



ARTIS REAL ESTATE INVESTMENT TRUST

Investor Presentation Q1 - 2015



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 March 31, 2015.

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.

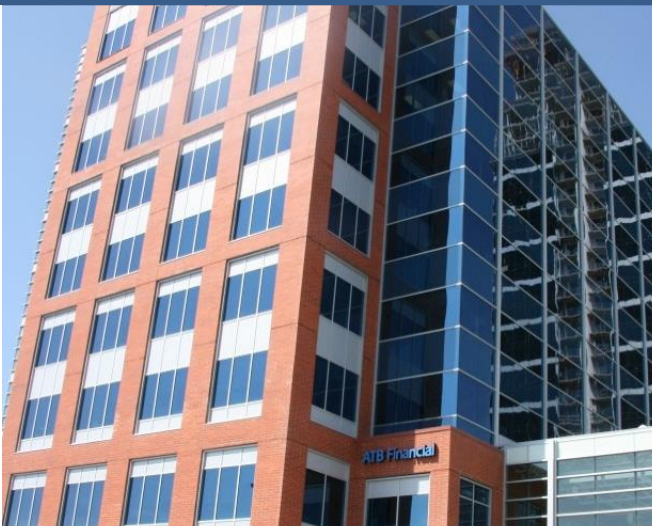
Additional information about Artis, including risks and uncertainties that could cause actual results to differ from those implied or inferred from any forward-looking statements in this presentation, are contained in our various securities filings, including our current Annual Information Form, our interim filings dated March 31, 2015 and 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. EXTERNAL GROWTH

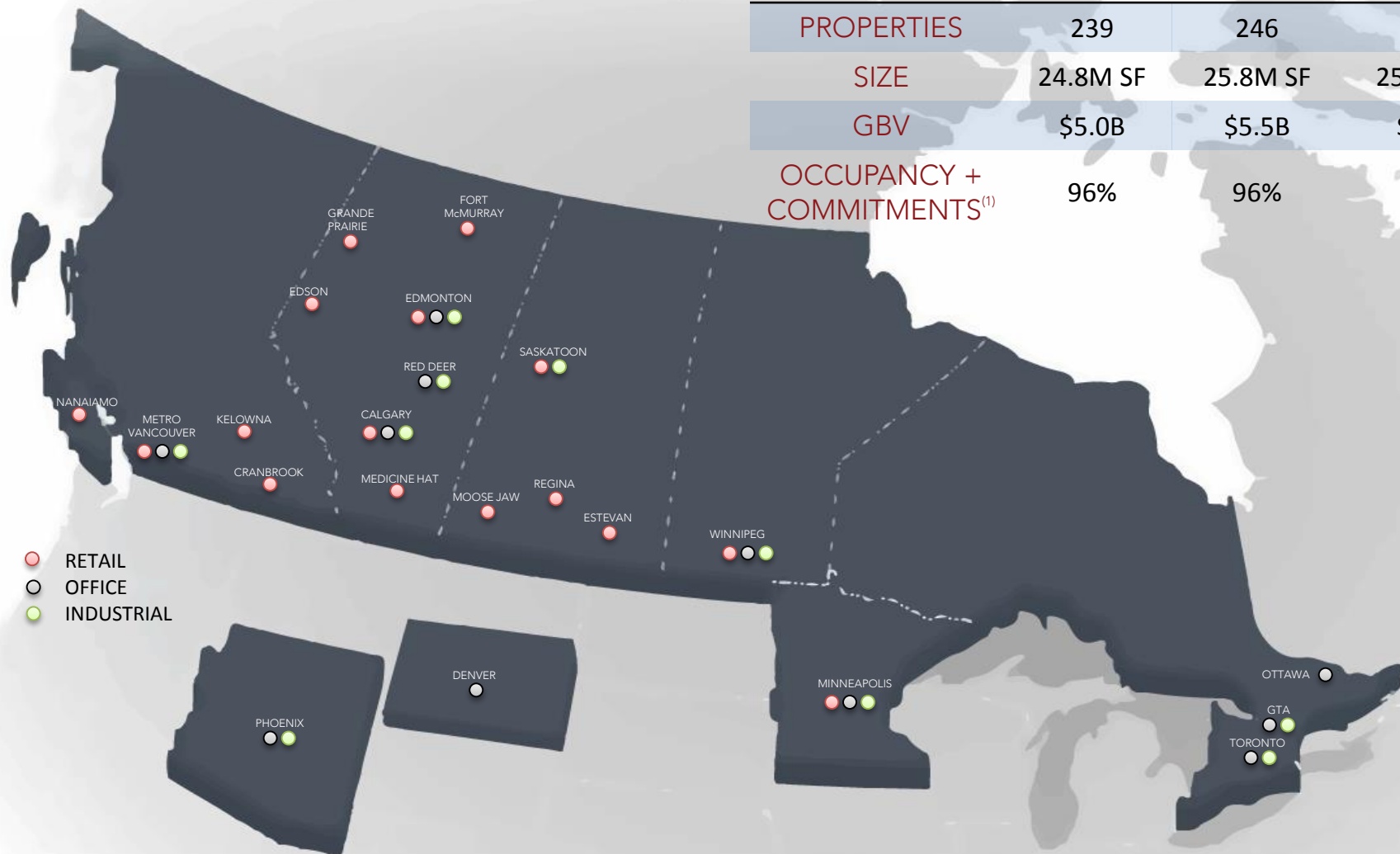
Accretive acquisitions in our target markets

