



FOR IMMEDIATE RELEASE

APRIL 21, 2020

ARTIS REAL ESTATE INVESTMENT TRUST PROVIDES BUSINESS UPDATE REGARDING IMPACT OF COVID-19

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) today provided unitholders with an update on Artis’ business as it relates to the impact of the COVID-19 pandemic.

Artis continues to monitor the COVID-19 pandemic and its impact, and to take all appropriate measures to ensure the REIT is limiting the spread of COVID-19. Protocols for building cleanliness are continuously evolving to incorporate up-to-date recommendations from public health agencies and the REIT’s property management team is working diligently to ensure safety at all properties, and to support tenants through this unprecedented time.

Tenant Support Program

Due to the government-mandated closure of non-essential businesses, a number of retail tenants have had to limit operations or close their businesses temporarily. In an effort to support tenants through this difficult time, a small number of qualifying tenants who are in need of assistance have been given the option to defer a portion of their base rent for April and May, with an agreement to repay the amount at a specified later date with no interest. To date, Artis has offered a total of approximately \$4.0 million of rent deferrals to its tenants for April and May and, excluding deferred rent, has received 91.5% of April rent charges. The REIT anticipates that the majority of the outstanding amount will be collected; however, a portion may be added to the rent deferral program.

Artis expects that the COVID-19 pandemic will continue to have the largest impact on its retail tenants, which accounted for 18% of the REIT’s Q4-19 property net operating income. Also, only 2% of Artis’ income is derived from the Calgary office segment. Artis’ diversified portfolio, both by geography and by asset class, and its strong tenant base will help to mitigate the impact on the REIT’s overall business.

Conservative Distribution Payout Ratio

The REIT’s adjusted funds from operations payout ratio of 51.4% (for the year ended December 31, 2019) is among the most conservative in the industry and is the lowest of all commercial real estate investment trusts in Canada.

Unit Purchases Under Normal Course Issuer Bid (“NCIB”)

The recent market volatility has provided an opportunity to buy back units using the NCIB, which is highly accretive. On March 9, 2020, the REIT began utilizing its current NCIB. From March 9, 2020, to April 17, 2020, Artis has acquired 1,454,872 trust units for a weighted-average price of \$7.97, 16,300 Series A preferred units for a weighted-average price of \$15.82, 27,085 Series E preferred units for a

weighted-average price of \$14.59 and 22,540 Series I preferred units for a weighted-average price of \$18.12.

Strong Balance Sheet and Liquidity

Since November 2018, the REIT has been focused on several new initiatives, one of which has been to strengthen its balance sheet. As a result, the REIT has the financial flexibility to navigate the economic impact of the COVID-19 pandemic.

Artis has ample liquidity which includes cash on hand and undrawn credit facilities. There are no credit facilities or debentures maturing prior to 2021.

The REIT's current liquidity sufficiently meets working capital requirements, obligations and capital commitments related to ongoing development projects and distribution payments to unitholders. Artis will continue to closely monitor the evolving situation and prudently manage its capital resources.

Artis' priority is to maintain a safe environment for tenants, employees, customers and visitors of its properties. The REIT will continue to work with tenants during this difficult time and is committed to minimizing the impact on its business. Further information pertaining to Artis' response to the COVID-19 pandemic can be found at <https://www.artisreit.com/covid-19/statement-on-covid-19/> and a letter from Armin Martens, Artis' President and CEO, can be found at <https://www.artisreit.com/covid-19/covid-19-letter-to-unitholders/>. Updates will be provided as they are available. As previously announced, Artis will release its Q1-20 results on May 7, 2020, and will host a conference call with management on May 8, 2020, at 1:00 pm ET.

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 December 31, 2019, Artis' commercial property comprises approximately 24.8 million square feet of leasable area.

During the three months ended December 31, 2019, Property Net Operating Income ("Property NOI") by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was 48.6% office, 17.9% retail and 33.5% industrial. Proportionate Share Property NOI by geographical region was 2.7% in British Columbia, 19.2% in Alberta, 6.3% in Saskatchewan, 13.0% in Manitoba, 11.1% in Ontario, 9.4% in Arizona, 21.0% in Minnesota, 9.5% in Wisconsin and 7.8% 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.

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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