



ARTIS REAL ESTATE INVESTMENT TRUST

NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

to be held on June 15, 2017

and

MANAGEMENT INFORMATION CIRCULAR

Dated May 1, 2017

NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders (the “**Unitholders**”) of trust units (“**Units**”) of Artis Real Estate Investment Trust (“**Artis**” or the “**REIT**”) will be held at the Del Crewson Conference Centre, 360 Main Street, in Winnipeg, Manitoba on Thursday, the 15th day of June, 2017, at 11:00 a.m. CT for the following purposes:

1. to receive the annual consolidated financial statements of Artis for the year ended December 31, 2016, including the external auditor’s report;
2. to fix the number of trustees of Artis (“**Trustees**”) to be elected at eight (8);
3. to elect the Trustees who will hold office until the next annual meeting of the Unitholders;
4. to appoint the external auditor of Artis for the ensuing year and authorize the Trustees to fix the remuneration of the external auditor;
5. to consider and, if thought advisable, to pass, with or without variation, a resolution approving the adoption of a Third Amended and Restated Unitholder Rights Plan Agreement, which renews and amends the current Unitholder Rights Plan of Artis, as more fully described in the accompanying Management Information Circular; and,
6. to transact such other business as may properly come before the Meeting or any adjournment thereof.

As of the date of this Notice, management is not aware of any changes to these items and does not expect any other items to be brought forward at the Meeting. If there are changes or new items, you or your proxyholder can vote your Units on these items as you, he or she sees fit.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Management Information Circular in “*Part II – Particulars of Matters to be Acted Upon*”.

Unitholders are encouraged to access and review all information contained in the accompanying Management Information Circular before voting.

Notice-and-Access

Under recent changes to Canadian securities laws, Artis is no longer required to distribute physical copies of the Management Information Circular and the 2016 Annual Report (which includes management’s discussion and analysis and consolidated financial statements for the fiscal year ended December 31, 2016), (collectively, the “**Meeting Materials**”) to Unitholders. Instead, electronic versions of such materials are posted on Artis’ website for investors to review – a process known as “notice-and-access”. The use of this alternative means of delivery will help reduce paper use and also reduce the cost of printing and mailing materials to Unitholders.

The REIT has determined that those beneficial Unitholders with existing instructions on their account to receive paper material and those beneficial Unitholders with addresses outside of Canada will receive a paper copy of the Management Information Circular with this Notice.

Electronic copies of the Meeting Materials may be accessed on Artis’ website at www.artisreit.com/investor-link/annual-meeting-materials or on SEDAR at www.sedar.com.

Requesting Paper Copies of Meeting Materials

Should you wish to receive paper copies of the Meeting Materials prior to the Meeting or have any questions regarding the use of notice-and-access by Artis, please contact Artis toll free at 1 (800) 941-4751 or by e-mail at investorinquiries@artisreit.com and Meeting Materials will be sent within three business days of your request. Requests for Meeting Materials must be received no later than 5:00 p.m. CT on June 2, 2017, to ensure you will receive paper copies in advance of the deadline to submit your vote.

Record Date

The record date for determination of Unitholders entitled to receive notice of and to attend and vote at the Meeting is April 25, 2017. Only Unitholders whose names have been entered in the register of Unitholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting.

Information for Registered Unitholders

A Unitholder may attend the Meeting, or any adjournment thereof, in person or may be represented by proxy. Unitholders who are unable to attend the Meeting, or any adjournment thereof, in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be received by the Chairman of Artis, c/o CST Trust Company, by mail at P.O.Box 721, Agincourt, Ontario, M1S 0A1, or by facsimile at (416) 368-2502, by 11:00 a.m. CT on June 13, 2017, or, in the case of an adjourned Meeting, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned Meeting.

Information for Non-Registered Unitholders

If you are a non-registered holder of Units of Artis (for example, if you hold your Units in an account with a broker, dealer, or other intermediary), whether or not you plan to attend the Meeting in person you should follow the voting procedures described in the voting instruction form or other document accompanying this Notice. Non-registered Unitholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.

DATED at the City of Winnipeg, Manitoba this 1st day of May, 2017.

ON BEHALF OF THE BOARD OF TRUSTEES

"Armin Martens" (signed)

Trustee

ARTIS REAL ESTATE INVESTMENT TRUST

MANAGEMENT INFORMATION CIRCULAR

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ABOUT THIS MANAGEMENT INFORMATION CIRCULAR

Unless otherwise specified, all information in this Management Information Circular (referred to herein as "Information Circular") is current as of May 1, 2017.

No person has been authorized to give information or to make any representation in connection with matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation should not be relied upon in making a decision as to how to vote on the matters described in this Information Circular or be considered to have been authorized by Artis Real Estate Investment Trust ("Artis" or the "REIT") or the Board of Artis.

Unitholders should not construe the contents of this Information Circular as legal, tax, or financial advice and should consult with their own professional advisors as to the relevant legal, tax, financial and other matters in connection therewith as these apply to their particular circumstances.

Unless otherwise defined or unless the context otherwise requires, capitalized terms used in the meeting materials have the meanings given to them in the Glossary to this Information Circular.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this Information Circular constitute "forward-looking statements". All statements, other than statements of historical fact, included in this Information Circular that address future activities, events, developments, or financial performance, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as "may", "should", "will", "could", "expect", "intend", "plan", "estimate", "anticipate", "believe", "future", or "continue" or the negative thereof or similar variations. Unitholders are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions, and other factors, many of which are outside the control of Artis. Such uncertainties, assumptions, and other factors could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general and local economic and business conditions and changes in government regulations or in tax laws. Although the forward-looking statements contained in this Information Circular are based upon what Artis believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain assumptions made in preparing forward-looking information and Artis' objectives include the assumptions that there will be no material changes in government regulations or in tax laws. Such forward-looking statements should, therefore, be construed in light of such factors. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements contained in this Information Circular speak only as of May 1, 2017, and Artis is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

DISCLAIMER

The statements made in this Information Circular are the responsibility of the Trustees of Artis in their capacity as Trustees and not in their personal capacity and in no event shall the Trustees be personally liable for any statements contained herein nor shall resort be had to, or redress, recourse or satisfaction result from, the private and/or personal property of the Trustees.

ADDITIONAL COPIES OF INFORMATION CIRCULAR

Additional copies of this Information Circular may be obtained without charge on request of Artis at 300 - 360 Main Street, Winnipeg, Manitoba, R3C 3Z3 Attention: Investor Relations (telephone: 1 (800) 941-4751 or email: investorinquiries@artisreit.com).

PART I – VOTING INFORMATION

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of Artis for use at the Meeting to be held at the Del Crewson Conference Centre, 360 Main Street in Winnipeg, Manitoba on Thursday, the 15th day of June, 2017, at 11:00 a.m. CT, and any adjournment thereof.

This proxy solicitation is made by the management of Artis.

Solicitations of proxies will be primarily by mail, but may also be solicited personally or by telephone, fax or other electronic means, in person, by Trustees or officers or regular employees of Artis. The costs of solicitation will be borne by Artis.

Except as otherwise stated, the information contained herein is given as of the date of this Information Circular. All financial information in this Information Circular is in Canadian dollars, unless otherwise indicated.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxies

The persons named in the accompanying instrument of proxy, the Management Nominees, have been selected by the Trustees and have indicated their willingness to represent Unitholders who appoint them as their proxy for the Meeting.

A Unitholder has the right to designate a person (who need not be a Unitholder) other than the Management Nominees to represent the Unitholder at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the enclosed instrument of proxy the name of the person to be designated and striking out the names of the Management Nominees, or by completing another proper instrument of proxy. Such Unitholders should notify the designated person of the appointment, obtain the consent of such designated person to act as proxy and should provide instructions on how the Units are to be voted. In any case, an instrument of proxy should be dated and executed by the Unitholder or an attorney authorized in writing, with proof of such authorization attached where an attorney has executed the instrument of proxy.

Unitholders of record at the close of business on the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting and any adjournment thereof.

Unitholders unable to attend the Meeting in person are requested to read this Information Circular and the accompanying form of proxy and to complete, sign and date the proxy together with the power of attorney or other authority, if any, under which it was signed or a certified notarial copy thereof with Artis' transfer agent, CST Trust Company, by mail at Proxy Dept., CST Trust Company, P.O. Box 721, Agincourt, Ontario, M1S 0A1, or by facsimile at (416) 368-2502, by 11:00 a.m. CT on Tuesday, June 13, 2017, or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned Meeting, or any further adjournment thereof. Unregistered Unitholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.

Revocation of Proxies

A Unitholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been held, pursuant to its authority, by an instrument in writing executed by the Unitholder or by the Unitholder's attorney duly authorized in writing or, if the Unitholder is a corporation, by an officer or attorney thereof duly authorized and deposited at either the above mentioned office of CST Trust Company or at Artis' head office, Attention: Chair, by no later than 4:00 p.m. CT on or before the last business day preceding the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. Notwithstanding the foregoing, if a registered Unitholder attends personally at the Meeting, such Unitholder may revoke the proxy and vote in person. The head office of Artis is located at 300 - 360 Main Street, Winnipeg, Manitoba, R3C 3Z3.

ADVICE TO BENEFICIAL UNITHOLDERS

The information set forth in this section is of significant importance to many Unitholders, as a substantial number of Unitholders do not hold Units in their own name. Unitholders who do not hold Units in their names (referred to herein as “Beneficial Unitholders”) should note that only proxies deposited by Unitholders whose names appear on the records of Artis as registered holders of Units can be recognized and acted upon at the Meeting. If Units are listed in an account statement provided to a Unitholder by a broker, then in almost all cases, those Units will not be registered in the Unitholder’s name on the records of Artis. Such Units will more likely be registered under the name of the Unitholder’s broker or the agent of that broker. Units held by brokers or their agents can only be voted (for or against resolutions) upon the instructions of the Beneficial Unitholder. Without specific instructions, brokers or agents for that broker are prohibited from voting any Units for their clients. Therefore, Beneficial Unitholders should ensure that instructions respecting the voting of their Units are properly communicated to the appropriate person.

Applicable laws and policy require intermediaries and brokers to send voting instructions from Beneficial Unitholders in advance of meetings of Unitholders. Every intermediary and broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Unitholder by its broker is identical to the form of proxy provided to registered Unitholders; however, its purpose is limited to instructing the registered Unitholders how to vote on behalf of Beneficial Unitholders. A Beneficial Unitholder receiving a proxy from an intermediary or broker cannot use that proxy to vote the Units directly at the Meeting; rather, the proxy must be returned to the intermediary or broker well in advance of the Meeting in order to have the Units voted.

Although a Beneficial Unitholder may not be recognized directly at the Meeting for the purposes of voting the Units registered in the name of the Beneficial Unitholder’s broker (or an agent of the broker), a Beneficial Unitholder may attend at the Meeting as proxyholder for the registered Unitholder to vote Units in that capacity. Beneficial Unitholders who wish to attend the Meeting and indirectly vote their Units as proxyholder for the registered Unitholder holding their Units should enter their own names in the blank space on the form of proxy provided to them by their broker and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or such broker’s agent) well in advance of the Meeting.

All references to Unitholders in this Information Circular and the accompanying proxy and Notice of Meeting are to Unitholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The persons named in the accompanying form of proxy will vote the Units in respect of which they are appointed in accordance with the direction of the Unitholders appointing them. In the absence of such direction, those Units will be voted in favour of (“For”) each of the matters identified in the Notice of Meeting.

EXERCISE OF DISCRETION OF PROXY

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to any amendments or variations to matters identified in the Notice of Meeting and this Information Circular and with respect to matters that may properly come before the Meeting. At the date of this Information Circular, the Trustees and officers of Artis do not know of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting and this Information Circular.

INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No Trustee, executive officer or any person nominated for election as a Trustee has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of Trustees, and other than their interests as Unitholders in respect of the approval of the Third Amended and Restated Unitholder Rights Plan.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF SECURITIES

Artis is authorized to issue an unlimited number of Units. As of April 25, 2017, there are 150,578,389 Units issued and outstanding. All issued and outstanding Units carry the right to one vote.

Management understands that a significant number of the Units are registered in the name of CDS & Co. and that such Units are beneficially owned through various dealers and other intermediaries on behalf of their clients and other parties. The names of the beneficial owners of such Units are not known to Artis.

To the knowledge of the Trustees and executive officers of Artis, as at April 25, 2017, no person beneficially owns, directly or indirectly, or exercises control or direction over, more than 10 percent of the issued and outstanding Units.

PART II – PARTICULARS OF MATTERS TO BE ACTED UPON

The following items will be addressed at the Meeting:

1. to receive the annual consolidated financial statements of Artis for the year ended December 31, 2016, including the external auditor's report thereon;
2. to fix the number of Trustees to be elected at eight (8);
3. to elect the Trustees who will hold office until the next annual meeting of the Unitholders;
4. to appoint the external auditor of Artis for the ensuing year and authorize the Trustees to fix the remuneration of the external auditor;
5. to consider and, if thought advisable, to pass, with or without variation, a resolution approving the adoption of a Third Amended and Restated Unitholder Rights Plan Agreement; and,
6. to transact such other business as may properly come before the Meeting or any adjournment thereof.

As of the date of this Information Circular, management is not aware of any changes to these items and does not expect any other items to be brought forward at the Meeting. If there are changes or new items, you or your proxyholder can vote your Units on these items as you, he or she sees fit.

1. RECEIVING THE CONSOLIDATED FINANCIAL STATEMENTS

Artis' annual consolidated financial statements for the year ended December 31, 2016, together with the auditor's report thereon, are included in our 2016 Annual Report and Financial Report and will be presented to Unitholders at the Meeting. A copy of such financial statements and auditor's report are also available on SEDAR at www.sedar.com and on Artis' website at www.artisreit.com.

2. FIX NUMBER OF TRUSTEES

Pursuant to the Declaration of Trust, there are to be no fewer than three and no more than 10 Trustees. At the Meeting, Unitholders will be asked to consider and, if deemed advisable, pass a resolution which provides that the number of Trustees be fixed at eight (8).

It is intended that on any vote or ballot that may be called relating to the fixing of the number of Trustees at eight, the Units represented by proxies in favour of the Management Nominees will be voted for such resolution, unless a Unitholder has specified in the proxy that the Units are to be voted against or withheld from voting on such resolution.

3. ELECTION OF TRUSTEES

Each Unitholder is entitled to vote for each nominee on an individual basis. Each Trustee should be elected by a vote of the majority of the Units represented in person or by proxy at the Meeting that are voted in respect of that Trustee.


Majority Voting Policy

The Board has adopted the following policy for Artis:

- (a) if any nominee for election as a Trustee is not elected at the applicable meeting of Voting Unitholders by at least a majority (50% + 1) of the votes cast with respect to his or her election, such Trustee must promptly tender his or her resignation to the Chair of the Board following the Meeting, to take effect upon acceptance by the Board;
- (b) the Governance and Compensation Committee shall make a recommendation to the Board and the Board shall determine whether or not to accept the resignation. The decision by the Board must be made within ninety (90) days after the date of the applicable meeting of voting Unitholders. The Board must accept the resignation absent exceptional circumstances;
- (c) the resignation will be effective if and when accepted by the Board;
- (d) a Trustee who tenders his or her resignation shall not participate in the deliberations of the Board or any of its committees pertaining to his or her resignation; and
- (e) Artis shall promptly issue a news release with the Board's decision and provide a copy to the TSX. If the Board determines not to accept a resignation, the news release shall fully state the reasons for that decision.


Trustees Nominated for Election

All of the nominees are currently Trustees, including Mr. Bruce Jack, who was appointed to the Board by the Trustees effective March 1, 2017, following the passing of long-term trustee, Delmore Crewson on February 22, 2017. The table below sets forth, for each Trustee, their current position(s) with Artis, the period of time they have served as a Trustee, their meeting attendance record, their principal occupation during the past five years, as well as their equity ownership, as at April 25, 2017.

		Armin Martens, P. Eng., MBA		<p>Armin Martens has been actively involved in the construction, development and management of commercial real estate for over 25 years. He is the founding Chief Executive Officer of Artis REIT, a position he has held since 2004.</p> <p>Armin Martens obtained a Bachelor of Science (Civil Engineering) degree from the University of Manitoba. He is a registered professional engineer and holds an MBA degree from the International Institute for Management Development (IMD) in Lausanne, Switzerland.</p> <p>Armin Martens is a past director of Fortress Paper Ltd. (TSX:FTP), as well as the Bank of Canada, Canada’s central bank.</p>	
		Trustee and Nominee			
		Chief Executive Officer			
		Member of Disclosure Committee			
Age: 62 East St. Paul, Manitoba, Canada Trustee Since: November 8, 2004					
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		6/6			
Disclosure Committee		4/4			
Total		10/10			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Restricted Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	596,190	151,243	\$10,097,820	3x Annual Base Salary	Yes
					100%
As at April 25, 2017	649,101	75,467	\$9,875,862	3x Annual Base Salary	Yes
					100%


⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Chief Executive Officer and Chief Financial Officer Ownership Policy" for further information.

