minto Apartment REIT

Q1 2022 Highlights Teleconference

May 4, 2022

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Non-International Financial Reporting Standards ("IFRS") Financial Measures

The REIT prepares and releases consolidated financial statements in accordance with International Financial Reporting Standards. As a complement to these financial statements, the REIT also discloses and discusses in this presentation and in answers to questions certain non-IFRS financial measures including funds from operations ("FFO"), adjusted funds from operations ("AFFO"), net operating income ("NOI") and debt-to-gross book value, which are measures commonly used by publicly traded entities in the real estate industry. Management believes that these metrics are useful for measuring different aspects of performance and assessing the underlying operating performance on a consistent basis. However, these measures do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should strictly be considered supplemental in nature and not a substitute for financial information prepared in accordance with IFRS and should not be construed as an alternative to net income or cash flows provided by or used in operating activities or unitholders' equity determined in accordance with IFRS. Further definitions and discussion of these non-IFRS measures and a reconciliation of FFO, AFFO and NOI to comparable IFRS measures are provided in the most recent MD&A in the sections entitled "Non-IFRS and Other Financial Measures" and "Reconciliation of Non-IFRS Financial Measures and Ratios".

Q1 2022 Highlights

- **The REIT realized on improving rental market conditions by entering into 401 new leases and achieved an average gain on new leases of 10.8% over expiring rents**
- **Average monthly rent for the Same Property Portfolio increased to $1,677, an increase of 2.9% over Q1 2021**
- **Average occupancy improved to 94.2%,compared to 91.1% in Q1 2021**
- **The REIT completed the repositioning of 60 suites generating an average annualized return of 8.4% while improving asset quality, reducing future repair costs and driving strong growth in rental revenue**
- **The REIT advanced a convertible development loan ("CDL") to Minto Properties Inc. ("MPI") to assist in the funding of a redevelopment project that will result in 593 new residential rental suites and 113,585 square feet of retail space in the Greater Victoria Area of British Columbia. The REIT will earn a 7% interest rate on the CDL during the development period and will have the option to purchase MPI's 45% interest in the project upon stabilization at a 5% discount to its then-appraised fair market value**
- **Announced the acquisition of interests in two premium downtown properties, which will increase the REIT's gross suite count by 753 suites**

Q1 2022 Key Operating Results

Higher occupancy and average rents driving favourable NOI, FFO and AFFO despite higher operating expenses

($000s except %, suite, per suite and per unit amounts)	Same Property Portfolio[1]			Total Portfolio[2]		
	Three months ended March 31,			Three months ended March 31,		
	2022	2021	Variance	2022	2021	Variance
Revenue	$31,665	$29,999	5.6%	$32,526	$29,999	8.4%
Operating expenses	$13,310	$12,115	(9.9)%	$13,740	$12,115	(13.4)%
NOI	$18,355	$17,884	2.6%	$18,786	$17,884	5.0%
NOI margin (%)	58.0%	59.6%	(160) bps	57.8%	59.6%	(180) bps
FFO				$11,979	$10,891	10.0%
AFFO				$10,348	$9,322	11.0%
AFFO ($/unit)				$0.1647	$0.1579	4.3%
Distributions declared ($/unit)				$0.1187	$0.1138	$0.0049
AFFO payout ratio				72.1%	72.0%	10 bps
Total suites[3]	7,277	7,277	—	7,538	7,277	261
Average monthly rent per occupied suite[4]	$1,677	$1,630	2.9%	$1,655	$1,630	1.5%
Occupancy - average for the period	94.26%	91.12%	314 bps	94.22%	91.12%	310 bps

[1] The Same Property Portfolio represents 29 properties wholly-owned by the REIT for equivalent periods in 2022 and 2021.
[2] The Total Portfolio represents 30 (March 31, 2021 - 29) properties.
[3] Total suites include 2,163 (March 31, 2021 - 2,163) suites co-owned with institutional partners.
[4] Excludes 195 furnished suites, 327 vacant suites, 64 suites offline for repositioning and 2 suites offline for enhanced turns.

