This presentation does not constitute an offer to sell or a solicitation of an offer to purchase securities of Artis REIT.



NOTICE RESPECTING NON-GAAP MEASURES

Distributable Income (“DI”), Property Net Operating Income (“Property NOI”) and Funds from Operations (“FFO”) are non-GAAP measures commonly used by Canadian income trusts as an indicator of financial performance. “GAAP” means the generally accepted accounting principles described by the Canadian Institute of Chartered Accountants which are applicable as at the date on which any calculation using GAAP is to be made.

Artis REIT calculates Distributable Income, or “DI”, to reflect distributable cash which is defined in the REIT’s Declaration of Trust as net income in accordance with GAAP, subject to certain adjustments as set out in the Declaration of Trust, including: (i) adding back amortization (excluding leasing costs) and accretion to the carrying value of debt and (ii) excluding gains or losses on the disposition of any asset, and (iii) adding or deducting other adjustments as determined by the Trustees at their discretion. Given that one of the REIT’s objectives is to provide stable cash flows to investors, management believes that DI is an indicative measure for evaluating the REIT’s operating performance in achieving its objectives.

Artis REIT calculates Property NOI as revenues, prepared in accordance with GAAP, less property operating expenses such as taxes, utilities, repairs and maintenance. Property NOI does not include charges for interest and amortization. Management considers Property NOI to be a valuable measure for evaluating the operating performance of the REIT's properties.

Artis REIT calculates FFO, substantially in accordance with the guidelines set out by the Real Property Association of Canada (“RealPAC”). Management considers FFO to be a valuable measure for evaluating the REIT’s operating performance in achieving its objectives.



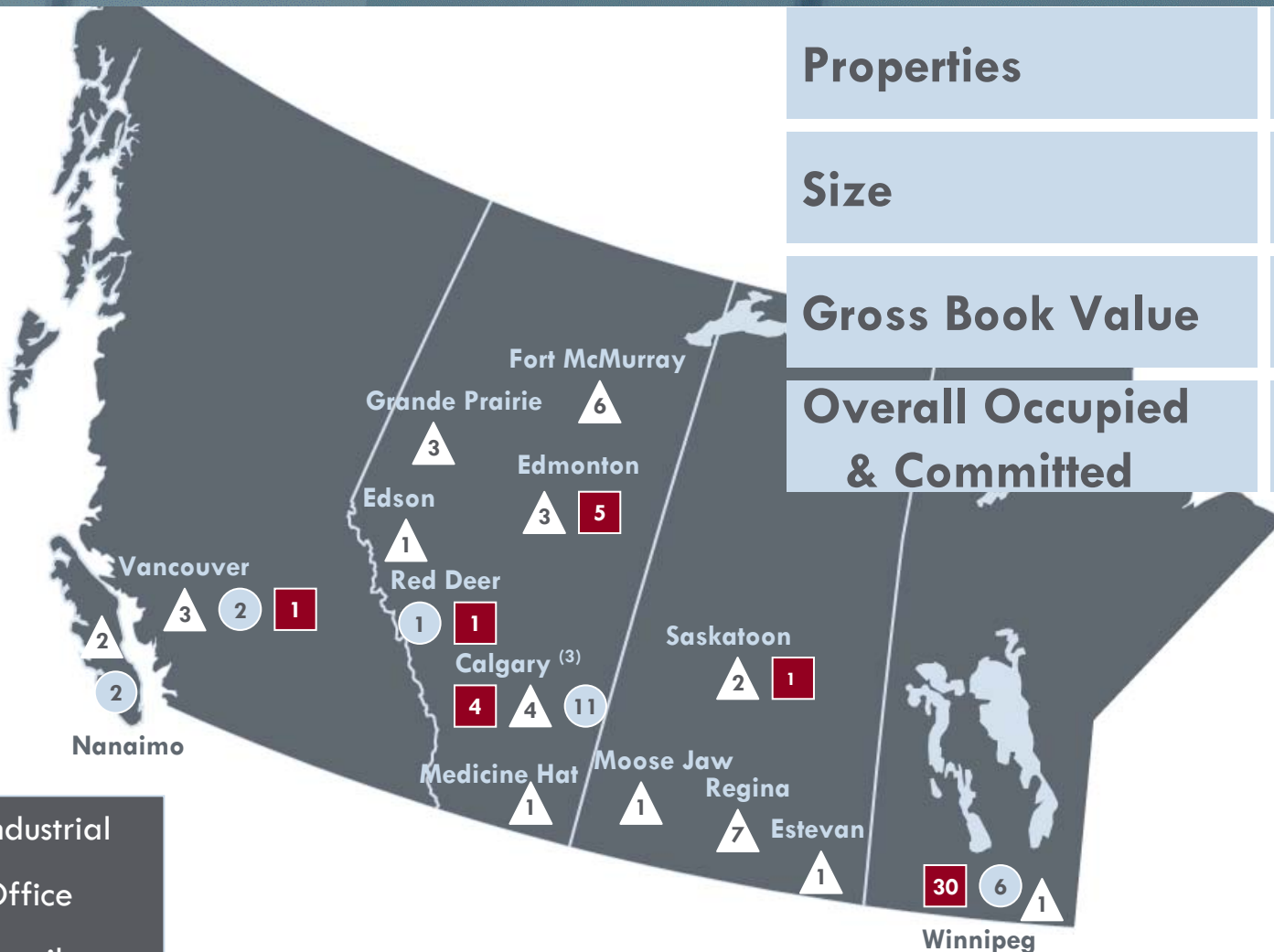
UNIQUE FOUR PART STRATEGY

1. **Geographic focus: western Canada only**
2. **Product focus: commercial real estate only**
 - industrial
 - office
 - retail
3. **External growth: via accretive acquisitions in our target markets**
4. **Internal growth: via active asset management and new developments**





PORTFOLIO OVERVIEW



Properties

99

Size

7.2 M sq.ft.


Gross Book Value


\$1.39 B ⁽¹⁾

**Overall Occupied
& Committed**

98.2% ⁽²⁾

 = Industrial

 = Office

 = Retail

Portfolio Assets as at September 30, 2009 adjusted for acquisitions & dispositions completed and announced at January 15, 2010

