



Artis Real Estate Investment Trust

Investor Presentation
Q4 – 2015

ARTIS REAL ESTATE INVESTMENT TRUST
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 31st, 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 December 31, 2015, September 30, 2015, June 30, 2015 and March 31, 2015, our 2015 annual earnings press release dated February 29, 2016, and our audited annual consolidated financial statements for the years ended December 31, 2015, 2014, 2013 and 2012 which are available on SEDAR at www.sedar.com or on our company web site at www.artisreit.com.



UNIQUE FOUR PART STRATEGY

1. GEOGRAPHIC FOCUS

Canada and select U.S. markets

2. PRODUCT FOCUS

Commercial real estate only

- Office
- Retail
- Industrial

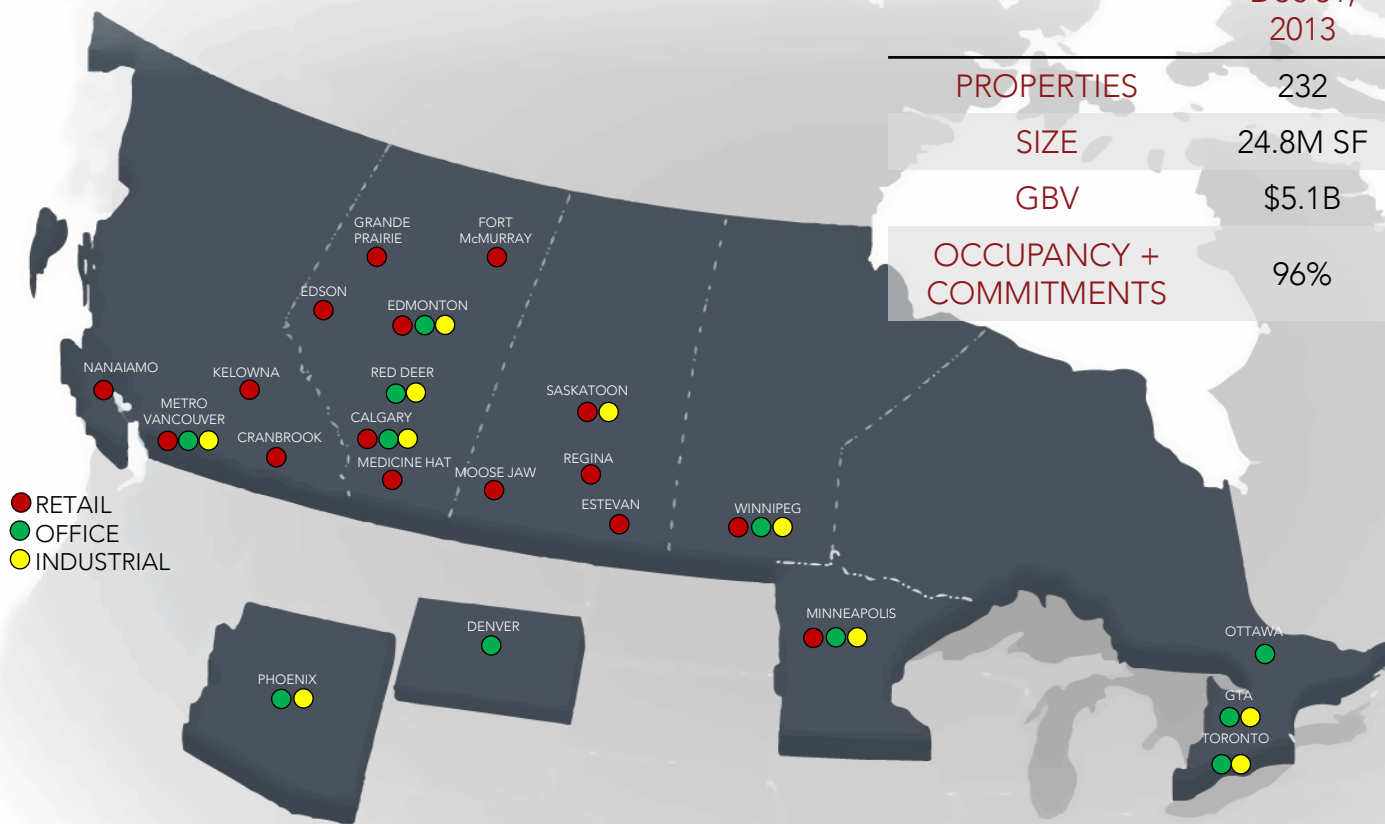
3. INTERNAL GROWTH

- Results driven active asset management and new developments
- Increasing same property NOI growth
- Accretive recycling of capital
- Accretive refinancing of existing debt



