



FOR IMMEDIATE RELEASE

SEPTEMBER 4, 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 to take all appropriate measures to ensure the REIT is limiting the spread of COVID-19. Artis is working diligently to maintain a safe environment for its tenants, employees, customers and visitors to its properties.

Rent Collection

During this time, rent collection has been a key focus for Artis and its stakeholders. As of the date of this press release, the REIT has collected 96.8% of August rent charges. Artis continues to work with its tenants as government restrictions related to the pandemic are constantly evolving. Further information pertaining to rent collection by asset class can be found in the following table:

Asset Class	Percentage of August Rent Charges Collected
Retail	94.5%
Office	97.2%
Industrial	97.9%
Total	96.8%

Artis expects that the COVID-19 pandemic will continue to have the largest impact on its retail tenants, which accounted for 17.2% of the REIT’s Q2-20 Proportionate Share Property NOI.

Leasing Update

Artis maintains an active pipeline of new leases and renewals and has executed approximately 180 new leases and renewal agreements totaling over 1.0 million square feet of leasable area since March 1, 2020. The REIT continues to offer prospective tenants the option to virtually tour most of its vacancies.

As at August 31, 2020, Artis’ occupancy was 90.9% (92.4% including commitments) compared to 90.6% (92.9% including commitments) at June 30, 2020.

Property Disposition Update

On August 25, 2020, Artis sold its 80% interest in Millwright Building, a 173,476 square foot office building located in Minneapolis, Minnesota, for US\$41.0 million, representing a capitalization rate of 6.0%. The fair value of Artis' 80% interest in Millwright Building reported at June 30, 2020, was US\$40.9 million.

Additionally, the REIT has two office and two retail properties under conditional sale agreements for a total of \$191 million and has an additional \$340 million of properties listed for sale.

Conservative Distribution Payout Ratio

For the three months ended June 30, 2020, Artis reported an AFFO payout ratio of 51.9%, which continues to be among the most conservative payout ratios of real estate investment trusts in Canada.

Balance Sheet and Liquidity

Artis' liquidity includes cash on hand and undrawn credit facilities. At June 30, 2020, the REIT had \$28.8 million of cash on hand and \$172.0 million available on its credit facilities. In addition, Artis had \$1.9 billion of unencumbered assets at June 30, 2020. There are no credit facilities or debentures maturing prior to 2021. Artis will continue to closely monitor the evolving COVID-19 pandemic situation and prudently manage its capital resources.

Further information pertaining to Artis' response to the COVID-19 pandemic can be found in Artis' Q2-20 Management's Discussion and Analysis and on Artis' website at www.artisreit.com/covid-19/statement-on-covid-19/. A letter from Armin Martens, Artis' President and CEO, can be found at www.artisreit.com/covid-19/covid-19-letter-to-unitholders/. Further updates will be provided as they are available.

Artis is a diversified Canadian real estate investment trust investing primarily in office and industrial properties in Canada and the United States. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial properties select markets in Canada and the United States. As of June 30, 2020, Artis' commercial property comprises approximately 23.8 million square feet of leasable area.

During the three months ended June 30, 2020, Property NOI by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was 47.5% office, 17.2% retail and 35.3% industrial. Property NOI by geographical region, including Artis' proportionate share of properties held in joint venture arrangements, was 2.6% in British Columbia, 15.8% in Alberta, 6.7% in Saskatchewan, 11.7% in Manitoba, 10.6% in Ontario, 11.0% in Arizona, 22.5% in Minnesota, 10.9% in Wisconsin and 8.2% in U.S. - Other.

NOTICE WITH RESPECT TO NON-GAAP MEASURES

In addition to reported IFRS measures, certain non-GAAP measures are commonly used by Canadian real estate investment trusts as an indicator of financial performance, including: Proportionate Share, Property NOI, and AFFO payout ratio. "GAAP" means the generally accepted accounting principles described by the CPA Canada Handbook - Accounting, which are applicable as at the date on which any calculation using GAAP is to be made. Artis applies IFRS, which is the section of GAAP applicable to publicly accountable enterprises. The non-GAAP measures are not defined under IFRS and are not intended to represent operating profits for the period, or from a property, nor should any of these measures be viewed as an alternative to net income, cash flow from operations or other measures of financial performance calculated in accordance with IFRS. Readers should be further cautioned that

the non-GAAP measures as calculated by Artis may not be comparable to similar measures presented by other issuers. These non-GAAP measures are defined in Artis' Q2-20 MD&A.

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.

Suite 600 – 220 Portage Avenue
Winnipeg, MB R3C 0A5
T 204.947.1250 F 204.947.0453

www.artisreit.com
AX.UN on the TSX