



Artis Real Estate Investment Trust
Executing on Strategic Initiatives
November 2020

This presentation contains forward-looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Particularly, statements regarding the proposed retail spin-off and enhanced strategic debt reduction plan and the resulting impacts on Artis REIT and Artis Retail REIT are forward-looking statements. Without limiting the foregoing, the words “expects”, “anticipates”, “intends”, “estimates”, “projects”, and similar expressions are intended to identify forward-looking statements. All forward-looking statements in this presentation are made as of November 2020.

Artis REIT is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of Artis REIT to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Such risk factors include, but are not limited to, risks related to the proposed retail spin-off and enhanced strategic debt reduction strategy, COVID-19 pandemic, implementation of Artis REIT’s previously announced initiatives, risks associated with real property ownership, debt financing, foreign currency, credit and tenant concentration, lease rollover, availability of cash flow, general uninsured losses, future property acquisitions and dispositions, environmental matters, tax related matters, changes in legislation and changes in the tax treatment of trusts, cyber security, new or (re)developments, unitholder liability, potential conflicts of interest, potential dilution and reliance on key personnel. Artis REIT cannot assure investors that actual results will be consistent with any forward-looking statements and Artis REIT assumes no obligation to update or revise such forward-looking statements to reflect actual events or new circumstances. All forward-looking statements contained in this presentation are qualified by this cautionary statement.

Information in this presentation should be read in conjunction with Artis’ applicable consolidated financial statements and management’s discussion and analysis. Additional information about Artis, including risks and uncertainties that could cause actual results to differ from those implied or inferred from any forward-looking statements in this presentation, are contained in our various securities filings, including our current Annual Information Form, our interim filings dated May 7, 2020, August 6, 2020 and November 5, 2020, along with our 2019 annual earnings press release dated February 27, 2020, and our audited annual consolidated financial statements for the years ended December 31, 2019 and 2018, which are available on SEDAR at www.sedar.com or on our company website at www.artisreit.com.

Senior Management Team



Armin Martens
President and
Chief Executive Officer



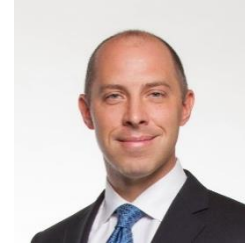
Jim Green
Chief Financial Officer



Kim Riley
EVP, Investments &
Developments



Frank Sherlock
EVP, Property Management



Philip Martens
EVP, (U.S. Region)



Jaclyn Koenig
SVP, Accounting



Brad Goerzen
SVP, Leasing (Central Region)



Greg Moore
SVP, Asset Management
(Western Region)



Leon Wilkosz
SVP, Asset Management
(Wisconsin)



Amy Melchior
SVP, Asset Management
(Minnesota)



Patrick Devine
SVP, Leasing
(U.S. Region)



Marie Dunn
SVP, Asset Management
(U.S. Region)



Ron Wieler
SVP, Construction & Development
(U.S. Region)

Board and Management Best Positioned to Drive Future Value

1

Artis Has Outperformed REIT Index and Diversified Peers Since IPO

2

Over Past Decade, Board and Management Significantly Improved Portfolio Quality through Strategic Repositioning

3

History of Consistent Focus on Surfacing Value for Unitholders

4

Successfully Executing Stated Strategy of Selling Non-Core Assets with Proceeds Utilized to De-Lever