⁽¹⁾ Based on preliminary allocation of purchase prices

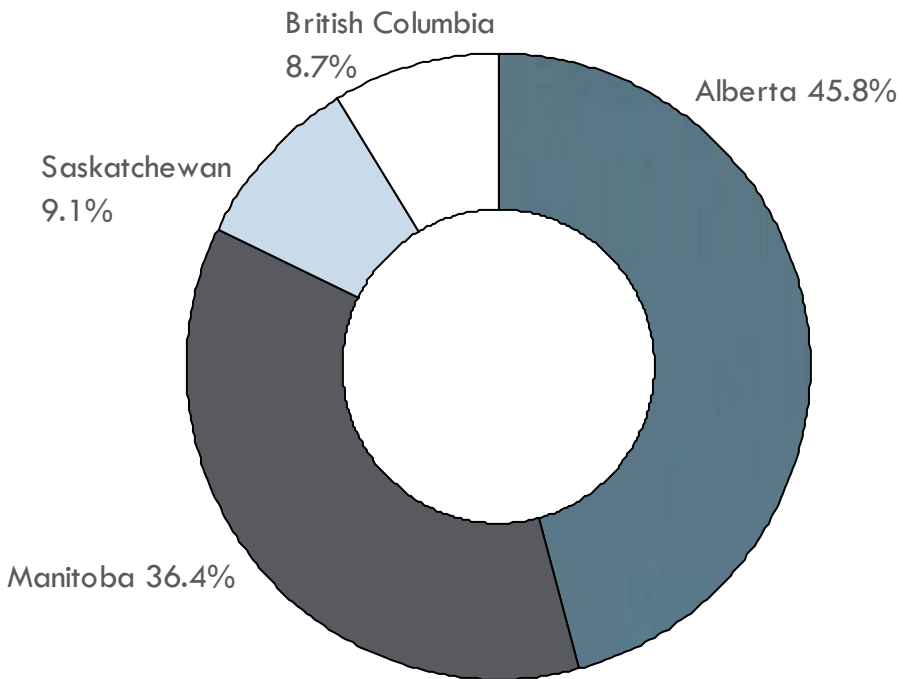
⁽²⁾ Excluding properties in redevelopment

⁽³⁾ Airdrie classified with Calgary Industrial

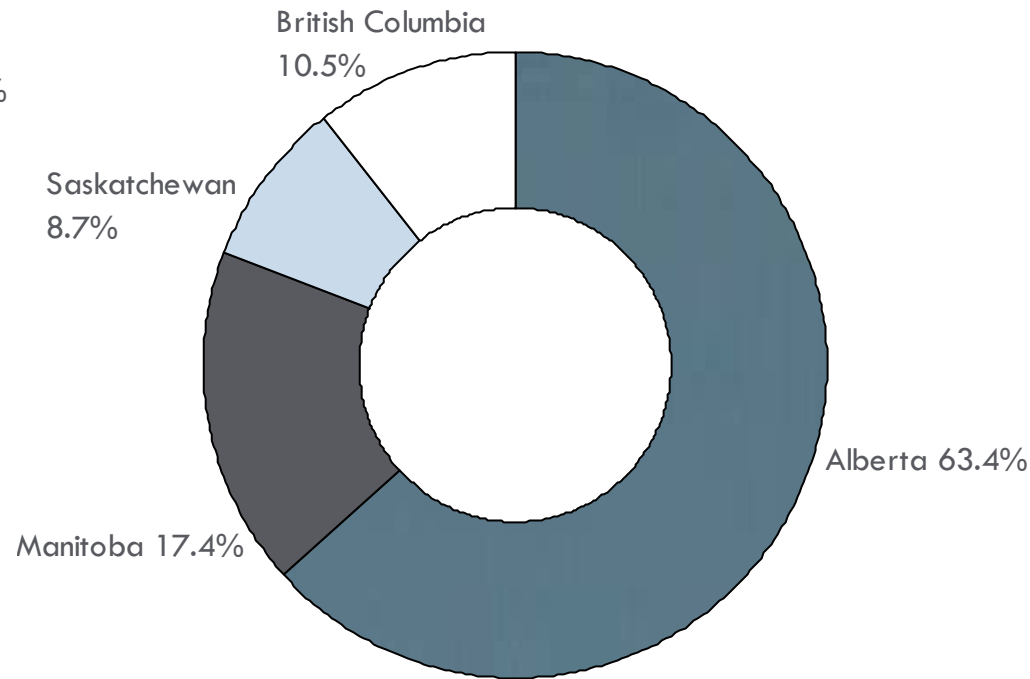


PORTFOLIO SUMMARY

Property GLA by Province ⁽¹⁾



Property NOI by Province ⁽²⁾



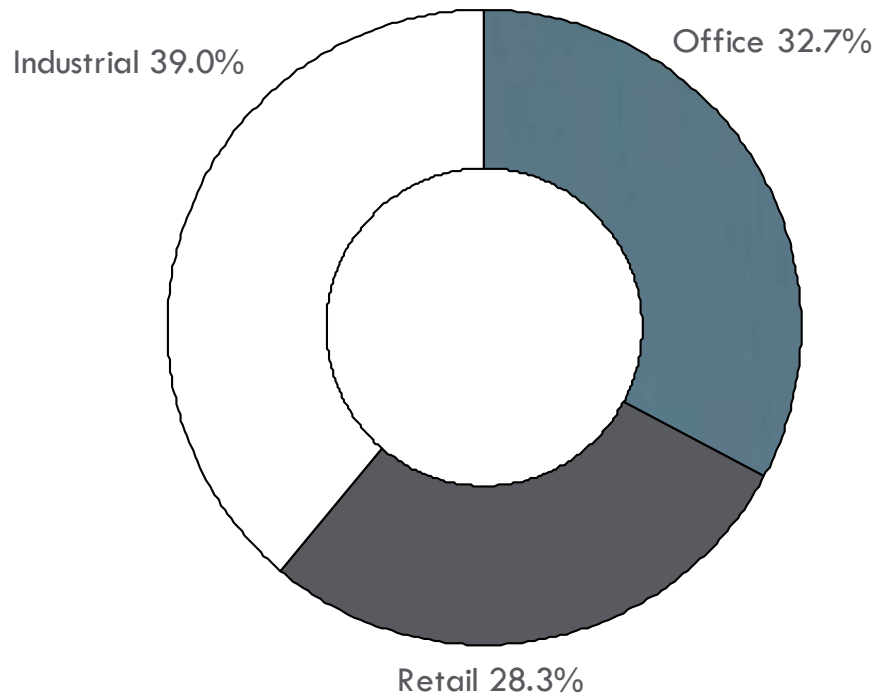
⁽¹⁾ Portfolio Assets as at September 30, 2009 adjusted for acquisitions & dispositions completed and announced at January 15, 2010

⁽²⁾ Property NOI for the nine month period ending September 30, 2009; adjusted for pro-forma NOI on acquisitions completed and announced at January 15, 2010