	Edward Warkentin, B.A., LL.B. Independent Trustee and Nominee Chair of the Board Chair of Governance and Compensation Committee Member of Investment Committee Chair of Disclosure Committee			Edward Warkentin of Winnipeg, Manitoba, holds an undergraduate degree from the University of Winnipeg, a law degree from the University of Manitoba and has been a member of the Bars of Ontario and Manitoba for more than 35 years. Edward Warkentin is the former Managing Partner of Aikins, MacAulay & Thorvaldson LLP where he practiced in the area of corporate and commercial law, and is currently Counsel to its successor firm, MLT Aikins LLP. He is a former director and Chair of Youth for Christ (Winnipeg) Inc., former director of Manitoba Mineral Resources Ltd. and former director of Grace Hospital Board of Management. Edward Warkentin is currently a director of Exchange Income Corporation, a TSX-listed issuer. He is also a director or officer of several private corporations and foundations and is a member of the Institute of Corporate Directors, Manitoba Chapter.	
Age: 67 East St. Paul, Manitoba, Canada Trustee Since: November 8, 2004					
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		6/6			
Disclosure Committee		4/4			
Governance & Compensation Committee		4/4			
Investment Committee		4/4			
Total		18/18			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Deferred Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	39,025	1,441	\$546,696	3x Annual Base Retainer	Yes
					100%
As at April 25, 2017	39,025	3,482	\$579,370	3x Annual Base Retainer	Yes
					100%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.


⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

	Bruce Jack, FCPA, FCA Independent Trustee and Nominee Chair of Audit Committee			Bruce Jack graduated from the University of Manitoba with a Bachelor of Commerce (Honours) degree in 1974. As an Audit Partner with Deloitte LLP for 30 years, he developed extensive knowledge in matters of financial reporting, controls and corporate governance with experience serving large, complex companies. He worked closely with Senior Management, participated in Board and Audit Committee meetings and has developed a comprehensive understanding of the role of the Board of Directors and its various committees in leading and overseeing the overall direction and strategy of organizations.	
Age: 64 Winnipeg, Manitoba, Canada Trustee Since: March 1, 2017				Bruce Jack is a member of The Chartered Professional Accountants of Manitoba and was awarded the FCA (Fellowship) designation from the Institute of Chartered Accountants of Manitoba in 2005. He has been a member of numerous professional boards and committees including the Manitoba Securities Commission Advisory Committee, the TSX Venture Exchange Local Advisory Committee and the Council of The Institute of Chartered Accountants of Manitoba. Bruce Jack currently serves as a director of Wawanesa Mutual Insurance Company.	
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		n/a			
Audit Committee		n/a			
Total		n/a			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Deferred Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	n/a	n/a	n/a	n/a	n/a
					n/a
As at April 25, 2017	3,000	—	\$40,890	3x Annual Base Retainer	Must meet requirement by March 1, 2022 ⁽³⁾
					18%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.


⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

⁽³⁾ Bruce Jack was appointed to the Board on March 1, 2017. Bruce Jack has until March 1, 2022 to meet the minimum ownership requirement.

		Cornelius Martens, P. Eng. Trustee and Nominee		<p>Cornelius Martens graduated from the University of Manitoba with a Bachelor of Science degree in Civil Engineering in 1965.</p> <p>In 1968, together with his father, he incorporated the company that is today known as the Marwest Group of Companies. Marwest is engaged in the development, construction and management of income producing properties including office buildings, shopping centres, residential and mixed use properties.</p> <p>Since its incorporation, Cornelius Martens has served as President and Chief Executive Officer of the various Marwest companies and is currently the President and Chief Executive Officer of Marwest Properties Ltd. He is also the co-founder and past Executive Vice-President of Artis.</p>	
Age: 75 East St. Paul, Manitoba, Canada Trustee Since: November 8, 2004					
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		4/6			
Total		4/6			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Deferred Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	406,012	1,441	\$5,504,690	3x Annual Base Retainer	Yes
					100%
As at April 25, 2017	410,108	3,482	\$5,637,232	3x Annual Base Retainer	Yes
					100%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.


⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

		Ronald Rimer, CPA, CA		<p>Ronald Rimer is Executive Managing Director and co-founder of Novus Merchant Partners, an independent merchant and investment banking company. Previously Executive Director and Vice Chairman for Macquarie Capital Markets (Canada), Ronald was primarily responsible for developing and executing the investment banking and principal investing strategies for its Real Estate and Diversified Industries groups.</p> <p>Prior to joining Macquarie, Ronald held various senior positions over 11 years in the capital markets including six years as a top ranked real estate equity research analyst at BMO Capital Markets. Ronald also worked in the real estate industry over a 10 year period in senior finance roles at both Brookfield and The Lehndorff Group.</p> <p>Ronald was a member of the board of the Children's Aid Foundation and served on the board of a private real estate company engaged in the ownership of manufactured communities.</p> <p>Ronald holds an undergraduate degree in business from McGill University, a graduate Diploma in Public Accounting, and is a Chartered Professional Accountant.</p>	
		Independent Trustee and Nominee			
		Member of Audit Committee			
		Member of Investment Committee			
Age: 56 Toronto, Ontario, Canada Trustee Since: February 27, 2014					
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		6/6			
Audit Committee		6/6			
Investment Committee		4/4			
Total		16/16			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Deferred Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	10,000	5,323	\$207,014	3x Annual Base Retainer	Must meet requirement by February 27, 2019 ⁽³⁾
					93%
As at April 25, 2017	20,000	15,507	\$483,960	3x Annual Base Retainer	Yes
					100%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.


⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

⁽³⁾ Ronald Rimer was appointed to the Board on February 27, 2014. Ronald Rimer has until February 27, 2019 to meet the minimum ownership requirement. As at April 25, 2016, the value of Ronald Rimer's equity holdings in Artis calculated using the closing prices on the acquisition dates of Units and grant dates of Deferred Units exceeds the minimum ownership requirement.

		<p>Patrick Ryan, JD</p> <p>Independent Trustee and Nominee</p> <p>Member of Audit Committee</p> <p>Member of Investment Committee</p>		<p>Patrick Ryan is the Chief Executive Officer and President of Ryan Companies US, Inc., a 77 year old company actively involved in the construction, development and management of commercial real estate in the United States. He is also a substantial owner of Ryan Companies US, Inc.</p> <p>Patrick Ryan graduated from the University of St. Thomas, St. Paul, Minnesota with a Bachelor of Arts Degree in Business Finance in 1975. In 1980, Patrick Ryan received a JD Degree from William Mitchell College of Law in St. Paul, Minnesota.</p> <p>Ryan Companies US, Inc. has 10 offices throughout the United States which engage in the construction, design, development and operation of commercial real estate.</p> <p>Patrick Ryan sits on a number of non-profit boards and is currently a member of the board of directors of Mate, Inc., a privately held manufacturing company.</p>	
<p>Age: 64</p> <p>Minneapolis, Minnesota, U.S.</p> <p>Trustee Since: June 20, 2013</p>					
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		6/6			
Audit Committee		6/6			
Investment Committee		4/4			
Total		16/16			
Equity Ownership ⁽¹⁾				Ownership	
Year	Units	Deferred Units	Value of Equity Holdings	Requirement ⁽²⁾ Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	6,400	14,652	\$284,413	3x Annual Base Retainer	Yes 100%
As at April 25, 2017	6,400	25,776	\$438,559	3x Annual Base Retainer	Yes 100%


⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

		<p>Victor Thielmann, FEC, P. Eng.</p> <p>Independent Trustee and Nominee</p> <p>Member of Audit Committee</p> <p>Member of Governance and Compensation Committee</p>		<p>Victor Thielmann is the President and Chief Executive Officer of Nova 3 Engineering Ltd. and has over 37 years of experience in the electrical construction and professional consulting industry.</p> <p>Victor Thielmann holds a Bachelor of Science in Electrical Engineering from the University of Manitoba and is a practicing member of the Association of Professional Engineers and Geoscientists of Manitoba, as well as most Canadian provincial professional engineering associations and has received the Fellow designation from Engineers Canada. Victor Thielmann has obtained the title of Chartered Engineer from Engineers Ireland.</p>	
<p>Age: 62</p> <p>Winnipeg, Manitoba, Canada</p> <p>Trustee Since: November 8, 2004</p>				<p>Victor Thielmann is an active member of several international code and standard setting associations, including NFPA, SFPE and IEEE. He is a member of the Institute of Corporate Directors, Manitoba Chapter, and he is a former director of the Forks North Portage, a Canadian crown corporation owned by the municipal, provincial and federal government.</p>	
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		6/6			
Audit Committee		6/6			
Governance & Compensation Committee		4/4			
Total		16/16			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Deferred Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	57,107	1,441	\$790,983	3x Annual Base Retainer	Yes
					100%
As at April 25, 2017	57,107	3,482	\$825,828	3x Annual Base Retainer	Yes
					100%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

		Wayne Townsend, CFP Independent Trustee and Nominee Chair of Investment Committee Member of Governance and Compensation Committee		Wayne Townsend is a Partner at Lawton Partners Financial Planning Services Limited and has over 35 years of experience in the wealth management and insurance industry. Wayne Townsend holds a Bachelor of Arts from the University of Manitoba, the Certified Financial Planner (CFP) designation, the Chartered Life Underwriter (C.L.U.) designation, the Chartered Financial Consultants (Ch.F.C.) designation, Society of Trust and Estate Practitioners (TEP) and is a graduate of the Canadian Securities Course. Wayne Townsend is a founding partner of Value Partners Investments Inc. Past board activities include Vice-Chair of St. John’s-Ravenscourt School, Past Chairman at Misericordia General Hospital Foundation and Past Vice-Chair at Misericordia General Hospital. Wayne Townsend currently serves as a director/ trustee of Cardinal Capital Management, Lawton Partners and Artis.	
Age: 63 Winnipeg, Manitoba, Canada Trustee Since: November 8, 2004					
Board and Committee Meetings		2016 Meeting Attendance			
Full Board		6/6			
Governance & Compensation Committee		4/4			
Investment Committee		4/4			
Total		14/14			
Equity Ownership ⁽¹⁾				Ownership Requirement ⁽²⁾	
Year	Units	Deferred Units	Value of Equity Holdings	Minimum Ownership Requirement	Meets Requirement?
As at April 25, 2016	30,476	1,441	\$431,199	3x Annual Base Retainer	Yes
					100%
As at April 25, 2017	30,476	3,482	\$462,848	3x Annual Base Retainer	Yes
					100%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustee and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

⁽²⁾ See "Part IV – Trustees' Compensation and Ownership - Trustee Ownership Policy" for further information.

To be effective, the resolution electing the Trustees must be passed by an Ordinary Resolution.

It is intended on any vote or ballot that may be called relating to the election of the persons named above as Trustees, that the Units represented by proxies in favour of Management Nominees will be voted for such resolution, unless a Unitholder has specified in the proxy that the Units are to be withheld from voting on such resolution.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as noted in the following paragraph, no individual nominated for election as a Trustee:

- (a) is, as at the date hereof, or has been, within ten years before the date hereof, a director or executive officer or chief financial officer of any issuer that, while that person was acting in that capacity:
 - (i) was subject to an order (where "order" means a cease trade or similar order, or an order that denied such issuer access to any exemptions under applicable securities laws, that was in effect for a period of more than 30 days);
 - (ii) was subject to an order that was issued after the director or executive officer ceased to be a Director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as a Director, Chief Executive Officer or Chief Financial Officer; or
- (b) is, at the date hereof, or has been, within ten years before the date hereof, a Director or Executive Officer of any issuer that, while that person was acting in that capacity, or within one year of that person ceasing to act in that capacity, became bankrupt, made a proposal under legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted proceedings, an arrangement or a compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

All in West! Capital Corporation is a company that was listed on the TSX Venture Exchange in 2005 through the capital pool company program and acquired hotel properties located in Alberta. As a result of a decline in oil and gas prices and other factors, the company experienced a significant decline in revenues and was unable to service its outstanding debt and, in addition, was not in a position to pay its auditors for its 2015 audit. Pursuant to enforcement action taken by the company's mortgage lenders, the Alberta Court of Queen's Bench issued an order appointing a receiver for the company's properties in 2016 and an order approving the sale of the properties in 2017. In addition, as a result of the failure of the company to file audited financial statements for the 2015 year, in 2016 securities regulatory authorities in the provinces of Manitoba, Ontario and British Columbia issued cease trade orders against the company and such orders continue to be in effect. Cornelius Martens is a director and chief executive officer of the company, and each of Victor Thielmann, Wayne Townsend and Edward Warkentin are directors of the company.

No individual nominated for election as a Trustee has (i) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) been subject to any other penalties or sanctions by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder.

4. APPOINTMENT OF EXTERNAL AUDITOR

At the Meeting, Unitholders will be asked to consider and, if deemed advisable, pass a resolution which provides that Deloitte LLP be reappointed as the external auditor of Artis for the ensuing year and that the Trustees be authorized to fix the remuneration of the external auditor.

It is intended on any vote or ballot that may be called relating to the reappointment of the external auditor of Artis and the authorization of the Trustees to fix the remuneration of the external auditor, that the Units represented by proxies in favour of Management Nominees will be voted for such resolution, unless a Unitholder has specified in the proxy that the Units are to be withheld from voting on such resolution.

In addition to audit and audit-related fees, Artis may retain its external auditor to provide advisory and consulting services.

Audit Fees

Artis' external auditor for the fiscal years ended December 31, 2016, and December 31, 2015, was Deloitte LLP. The aggregate fees billed by Artis' external auditor for audit services in each of the last two fiscal years are as follows: 2016 - \$664,150; 2015 - \$653,929.

Audit-Related Fees

The aggregate fees billed by Artis' external auditor in each of the last two fiscal years for assurance and related services that are reasonably related to the performance of the audit or review of Artis' financial statements, including prospectus related review, and are not reported under "Audit Fees" above are as follows: 2016 - \$95,950; 2015 - \$43,300.

Tax Fees

The aggregate fees billed by Artis' external auditor in each of the last two fiscal years for professional services for tax compliance, tax advice and tax planning are as follows: 2016 - \$297,355; 2015 - \$219,230.

All Other Fees

The aggregate fees billed by Artis' external auditor in each of the last two fiscal years for products and services, other than services reported above, are as follows: 2016 - \$nil; 2015 - \$nil.

5. AMENDMENT AND RENEWAL OF UNITHOLDER RIGHTS PLAN

At the Meeting, Unitholders will be asked to vote on the following resolution, with or without variation:

BE IT RESOLVED THAT:

- (a) the Unitholder Rights Plan of Artis dated June 19, 2014, be and is hereby renewed, with such amendments described in the Information Circular dated May 1, 2017, for a period commencing on the date of the Meeting and ending on the date of Artis' annual meeting of Unitholders to be held in 2020; and
- (b) any one Trustee or officer of Artis be and is hereby authorized and directed to execute and deliver, on behalf of Artis, all such agreements and documents, and to do all such acts and things, as in the opinion of such Trustee or officer may be necessary or desirable to give effect to the foregoing.

The resolution approving the renewal of and amendments to the Unitholder Rights Plan must be approved by an Ordinary Resolution and by a majority of votes cast by Independent Unitholders (as defined below) at the Meeting. To the knowledge of Artis, all of the Unitholders are Independent Unitholders and, accordingly, Artis expects that no Units will be excluded from voting on the resolution approving the adoption of the Unitholder Rights Plan.

It is intended on any vote or ballot that may be called relating to the approval of the renewal of the Unitholder Rights Plan, that the Units represented by proxies in favour of Management Nominees will be voted for such resolution, unless a Unitholder has specified in the proxy that the Units are to be voted against such resolution.

Proposed Amendments to the Unitholder Rights Plan

General

It is proposed that the Second Amended and Restated Unitholder Rights Plan agreement dated June 19, 2014, be further amended and restated to conform to recent changes to the take-over bid regime in Canada.

Effective May 9, 2016, the Canadian Securities Administrators implemented certain amendments (the “**CSA Amendments**”) to the take-over bid rules in Canada as set forth in National Instrument 62-104 *Take-Over Bids and Issuer Bids* (“**NI 62-104**”). The CSA Amendments extended the minimum take-over bid period to 105 days (from its current 35 days), with the ability of the target issuer to voluntarily reduce the take-over bid period to not less than 35 days. Additionally, the minimum period may be reduced due to the existence of certain competing take-over bids or alternative change in control transactions. The CSA Amendments also impose on take-over bids a minimum tender requirement of 50% of the outstanding securities of the class that are subject to the bid as well as a ten day extension requirement following satisfaction of the minimum tender requirement. As the current Unitholder Rights Plan already provided for these latter conditions, the only substantive amendment to the current Unitholder Rights Plan proposed to reflect changes made to the take-over bid regime by the CSA Amendments is to extend the period of time that a “Permitted Bid” must remain open. To ensure the “Permitted Bid” definition in the Unitholder Rights Plan remains aligned with the minimum period that a take-over bid must remain open under applicable Canadian securities laws, the proposed amendments to the Rights Plan include:

- (a) amending the definition of “**Permitted Bid**” by changing, among other things, the reference to the minimum deposit period following the bid from 60 days to 105 days, or such shorter minimum period that a Take-Over Bid (that is not exempt from the general take-over bid requirements of NI 62-104) must remain open for deposits of securities thereunder, in the applicable circumstances as such, pursuant to NI 62-104; and
- (b) certain additional non-substantive, technical and administrative amendments, including to align the definition of a Competing Permitted Bid to the minimum number of days as required under Canadian securities laws.