PORTFOLIO OVERVIEW

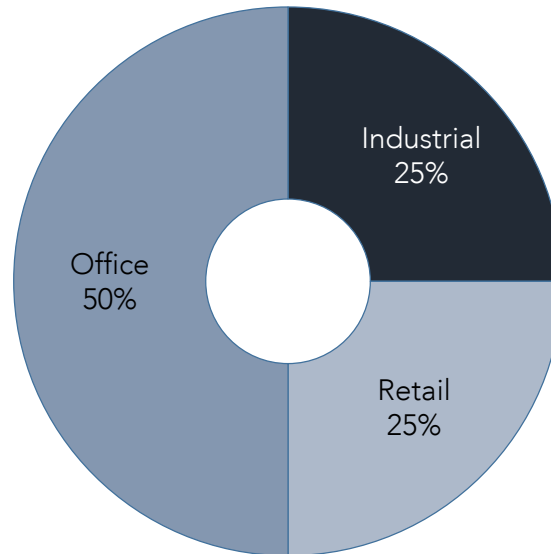
	Dec 31, 2013	Dec 31, 2014	Dec 31, 2015
PROPERTIES	232	246	252
SIZE	24.8M SF	25.8M SF	26.2M SF
GBV	\$5.1B	\$5.5B	\$5.7B
OCCUPANCY + COMMITMENTS	96%	96%	95%



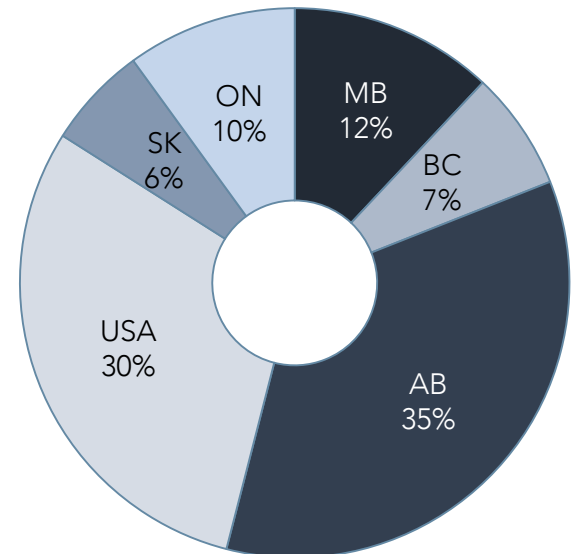
Information on this slide is inclusive of Artis' proportionate share of its joint venture arrangements.
Occupancy plus commitments excludes properties held for redevelopment

PORTFOLIO NOI SUMMARY

By Asset Class:



By Geographical Region:



North Scottsdale Corporate Center II,
Phoenix AZ



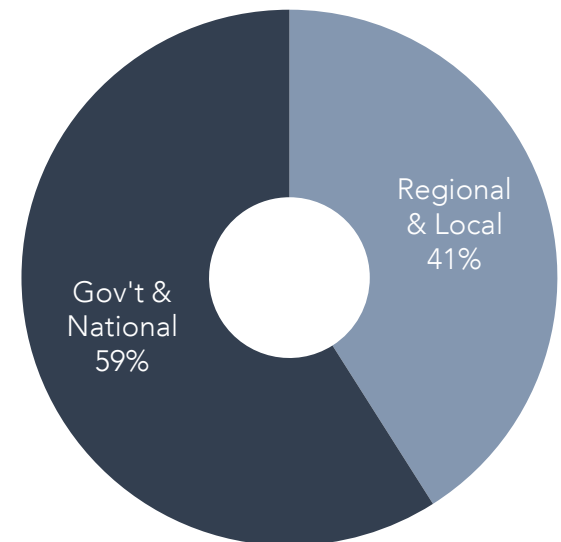
TENANT DIVERSIFICATION

Top Ten Tenants



Artis' top ten and top twenty tenants account for 11.8% and 19.4% of gross revenue, respectively

