



FOR IMMEDIATE RELEASE

MAY 14, 2007

ARTIS REIT INCREASES Q1 FUNDS FROM OPERATIONS 140.2%, INCREASES PER UNIT RESULTS

Today Artis Real Estate Investment Trust ("Artis" or "Artis REIT") issued its financial results and achievements for the three month period ended March 31, 2007.

FINANCIAL HIGHLIGHTS

- ◆ Q1 revenues increased 88.2% over Q1-06 to \$17.6 million
- ◆ Q1 net operating income ("NOI") increased 102.6% over Q1-06 to \$11.6 million
- ◆ Q1 distributable income ("DI") increased 130.6% over Q1-06 to \$5.9 million
- ◆ Q1 funds from operations ("FFO") increased 140.2% to \$5.4 million
- ◆ Occupancy increased to 96.3% (97.8% including committed space)
- ◆ Debt-to-gross book ("GBV") value decreased to 51.6%
- ◆ \$193.0 million in acquisitions completed year-to-date *

SELECTED FINANCIAL INFORMATION

<i>(unaudited)</i> \$000's, except per unit amounts	Three Months Ended March 31, 2007	Three Months Ended March 31, 2006
Revenues	\$ 17,609	\$ 9,357
NOI	11,629	5,740
DI	5,908	2,562
FFO	5,403	2,249
DI per unit (basic)	0.31	0.29
FFO per unit (basic)	0.28	0.25
Distributions	0.26	0.26
Weighted average units		
REIT Units	18,468,086	8,918,795
Including Class B limited partnership units	19,189,433	8,918,795
	March 31, 2007	December 31, 2006
GBV	\$ 729,543	\$ 523,081
Mortgage debt	376,498	272,341
Debt-to-GBV	51.6 %	52.1 %

"First quarter financial results continue to demonstrate the effectiveness of our internal and external growth strategies," said Armin Martens, President and Chief Executive Officer of Artis. "The strength and caliber of our portfolio improved significantly in this quarter. Our key metrics have all improved as well. We are particularly pleased to report **an increase in FFO per unit of 12.0%**, with a corresponding decrease in the FFO payout ratio, as well as further reduction in our debt ratio since December 31, 2006."

* Including the MTS Call Centre, acquired subsequently on April 1/07

Significant growth in key measures:

On-going acquisition activity has driven substantial growth in revenues, property NOI, DI and FFO, key performance measures for the REIT. Q1-07 revenues and Property NOI grew \$8.3 million and \$5.9 million, respectively, compared to Q1-06. Q1-07 DI and FFO grew \$3.3 million and \$3.2 million, respectively, over Q1-06.

\$92.0 million in new equity raised:

On January 18, 2007, Artis announced it had entered into a bought-deal arrangement with a syndicate of underwriters for the sale of 5,050,000 trust units ("units") at a price of \$15.85 per unit. The offering closed on February 8, 2007, for aggregate gross proceeds of \$80.0 million. On February 20, 2007, the underwriting syndicate exercised their over-allotment option and a further 757,500 units were issued for aggregate gross proceeds of \$12.0 million.

Name changed effective February 15, 2007:

Effective February 15, 2007, the name of the REIT was changed from Westfield Real Estate Investment Trust to Artis Real Estate Investment Trust. In conjunction with the name change, the REIT's stock symbols changed from WFD.UN, WFD.DB.A, WFD.DB.B and WFD.DB.C to AX.UN, AX.DB.A, AX.DB.B and AX.DB.C, respectively.

Artis reduces mortgage debt-to-GBV ratio while increasing the asset base:

As at March 31, 2007, Artis has increased the size of its portfolio (measured by GBV) by \$206.5 million, or 39% over the December 31, 2006 balance. Over the same period, the ratio of mortgage debt to GBV has declined from 52.1% at December 31, 2005 to 51.6% at December 31, 2006.

2007 Acquisition highlights:

Property	Location	Acquisition Date	Type
1. CDI College Building	280 Main Street, Winnipeg, MB	January 12, 2007	Office
2. Keewatin Distribution Centre	959 - 989 Keewatin Street, Winnipeg, MB	January 31, 2007	Industrial
3. Clareview Town Centre	50th Street & 137th Avenue, Edmonton, AB	February 1, 2007	Retail
4. Centre 70 ⁽¹⁾	7015 Macleod Trail SW & 555-69th St SW, Calgary, AB	February 28, 2007	Office
5. Honeywell Building	2840 - 2nd Avenue SE, Calgary, AB	February 28, 2007	Industrial
6. Millennium Centre	4909-49th St. & 4902-48th St., Red Deer, AB	February 28, 2007	Office
7. Bower Centre	2319 Taylor Dr. & 2310 Gaetz Ave., Red Deer, AB	March 1, 2007	Industrial
8. Britannia Building ⁽²⁾	703 - 6th Ave SW, Calgary, AB	March 31, 2007	Office
9. Sierra Place ⁽²⁾	706 - 7th Ave SW, Calgary, AB	March 31, 2007	Office

⁽¹⁾ Artis REIT acquired an 85% ownership interest in Centre 70
⁽²⁾ Britannia Building & Sierra Place were acquired together as the Dome Britannia Portfolio

Artis acquired the above nine properties, increasing the gross leasable area ("GLA") across the portfolio to over 3.9 million square feet. On April 1, 2007, Artis acquired one more property, known as the MTS Call Centre. Readers are invited to view more details on these properties on the Artis web site at www.artisreit.com.

Occupancy levels continue to increase:

As a result of acquisitions and on-going leasing and renewal activity, Artis increased its overall portfolio occupancy to 96.3% at March 31, 2007. Including committed space, the occupancy ratio increases to 97.8%.

Artis 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. 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. To date, Artis has acquired approximately \$660 million of commercial property; approximately 19.6% in Manitoba, 11.6% in Saskatchewan, 67.9% in Alberta, and 0.9% in B.C. Artis owns 46 properties, comprising over 3.9 million square feet of leasable area (36.1% retail, 53.8% office and 10.1% 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.

Non-GAAP Performance Measures

DI, Property NOI and FFO are non-GAAP measures commonly used by Canadian income trusts as an indicator of financial performance. Management uses DI, Property NOI and FFO to analyze operating performance. DI, Property NOI and FFO may not be comparable to similar measures presented by other issuers. Neither DI nor FFO are intended to represent operating profits for the period or from a property nor should either 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. 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 proposed changes in the tax treatment of trusts. 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 of the REIT or Mr. Jim Green, Chief Financial Officer of the REIT at (204) 947-1250.