Description of Unitholder Rights Plan

The Unitholder Rights Plan reflects the “current generation” of rights plans designed to meet the proxy voting guidelines of institutional investors. The Unitholder Rights Plan utilizes the mechanism of a Permitted Bid (as described below) to ensure that a person seeking control of Artis provides Unitholders and the Trustees with sufficient time to evaluate the bid, negotiate with the initial bidder and encourage competing bids to emerge. The purpose of the Unitholder Rights Plan is to protect Unitholders by requiring all potential bidders to comply with the conditions specified in the Permitted Bid provisions or risk being subject to the dilutive features of the Unitholder Rights Plan. Generally, to qualify as a “**Permitted Bid**”, a bid must be made to all Unitholders and must be open for a minimum deposit period from the date of the bid (currently 60 days, but proposed to be amended to 105 days, or such shorter minimum period that a Take-Over Bid (that is not exempt from the general take-over bid requirements of NI 62-104) must remain open for deposits of securities thereunder, in the applicable circumstances as such, pursuant to NI 62-104). If more than 50% of the Units held by Independent Unitholders are deposited or tendered to the bid and not withdrawn, the take-over bid must then be extended for a further period of ten days on the same terms to allow those Unitholders who did not initially tender their Units to tender to the take-over bid if they so choose. Units may be taken up and paid for after this additional ten day period. Thus, there is no coercion to tender during the initial 60 day period because the bid must be open for acceptance for at least ten days after the expiry of the initial tender period. The Unitholder Rights Plan is designed to make it impractical for any person to acquire more than 20% of the outstanding Units without the approval of the Trustees except pursuant to the Permitted Bid procedures or pursuant to certain other limited exemptions outlined below. The Trustees believe that the Unitholder Rights Plan taken as a whole should not be an unreasonable obstacle to a serious bidder willing to make a bona fide and financially fair offer to all Unitholders. Artis is not currently aware of any pending or threatened take-over bid for any of its securities.

If reapproved at the Meeting, the Unitholder Rights Plan (as amended) is subject to re-confirmation every three years.

The following is a summary of the principal terms of the Unitholder Rights Plan, as proposed to be amended, and is qualified in its entirety by reference to the text of the draft Third Amended and Restated Unitholder Rights Plan dated June 15, 2017, which has been filed with the applicable securities regulatory authorities and is available on SEDAR at www.sedar.com and is also available on Artis’ website at www.artisreit.com.

Issuance of Rights

On the Effective Date (as defined in the Unitholder Rights Plan), one right (a “**Right**”) will be issued and attached to each outstanding Unit. One Right will also be issued and attach to each Unit issued thereafter, subject to the limitations set forth in the Unitholder Rights Plan. The Unitholder Rights Plan defines the “Exercise Price” to be (i) until the Separation Time (as defined below), an amount equal to three times the market price per Unit, and (ii) after the Separation Time, an amount equal to three times the market price (determined in accordance with the Unitholder Rights Plan) as at the Separation Time, per Unit.

Until a Right is exercised, the holder thereof, as such, will have no rights as a Unitholder.

Rights Exercise Privilege

The Rights will separate from the Units to which they are attached and will become exercisable at (the “**Separation Time**”) the close of business on the tenth trading day after the earlier of: (i) the first date of public announcement by Artis or an Acquiring Person (as hereinafter defined) of facts indicating that a person has become an Acquiring Person, and (ii) the date of the commencement of, or first public announcement of, the intent of any person (other than Artis or any subsidiary of Artis) to commence, a take-over bid (other than a Permitted Bid or Competing Permitted Bid (as described below)), or two days following the date on which a Permitted Bid ceases to qualify as such, or, in either case, such later date as may be determined by the Trustees.

The acquisition by a person (an “**Acquiring Person**”), including persons acting jointly or in concert, of 20% or more of the Units, other than by way of a Permitted Bid in certain circumstances, is referred to as a “**Flip-in Event**”. Any Rights held by an Acquiring Person on or after the earlier of the Separation Time or the first date of public announcement by Artis or by an Acquiring Person that an Acquiring Person has become such, will become void upon the occurrence of a Flip-in Event. Ten trading days after the occurrence of the Flip-in Event, the Rights (other than those held by the Acquiring Person) will permit the holder to purchase, for example, Units equal to two times the Exercise Price upon payment of the Exercise Price (i.e., at a 50% discount).

The issue of the Rights is not initially dilutive. Upon a Flip-in Event occurring and the Rights separating from the attached Units, reported earnings per Unit on a fully diluted or non-diluted basis may be affected. Holders of Rights who do not exercise their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

Certificates and Transferability

Prior to the Separation Time, the Rights will be evidenced by a legend imprinted on certificates for Units and will not be transferable separately from the attached Units. From and after the Separation Time, the Rights will be evidenced by Rights certificates, which will be transferable and traded separately from the Units.

Permitted Bid Requirements

The requirements of a Permitted Bid include the following:

- (a) the take-over bid must be made by way of a take-over bid circular;
- (b) the take-over bid must be made to all holders of Units, other than the bidder;
- (c) the take-over bid must not permit Units tendered pursuant to the take-over bid to be taken up prior to the expiry of 105 days following the date of the take-over bid or such shorter minimum period that a take-over bid (that is not an exempt take-over bid) must remain open for deposits of securities thereunder, in the applicable circumstances as such, pursuant to NI 62-104, and then only if at such time more than 50% of the Units held by Unitholders other than the bidder, its affiliates and persons acting jointly or in concert with the bidder (the “**Independent Unitholders**”) have been tendered pursuant to the take-over bid and not withdrawn; and
- (d) if more than 50% of the Units held by Independent Unitholders are tendered to the take-over bid within the deposit period, the bidder must make a public announcement of that fact and the take-over bid must remain open for deposits of Units for an additional ten days from the date of such public announcement.

The Unitholder Rights Plan allows a competing Permitted Bid (a “**Competing Permitted Bid**”) to be made while a Permitted Bid (or another Competing Permitted Bid) is in existence. A Competing Permitted Bid must satisfy all the requirements of a Permitted Bid and the terms of the Competing Bid must provide that no securities will be taken up or paid for thereunder prior to the close of business on last day of the minimum initial deposit period that such Competing Permitted Bid must remain open for deposits of securities pursuant to NI 62-104 after the date of such Competing Permitted Bid.

Waiver and Redemption

The Trustees may, prior to a Flip-in Event, with the approval of holders of Units, waive the dilutive effects of the Unitholder Rights Plan in respect of a particular Flip-in Event. At any time prior to the occurrence of a Flip-in Event, with the approval of Rights holders, the Trustees may redeem all, but not less than all, of the outstanding Rights at a price of \$0.00001 each.

Waiver of Inadvertent Flip-in Event

The Trustees may, prior to the close of business on the tenth day after a person has become an Acquiring Person, waive the application of the Unitholder Rights Plan to an inadvertent Flip-in Event, on the condition that such person reduces its beneficial ownership of Units such that it is not an Acquiring Person within 14 days of the determination of the Trustees.

Portfolio Managers and Trust Companies

The provisions of the Unitholder Rights Plan relating to portfolio managers are designed to prevent the occurrence of a Flip-in Event solely by virtue of the customary activities of such portfolio managers, including trust companies and other persons, where a portion of the ordinary business of such person is the management of funds for unaffiliated investors, so long as any such person does not propose to make a take-over bid either alone or jointly with others.

Supplement and Amendments

Following Unitholder approval of the renewal of the Unitholder Rights Plan, with the amendments described herein, Artis may, without the approval of the holders of Units or Rights, make amendments (i) to correct clerical or typographical errors, (ii) to maintain the validity and effectiveness of the Unitholder Rights Plan as a result of any change in applicable law, rule or regulatory requirement, and (iii) as otherwise specifically contemplated therein. Any amendment referred to in (iii) must, if made before the Separation Time, be submitted for approval to the holders of Units and, if made after the Separation Time, must be submitted to the holders of Rights for approval.

At any time before the Separation Time, Artis may with prior approval of a majority of the Independent Unitholders received at the special meeting called and held for such purpose, amend, vary or rescind any of the provisions of the Unitholder Rights Plan or the Rights, whether or not such action would materially adversely affect the interests of the holders of Rights generally.

Recommendation of the Board

The primary objective of the Unitholder Rights Plan is to encourage a potential acquirer in a take-over bid to proceed with their bid in accordance with Canadian take-over bid rules that satisfy certain minimum standards intended to promote fairness or have the approval of the Board by:

- (a) protecting against “creeping bids” (the accumulation of more than 20% of the Units through purchases exempt from Canadian take-over bid rules, such as (i) purchases from a small group of Unitholders under private agreements at a premium to the market price not available to all Unitholders; (ii) acquiring control through the gradual accumulation of Units on a stock exchange without paying a control premium, or (iii) through other transactions outside of Canada not subject to Canadian take-over bid rules), and requiring the bid to be made to all Unitholders; and
- (b) preventing a potential acquirer from entering into lock-up agreements with existing Unitholders prior to launching a take-over bid, except for permitted lock-up agreements as specified in the Unitholder Rights Plan.

By encouraging bids in accordance with Canadian take-over bid rules, the Board wants to allow Unitholders to benefit from the acquisition of a control position of 20% or more of the Units, and allow the Board to have sufficient time to explore and develop all options for maximizing Unitholder value in the event that a person tries to acquire a control position in Artis. Under the Unitholder Rights Plan, potential acquirers are prevented from acquiring effective control of Artis or a blocking position against other bidders except by way of a Permitted Bid.

The Board believes that the Unitholder Rights Plan will enhance Unitholder value and ensure equal treatment of all Unitholders in the context of an acquisition of control. The Board has determined that it continues to be in the best interests of Artis and the Unitholders that the Unitholder Rights Plan be renewed, with the amendments described herein. **Accordingly, the Board unanimously recommends that Unitholders vote in favour of the renewal of the Unitholder Rights Plan, with the amendments described herein. In the absence of contrary instructions, the persons designated in the enclosed form of proxy intend to vote for the approval of the Unitholder Rights Plan.**

PART III – STATEMENT OF GOVERNANCE PRACTICES

Introduction

The Board believes that maintaining a high standard of governance is in the best interest of Artis and its security holders. The Board recognizes that proper and effective corporate governance is a significant concern of and priority for investors and other stakeholders and, accordingly, the Board has instituted a number of procedures and policies in an effort to ensure appropriate governance practices.

The Canadian Securities Administrators (the “CSA”) has issued National Policy 58-201 – *Corporate Governance Guidelines*. The CSA has also adopted National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) which requires Canadian reporting issuers to annually disclose their corporate governance practices. Regulatory changes to governance practices are continually monitored by the Board and the Board has taken, or will take, appropriate action as regulatory changes occur. Below is a discussion on the current composition of the Board and the current governance practices of Artis.

Board of Trustees

Independence

The principal factor underlying the determination of Trustee “independence” is whether or not a particular Trustee has a “material relationship” with Artis, which is a relationship which could, in the opinion of the Board, be reasonably expected to interfere with the exercise of the Trustee’s independent judgment.

The Board has determined that six out of eight Trustees as at the date of this Information Circular are independent for the purposes of NI 58-101 and National Instrument 52-110 – *Audit Committees* (“NI 52-110”). The Independent Trustees are Bruce Jack, Ronald Rimer, Patrick Ryan, Victor Thielmann, Wayne Townsend and Edward Warkentin.

Armin Martens is not an Independent Trustee by virtue of the fact that he is an executive officer of Artis. Cornelius Martens is not an Independent Trustee by virtue of the fact that he has a consulting contract with Artis.

In determining the independence of Edward Warkentin, the Board considered the fact that, effective January 31, 2013, Edward Warkentin retired as managing partner of, but continued an association with, Aikins, MacAulay & Thorvaldson LLP, which served as legal counsel to Artis up to December 31, 2016, and its successor MLT Aikins LLP, which currently serves as legal counsel to Artis.

In determining the independence of Patrick Ryan, the Board considered that Artis has acquired properties from the Ryan Group of Companies, in which Patrick Ryan has a beneficial ownership interest, but not a controlling interest.

In making independence determinations, the Board also considers the related party transactions disclosed in the notes to the annual financial statements of Artis.

Independent Chairs

The Chair of the Board and of each committee of the Board is an Independent Trustee. Delmore Crewson served as the Chair of the Audit Committee until his passing on February 22, 2017. Bruce Jack was appointed to the Board as Trustee and Chair of the Audit Committee on March 1, 2017. Edward Warkentin is the Chair of the Board and the Chair of the Governance and Compensation Committee. Wayne Townsend is the Chair of the Investment Committee. Each Board committee meets independently of management, unless management is requested to be present.

The Chair of the Board does not have the right to cast a second vote in the event of a tied vote in respect of any matter.

Independent Trustee Meetings

The Board has established a policy requiring that a meeting of Independent Trustees, without the attendance of non-Independent Trustees or management, be held at every regular and non-regular meeting of the Board and its committees.

The Independent Trustees hold regularly scheduled quarterly meetings and at such other times as may be considered necessary by the Independent Trustees. In 2016, the Independent Trustees held six meetings without the attendance of non-Independent Trustees or management.

The Audit Committee held six meetings in 2016 – one at each quarterly meeting and two non-regular meetings, without the attendance of non-Independent Trustees or management. The Investment Committee and the Governance and Compensation Committee each held four meetings in 2016, one at each quarterly meeting, without the attendance of non-Independent Trustees or management.

Other Boards of Reporting Issuers

As at the date hereof, each of Cornelius Martens, Victor Thielmann, Wayne Townsend and Edward Warkentin are directors of All in West! Capital Corporation, a reporting issuer. Edward Warkentin is a director of Exchange Income Corporation, an issuer listed on the TSX.

The Trustees serve or have served on the boards of a number of prominent private issuers and other organizations as set forth above under the heading “Part II – Particulars of Matters to be Acted Upon – 3. Election of Trustees”.

Board and Committee Attendance

The table below shows the record of attendance by Trustees at meetings of the Board and its committees, as well as the number of Board and committee meetings held during the year ended December 31, 2016.

Name	Board	Audit	Governance and Compensation	Disclosure	Investment	Overall Attendance	
Armin Martens	6/6	n/a	n/a	4/4	n/a	10/10	100%
Edward Warkentin	6/6	n/a	4/4	4/4	4/4	18/18	100%
Delmore Crewson	6/6	6/6	n/a	n/a	n/a	12/12	100%
Cornelius Martens	4/6	n/a	n/a	n/a	n/a	4/6	67%
Ronald Rimer	6/6	6/6	n/a	n/a	4/4	16/16	100%
Patrick Ryan	6/6	6/6	n/a	n/a	4/4	16/16	100%
Victor Thielmann	6/6	6/6	4/4	n/a	n/a	16/16	100%
Wayne Townsend	6/6	n/a	4/4	n/a	4/4	14/14	100%

Trustee and Nominee Skill Sets

The Board comprises individuals that have demonstrated skills in one or more of the following areas: (i) business leadership; (ii) real estate; (iii) legal; (iv) accounting/financial literacy; and (v) other public company board experience. The Trustees and nominees possess the following skills:

Name	Business Leadership	Real Estate	Legal	Accounting & Financial Literacy	Other Public Company Boards
Armin Martens, President and CEO	X	X		X	X
Edward Warkentin, Chair	X	X	X		X
Bruce Jack	X	X		X	
Cornelius Martens	X	X		X	X
Ronald Rimer	X	X		X	
Patrick Ryan	X	X	X	X	
Victor Thielmann	X	X		X	X
Wayne Townsend	X	X		X	X

Board Mandate

The Board is responsible for the stewardship of Artis. The Board supervises management of Artis with the goal of enhancing long-term Unitholder value. Management, in turn, is responsible for the day-to-day management of the business and affairs of Artis and its subsidiaries. Management is also responsible for establishing strategic planning initiatives for Artis. The Board ultimately approves the strategic plan, taking into account the risks and opportunities of the business of Artis. The Board approves all significant decisions that affect Artis before they are implemented, supervises the implementation and reviews the results.

The roles and responsibilities of the Board are intended to primarily focus on the formulation of long-term strategic, financial and organizational goals for Artis and on the monitoring of management performance. Without limitation, the Board is responsible for: (i) participating in the development of and approving a strategic plan for Artis, on at least an annual basis; (ii) identifying the principal risks of Artis' business and ensuring the implementation of appropriate systems to monitor these risks; (iii) succession planning regarding management; (iv) ensuring the integrity and adequacy of Artis' internal controls and management information systems; (v) defining the roles and responsibilities of management; (vi) reviewing and approving the business and investment objectives to be set by management of Artis; (vii) assessing the performance of management; (viii) reviewing Artis' debt management strategy; (ix) ensuring effective and adequate communication with Unitholders and other stakeholders as well as the public at large; and (x) establishing committees of the Board, where required or prudent, and, where appropriate, defining their mandate.

A copy of the Board of Trustees Mandate is attached as Schedule A hereto.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board as well as for Trustees generally. The Board has also developed a written position description for the President and Chief Executive Officer.

Orientation and Continuing Education

The Board has established a formal orientation program for new Trustees, so that new Trustees understand the role of the Board, the role of its committees and the requirements of individual Trustees. All new Trustees are provided with a handbook which contains the following governance documents:

- (i) the position description for Trustees generally;
- (ii) the position description for the Chair of the Board;
- (iii) the Code of Conduct of Artis;
- (iv) the Audit Committee Charter;
- (v) the Audit Committee Whistleblower Policy;

- (vi) the Governance and Compensation Committee Charter;
- (vii) the Investment Committee Charter; and
- (viii) the Disclosure Policy of Artis.

