



ARTIS REAL ESTATE INVESTMENT TRUST

Investor Presentation Q4 - 2014



Max at Kierland, Phoenix, AZ

PROPERTIES OF SUCCESS

FORWARD-LOOKING STATEMENTS

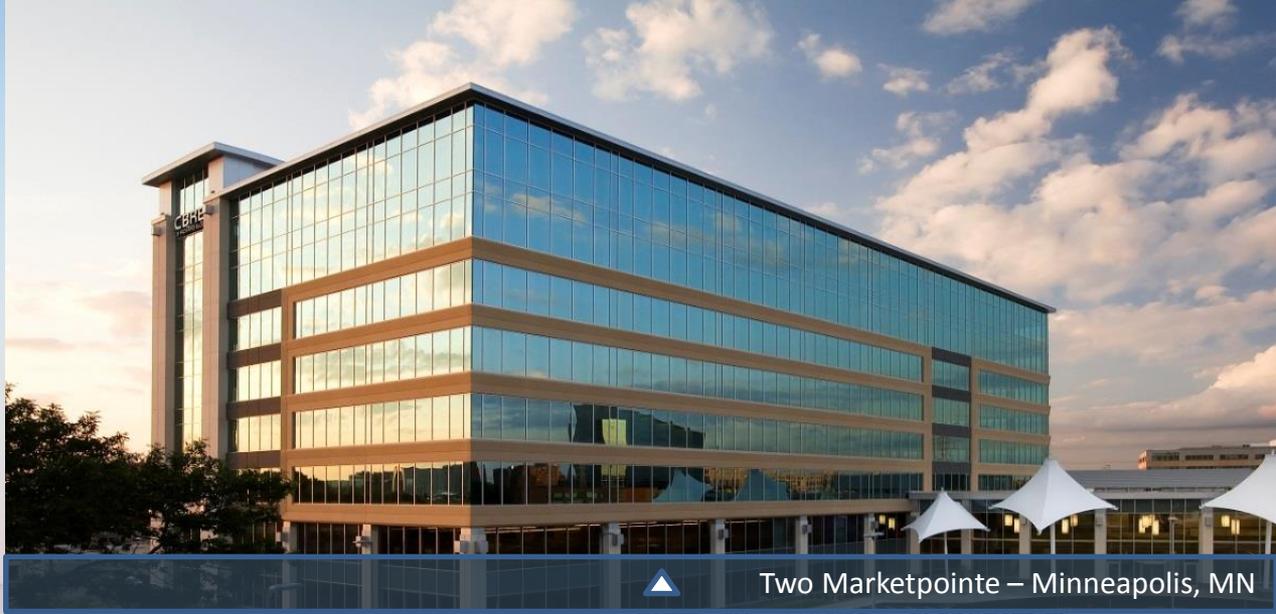
This presentation may contain forward-looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words “expects”, “anticipates”, “intends”, “estimates”, “projects”, and similar expressions are intended to identify forward-looking statements. All forward-looking statements in this presentation are made as of December 31, 2014.

Although the forward-looking statements contained or incorporated by reference herein are based upon what management believes to be reasonable assumptions, Artis cannot assure investors that actual results will be consistent with these forward-looking statements. Artis is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Artis assumes no obligation to update or revise such forward-looking statements to reflect actual events or new circumstances. All forward-looking statements contained in this presentation are qualified by this cautionary statement.

Additional information about Artis, including risks and uncertainties that could cause actual results to differ from those implied or inferred from any forward-looking statements in this presentation, are contained in our various securities filings, including our current Annual Information Form, our interim filings dated March 31, 2014, June 30, 2014, September 30 and December 31, 2014, our 2014 annual earnings press release dated February 26, 2015 and our audited annual consolidated financial statements for the years ended December 31, 2014, 2013 and 2012 which are available on SEDAR at www.sedar.com or on our company web site at www.artisreit.com.