4. INTERNAL GROWTH

Results driven active asset management and new developments



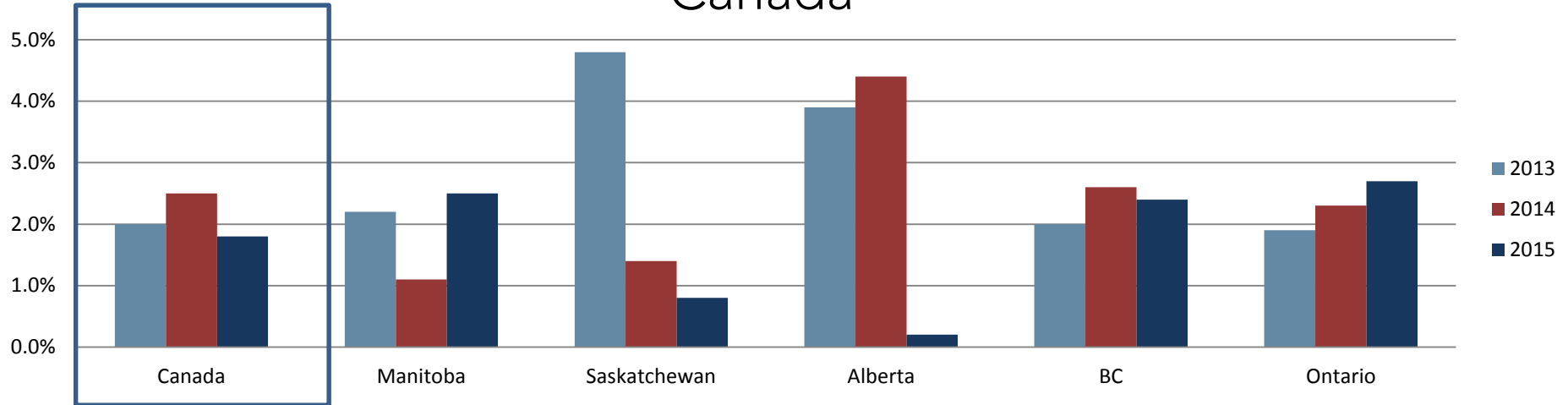
415 Yonge Street, Toronto, ON



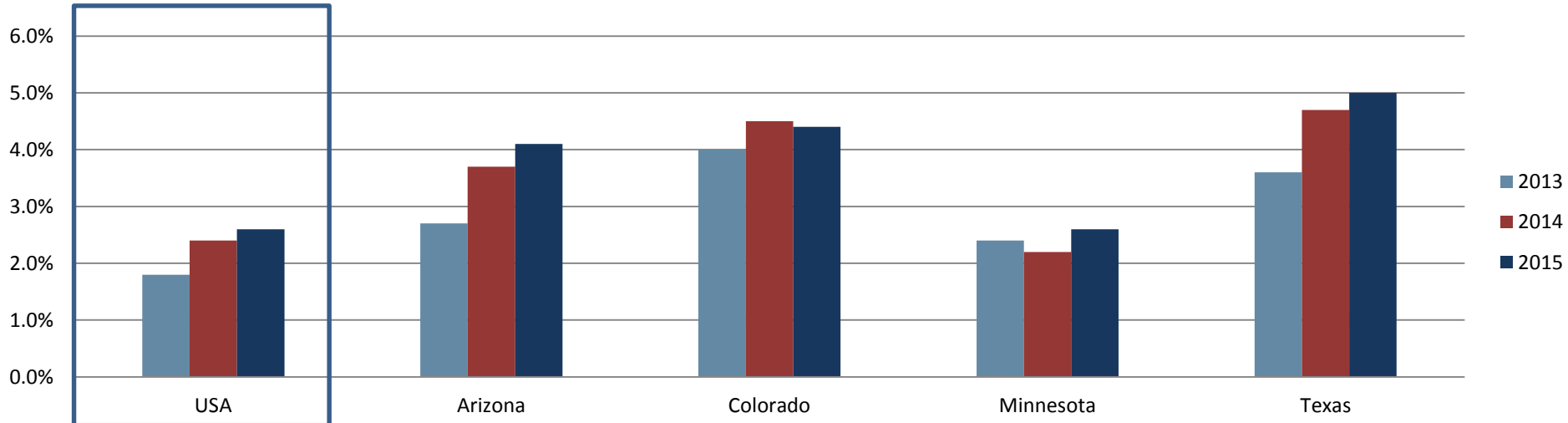
	Dec 31, 2013	Dec 31, 2014	Mar 31, 2015
PROPERTIES	239	246	247
SIZE	24.8M SF	25.8M SF	25.9M SF
GBV	\$5.0B	\$5.5B	\$5.6B
OCCUPANCY + COMMITMENTS ⁽¹⁾	96%	96%	96%

(1) Occupancy plus commitments as at March 31, 2015, and excludes properties in re-development.