Q1 2022 Operating Expenses Detail

Higher labour and utility costs impacting net operating margins

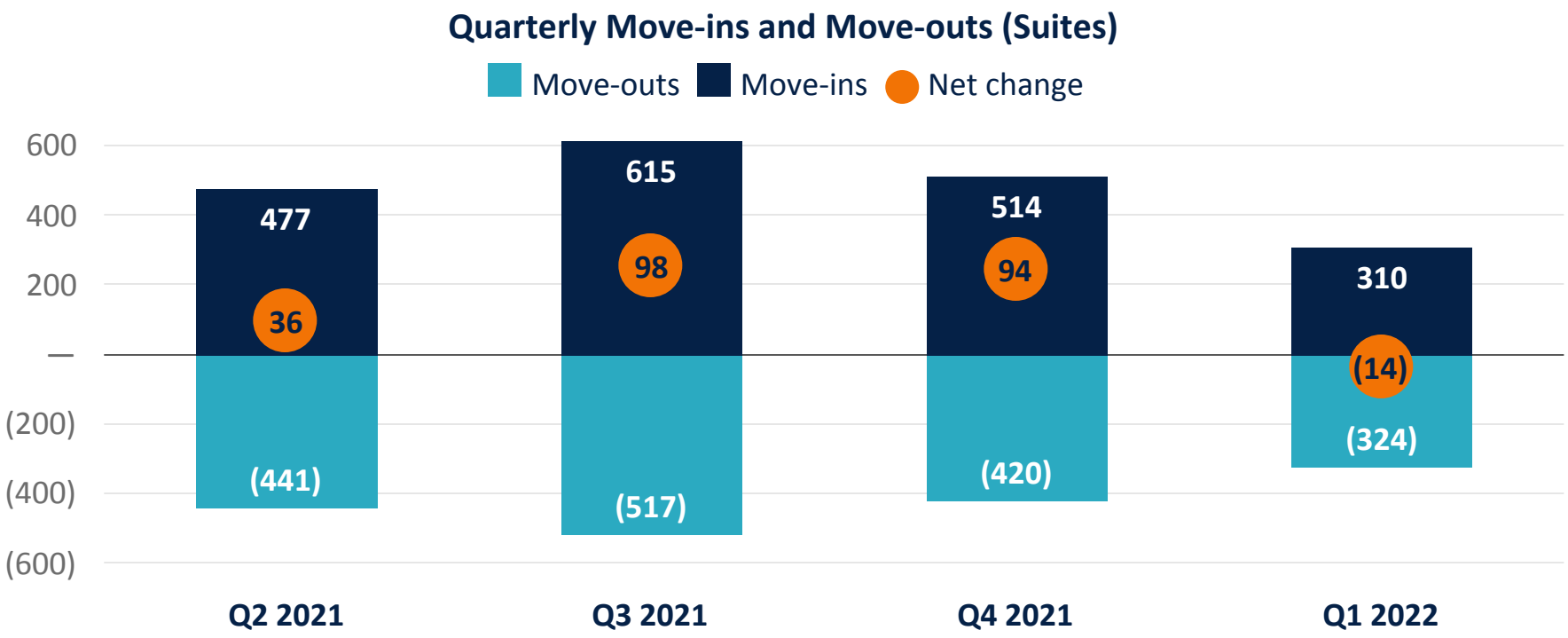
($000s except %)	Same Property Portfolio[1]			Total Portfolio[2]		
	Three months ended March 31,			Three months ended March 31,		
	2022	2021	Variance	2022	2021	Variance
Property operating costs	$ 6,257	$ 5,771	(8.4)%	$ 6,480	$ 5,771	(12.3)%
Property taxes	3,578	3,508	(2.0)%	3,665	3,508	(4.5)%
Utilities						
Electricity	984	922	(6.7)%	1,003	922	(8.8)%
Natural gas	1,822	1,249	(45.9)%	1,924	1,249	(54.0)%
Water	669	665	(0.6)%	668	665	(0.5)%
	3,475	2,836	(22.5)%	3,595	2,836	(26.8)%
Operating expenses	$ 13,310	$ 12,115	(9.9)%	$ 13,740	$ 12,115	(13.4)%

[1] The Same Property Portfolio represents 29 properties wholly-owned by the REIT for equivalent periods in 2022 and 2021.
[2] The Total Portfolio represents 30 (March 31, 2021 - 29) properties.