▲ 360 Main Street – Winnipeg, MB



▲ Two Marketpointe – Minneapolis, MN



▲ Stampede Station – Calgary, AB



▲ DirecTV Building – Denver, CO



▲ Humana Building – Phoenix, AZ

1. GEOGRAPHIC FOCUS

Canada and select U.S. markets

2. PRODUCT FOCUS

Commercial real estate only

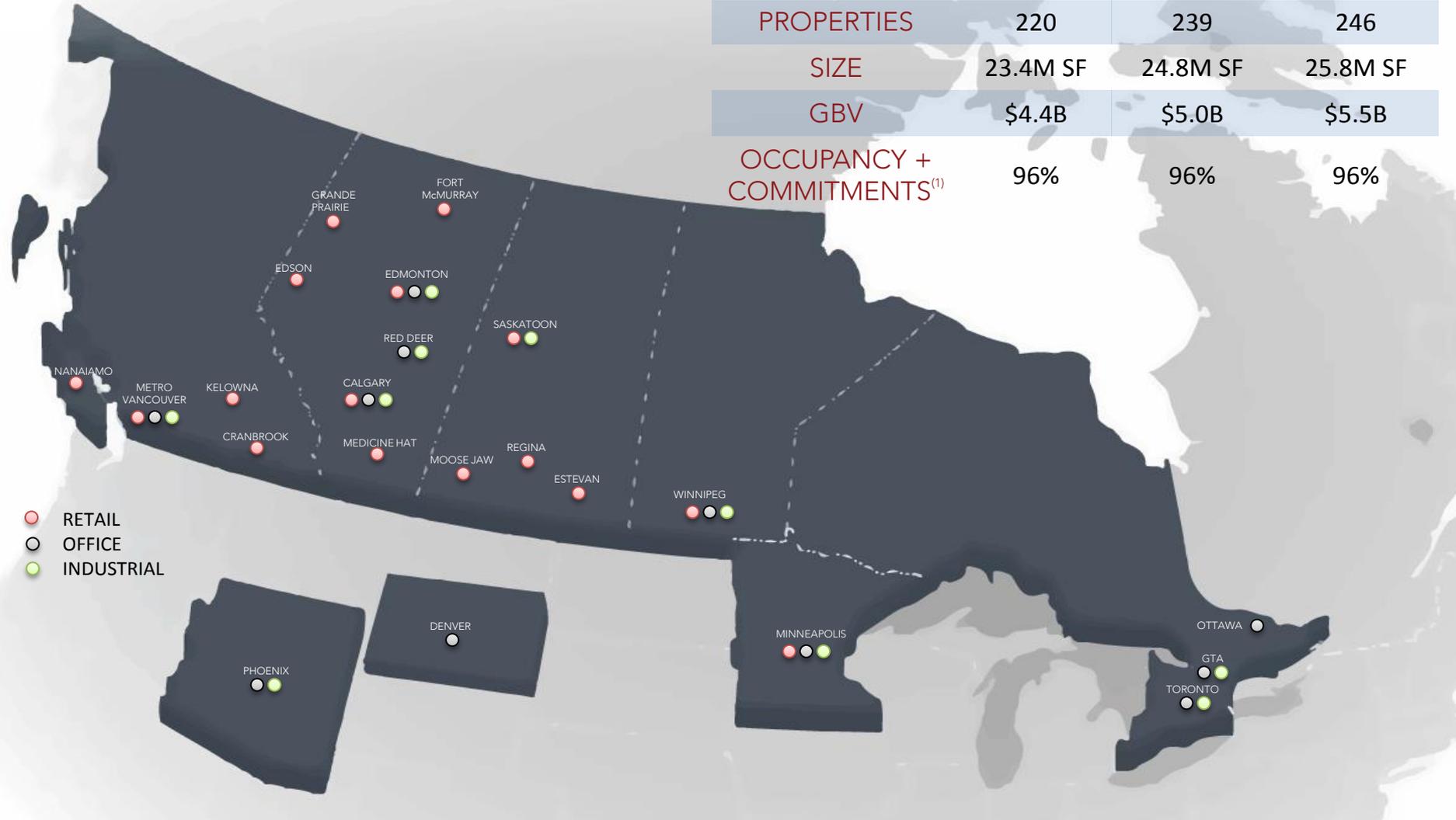
- Industrial
- Office
- Retail

3. PATH OF CONTINUOUS IMPROVEMENT

- Improve real estate portfolio
- Improve Pay-Out Ratio
- Improve Balance Sheet



415 Yonge Street, Toronto, ON

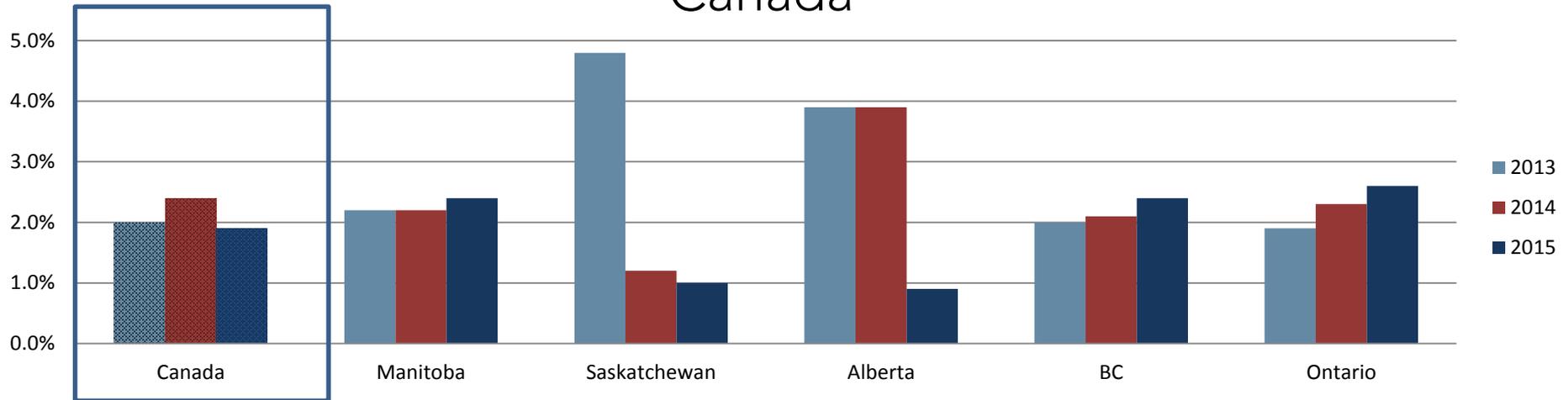


- RETAIL
- OFFICE
- INDUSTRIAL

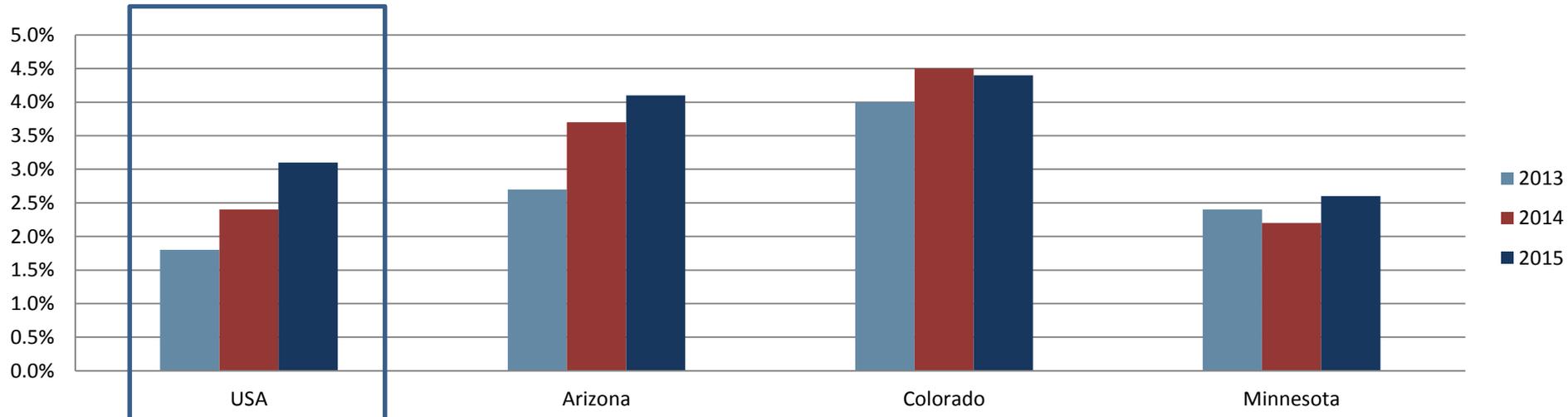
	Dec 31, 2012	Dec 31, 2013	Dec 31, 2014
PROPERTIES	220	239	246
SIZE	23.4M SF	24.8M SF	25.8M SF
GBV	\$4.4B	\$5.0B	\$5.5B
OCCUPANCY + COMMITMENTS⁽¹⁾	96%	96%	96%

(1) Occupancy plus commitments as at December 31, 2014, and excludes properties in re-development.