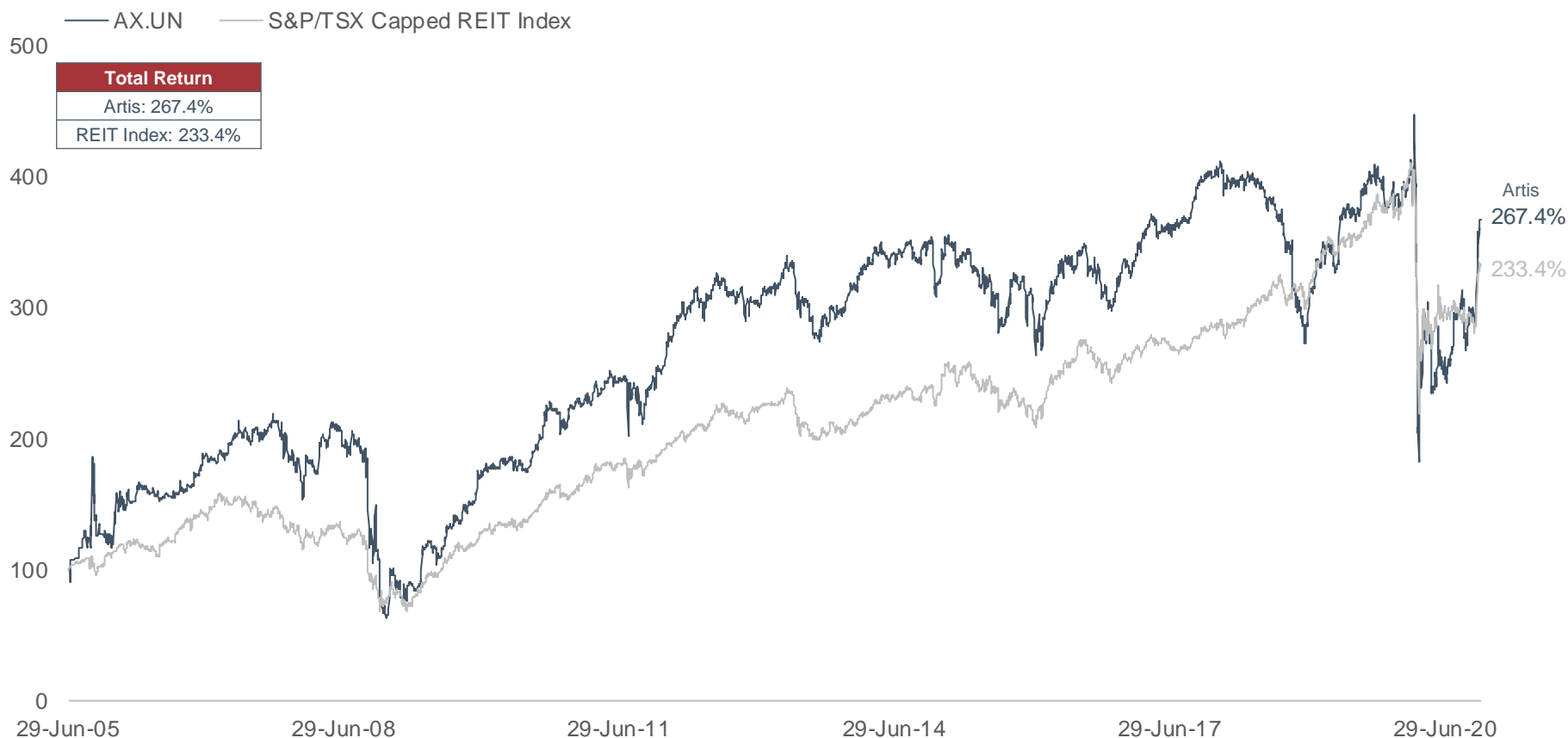
5

Conclusion

1 Outperformed REIT Index and Diversified Peers Since IPO

- Artis REIT has outperformed the S&P/TSX Capped REIT Index ten out of fifteen years since IPO