- **Higher labour costs, the staffing of certain job vacancies, higher insurance costs and higher repairs and maintenance contributed to higher year-over-year increase in property operating costs**
- **A cold winter (total heating degree days in Q1 2022 were 13% higher than Q1 2021) combined with higher natural gas prices (unit rates in Q1 2022 were 34% higher than Q1 2021) resulted in large unfavourable year-over-year variances in natural gas costs**

Move-ins / Move-outs

Move-outs marginally outpaced move-ins, contributing to a decrease in sequential occupancy



	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Occupancy[1]	**91.50%**	**92.87%**	**95.04%**	**94.22%**

[1] Total Portfolio average occupancy for the period.

Revenue Analysis

Improving market conditions drove realized gain-to-lease to 10.8% with embedded rent potential increasing to 10.7% (from 6.8% in Q4)

Realized gain-on-new leases in the three months ended March 31, 2022

Geographic Node	Total New Leases Signed[1]	Average Monthly Expiring Rent per Suite	Average Monthly New Rent per Suite	Percentage Gain on New Leases	Realized Annual Gain on New Leases (000s)[2]
Toronto	101	$1,856	$2,105	13.4%	$202
Ottawa	164	$1,595	$1,761	10.4%	$327
Alberta	78	$1,328	$1,446	8.8%	$110
Montreal	58	$1,911	$2,111	10.4%	$87
Total/Average	401	$1,620	$1,794	10.8%	$726

Gain-to-lease potential on existing rents as at March 31, 2022

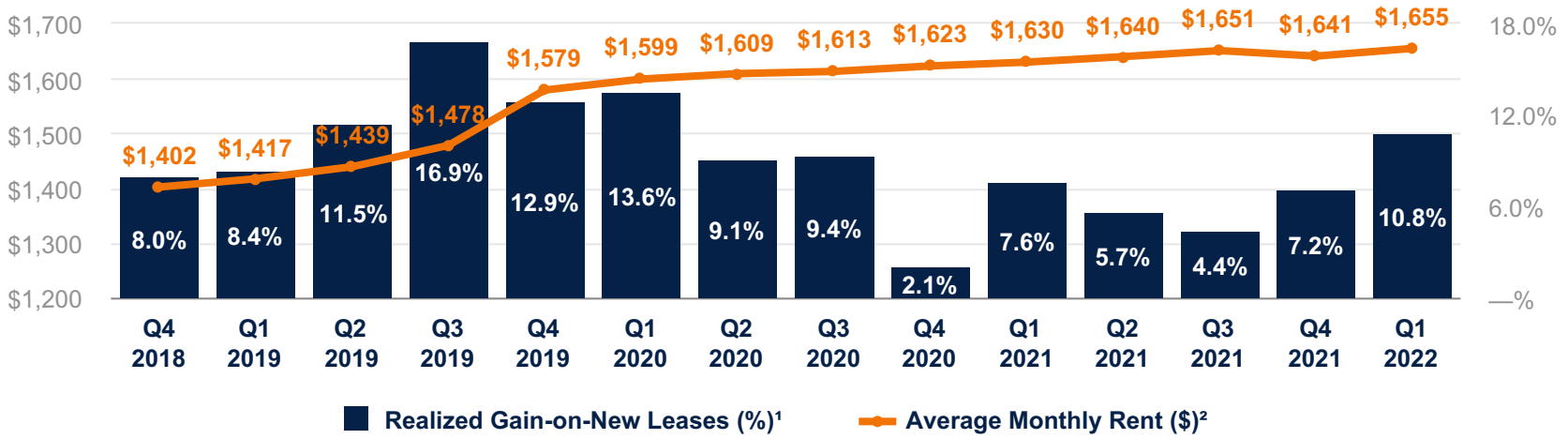
Geographic Node	Total Suites[3]	Average Monthly In-Place Rent per Suite	Management's Estimate of Monthly Market Rent per Suite	Percentage Gain-to-Lease	Estimated Annualized Gain-to-Lease (000s)[2]
Toronto	1,805	$1,930	$2,134	10.6%	$2,886
Ottawa	2,857	$1,561	$1,742	11.6%	$6,213
Alberta	627	$1,271	$1,356	6.6%	$633
Montreal	1,661	$1,808	$1,998	10.5%	$2,723
Total/Average	6,950	$1,655	$1,832	10.7%	$12,455

