



minto
Apartment REIT

**Q3 2023 Highlights
Teleconference**

November 8, 2023





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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 (“IFRS”). 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”), normalized FFO, normalized 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. 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”.



Q3 2023 Highlights

Management continues to prioritize FFO per unit and AFFO per unit growth and remains disciplined in its capital allocation decisions

Strong operational performance

- Average monthly rent for occupied unfurnished suites grew 7.2% to \$1,837 over Q3 2022
- Achieved gain-on-lease of 17.0% on new leases and gain-to-lease potential increased to 17.7% from 16.1% at Q2 2023
- SPP¹ annualized turnover² was in-line with historical seasonal norms at 26.0% while closing occupancy reached 97.8%
- SPP NOI grew 6.9% and SPP NOI margin increased by 60 bps to 64.8% compared to Q3 2022
- SPP operating costs continued to moderate, growing by 3.8% over Q3 2022
- Achieved strong results despite a 17.9% decrease in furnished suite revenue resulting from the protracted but resolved writers' strike and continuing actors' strike impacting Minto Yorkville in Toronto
- Excluding furnished suites, SPP revenue growth was 7.8% over Q3 2022

Refinancing initiatives position the REIT to deliver cash flow growth in current high interest rate environment

- Variable rate debt exposure was reduced to 10% of Total Debt³ at September 30, 2023 driven by an August 2023 refinancing that generated \$24,139 incremental net proceeds that were used to pay down the credit facility
- Extended the weighted average term to maturity of Term Debt to 6.16 years, up by 2 years from December 31, 2022
- Term Debt maturities represent no more than 9% of Total Debt outstanding for each of the next six years

FFO per unit and AFFO per unit growth continues to accelerate

- Normalized FFO per unit and normalized AFFO per unit for Q3 2023 increased by 4.4% and 5.3%, respectively over Q3 2022

¹ The Same Property Portfolio ("SPP") represents 29 properties wholly and jointly-owned by the REIT for equivalent periods in 2023 and 2022.

² Annualized turnover is calculated as the number of move-outs for the period divided by total number of unfurnished suites in the portfolio. This percentage is extrapolated to determine an annual rate and as such it is not necessarily representative of a full year's turnover.

³ Includes mortgages, Class C LP Units, the credit facility, and the construction loan.



Q3 2023 Highlights & Subsequent Events

Distribution increase signals Management's confidence in 2024 outlook while balancing prudent capital management

- The Board of Trustees approved a \$0.015 per unit or 3.1% increase to the REIT's annual distribution from \$0.4900 per unit to \$0.5050 per unit. The monthly distribution will be \$0.04208 per unit and will be effective with our November distribution, which is payable on December 15, 2023.
- AFFO payout ratio remains conservative, currently below 60% in Q3 2023

Government policy updates geared to increasing supply of rental housing

- The REIT, its peers, and various industry groups continue to work with various levels of government to help increase rental supply and maintain affordability
- In September 2023, the Federal Government and Ontario Provincial Government announced their intention to remove the Harmonized Sales Tax from construction of purpose built rental properties
- The Federal Government also announced an increase in the annual issuance limit by \$20 billion for a total of \$60 billion for the Canada Mortgage Bond program to help boost the availability of low-cost funding on CMHC-insured mortgages

Asset sale update

- The potential sale of our two remaining assets in Edmonton continues. The sale remains subject to financing assumption approval by CMHC and the lender
- The REIT continues to opportunistically pursue select asset sales, however there can be no assurance that a definitive agreement will be executed

Normal Course Issuer Bid ("NCIB")

- On September 18, 2023, the Toronto Stock Exchange accepted the REIT's notice to initiate an NCIB. The NCIB will be active from September 20, 2023 to September 19, 2024 and permits the REIT to acquire up to 3,282,682 Units, representing approximately 9% of its public float. The REIT did not purchase and cancel any Units in Q3 2023



Q3 2023 Key Operating Results

Revenue growth outpaced operating expenses and drove FFO per unit growth in the quarter