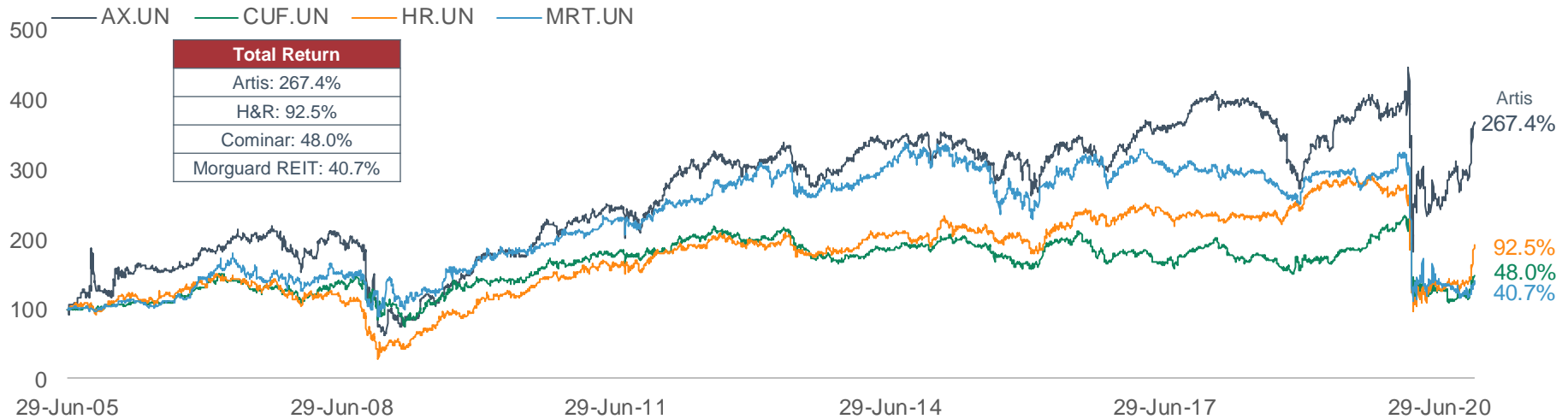
Total Return – Since IPO⁽¹⁾



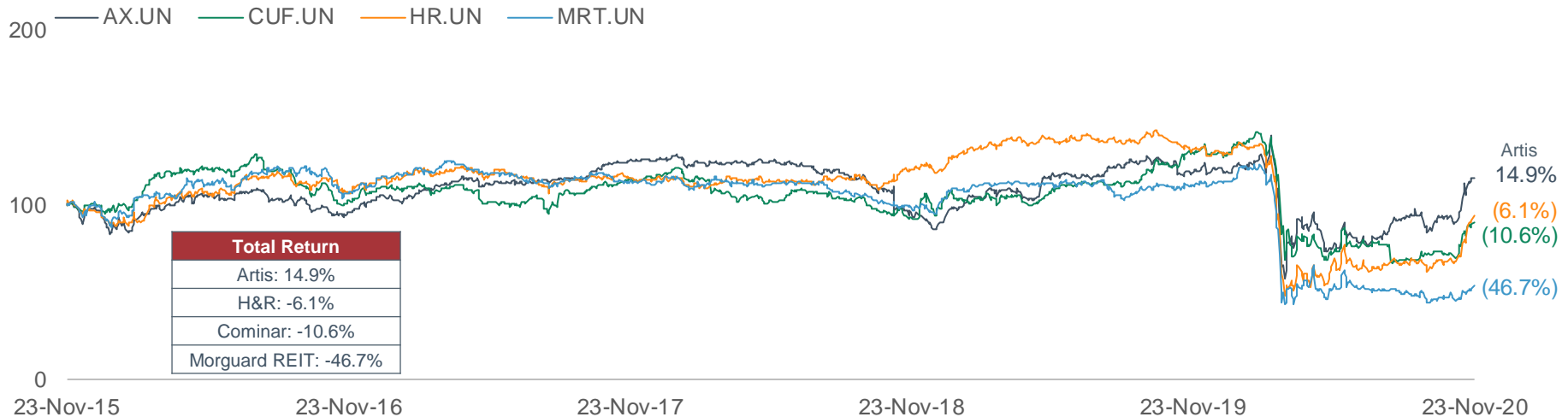
Artis REIT has outperformed the REIT Index since IPO