Canada⁽¹⁾



GDP Growth⁽¹⁾⁽²⁾⁽³⁾

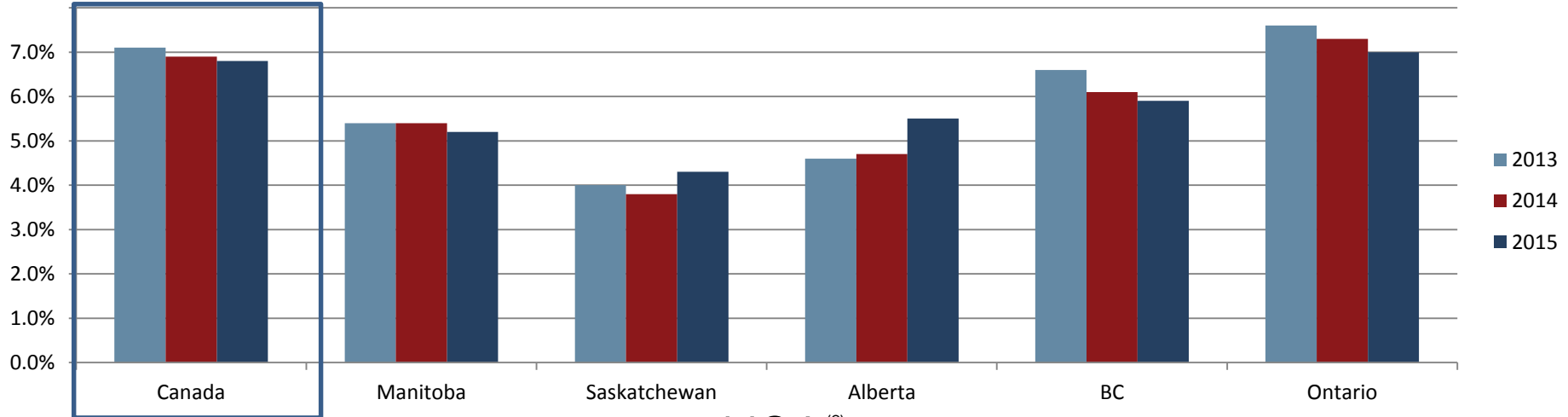


(1) Source: Scotiabank Global Forecast dated April 30, 2015

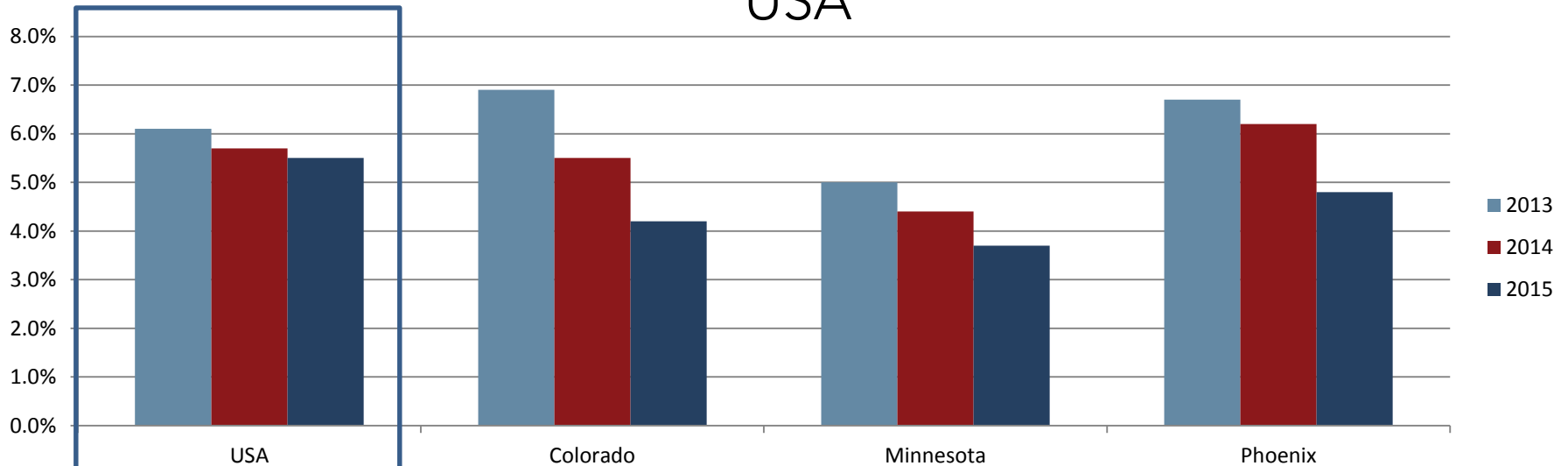
(2) Source: J.P. Morgan Chase Arizona, Texas, and Colorado State Economic Outlook Reports dated June 2014

