



FOR IMMEDIATE RELEASE

OCTOBER 24, 2021

ARTIS REIT ANNOUNCES PARTICIPATION IN INVESTOR GROUP TO ACQUIRE COMINAR REIT IN ALL-CASH TRANSACTION

Artis Real Estate Investment Trust (“Artis” or the “REIT”) (TSX: AX.UN) announced today that a consortium led by Canderel Real Estate Property Inc. and including Artis, partnerships managed by the Sandpiper Group, and FrontFour Capital Group LLC (the “Consortium”) has, through a newly-formed entity, entered into an arrangement agreement to acquire Cominar Real Estate Investment Trust (“Cominar”), with Cominar unitholders, other than certain Cominar unitholders that are members of the Consortium, receiving consideration of \$11.75 in cash per unit, (the “Transaction”). The Consortium intends to retain portions of Cominar’s retail portfolio, as well as components of Cominar’s office portfolio, and has entered into agreements to sell Cominar’s industrial portfolio to Blackstone and a portfolio comprised of certain of Cominar’s retail and office assets to the Group Mach. Koch Real Estate Investments, LLC, and Artis will also be providing preferred equity for the Transaction.

The Transaction, which is expected to close in the first quarter of 2022, has been recommended by both the Board of Trustees of Cominar and its Special Committee and remains subject to the approval of Cominar unitholders, court and required regulatory approvals and customary closing conditions.

Artis has committed a total of up to \$214 million to the Transaction, which includes participation in multiple aspects of the Consortium’s overall capital structure, including \$100 million of junior preferred units that carry a distribution rate of 18% per annum and up to \$114 million in common equity units.

“This transaction is an important step in implementing the next phase of our new vision and strategy,” said Samir Manji, President and Chief Executive Officer of Artis. “We’re pleased to collaborate with this group of experienced real estate investors in an opportunity that aligns with our long-term objectives and that we anticipate will generate strong annual returns on our overall capital commitments. This initiative also reflects the nature of opportunities and investments that we look forward to pursuing in the future with other potential investors and partners.”

Ben Rodney, Chair of the Board of Trustees of Artis, added “Our Business Transformation Plan, announced just seven months ago, is working. On the heels of unlocking over \$700 million on the sale of Artis’ GTA industrial portfolio, our management team, working with Sandpiper Group, has identified opportunities that can compound unitholder returns through this multi-tiered and accretive investment strategy.”

On March 10, 2021, Artis announced a new vision and strategy for the REIT – to build a best-in-class asset management and investment platform focused on growing net asset value per unit and distributions for investors through debt repayment, return of capital and value investing in real estate. As part of this strategy, Artis committed to deploying capital into strategic investments in portfolio companies and concentrating its ownership in the highest and best return opportunities in an effort to maximize long-term value for unitholders.

Artis is a diversified Canadian real estate investment trust with a portfolio of industrial, office and retail properties in Canada and the United States. Artis' vision is to build a best-in-class asset management and investment platform focused on growing net asset value per unit and distributions for investors through debt repayment, return of capital and value investing in real estate.

For further information please contact Mr. Samir Manji, President and Chief Executive Officer, Ms. Jaclyn Koenig, Chief Financial Officer or Ms. Heather Nikkel, Vice-President - Investor Relations of the REIT at 1.204.947.1250.

Cautionary Statements

This press release 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. Without limiting the foregoing, the words "expects", "anticipates", "intends", "estimates", "projects", "seeks", and similar expressions or variations of such words and phrases that state that certain actions, events or results "may", "would" or "will" occur or be achieved are intended to identify forward-looking statements. Particularly, statements regarding the terms and conditions of the Transaction and Artis' participation therein, the timing of the Transaction, Artis' return of capital and value investing strategies, building Artis into a best-in-class asset management and investment platform focused on value investing in real estate, the REIT's ability to execute its strategy, the REIT's ability to maximize long-term value and anticipated returns are forward-looking statements. Forward-looking statements are based on a number of factors and assumptions which have been used to develop such statements, but which may prove to be incorrect. Although Artis believes that the forward-looking statements in this press release are based on information and assumptions that are current, reasonable and complete, these statements are by their nature subject to a number of factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements, including, without limitation, the following factors, many of which are beyond the Artis' control and the effects of which can be difficult to predict, including the possibility that the proposed Transaction will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required unitholder, court and regulatory approvals and other conditions of closing necessary to complete the Transaction or for other reasons; risk related to tax matters; and, credit, market, currency, operational, liquidity and funding risks generally and relating specifically to the Transaction, including changes in economic conditions, interest rates or tax rates. For more information on the risks, uncertainties and assumptions that could cause the Artis' actual results to differ from current expectations, refer to the section entitled "Risk Factors" of Artis' Annual Information Form for the year ended December 31, 2020 as well as Artis' other public filings, available at www.sedar.com. Artis cannot assure investors that actual results will be consistent with any forward-looking statements and Artis 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 press release are qualified by this cautionary statement.

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