Prior to a new Trustee joining the Board, one-on-one meetings with the Chair of the Board (and other committee chairs, if appropriate) are arranged. These meetings provide an opportunity for the new Trustee to ask questions about the charters and mandates as well as be apprised of matters of importance to the Board and/or the particular committee. In addition, the new Trustee will be provided with Artis' most recent Annual Information Form, Annual Report and interim financial reports. One-on-one meetings are arranged with each of the Chief Executive Officer and Chief Financial Officer; these meetings provide an opportunity for the new Trustee to develop an understanding of Artis' operations, finances and future prospects.

Artis provides Trustees with ongoing education and information sessions to ensure that they remain current with respect to the business and operations of Artis, including Artis' financial condition and other matters related to the success of Artis and the implementation of Artis' primary objectives and strategies.

- At each quarterly Board meeting and at the strategic planning meeting, the Chief Executive Officer makes a detailed presentation to the Trustees which includes a comprehensive discussion of Artis' operating performance and financial results. The Chief Executive Officer also provides a review of Artis' anticipated future financial results and overall market trends.
- Members of Artis' senior management team make presentations on operations, acquisitions, dispositions, development activity, specific local market trends, future initiatives and Artis' performance in relation to its peers.
- The Trustees meet annually for a strategic planning meeting, which includes members of Artis' senior management and industry experts.
- Education on topics affecting Artis, including changes to compensation disclosure requirements, governance practices and accounting standards, are provided on an ongoing basis.
- Trustees participate in property tours with senior management of Artis on a periodic basis.
- Trustees attend various Real Estate Forums and Conferences throughout the year.

Ethical Business Conduct

The Board has adopted a written Code of Conduct. The Code of Conduct strives to create a culture in Artis that values high ethical standards, honesty and compliance with laws, rules and regulations. Among other things, the Code of Conduct contains provisions that require the Trustees and executive officers of Artis to avoid situations where their personal interests conflict, or appear to conflict, with the interests of Artis. A copy of the Code of Conduct is available on SEDAR at www.sedar.com and may also be obtained on written request addressed to Artis Real Estate Investment Trust, 300 – 360 Main Street, Winnipeg, Manitoba, R3C 3Z3, Attention: Investor Relations.

The Board satisfies itself that its Trustees, executive officers and employees are in compliance with the Code of Conduct by requiring them to confirm compliance with the code on an annual basis.

Nomination of Trustees

The Board, through its Governance and Compensation Committee, is responsible for reviewing the effectiveness of the Board, including its size and composition. The Board does not have a separate nominating committee responsible for identifying new candidates for nomination for election to the Board. The Governance and Compensation Committee of Artis consists entirely of Independent Trustees.

The Board annually considers what additional skills and competencies would be helpful to the Board. The Governance and Compensation Committee is responsible for identifying specific candidates for consideration, guided by the findings of the Board in relation to competencies and skills. The Independent Trustees make recommendations with respect to the appointment of additional Independent Trustees, and the Board as a whole makes decisions with respect to the appointment of Independent Trustees or the nomination of Trustees for election.

Compensation

The Board, through its Governance and Compensation Committee, is responsible for the review of the adequacy and form of compensation to Trustees of Artis. The Governance and Compensation Committee of Artis consists entirely of Independent Trustees, all of whom have significant experience in compensation matters as senior business leaders.

The mandate of the Governance and Compensation Committee includes, among others things, responsibility for making recommendations to the Board in respect of Trustees' remuneration, direct and indirect compensation, benefits and perquisites, incentive compensation and equity based plans generally. The full text of this committee's charter is available on Artis' website, at www.artisreit.com/about-us/corporate-governance.

The Governance and Compensation Committee considers the time, commitment, risks and responsibilities of the Trustees and takes into account the types of compensation and the amounts paid to the Trustees. The Governance and Compensation Committee reviews comparative data for its peers when determining compensation and seeks to align the interests of Trustees with those of the Unitholders when making its recommendations on compensation to the Board.

Board Committees

The Board has three committees: (i) the Audit Committee; (ii) the Governance and Compensation Committee; and (iii) the Investment Committee. The Disclosure Committee is a sub-committee of the Governance and Compensation Committee. Each committee has a charter, a summary of which is included in the Annual Information Form.

Board Assessments

The Board assesses its effectiveness on a continual basis.

The self-evaluation process is done by way of a confidential survey. The survey questions are customized for the Board and each of its committees, so that the Board and each committee are evaluated against its own mandate or charter. All surveys consider the effectiveness of the Chair, the adequacy and timeliness of materials and the sufficiency and time allowed for discussions of relevant issues at the Board or committee level. The survey additionally provides for confidential and subjective comment on areas for improvement or issues that are relevant or notable for the Board or committee under evaluation.

The survey results are returned to the Chair of the Governance and Compensation Committee, and all lower marks as well as all subjective comments are flagged for discussion with the Trustees at the next scheduled strategic planning meeting. The most recent self-evaluation was completed and reviewed in conjunction with the strategic planning meeting of the Board held in October of 2016.

On February 27, 2014, the Board adopted an expanded policy that requires an annual assessment of individual Trustee performance. Pursuant to this policy, each Trustee shall complete and submit to the Chair a questionnaire that will evaluate his or her own performance and effectiveness as a Trustee. The questionnaire is followed by individual meetings between the Chair and each Trustee and then a report from the Chair to the Board. In addition, every three years, Trustees will conduct a peer review process. The peer review process will be accomplished by having each Trustee complete and submit to the Chair a questionnaire that will evaluate each other's performance and effectiveness, followed by individual meetings between the Chair and each Trustee and a report from the Chair to the Board.

Diversity Policy

Artis believes that diversity is essential to its success. Artis has adopted a policy relating to diversity as provided in the Artis Employee Handbook, which states:

"Artis strives to provide a fair and equitable workplace whereby all employees are treated with respect regardless of their race, ethnic background, age, gender, sexual orientation, disability, religion, political affiliation, etc. Discrimination on the basis of any of the above characteristics is absolutely not tolerated and will result in disciplinary action. Artis is committed to a culture of inclusion by way of hiring, promoting, and developing employees with a diverse array of skills, backgrounds, and experiences."

The Board values diversity of expertise, skills and competencies amongst its members. The diversity policy of Artis does not contain specific provisions relating to (i) the identification and nomination of women for election to the Board of Trustees; or (ii) a target regarding the representation of women on the Board.

The Board is of the view that it is in the best interest of Artis to evaluate the skills and competencies of individual nominees and the Board as a whole, without regard to gender. Currently, none of the eight members of the Board are women.

The Board values diversity of expertise, skills and competencies among Artis' executive officers and other senior management. The diversity policy of Artis does not contain specific provisions relating to: (i) the identification of women as candidates to serve as executive officers or senior management of Artis; or (ii) a target regarding the representation of women as executive officers and senior management of Artis. The Board believes that it is in the best interest of Artis to evaluate the skills and competencies of individual candidates, without regard to the gender of the individual.

As at December 31, 2016, there were a total of 26 individuals holding senior management positions at Artis and its major subsidiaries, eight (31%) of which were women.

Succession Planning

The Board of Trustees Mandate provides that the Board is responsible for succession planning, including appointing, training and monitoring senior management, and the Governance and Compensation Committee has been tasked with the responsibility for making recommendations on same to the Board. The Governance and Compensation Committee reviews and discusses succession planning issues for the senior executives of Artis with the Chief Executive Officer on at least an annual basis. Discussions include prospects for high-performing executives, replacement scenarios for unexpected events and cross-training and development opportunities for the senior management team.

In addition, the Board, the Governance and Compensation Committee and Armin Martens have developed a procedure for managing the succession of the Chief Executive Officer, should that position become vacant for any reason. During the most recent review of succession by the Governance and Compensation Committee, Armin Martens confirmed his commitment to his role at Artis. Based upon this, and the length of term remaining on Armin Martens' employment agreement, the succession plan is currently focused on the potential event of an unexpected departure. In this regard, both Armin Martens and the Board are satisfied that the current senior management group could comfortably carry the company through such an unexpected event, until a permanent solution is established.

Policy on Retirement and Term Limits and Other Mechanisms of Board Renewal

The Board has adopted a policy relating to retirement and term limits. The Board believes that the ability of a Trustee is not limited by age or length of service. In addition, the Board believes that Trustees who have served on the Board for a period of time may possess valuable insight and perspective into the operations and business strategy of Artis based on their experience and knowledge of Artis. Accordingly, the policy adopted by the Board does not require a Trustee to retire upon reaching a certain age, nor does it impose specific term limits on Trustees.

PART IV – TRUSTEES' COMPENSATION AND OWNERSHIP

General

The Trustees, other than Armin Martens, who was the Chief Executive Officer of Artis during the year ended December 31, 2016, are entitled to compensation for services rendered to Artis in their capacities as Trustees. The Chief Executive Officer's compensation in such capacity is not included in the following tables as all compensation paid to the Chief Executive Officer in such capacity is set forth in *"Part V – Executive Compensation Discussion and Analysis"*.

The Board, through the Governance and Compensation Committee, reviews compensation paid to Trustees. Edward Warkentin, Wayne Townsend and Victor Thielmann, all of whom are considered Independent Trustees, were members of the Governance and Compensation Committee in 2016. Factors considered when determining Trustee compensation include the complexity of Artis' operations, risks and responsibilities of being a Trustee, time commitment required, and compensation paid by comparable organizations.

Trustee compensation may include cash compensation as well as Unit- or Option-based awards, pursuant to Artis' securities based compensation plan, see "*Part VI – Other Information – Securities Authorized for Issuance Pursuant to Artis' Equity Incentive Plan - Artis' Equity Incentive Plan*" for more details.

For 2016, the fee schedule for services provided by the Trustees to Artis was as follows:

Item	Fee
Annual base retainer	\$74,000
Annual retainer – Audit Committee members	Plus \$7,000
Annual retainer – Committee members other than Audit Committee	Plus \$4,500
Annual retainer – Chair of Board of Trustees	Plus \$110,000
Annual retainer – Chair of Audit Committee	Plus \$35,000
Annual retainer – Chair of Governance and Compensation Committee	Plus \$15,000
Annual retainer – Chair of Investment Committee	Plus \$15,000

During 2016, meeting fees payable were \$1,000 to \$3,000 per meeting, dependent upon the location of the meeting and whether it was attended in person or remotely. The Trustees are also entitled to reasonable travel and other expenses incurred by them in attending meetings of the Trustees or any committee thereof in connection with their services as Trustees. For additional information about meetings held and attendance by Trustees, see "*Part III – Statement of Governance Practices – Board and Committee Attendance*".

Trustee Compensation Table

The following table is a summary of the compensation payable to Trustees for the most recently completed financial year of Artis.

Name	Annual Base Retainer (\$)	Committee Chair Fees (\$)	Committee Member Fees (\$)	Meeting Attendance Fees (\$)	Other Compensation ⁽¹⁾ (\$)	Total Compensation		
						Cash Payments (\$)	Deferred Unit Grants (\$)	Combined (\$)
Edward Warkentin	74,000	125,000	9,000	39,500	-	223,500	24,000	247,500
Delmore Crewson	74,000	35,000	7,000	31,500	-	123,500	24,000	147,500
Cornelius Martens	74,000	-	-	13,500	120,000	183,500	24,000	207,500
Ronald Rimer	74,000	-	11,500	37,500	-	-	123,000	123,000
Patrick Ryan	74,000	-	11,500	39,000	-	-	124,500	124,500
Victor Thielmann	74,000	-	11,500	39,000	-	100,500	24,000	124,500
Wayne Townsend	74,000	15,000	9,000	34,500	-	108,500	24,000	132,500

- ⁽¹⁾ Prior to January 1, 2012, Cornelius Martens was also the Executive Vice-President of Artis. Effective January 1, 2012, Artis entered into a consulting services agreement with Cornelius Martens, which is more fully described under "*Part V – Executive Compensation Discussion and Analysis - Employment Agreements, Termination and Change of Control Benefits*".

Incentive Plan – Awards Outstanding

The following table sets forth all Option-based awards and Unit-based awards held by the Trustees as at the end of the most recently completed financial year of Artis.

Name	Option-Based Awards				Unit-Based Awards		
	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Units that Have Not Vested	Market or Payout Value of Unit-Based Awards that Have Not Vested (\$)	Market or Payout Value of Unit-Based Awards not Paid Out or Distributed ⁽²⁾ (\$)
Edward Warkentin, Chair	45,000	16.36	Apr 13, 2017	-	-	-	37,452
Delmore Crewson	40,000	16.36	Apr 13, 2017	-	-	-	37,452
Cornelius Martens	40,000	16.36	Apr 13, 2017	-	-	-	37,452
Ronald Rimer	-	16.36	Apr 13, 2017	-	-	-	162,446
Patrick Ryan	-	16.36	Apr 13, 2017	-	-	-	289,281
Victor Thielmann	40,000	16.36	Apr 13, 2017	-	-	-	37,452
Wayne Townsend	40,000	16.36	Apr 13, 2017	-	-	-	37,452

⁽¹⁾ The value of each unexercised in-the-money Option is calculated as the amount by which the exercise price of the Option was less than \$12.70, which was the closing price of the Units on December 31, 2016.

⁽²⁾ Market or payout value of Unit-based awards not paid out or distributed is calculated as the number of vested Unit-based awards payable multiplied by \$12.70, which was the closing price of the Units on December 31, 2016. The value includes compensation paid on January 3, 2017, for services provided in 2016.

No Options were re-priced during the most recently completed financial year of Artis.

Incentive Plan Awards – Value Vested or Earned

The following table is a summary of Incentive Plan Awards - Value Vested or Earned by the Trustees during the most recently completed financial year of Artis.

Name	Option-Based Awards Value Vested ⁽¹⁾ (\$)	Unit-Based Awards Value Vested ⁽³⁾ (\$)	Non-Equity Incentive Plan Compensation Value Earned (\$)
Edward Warkentin	-	25,656	-
Delmore Crewson	-	25,656	-
Cornelius Martens	-	25,656	-
Ronald Rimer	-	129,233	-
Patrick Ryan	-	140,973	-
Victor Thielmann	-	25,656	-
Wayne Townsend	-	25,656	-

(1) Options vest 25% on each of the first, second, third, and fourth anniversaries of the date of grant.

Value vested during the year is calculated as the amount by which the exercise price of the Options was less than the closing price of the Units on the vesting date of April 13, 2016, multiplied by the applicable number of Options that vested during the year. The closing price of the Units was \$13.05 on April 13, 2016.

(2) Value gained from exercises during the year is calculated as the amount by which the exercise price of the Options exercised in the year was less than the fair value of the Units on the dates the Options were exercised.

(3) Value vested during the year is calculated as the number of vested Unit-based awards multiplied by the closing price of the Units on the last day of the quarter prior to the vesting of such Unit-based awards, as well as the cash equivalent of the value of distributions on the Deferred Units held. The value includes compensation paid on January 3, 2017 for services provided in 2016. The distributions on the Deferred Units are calculated at the same rate as distributions on the Units. Vested Unit-based awards are redeemable within a specified time frame after a Trustee ceases to be a Trustee.

Policy Restricting Hedging by Trustees and Executive Officers

Artis has adopted a policy restricting its Trustees and executive officers from purchasing financial instruments that are designed to hedge or offset a decrease in the market value of Units or Options granted as compensation to or held by a Trustee or executive officer.

Trustee Ownership Policy

Effective February 27, 2014, the Board adopted an ownership policy requiring each Trustee to acquire and maintain an equity interest in Artis at a value equal to three times their annual base retainer. The policy requires that each Trustee meet this minimum ownership requirement within five years of becoming subject to it. The value of Units and Deferred Units count towards meeting the ownership requirement and is determined by multiplying the number of Units and Deferred Units by the closing price of the Units on the TSX on the date of valuation. For the purposes of the ownership policy, the Board may, in its discretion, calculate the value of Units using the greater of the closing price on: (i) the date of valuation and (ii) the acquisition date, and may, in its discretion, calculate the value of Deferred Units using the greater of the closing price on: (i) the date of valuation and (ii) the grant date.

The following table sets out the ownership of Units by the Trustees as at April 25, 2017.

Name	Number of Units ⁽¹⁾	Deferred Units	Dollar Value ⁽²⁾ (\$)	Meets Minimum Ownership Requirement Pursuant to Policy Adopted February 27, 2014	Percentage of Ownership Requirement
Edward Warkentin	39,025	3,482	579,370	Yes	100%
Bruce Jack	3,000	—	40,890	Must meet requirement by March 1, 2022 ⁽³⁾	18%
Cornelius Martens	410,108	3,482	5,637,232	Yes	100%
Ronald Rimer	20,000	15,507	483,960	Yes	100%
Patrick Ryan	6,400	25,776	438,559	Yes	100%
Victor Thielmann	57,107	3,482	825,828	Yes	100%
Wayne Townsend	30,476	3,482	462,848	Yes	100%

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Trustees and includes Units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

⁽²⁾ Based on the closing price of the Units on the TSX on April 25, 2017.