[1] Includes 100% of new leases signed from co-ownerships and excludes new leases of furnished suites.
[2] For co-owned properties, reflects the REIT's co-ownership interest only.
[3] Data for occupied suites. Excludes 195 furnished suites, 327 vacant suites, 64 suites offline for repositioning and 2 suites offline for enhanced turns.

Revenue Analysis - Time Series

Momentum on leasing gains continued in Q1 2022

Realized Leasing Gains and Average Monthly Rent



Geographic Node	Average monthly rent per suite[3]	Average sq. ft. per suite	Average rent per sq. ft per suite
Toronto	$1,930	798	$2.42
Ottawa	$1,561	837	$1.86
Alberta	$1,271	713	$1.78
Montreal	$1,808	977	$1.85
Average	$1,655	844	$1.96

[1] Average percentage increase in new rents compared to expiring rents on new leases of unfurnished suites.
[2] Average monthly rent for occupied unfurnished suites.
[3] As at March 31, 2022.

Repositioning Suites in Q1 2022

60 suites repositioned in Q1 generating an 8.4% ROI

Property	Ownership Interest	Suites Repositioned and Leased[1]	Remaining Suites to Reposition[1]	Total Suites in the Program[1]	% Complete
Minto Yorkville	100%	1	34	99	66%
Leslie York Mills	50%	14	231	409	44%
High Park Village	40%	8	284	407	30%
Edmonton properties[2]	100%	—	73	171	57%
Carlisle	100%	5	89	191	53%
Castle Hill	100%	1	78	176	56%
Rockhill	50%	7	799	934	14%
Le 4300	100%	5	226	261	13%
Haddon Hall	100%	3	159	191	17%
Roehampton	100%	16	76	148	49%
Martin Grove	100%	—	26	32	19%
Le Hill-Park	100%	—	180	261	31%
Total		60	2,255	3,280	31%

[1] All suite counts, including co-owned properties, are presented on 100% basis.
[2] The Edmonton portfolio repositioning program is currently on hold due to market conditions.

- **60 suites were repositioned and leased in Q1 2022 (45 at the REIT's share) at an average cost of $53,380 per suite. These suites generated an annual average rent increase of $4,468 per suite - an 8.4% simple ROI**
- **Subject to turnover of unrenovated suites, the REIT expects to reposition 180 to 250 suites in the remainder of 2022**

Repositioning Results

Repositioning generates a strong and predictable return on investment

Fiscal Quarter	Suites Renovated[1]	Average Cost per Suite	Average Annual Rental Increase per Suite	Average Annual Un-Levered Return
Q2 2021	88	$51,223	$4,279	8.4%
Q3 2021	120	48,432	4,298	8.9%
Q4 2021	113	47,362	4,475	9.4%
Q1 2022	60	53,380	4,468	8.4%
Total/Average	381	$49,539	$4,373	8.8%

[1] All suite counts, including co-owned properties, are presented on 100% basis.

