



PRESS RELEASE

GAZIT AMERICA ANNOUNCES TWO ACQUISITIONS IN ALBERTA AND CLOSING OF PREVIOUSLY ANNOUNCED ACQUISITION IN ONTARIO

Toronto, Ontario (December 5, 2011) - Gazit America Inc. (“Gazit America” or the “Company”) (TSX: GAA) announced today that its wholly-owned subsidiary, ProMed Properties (CA) Inc. (“ProMed Properties”), has completed the acquisition of three properties, two located in Calgary and Edmonton, Alberta and a third in Kitchener, Ontario, for an aggregate purchase price of approximately \$53.7 million.

Specifically, the Company has acquired a 125,000 square foot Class A office property on a 5.97 acre site in Calgary, Alberta at a purchase price of approximately \$34.5 million including transaction costs, which was partially funded by a new \$22.1 million credit facility that matures in 2014. The property which is situated at 31 Sunpark Plaza SE is a three-storey building located along the MacLeod Trail within the Sundance Business Park and across from the Shawnessy Town Centre with excellent linkage to other areas of the city via MacLeod Trail South. The property is currently 84% leased, anchored by an Urgent Care Centre and has an array of Public Health Clinic outpatient services, which combined comprise approximately 92,000 square feet. The property has a long-term lease with the Calgary Health Services, which is funded by the Government of Alberta.

The Company also acquired Kingsway Mews, a single-storey 42,000 square foot retail centre encompassing 2.61 acres of land located in Edmonton, Alberta. The purchase price was approximately \$9.6 million, including transaction costs, which was partially funded by a new \$6.2 million credit facility that matures in 2016. The centre is across the street from the Royal Alexandra Hospital (“RAH”), which has an annual budget of approximately \$185 million, including approximately 700 beds. RAH cares for approximately 450,000 patients annually and is home to the Women’s Health Centre, the Regional Eye Care Centre and the Aboriginal Health programs, in addition to a wide range of child, adult and geriatric programs and services. Kingsway Mews is also approximately 2 kilometers north of the downtown core with close proximity to Kingsway Garden Mall, one of Edmonton’s largest malls, and Glenrose Rehabilitation Hospital. Kingsway Mews is expected to benefit from the planned Kingsway LRT

station to be located in front of the property. The building is 90% leased to a mix of retail tenants including a bank, and is ideally located for medical-oriented tenancies.

The Company has also completed the acquisition of the previously announced 47,000 square foot medical office building on a 2.56 acre site in Kitchener, Ontario for approximately \$9.6 million, including transaction costs. The acquisition was partially funded by a new \$6.0 million first mortgage that matures in 2016. The Belmont Professional Centre is situated in Belmont Village and is conveniently located equidistant to the Grand River Hospital and the St. Mary's Hospital, which combined have an operating budget in excess of \$430 million with nearly 600 beds. The building is currently 91% occupied to an array of general practitioners and specialists, and has a Rexall Pharmacy, and imaging and laboratory services.

“These acquisitions expand our portfolio into two core markets in Alberta, as well as enhance our position in Southwestern Ontario with the addition of the Kitchener property. In addition, these properties have additional leasing and redevelopment opportunities. These urban properties are well located, best-in-class assets which are strategic and fit well with our medical office and health care retail property portfolio”, commented Gail Mifsud, the Company's CEO. “We continue to prudently scout for more health care properties that are centrally located with appropriate long term returns.”

ABOUT GAZIT AMERICA (TSX: GAA)

Gazit America is focused on entrepreneurial real estate opportunities including the acquisition and development of income-producing properties, investments in public and private real estate entities, investments in joint ventures and other structured acquisitions and investments in commercial and residential mortgage-backed securities. Gazit America currently owns approximately 12.5% of Equity One, Inc., a company that trades on the New York Stock Exchange under the ticker EQY, and has interests in thirteen properties totaling approximately 1,083,000 square feet of rentable space located in Longueuil and Montreal, Quebec, Cambridge, London, Mississauga, Toronto, Kitchener and Ottawa, Ontario, and Edmonton and Calgary, Alberta.

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FORWARD LOOKING STATEMENT ADVISORY

This press release contains forward-looking statements, and other statements concerning Gazit America's objectives and strategies and management's beliefs, plans, estimates and intentions. The forward-looking statements are not historical facts but reflect Gazit America's current expectations regarding future results or events and are based on information currently available to management. Certain material factors and assumptions were applied in providing these forward-looking statements. All forward-looking statements in this press release are qualified by these cautionary statements.

Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, management can give no assurance that actual results will be consistent with these forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risks and Uncertainties" in Gazit America's current Management's Discussion and Analysis and "Risk Factors" in Gazit America's current Annual Information Form.

Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. Gazit America undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws.

These forward-looking statements are made as of the date of this press release.