⁽³⁾ Bruce Jack was appointed to the Board on March 1, 2017. Bruce Jack has until March 1, 2022 to meet the minimum ownership requirement.

As at April 25, 2017, the Trustee nominees of Artis, excluding the Chief Executive Officer, beneficially own or exercise control or direction over, as a group, 566,116 Units, representing approximately 0.4% of the issued and outstanding Units, on a non-diluted basis.

Chief Executive Officer and Chief Financial Officer Ownership Policy

Artis has adopted an ownership policy requiring the Chief Executive Officer of Artis to acquire and maintain an equity interest in Artis at a value equal to three times his annual base salary. The policy requires that the Chief Executive Officer meet the minimum ownership requirement within three years of his or her appointment to the position. The value of Deferred Units, Restricted Units and Units count towards meeting the ownership requirement and is determined by multiplying the number of Deferred Units, Restricted Units and Units by the closing price of the Units on the TSX on the date of valuation. For the purposes of the ownership policy, the Board may, in its discretion, calculate the value of Units using the greater of the closing price on: (i) the date of valuation and (ii) the acquisition date, and may, in its discretion, calculate the value of Deferred Units and Restricted Units using the greater of the closing price on: (i) the date of valuation and (ii) the grant date. As at April 25, 2017, Armin Martens, Chief Executive Officer of Artis, meets the ownership requirement.

Equity Ownership				Ownership Requirement	
Year	Units ⁽¹⁾	Restricted Units	Value of Equity Holdings	Minimum Ownership Requirement 3x Annual Base Salary	Meets Requirement?
As at April 25, 2016	596,190	151,243	\$10,097,820	3x Annual Base Salary (\$2,325,000)	Yes 100%
As at April 25, 2017	649,101	75,467	\$9,875,862	3x Annual Base Salary (\$2,400,000)	Yes 100%
Increase (Decrease) Over the Period	52,911	(\$75,776)	(\$221,958)		

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Chief Executive Officer and includes units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

Artis also has adopted an ownership policy requiring the Chief Financial Officer of Artis to acquire and maintain an equity interest in Artis at a value equal to one times his annual base salary. The policy requires that the Chief Financial Officer meet the minimum ownership requirement within three years of his or her appointment to the position. The value of Restricted Units and Units count towards meeting the ownership requirement, with the value determined by multiplying the number of Restricted Units and Units by the closing price of the Units on the TSX on the value date. As at April 25, 2017, James Green, Chief Financial Officer of Artis meets the ownership requirement.

Equity Ownership				Ownership Requirement	
Year	Units ⁽¹⁾	Restricted Units	Value of Equity Holdings	Minimum Ownership Requirement 1x Annual Base Salary	Meets Requirement?
As at April 25, 2016	64,000	39,852	\$1,403,041	1x Annual Base Salary (\$325,000)	Yes 100%
As at April 25, 2017	70,000	27,651	\$1,330,983	1x Annual Base Salary (\$350,000)	Yes 100%
Increase (Decrease) Over the Period	6,000	(\$12,201)	(\$72,057)		

⁽¹⁾ Information regarding Unit ownership has been furnished to management of the Trust by the Chief Financial Officer and includes units beneficially owned, directly or indirectly, or that are subject to that individual's control or direction.

PART V – EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

General

For the purposes of this Part V, a "Named Executive Officer" or "NEO" means the following individuals: (a) the Chief Executive Officer of Artis; (b) the Chief Financial Officer of Artis; (c) each of Artis' three most highly compensated executive officers (or persons acting in a similar capacity), other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year of Artis whose total compensation was, individually, more than \$150,000; and (d) any additional individual who would be a Named Executive Officer under (c) but for the fact that the individual was neither an executive officer of Artis nor acting in a similar capacity as at the end of the most recently completed financial year. As at December 31, 2016, there were five Named Executive Officers of Artis: (i) Armin Martens, President and Chief Executive Officer; (ii) James Green, Chief Financial Officer; (iii) Dennis Wong, Executive Vice-President – Asset Management, Western Region ("EVP – Western Region"); (iv) Frank Sherlock, Executive Vice-President – Property Management ("EVP – Property Management"); and (v) David Johnson, Executive Vice-President – Asset Management, Central Region ("EVP – Central Region").

The Role of the Governance and Compensation Committee

The Governance and Compensation Committee is responsible for ensuring that the governance practices of Artis are consistent with high standards of governance. The Governance and Compensation Committee is also responsible for overseeing the overall compensation of the Chief Executive Officer and Chief Financial Officer, and for reviewing and providing direction as to the design and structure of Artis' overall incentive programs.

The Governance and Compensation Committee is responsible for matters related to the structure of the Board such as size and composition and reviews and recommends to the Board for approval any changes to the Trustees' remuneration. The Committee promotes continuing education for Trustees and oversees the evaluation and assessment of the Board as a whole, and the performance of individual Trustees.

The Board believes that the members of the Governance and Compensation Committee individually and collectively have the necessary knowledge and experience in governance and compensation matters to fulfill the Governance and Compensation Committee mandate. The members collectively contribute substantial board, management, business and leadership experience to the Committee.

The members of the Governance and Compensation Committee are Edward Warkentin (Chair), Victor Thielmann and Wayne Townsend. All members of the Governance and Compensation Committee are Independent Trustees.

Independent Outside Compensation Consultant

In 2015, the Governance and Compensation Committee retained the services of Aon Hewitt to assess the competitiveness of the overall compensation of the Board and Chief Executive Officer of Artis in comparison to other similar Canadian REITs. The goal of the review is to allow Artis to retain the flexibility to change compensation as it deems necessary, while providing a guideline to ensure compensation remains competitive and is aligned with the overall goals of Artis. The recommendations of Aon Hewitt were taken into consideration in determining the compensation for 2015 and 2016.

Compensation Philosophy and Objectives

Artis' executive compensation policy is intended to encourage and reward executive officers on the basis of individual and business performance. The Governance and Compensation Committee adheres to the following compensation philosophy and policies to meet the foregoing objective:

- link compensation with Artis' annual and long-term strategic business objectives;
- align executive officers' financial interests with those of Unitholders with the goal to improve the performance of Artis;
- ensure that Artis' compensation is appropriate, taking into account compensation paid by other real estate investment trusts or companies of comparable size;
- attract, motivate and retain high quality, key senior executives needed to support Artis' strategic growth and success; and
- customize executive compensation to provide recognition and reward executive officers' performance, responsibilities, experience, skill, value and contribution to Artis.

The Governance and Compensation Committee reviews and determines all elements of Chief Executive Officer and Chief Financial Officer compensation on an annual basis. In performing this review, the Governance and Compensation Committee may engage outside consultants from time to time.

Managing Compensation and Risk

The Governance and Compensation Committee considers the implications of the risks associated with its compensation policies and practices. The Governance and Compensation Committee believes it has effective risk management and regulatory compliance relating to its compensation policies used in determining executive compensation. Risks related to compensation are taken into consideration as part of the general review and determination of executive compensation by the Governance and Compensation Committee, including the review of salaries of comparable companies and the annual review and approval of executive base and long-term incentive compensation.

The Board, on recommendation of the Governance and Compensation Committee, has adopted a balanced approach to compensation which incorporates immediate, short-term and long-term incentives. Immediate and short-term incentives are primarily cash-based and long-term incentives are primarily securities-based. The Board believes that this balanced compensation approach mitigates the inherent risk of securities-based performance awards.

In mitigating risks, the Governance and Compensation Committee relies on, in part, (i) the limits on management's discretion to undertake material business transactions without the input and/or consent of the Board (or a committee of the Board); and (ii) the role of the Investment Committee and/or the Board to review and approve major acquisitions and development proposals and financings. The Governance and Compensation Committee does not believe that the executive compensation policies of Artis encourage an executive officer or other individual to take inappropriate or excessive risks, or that there are any risks arising from Artis' compensation policies and practices that are reasonably likely to have a material adverse effect on Artis.

Chief Executive Officer and Chief Financial Officer Claw-Back Policy

Artis' Chief Executive Officer and Chief Financial Officer have agreed to a compensation claw-back policy for Restricted Unit awards made under the Equity Incentive Plan. Under this policy, the Board may require reimbursement of all or a portion of the Restricted Unit compensation received by the Chief Executive Officer and Chief Financial Officer. The Board may seek such reimbursement on a full or partial basis from the Chief Executive Officer or Chief Financial Officer in the event that:

- the amount of incentive compensation received by the executive was calculated based upon, or contingent on, the achievement of certain financial results that were subsequently the subject of, or affected by, a restatement of all or a portion of Artis' financial statements; and
- the executive engaged in gross negligence, intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- the incentive compensation payment received would have been lower had the financial results been properly reported.

Total Compensation Components

Artis' agreements with its NEOs are structured such that total compensation typically comprises the following compensation elements:

- base salary;
- short-term incentive compensation, including a performance-based annual incentive bonus, and in certain cases, premiums paid for life insurance policies;
- long-term incentive compensation, including performance-based periodic grants of Unit-based incentive awards and, in certain cases, pension contribution amounts; and
- employee benefits and perquisites, including those more particularly described below.

The specific practices regarding each element of the compensation program are described in the following sections.

Base Salaries

Base salaries are determined at the time of entering into employment agreements based on an assessment of a particular NEO's past performance and contribution to Artis' success (on an individual basis and with respect to the business of Artis as a whole), experience, tenure in the job, level of responsibility and importance of the position to Artis, importance of the individual to achieving Artis' business objectives, retention considerations, internal equities among positions and taking into consideration previous compensation terms. Base salaries are not based on a specific relationship to the performance of Artis. In the case of the Chief Executive Officer and the Chief Financial Officer, base salaries are typically reviewed by the Governance and Compensation Committee on an annual basis and/or in accordance with the terms of the existing employment contract.

The base salaries of the NEOs are set forth in the table under the heading "*Summary Compensation Table*".

Short-Term Incentive Compensation

Artis uses annual cash incentive bonuses to motivate and reward the NEOs for the achievement of specified levels of performance by the individual and Artis. Award opportunities may vary based on the individual's position and contribution to Artis' overall performance.

In the case of the Chief Executive Officer and the Chief Financial Officer, annual cash incentive bonus awards are made at the discretion of the Governance and Compensation Committee, and calculated as a percentage of each NEOs base salary based on the extent to which performance goals for the fiscal year were satisfied. The Chief Executive Officer and the Chief Financial Officer are entitled to elect to have a life insurance policy established and, in such event, the annual cash incentive bonus award and the premiums payable in the year to maintain such insurance policy are aggregated. Both the total value of such cash and premiums are included in the range of percentages of base salary that can be allocated as short-term incentives as per the NEOs' agreements. In the case of other NEOs, annual cash incentive bonus awards are calculated at the discretion of the Chief Executive Officer, as a percentage of each NEOs base salary, based on the extent to which performance goals for the fiscal year were satisfied.

Unless otherwise determined, the total aggregate short-term incentive compensation for the NEOs is as follows:

Position	Annual Short-Term Incentive Compensation as a Percentage of Base Salary or Prescribed Dollar Amount
CEO	50% - 150% ⁽¹⁾
CFO	25% - 75% ⁽¹⁾
EVP – Western Region	Up to \$80,000
EVP – Property Management	Up to \$30,000
EVP – Central Region	Up to \$40,000

⁽¹⁾ The short-term incentive compensation of the CEO and the CFO includes an annual cash incentive bonus and the premiums payable on a life insurance policy. The threshold percentages in the table above represent the minimum and maximum ranges of these two components on an aggregate basis.

Long-Term Incentive Compensation

Long-term incentive compensation is considered an important part of Artis' total compensation strategy and may include pension contribution amounts and performance-based periodic grants of Unit-based compensation awards pursuant to the Equity Incentive Plan. The awarding of Unit-based compensation is designed to encourage Artis' NEOs to own and hold Units, as well as to align their long-term interests directly with those of the Unitholders.

Unit-based compensation awards are determined at the discretion of the Board, upon recommendation of the Governance and Compensation Committee, and are based on its assessment of the degree to which the business objectives of Artis have been achieved, as well as subjective criteria such as leadership, professionalism, demonstration of positive business and community values, contribution to the Board and its processes and consideration of specific initiatives and business challenges which may have emerged since the last review.

Up to April 13, 2012, Artis granted Options as a form of securities-based long-term incentive compensation. Artis' intention from that date and forward is to grant Restricted Units (or "RUs") and Deferred Units (or "DUs") as the preferred form of securities-based long-term incentive compensation. For more information regarding the Equity Incentive Plan and the securities-based compensation which is issuable thereunder, see "*Part VI – Other Information – Securities Authorized for Issuance Pursuant to Artis' Equity Incentive Plan - Artis' Equity Incentive Plan*".

All eligible employees of Artis, including all NEOs, with the exception of the Chief Executive Officer and the Chief Financial Officer, may participate in Artis' Retirement Savings Plan ("RSP")/Deferred Profit Sharing Plan ("DPSP"). In accordance with the RSP/DPSP plan, Artis matches each participant's contribution pursuant to the following guidelines:

- up to 3% of the participant's annual base salary for participants that have been employed with Artis for six months to three years less one day;
- up to 4% of the participant's annual base salary for participants that have been employed with Artis for three years to seven years less one day; and,
- up to 5% of the participant's annual base salary for participants that have been employed with Artis for seven or more years.

The Chief Executive Officer and the Chief Financial Officer are entitled to a pension plan as described under "*Artis' Pension Plans*".

Unless otherwise determined, the total aggregate long-term incentive compensation for the NEOs is as follows:

Position	Annual Long-Term Incentive Compensation as a Percentage of Base Salary or Prescribed Dollar Amount
CEO	50% - 150% ⁽¹⁾
CFO	25% - 75% ⁽¹⁾
EVP – Western Region	discretionary
EVP – Property Management	discretionary
EVP – Central Region	discretionary

⁽¹⁾ The threshold percentages for the CEO and CFO represent the minimum and maximum ranges of all elements of long-term incentive compensation on an aggregate basis, including long-term incentive awards and pension plan costs.

Employee Benefits and Perquisites

Employee benefit plans are available to all Artis employees and are established in order to assist in the retention of qualified employees. Eligibility to participate in employee benefit plans and the level of such participation are determined at the discretion of Artis.

Artis has established a group insurance plan pursuant to which Artis will pay the premium (or a portion thereof). Other employee benefits and perquisites include a health care spending account, critical illness insurance, a medical reimbursement plan, a disability insurance top-up (to a prescribed amount of base salary) in the event of a short-term or long-term disability and contingency insurance.

Evaluating Performance and Determination of Compensation of NEOs

Overall Performance of Artis

In determining the compensation of the Chief Executive Officer and the Chief Financial Officer, the Governance and Compensation Committee and the Board considered and assessed the following goals for Artis in 2016:

- total Unitholder return, including a comparison to an index of its peers;
- improvement in the calibre of Artis' real estate portfolio;
- improvement in Artis' debt to gross book value ratio;
- improvement in Artis' funds from operations ("FFO") and adjusted funds from operations ("AFFO"). FFO and AFFO are non-IFRS (International Financial Reporting Standards) financial measures used by most Canadian real estate investment trusts. While FFO and AFFO do not have any standardized meanings prescribed by IFRS, the Real Property Association of Canada ("REALpac") established a standardized definition of FFO in its White Paper on FFO dated April 2014. As computed by Artis, AFFO may differ from similar computations reported by other Canadian real estate investment trusts and, accordingly, may not be comparable to similar computations reported by such organizations. See "Non-GAAP Measures" in Artis' latest management's discussion and analysis, a copy of which is available on SEDAR at www.sedar.com and on Artis' website at www.artisreit.com;
- improvement in market capitalization and liquidity;
- ongoing implementation of U.S. diversification strategy;
- ongoing improvement in investor relations materials and marketing efforts; and
- ongoing development of best-in-class human resource management functions.

Benchmarking to Peer Groups

A comparator group of real estate businesses was selected to benchmark executive compensation target levels using data made public for the 2016 year. The businesses in the comparator group were selected based on a number of factors, including high-calibre businesses, scale of operations and similarity of operations.

The comparator group included the following public companies: Allied Properties Real Estate Investment Trust, Canadian Real Estate Investment Trust, Cominar Real Estate Investment Trust, Crombie Real Estate Investment Trust, Dream Office Real Estate Investment Trust, Granite Real Estate Investment Trust, H&R Real Estate Investment Trust, and RioCan Real Estate Investment Trust. The North West Company Inc. and Exchange Income Corporation were also included in the peer group, notwithstanding that they are not real estate investment trusts, as they are public companies that are headquartered in Manitoba. Based on the foregoing comparator group, the compensation of the Named Executive Officers is competitive with the comparator group.

Individual Performance of NEOs

Armin Martens, Chief Executive Officer

In determining the compensation of Armin Martens, the Governance and Compensation Committee considered the overall performance of Artis, including the criteria set out in the section *"Overall Performance of Artis"*, as well as his individual performance, individual contributions to Artis' success, experience and competitive industry pay practices. The specific performance goals for Armin Martens in 2016 were:

- to keep Artis on the path of continued improvement and, in particular, to oversee the execution of the overall business strategy of Artis and the performance of Artis' overall objectives, as more particularly described above under *"Overall Performance of Artis"*;
- to demonstrate leadership internally by (i) promoting corporate culture; (ii) articulating the mission of Artis and setting core values for the business; and (iii) working with the Board to establish short-term and long-term goals for the business; and
- to demonstrate leadership externally with outside constituents of Artis' business.