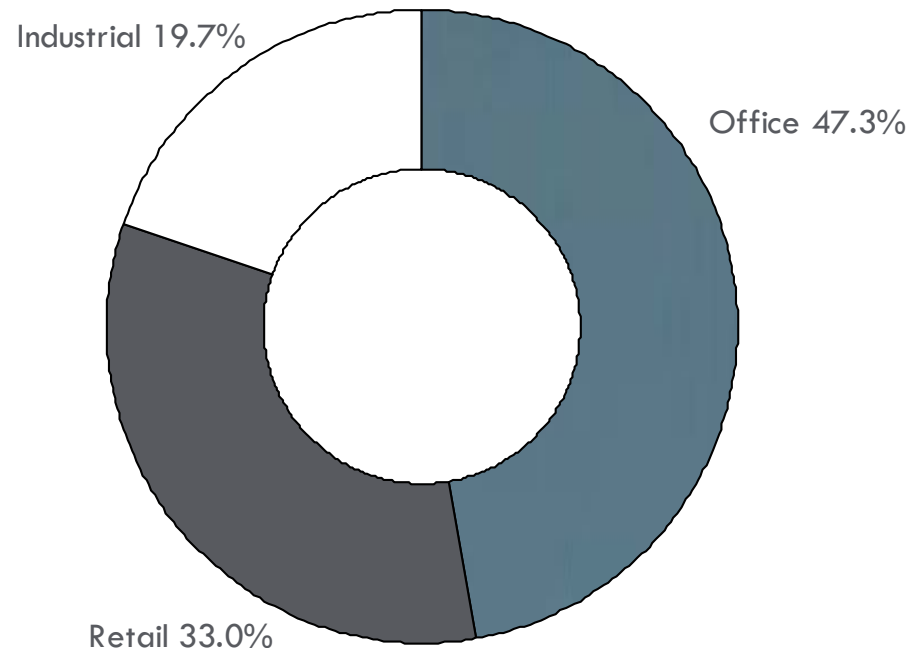


PORTFOLIO SUMMARY

Property GLA by Asset Class ⁽¹⁾



Property NOI by Asset Class ⁽²⁾

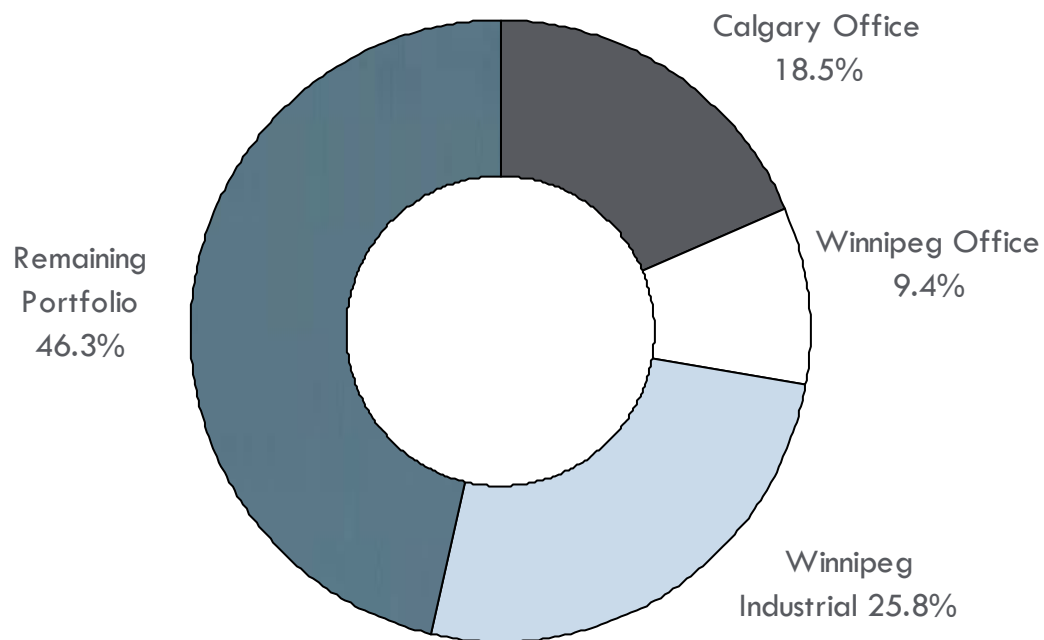


⁽¹⁾ Portfolio Assets as at September 30, 2009 adjusted for acquisitions & dispositions completed and announced at January 15, 2010

⁽²⁾ Property NOI for the nine month period ending September 30, 2009; adjusted for pro-forma NOI on acquisitions completed and announced at January 15, 2010



PORTFOLIO SUMMARY – TOP THREE SUBMARKETS BY GLA



Winnipeg Office 9.4%

Winnipeg Class A Office (% of total portfolio) = 2.9%

Winnipeg Class B Office (% of total portfolio) = 5.5%

Winnipeg Suburban Office (% of total portfolio) = 1.0%

Total Winnipeg Office (% of total portfolio) = 9.4%

Calgary Office 18.5%

Calgary Downtown Office (% of total portfolio) = 4.0%

Calgary Suburban Office (% of total portfolio) = 8.8%

Calgary Beltline Office (% of total portfolio) = 5.7%

Total Calgary Office (% of total portfolio) = 18.5%

Winnipeg Industrial 25.8%

Inkster Industrial Park (% of total portfolio) = 9.2%

St. James Industrial Park (% of total portfolio) = 10.6%

Fort Gary Industrial Park (% of total portfolio) = 2.2%

Omand's Creek Industrial Park (% of total portfolio) = 3.8%

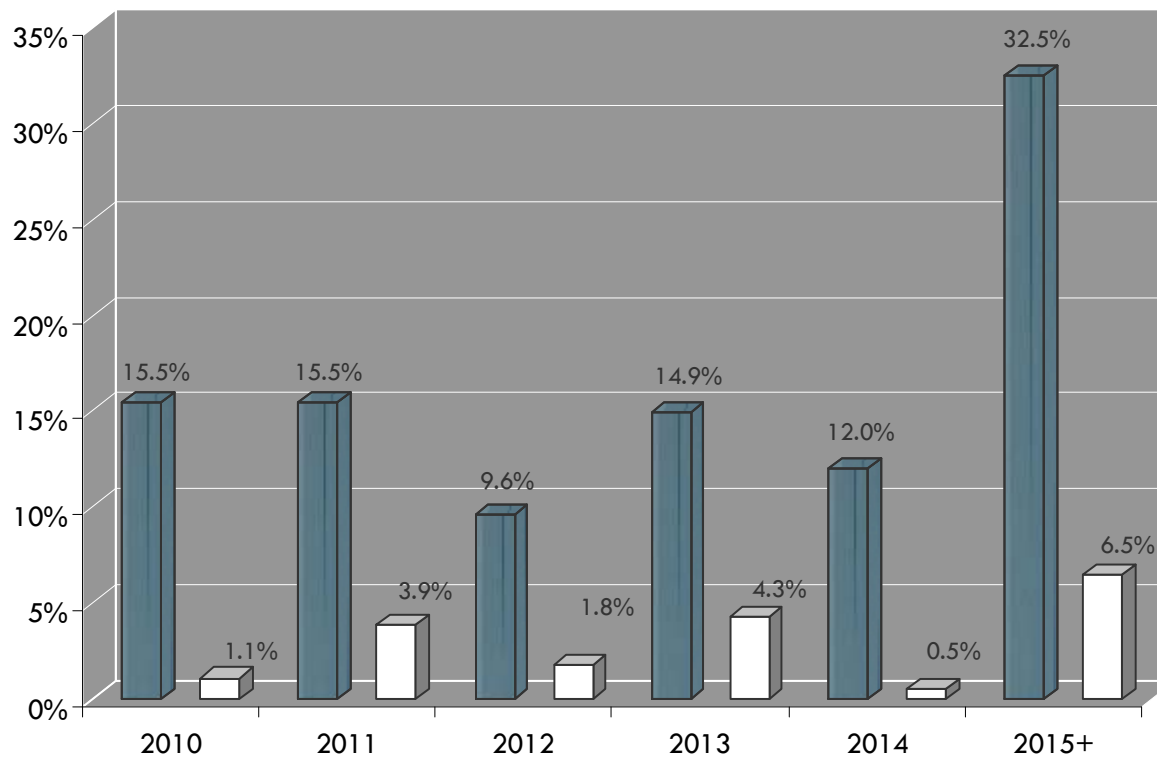
Total Winnipeg Industrial (% of total portfolio) = 25.8%