High Park Village, Toronto

Haddon Hall, Montreal

Carlisle, Ottawa

Intensification and Development

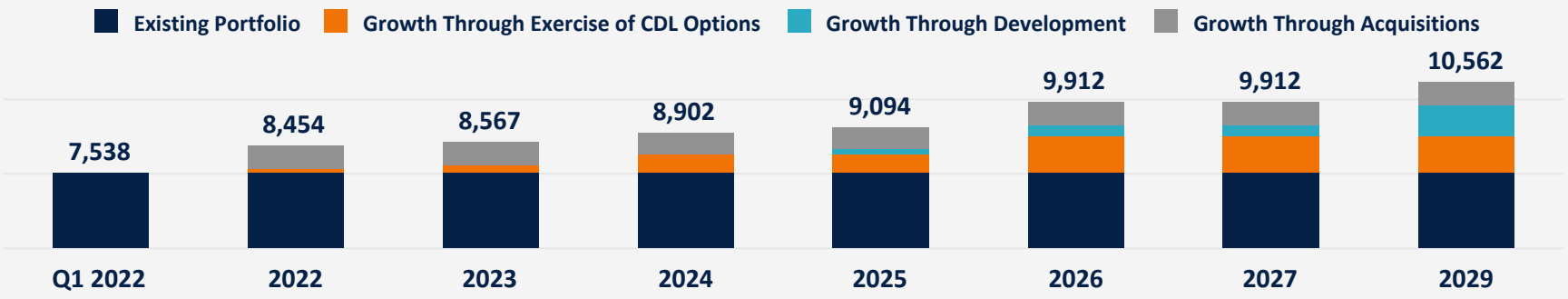
Development pipeline comprises 2,271 suites

(in $ millions, except suites)	REIT Ownership Interest	Suite Potential (100%)	Suite Potential (REIT Share)	Total CDL Advanced[1]
Active Development				
Fifth + Bank	Option (100%)	163	163	$30.0
Lonsdale Square	Option (100%)	113	113	$13.1
Richgrove	100%	225	225	N/A
Leslie York Mills	50%	192	96	N/A
Beechwood	Option (100%)	227	227	$11.4
810 Kingsway	Option (85%)	108	92	$10.3
University Heights	Option (45%)	593	267	$4.2
Pre-Development				
High Park Village	40%	650	260	N/A
Total		2,271	1,443	$69.0

In Q1 2022:

- **First advance of University Heights CDL**
- **Continued construction on Fifth + Bank, Lonsdale Square, Richgrove, Leslie York Mills, Beechwood and 810 Kingsway**

REIT Portfolio Growth Pipeline (Suites)[2,3]



[1] As at March 31, 2022.
[2] Suite counts are presented on a gross basis.
[3] Assumes exercise of option to purchase Fifth + Bank, Lonsdale Square, Beechwood, 810 Kingsway and University Heights developments, partner approvals for High Park Village are acquired and the closing of The International acquisition.