1 Outperformed REIT Index and Diversified Peers Since IPO

Total Return – Since IPO⁽¹⁾



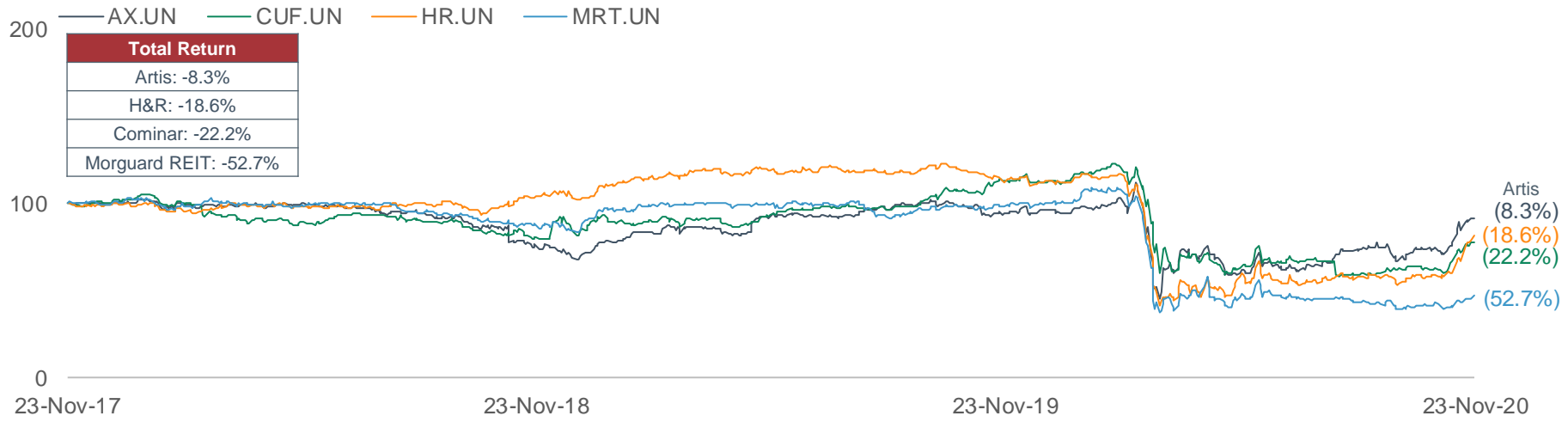
Total Return – Last Five Years



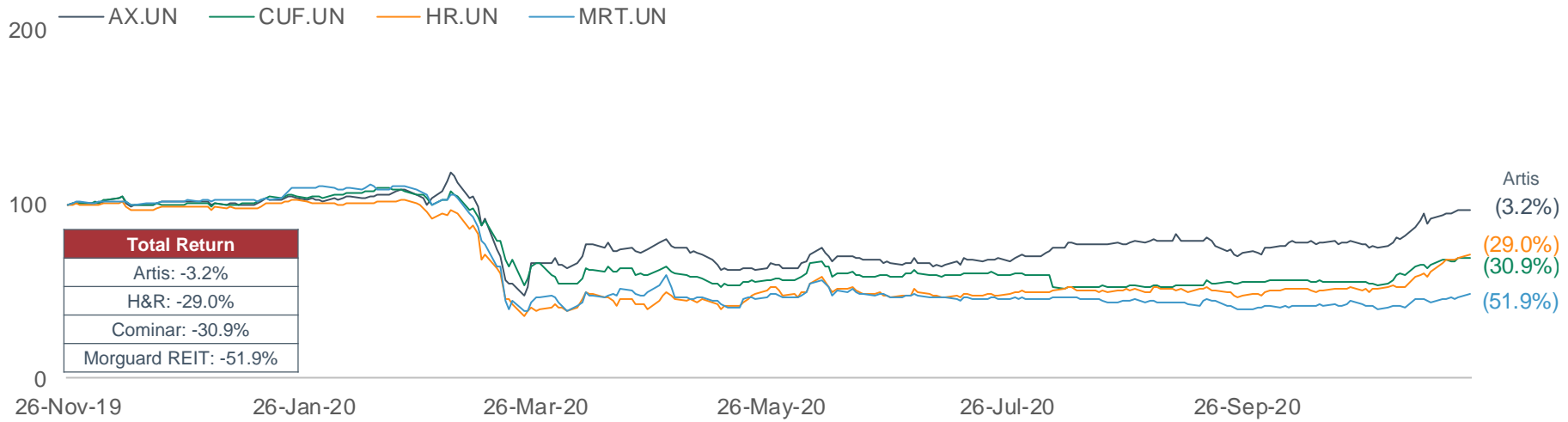
Artis REIT has been the top performing diversified REIT since IPO and over the last five years