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

Canada⁽¹⁾



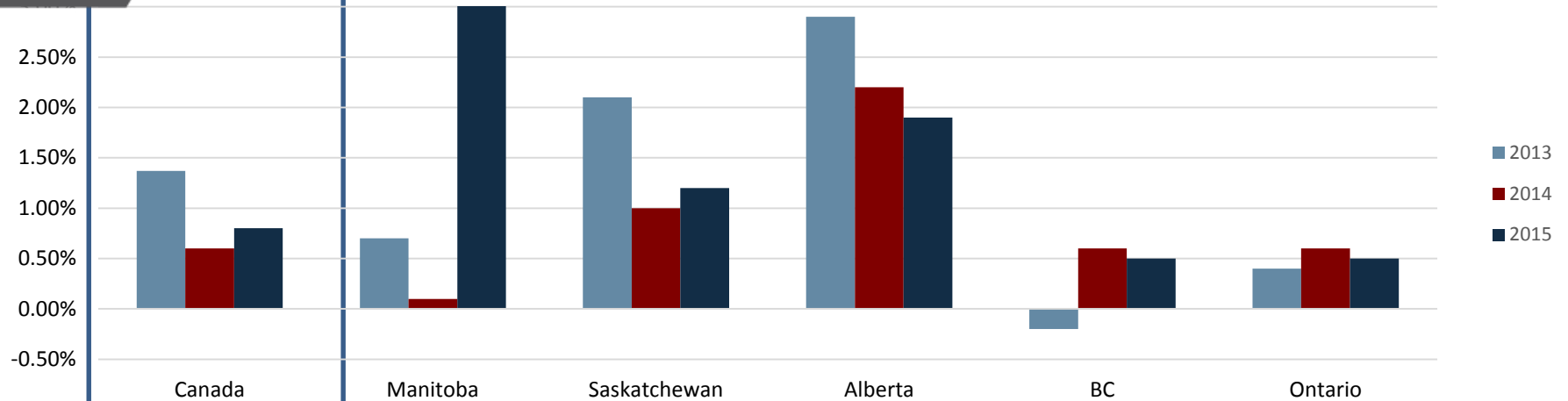
USA⁽²⁾



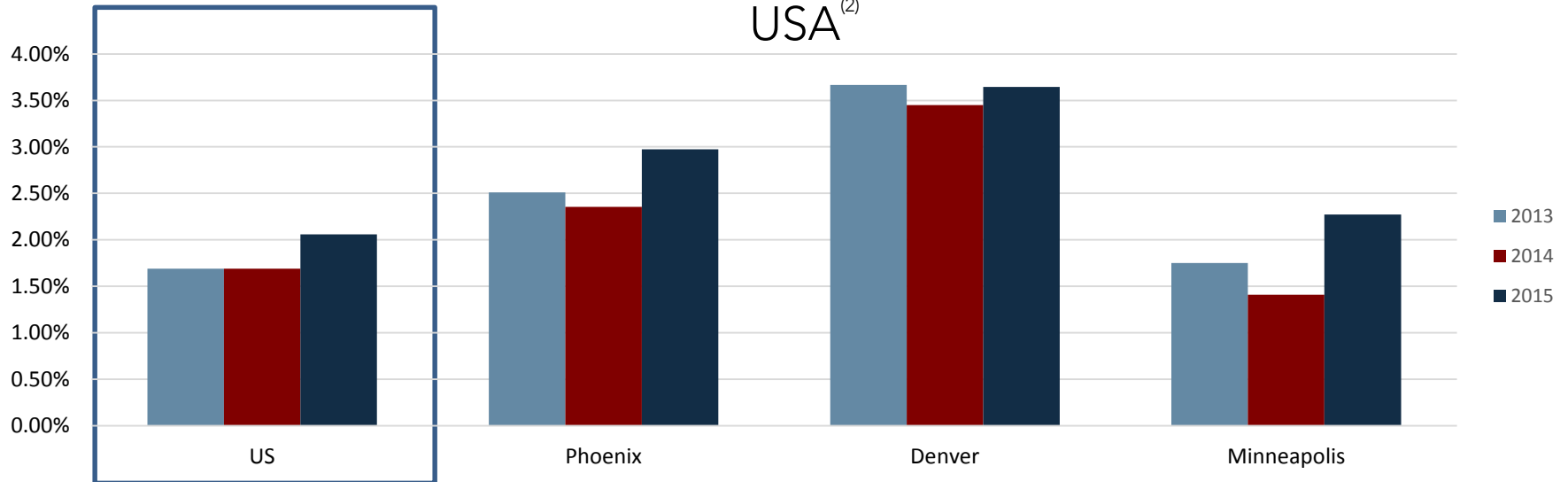
(1) Source: Scotiabank Global Forecast dated April 30, 2015

(2) Source: United States Department of Labor – Bureau of Labor Statistics, for the months of March 2013, 2014 & 2015

Canada⁽¹⁾



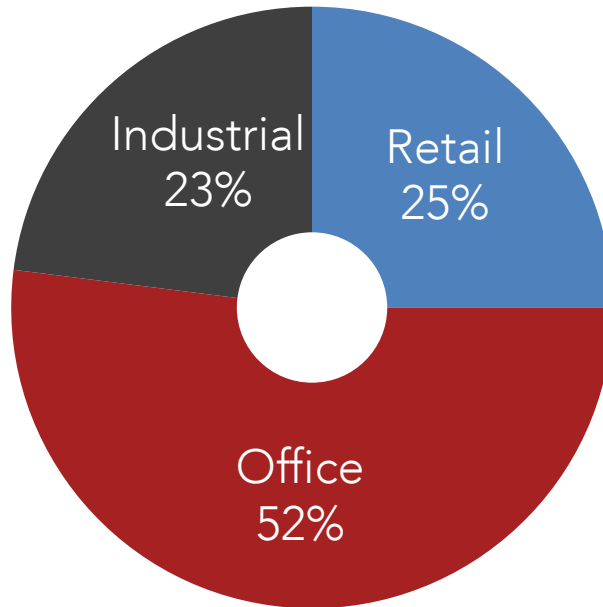
USA⁽²⁾



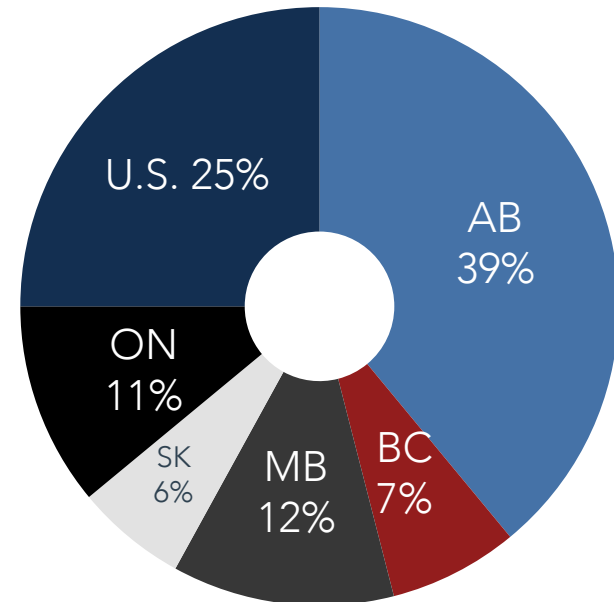
(1) Source: Statistics Canada March 2015