59% of Artis' tenants are government or national

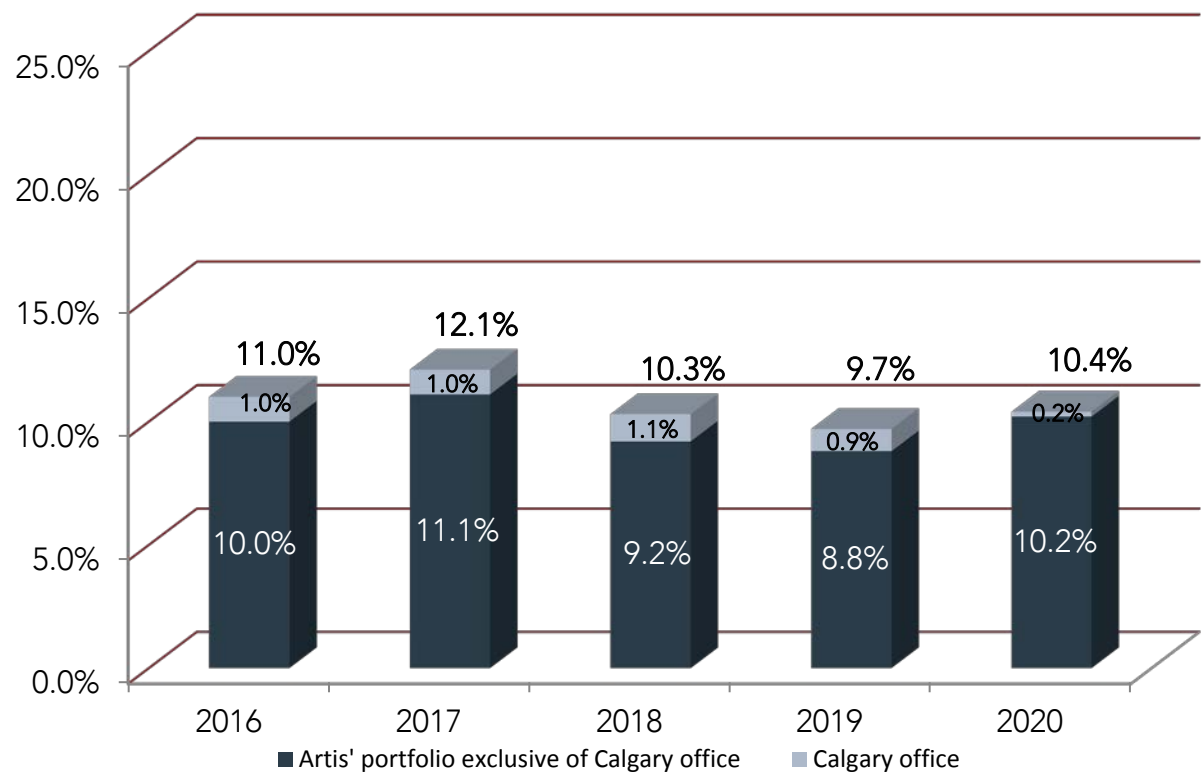




Hudson's Bay Centre, Denver CO

LEASE EXPIRATION SCHEDULE

- 26.1% of 2016 expiries have been renewed or committed to new tenants
- Weighted-average rental increase on renewals in 2015 was 3.7%
- 2015 Same Property NOI growth was 4.5% over 2014



The chart above reflects the percentage of Artis' total GLA expiring in the year indicated, exclusive of GLA that has been renewed or committed to new tenants at December 31, 2015

SCHEDULE OF MORTGAGE MATURITIES

At December 31, 2015 ⁽¹⁾:

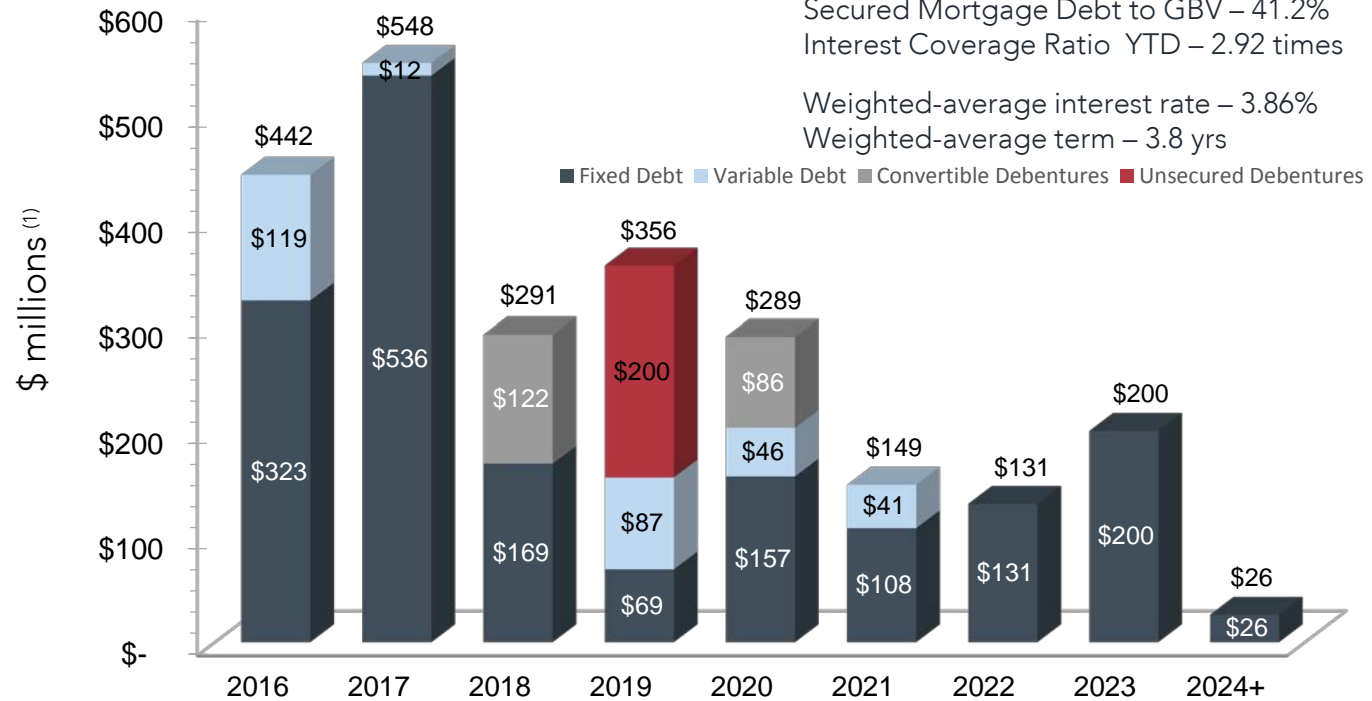
Total Debt to GBV – 52.4%

Secured Mortgage Debt to GBV – 41.2%

Interest Coverage Ratio YTD – 2.92 times

Weighted-average interest rate – 3.86%

Weighted-average term – 3.8 yrs



Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt
Variable Debt	2.97%	3.21%	3.62%	4.54%	3.63%	3.92%	3.84%	4.21%	3.58%
Fixed Debt	4.08%	4.23%	3.62%	4.54%	3.63%	3.92%	3.84%	4.21%	3.58%
Weighted-Average Interest Rates									

(1) As at December 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

Fiscal quarter ending:	December 31, 2013	December 31, 2014	December 31, 2015
Debt: GBV	49.3%	48.9%	52.4%
Secured mortgages and loans: GBV	45.7%	41.9%	41.2%
Unencumbered assets	\$228 million	\$665 million	\$1,060 million
EBITDA interest coverage	2.85	2.89	2.98
Net Debt: EBITDA ⁽¹⁾	8.14	8.26	8.49