1 Outperformed REIT Index and Diversified Peers Since IPO

Total Return – Last Three Years



Total Return – Last Twelve Months



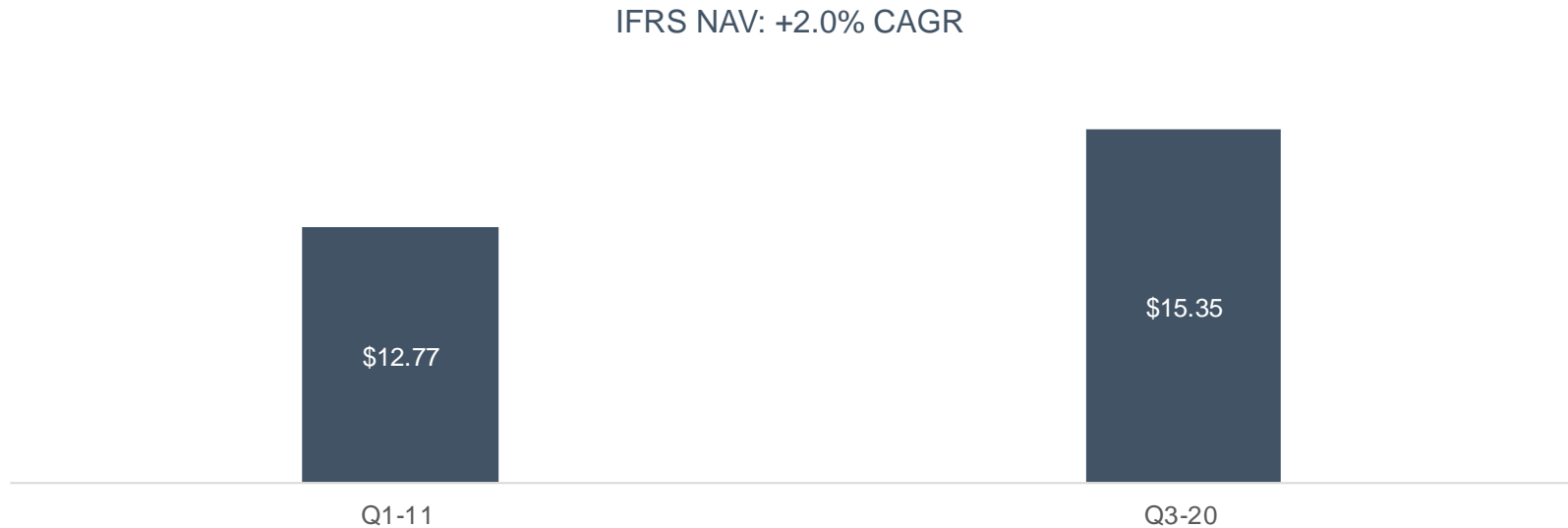
Artis REIT has been the top performing diversified REIT over the last three years and last twelve months

1 Outperformed REIT Index and Diversified Peers Since IPO

- Since 2011, despite macro headwinds, Artis has grown IFRS NAV per unit at a 2.0% CAGR

IFRS NAV Per Unit 2011 – 2020

■ IFRS NAV per Unit



2 Improved Portfolio Quality through Strategic Repositioning

	Q1-10	Q3-20	How Artis Delivered
Reduced Western Canadian Exposure	100% (Western Canada NOI)	39% (Western Canada NOI)	<ul style="list-style-type: none"> In 2010, entered Eastern Canadian (initially Toronto) and U.S. (initially Minneapolis) markets <ul style="list-style-type: none"> – Eastern Canada and U.S. accounted for 11% and 50% of NOI at Q3-20 Since 2010, disposed of 55 Western Canadian properties for \$1.2 billion
Reduced Exposure to Calgary Office	14% (Calgary Office NOI)	<2% (Calgary Office NOI)	<ul style="list-style-type: none"> Enhanced portfolio quality by reducing Calgary office exposure <ul style="list-style-type: none"> – Since 2010, disposed of 13 properties for \$329.3 million
Reduced Retail Exposure	35% (Retail NOI)	19% (Retail NOI)	<ul style="list-style-type: none"> Since 2010, sold 27 retail properties for \$439.1 million Reduced enclosed mall exposure <ul style="list-style-type: none"> – One asset remaining, expected to be sold by end of 2020 Disposition of U.S. retail portfolio in December 2019 for US\$37.8 million

