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# Artis acquires key building

## REIT pursues sites near Portage & Main

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Artis Real Estate Investment Trust has further bolstered its position as the dominant property owner in the vicinity of Winnipeg's most prominent intersection -- Portage and Main.

The Winnipeg-based REIT confirmed Monday it has entered into a binding memorandum of understanding (MOU) to acquire a 50 per cent ownership stake in the 17-storey Royal Bank of Canada Building at 220 Portage Ave. for \$20.5 million.

The MOU also gives the seller -- B.C.-based FAM REIT -- the right to compel Artis to buy the remaining 50 per cent for the same price within 12 months of finalizing the first deal. And Artis's chief financial officer, Jim Green, said Monday Artis fully intends to do that, noting it was Artis that approached FAM REIT to see if it was interested in selling.

"In the Winnipeg office market, we do like the Portage and Main area," he said, "although we would also consider other locations."

Artis president and CEO Armin Martens described the RBC Building as "very good real estate in an excellent location," adding, "It makes perfect strategic sense for Artis to be acquiring the property. We're looking forward to owning it on a long-term basis..."

The RBC Building will be the seventh office building within a roughly one-block radius of the intersection that Artis owns. The others are the 360 Main St. tower on the southwest corner of the famous intersection, the two MTS Place buildings on the southeast corner, the Hamilton Building at 395 Main, the Grain Exchange Building at 167 Lombard Ave., and the CDI College Building at the corner of Main and Graham Avenue.

With this latest acquisition, Artis will have 43 Winnipeg buildings in its rapidly expanding portfolio of more than 220 office, retail and industrial properties in Western Canada, Ontario and parts of the United States.

The REIT set a new company record last year for the highest dollar volume of acquisitions in a single year, at about \$990 million. And it's looking to add more.

"Our current anticipation is that we will acquire somewhere between \$400 (million) to \$600 million in properties in 2013," Green said. "But this number could go up or down depending on opportunities and capital market activities."

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