University Heights - Convertible Development Loan

The REIT enters the Greater Victoria Market

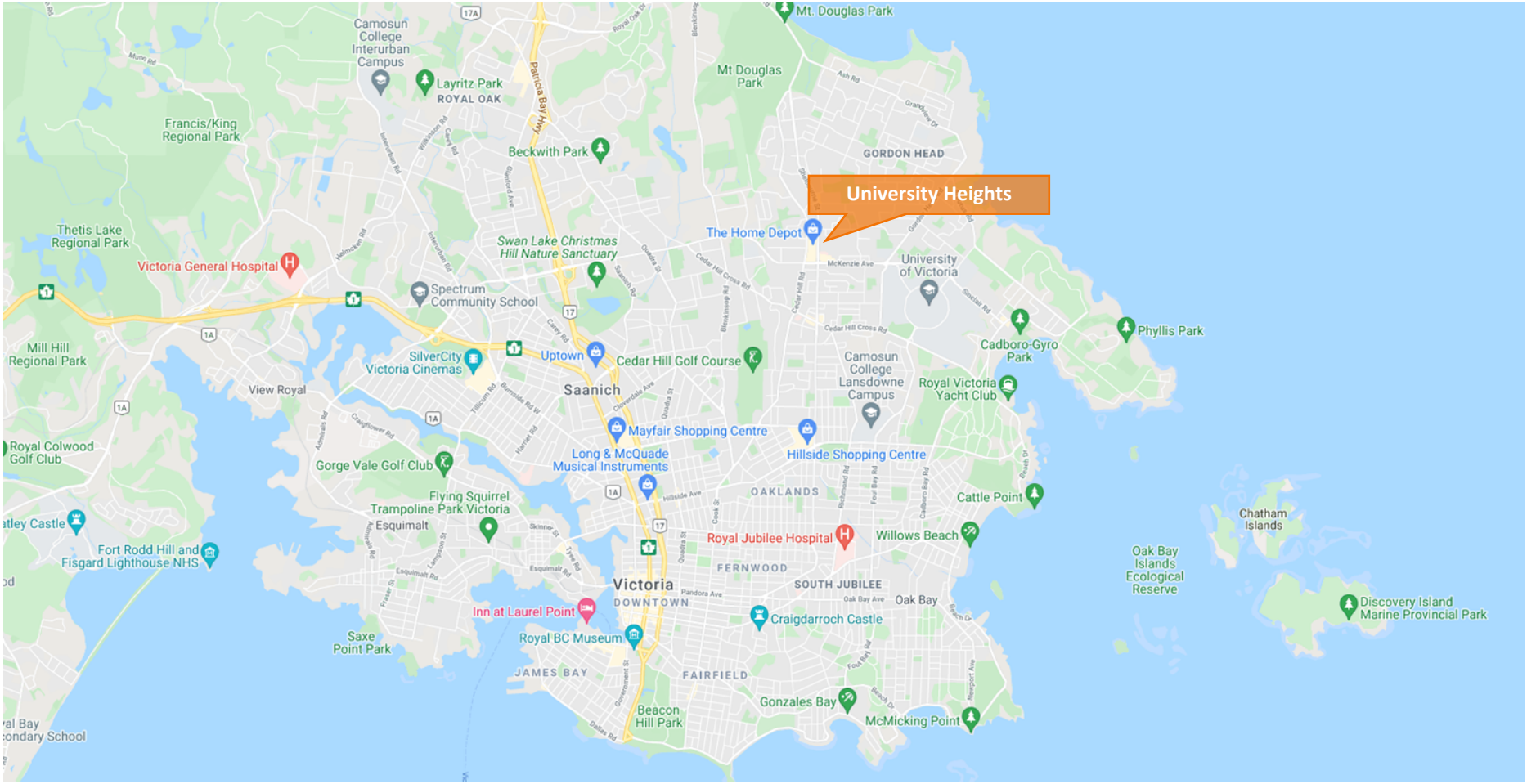
- University Heights is the redevelopment of a shopping centre in the Greater Victoria Area to provide 593 new residential rental suites and 113,485 square feet of new grocery-anchored retail space
- Construction is expected to commence in late 2022 or early 2023 with completion and stabilization in 2026
- The REIT has agreed to provide a $51.7 million (including interest reserve) CDL (at 7% interest) to MPI to finance 80% of its 45% interest in this development project
- The REIT has an option to purchase MPI's 45% interest in the property upon stabilization at a 5% discount to its then-appraised value

Project Concept

Project Concept

University Heights

Location is proximate to local demand generators including universities and hospitals



Fifth + Bank Redevelopment Update

Construction is nearing completion and leasing is well underway

Project Concept

Construction Update

Leasing Office

- Construction is nearing completion
- 124 suites (76%) have been leased and over 96 suites are now occupied
- The project is expected to be stabilized in mid-2022

Lonsdale Square Development Update

Excavation is complete and formwork is well underway

Project Concept

Construction Update

- **Excavation and shoring complete with P1 level now poured**
- **Construction completion expected by Q2 2023 and property stabilization in Q4 2023.**

Richgrove Development Update

Construction is underway

- 225 suites (100 affordable) expected to be stabilized in Q1 2026
- The site is adjacent to the future Martin Grove LRT Station expected 2030/2031 completion

Leslie York Mills Update

Construction is underway

Project Concept

Demolition and Site Prep

- Construction commenced in Q4 2021 on 192 new ground-oriented suites and new community amenities
- Stabilization expected in late 2025

Acquisition - Niagara West

Rare opportunity to acquire a newly constructed residential rental in downtown Toronto