PORTFOLIO OVERVIEW

Lease Expiration Schedule

- Expiries in All Provinces (% of Leased Area)
- Expiries in Calgary Office (% of Leased Area)



**All 2009 expiries
dealt with.**

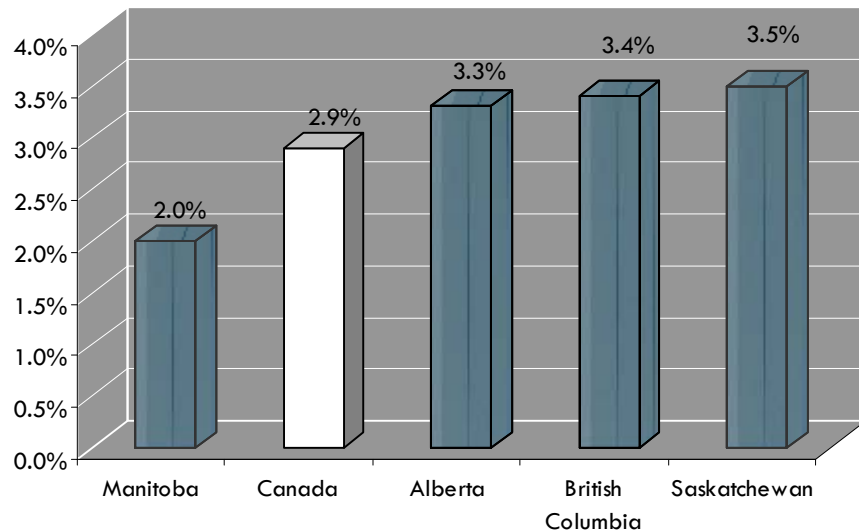
**38% of 2010
expiries and 16% of
2011 expiries are
renewed**

**Weighted average
term to maturity is
5.37 years**

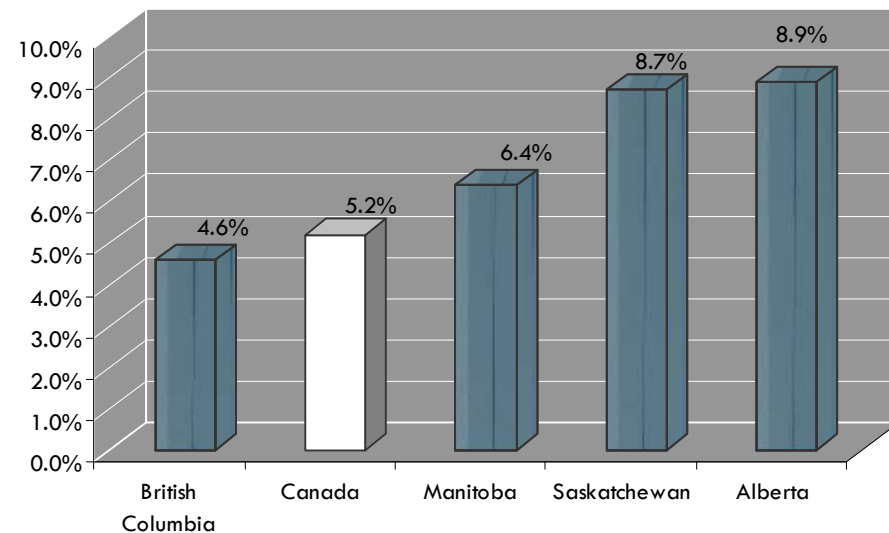


ROBUST WESTERN ECONOMY

GDP Growth 2010f



Average Retail Sales Growth Year Over Year, 2004-2008



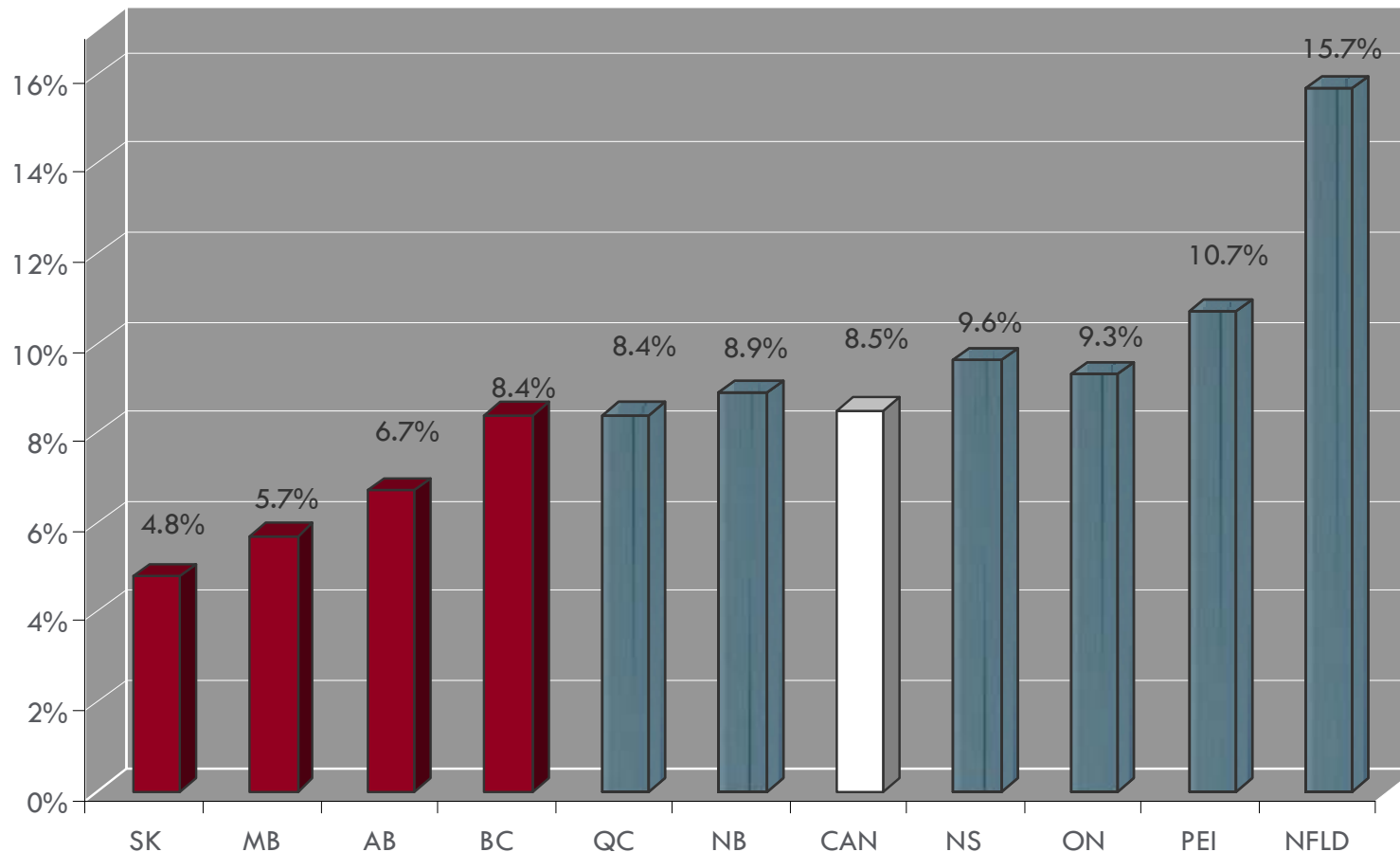
Source Chart 1: Conference Board of Canada Autumn 2009