The Governance and Compensation Committee granted Armin Martens his maximum annual cash incentive bonus on the basis that he met or exceeded his individual performance goals and satisfied Artis' overall performance goals.

James Green, Chief Financial Officer

In determining the compensation of James Green, the Governance and Compensation Committee similarly considered the overall performance of Artis, including the criteria set out in the section *"Overall Performance of Artis"*, as well as his individual performance, individual contributions to Artis' success, experience and competitive industry pay practices. The specific performance goals for James Green in 2016 were:

- to oversee financial reporting and internal controls procedures, including compliance with IFRS;
- to oversee issues relating to compliance with rules relating to specified investment flow throughs (SIFTs) and other tax-related matters in connection with Artis' U.S. diversification strategy and Artis' capital structure;
- to strengthen the depth and capacity of the finance and accounting team;
- to oversee Artis' internal human resource management function; and
- to demonstrate leadership internally, as well as externally with outside constituents of Artis' business.

The Governance and Compensation Committee granted James Green his maximum annual cash incentive bonus on the basis that he met or exceeded his individual performance goals and satisfied Artis' overall performance goals.

Dennis Wong, Executive Vice-President – Western Region

Considerations in determining the compensation of Dennis Wong included the overall performance of Artis, including the criteria set out in the section “Overall Performance of Artis”, as well as his individual performance, individual contributions to Artis’ success, experience and competitive industry pay practices. The specific performance goals for Dennis Wong in 2016 were:

- to assist with the evaluation of investment opportunities within his region;
- to oversee performance of Artis’ property portfolio located within his region; and
- to demonstrate leadership internally, as well as externally with outside constituents of Artis’ business.

Dennis Wong was awarded his maximum annual cash incentive bonus on the basis that he met or exceeded his individual performance goals and satisfied Artis’ overall performance goals.

Frank Sherlock, Executive Vice-President – Property Management

Considerations in determining the compensation of Frank Sherlock included the overall performance of Artis, including the criteria set out in the section “Overall Performance of Artis”, as well as his individual performance, individual contributions to Artis’ success, experience and competitive industry pay practices. The specific performance goals for Frank Sherlock in 2016 were:

- to oversee and contribute to the improvement of the quality of property management throughout Artis’ property portfolio;
- to manage the transition of property management operations from third-party managers to the internal property management team as appropriate; and
- to demonstrate leadership internally, as well as externally with outside constituents of Artis’ business.

Frank Sherlock was awarded his maximum annual cash incentive bonus on the basis that he met or exceeded his individual performance goals and satisfied Artis’ overall performance goals.

David Johnson, Executive Vice-President – Central Region

Considerations in determining the compensation of David Johnson included the overall performance of Artis, including the criteria set out in the section “Overall Performance of Artis”, as well as his individual performance, individual contributions to Artis’ success, experience and competitive industry pay practices. The specific performance goals for David Johnson in 2016 were:

- to assist with the evaluation of investment opportunities within his region;
- to oversee performance of Artis’ property portfolio located in his region; and
- to demonstrate leadership internally, as well as externally with outside constituents of Artis’ business.

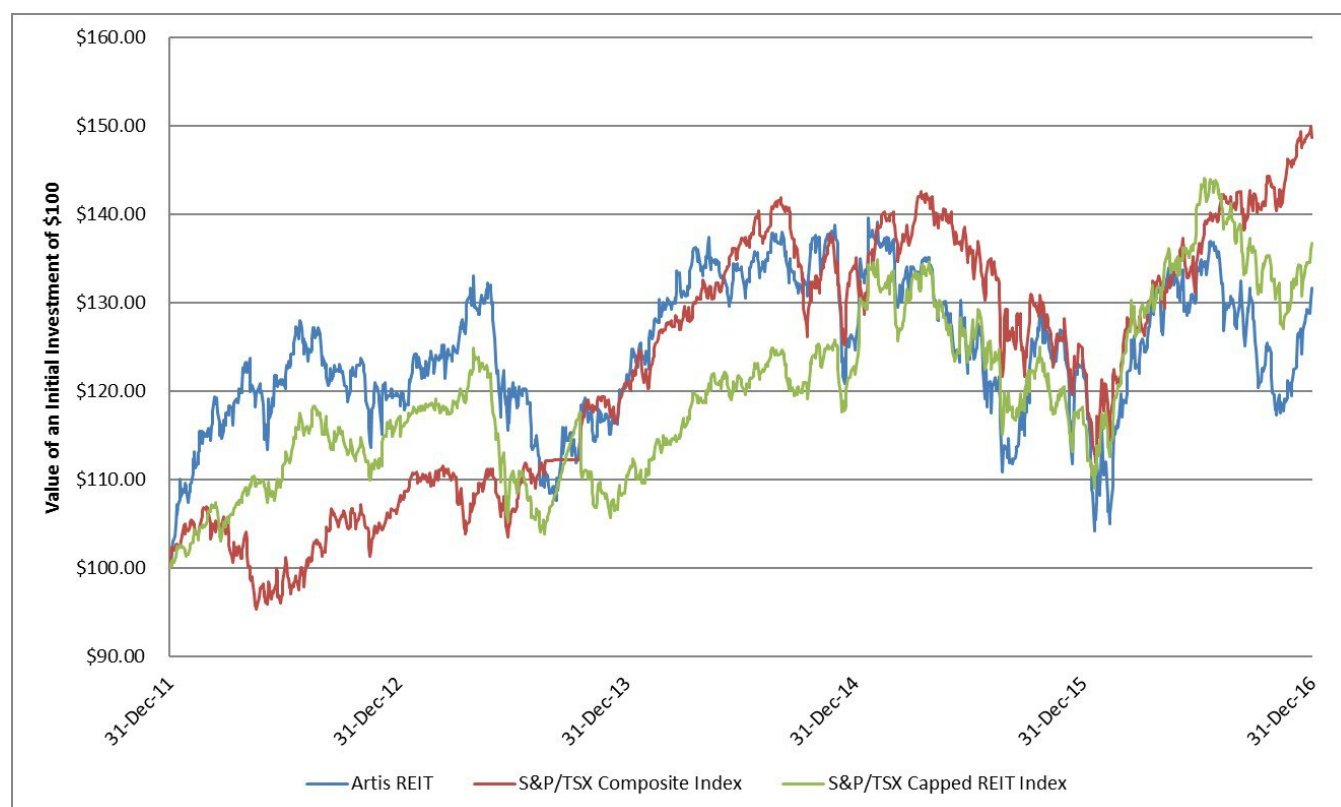
David Johnson was awarded his maximum annual cash incentive bonus on the basis that he met or exceeded his individual performance goals and satisfied Artis’ overall performance goals.

Performance Graph

The following graph compares the total cumulative return to Unitholders of \$100.00 invested in Units to the total cumulative return of the S&P/TSX Composite Index and the S&P/TSX Capped REIT Index for the last five completed fiscal periods of Artis, assuming a \$100.00 investment on December 31, 2011, and reinvestment of distributions during those periods.

The compensation paid to the NEOs is not solely based upon the market price of Units or the total return to Unitholders.

Index	31-Dec-11	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16
Artis Units (AX.UN)	\$100.00	\$119.50	\$121.93	\$124.70	\$121.63	\$131.62
S&P/TSX Composite Index	\$100.00	\$107.19	\$121.11	\$133.90	\$122.76	\$148.64
S&P/TSX Capped REIT Index	\$100.00	\$116.97	\$110.51	\$121.95	\$116.28	\$136.78



Summary Compensation Table

The following table summarizes the compensation paid to NEOs of Artis for the last three completed financial years.

Name and Principal Position	Year	Salary (\$)	Unit-Based Awards ⁽¹⁾ (\$)	Option-Based Awards ⁽²⁾ (\$)	Annual Non-Equity Incentive Plan Compensation (\$)	Pension Value ⁽³⁾ (\$)	All Other Compensation ⁽⁴⁾ (\$)	Total Compensation (\$)
Armin Martens, President and CEO	2016	800,000	326,030	-	1,035,000	944,320	363,840	3,469,190
	2015	775,000	323,750	-	1,022,000	843,819	329,854	3,294,423
	2014	750,000	240,960	-	980,000	893,570	276,577	3,141,107
James Green, CFO	2016	350,000	119,660	-	210,000	331,918	145,275	1,156,853
	2015	325,000	117,230	-	190,000	275,513	139,331	1,047,074
	2014	300,000	90,360	-	170,000	279,743	131,290	971,393
Dennis Wong, EVP - Western Region	2016	265,850	30,300	-	160,000	-	16,964	473,114
	2015	260,000	28,694	-	80,000	-	15,199	383,893
	2014	252,144	23,820	-	120,000	-	12,317	408,281
Frank Sherlock, EVP - Property Management	2016	256,566	27,775	-	57,000	-	15,705	357,046
	2015	250,920	24,673	-	46,000	-	14,278	335,871
	2014	244,800	18,072	-	37,500	-	12,044	312,416
David Johnson, EVP - Central Region	2016	202,455	27,775	-	48,000	-	13,540	291,770
	2015	195,000	24,673	-	44,000	-	11,894	275,567
	2014	168,096	18,072	-	40,000	-	7,953	234,121

⁽¹⁾ The amount represents the dollar value of RUs awarded, based on the closing price of the Units on the award dates, which were \$12.07 on December 15, 2016; \$13.18 on June 23, 2016; \$12.27 on December 15, 2015; \$13.97 on June 25, 2015; \$14.37 on December 28, 2014; and \$15.75 on June 30, 2014.

⁽²⁾ No Options were granted in 2016, 2015 or 2014.

⁽³⁾ Pension value includes employer contributions to the NEOs pension plan. See "Artis' Pension Plans" for descriptions of the pension plans.

⁽⁴⁾ Other compensation includes the cash equivalent of the value of distributions on the RUs held throughout their vesting period. The distributions on the RUs are calculated at the same rate as distributions on Units. See "Part VI – Other Information – Securities Authorized for Issuance Pursuant to Artis' Equity Incentive Plan - Artis' Equity Incentive Plan" for a description of the RUs.

Other compensation for the CEO and CFO includes premiums paid on life insurance policies.

Other compensation includes employer contributions to Artis' RSP/DPSP for NEOs other than the CEO and CFO.

Other perquisites and other personal benefits, in the aggregate, do not exceed the lesser of \$50,000 or 10% of the total salary for the NEOs.

Incentive Plan – Awards Outstanding

The following table sets forth all Option-based awards and Unit-based awards held by the NEOs as at the end of the most recently completed financial year of Artis. These awards are issued pursuant to the Equity Incentive Plan, which was approved by the Unitholders at the annual and special meeting on June 19, 2014, and which replaced the prior securities-based compensation plan of Artis that was previously in effect.

Name and Principal Position	Option-Based Awards				Unit-Based Awards		
	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Units that Have Not Vested	Market or Payout Value of Unit-Based Awards That Have Not Vested ⁽²⁾ (\$)	Market or Payout Value of Unit-Based Awards Not Paid Out or Distributed (\$)
Armin Martens, President and CEO	500,000	16.36	Apr 13, 2017	-	73,393	932,091	-
James Green, CFO	200,000	16.36	Apr 13, 2017	-	26,891	341,516	-
Dennis Wong, EVP - Western Region	60,000	16.36	Apr 13, 2017	-	6,808	86,462	-
Frank Sherlock, EVP - Property Management	60,000	16.36	Apr 13, 2017	-	5,796	73,609	-
David Johnson, EVP – Central Region	60,000	16.36	Apr 13, 2017	-	5,796	73,609	-

⁽¹⁾ The value of each unexercised in-the-money Option is calculated as the amount by which the exercise price of the Option was less than \$12.70, which was the closing price of the Units on December 31, 2016.

⁽²⁾ Market or payout value of Unit-based awards that have not vested is calculated as the number of unvested Unit-based awards multiplied by \$12.70, which was the closing price of the Units on December 31, 2016.

Incentive Plan Awards – Value Vested or Earned

The following table is a summary of Incentive Plan Awards - Value Vested or Earned by the NEOs during the most recently completed financial year of Artis.

Name and Principal Position	Option-Based Awards Value Vested ⁽¹⁾ (\$)	Unit-Based Awards Value Vested ⁽³⁾ (\$)	Non-Equity Incentive Plan Compensation Value Earned (\$)
Armin Martens, President and CEO	-	1,392,492	1,035,000
James Green, CFO	-	307,239	210,000
Dennis Wong, EVP – Western Region	-	19,448	160,000
Frank Sherlock, EVP – Property Management	-	19,631	57,000
David Johnson, EVP – Central Region	-	19,265	48,000

⁽¹⁾ Options vest 25% on each of the first, second, third, and fourth anniversaries of the date of grant.

Value vested during the year is calculated as the amount by which the exercise price of the Options was less than the closing price of the Units on the vesting date of April 13, 2016, multiplied by the number of Options that vested during the year. The closing price of the Units was \$13.05 on April 13, 2016.

⁽²⁾ Value gained from exercises during the year is calculated as the amount by which the exercise price of the Options exercised in the year was less than the fair value of the Units on the dates the Options were exercised.

⁽³⁾ Value vested during the year is the fair value of vested Unit-based awards on the dates the Restricted Units were redeemed.

Artis' Pension Plans

In accordance with the employment agreements for the Chief Executive Officer and the Chief Financial Officer, the REIT has set up defined benefit retirement arrangements. The benefit to be provided at retirement will be based on 2% of the average of the executive's three highest compensation years during the term of the employment agreement, multiplied by the number of years of service from the commencement of the agreement.

The Chief Executive Officer's pension agreement will be funded by way of a Retirement Compensation Arrangement, as defined by the Canada Revenue Agency.

The Chief Financial Officer had a previous defined benefit pension plan established by Marwest, his previous employer. This plan is a registered plan under the Tax Act. It was considered to be actuarially fully funded as at December 31, 2011, and was transferred to the REIT during 2012. A Retirement Compensation Arrangement was also established, as defined by the Canada Revenue Agency, and will be used to provide benefits to the Chief Financial Officer in accordance with his employment agreement.

Name and Principal Position	Number of Years Credited Service	Annual Benefits Payable (\$)		Accrued Obligation at Start of Year (\$)	Compensatory Change (\$)	Non-Compensatory Change (\$)	Accrued Obligation at Year End (\$)
		At Year End	At Age 65				
Armin Martens, President and CEO ⁽¹⁾	5	214,805	364,714	3,348,005	944,320	227,346	4,519,671
James Green, CFO ⁽¹⁾	5	66,384	129,343	959,510	276,944	82,246	1,318,700
James Green, CFO ⁽²⁾	25.40 ⁽³⁾	77,448	111,053	951,134	54,974	29,262	1,035,370

⁽¹⁾ The actuarial assumptions are: (a) interest rate of 6.00%; (b) salary increase of 2.00%; (c) mortality as set out in CPM 2014 Composite Mortality Table with generational improvements projected using Scale B; and (d) retirement at age 67.

⁽²⁾ The actuarial assumptions on which the above is based are: (a) interest rate of 7.50%; (b) salary increase of 5.50%; (c) mortality based on 80% of GAM83 and (d) retirement at age 65.

⁽³⁾ James Green had his pension plan from his previous employer, Marwest, transferred to the REIT effective January 1, 2012.

The fair value of plan assets as at December 31, 2016, is \$7,167,340 and exceeds the accrued obligation at year end.

Employment Agreements, Termination and Change of Control Benefits

Each of the NEOs is a party to an employment agreement with Artis which sets out the terms of their employment, including the compensation that are entitled to receive, as well as the terms on which such employment can be terminated by either party and any associated payments.

Each of the Asset Management Agreement and the Property Management Agreement provided that, in the event of the internalization of the services provided thereunder, the officers who provided management services to Artis pursuant to such agreement shall be entitled to be employed by Artis and hold a similar office with similar responsibilities on terms and conditions mutually acceptable to Artis and such officers, acting reasonably. Accordingly, the employment agreements were negotiated and entered into in that context.

Prior to 2012, the services of Armin Martens - CEO, James Green - CFO and Cornelius Martens - EVP were provided by Marwest Realty Advisory Services Inc. On January 1, 2012, Artis internalized its asset and property management functions and in consideration of the 12 years remaining of the Marwest contract, a 10 year contract was entered into with the CEO and CFO, and a consulting agreement was entered into with the EVP.

Armin Martens, Chief Executive Officer

Pursuant to an employment agreement entered into effective January 1, 2012, Armin Martens is a full-time employee of Artis. Mr. Martens' employment agreement is for a period of 10 years from the effective date, subject to the right of Mr. Martens to abridge the term to a period of seven years from the effective date.

Mr. Martens is entitled to receive certain benefits that would be payable in the event of his termination, including termination which could occur following or as a consequence of a change of control in the ownership of Artis. The change of control payment under Mr. Martens' contract is structured in a manner similar to the change of control payment under the former asset management and property management agreement with Marwest and its affiliate which were internalized effective January 1, 2012, in that payments are calculated based upon the number of years remaining in the term of the contract.

Upon any termination: (i) by Mr. Martens following a change of control or other good reason (within the meaning of his employment agreement); (ii) by Artis other than for cause (whether or not following a change of control); or (iii) as a result of the expiry of the term of the employment agreement, Mr. Martens is entitled to receive a lump-sum payment equal to three years of total annual compensation and continued benefits for a three-year period.