- **The REIT acquired a 28.35% managing interest in Niagara West, a newly developed rental property located in downtown Toronto, for $114.5 million on April 22, 2022**
- **The property was completed in 2020, has 501 rental suites and 52,600 square feet of grocery-anchored retail at grade**

Niagara West - Sustainability

Highly sustainable and efficient design

- **Niagara West was developed with key sustainability features including electric vehicle charging stations, secure bicycle parking and a green roof that absorbs and captures stormwater for onsite irrigation**
- **The design of the water and electrical systems result in a 45% energy savings (by consumption) compared to the national building code standard for this building category**
- **Niagara West is currently undergoing certification under the Canada Green Building Council's LEED Program and is expected to earn LEED Silver Certification**

Niagara West - Inviting Design

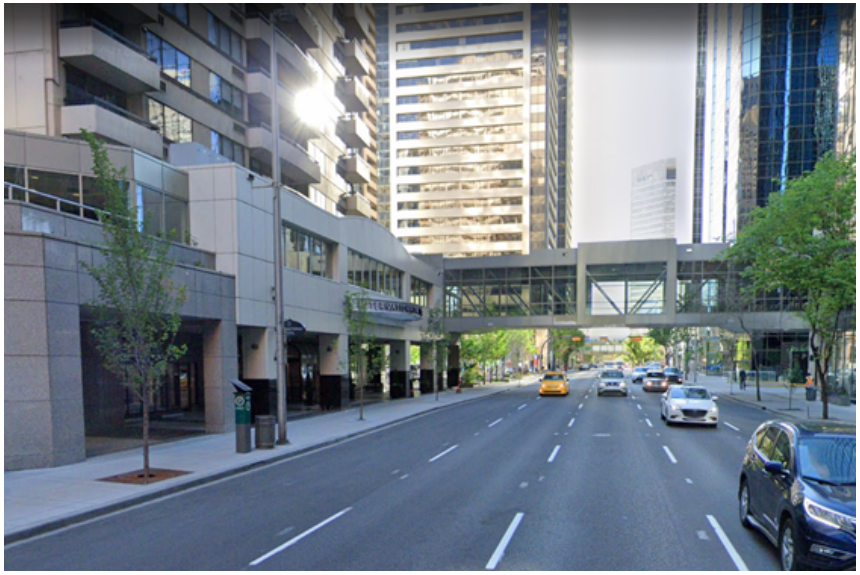
Focused on the art of living well

Condo-quality suites and amenities that include a rooftop pool, urban garden with barbecue facilities, a full-service fitness centre and a rooftop off-leash dog run

95 Walk Score
73 Bike Score
100 Transit Score

Acquisition - The International

Rare opportunity to acquire a core multi-residential building with direct access to Calgary's Plus 15 Skywalk

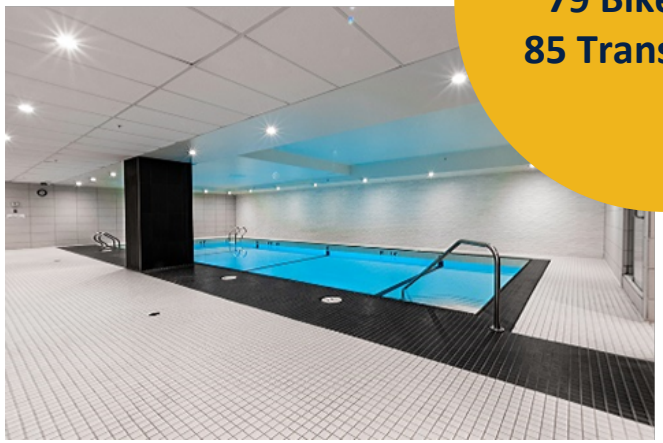


- **The REIT has agreed to acquire the International, a 252-suite residential rental property with 2,700 square feet of commercial space located in Calgary for $86.5 million**
- **The International is located in Calgary's central business district and has direct access to the city's Plus 15 Skywalk, an 18-kilometre, weather-protected, above-ground walkway**
- **The property has been converted from a hotel use to a residential rental property and has retained high quality, hotel-inspired common areas and amenities**