Chart 2: Statistics Canada



ROBUST WESTERN ECONOMY

Provincial Unemployment Rates December - 2009



Source: Statistics Canada January 2010 Release



PORTFOLIO OVERVIEW

10 Largest Tenants by Gross Revenue

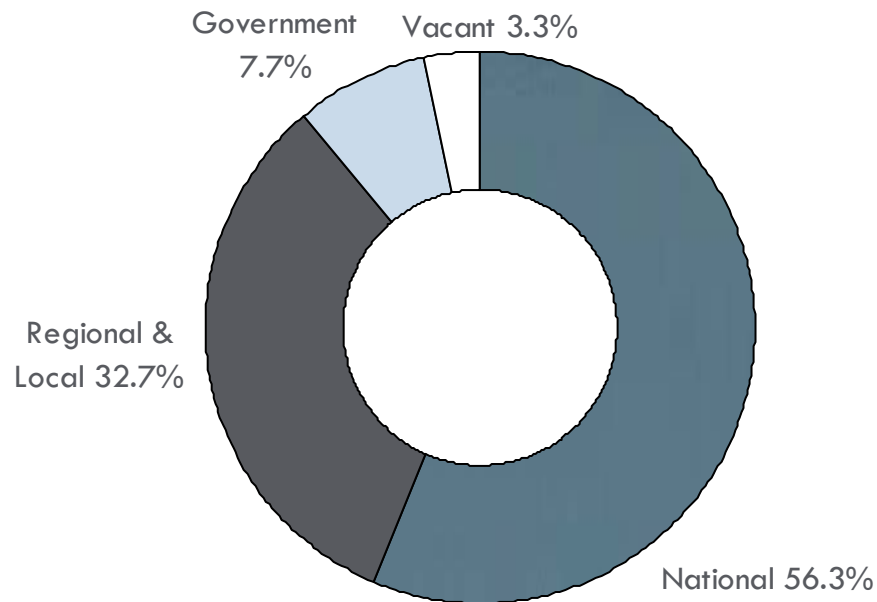


Approximately 26.5% of Gross Revenue
excluding government tenants



PORTFOLIO OVERVIEW — 63.9% of Tenants are Government and National⁽¹⁾

Diversification by Tenant Size (GLA)⁽¹⁾



Weighted Average Term to Maturity

All Leases	5.37 Years
Top 10 Tenants	8.96 Years
Government Tenants	3.89 Years



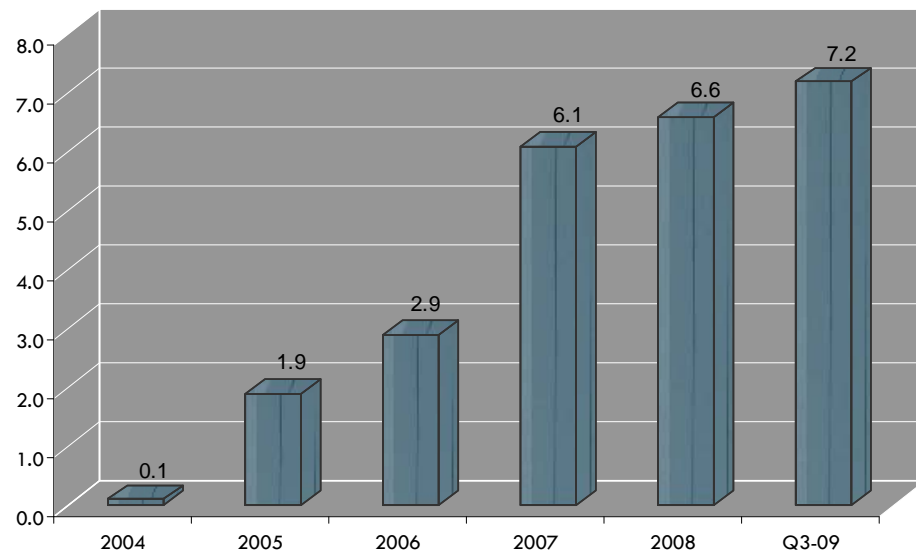
⁽¹⁾ Portfolio Assets as at September 30, 2009 adjusted for acquisitions & dispositions completed and announced at January 15, 2010; Excludes properties in development



PORTFOLIO OVERVIEW

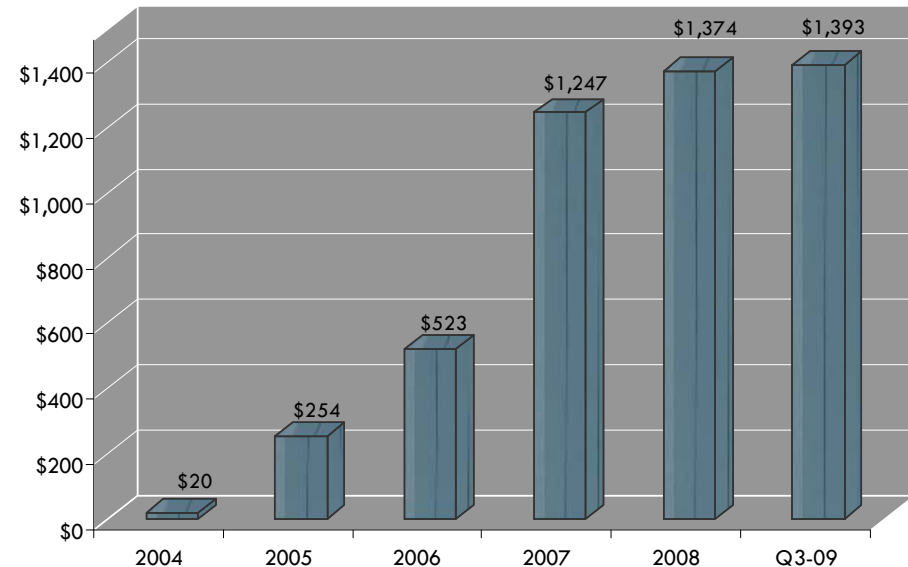
GLA
7.2 M sq. ft. ⁽¹⁾

(M sq.ft.)