Cash and cash equivalents at December 31, 2015: \$71 million

Availability on unsecured credit facilities: \$75 million

\$300 million in credit facilities with the potential to increase to \$400 - \$500 million



Centrepoint, Winnipeg MB



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

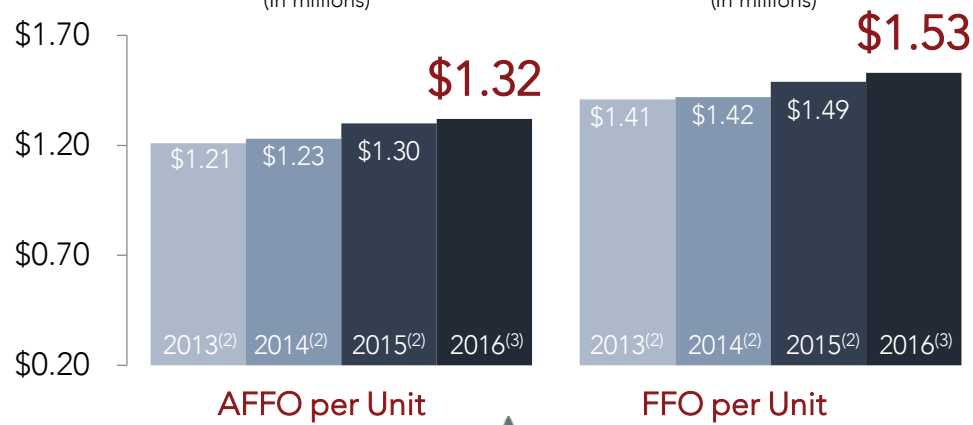
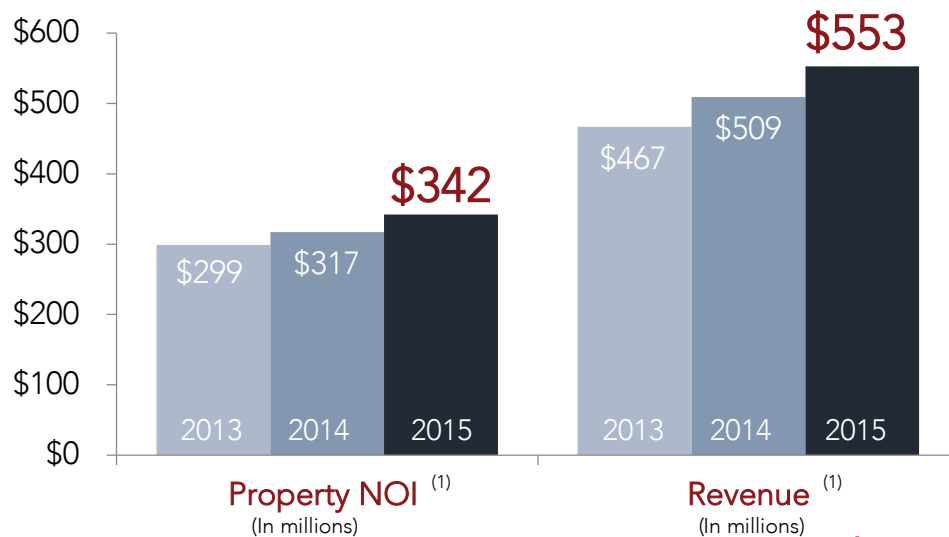
Information on this slide is inclusive of Artis' proportionate share of its joint venture arrangements



800 5th Ave, Calgary AB

ARTIS REAL ESTATE INVESTMENT TRUST

SELECT FINANCIAL INFORMATION



(1) Inclusive of Artis' proportionate share of its joint venture arrangements

(2) Excluding lease termination income

(3) 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.