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

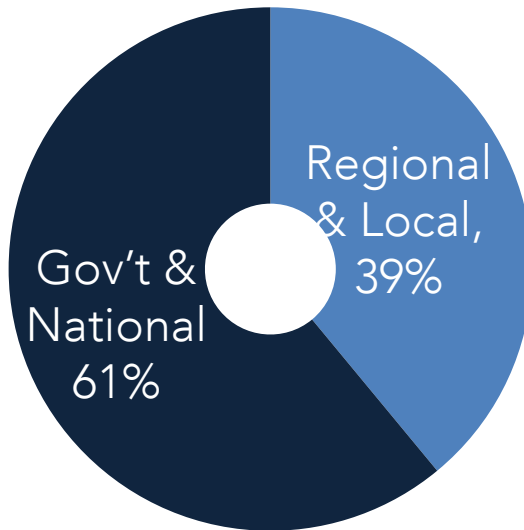
By Asset Class:



By Geographical Region:



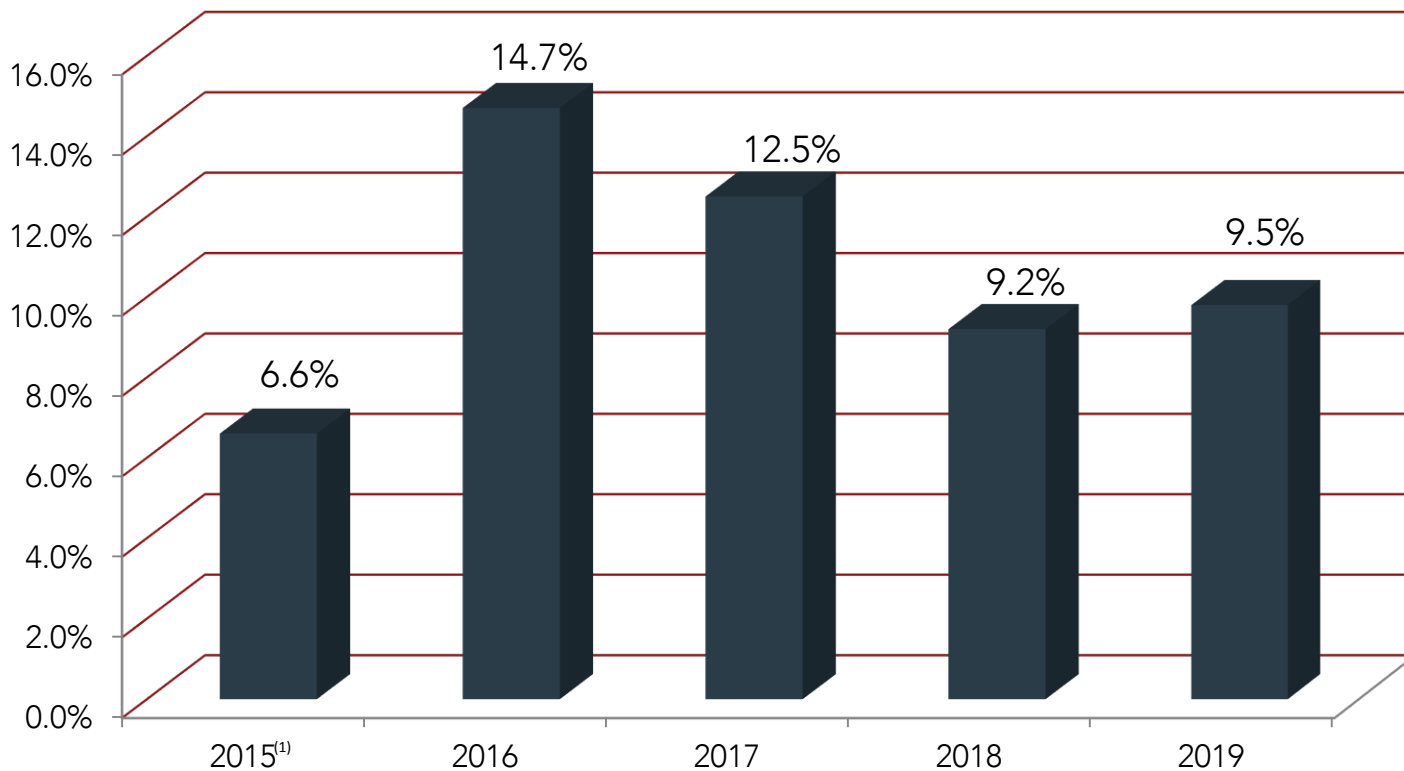
61% OF ARTIS' TENANTS ARE
GOVERNMENT OR NATIONAL



ARTIS' TOP 20 TENANTS ACCOUNT FOR
19.2% OF GROSS REVENUE AND HAVE A
6.6 YEAR WEIGHTED-AVERAGE LEASE TERM



- 48% of remaining 2015 expiries have been renewed or committed to new tenants
- Weighted-average rental increase on renewals in Q1-15 was 6.0%.
- Q1-15 Same Property NOI growth was 5.2% over Q1-14



(1) Percentage of portfolio that expires in the remainder of 2015, exclusive of leases that have yet to expire but have been renewed

Schedule of Mortgage Maturities

At March 31, 2015:

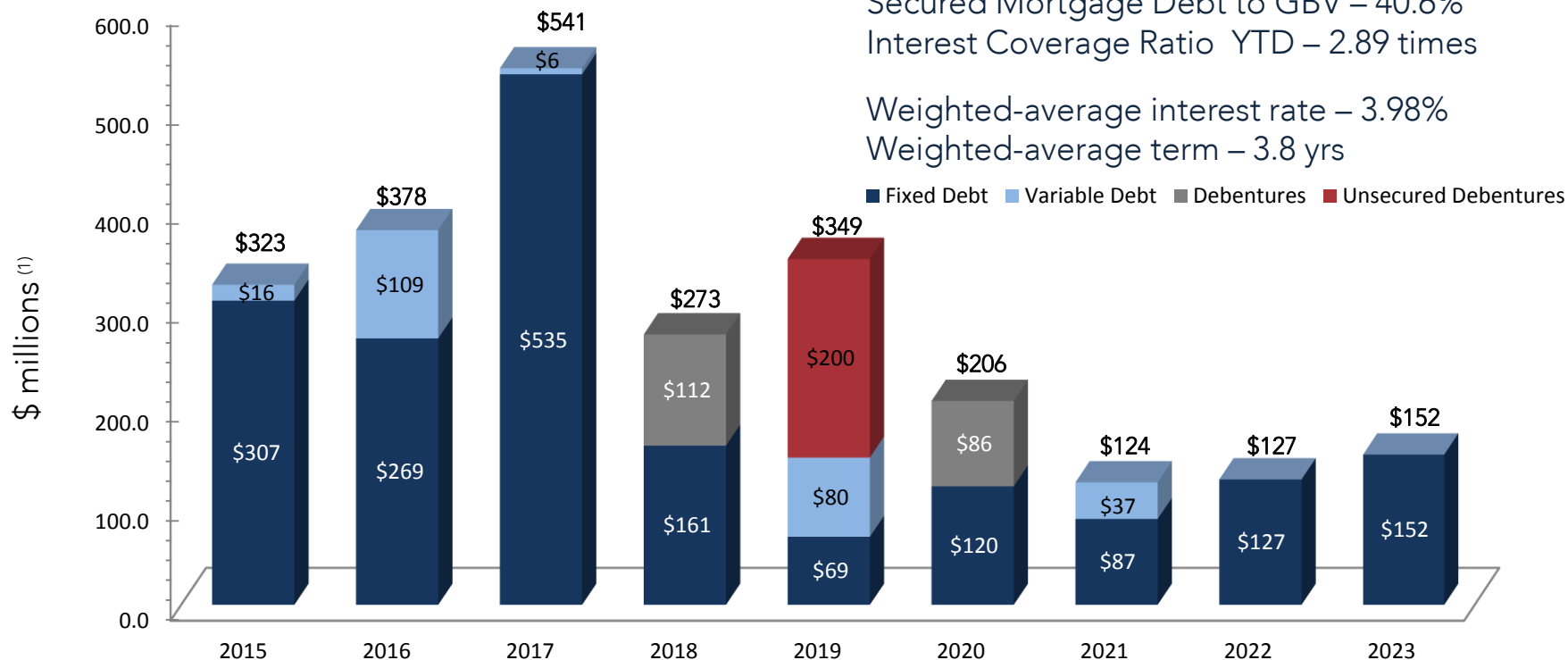
Total Debt to GBV – 49.2%

Secured Mortgage Debt to GBV – 40.6%

Interest Coverage Ratio YTD – 2.89 times

Weighted-average interest rate – 3.98%

Weighted-average term – 3.8 yrs



Debentures				5.75%	3.75%	6.00%			
Variable Debt	4.25%	2.99%	3.18%		2.21%		1.93%		
Fixed Debt	4.36%	4.24%	4.23%	3.64%	4.54%	3.80%	4.11%	3.83%	3.91%

Weighted-Average Interest Rates

⁽¹⁾As at March 31, 2015 and inclusive of mortgages on joint venture arrangements. Variable debt that is covered by interest rate swaps is included in fixed debt.

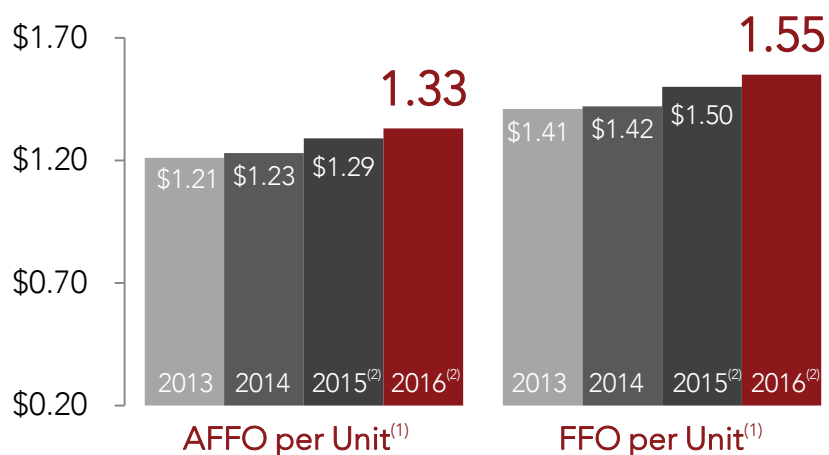
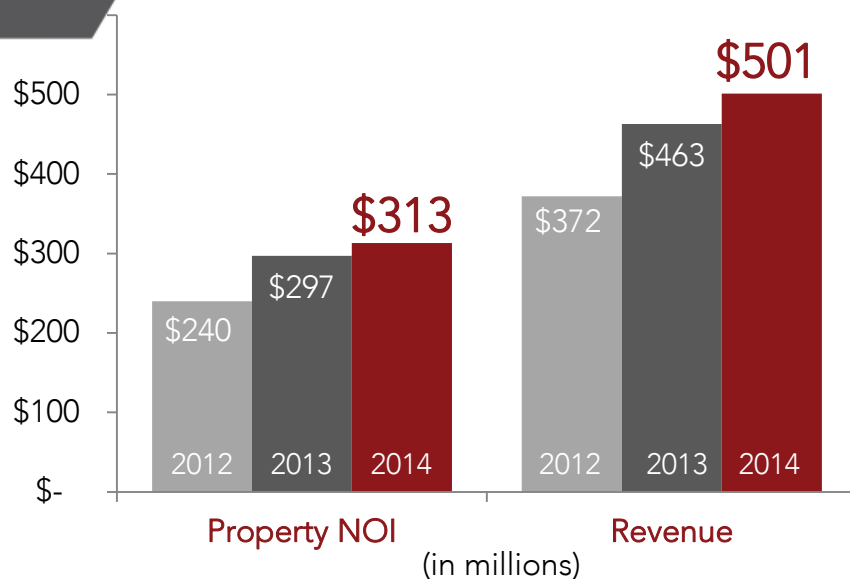
Leverage Profile for the fiscal quarter ending:

	Mar 31 2013	June 30 2014	Sept 30 2014	Dec 31 2014	Mar 31 2015
Debt: GBV	50.0%	48.6%	48.6%	48.4%	49.2%
Secured mortgages and loans: GBV	44.1%	42.8%	41.4%	41.3%	40.6%
Net debt: EV	49.5%	48.3%	49.3%	52.6%	51.4%
Unencumbered assets (in 000's)	\$246,260	\$289,236	\$571,492	\$664,792	\$751,545
EBITDA interest coverage	2.91	2.83	2.94	2.89	3.00
Net Debt: EBITDA ⁽¹⁾	7.92	7.87	7.85	8.08	7.92

Cash and cash equivalents (in 000's) at March 31, 2015: \$102,333

Availability on unsecured credit facilities: \$40 million

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



(1) Excluding lease termination income.

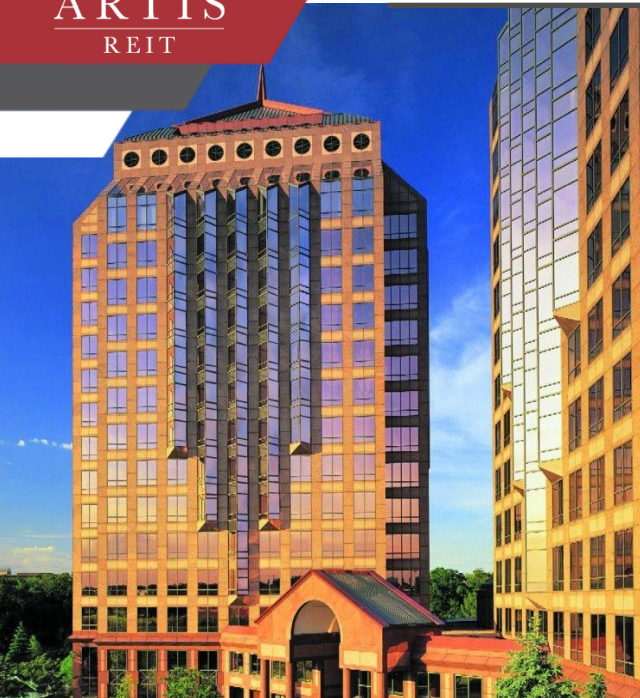
(2) 2015/2016 numbers are consensus analyst projections from most recent research reports. Artis does not endorse analyst projections. The above information represents the views of the particular analyst and not necessarily those of Artis. An investor should review the entire report of the analyst prior to making any investment decisions.

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



Q1-2015
AFFO
PAY-OUT
RATIO
84.4%

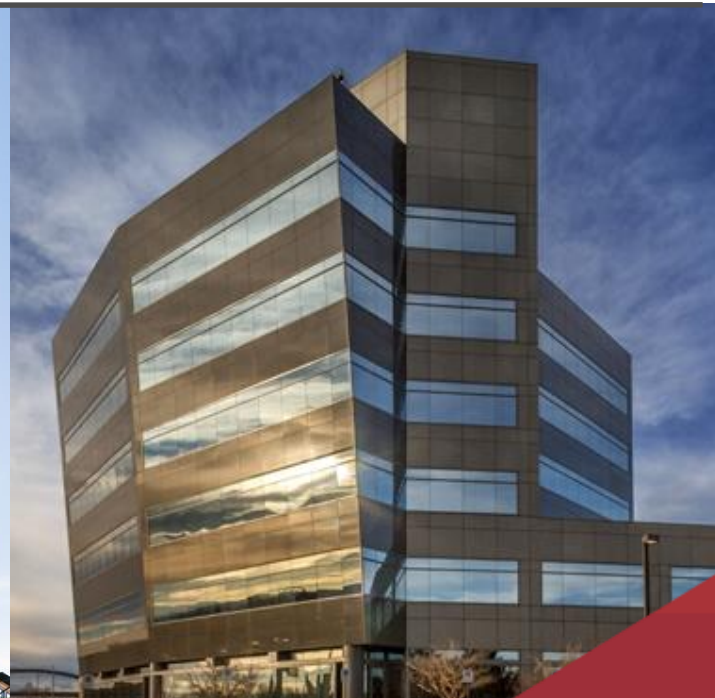




601 Tower at Carlson, Minneapolis, MN



Hudson's Bay Centre, Denver, CO



DirecTV Building, Denver, CO



North Scottsdale Corporate Centre II, Phoenix, AZ



Crosstown VI, Minneapolis, MN

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

	2015		2016	
Consensus	AFFO	FFO	AFFO	FFO
Per Unit	\$1.29	\$1.50	\$1.33	\$1.55
Pay-Out Ratio	83.6%	72.1%	81.0%	69.9%
Yield Per Unit	9.0%	10.4%	9.2%	10.8%
Unit Price Multiple	11.2x	9.6x	10.8x	9.3x
Peer Multiple Weighted Avg. ⁽²⁾	12.9x	N/A	12.3x	N/A

(1) 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.

