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**ARTIS ANNOUNCES \$62.6 MILLION OF
NEW ACQUISITIONS AND \$70 MILLION EQUITY OFFERING**

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Artis Real Estate Investment Trust (TSX: AX.UN) ("Artis" or the "REIT") announced today that it has entered into unconditional agreements to acquire the Grande Prairie Power Centre in Alberta and the DSI Building in Minnesota. In addition, Artis has closed the previously announced \$64.0 million acquisition of Production Court in metro Vancouver, B.C., and confirms it has an additional \$100.0 million of commercial real estate currently under conditional agreement.

Artis has also entered into an agreement to sell to a syndicate of underwriters led by CIBC and Canaccord Genuity Corp. (the "Underwriters"), on a bought deal basis, 6,375,000 trust units ("Units") at a price of \$11.00 per Unit for gross proceeds to Artis of \$70,000,000 (the "Financing"). Artis has also granted the Underwriters an over-allotment option to purchase up to an additional 956,250 Units on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days after the closing of the Financing. Artis intends to use the net proceeds from the Financing to fund future acquisitions and for general working capital purposes. The Financing is expected to close on or about June 30, 2010 and is subject to regulatory approval.

"Artis remains focused on building a portfolio of high quality commercial assets and pursuing accretive acquisition opportunities," said Armin Martens, CEO of Artis REIT. "We are firmly committed to our core western Canadian geographic target market. However, as our portfolio approaches \$2 billion of gross book value, we believe selective diversification into other geographic markets is a prudent risk-management decision. Geographical diversification will broaden the range of potential investment opportunities, as we pursue accretive acquisitions for the benefit of our unitholders. The Minneapolis/St. Paul metropolitan area is a region where our management team has prior experience and relationships, and we feel this is the right time to consider expansion in other geographic markets."

The Grande Prairie Power Centre is a 139,942 square foot unenclosed Class A retail shopping centre located in the Central West Business Park in Grande Prairie, Alberta. Grande Prairie Power Centre is anchored by Future Shop and Best Buy. Other tenants include such high profile national retailers as Mark's Work Warehouse, Sports Experts, Petsmart, CIBC and Scotiabank. The centre is 93.5% occupied with a weighted-average lease term to maturity of 8.0 years. Grande Prairie Power Centre was constructed in 2008/2009 and has an excellent parking ratio of 4.5 stalls per 1,000 square feet of leasable area. The purchase price for the Grande Prairie Power Centre is \$43.7 million, which represents a going-in capitalization rate of 7.5%. Artis expects to finance the purchase price with cash on hand and from the proceeds of a new \$26.3 million seven-year mortgage bearing interest at a rate of 4.8% per annum. The acquisition is anticipated to close on June 15, 2010.

The DSI Building is an 115,667 square foot Class A suburban office building located in New Brighton, Minnesota, in the northwest quadrant of the Minneapolis/St. Paul metropolitan area. The DSI

Building is a state-of-the-art building constructed in 2008 and is configured with a combination of office, laboratory and clean room space, suitable for a single tenant or potential redevelopment to multi-tenant use. The building is located in the node known as “medical alley” where there is a concentration of medical technology and bioscience companies and has an excellent parking ratio of 3.9 stalls per 1,000 square feet of leasable area. The building is 100% occupied by Data Sciences International on a long- term lease with annual escalations to 2020. Data Sciences International is a global leader in implantable telemetric physiologic monitors. The purchase price for the DSI Building is US\$17.9 million (equivalent to approximately C\$18.9 million at today’s exchange rate), which represents a going-in capitalization rate of 8.7%. Artis expects to finance the purchase price with cash on hand and from the proceeds of a new US\$12.3 million three-year mortgage bearing interest at a rate that is anticipated to be less than 4.5% based on today’s LIBOR rates. The acquisition is anticipated to close on June 30, 2010.

On May 26, 2010, Artis closed the previously announced acquisition of Production Court, a three-building, 297,801 square foot office complex in Burnaby, British Columbia. The property is well located on the highest point in the Lake City Business Centre, which provides for panoramic views from the northern exposure. Production Court is located in close proximity to both bus and sky train stations and boasts other amenities such as an on-site fitness centre. Production Court is currently 100% leased, with a weighted-average lease term to maturity of 4.7 years. PMC Sierra, a global semiconductor solution provider, is the largest tenant. The property was acquired for \$64.0 million, which represents a going-in capitalization rate of 8.0%. The purchase price was satisfied with cash on hand and from the proceeds of new five-year mortgage financing of \$41.6 million, bearing interest at a rate of 4.9% per annum.

Artis is one of Canada's fastest growing real estate investment trusts. 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 approximately 8.6 million square feet of leasable area in 108 properties. Leasable area by asset class is approximately 30.6% retail, 27.4% office, and 42.0% industrial. The portfolio is 30.5% in Manitoba, 7.4% in Saskatchewan, 50.1% in Alberta and 12.0% in B.C.

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,
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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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