Canada⁽¹⁾



GDP Growth⁽¹⁾⁽²⁾⁽³⁾

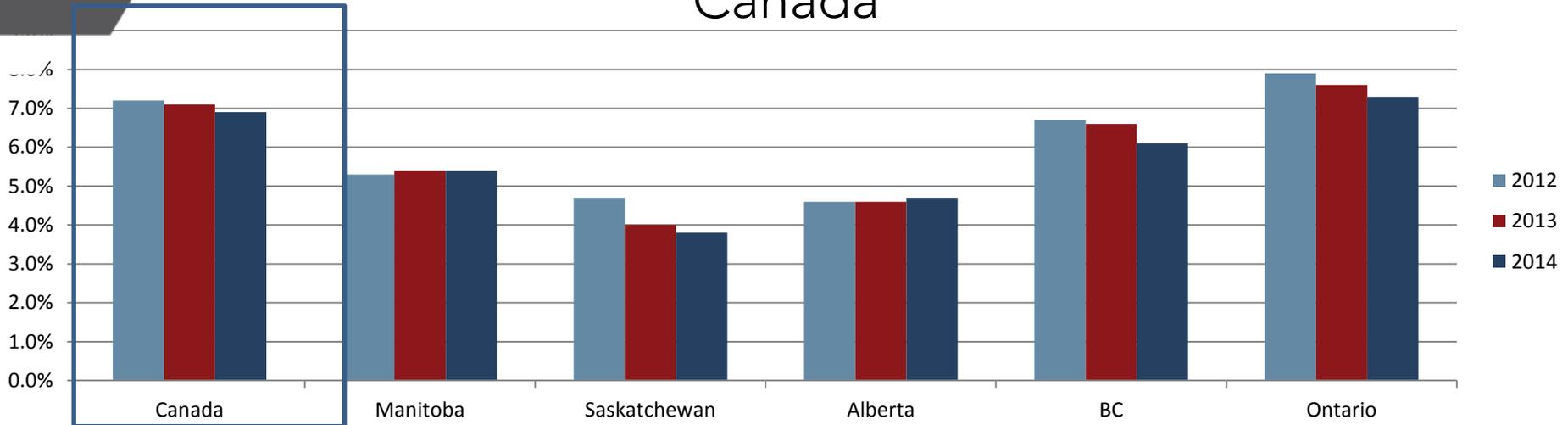


(1) Source: Scotiabank Global Forecast dated February 3, 2015

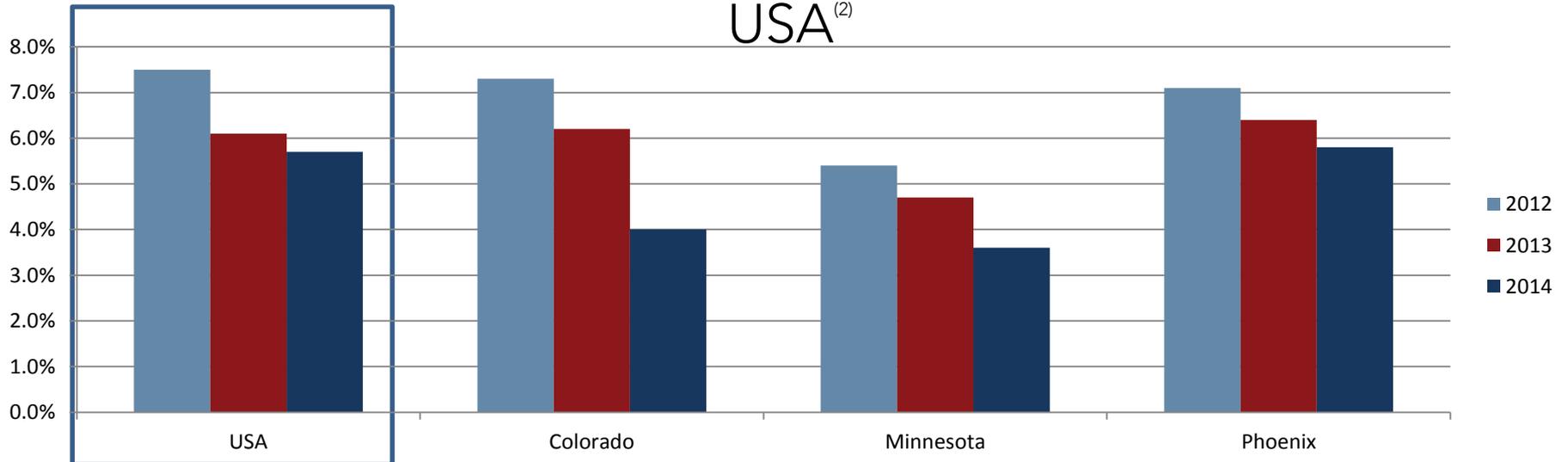
(2) Source: J.P. Morgan Chase Arizona, Texas, and Colorado State Economic Outlook Reports dated June 2014