Benefits due to Mr. Martens in the event of a termination following a change of control or other good reason or by Artis other than for cause also include: (i) payment of any accrued benefits; (ii) severance pay calculated based on total annual compensation multiplied by the number of years remaining in the term; (iii) long-term and short-term incentive compensation based on the number of years remaining in the term; (iv) full capitalization of the pension plan established for Mr. Martens.

A change of control includes any person taking over 50% or more of the issued and outstanding Units; a change in the composition of the Board, as a result of which, fewer than a majority of the Trustees are incumbent Trustees; the solicitation of a dissident proxy, the purpose of which is to change the composition of the Board with the result, or potential result, that fewer than a majority of the Trustees will be incumbent Trustees; a merger, amalgamation or consolidation of Artis with or into another entity where at least fifty percent (50%) of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such merger, amalgamation, or consolidation are owned by persons who were not Unitholders immediately prior to such merger, amalgamation, or consolidation; the commencement of a tender offer, an exchange offer or any other offer or bid for at least fifty percent (50%) of the Units; the commencement of any proceeding by or against Artis seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, wind-up, reorganization, arrangement adjustment, protection, relief or composition of Artis or its debts, under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or for the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property; or the approval by the Unitholders of a plan of complete liquidation or dissolution of Artis.

The quantification of the payment to which Mr. Martens would be entitled upon a change of control will depend upon the number of years remaining in the term of his employment agreement.

James Green, Chief Financial Officer

Pursuant to an employment agreement entered into effective January 1, 2012, James Green is a full-time employee of Artis. Mr. Green's employment agreement is for a period of 10 years from the effective date, subject to the right of Mr. Green to abridge the term to a period of seven years from the effective date.

Mr. Green is entitled to receive certain benefits that would be payable in the event of his termination, including termination which could occur following or as a consequence of a change of control in the ownership of Artis. The change of control payment under Mr. Green's contract is structured in a manner similar to the change of control payment under the former asset management agreement and property management agreement with Marwest and its affiliate which were internalized effective January 1, 2012, in that payments are calculated based upon the number of years remaining in the term of the contract.

Upon any termination: (i) by Mr. Green following a change of control or other good reason (within the meaning of his employment agreement); (ii) by Artis other than for cause (whether or not following a change of control); or (iii) as a result of the expiry of the term of the employment agreement, Mr. Green is entitled to receive a lump-sum payment equal to three years of total annual compensation and continued benefits for a three-year period.

Benefits due to Mr. Green in the event of a termination following a change of control or other good reason or by Artis other than for cause also include: (i) payment of any accrued benefits; (ii) severance pay calculated based on total annual compensation multiplied by the number of years remaining in the term; (iii) long-term and short-term incentive compensation based on the number of years remaining in the term; (iv) full capitalization of the pension plan established for Mr. Green.

The definition of "change of control" for the purposes of Mr. Green's employment contract is the same as the definition contained in Mr. Martens' employment contract.

The quantification of the payment to which Mr. Green would be entitled upon a change of control will depend upon the number of years remaining in the term of his employment agreement.

Dennis Wong, Executive Vice-President – Western Region

Pursuant to an employment agreement entered into effective January 1, 2015, Dennis Wong is a full-time employee of Artis. Dennis Wong's employment agreement is for a period of two years from the effective date.

Dennis Wong is entitled to receive certain benefits in the event of the termination of his employment agreement, including termination which results from a change of control of Artis. Benefits due to Dennis Wong upon termination of his employment agreement (other than for cause) include a payment of one year's annual base salary and bonus. In the event of a change of control, Dennis Wong is entitled to a payment of two times the annual base salary and bonus.

A change of control means either of the following (provided that the individuals in senior executive positions with Artis immediately before such event no longer exercise control over the day-to-day operations of Artis): (a) any person acquiring, or having sole or shared voting or dispositive power over, not less than 51% of the outstanding Units; or (b) the consummation of a merger, amalgamation or consolidation of Artis or other reorganization, if at least 51% of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such transaction are owned by persons who were not Unitholders immediately prior to such transaction.

If a change of control of Artis were to have occurred effective December 31, 2016, Dennis Wong would have been entitled to receive a payment of \$691,700.

Frank Sherlock, Executive Vice-President – Property Management

Pursuant to an employment agreement assumed effective January 1, 2015, Frank Sherlock is a full-time employee of Artis. Frank Sherlock's employment agreement is for a period of two years from the effective date.

Frank Sherlock is entitled to receive certain benefits in the event of the termination of his employment agreement, including termination which results from a change of control of Artis. Benefits due to Frank Sherlock upon termination of his employment agreement (other than for cause) include a payment of one year's annual base salary and bonus. In the event of a change of control, Frank Sherlock is entitled to a payment of two times the annual base salary and bonus.

A change of control means either of the following (provided that the individuals in senior executive positions with Artis immediately before such event no longer exercise control over the day-to-day operations of Artis): (a) any person acquiring, or having sole or shared voting or dispositive power over, not less than 51% of the outstanding Units; or (b) the consummation of a merger, amalgamation or consolidation of Artis or other reorganization, if at least 51% of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such transaction are owned by persons who were not Unitholders immediately prior to such transaction.

If a change of control of Artis were to have occurred effective December 31, 2016, Frank Sherlock would have been entitled to receive a payment of \$617,131.

David Johnson, Executive Vice-President – Central Region

Pursuant to an employment agreement entered into effective January 1, 2015, David Johnson is a full-time employee of Artis. David Johnson's employment agreement is for a period of two years from the effective date.

David Johnson is entitled to receive certain benefits in the event of the termination of his employment agreement, including termination which results from a change of control of Artis. Benefits due to David Johnson upon termination of his employment agreement (other than for cause) include a payment of one year's annual base salary. In the event of a change of control, David Johnson is entitled to a payment of the annual base salary and bonus.

A change of control means either of the following (provided that the individuals in senior executive positions with Artis immediately before such event no longer exercise control over the day-to-day operations of Artis): (a) any person acquiring, or having sole or shared voting or dispositive power over, not less than 51% of the outstanding Units; or (b) the consummation of a merger, amalgamation or consolidation of Artis or other reorganization, if at least 51% of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such transaction are owned by persons who were not Unitholders immediately prior to such transaction.

If a change of control of Artis were to have occurred effective December 31, 2016, David Johnson would have been entitled to receive a payment of \$250,455.

Cornelius Martens, Former Executive Vice-President

Prior to January 1, 2012, Cornelius Martens was Executive Vice-President of Artis. Effective January 1, 2012, Cornelius Martens resigned from this role. Artis entered into a three year consulting services agreement with Cornelius Martens. This agreement was renewed in 2014 and currently expires on June 30, 2017. Upon expiry of the consulting agreement, Cornelius Martens will be entitled to a life annuity in the amount of \$120,000 per year or equivalent lump sum payment.

PART VI – OTHER INFORMATION

SECURITIES AUTHORIZED FOR ISSUANCE PURSUANT TO ARTIS' EQUITY INCENTIVE PLAN

Equity Compensation Plan Information

The information set out below is as of December 31, 2016.

Plan Category		(a) Number of Units to be Issued upon Exercise of Outstanding Options, Warrants and Rights ⁽¹⁾	(b) Weighted- Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	(c) Number of Options, Warrants and Rights Exercised Subsequent to June 19, 2014	(d) Number of Units Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity Compensation Plans Approved by Unitholders	Options	1,472,000	16.36		
	Restricted Units	359,819	n/a		
	Deferred Units	43,249	n/a		
	Total	1,875,068	16.36	288,146	6,336,786
Equity Compensation Plans Not Approved by Unitholders		n/a	n/a	n/a	n/a
Total		1,875,068	16.36	288,146	6,336,786

Artis' Equity Incentive Plan

On June 19, 2014, Unitholders approved the adoption of the Equity Incentive Plan. Prior to the Equity Incentive Plan, Artis had a different equity incentive plan pursuant to which it granted awards thereunder. Equity Incentive Plan Awards granted under the Equity Incentive Plan may consist of Options, Restricted Units, Deferred Units and Instalment Units. Each Award is subject to the terms and conditions set forth in the Equity Incentive Plan and to those other terms and conditions specified by the Board.

The number of Units subject to or related to Awards granted under the Equity Incentive Plan is limited to 8,500,000, inclusive of outstanding Options and Restricted Units on June 19, 2014. The number of Units subject to or related to Options granted or related to the Equity Incentive Plan is limited to 4,000,000, inclusive of outstanding Options on June 19, 2014.

As at April 25, 2017, 348,975 Units are underlying outstanding RUs and 59,160 Units are underlying outstanding DUs, representing 0.3% of Artis' issued and outstanding Units. As at April 25, 2017, 7,802,037 Units remain available for issuance under the Equity Incentive Plan, representing 5.2% of the total number of issued and outstanding Units of Artis.

No Participant will be granted Awards with respect to more than 5% of Artis' issued and outstanding Units. In accordance with the rules of the TSX, the Equity Incentive Plan further provides that (i) the number of Units issuable to insiders of Artis, at any time, pursuant to the Equity Incentive Plan and any other security-based compensation arrangement adopted by Artis, cannot exceed 10% of the issued and outstanding Units; and (ii) the number of Units issued to insiders of Artis, within any one year period, under the Equity Incentive Plan and any other security-based compensation arrangement adopted by Artis cannot exceed 10% of the issued and outstanding Units.

Since the listing of the Units on the TSX, 1,230,893 Units have been issued pursuant to the exercise of Options, representing 0.8% of the issued and outstanding Units as at April 25, 2017.

Administration

The Equity Incentive Plan is administered and interpreted by the Governance and Compensation Committee, on behalf of the Board. The Governance and Compensation Committee has full authority, subject to the terms of the Equity Incentive Plan, to grant Awards under the Equity Incentive Plan and determine the terms of such Awards, including the persons to whom Awards are to be granted, the type and number of Awards to be granted and the number of Units to be covered by each Award. The Board has full authority to specify the time(s) at which Awards will be exercisable or settled.

Eligibility

Trustees, officers or employees of Artis or any of its affiliates, and designated employees of certain service providers who provide management services to Artis or any of its affiliates and who spend a significant amount of time and attention on the affairs and business of Artis are eligible to participate in the Equity Incentive Plan. Trustees who are not employees, officers or service providers are not entitled to be granted Options or RUs. Only Trustees are entitled to receive Deferred Units.

Options

The Equity Incentive Plan provides that the Board may grant Options. Any Options granted under the Equity Incentive Plan will have a maximum term of 10 years and will be exercisable at a price not less than the volume weighted-average trading price of the Units for the five trading days immediately preceding such date on the TSX. Initially, Options will be time-vested 25% annually over four years, subject to the right of the Board to determine at the time of grant that a particular Option will be exercisable in whole or in part on a different date and to determine at any time after the time of grant that a particular Option will be exercisable in whole or in part on an earlier date for any reason. In addition, vesting of Options may be subject to performance tests at the discretion of the Board.

Notwithstanding the foregoing, the Equity Incentive Plan provides that in the event that the term of an Option expires during or within 10 days after the last day of a "blackout period" imposed by Artis, the Option shall expire on the date (the "Blackout Expiration Date") that is 10 business days following the end of the blackout period. The Blackout Expiration Date will not be subject to the discretion of the Board.

As at April 25, 2017, there were no outstanding Options.

No Options were granted pursuant to the Equity Incentive Plan in 2016.

Restricted Units

The Equity Incentive Plan provides that the Board may grant Awards of RUs. An RU is a contractual promise to issue Units and/or cash in an amount equal to the "fair market value" (as defined in the Equity Incentive Plan and as determined at the time of distribution) of the Units subject to the Award, at a specified future date. RUs will vest on and after the third anniversary of the date of grant, subject to the right of the Board to determine at the time of grant that a particular RU will vest on different dates and to determine at any time after the time of grant that a particular RU will vest at an earlier or later time. In addition, vesting of RUs may be subject to performance criteria at the discretion of the Board.

An Award of RUs may be settled in Units, cash, or in any combination of Units and cash, at the election of the recipient.

As at April 25, 2017, 348,975 Units are underlying outstanding RUs, representing 0.2% of the issued and outstanding Units on such date.

Deferred Units

The Equity Incentive Plan provides that the Board may grant Awards of DUs. A DU is a contractual promise to issue Units and/or cash in an amount equal to the "fair market value" (as defined in the Equity Incentive Plan and as determined at the time of distribution) of the Units subject to the Award, at a specified future date. DUs will vest on the date of grant.

As at April 25, 2017, 59,160 Units are underlying outstanding DUs, representing less than 0.1% of the issued and outstanding Units on such date.

Instalment Units

The Equity Incentive Plan provides that the Board may grant Awards of Instalment Units. Eligible Participants may subscribe for Instalment Units pursuant to a subscription agreement, for a purchase price equal to not less than the “fair market value” of the Units (the “Subscription Price”), which Subscription Price will be payable in cash instalments. The terms of the Award may include the requirement for payment of not less than 5% of the Subscription Price for such Instalment Units. The “fair market value” of the Units will be the volume weighted-average trading price on the TSX of the Units for the five trading days immediately preceding the grant of any such Instalment Units. All instalment payments must be made over a period of not more than 10 years. Instalment payments in respect of Instalment Receipts (as defined below) may be accelerated in certain circumstances.

Prior to payment in full of all instalments (including interest thereon, as described below) relating to Instalment Units, beneficial ownership of Instalment Units will be represented by Instalment Receipts issued by Artis (the “Instalment Receipts”) to Participants. Participants will be required to pay interest to Artis on the outstanding balance of the remaining instalments at a 10-year fixed rate, which interest rate shall not be less than the rate prescribed under the Tax Act at the time such Instalment Units are granted or at such other rate determined by the Board at that time. Pursuant to an instalment receipt and pledge agreement to be entered into between Artis and each applicable Participant upon acceptance by Artis of the Participant’s subscription agreement for Instalment Units (the “Instalment Receipt and Pledge Agreement”), the subject Participant will be required to apply all distributions paid on Instalment Units to pay such interest and to pay the remaining instalments, such that, following all such payments, the Participant will have paid the full fair market value of the Instalment Units.

Instalment Units will be registered in the name of a custodian and pledged to Artis as security for payment by the subject Participant of the remaining instalments. Under the Instalment Receipt and Pledge Agreement, legal title to the Instalment Units will be registered in the name of the custodian and held as security for the payment of obligations of the subject Participant until all instalments have been fully paid. If payment of any instalments from a subject Participant is not received by the custodian when due, any Instalment Units then remaining held as security may, unless otherwise provided for by Artis and subject to applicable law, be sold by the custodian in the market and that portion of the proceeds equal to the remaining instalments owing delivered to Artis.

Under the Equity Incentive Plan, holders of Instalment Receipts will be the beneficial owners of the Instalment Units from the date of issue, subject to their obligation to make the remaining instalment payments. Holders of Instalment Receipts will have the same rights and privileges, and will be subject to the same limitations, as registered holders of Units, except for certain rights and privileges that are limited under the Instalment Receipt and Pledge Agreement to protect the value of Artis’ security interest in the Instalment Units. In particular, Participants holding Instalment Receipts will be entitled to receive any distributions paid on such Instalment Units. Such Participants will be required to apply any distributions received by them in respect of the Instalment Units to make payments of interest and the remaining instalments. A Participant will not be entitled to vote the Instalment Units, unless there is no outstanding amount owed to the Trust by such Participant.

Upon due payment of all instalments, the Instalment Units will be released to the subject Participant and such Participant will become the registered holder of the Instalment Units. Until all instalment payments have been made, such Participant will not be allowed to transfer or dispose of his or her Instalment Units or the associated Instalment Receipts, except under certain circumstances.

As at April 25, 2017, there were no outstanding Instalment Units.

Amendment and Termination of the Equity Incentive Plan

The Board may, in its sole discretion, amend, suspend or terminate the Equity Incentive Plan at any time without the approval of Unitholders, provided that no such amendment, suspension, or termination may be made without obtaining any required approval of any regulatory authority or stock exchange or that materially prejudices the rights of any holder under any Award.

For example, the Board may:

- make amendments of a technical, clerical, or “housekeeping” nature, or to clarify any provision of the Equity Incentive Plan;
- terminate the Equity Incentive Plan;

- make amendments to respond to changes in legislation, regulations, stock exchange rules or accounting or auditing requirements;
- make amendments in respect of the vesting provisions of any Awards; and
- make amendments to the termination provisions of Awards granted under the Equity Incentive Plan that do not entail an extension beyond the original expiry date;

provided that:

- any required approval of any regulatory authority or stock exchange is obtained;
- if the amendments would reduce the exercise price of Options or extend the expiry date of Awards granted to insiders of Artis (other than in the event of a recapitalization, reorganization, arrangement, split or combination, distribution or other similar event or transaction), approval of the Unitholders must be obtained;
- the Board would have had the authority to initially grant the Award under the terms as so amended; and
- the consent or deemed consent of the holder of the Award is obtained if the amendment would materially prejudice the rights of such holder.

