



FOR IMMEDIATE RELEASE

SEPTEMBER 4, 2019

**ARTIS REAL ESTATE INVESTMENT TRUST PROVIDES
UPDATE ON PROPERTY DISPOSITIONS AND NCIB ACTIVITY**

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) provided an update today on property dispositions and its normal course issuer bid (“NCIB”) activity. All amounts are in Canadian dollars.

Update on Property Dispositions

On July 26, 2019, Artis sold the GSA Professional Office Building, a 210,202 square foot single-tenant office building located in the Greater Phoenix Area, Arizona, for approximately \$120.7 million, representing a capitalization rate of 5.81%.

Artis has entered into an unconditional agreement to sell 415 Yonge Street, a 192,036 square foot office building located in Toronto, Ontario, for \$124.0 million, representing a capitalization rate of 3.71%. The sale is expected to close in September 2019.

Artis has also entered into an unconditional agreement to sell 495 Richmond Road, a 106,195 square foot office building located in Ottawa, Ontario, for \$39.0 million, representing a capitalization rate of 6.28%. The sale is expected to close in November 2019.

In November 2018, Artis announced its intention to sell between \$800.0 million to \$1.0 billion of non-core assets over the following three years. In accordance with these initiatives, Artis has sold or entered into unconditional sale agreements for the following properties:

Property	Property count	Location	Disposition date	Asset class	Owned share of GLA	Annualized Property NOI (000s) ⁽¹⁾	Capitalization rate	Sale price (000s)	IFRS value (000s) ⁽²⁾
Centrepoint ⁽³⁾	1	Winnipeg, MB	October 31, 2018	Office	51,723	\$1,479	6.00%	\$27,250	\$26,106
169 Inverness Drive West I & II	1	Greater Denver Area, CO	April 9, 2019	Office	118,518	(146)	N/A	36,113	46,590
Reenders Square	1	Winnipeg, MB	May 21, 2019	Retail	65,713	1,258	6.00%	20,550	18,315
Britannia Building	1	Calgary, AB	May 22, 2019	Office	133,897	(269)	N/A	10,650	10,101
Nanaimo Portfolio	4	Nanaimo, BC	June 17, 2019	Office /Retail	112,327	2,079	4.60%	37,038	36,621
1700 Broadway ⁽⁴⁾	1	Greater Denver Area, CO	June 27, 2019	Office	394,151	8,867	N/A	104,325	111,196
GSA Professional Office Building	1	Greater Phoenix Area, AZ	July 26, 2019	Office	210,202	7,008	5.81%	120,728	117,958
415 Yonge Street (unconditional)	1	Toronto, ON	September 2019	Office	192,036	4,600	3.71%	124,000	94,801
495 Richmond Road (unconditional)	1	Ottawa, ON	November 2019	Office	106,195	2,296	6.28%	39,000	37,018
TOTAL	12				1,384,762	\$27,172		\$519,654	\$498,706

(1) Based on the annualized Property NOI reported for the quarter prior to disposition, except for properties where the sale has not yet closed. Property NOI for 415 Yonge Street is forward-looking and includes future lease commitments.

(2) Based on the fair value reported at the quarter prior to disposition, except for properties where the sale has not yet closed.

(3) The REIT disposed of its 50% interest in Centrepoint, a property held under a joint venture arrangement.

(4) Property NOI for 1700 Broadway does not account for a large tenant that will be vacating in Q4-19. This tenant accounts for \$7,578 of Property NOI (based on the annualized Property NOI reported for the quarter prior to disposition).

The net gain over the IFRS value for the properties listed in the table above is \$20.9 million. At June 30, 2019, Artis’ net asset value per unit was \$15.37.

In addition, Artis has approximately \$310.0 million of properties under conditional letters of intent or agreements to sell.

Update on NCIB Activity

During the month of August, Artis has acquired the following number of units through its NCIB:

- 1,839,176 trust units at a weighted-average price of \$12.22;
- 3,300 Series A preferred units at a weighted-average price of \$22.13; and
- 35,700 Series E preferred units at a weighted-average price of \$20.74.

From November 1, 2018, when the REIT announced its intention to purchase units through its NCIB, to August 31, 2019, Artis has bought back 14,740,396 trust units at a weighted-average price of \$10.70, 62,600 Series A preferred units at a weighted-average price of \$21.56, 142,800 Series E preferred units at a weighted-average price of \$20.64, and 61,500 Series G preferred units at a weighted-average price of \$21.32.

On July 31, 2019, Artis redeemed all 3,138,500 outstanding Series G preferred units. As of the date hereof, there are 139,321,150 trust units, 3,387,900 Series A preferred units, 3,861,400 Series E preferred units, and 5,000,000 Series I preferred units outstanding.

Artis is a diversified Canadian real estate investment trust investing in office, retail and industrial properties. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial properties in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and select markets in the United States. As of June 30, 2019, Artis' commercial property comprises approximately 24.9 million square feet of leasable area.

During the three months ended June 30, 2019, Property Net Operating Income ("Property NOI") by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 52.2% office, 19.5% retail and 28.3% industrial. Property NOI by geographical region, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 2.9% in British Columbia, 18.9% in Alberta, 6.4% in Saskatchewan, 12.9% in Manitoba, 11.4% in Ontario, 11.3% in Arizona, 19.9% in Minnesota, 8.8% in Wisconsin and 7.5% in U.S. – Other.

Property NOI is a non-GAAP measure. Artis calculates Property NOI as revenues less property operating expenses such as utilities, repairs and maintenance and realty taxes. Property NOI does not include charges for interest or other expenses not specific to the day-to-day operation of the REIT's properties.

Forward Looking Statements

This press release contains forward-looking statements relating to the REIT's normal course issuer bid, automatic unit purchase plan and potential future purchases of the REIT's securities by the REIT. There can be no assurance as to the future market price of the REIT's securities or the number of securities that the REIT will purchase under its normal course issuer bid.

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

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

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