(\$000s except %, suite, per suite and per unit amounts)	Same Property Portfolio ¹			Total Portfolio ²		
	Q3 2023	Q3 2022	Variance	Q3 2023	Q3 2022	Variance
Revenue	\$37,047	\$35,008	5.8%	\$39,835	\$37,838	5.3%
Operating expenses	\$13,025	\$12,547	(3.8)%	\$14,007	\$13,614	(2.9)%
NOI	\$24,022	\$22,461	6.9%	\$25,828	\$24,224	6.6%
NOI margin (%)	64.8%	64.2%	60 bps	64.8%	64.0%	80 bps
General and administrative expenses				\$2,373	\$2,254	(5.3)%
Interest costs ³				\$10,420	\$8,865	(17.5)%
FFO				\$15,692	\$15,654	0.2%
FFO (\$/unit)				\$0.2390	\$0.2380	0.4%
AFFO				\$14,041	\$13,952	0.6%
AFFO (\$/unit)				\$0.2139	\$0.2121	0.8%
Distributions declared (\$/unit)				\$0.1225	\$0.1187	\$0.0038
AFFO payout ratio				57.3%	55.9%	(140 bps)
Normalized FFO ⁴				\$15,692	\$15,060	4.2%
Normalized FFO (\$/unit) ⁴				\$0.2390	\$0.2290	4.4%
Normalized AFFO ⁴				\$14,041	\$13,358	5.1%
Normalized AFFO (\$/unit) ⁴				\$0.2139	\$0.2031	5.3%
Normalized AFFO payout ratio				57.3%	58.4%	110 bps
Total suites ⁵	7,474	7,474	—	8,227	8,291	(64)
Average monthly rent per occupied suite ⁶	\$1,819	\$1,704	6.7%	\$1,837	\$1,714	7.2%
Average occupancy ⁷	96.9%	96.2%	70 bps	96.9%	96.2%	70 bps
Closing occupancy ⁷	97.8%	97.3%	50 bps	97.8%	97.3%	50 bps

¹ The Same Property Portfolio represents 29 properties wholly and jointly-owned by the REIT for equivalent periods in 2023 and 2022.

² The Total Portfolio represents 31 (September 30, 2022 - 32) properties.

³ Calculated as the sum of financing costs incurred on fixed and variable rate mortgages, credit facility, and Class C LP Units and excludes debt retirement costs.

⁴ Excludes the impact of nonrecurring items not indicative of the REIT's typical operations.

⁵ Includes suites co-owned with institutional partners. For both periods presented: 2,163 suites for Same Property Portfolio and 2,664 suites for the Total Portfolio.

⁶ Excludes 182 furnished suites, 50 vacant suites, 87 suites leased for future occupancy and 39 suites offline for post move-out repairs and maintenance or repositioning.

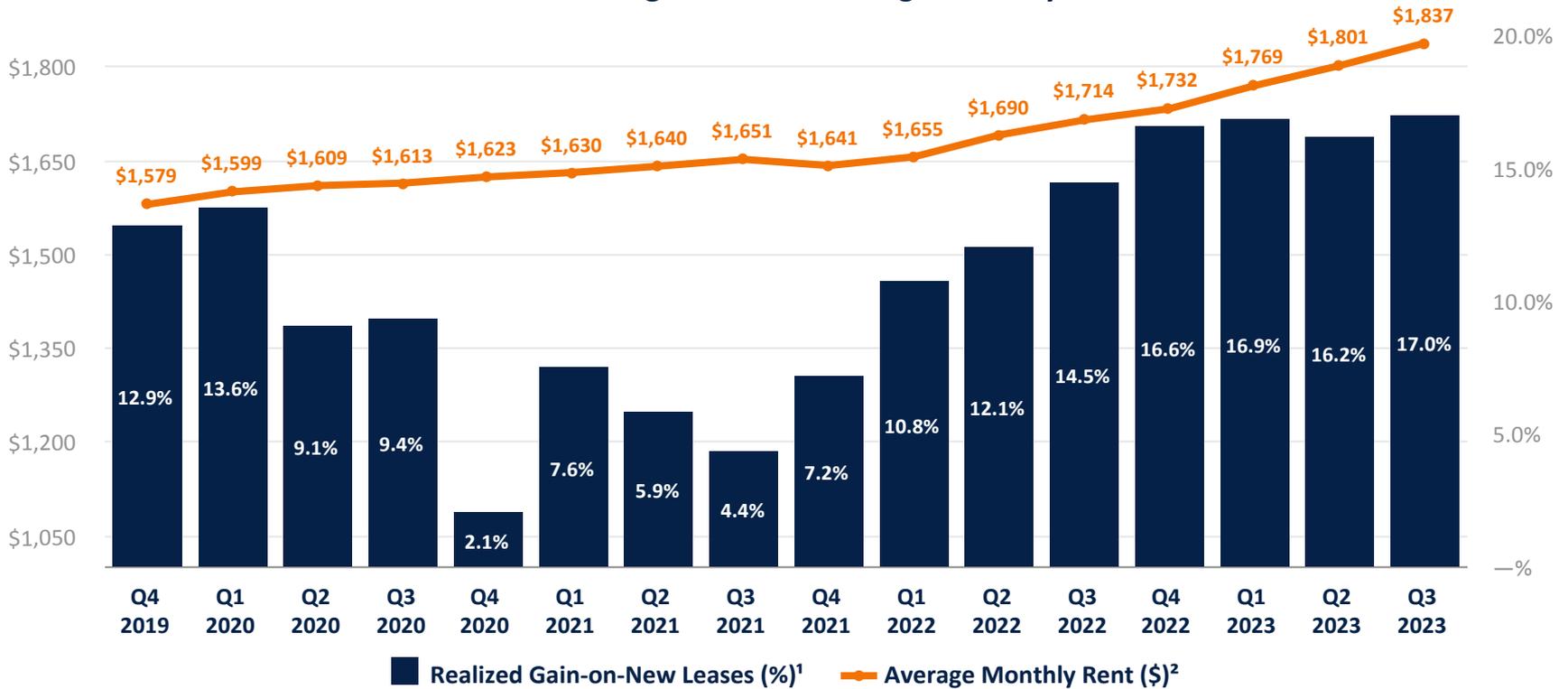
⁷ Occupancy for unfurnished suites.