Made strategic asset management decisions to enhance overall portfolio quality and growth prospects of the REIT

2 Improved Portfolio Quality through Strategic Repositioning

	Q1-10	Q3-20	How Artis Delivered
Strategic Focus on Growing Industrial Platform	14% (Industrial NOI)	35% (Industrial NOI)	<ul style="list-style-type: none"> \$1.9 billion cross-border, institutional-quality industrial portfolio <ul style="list-style-type: none"> Q3-20 NOI comprised of 50% U.S. and 50% Canada Initial growth through portfolio acquisitions to establish scale, with a shift to development as cap rates compressed Since 2010, SP-NOI growth and occupancy have averaged +5.1% and 95.1%
Development Initiatives	nil (Development Pipeline)	2.4 million sf (Development Pipeline)	<ul style="list-style-type: none"> Since 2010, completed 29 development / redevelopment projects adding 4.3 million sf to the portfolio Pipeline comprises of 4 projects totalling 2.4 million sf and \$55 million of value <ul style="list-style-type: none"> Focused on industrial opportunities in the U.S. (1.9 million sf in Texas and 0.5 million sf in Arizona)
Exit of Non-Core and Smaller Markets	14% ⁽¹⁾ (Non-Core and Smaller Market NOI)	5% (Non-Core and Smaller Market NOI)	<ul style="list-style-type: none"> Narrowing portfolio to focus on key assets in fewer markets Strategic exit of smaller markets <ul style="list-style-type: none"> Canada: Cranbrook, Nanaimo, West Kelowna, Whistler, Airdrie, Edson, Lethbridge, Medicine Hat, Estevan, Moose Jaw, Ottawa U.S.: Tampa, New Hartford, Minnesota (retail)

Made strategic asset management decisions to enhance overall portfolio quality and growth prospects of the REIT

2 Improved Portfolio by Strategically Repositioning

- Since 2010, Artis has completed 29 industrial development / redevelopment projects adding 4.3 million sf of industrial exposure in Canada and the U.S.

Select Industrial Developments



Tower Business Center – Denver, CO



Midtown Business Center – Minneapolis, MN



Park Lucero III – Phoenix, AZ



Park 8Ninety Phase III – Houston, TX



Park Lucero I – Phoenix, AZ



Park Lucero II – Phoenix, AZ



Park 8Ninety Phase I – Houston, TX



175 Westcreek – Toronto, ON

2 Improved Portfolio by Strategically Repositioning

- Artis has created significant value for unitholders through its industrial development initiatives

Industrial Development Projects

Property	Location	Year Built	GLA (sf thousands)	Cost (\$ millions)	Terminal Value (\$ millions)	Gain (\$ millions)	IRR
U.S.							
Midtown Business Center	Minneapolis, MN	2014	185.4	\$11.7	\$16.6	\$4.9	34.0%
Park Lucero I	Phoenix, AZ	2015 - 2017	208.5	\$22.6	\$26.2	\$3.7	23.1%
Park Lucero II	Phoenix, AZ	2015 - 2017	131.8	\$14.1	\$20.9	\$6.9	29.0%
Park Lucero III	Phoenix, AZ	2015 - 2017	146.8	\$15.7	\$19.6	\$3.8	37.5%
Park Lucero IV	Phoenix, AZ	2018	94.8	\$9.2	\$12.6	\$3.4	16.8%
Park 8Ninety Phase I	Houston, TX	2017	439.7	\$40.3	\$54.0	\$13.7	27.2%
Park 8Ninety Phase III	Houston, TX	2018	32.9	\$8.0	\$12.0	\$4.0	41.9%
Park 8Ninety Phase IV	Houston, TX	2020	100.0	\$10.6	\$14.0	\$3.4	16.9%
Cedarport I	Houston, TX	2019	518.9	\$33.7	\$41.1	\$7.4	67.4%
Tower Business Center	Denver, CO	2019	420.3	\$32.1	\$49.3	\$17.2	17.0%
Total / Average			2,279.2	\$198.0	\$266.5	\$68.4	31.1%
Canada							
175 Westcreek	Toronto, ON	2017	130.3	\$16.0	\$26.0	\$10.0	17.2%
Total / Average			130.3	\$16.0	\$26.0	\$10.0	17.2%
Combined Total / Average			2,409.5	\$214.0	\$292.5	\$78.4	29.8%

