



FOR IMMEDIATE RELEASE

APRIL 11, 2017

ARTIS REAL ESTATE INVESTMENT TRUST PROVIDES UPDATE ON PROPERTY DISPOSITIONS YEAR TO DATE

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) provided today an update on its capital recycling and geographic diversification program, which includes the sale of one industrial, two retail and two office properties in Alberta and two retail properties in British Columbia.

DISPOSITIONS COMPLETED YEAR TO DATE

On February 6, 2017, Artis disposed of Airdrie Flex Industrial, a 27,535 square foot industrial property located in Airdrie, Alberta. The sale price for this disposition was \$5.4 million.

On March 10, 2017, Artis disposed of Southview Centre, a 162,062 square foot retail property in Medicine Hat, Alberta. The sale price for this disposition was \$28.1 million.

On March 15, 2017, Artis disposed of its 75% interest in Westbank Hub Centre North and Westbank Hub Shopping Centre, two retail properties located in Westbank, British Columbia. The total leasable area of the properties is 256,822 and 179,089 square feet, respectively, and Artis’ 75% interest was sold for an aggregate price of \$80.1 million.

On March 30, 2017, Artis disposed of Ford Tower and Alpine Building, two office properties located in Calgary, Alberta. The properties comprise 147,879 and 53,470 square feet of leasable area, respectively, and were sold as a portfolio for a sale price of \$37.5 million (\$186 per square foot), which represents a capitalization rate of 6.12%. The IFRS value of these properties recorded at December 31, 2016, was \$33.5 million.

On April 7, 2017, Artis disposed of Edson Shoppers Mall, a 20,405 square foot retail property located in Edson, Alberta. The sale price for this disposition was \$7.0 million.

Including all dispositions year to date, Artis has sold a total of seven properties for an aggregate sale price of \$158.1 million, totaling nearly 740,000 square feet of leasable area, at a weighted-average capitalization rate of 5.97%. The net gain over the IFRS value recorded at December 31, 2016, on these dispositions was approximately \$5.4 million.

GEOGRAPHIC DIVERSIFICATION

Artis anticipates Property Net Operating Income (“Property NOI”) by asset class for the three months ended December 31, 2016, adjusted for dispositions announced as of the date of this press release, would be approximately 19.8% retail, 55.8% office and 24.4% industrial. Artis anticipates that the adjusted Property NOI by geographical region would be approximately 4.0% in British Columbia, 26.9% in Alberta (11.9% in Calgary office, 0.8% in other Alberta office, 9.5% in Alberta retail and 4.7% in

Alberta industrial), 6.7% in Saskatchewan, 12.8% in Manitoba, 10.9% in Ontario, 7.6% in Arizona, 18.4% in Minnesota, 8.9% in Wisconsin and 3.8% in U.S. – Other.

The above Property NOI pro forma calculation excludes transaction costs and lease termination income and includes Artis' proportionate share of properties held in joint venture arrangements.

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, 2016, Artis' commercial property comprises approximately 25.7 million square feet of leasable area.

During the three months ended December 31, 2016, Property NOI by asset class, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 54.9% office, 20.8% retail and 24.3% industrial. Property NOI by geographical region, including Artis' proportionate share of properties held in joint venture arrangements, was approximately 4.6% in British Columbia, 29.6% in Alberta, 6.3% in Saskatchewan, 12.2% in Manitoba, 10.3% in Ontario, 7.2% in Arizona, 17.5% in Minnesota, 8.5% in Wisconsin and 3.8% 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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