(3) Source: MN Budget Economic Forecast Report Dated Nov 2014

Canada⁽¹⁾



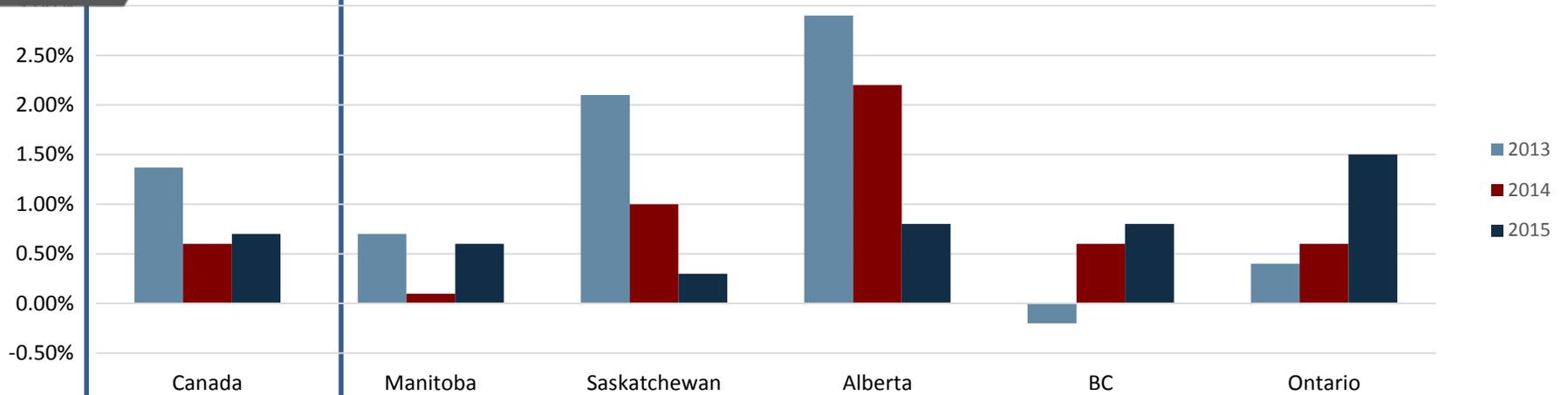
USA⁽²⁾



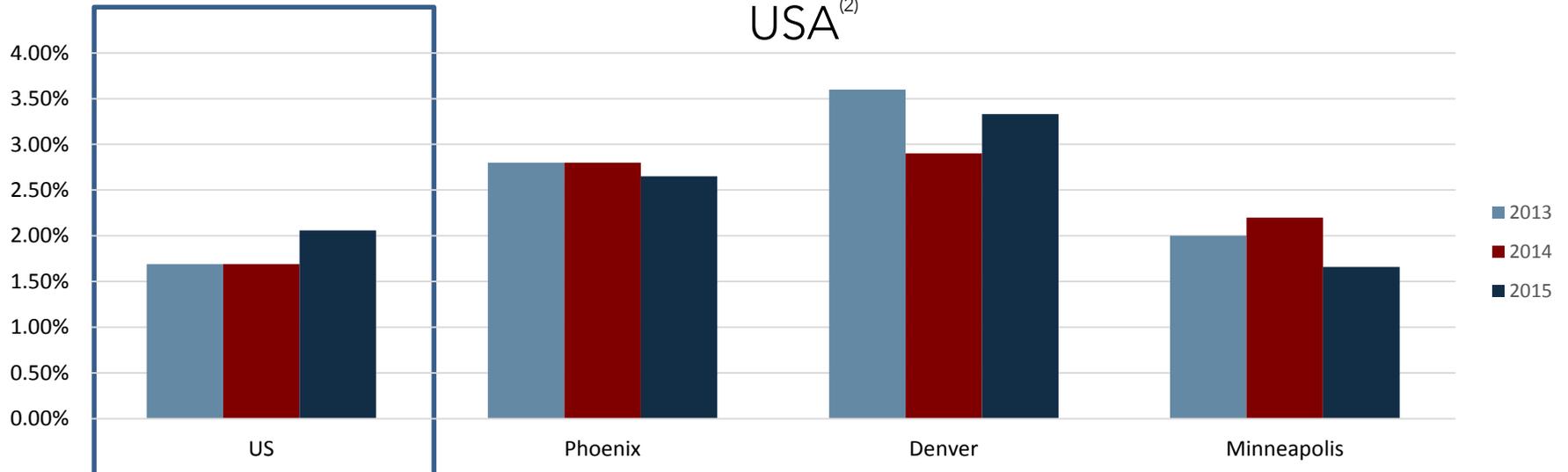
(1) Source: Scotiabank Global Forecast dated February 3, 2015

(2) Source: United States Department of Labor – Bureau of Labor Statistics, for the months of December 2012, 2013 & 2014

Canada⁽¹⁾



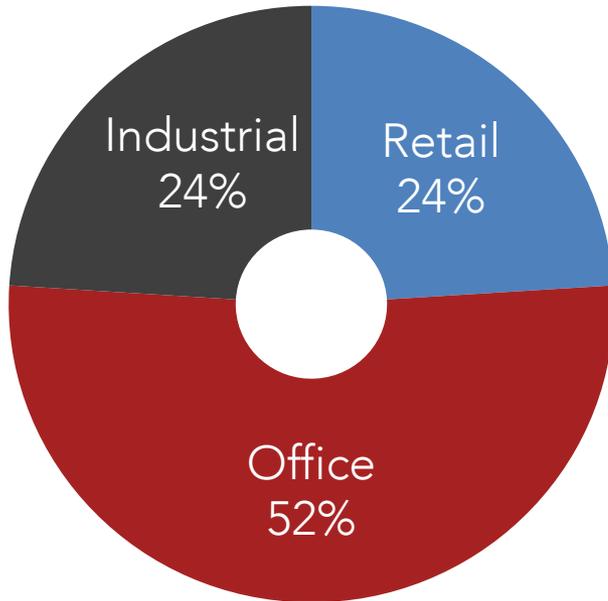
USA⁽²⁾



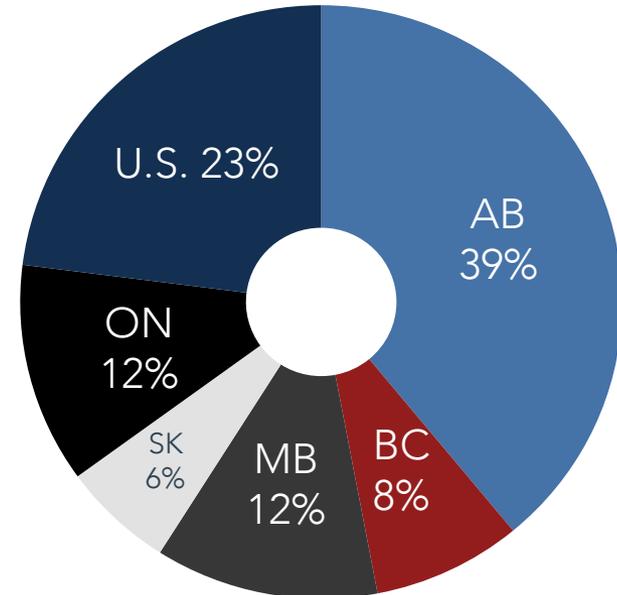
(1) Source: Statistics Canada January 2015

(2) Source: Bureau of Labor Statistics: January 2015

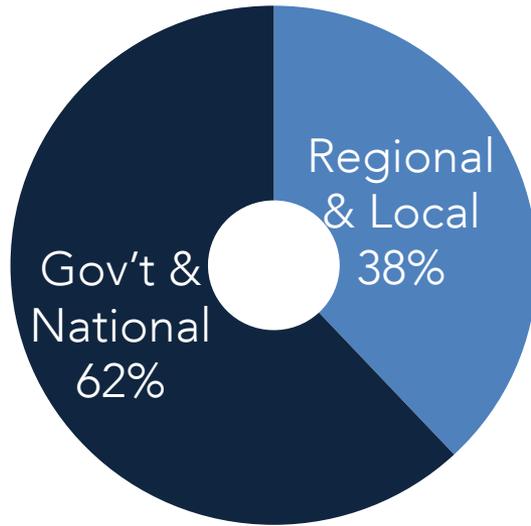
By Asset Class:



By Geographical Region:



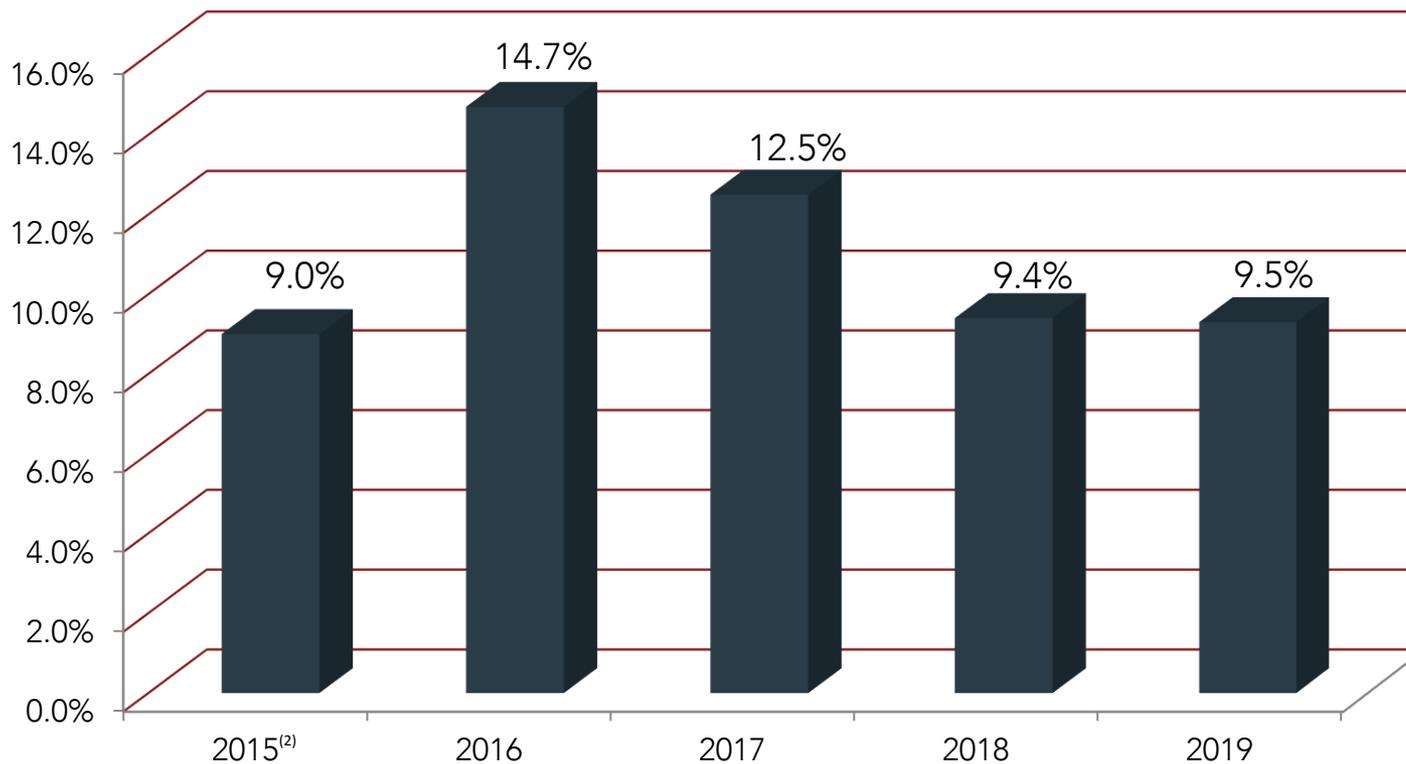
62% OF ARTIS' TENANTS ARE GOVERNMENT OR NATIONAL



ARTIS' TOP 20 TENANTS ACCOUNT FOR 19.1% OF GROSS REVENUE AND HAVE A 6.8 YEAR WEIGHTED-AVERAGE LEASE TERM



- 47% of 2015 expiries have been dealt with⁽¹⁾
- Weighted-average rental increase on renewals in Q4-14 was 7.2%.
- Q4-14 Same Property NOI growth was 3.5% over Q4-13



(1) As at December 31st, 2014
 (2) Percentage of portfolio that expires in the remainder of 2015, not inclusive of leases that have yet to expire but have been renewed

Schedule of Debt Maturities

At December 31, 2014:

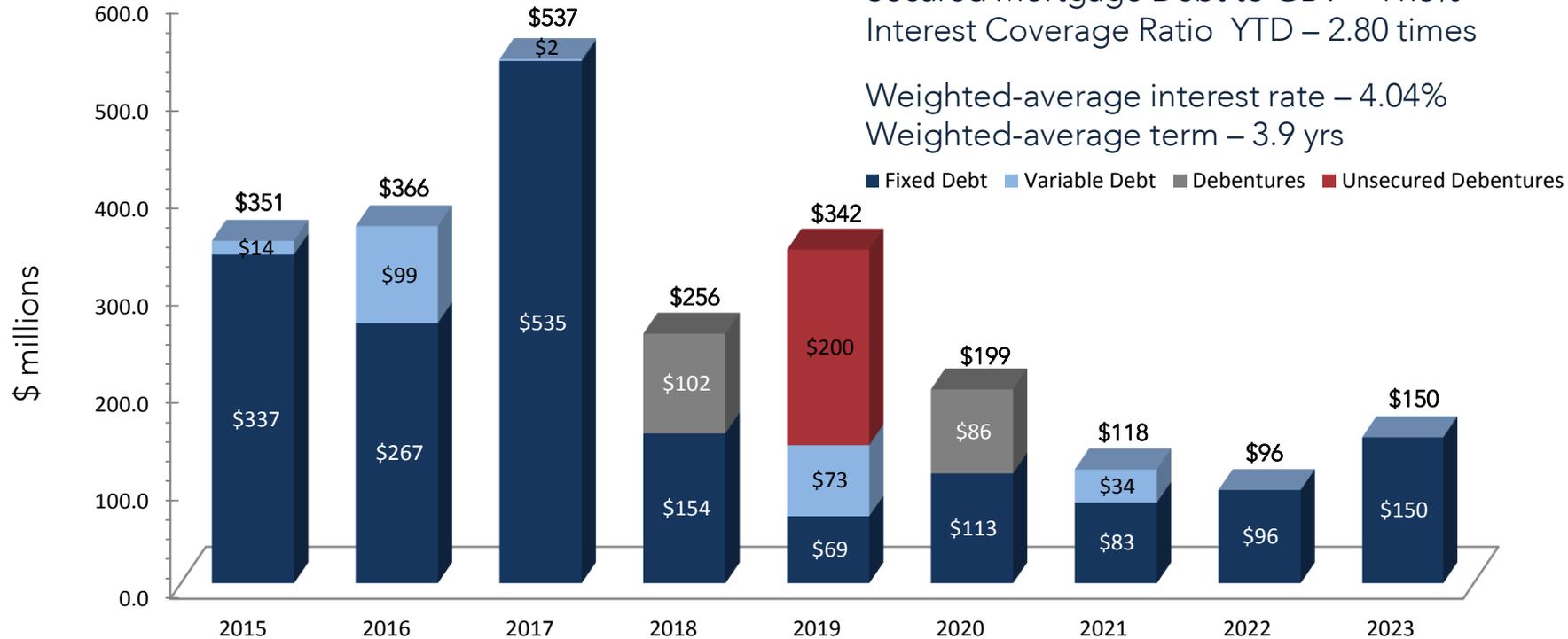
Total Debt to GBV – 48.4%

Secured Mortgage Debt to GBV – 41.3%

Interest Coverage Ratio YTD – 2.80 times

Weighted-average interest rate – 4.04%

Weighted-average term – 3.9 yrs



	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt	\$351	\$366	\$537	\$256	\$342	\$199	\$118	\$96	\$150
Debt to GBV	48.4%	48.4%	48.4%	48.4%	48.4%	48.4%	48.4%	48.4%	48.4%
Weighted-Average Interest Rate	4.42%	4.25%	4.23%	3.67%	4.54%	3.83%	4.12%	4.00%	3.92%
Debt Components									
Fixed Debt	4.42%	4.25%	4.23%	3.67%	4.54%	3.83%	4.12%	4.00%	3.92%
Variable Debt	4.29%	2.98%	3.17%		2.20%		1.92%		
Debt	5.75%			5.75%	3.75%	6.00%			

Weighted-Average Interest Rates

As at December 31, 2014 and inclusive of mortgages on joint venture arrangements. Variable debt that is covered by interest rate swaps is included in fixed debt.

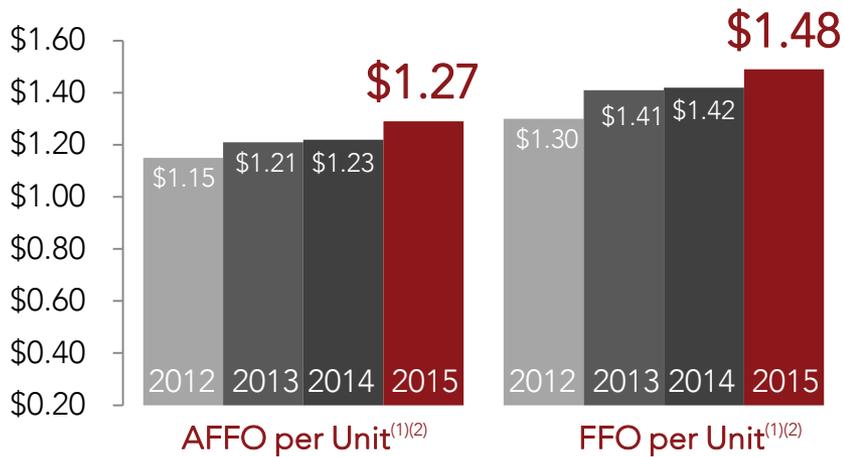
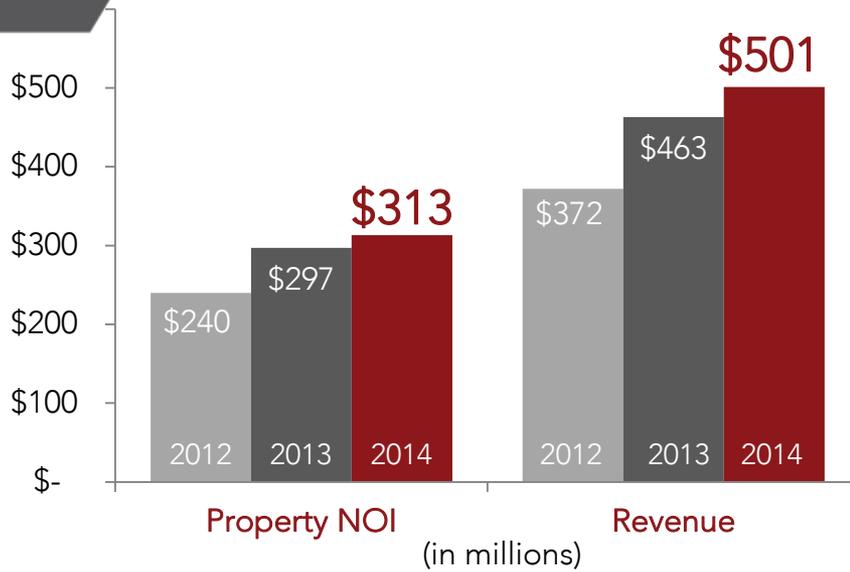
Leverage Profile for the fiscal quarter ending:

	Dec 31 2013	Mar 31 2013	June 30 2014	Sept 30 2014	Dec 31 2014
Debt: GBV	49.0 %	50.0%	48.6%	48.6%	48.4%
Debt excl. debentures: GBV	45.4%	44.1%	42.8%	41.4%	41.3%
Net debt: EV	51.8%	49.5%	48.3%	49.3%	52.6%
Unencumbered assets (in 000's)	\$227,668	\$246,260	\$289,236	\$571,492	\$664,792
EBITDA interest coverage	2.85	2.91	2.83	2.94	2.89
Net Debt: EBITDA ⁽¹⁾	8.04	7.92	7.87	7.85	8.08