AMR and Gain-on-Lease Over Time

Strong gain-on-lease achieved in Q3 2023 and average monthly rent continued to grow

Realized Leasing Gains and Average Monthly Rent



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.



Realized Leasing Gains and Potential Gain-to-Lease by Geography

Strong market conditions drove realized gain-on-lease to 17.0% with gain-to-lease potential increasing to 17.7%

Gain-on-Lease Realized in Q3 2023

Geographic Node	Total New Leases Signed ¹	Expiring Average Monthly Rent	New Average Monthly Rent	Realized Gain-on-Lease	Annualized Gain-on-Lease ² (\$000s)
Toronto	129	\$2,439	\$2,866	17.5%	\$308
Ottawa	198	\$1,742	\$2,044	17.3%	\$693
Alberta	87	\$1,531	\$1,787	16.7%	\$242
Montreal	96	\$1,875	\$2,174	16.0%	\$210
Total/Average	510	\$1,820	\$2,130	17.0%	\$1,453

Gain-to-Lease Potential on existing rents as at September 30, 2023

Geographic Node	Total Suites ³	Current Average Monthly Rent	Management's Estimate of Market Average Monthly Rent	Percentage Gain-to-Lease Potential	Annualized Estimated Gain-to-Lease Potential ² (\$000s)
Toronto	2,350	\$2,163	\$2,629	21.5%	\$7,595
Ottawa	2,950	\$1,708	\$2,025	18.6%	\$11,238
Alberta	843	\$1,612	\$1,826	13.3%	\$2,167
Montreal	1,726	\$1,938	\$2,203	13.7%	\$3,929
Total/Average	7,869	\$1,837	\$2,162	17.7%	\$24,929

Gain-to-lease potential up 1.6% from Q2 2023, driven by increased market rents in all geographies and led by Toronto

¹ Includes 100% of new leases signed from co-ownerships and excludes new leases of furnished suites.