Gross Book Value
\$1.39 B ⁽¹⁾⁽²⁾

(\$M)



⁽¹⁾ Portfolio Assets as at September 30, 2009 adjusted for acquisitions & dispositions completed and announced at January 15, 2010

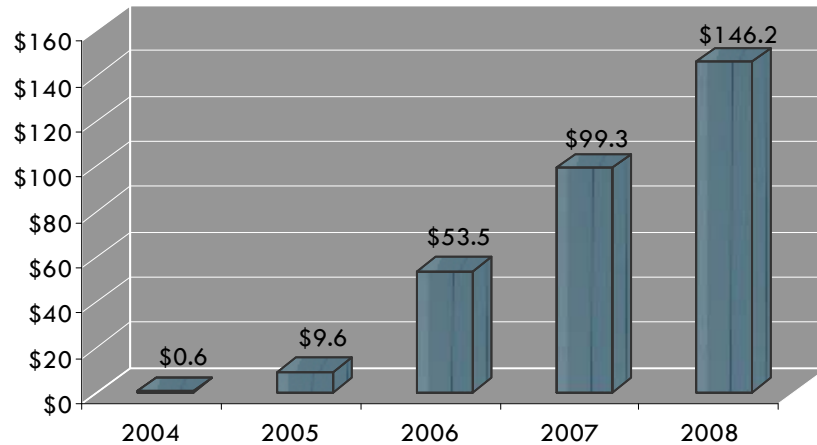
⁽²⁾ Based on preliminary allocation of acquisitions purchase price



ANNUAL INFORMATION

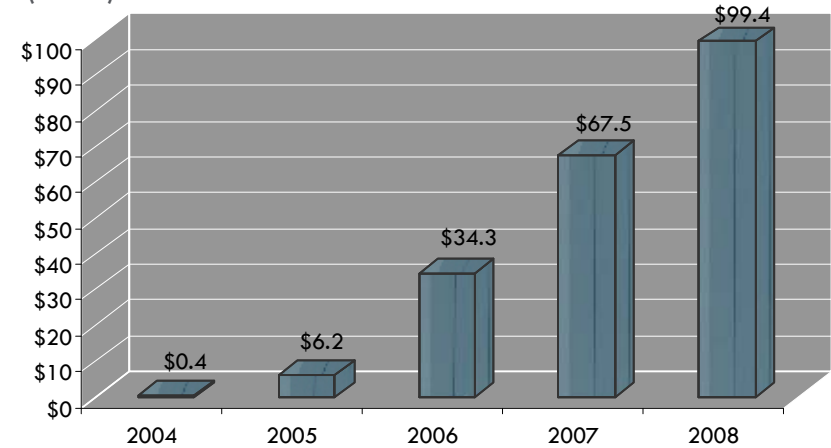
Revenues ⁽¹⁾

In (000's)

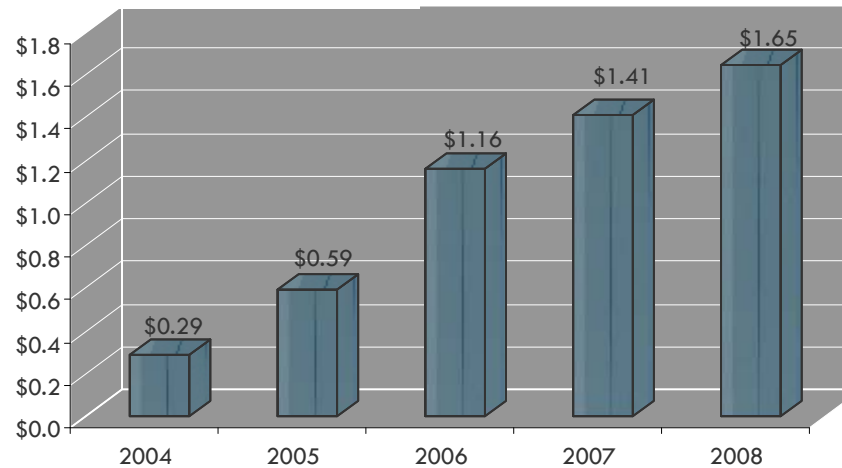


Property NOI ⁽¹⁾

In (000's)



FFO/unit



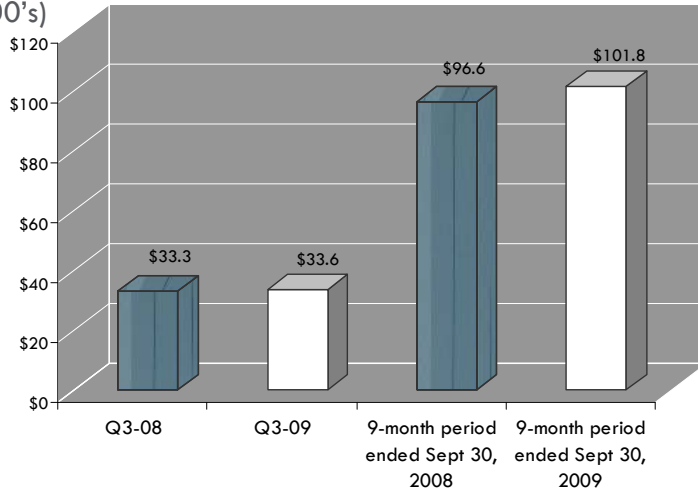
⁽¹⁾ From continuing and discontinued operations



2009 YEAR TO DATE INFORMATION

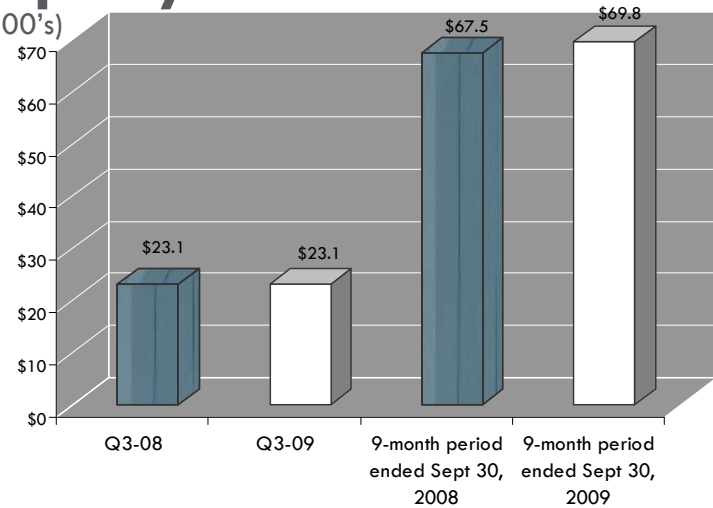
Revenues ⁽¹⁾⁽²⁾

In (000's)

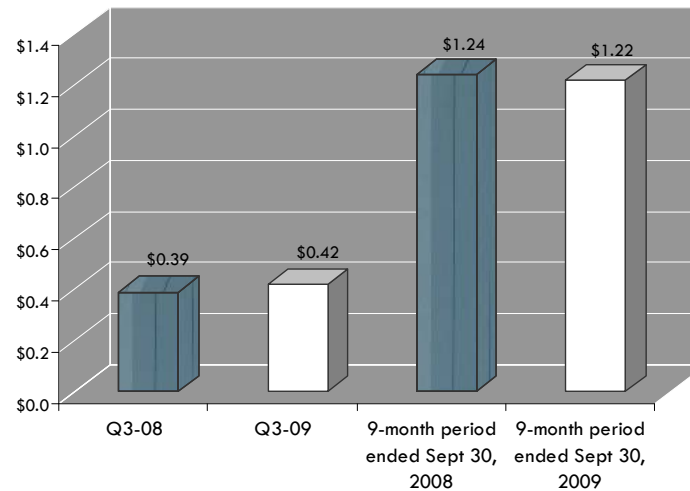


Property NOI ⁽¹⁾⁽²⁾

In (000's)