Notwithstanding the foregoing, the Board may not, without approval of the Unitholders, make amendments to the Equity Incentive Plan for any of the following purposes:

- to increase the maximum number of Units that may be issued pursuant to Awards granted thereunder;
- to reduce the exercise price of Options (other than a reduction resulting from a change made at the discretion of the Trustees in the event of a recapitalization, reorganization, arrangement, split or combination, distribution or other similar event or transaction);
- to extend the expiry date of Awards for the benefit of any Participant (including an insider of Artis);
- to increase the maximum number of Units issuable to insiders of Artis; and
- to amend the amending provisions of the Equity Incentive Plan.

Assignment of Awards

Options

Except as may otherwise be specifically determined by the Board with respect to a particular Option, no Option will be transferable by a Participant other than by will or by the laws of descent and distribution; provided however, that a Participant may assign or transfer any Options such Participant is entitled to, to a personal holding company wholly owned by such Participant. All Options will be exercisable, during the Participant's lifetime, only by the Participant.

Restricted Units

Unless otherwise determined by the Board, Restricted Units may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent or distribution; provided however, that a Participant may assign or transfer any Restricted Units such Participant is entitled to, to a personal holding company wholly owned by such Participant.

Deferred Units

Unless otherwise determined by the Board, Deferred Units may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent or distribution; provided however, that a Participant may assign or transfer any Deferred Units such Participant is entitled to, to a personal holding company wholly owned by such Participant.

Instalment Units

Instalment Units issued pursuant to the Equity Incentive Plan shall be non-assignable and non-transferable, and shall not be encumbered, except with the prior written consent of the Board and subject to the approval of the TSX.

Change of Control

Upon or in anticipation of any change of control of Artis, the Board may, in its sole and absolute discretion and without the need for the consent of any Participant, cancel any Award in exchange for a substitute award of a successor entity. Substitute awards shall have no less economic value, no more stringent performance conditions, and similar vesting schedules as existing Awards. If such exchange for substitute awards is not effected by the Board, the Board has the discretion to accelerate the vesting of Options, Restricted Units and Deferred Units, provided that the Participant's employment, service or term of office with Artis, is terminated without cause (as defined in the Equity Incentive Plan). The treatment of Instalment Units shall be determined by the Board at its discretion at that time.

A change of control means, for the purposes of the Equity Incentive Plan the occurrence of any of the following, in one transaction or a series of related transactions:

- any person acquires beneficial ownership within the meaning of applicable securities law, directly or indirectly, of securities of Artis representing more than 50% of the voting power of Artis' then outstanding Units for the election of Trustees;
- a consolidation, securities exchange, reorganization, arrangement or amalgamation of Artis resulting in the Unitholders immediately prior to such event not owning at least a majority of the voting power of the resulting entity's securities outstanding immediately following such event;
- the sale or other disposition of all or substantially all the assets of Artis;
- a liquidation or dissolution of Artis; or
- any similar event deemed by the Board to constitute a change of control for the purposes of the Equity Incentive Plan.

INDEBTEDNESS OF TRUSTEES, EXECUTIVE OFFICERS AND EMPLOYEES

As at the date hereof, no Trustee or officer of Artis, or any of their respective associates, is or has been indebted to Artis or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in the Annual Information Form, there is no material interest of any informed person (within the meaning of applicable securities laws) of Artis or proposed nominee for election as a Trustee, or any of their respective associates or affiliates, in any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of Artis' most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Artis or any of its subsidiaries.

TRUSTEE AND OFFICER LIABILITY INSURANCE

In addition to the indemnity provided under the Declaration of Trust, the Trustees and officers of Artis are covered under a liability insurance policy. The aggregate premium for such insurance for the period from October 31, 2016 until October 31, 2017 was \$91,894. The aggregate limit of liability applicable to insured Trustees and officers of Artis under the policy is \$40,000,000.

AUDITOR

The auditor of Artis for the fiscal year ended December 31, 2016, is Deloitte LLP. Deloitte LLP was first appointed as the auditor of Artis for the fiscal year ended December 31, 2009.

AUDIT COMMITTEE MATTERS

The Audit Committee is responsible for (i) reviewing the engagement of the auditor of Artis; (ii) reviewing and recommending to the Trustees for approval the annual and quarterly financial statements of Artis; (iii) assessing the financial and accounting personnel of Artis; and (iv) reviewing any significant transaction outside the scope of Artis' ordinary course of business and reviewing all pending litigation, if any.

The text of Artis' Audit Committee Charter is attached as Appendix "A" to the Annual Information Form. For additional information concerning the composition of the Audit Committee, including the relevant education and experience of each member of the Audit Committee, see "Trustees and Senior Management - Audit Committee Matters" in the Annual Information Form, which is incorporated by reference in this Information Circular.

ADDITIONAL INFORMATION

Financial information regarding Artis is provided in the audited annual financial statements and management's discussion and analysis for the year ended December 31, 2016. Copies of the foregoing, and of the Annual Information Form, are available on the SEDAR website at www.sedar.com and may also be obtained on written request addressed to Artis Real Estate Investment Trust, 300 – 360 Main Street, Winnipeg, Manitoba, R3C 3Z3, Attention: Investor Relations.

BOARD APPROVAL

The contents and delivery of this Information Circular have been approved by the Board of Trustees.

DATED at the City of Winnipeg, Manitoba this 1st day of May, 2017.

ON BEHALF OF THE BOARD OF TRUSTEES

"Armin Martens" (signed)

Trustee

GLOSSARY

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them below.

"Annual Information Form" means the annual information form of Artis dated March 1, 2017 for the year ended December 31, 2016;

"Artis" or the **"Trust"** or the **"REIT"** means Artis Real Estate Investment Trust, a trust governed by the Declaration of Trust;

"Award(s)" means a grant of Options, Restricted Units, Deferred Units or the grant of the right to subscribe for Instalment Units pursuant to the provisions of the Equity Incentive Plan;

"Board of Trustees" or the **"Board"** means the board of Trustees of Artis;

"Chief Executive Officer" or the **"CEO"** means the Chief Executive Officer of Artis;

"Chief Financial Officer" or the **"CFO"** means the Chief Financial Officer of Artis;

"Declaration of Trust" means the declaration of trust of Artis, which was most recently amended pursuant to the fifth amended and restated declaration of trust dated as of July 20, 2016, and supplemented by the certificates of preferred unit terms approved by the Trustees effective August 2, 2012 respecting the Series A Units and the Series B Units, the certificates of preferred unit terms approved by the Trustees effective September 18, 2012 respecting the Series C Units and the Series D Units, and the certificates of preferred unit terms approved by the Trustees effective March 21, 2013 respecting the Series E Units and the Series F Units, respectively, pursuant to which Artis is governed under the laws of the Province of Manitoba, as may be further amended, supplemented and/or restated from time to time;

"Deferred Unit" or **"DU"** means a contractual promise to issue Units and/or cash in an amount equal to the fair market value of the Units subject to the Award, at a specified future date (as determined at the time of distribution) in accordance with the Equity Incentive Plan;

"Equity Incentive Plan" means the fixed equity incentive plan of Artis dated June 19, 2014;

"Independent Trustees" means those Trustees who are independent within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

"Information Circular" means this management information circular dated May 1, 2017;

"Instalment Unit" means a Unit subscribed for by a Participant, for a purchase price equal to not less than the fair market value of the Unit, which price will be payable in cash instalments (as determined at the time of distribution) in accordance with the Equity Incentive Plan;

"Management Nominees" means Armin Martens and Wayne Townsend, the individuals selected by Artis to represent Unitholders who complete the form of proxy accompanying this Information Circular;

"Meeting" means the annual meeting of Unitholders to be held on June 15, 2017 at the time and place set forth in the Notice of Meeting and, where the context requires, includes any adjournment thereof;

"Notice of Meeting" means the notice of the Meeting accompanying this Information Circular;

"Option" means an option to acquire a Unit;

"Ordinary Resolution" means the affirmative vote of not less than a majority of votes cast by Unitholders with respect to a particular matter;

"Participant" means a Trustee, or an employee or officer of Artis or any of its affiliates or of a designated service provider, to whom an Award is granted;

"Record Date" means April 25, 2017;

"Restricted Unit" or **"RU"** means a contractual promise to issue Units and/or cash in an amount equal to the fair market value of the Units subject to the Award, at a specified future date (determined at the time of distribution) in accordance with the Equity Incentive Plan;

"Tax Act" means the *Income Tax Act* (Canada), as amended;

"Trustee" means a trustee of Artis and "Trustees" means all of or more than one of the trustees of Artis, as the context requires;

"TSX" means the Toronto Stock Exchange;

"Unit(s)" means participating voting trust unit(s) of Artis, but does not include preferred units of Artis; and

"Unitholder(s)" means holder(s) of Units.

SCHEDULE A – BOARD OF TRUSTEES MANDATE

The Board of Trustees (the “Board”) of Artis Real Estate Investment Trust (the “REIT”) has determined that it would be appropriate for the Board to adopt a written mandate describing its responsibilities and duties in relation to oversight of the business and affairs of the REIT and Committees of the Board.

The Board has adopted this Mandate which reflects the REIT’s commitment to high standards of corporate governance, to assist the Board in supervising the management of the business and affairs of the REIT as required under the REIT’s Declaration of Trust.

A. PROCEDURAL MATTERS

1. Members of the Board shall serve at the pleasure of the Unitholders of the REIT and the Unitholders of the REIT shall elect the Board annually (except to the extent set forth in the REIT’s Declaration of Trust).
2. The Board may appoint such Committees from time to time as it considers appropriate in compliance with the REIT’s Declaration of Trust to act on behalf of the Board or make recommendations to the Board with respect to matters to be decided by the Board. If such Committees are intended as permanent Committees, they shall have a mandate document that defines their responsibilities in relation to the Board and the extent of delegated powers to such Committees. The functions of the Board, subject to applicable laws and the Declaration of Trust of the REIT, may be delegated to its Committees except where provided otherwise in the Declaration of Trust.
3. At least a majority in number of the Trustees shall be Independent as defined by the REIT’s Declaration of Trust and in accordance with applicable regulatory and stock exchange requirements.
4. The Board shall choose a Trustee to act as Chair of the Board. The Board shall provide the Chair with a written mandate.
5. Members of the Board shall be entitled to receive such remuneration for acting as members of the Board as may be determined from time to time by the Board on the recommendations of the Governance and Compensation Committee of the Board.
6. The Board shall, from time to time, evaluate its effectiveness and the effectiveness of its Committees with respect to its (and their) contribution to the REIT and the Board’s representation of the REIT’s Unitholders. The Board shall meet in camera on a regular basis for such purpose and related purposes.
7. The Board shall consider from time to time its resources including the adequacy of the information provided to it with respect to oversight of the management of the REIT and shall confer with management with respect to its findings.
8. The functions referred to in sections B1(a), (c), (d), (e), (g), (j), 2 and 4(a) and (b) shall not be delegated.

B. FUNCTIONS

1. General Responsibilities
 - (a) The Board shall exercise general stewardship responsibilities with respect to the REIT. Without limitation, stewardship shall include the specific responsibilities and duties outlined in this Mandate.
 - (b) The Board shall oversee the management of the REIT. In doing so, the Board shall establish a productive working relationship with the Chief Executive Officer, Chief Financial Officer, and other officers of the REIT to create a culture of integrity.
 - (c) The officers of the REIT, headed by the Chief Executive Officer, shall be responsible for general day-to-day management of the REIT and for making recommendations to the Board with respect to long-term strategic, financial, organizational and related objectives.
 - (d) The roles and responsibilities of the Board are intended to primarily focus on the formulation of long-term strategic, financial and organizational goals for the REIT and on the monitoring of management performance. Without limitation, the Board is responsible for:
 - (i) participating in the development of and approving a strategic plan for the REIT, on at least an annual basis;
 - (ii) identifying the principal risks of the REIT’s business and ensuring the implementation of appropriate systems to manage these risks;

- (iii) succession planning (including appointing, training and monitoring senior management);
 - (iv) ensuring the integrity and adequacy of the REIT's internal controls and management information systems;
 - (v) defining the roles and responsibilities of management;
 - (vi) reviewing and approving the business and investment objectives to be set by management of the REIT;
 - (vii) assessing the performance of management;
 - (viii) reviewing the REIT's debt management strategy;
 - (ix) ensuring effective and adequate communication with the Unitholders and other stakeholders as well as the public at large; and
 - (x) establishing committees of the Board, where required or prudent, and, where appropriate, defining their mandate.
- (e) The Board shall review and approve the REIT's financial objectives, short and long-term business plans for the REIT's businesses and monitor performance in accordance with such plans. The Board shall also approve, without limitation to its obligations and duties as set out in the Declaration of Trust:
- (i) significant capital allocations and expenditures;
 - (ii) review and approve all material transactions;
 - (iii) all matters that would be expected to have a major impact on Unitholders, creditors or employees;
 - (iv) on advice from the Governance and Compensation Committee, the appointment any person who is to hold an officer position of the REIT;
 - (v) the REIT's strategic plan; and
 - (vi) any proposed changes in compensation to be paid to members of the Board on the recommendation of the Governance and Compensation Committee.
- (f) The Board has established a Governance and Compensation Committee which establishes the Board's approach to corporate governance, including developing a set of principles and guidelines applicable to the REIT.
- (g) The Board shall annually consider what additional skills and competencies would be helpful to the Board. The identification of specific candidates for consideration shall be the responsibility of the Governance and Compensation Committee which shall be guided by the findings of the Board in relation to competencies and skills.
- (h) The Board will oversee ethical behaviour and compliance with laws and regulations (which includes overseeing the choice of critical accounting principles on recommendations from the Audit Committee of the Board).
- (i) With respect to significant risks and opportunities affecting the REIT, the Board may impose such limits on the activities of the REIT as may be in the interests of the REIT and its Unitholders.
- (j) The Board will adopt prudent financial standards with respect to the affairs of the REIT and periodically will approve target levels of debt in relation to the REIT's consolidated capitalization and other similar financial prudence standards.
- (k) The Board shall perform such other functions as are prescribed by law, as are assigned to the Board in the REIT's Declaration of Trust and as it may from time to time determine in accordance with the plenary powers of the Board.
- (l) The Board shall receive the following reports on a regular basis:
- (i) periodic reports from its Committees following Committee meetings and, annually, a report from each Committee as to the work undertaken by the Committee and the Committee's recommendations, if any, for change with respect to its responsibilities and effectiveness; and
 - (ii) regular reports from the Chief Executive Officer and Chief Financial Officer on the REIT's financial and operating performance.

2. Relationship with Committees

- (a) The Board shall annually assess the mandates of its Committees.
- (b) The Board shall annually appoint a member of each Committee to act as Chair of the Committee on the advice of the Chair of the Board and Governance and Compensation Committee.

3. Senior Management

- (a) The Board will review with the Governance and Compensation Committee and approve the objectives set for the Chief Executive Officer and performance in relation to such objectives.
- (b) The Board appoints and supervises the Chief Executive Officer and other members of senior management, approves their compensation (on the advice of the Governance and Compensation Committee) and, as permitted by the Declaration of Trust and applicable law, delegates to senior management responsibility for the day-to-day operations of the Trust.
- (c) The Board will, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and the other members of senior management and that the Chief Executive Officer and other members of senior management create a culture of integrity throughout the Trust.

4. Financial Statements and Significant Disclosure Documents

- (a) The Board will review on an ongoing basis the financial and underlying operational performance of the REIT.
- (b) The Board will review and approve the REIT's annual information form as well as its annual report and related financial statements and annual management discussion and analysis disclosure. In doing so, the Board will consider the quality and usefulness of the information from the perspective of its Unitholders.
- (c) The Board has responsibility for reviewing and approving for release quarterly financial statements and related disclosure.
- (d) The Board will periodically review the means by which Unitholders can communicate with the REIT including the opportunity to do so at the annual meeting, communications interfaces through the REIT's website and the adequacy of resources available within the REIT to respond to Unitholders.

C. RESOURCES, MEETINGS AND REPORTS

- 1. The Board shall have adequate resources to discharge its responsibilities. The Chair shall be empowered to engage advisers as may be appropriate from time to time to advise the Chair or the Board with respect to duties and responsibilities.
- 2. The Board shall meet not less than four times per year.
- 3. The meetings of the Board shall ordinarily include the Chief Executive Officer (if not a Trustee) and shall periodically include other senior officers as may be appropriate and as may be desirable to enable the Board to become familiar with the REIT's management team.
- 4. The Chair shall act as, or appoint a, Secretary who shall keep minutes of its meetings in which shall be recorded all actions taken by the Board. Such minutes shall be made available to Board members at their request and all such minutes shall be approved by the Board for entry in the records of the REIT.
- 5. Each Trustee is expected to be diligent in preparing for attending meetings of the Board and any Committee of which he is a member. Preparation for meetings includes advance review of the meeting materials. In addition, each Trustee is expected to attend each annual meeting of Unitholders. A Trustee who is unable to attend a Board or Committee meeting may participate by teleconference.
- 6. Members of the Board shall have the right, for the purposes of discharging their respective powers and responsibilities, to inspect any relevant records of the REIT and its subsidiaries.
- 7. Members of the Board, subject to approval of the Chair of the Governance and Compensation Committee, may retain separate counsel to deal with issues relating to their responsibilities as members of the Board.

D. FEEDBACK

The Board welcomes input and comments from Unitholders of the REIT. You may contact the Board at:

Chairman of the Board of Trustees

Artis Real Estate Investment Trust

300 – 360 Main Street

Winnipeg, MB R3C 3Z3