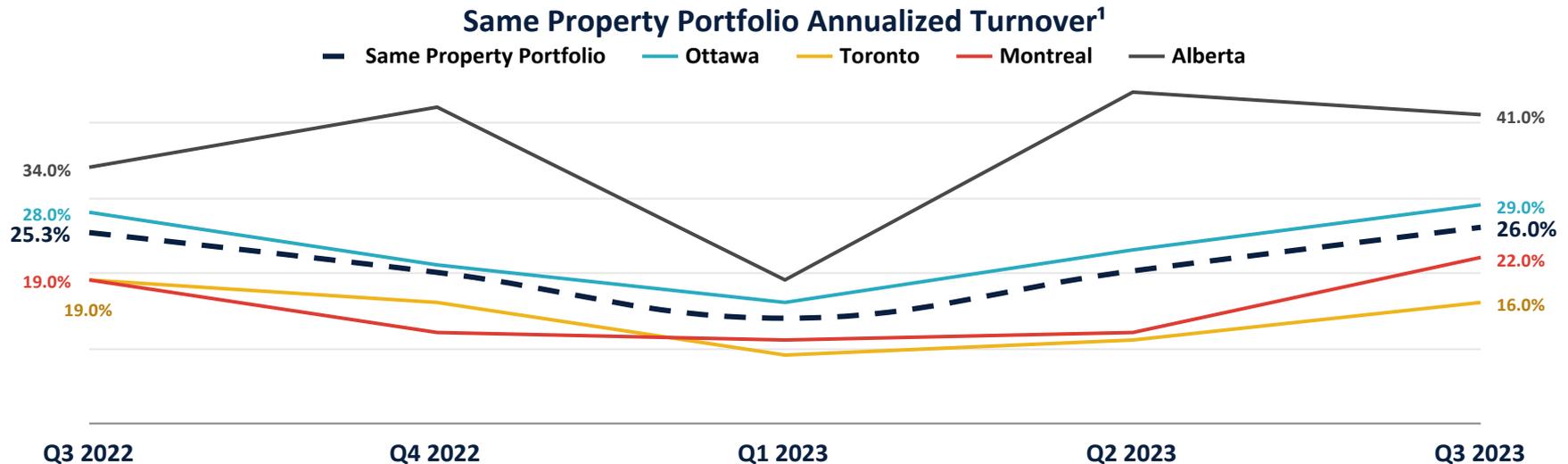
² For co-owned properties, reflects the REIT's co-ownership interest only.

³ All data for occupied unfurnished suites. Excludes 182 furnished suites, 50 vacant suites, 87 suites leased for future occupancy and 39 suites offline for post move-out repairs and maintenance or repositioning.



Same Property Portfolio Unfurnished Suite Turnover

Same Property Portfolio annualized turnover of 26% was in-line with historical seasonal norms and achieved strong closing occupancy of 97.8%



- **Alberta** - Elevated turnover due to the availability of affordable homes in Calgary and tenant departures arising from the loss of promotions granted in the past. SPP closing occupancy remained strong at 98.3%.
- **Ottawa** - Competition in Ottawa from new supply in the downtown core created turnover in that node, however the REIT properties in that area maintained a high closing occupancy. SPP closing occupancy in Ottawa was 98.3%.
- **Montreal** - Slight increase driven by movement of student population while maintaining SPP closing occupancy of 95.7%.
- **Toronto** - Reduced turnover as market rents continued to increase and tenants opted to stay in place. Strong SPP closing occupancy of 98.2%.

¹ The number of move-outs for the period divided by total number of unfurnished suites in the portfolio. Annualized turnover extrapolates the quarterly turnover rate to determine an annual rate and as such it is not necessarily representative of a full year's turnover.



Furnished Suites Update

Furnished suite revenue decreased year over year despite a significant increase in average rent as a result of low occupancy

- The protracted but resolved writers' strike and continuing actors' strike impacting occupancy at Minto Yorkville in Toronto as a primary client group is the film and entertainment industry.
- Fewer contract extensions in Ottawa affected occupancy at Minto one80five as government activity remains below historical norms.
- Record average monthly rent of \$6,250
- Management is evaluating further suite conversions in addition to the seven completed at Minto one80five since Q3 2022.

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Furnished Suites Operating Metrics					
Furnished suite inventory	189	188	188	183	182
Average monthly rent	\$5,261	\$4,848	\$4,872	\$5,512	\$6,250
Average occupancy	91.9%	77.4%	68.6%	77.6%	67.5%



Q3 2023 Operating Expense Detail

Cost pressure eased overall but remains elevated in certain areas

(\$000s except %)	Same Property Portfolio ¹			Total Portfolio ²		
	Q3 2023	Q3 2022	Variance	Q3 2023	Q3 2022	Variance
Property operating costs	\$ 6,964	\$ 6,633	(5.0)%	\$ 7,438	\$ 7,233	(2.8)%
Property taxes	3,798	3,590	(5.8)%	4,090	3,870	(5.7)%
Utilities						
Electricity	1,131	1,121	(0.9)%	1,278	1,235	(3.5)%
Natural gas	291	410	29.0%	329	445	26.1%
Water	841	793	(6.1)%	872	831	(4.9)%
	2,263	2,324	2.6%	2,479	2,511	1.3%
Operating expenses	\$ 13,025	\$ 12,547	(3.8)%	\$ 14,007	\$ 13,614	(2.9)%

¹ The Same Property Portfolio represents 29 properties wholly and jointly-owned by the REIT for equivalent periods in 2023 and 2022.