Cash and cash equivalents (in 000's) at December 31, 2014: \$49,807

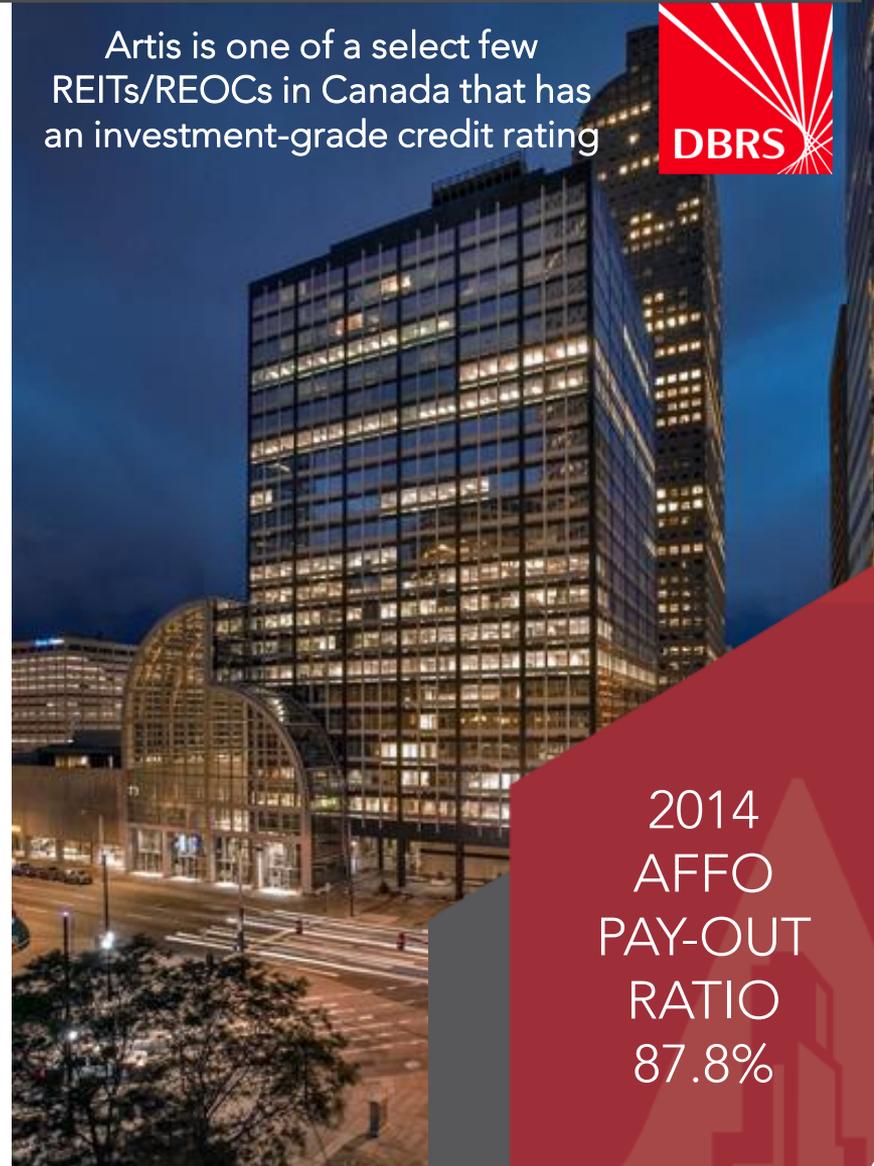
Availability on unsecured credit facilities: \$125 million

(1) Debt at most recent quarter divided by income on an annualized basis



(1) Excluding lease termination income.

Artis is one of a select few REITs/REOCs in Canada that has an investment-grade credit rating



2014
AFFO
PAY-OUT
RATIO
87.8%

(2) 2015 numbers are consensus analyst projections from most recent research reports. Artis does not endorse analyst projections. The above information represents the views of the particular analyst and not necessarily those of Artis. An investor should review the entire report of the analyst prior to making any investment decisions.



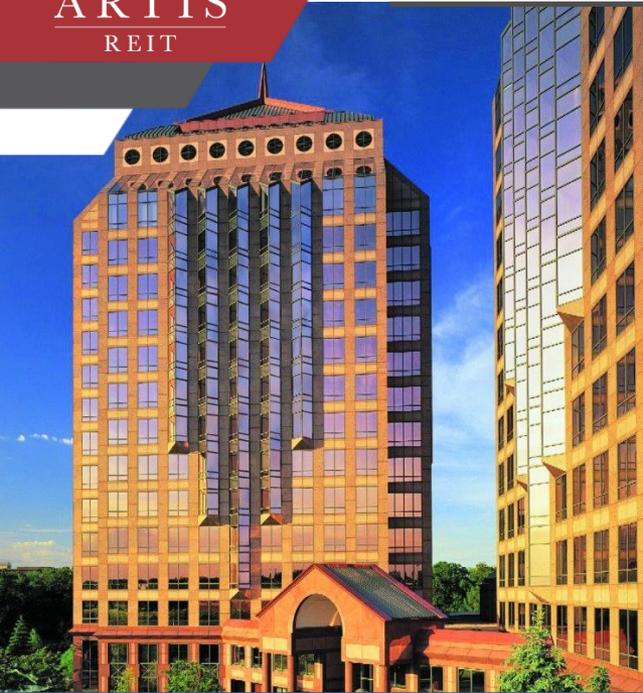
Centrepoint, Winnipeg, MB
Estimated cost is \$70.0M (Artis owns a 50% interest)



Fourell Business Park, Edmonton, AB
Estimated cost for Phase 1 & 2 is \$14.0M



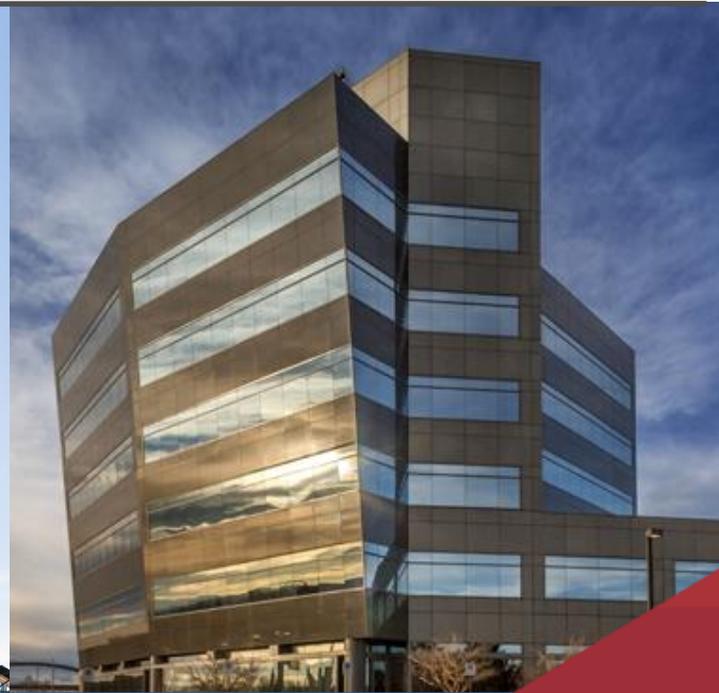
Linden Ridge Shopping Centre, Winnipeg, MB
Cost for this project was \$23.0M



601 Tower at Carlson, Minneapolis, MN



Hudson's Bay Centre, Denver, CO



DirecTV Building, Denver, CO



North Scottsdale Corporate Centre II, Phoenix, AZ



Crosstown VI, Minneapolis, MN

\$62.4M &
US\$123.5M
of new
acquisitions
in 2014

Consensus	2014		2015	
	AFFO	FFO	AFFO	FFO
Per Unit	\$1.23	\$1.42	\$1.27	\$1.48
Pay-Out Ratio	88.4%	76.1%	84.8%	73.2%
Yield Per Unit	8.1%	9.5%	8.5%	9.9%
Unit Price Multiple	12.3x	10.6x	11.8x	10.1x
<i>Peer Multiple Weighted Avg.⁽²⁾</i>	<i>16.4x</i>	<i>14.2x</i>	<i>15.7x</i>	<i>13.7x</i>

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(2) Weighted average multiple for diversified REITs. Source: The BMO REIT Beat for the week ending March 6, 2015

