



FOR IMMEDIATE RELEASE

JUNE 17, 2016

**ARTIS REAL ESTATE INVESTMENT TRUST ANNOUNCES
CLOSING OF PREVIOUSLY ANNOUNCED EQUITY OFFERING
FOR GROSS PROCEEDS OF \$115 MILLION**

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR
DISSEMINATION IN THE UNITED STATES**

Artis Real Estate Investment Trust (TSX: AX.UN) ("**Artis**" or the "**REIT**") announced today that it closed its previously announced public offering through a syndicate of underwriters co-led by CIBC World Markets Inc., TD Securities Inc. and BMO Nesbitt Burns Inc., and including Canaccord Genuity Corp., Desjardins Securities Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., Raymond James Ltd., Dundee Securities Ltd. and GMP Securities L.P. (collectively, the "**Underwriters**"), on a bought deal basis, pursuant to which Artis sold 8,712,400 trust units ("**Units**") (inclusive of 1,136,400 Units issued pursuant to the exercise in full of the over-allotment option) at a price of \$13.20 per Unit for gross proceeds to Artis of \$115,003,680.00 (the "**Offering**").

Artis intends to use the net proceeds of the Offering to finance a portion of the purchase price for the acquisition of the Madison Lifestyle Office Portfolio, as more particularly described in its prospectus supplement dated June 10, 2016.

Artis is a diversified Canadian real estate investment trust investing in office, industrial and retail properties. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial properties in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and select markets in the United States. As of March 31, 2016, Artis' commercial property comprises approximately 26.2 million square feet of leasable area.

During the three months ended March 31, 2016, Property Net Operating Income ("**Property NOI**") by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 24.6% retail, 50.0% office and 25.4% industrial. Property NOI by geographical region, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 6.5% in British Columbia, 33.2% in Alberta, 6.2% in Saskatchewan, 13.0% in Manitoba, 10.6% in Ontario and 30.5% in the U.S.

Property NOI is a non-GAAP measure. Artis calculates Property NOI as revenues, measured in accordance with International Financial Reporting Standards, less property operating expenses such as utilities, repairs and maintenance, and realty taxes, and does not include charges for interest and amortization.

For further information, please contact Mr. Armin Martens, President and Chief Executive Officer, Mr. Jim Green, Chief Financial Officer or Ms. Heather Nikkel, Director – Investor Relations of the REIT at 1.204.947.1250

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

This press release contains 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. Particularly, statements regarding Artis' proposed future property acquisitions and other intended uses of proceeds are forward-looking statements. Without limiting the foregoing, the words "expects", "anticipates", "intends", "estimates", "projects", and similar expressions are intended to identify forward-looking statements. Artis is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of Artis to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Such risk factors include risks associated with the proposed future property acquisitions. Artis cannot assure investors that actual results will be consistent with any forward-looking statements and 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 press release are qualified by this cautionary statement.

Suite 300 – 360 Main Street
Winnipeg, MB R3C 3Z3
T 204.947.1250 F 204.947.0453

www.artisreit.com
AX.UN on the TSX