The International - Condo-Quality Offering with Downtown Location

Recently completed a multi-year renovation program of all suites, common areas and amenities

97 Walk Score
79 Bike Score
85 Transit Score

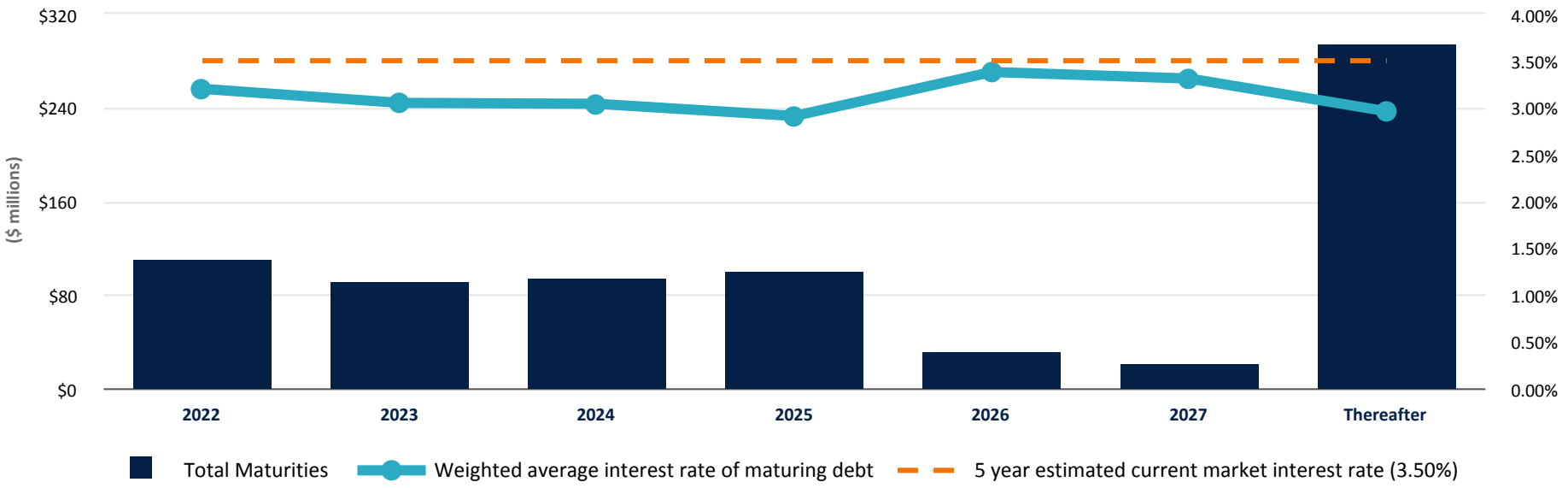


Significant upgrades were also made to heating and building automation systems

Debt Financing and Liquidity

The REIT maintains a conservative leverage ratio and balance in its maturity schedule

Term Debt Maturity Schedule



4.77 Years	2.81%	70%	93.57%	36.8%	$144m
Weighted Average Term to Maturity[1]	Weighted Average Interest Rate[1]	of Debt is CMHC Insured	of Debt is Fixed Rate	Debt-to-Gross Book Value	Cash and Credit Facility Available

- **Subsequent to quarter end, the REIT obtained a commitment from its lenders to increase the limit on its revolving credit facility from $200 million to $300 million. Closing of the amended credit facility is expected in early May 2022**

[1] For fixed rate debt

Outlook

- **The strong fundamentals that have driven long-term growth in the multi-residential rental market remain**
- **Expansive immigration policy, inelastic housing supply and an increasing gap between the cost of renting and home ownership will continue to drive demand for residential rentals**
- **The REIT has the right assets and strategy for long-term success by:**
  - **Realizing on organic growth**
  - **Creating value from suite repositioning**
  - **Focusing on cost containment**
  - **Exploring acquisition opportunities**
  - **Capitalizing on the relationship with the Minto Group**