RECENTLY COMPLETED DEVELOPMENT PROJECTS



Centrepoint, Winnipeg, MB
Approximate cost: \$70.0M (Artis owns 50% interest)



Furrell Business Park, Edmonton, AB
Approximate cost: \$14.1M (Phase I and II)



Linden Ridge Shopping Centre, Winnipeg, MB
Approximate cost: \$23.3M

CURRENT AND FUTURE DEVELOPMENT PROJECTS



801 Carlson, Minneapolis, MN



Park 8Ninety, Houston, TX



Park Lucero, Phoenix, AZ

MARKET AND ANALYST INFORMATION

Information as of February 2016:

Unit price: \$12.00

Distribution per unit: \$1.08

Yield: 9.0%

Market cap: \$1.7B

Net Asset Value: \$15.78

Analyst Consensus Information ⁽¹⁾

	2016		2017	
Consensus	AFFO	FFO	AFFO	FFO
Per Unit	\$1.32	\$1.53	\$1.33	\$1.55
Pay-Out Ratio	82.0%	70.7%	81.1%	69.9%
Unit Price Multiple	9.1x	7.9x	9.0x	7.8x
Yield	11.0%	12.8%	11.1%	12.9%

Target price: \$14.33

Implied cap rate: 7.2%



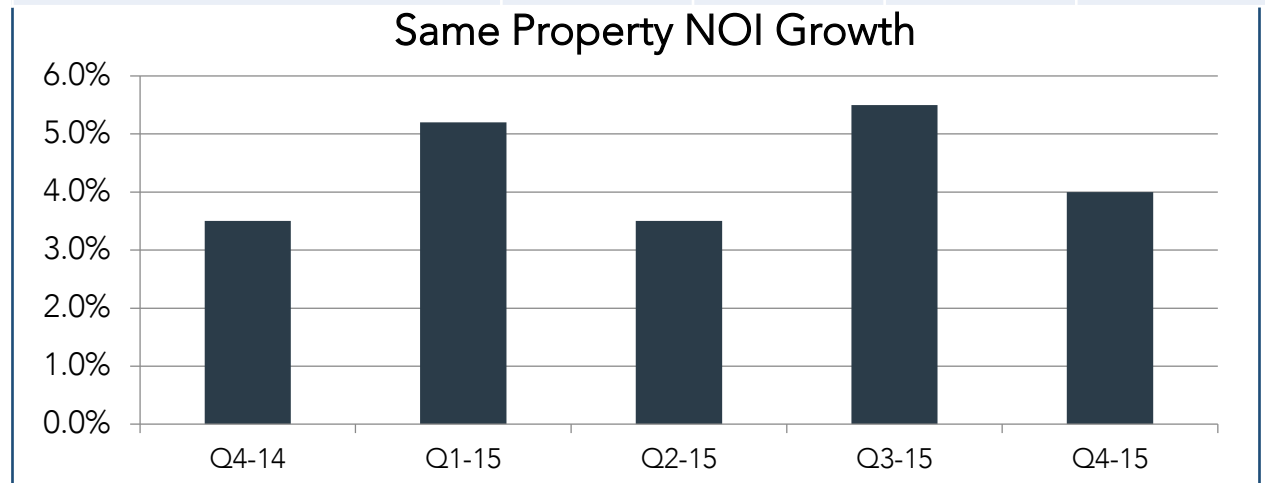
(1) Consensus analyst projections from most recent research reports excluding Desjardins. Artis does not endorse analyst projections. The above information represents the views of the particular analyst and not necessarily those of Artis. An investor should review the entire report of the analyst prior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



DRIVERS OF GROWTH

- Well diversified in strong markets with healthy economic growth and real estate fundamentals
- Realizing the gap between in-place and market rents
- Exceptional track record of strong same property NOI growth
- Excellent track record of accretive recycling of capital

	2012	2013	2014	2015
Weighted Average Rental Increase on Renewals	2.6%	7.2%	4.2%	3.7%
Same Property NOI Growth	0.9%	3.3%	3.0%	4.5%



