



FOR IMMEDIATE RELEASE

MAY 6, 2010

ARTIS COMPLETES \$84.5 MILLION OF PREVIOUSLY ANNOUNCED ACQUISITIONS, ACQUIRES 100% INTEREST IN WINNIPEG SQUARE PARKADE FOR \$24.0 MILLION AND ANNOUNCES \$64.0 MILLION BC OFFICE ACQUISITION

Artis Real Estate Investment Trust (TSX: AX.UN) ("Artis" or the "REIT") announced today that it has closed four previously announced western Canadian retail property acquisitions for aggregate purchase prices of \$84.5 million, acquired a 100% interest in the Winnipeg Square Parkade for \$24.0 million and entered into an unconditional agreement to acquire Production Court, a three-building office complex located in Burnaby, British Columbia for \$64.0 million. Artis is also pleased to announce it has entered into an amended conditional agreement with respect to the acquisition of a 62% interest in the 32 storey Class A office tower at the southwest corner of Portage and Main in Winnipeg and the Shops of Winnipeg Square retail concourse, which would bring the total ownership interest to 100%.

"We believe this is an ideal time for Artis to acquire high quality assets in solid western Canadian markets, assets like Production Court that enhance the overall quality and profile of our portfolio, in addition to being accretive to our unitholders," said Armin Martens, CEO of Artis REIT. "We are pleased to take on the full ownership of the Winnipeg Square Parkade, and look forward to concluding the acquisition of the remaining 62% interest in the 32 storey Class A office tower at the southwest corner of Portage and Main in Winnipeg and the Shops of Winnipeg Square retail concourse. We believe this is the best downtown office property to own in Winnipeg."

Recently Completed Acquisitions:

On March 31, 2010, Artis acquired a 50% interest in Westbank Hub North, a 249,724 square foot newly developed Class A unenclosed retail shopping centre in West Kelowna, British Columbia. Westbank Hub North is anchored by a 172,000 square foot Wal-Mart supercentre; other top tenants include London Drugs, Reitmans, CIBC and HSBC. The centre is 99.3% occupied, with an excellent 4.9:1000 square foot parking ratio. The property is situated on a 22.98 acre site with the potential to develop an additional 15,000 square feet of retail space. The 50% interest in Westbank Hub North was acquired for \$24.3 million, which represents a going-in capitalization rate of 7.0%. The purchase price was satisfied from cash on hand and from the assumption of \$16.7 million of existing mortgage financing bearing interest at a rate of 5.54% per annum and maturing in 2014.

On April 1, 2010, Artis acquired Sunrise Towne Square, a 96.8% occupied 111,978 square foot unenclosed Class A retail property located in Spruce Grove, Alberta. Sunrise Towne Square is anchored by a 52,074 square foot Rona store on a long-term lease expiring in 2026, with regular rent escalations every five years. The centre is shadow-anchored by Wal-Mart and is in close proximity to an existing retail power node with planned expansion. The City of Spruce Grove is only 11 kilometers west of Edmonton, and is considered part of the Edmonton Metropolitan Region. Spruce Grove benefits from its location along the Yellowhead Highway and Highway 16A, a major commercial corridor for the region. Sunrise Towne Square was acquired for \$22.7 million, which represents a going-in capitalization rate of 7.2%. The purchase price was satisfied from cash on hand and from

the proceeds of new five-year mortgage financing of \$14.8 million, bearing interest at a rate of 4.66% per annum.

On April 12, 2010, Artis acquired the Visions Electronics Building, a 50,045 square foot Class A retail property located on a 2.97 acre site in northeast Calgary, Alberta, with exposure along the busy 32nd Avenue NE commercial corridor. The property is 100% occupied by Ashley Furniture and Visions Electronics, both on long-term leases with escalations, expiring in 2019 and 2020, respectively. The Visions Electronics Building was acquired for \$11.3 million, which represents a going-in capitalization rate of 7.4%. The purchase price was satisfied from cash on hand and from the proceeds of new five-year mortgage financing of \$7.3 million, bearing interest at a rate of 4.84% per annum.

On April 15, 2010, Artis acquired the retail property known as Tamarack Mall. Tamarack Mall is the premiere shopping destination in Cranbrook, British Columbia. It is an enclosed shopping centre occupied by national tenants including Zellers, Winners, Shoppers Drugmart and Staples. Together with the newly developed Boston Pizza and Tim Hortons pad sites, the centre comprises 287,741 square feet of rentable area and is 96.7% leased. The City of Cranbrook is the largest urban community in south-eastern British Columbia. Forestry, mining, manufacturing, tourism, trade services, and transportation constitute the basis of the region's economy. The purchase price of \$26.2 million represents a going-in capitalization rate of 8.7%. The purchase price was satisfied with cash on hand and from the proceeds of new five-year mortgage financing of \$18.6 million mortgage financing, bearing interest at a rate of 5.50% per annum.

Artis previously announced it had entered into a conditional agreement to acquire a 49% interest in the Winnipeg Square Parkade (the "Parkade"). This agreement was subsequently amended, and on April 30, 2010, Artis acquired a 100% interest in the Parkade for \$24.0 million, which represents a going-in capitalization rate of 8.0%. The Parkade services the 32 storey Class A office tower at the southwest corner of Portage and Main in Winnipeg and the connected Shops of Winnipeg Square retail concourse (together, the "360 Main Street Property") and is comprised of three underground heated floors with 978 parking stalls. The purchase price was satisfied with cash on hand and from the proceeds of new seven-year mortgage financing of \$16.0, bearing interest at a rate of 5.39% per annum.

Proposed Acquisition of \$64.0 Million British Columbia Office Property:

Production Court is a three-building, 297,801 square foot Class A 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 and an 846 stall enclosed parking structure. Production Court is currently 100% leased; PMC Sierra, a global semiconductor solution provider, is the largest tenant. The purchase price of \$64.0 million represents a going-in capitalization rate of 7.8%. The acquisition is anticipated to close on or about May 26, 2010. The purchase price will be 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 4.90% per annum.

Update on Agreement to Acquire a 100% Interest in the 360 Main Street Property:

Artis currently owns a 38% interest in the 360 Main Street Property. Artis previously announced its intent to acquire an additional 11% interest in the 360 Main Street Property but has subsequently entered into an amended conditional agreement to acquire from the two other co-owners the remaining 62% interest in the property. The 62% interest in the 360 Main Street Property is being acquired for a purchase price of \$70.7 million, which represents a going-in capitalization rate of 8.0%. The purchase price is expected to be satisfied with cash on hand and by way of the assumption of \$45.9 million, being the additional 62% interest in the existing mortgage financing. Management anticipates that the acquisition of the remaining 62% interest in the 360 Main Property will close in July, 2010.

Artis is a growth oriented real estate investment trust focused exclusively on commercial properties located in primary and growing secondary markets in western Canada. 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.

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.

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. 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.

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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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