



FOR IMMEDIATE RELEASE

JANUARY 26, 2017

**ARTIS REAL ESTATE INVESTMENT TRUST ANNOUNCES REDEMPTION OF
SERIES G CONVERTIBLE DEBENTURES EFFECTIVE FEBRUARY 28, 2017**

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DISSEMINATION IN THE UNITED STATES**

Artis Real Estate Investment Trust (TSX: AX.UN) ("**Artis**" or the "**REIT**") announced today that it has delivered notice of the redemption of all of the issued and outstanding 5 Year 5.75% Series G Convertible Redeemable Unsecured Subordinated Debentures (the "**Series G Debentures**") of the REIT.

The redemption of the Series G Debentures will be effective as of February 28, 2017 (the "**Redemption Date**"). Upon presentation and surrender the Series G Debentures, holders of Series G Debentures will be entitled to receive payment of a redemption amount of US\$1,009.2945 for each US\$1,000 principal amount of Debentures, being equal to the aggregate of (i) US\$1,000 (the "**Redemption Price**"), and (ii) US\$9.2945, being the accrued and unpaid interest thereon to but excluding the Redemption Date, in each case less any taxes required to be deducted or withheld.

The Redemption Price, together with all accrued and unpaid interest thereon, will be payable upon presentation and surrender of the Debentures called for redemption at the following corporate trust offices of the indenture trustee as follows: BNY Trust Company, 11th Floor, 320 Bay Street, Toronto, Ontario M5H 4A6 Attention: Operations.

In accordance with the trust indenture, interest upon the principal amount of Debentures called for redemption shall cease to be payable from and after the Redemption Date.

Artis is a diversified Canadian real estate investment trust investing in office, industrial and retail 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 September 30, 2016, Artis' commercial property comprises approximately 27.2 million square feet of leasable area.

During the three months ended September 30, 2016, Property Net Operating Income ("Property NOI") by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 51.5% office, 24.6% retail and 23.9% industrial. Property NOI by geographical region, including Artis' proportionate share of properties held in joint venture

arrangements, was approximately 9.0% in British Columbia, 30.2% in Alberta, 5.7% in Saskatchewan, 12.1% in Manitoba, 10.0 % in Ontario and 33.0% in the U.S.

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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