FFO/unit (Basic)



(1) FFO Payout Ratio: 69.2%

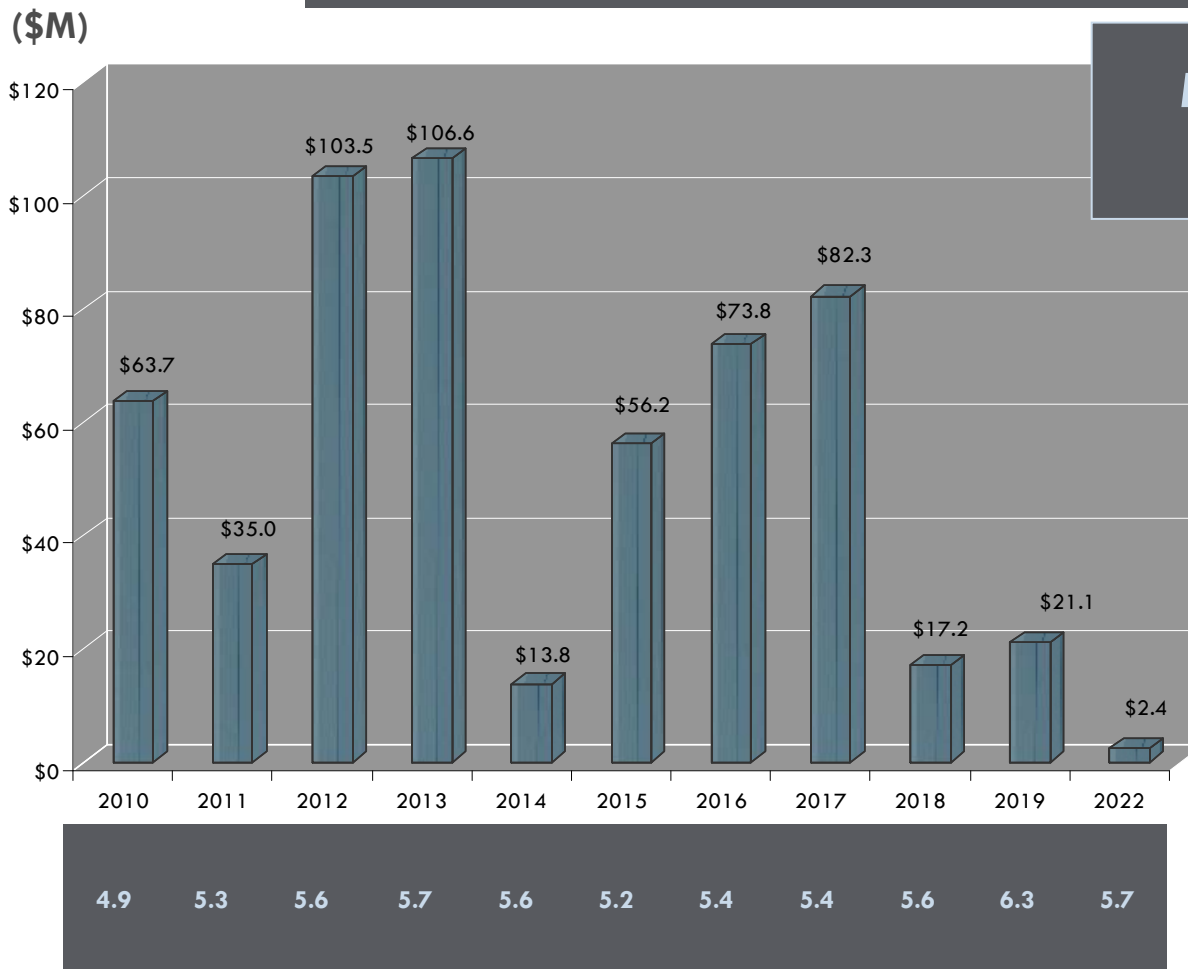
⁽¹⁾ From continuing operations

⁽²⁾ 2008 comparative results have been restated for discontinuing operations



PORTFOLIO OVERVIEW

Schedule of Mortgages Maturing ⁽²⁾



Mortgage to Gross Book Value ⁽¹⁾ 47.7%

⁽¹⁾ As at September 30, 2009

⁽²⁾ As at January 15, 2010 adjusted to exclude repayments of mortgages and include new mortgage financing commitments as at January 15, 2010.

Weighted average interest rate maturing by year (%)

⁽²⁾ Mortgage Financing In-Place as at January 15, 2010, less acquisitions and dispositions completed and announced at January 15, 2010



PORTFOLIO OVERVIEW

MORTGAGE PROFILE

**Weighted Average Term of
4.53 Years⁽¹⁾**

**Weighted Average Interest
Rate⁽¹⁾ 5.43%**

Interest Coverage Ratio⁽²⁾ 2.3



Winnipeg Square

⁽¹⁾ Mortgage Financing In-Place as at September 30, 2009, less acquisitions and dispositions completed and announced at January 15, 2010

⁽²⁾ Mortgage Financing In-Place as at September 30, 2009



INTERNAL GROWTH

Year over Year Occupancy

	Portfolio Occupancy ⁽¹⁾	Same Property Occupancy ⁽²⁾
Q3-08	98.0%	97.7%
Q3-09	96.7%	97.3%

Increasing Rental Income as Leases Turn Over ⁽³⁾

	Leasable Sq. Ft. (000's) Expired	In-Place Rent	Leased Sq. Ft. (000's) New / Renew	Market Rent	% Change	Change in \$/sq.ft.
Actual Q1-09	268	\$13.32	208	\$15.43	16%	\$2.11
Actual Q2-09	170	\$11.20	203	\$12.11	8%	\$0.91
Actual Q3-09	249	\$10.47	230	\$14.03	34%	\$3.56
Remaining 2009	177	\$10.54		\$12.05	14%	\$1.51
2010	989	\$10.48		\$11.93	14%	\$1.45
All Years	5,923	\$13.70		\$15.30	12%	\$1.60

**38.0% of the 2010 leasing program is renewed as
at January 15, 2010**

34.0% weighted average increase in rent Q3-09

18.0 % weighted average increase in rent YTD

⁽¹⁾ As reported at September 30, 2009 excluding properties in redevelopment.

⁽²⁾ As reported at September 30, 2009, "Same Property Occupancy" comparison includes only income-producing properties owned on January 1, 2008, and excludes properties accounted for as discontinued operations

⁽³⁾ As reported at September 30, 2009



LATEST ANALYST PROJECTIONS ⁽¹⁾

	2009		2010		Current	Current
Latest analyst projections (Q3-09 updates) (diluted per unit results)	FFO	AFFO	FFO	AFFO	NAV	Target Price
CIBC World Markets	\$1.47	\$0.94	\$1.40	\$0.96	\$10.40	\$11.50
Canaccord	\$1.47	\$0.99	\$1.36	\$1.00	\$12.00	\$13.00
Royal Bank	\$1.50	\$0.97	\$1.31	\$0.93	\$9.25	\$10.25
Scotia Capital	\$1.47	\$0.93	\$1.38	\$0.96	\$9.50	\$10.00
National Bank	\$1.46	\$1.04	\$1.39	\$1.07	\$9.00	\$10.00
Desjardins^r	-	\$0.94	-	\$0.95	\$11.04	\$11.00
Macquarie Research	\$1.51	\$0.92	\$1.44	\$0.94	\$9.20	\$10.00
Bank of Montreal	\$1.47	\$0.94	\$1.34	\$0.95	\$11.46	\$12.00
Average Consensus	\$1.48	\$0.96	\$1.38	\$0.99	\$9.92	\$10.65

Distributions payout ratio approximately: \$1.08 = 66.9% of 2009E FFO & 101.2% of 2009E AFFO

Industry Average approximately = 78.9% of 2009E FFO & 100.4% of 2009E AFFO

Source : BMO Daily Market Watch, January 12, 2010

⁽¹⁾ Artis does not endorse any analyst projections. The information above represents the views of the particular analyst and not necessarily those of Artis.
An investor should review the entire report of the analysts prior to making any investment decisions.



