



FOR IMMEDIATE RELEASE

MAY 26, 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. 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

As previously announced, in an effort to support tenants through this difficult time, Artis has provided qualifying tenants who are in need of assistance with 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 provided a total of approximately \$1.9 million (in functional currency) of rent deferrals to its tenants for May and, excluding deferred rent, has received 92.3% of May rent charges. Including deferred rent, Artis has received 87.6% of May 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 18.7% of the REIT’s Q1-20 proportionate share 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 continues to maintain a conservative adjusted funds from operations payout ratio of 58.3% (for the three months ended March 31, 2020), which is one of the lowest payout ratios of all commercial real estate investment trusts in Canada.

Balance Sheet and Liquidity

Artis’ liquidity includes cash on hand and undrawn credit facilities. At March 31, 2020, the REIT had \$53.0 million of cash on hand and \$138.3 million available on its credit facilities. In addition, Artis had \$1.8 billion of unencumbered assets at March 31, 2020. 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.

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 Canada and the United States. As of March 31, 2020, Artis' commercial property comprises approximately 23.8 million square feet of leasable area.

During the three months ended March 31, 2020, Property Net Operating Income ("Property NOI") by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was 46.8% office, 18.7% retail and 34.5% industrial. Proportionate Share Property NOI by geographical region was 2.7% in British Columbia, 16.5% in Alberta, 6.7% in Saskatchewan, 13.7% in Manitoba, 10.8% in Ontario, 10.0% in Arizona, 21.5% in Minnesota, 9.7% in Wisconsin and 8.4% 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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