² The Total Portfolio represents 31 (September 30, 2022 - 32) properties.

- Increase in property operating costs driven by:
 - Salaries and wages as a result of outsourced positions and annual salary increases;
 - Insurance premiums across all geographies; and,
 - Repairs and maintenance by the timing, cost, and need for work as compared to Q3 2022.
- Property taxes increase driven by changes in assessed values in Montreal.
- Utilities cost decrease driven by a large drop in natural gas rates.



Suite Repositioning in Q3 2023

33 suites repositioned in Q3 generating a 8.8% ROI

11
properties
with active
programs

33
suites¹
repositioned
and leased

\$73.5k
average cost
per suite

8.8%
average
unlevered return

39%
of program
completed

Fiscal Quarter	Suites Repositioned and Leased ¹	Average Cost per Suite	Average Annual Rental Increase per Suite	Average Unlevered Return
Q1 2023	32	\$67,789	\$6,970	10.3%
Q2 2023	33	\$69,853	\$6,565	9.4%
Q3 2023	33	\$73,476	\$6,441	8.8%
YTD Total/Average	98	\$70,406	\$6,655	9.5%

The REIT expects to reposition a total of 110 to 120 suites in 2023, a decrease from 2022 due to decreased vacancy and reduced turnover.

¹Suites repositioned presented at 100% rather than the REIT's proportionate share.

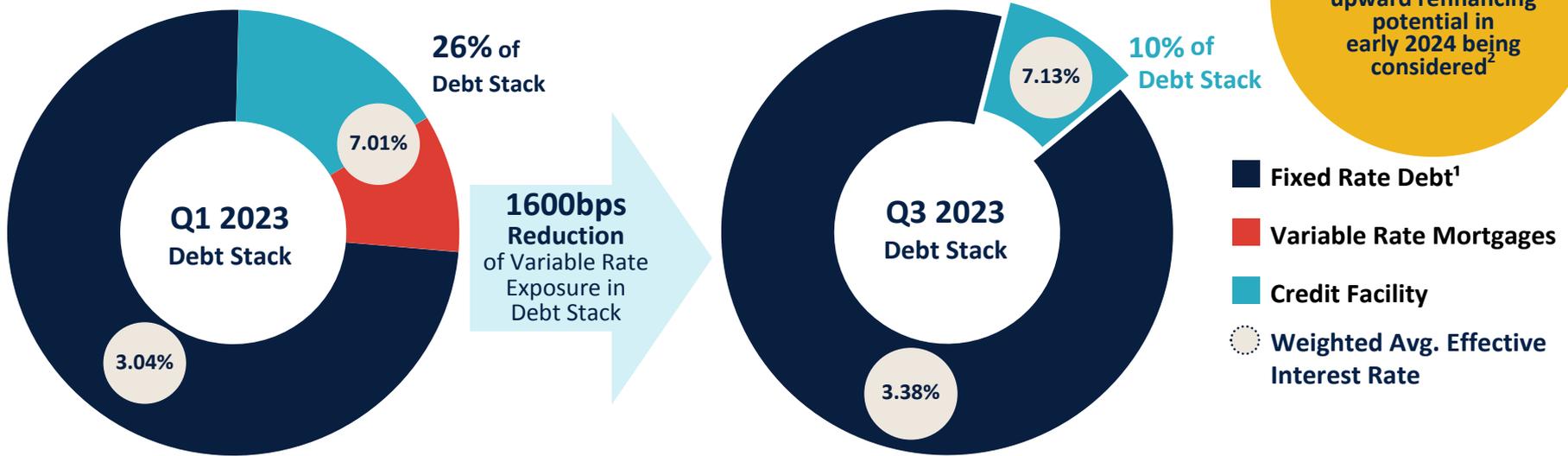


Refinancing Initiatives Reduce Variable Rate Debt Exposure

Q2-Q3 2023 Refinancings

<i>(in \$ millions)</i>	Funding Month	Previous Financing	Previous Weighted Avg. Effective Interest Rates	New CMHC-Insured Financing	New Weighted Avg. Effective Interest Rates
Variable Rate Mortgages	April & June	\$108.4	7.55%	\$113.4	4.14%
Maturing CMHC-Insured Term Debt	Late May	\$137.4	4.12%	\$218.6	4.11%
	Early August	\$44.9	2.87%	\$70.7	4.50%
		\$290.7		\$402.7	

