



PRESS RELEASE

GAZIT AMERICA ANNOUNCES PRIVATE PLACEMENT OF UNITS

Toronto, Ontario (August 24, 2010) - Gazit America Inc. ("Gazit America") (TSX: GAA) today announced that its Board of Directors approved a private placement of 120,000 units (the "Units") at a price of \$5.00 per Unit, 100,000 of which are to be issued to Gail Mifsud, Gazit America's Chief Executive Officer, and 20,000 of which are to be issued to Lenis Quan, Gazit America's Chief Financial Officer. The Units consist of one common share in the capital of Gazit America and one common share purchase warrant (the "Warrants").

The terms of the Units and Warrants are identical to those issued in the rights offering, except that Ms. Mifsud and Ms. Quan have agreed, subject to certain exceptions, that they will not sell or otherwise dispose of any of the common shares or Warrants received in the private placement (or common shares received on exercise of the Warrants) for a period of one year from the closing and, thereafter, they will retain at least one-half of such common shares or Warrants (or common shares received on exercise of the Warrants) until at least the second anniversary of the closing. Ms. Mifsud and Ms. Quan have also agreed to exercise all rights under the rights offering that they otherwise own.

Subject to regulatory approval, including approval of the Toronto Stock Exchange, the private placement is expected to close on or about September 17, 2010, concurrently with Gazit America's previously announced rights offering. Following completion of the rights offering and this private placement, it is expected that Gazit America will have 15,537,452 common shares and 2,689,575 Warrants issued and outstanding.

Each Warrant entitles the holder to purchase, at any time, one common share (a "Warrant Common Share") at a price of \$6.00 per Warrant Common Share for the period from the closing of this private placement up to and including November 30, 2013 and, thereafter, each Warrant entitles the holder to purchase One Warrant Common Share at a price of \$7.00 per Warrant Common Share, each subject to adjustment in certain events. The Warrants will expire at 5:00 p.m. (Toronto time) on November 30, 2015.

This news release does not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The securities being offered have not been approved or disapproved by any regulatory authority. This press release is not an offer of securities for sale in the United States. The securities being offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly are not being offered for sale and may not be offered, sold or delivered, directly or indirectly

within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person.

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 15.4% of Equity One, Inc. (approximately 13.2% if the transaction recently announced by Equity One closes and the joint venture units are fully converted), a company that trades on the New York Stock Exchange under the ticker EQY, and three properties comprised of six medical office buildings totalling approximately 164,000 square feet of rentable space located in Cambridge, London and Ottawa, Ontario.

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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.