

March 12, 2013

**ARTIS ANNOUNCES INCREASE OF PREVIOUSLY ANNOUNCED OFFERING OF
CUMULATIVE RATE RESET PREFERRED TRUST UNITS, SERIES E FROM \$50 MILLION TO
\$100 MILLION**

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IN THE UNITED STATES

Artis Real Estate Investment Trust (TSX: AX.UN) ("Artis" or the "REIT") announced today that, due to increased investor demand, it has amended the terms of its previously announced public offering of preferred trust units. Artis has entered into an agreement to sell to a syndicate of underwriters led by RBC Capital Markets and CIBC (the "Underwriters"), on a bought deal basis, 4,000,000 Cumulative Rate Reset Preferred Trust Units, Series E ("Series E Units") at a price of \$25.00 per Series E Unit for gross proceeds to Artis of \$100,000,000 (the "Financing").

The Series E Units will pay fixed cumulative preferential distributions of \$1.1875 per Series E Unit per annum, yielding 4.75% per annum, payable on the last day of March, June, September and December of each year, as and when declared by the board of trustees of Artis, for the initial period ending September 30, 2018. The first quarterly distribution, if declared, shall be payable on June 30, 2013 and shall be \$0.3286 per Series E Unit, based on the anticipated closing of the offering of Series E Units of March 21, 2013. The distribution rate will be reset on September 30, 2018 and every five years thereafter at a rate equal to the sum of the then five-year Government of Canada bond yield and 3.30%. The Series E Units are redeemable by Artis, at its option, on September 30, 2018 and on September 30 of every fifth year thereafter.

Holders of Series E Units will have the right to reclassify all or any part of their Series E Units as Cumulative Floating Rate Preferred Trust Units, Series F (the "Series F Units"), subject to certain conditions, on September 30, 2018 and on September 30 of every fifth year thereafter. Such reclassification privilege may be subject to certain tax considerations (to be disclosed in the prospectus supplement). Holders of Series F Units will be entitled to receive a floating cumulative preferential distribution, payable on the last day of March, June, September and December of each year, as and when declared by the board of trustees of Artis, at a rate equal to the sum of the then 90-day Government of Canada Treasury Bill yield plus a spread of 3.30%.

DBRS Limited ("DBRS") has assigned a provisional rating of Pfd-3 (low) to the Series E Units.

The Financing is being made pursuant to the REIT's base shelf prospectus dated June 15, 2012. 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 March 21, 2013 and is subject to regulatory approval.

Artis intends to use the net proceeds from the Financing to repay indebtedness, fund future acquisitions, and for general trust purposes.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction. The Series E 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 Series E Units may not be offered or sold to U.S. persons except pursuant to applicable exemptions from registration requirements.

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 23.6 million square feet of leasable area in 222 properties. Leasable

area by asset class is approximately 18.5% retail, 31.8% office and 49.7% industrial. The portfolio is located 7.8% in British Columbia, 26.0% in Alberta, 5.5% in Saskatchewan, 15.2% in Manitoba, 15.9% in Ontario and 29.6% 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 of the REIT at 1.204.947.1250

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

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