

December 15, 2011

**ARTIS ANNOUNCES \$60 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 an agreement to sell to a syndicate of underwriters led by RBC Capital Markets, CIBC and Canaccord Genuity Corp. (the "Underwriters"), on a bought deal basis, 4,365,000 trust units ("Units") at a price of \$13.75 per Unit for gross proceeds to Artis of \$60,018,750 (the "Financing"). Artis has also granted the Underwriters an option to purchase up to an additional 654,750 Units on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days following the closing of the Financing. Artis intends to use the net proceeds from the Financing to fund future acquisitions and for general trust purposes.

The Financing is being made pursuant to the REIT's base shelf prospectus dated August 19, 2010. The terms of the offering will be described in a prospectus supplement to be filed with Canadian securities regulators. The Financing is expected to close on or about December 23, 2011 and is subject to regulatory approval.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction. The Units being offered have not been and will not be registered under the U.S. Securities Act of 1933 and state securities laws. Accordingly, the Units may not be offered or sold to U.S. persons except pursuant to applicable exemptions from registration requirements.

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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 nearly 16.7 million square feet of leasable area in 162 properties. Leasable area by asset class is approximately 22.5% retail, 35.4% office and 42.1% industrial. The portfolio is located 9.6% in British Columbia, 29.9% in Alberta, 5.6% in Saskatchewan, 20.8% in Manitoba, 11.9% in Ontario and 22.2% in the U.S.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer, Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Chief Administrative Officer at 1.204.947.1250

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

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