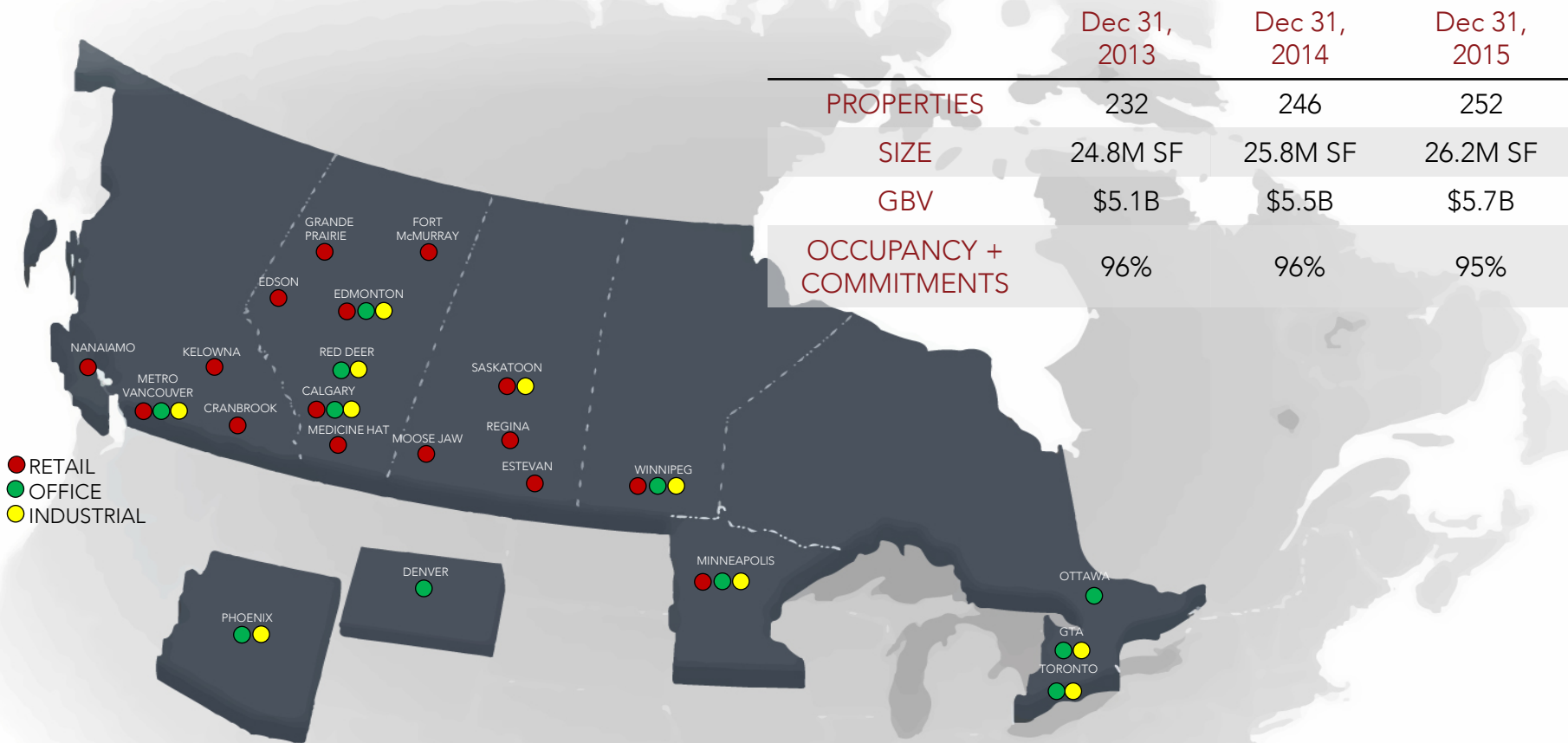
DRIVERS OF GROWTH FOR 2016

- **Keeping our buildings full and bringing rents up to market**
 - We have a long-standing track record of maintaining occupancy levels in the range of 94 to 96%
 - Achieving the ~3% expected rent growth in the US will provide a strong base of NOI improvement
 - Long standing track record of being in the top percentile for Canadian REITs for SPNOIG
- **Accretive recycling of capital**
 - Disposition of \$200-300 million of non-core properties at cap rates below our implied unit cap rate
 - Recycling funds into newer, higher yielding acquisitions or developments
- **Accretive renewal of mortgage and debenture debt at lower rates**
 - \$442 million of debt coming available in 2016 with a good opportunity to realize cost savings by achieving lower rates



Union Hills Office Plaza, Phoenix AZ

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