



FOR IMMEDIATE RELEASE

MARCH 31, 2011

**ARTIS ANNOUNCES \$104.3 MILLION OF NEW ACQUISITIONS AND  
COMPLETES \$73.2 MILLION PREVIOUSLY ANNOUNCED U.S. INDUSTRIAL  
ACQUISITION**

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) announced today the acquisition of a US\$44.0 million office property located in Minneapolis, Minnesota and an additional \$60.3 million of industrial properties located in Ontario’s Greater Toronto Area (“GTA”). Artis also confirmed the closing of the previously announced acquisition of a US\$73.2 million industrial portfolio located in Minneapolis, Minnesota.

The [Stinson Office Park](#) is a 307,045 square foot office complex with an additional parking structure providing 1,703 parking stalls, for an excellent parking ratio of 5.5 stalls per 1,000 square feet of leasable space. Stinson Office Park is located in the Midway submarket of Minneapolis/St. Paul. The property is one block away from the I-35W and Broadway Interchange, providing convenient access to a main Twin Cities transportation artery and just a short distance from the CBD and the University of Minnesota. The Stinson Office Park is 97.0% occupied by two high credit tenants with prescribed annual rent increases and the weighted-average term to maturity of the leases is 10.7 years. The purchase price of US\$44.0 million, which represents a going-in capitalization rate of 7.7%, is expected to be financed with cash on hand and from the proceeds of a new US\$28.6 million 5-year mortgage bearing interest at a floating rate currently equivalent to 3.25% per annum. The acquisition closed March 31, 2011.

The [Cara Foods Building](#) is a 100,398 square foot LEED Silver office complex located in Vaughn, Ontario. Vaughn is part of the GTA and one of the fastest growing cities in Canada. The Cara Foods Building was constructed in 2008 and provides an excellent parking ratio of 4.0 stalls per 1,000 square feet of leasable area. The property is 100% occupied by Cara Operations Ltd. on a newly signed 20-year lease, expiring in 2028 with rent escalations every five years. Cara Operations Ltd. provides catering services to airlines and operates several restaurants, including Harvey’s, Swiss Chalet, Kelsey’s, and Montana’s. Artis has entered into an unconditional agreement to acquire a 50% interest in this property for a purchase price of \$21.0 million, which represents an average capitalization rate of 6.7%. The purchase price is expected to be financed with cash on hand and by way of the assumption of approximately \$12.2 million of existing interest-only mortgage financing maturing in 2013 and bearing interest at a rate of 4.00% per annum. The acquisition is anticipated to close on or about April 15, 2011.

The [3M Distribution Facility](#) is a newly constructed, state of the art industrial building located in the Town of Milton, part of the Greater Toronto Area (GTA). The property comprises 318,805 square feet of leasable area and is 100% occupied by 3M Canada on a long-term lease expiring in 2020, with a rent escalation in 2014. 3M is a subsidiary of 3M Co., a market leader in the industrial and life-sciences markets. The distribution facility is in close proximity to major highways in the area with excellent access to both the Pearson and Hamilton International Airports. The purchase price of \$39.3 million, which represents a going-in capitalization rate of 6.8%, is expected to be financed with cash on hand and from the proceeds of anticipated new 10-year mortgage financing bearing interest at a rate of 4.95% per annum. The acquisition is anticipated to close on or about April 20, 2011.

## Previously Announced Acquisition:

Artis also confirmed the closing of the previously announced acquisition of the second tranche of the [Minneapolis Industrial Portfolio](#) on March 31, 2011 for an aggregate purchase price of US\$73.2 million. Artis is now one of the top five industrial landlords in greater Minneapolis. The second tranche includes 9 properties comprising 1.5 million square feet of leasable area located in various suburbs of Minneapolis, Minnesota. The properties are 88.5% occupied by a combination of office, flex-industrial, warehouse, and distribution and light manufacturing tenants. The purchase price, which represents a going-in capitalization rate of 7.6%, will be financed by cash on hand and from the proceeds of a new US\$49.6 million 5-year mortgage bearing interest at a floating rate currently equivalent to 2.50% per annum.

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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 properties in Canada and the United States, with a major focus on Western Canada. Artis' commercial property comprises over 14.4 million square feet of leasable area in 145 properties. Leasable area by asset class is approximately 23.0% retail, 32.6% office and 44.4% industrial. The portfolio is located 11.2% in British Columbia, 33.5% in Alberta, 4.4% in Saskatchewan, 21.9% in Manitoba, 6.6% in Ontario and 22.4% 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](http://www.artisreit.com).

For further information please contact Mr. Armin Martens, President and Chief Executive Officer,  
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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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