PEER COMPARISONS

	2010E		2011E	
Daily market updates Canaccord (01/05/10)	FFO Canaccord	AFFO Canaccord	FFO Canaccord	AFFO Canaccord
Artis REIT (AX.un)	8.3x	11.4x	7.9x	10.5x
Dundee REIT (D.un)	7.2x	9.6x	7.5x	9.7x
Morguard REIT (MRT.un)	11.4x	13.1x	11.1x	12.5x
Allied REIT (AP.un)	10.7x	12.0x	10.6x	11.9x
Canadian REIT (REF.un)	11.7x	13.4x	11.4x	13.1x
Average Diversified	10.5x		12.1x	



GROWTH STRATEGY - EXTERNAL

ING Winnipeg Industrial Portfolio

Winnipeg, MB

GLA: 721,119 sq ft

Purchase Price: \$ 42.7 million

Number of properties: 13

Occupancy: 93.2 %

(excluding property in development)



Top 5 Tenants By Occupied Area

Tenant	Area (Sq. Ft.)
EMCO Corporation	53,709
Great-West Life	36,368
MFI Food Canada	31,685
West Heat Industries	29,323
National Energy Equipment	27,200



GROWTH STRATEGY - EXTERNAL

Cliveden - Delta, BC

GLA: 139,276 sq ft (50% interest)
100 % leased



Kincaid - Burnaby, BC

GLA: 182,437 sq ft (50% interest)
100 % leased (Eastman Kodak)

Cliveden & Kincaid portfolio was acquired
for \$23.0 million.



Zellers – West Kelowna, BC

GLA: 105,670 sq ft
Purchase Price: \$ 10 million
Occupancy: 100 %





GROWTH STRATEGY - EXTERNAL

Maple Leaf - Saskatoon, SK

GLA: 163,418 sq ft

Purchase Price: \$ 25.5 million

100% Leased (Maple Leaf Foods)



Sherwood Industrial - Edmonton, AB

GLA: 162,860 sq ft

Purchase Price: \$ 13.3 million

100% Leased – 2 National & 1 Regional Tenants





GROWTH STRATEGY - INTERNAL

1. North City – Edmonton - Office

- Proposed 20,000 sq ft
- 9% unlevered yield (mgt estimate)



2. North City – Edmonton - Retail

- 3,500 sq ft CRU under development
- 10% unlevered yield (mgt estimate)
- Fully pre-leased



3. Capital City Centre

- 13,500 sq ft mixed office/CRU
- 9% unlevered yield (mgt estimate)





GROWTH STRATEGY - INTERNAL

4. TransAlta Place – Calgary

-Potential for 250,000 sq ft expansion



5. Grand Prairie – Sears Centre

- 3 acres surplus retail/industrial land
- Potential for 40,000 sq ft expansion





GROWTH STRATEGY - INTERNAL

**Increase Rental Income
with Lease Turnover**



Winnipeg Square - Winnipeg, MB

Nurture Existing Relationships



Sears Centre – Grande Prairie, AB

**Exploit Development
Opportunities**



Canarama Mall – Saskatoon, SK



SENIOR MANAGEMENT TEAM



Armin Martens, P.Eng., M.B.A.

President, Chief Executive Officer and Trustee

Mr. Martens has been actively involved in the construction, development and management of commercial real estate since the 1980's. In addition to his position as President and CEO of Artis REIT, he is currently President and CEO of Marwest Development Corporation, a position he has held since 1994. Mr. Martens is a professional engineer (APEGM, 1979) and has an M.B.A. from the International Institute for Management Development in Lausanne, Switzerland. Mr. Martens is a current director of Fortress Paper Ltd. (TSX: FTP) and a past director of the Bank of Canada, Canada's central bank.



Jim Green, C.A.

Chief Financial Officer

Mr. Green joined the Marwest Group of Companies in 1981 and has since served in various capacities. He is presently Vice President and Chief Financial Officer of the companies in the Marwest Group, a position he has held since 1994. He has served as Chief Financial Officer for Artis REIT since its inception in 2004.



Cornelius Martens, P.Eng.

Executive Vice-President and Trustee

Mr. Martens graduated from the University of Manitoba with a Bachelor of Science degree in Civil Engineering in 1965 and became a member of the Association of Professional Engineers & Geologists of Manitoba in 1967. Mr. Martens is the President of the Marwest Group of Companies. The Marwest Group is engaged in the development, construction and management of income-producing properties, including office buildings, shopping centres, residential and mixed-use properties both in Canada and the United States. Mr. Martens is a past director of Consolidated Properties Ltd. (TSX: COP).



Kirsty Stevens, CMA

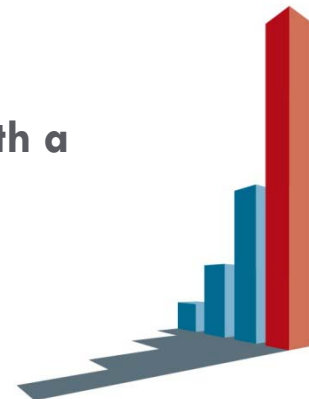
Senior Vice-President – Administration and Investor Relations

Prior to joining Artis REIT in 2005, Ms. Stevens worked as the Controller of Marwest Management Canada Ltd., a western Canadian commercial and residential property management company. Ms. Stevens is a Certified Management Accountant (Manitoba) with over fifteen years of experience in accounting and administration. Prior to joining Marwest, Ms. Stevens was the Controller for a western Canadian heavy equipment sales and service dealership.



INVESTMENT HIGHLIGHTS – Q3 2009

- **Artis REIT has an exclusively western Canadian focus**
- **High quality commercial properties – all asset classes (Retail, Industrial, Office)**
- **Proven management team**
- **Consistent & reliable cash flow**
- **Strong financial position (September 30, 2009)**
 - **Total Debt to GBV 54.3%**
 - **Interest Coverage Ratio = 2.3**
 - **Q3 2009 FFO payout ratio at 69.2%**
 - **Excellent mortgage profile with no remaining mortgages expiring in 2009**
- **Excellent growth potential**
- **2009 leasing program is complete**
- **38% of 2010 leasing program are renewed as at January 15, 2010 with a weighted average rental increase of 18.0% YTD**
- **In place rents 12.0% below market for all years of expiry**



PROPERTIES OF SUCCESS