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

May 7, 2015

Unit Price \$14.40

Consensus NAV \$16.67

Consensus Target Price \$16.68

Consensus Implied Cap Rate 6.8%

Distribution Per Unit \$1.08

Distribution Yield 7.5%

Market Cap \$2.0B

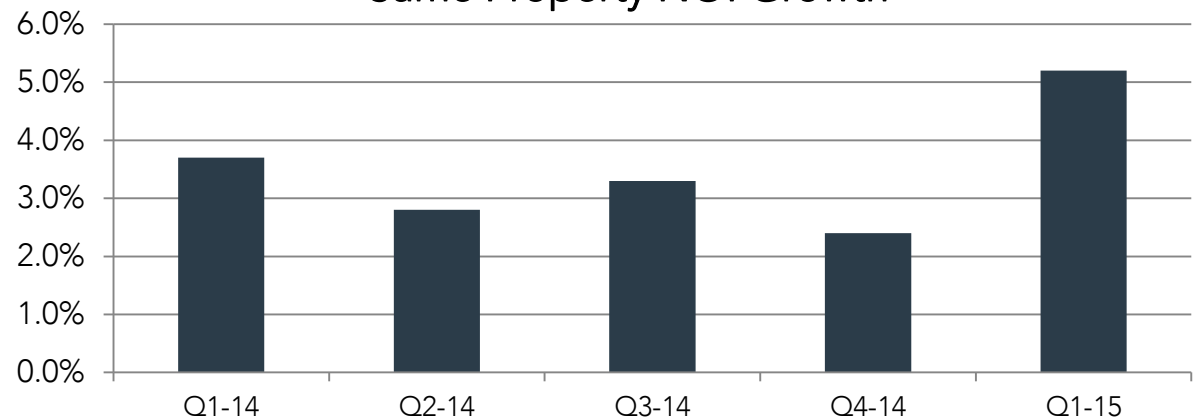
Enterprise Value \$5.1B



- 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

	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15
Weighted Average Rental Increase on Renewals	2.4%	2.6%	2.7%	7.2%	6.0%
Same Property NOI Growth	2.8%	3.3%	2.4%	3.5%	5.2%

Same Property NOI Growth



Capital City Centre, Regina, SK



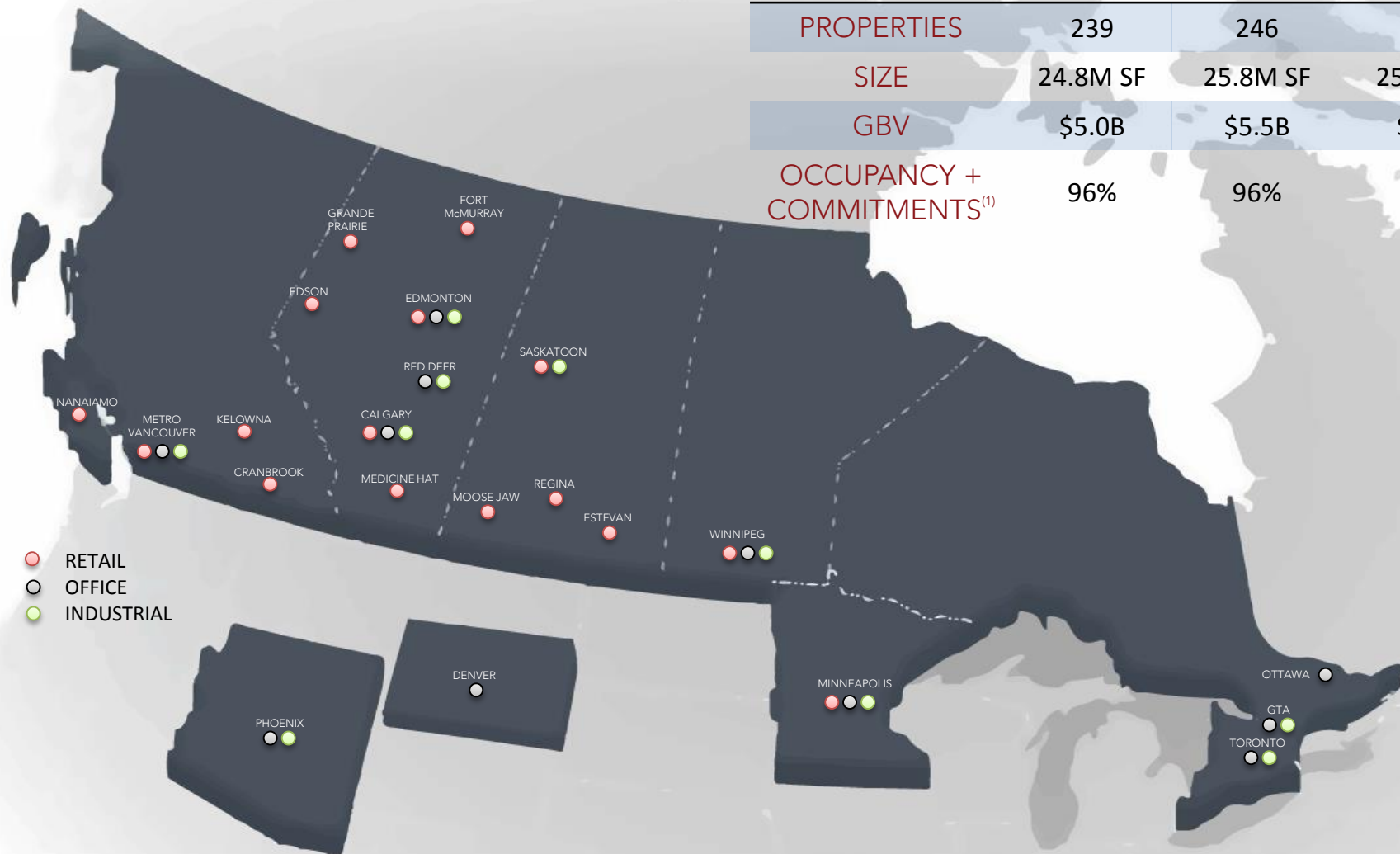
GSA Phoenix Professional Office Building, Phoenix, AZ



Westbank Hub Centre North, West Kelowna, BC



Auds Corner, Nanaimo, BC



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