- Net proceeds of \$97.9 million from the refinancings were used to pay down the credit facility



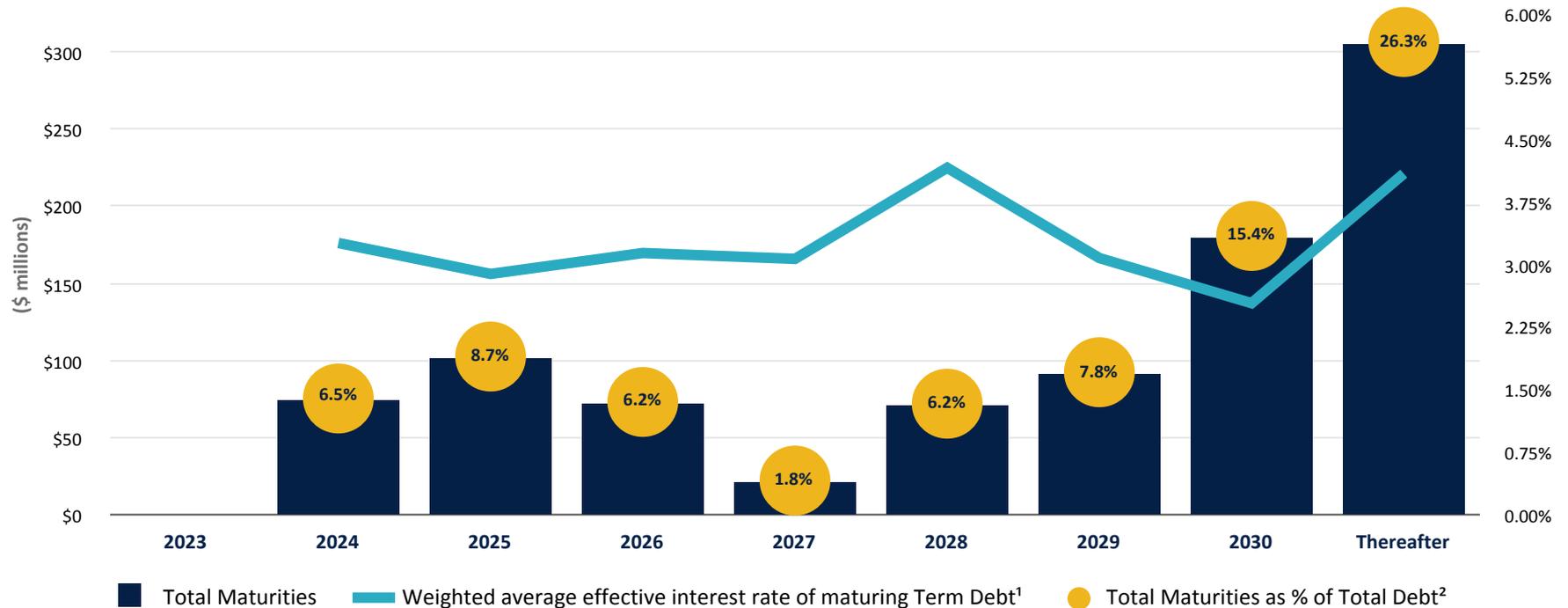
¹ Fixed Rate Debt includes fixed rate mortgages, a variable rate mortgage fixed through an interest rate swap, Class C LP Units, and a construction loan.

² Subject to prevailing interest rates.



Maintaining a Balanced Maturity Schedule

Balanced Term Debt¹ Maturity Schedule



6.16 yrs Weighted Avg. Term to Maturity of Term Debt ¹	3.38% Weighted Avg. Effective Interest Rate on Term Debt	7.13% Weighted Avg. Interest Rate on Credit Facility	3.74% Weighted Avg. Effective Interest Rate on Total Debt ²	77% of Total Debt is CMHC Insured	90% of Total Debt is Fixed Rate	42.8% Debt-to-GBV	\$138m Total Liquidity ³
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¹ Includes mortgages and Class C LP Units.

