



FOR IMMEDIATE RELEASE

JULY 11, 2007

**ARTIS CONFIRMS CLOSING OF \$155.7 MILLION  
OF PREVIOUSLY ANNOUNCED ACQUISITIONS**

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) confirmed today that \$155.7 million of the \$213.1 million of proposed acquisitions previously announced on June 12, 2007, have now closed.

“We are pleased to advise that the Windley Portfolio, Edmonton Industrial portfolio and TransAlta Place transactions have closed. Artis acquired these properties at a weighted average going-in cash yield, or capitalization rate, of 6.4%, which does not include additional potential upside realizable on the roll-over of leases,” said Armin Martens, CEO of Artis REIT. “Management estimates that the weighted average in-place rents for these acquisitions are over 25% below today’s market rates”.

**Proposed Acquisitions**

<b>Property</b>	<b>Property Type</b>	<b>Location</b>	<b>Gross Leasable Area (000’s sq. ft.)</b>	<b>Purchase Price (in \$000’s)</b>	<b>Closed</b>
Windley Portfolio	Retail & Class A Office	Nanaimo, BC	105	\$26,300	June 19, 2007
Edmonton Industrial	Industrial Class A & B	Edmonton, AB	38	\$5,425	June 29, 2007
TransAlta Place	Class A Office	Calgary, Alberta	336	\$123,981	July 5, 2007
<b>Total</b>			<b>479</b>	<b>\$155,706</b>	

The purchase prices for the Edmonton Industrial and TransAlta Place transactions were satisfied with a combination of cash and the proceeds of mortgage financing, totaling \$82.4 million and bearing interest at a weighted average interest rate of 5.62% per annum. The Windley Portfolio was acquired with cash; new 10-year mortgage financing in the amount of \$17.3 has been arranged for the portfolio, with funding anticipated before the end of July. Further information about these acquisitions is available on the REIT’s web site at [www.artisreit.com](http://www.artisreit.com).

“Artis has acquired over \$355 million of property in 2007 thus far, and deal flow and the development pipeline in our target market continues to be strong”, added Mr. Martens.

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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. Including the recently closed acquisitions, Artis has acquired

approximately \$825 million of commercial property; approximately 17.4% in Manitoba, 10.4% in Saskatchewan, 69.0% in Alberta, and 3.2% in B.C. The portfolio consists of 52 properties, comprising approximately 4.4 million square feet of leasable area (33.0% retail, 52.8% office and 14.1% 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](http://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, except as required by applicable securities laws. All forward-looking statements contained in this press release are qualified by this cautionary statement.*

*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) 947-1200.*

*The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this press release.*

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