Deep industrial development expertise with over \$78 million of value created

2018 Initiatives (November 2018)

- Completed approximately \$800 million of non-core asset sales
- Unit repurchases of approximately \$200 million funded by net proceeds
 - Repurchased 18.3 million common units and 0.4 million preferred units at significant discounts

Strategic Review (May 2019)

- Formed Special Committee to review and evaluate additional strategic alternatives
- Evaluated a comprehensive set of alternatives to maximize unitholder value
 - Status quo
 - Sale of the REIT or discrete portfolios
 - An initial public offering of certain assets
 - Spin-off of certain assets
 - Merger with other publicly listed REITs
 - A strategic investment from cornerstone investors
- Special Committee concluded that a sale of the REIT would maximize unitholder value

Board and management have consistently pursued initiatives to maximize unitholder value

3 A Consistent Focus on Surfacing Value

Sale Process (Fall 2019 – May 2020)

- Conducted a broad outreach program in which 110 potential investors were contacted globally
- Investors invited to bid en-bloc, in addition to bidding for specific geographies and asset classes
- Process attracted interest from a number of qualified potential investors
- Due to market uncertainty resulting from COVID-19, Special Committee concluded the Strategic Review
- Board communicated it would remain open to considering strategic opportunities for the REIT in the future

Retail Spin-Off and Strategic Debt Initiative (September 2020)

- Spin-off of retail portfolio was proposed following comprehensive evaluation of alternatives throughout the Strategic Review process
- Retail Spin-off was proposed for the following reasons:
 - Simplifies the business
 - Public markets ascribing little to no value to the retail portfolio
 - Value of the standalone components far exceed current trading levels
 - Non-taxable transaction to Artis REIT
 - Retail Spin-Off preserves future optionality
- Strategic debt initiative is poised to meaningfully lower leverage, bolster liquidity and enhance balance sheet
- In November 2020, the Board announced that the unitholder meeting related to the Retail Spin-Off will be deferred until a later date

Board and management have consistently pursued initiatives to maximize unitholder value

4 Successfully Executed on Stated Strategies

- Since announcing the 2018 Initiatives on November 1, 2018, Artis has made significant progress in successfully executing these initiatives

Repurchased Units through its Normal Course Issuer Bid ("NCIB") at a Discount to NAV

- Repurchased \$192 million (18.3 million units) of common units at significant discounts to both consensus and IFRS NAV
- Repurchased \$8 million (0.4 million preferred units) of preferred units at significant discounts to par value

Executed Non-Core Asset Sales to Narrow Focus on Key Assets in Select Markets

- Announced \$800 million to \$1 billion of non-core asset sales over a two to three year time frame
 - As at September 4, 2020, Artis has completed \$800 million of asset sales at 2% premium to IFRS value
 - These strategic non-core asset dispositions have significantly enhanced the overall portfolio quality