² Includes mortgages, Class C LP Units, the credit facility, and the construction loan.

³ Total liquidity includes cash on hand and availability on the credit facility.



Disciplined Approach to Capital Allocation

<i>(in \$ millions, except suites)</i>	Ownership Interest ¹	Suite Potential		Construction Underway	Total CDL Commitment	Total CDL Advanced ²	Estimated Stabilization
		(100%)	(REIT Share)				
Development							
Richgrove TORONTO	100%	225	225	✓	N/A	N/A	Q2 2026
Leslie York Mills TORONTO	50%	192	96	✓	N/A	N/A	Q4 2026
Convertible Development Loans							
Fifth + Bank OTTAWA		<i>N/A - Purchase Option Terminated</i>			\$30.0	\$30.0 ³	
Lonsdale Square NORTH VANCOUVER	100%	113	113	✓	\$14.0	\$14.0	Q3 2024
The Hyland VANCOUVER	85%	108	92	✓	\$19.7	\$17.7	Q4 2024
88 Beechwood OTTAWA	100%	227	227	✓	\$51.4	\$36.6	Q1 2025
University Heights VICTORIA	45%	594	267	✓	\$51.7	\$16.6	Q4 2026
Total Development		1,459	1,020		\$166.8	\$114.9	
Pre-Development							
High Park Village TORONTO	40%	688	275	On Hold	N/A	N/A	N/A

¹ For Intensifications, the REIT's current ownership share; for CDLs, represents the REIT's potential ownership share.

² As at September 30, 2023; includes accrued interest reserve.

³ The Fifth + Bank convertible development loan matures on January 31, 2024.



Status of Existing Development Pipeline - Ottawa and Toronto



Project Concept

CDL



Project Concept

REIT



Project Concept

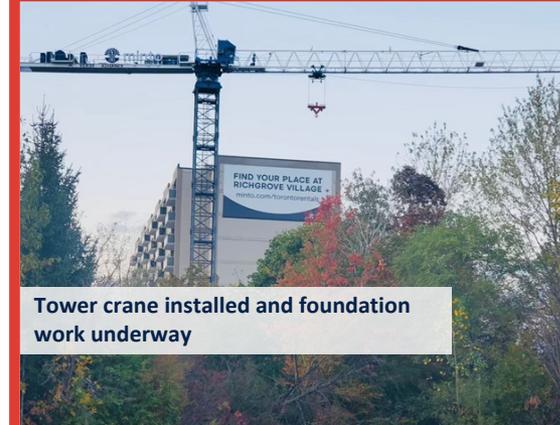
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Topping off complete, garage and mechanical work underway



First tower crane installed and below-grade work continues on first phase



Tower crane installed and foundation work underway

88 Beechwood

Ottawa

227 Suites

Estimated Q1 2025 Stabilization

Leslie York Mills

Toronto

192 Suites • 50% Ownership
Estimated Q4 2026 Stabilization

Richgrove

Toronto

225 Suites (100 Affordable)
Estimated Q2 2026 Stabilization



Status of Existing Development Pipeline - Vancouver and Victoria



Project Concept

CDL



Project Concept

CDL



Project Concept

CDL



Interior rough work and finishings continue; exterior cladding ongoing



Roofing and concrete topping pours underway, brick cladding in progress



Formwork and framing in progress at a first building; on grade slab work underway at a second building

Lonsdale Square
North Vancouver • 113 Suites
Estimated Q3 2024 Stabilization

The Hyland
Vancouver • 108 Suites
Estimated Q4 2024 Stabilization

University Heights
Victoria • 594 Suites
Estimated Q4 2026 Stabilization



Outlook

- **Management believes that the robust sector fundamentals that have underpinned our sector will continue to support rental housing demand**
- **Balance sheet is now positioned to help deliver FFO and AFFO per unit growth**
- **The REIT's Unit price is currently trading at attractive entry point relative to historical trading ranges**
- **The REIT is well-positioned for long-term success and will be highly focused on the following:**
 - **Growing FFO per unit and AFFO per unit**
 - **Exploring attractive refinancing opportunities**
 - **Strategic and disciplined allocation of capital**
 - **Driving enhanced returns from capital recycling**
 - **Reducing our credit facility balance given the current high interest rate environment**
 - **Exploring alternatives to fund growth with strong consideration for FFO and AFFO per unit**



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