March 2015

Unit Price \$15.00

Consensus NAV \$16.59

Consensus Target Price \$16.76

Consensus Implied Cap Rate 6.6%

Distribution Per Unit \$1.08

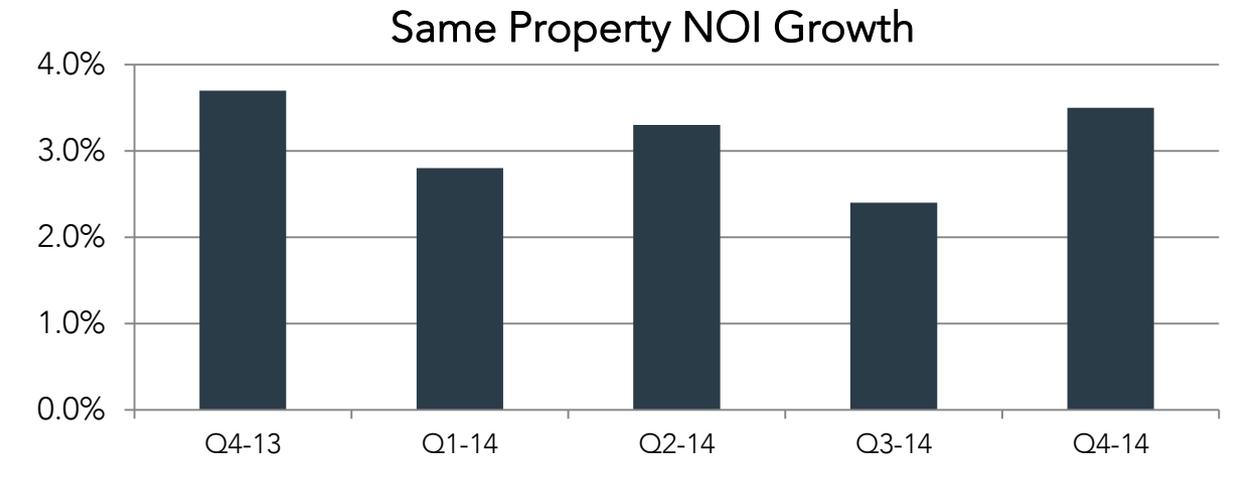
Distribution Yield 7.2%

Market Cap \$2.0B

Enterprise Value \$5.2B



	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14
Weighted Average Rental Increase on Renewals	7.5%	2.4%	2.6%	2.7%	7.2%
Same Property NOI Growth	3.7%	2.8%	3.3%	2.4%	3.5%



- Strong Markets with Healthy Economic Growth and Real Estate Fundamentals
- Solid gap between In-Place and Market Rents
- Track Record of Strong Same Property NOI Growth
- Development Pipeline Intensification/ Densification
- Strategic Acquisitions



Capital City Centre, Regina, SK



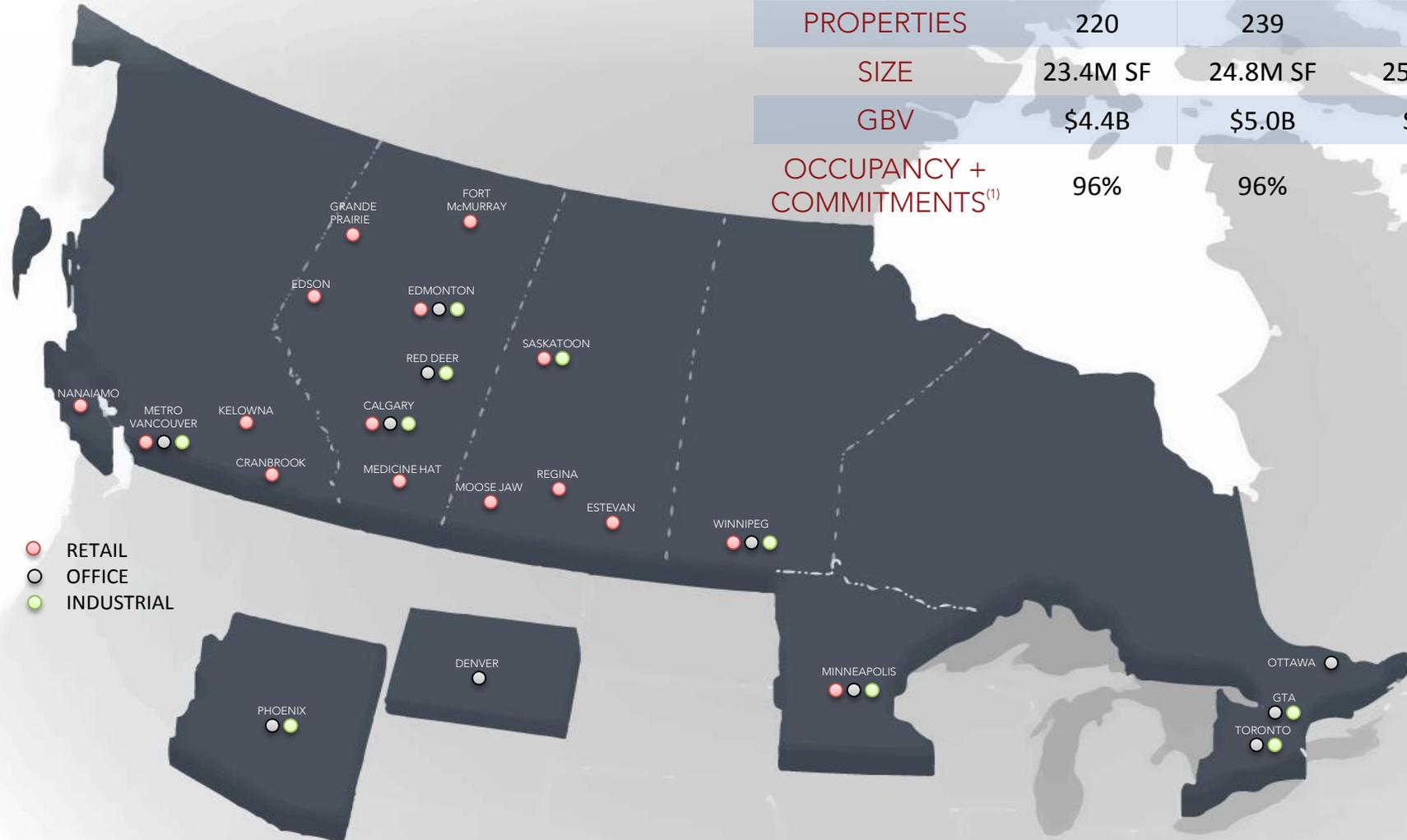
GSA Phoenix Professional Office Building, Phoenix, AZ



Westbank Hub Centre North, West Kelowna, BC



Aulds Corner, Nanaimo, BC



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- OFFICE
- INDUSTRIAL

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