Property	Property Count	Location	Disposition Date	Owned GLA (sf thousands)	Sale Price (\$ millions)	IFRS Value (\$ millions)
Centrepont	1	Winnipeg, MB	Oct-18	51.7	\$27.3	\$26.1
169 Inverness Drive West I & II	1	Greater Denver Area, CO	Apr-19	118.5	\$36.1	\$46.6
Reenders Square	1	Winnipeg, MB	May-19	65.7	\$20.6	\$18.3
Britannia Building	1	Calgary, AB	May-19	133.9	\$10.7	\$10.1
Nanaimo Portfolio	4	Nanaimo, BC	Jun-19	112.3	\$37.0	\$36.6
1700 Broadway	1	Greater Denver Area, CO	Jun-19	394.2	\$104.3	\$111.2
GSA Professional Office Building	1	Greater Phoenix Area, AZ	Jul-19	210.2	\$121.8	\$118.0
415 Yonge Street	1	Toronto, ON	Sep-19	192.0	\$124.0	\$94.8
Estevan Retail Portfolio	2	Estevan, SK	Oct-19	167.1	\$13.0	\$12.9
495 Richmond Road	1	Ottawa, ON	Nov-19	106.2	\$39.0	\$37.1
Centre 70 Building	1	Calgary, AB	Dec-19	134.3	\$23.5	\$25.1
Minnesota Retail Portfolio	6	Tw in Cities Area, MN	Dec-19	298.2	\$45.9	\$52.0
Centre 15 Building	1	Calgary, AB	Jan-20	76.0	\$14.0	\$14.0
Calgary Office Portfolio	2	Calgary, AB	Jan-20	497.6	\$77.8	\$78.9
800 5th Avenue	1	Calgary, AB	Jan-20	258.4	\$26.0	\$25.9
1165 Kenaston Street	1	Ottawa, ON	Mar-20	180.7	\$22.5	\$22.4
Millwright Building	1	Minneapolis, MN	Aug-20	138.8	\$55.4	\$55.2
Total	27			3,136.0	\$798.8	\$785.2

4 Successfully Executed on Stated Strategies

- On September 8, 2020, management announced an additional \$550 million of non-core asset sales

Expanded Non-Core Disposition Program

- \$550 additional million of non-core asset sales
 - Of the \$550 million planned asset sales, \$172 million of non-core assets are currently under unconditional contract, with another \$98 million under conditional contract or letter of intent

Strategic Debt Reduction Initiatives to Improve Credit Metrics

- Net proceeds from aforementioned asset sales will be used to repay debt and significantly improve Artis' credit profile

Pro-Forma Credit Metrics for Artis REIT

	Announcement of Initiatives ⁽¹⁾	Post Retail Spin-off	Post Total Asset Sale
Debt to GBV	52.1%	52.5%	46.1%
EBITDA Interest Coverage	3.5x	3.6x	4.3x
Debt to EBITDA	9.5x	9.6x	8.4x

Management continues to pursue initiatives that will surface value for unitholders

4 Successfully Executed on Stated Strategies

- Artis' Q3-20 results demonstrate that management has successfully repositioned the portfolio for future growth

FFO per Unit

- FFO per unit of \$0.37
 - +\$0.03 versus analyst consensus estimate of \$0.34
 - +8.8% versus Q3-19 FFO per unit of \$0.34

AFFO per Unit

- AFFO per unit of \$0.27
 - +\$0.02 versus analyst consensus estimate of \$0.25
 - +8.0% versus Q3-19 AFFO per unit of \$0.25
- AFFO payout of 51.9% versus 56.0% in Q3-19

Leverage

- Debt to GBV of 51.9% versus 52.3% at Q4-19
- EBITDA Interest Coverage of 3.55x versus 2.85x at Q3-19

Distribution Increase & Unit Buyback

- Announced a 3% increase to common unit distributions
 - Effective for the December 2020 distribution payable on January 15, 2021
- Active NCIB targeting annual buyback of 2% of units outstanding

Strong financial and operational Q3-20 results

5 Conclusion

Over Past Decade, Board and Management Have Been Focused on Driving Value for Unitholders

- Proven track record of astute asset management decisions and numerous initiatives that have repositioned the portfolio and created value for unitholders
- Portfolio poised for future growth

Successful Execution of Stated Strategies Poised to Continue

- Non-core disposition program has been extremely successful
- Newly announced strategic debt reduction initiative will significantly reduce leverage metrics
- Potential for future dividend increase post leverage reduction

History of Exhaustive Pursuit of Initiatives Focused on Surfacing Value for Unitholders

- Dedicated to unlocking unitholder value

Strong Q3-20 Financial and Operational Performance

- Reported FFO and AFFO above analyst consensus
- Continuing to execute on announced non-core disposition program
- Announced 3.0% distribution increase while continuing to maintain conservative payout ratio
- Active NCIB targeting annual buyback of 2% of units outstanding



Artis Real Estate Investment Trust
November 2020