



minto
Apartment REIT

Q4 2020 Highlights Teleconference

March 11, 2021





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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”), net asset value (“NAV”) 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, NOI and NAV to comparable IFRS measures are provided in the most recent MD&A in the sections entitled “Non-IFRS Measures” and “Reconciliation of Non-IFRS Measures”.



Q4 2020 Highlights

- **Management approach to temporary, pandemic-related market conditions**
 - Balance rental growth and occupancy to protect long-term Average Monthly Rent ("AMR") and NAV growth resulted in modest reduction in SPNOI excluding furnished suites
 - Realized lower than historical gain-to-lease of 2.1% on new leases signed
 - Adjusted pricing on furnished suite portfolio, driving sequentially higher occupancy and AMR
- **Delivered stable operating results with a 3.6% increase in total revenue and 1.8% increase in total NOI compared to Q4 2019**
- **Completed the repositioning of 56 suites, improving asset quality, reducing future repair costs and driving strong growth in rental revenue**
- **Advanced an investment loan with discounted purchase option for a new development in the Greater Vancouver Area and fulfilled the REIT's strategic mandate to be in all six of Canada's major urban markets**



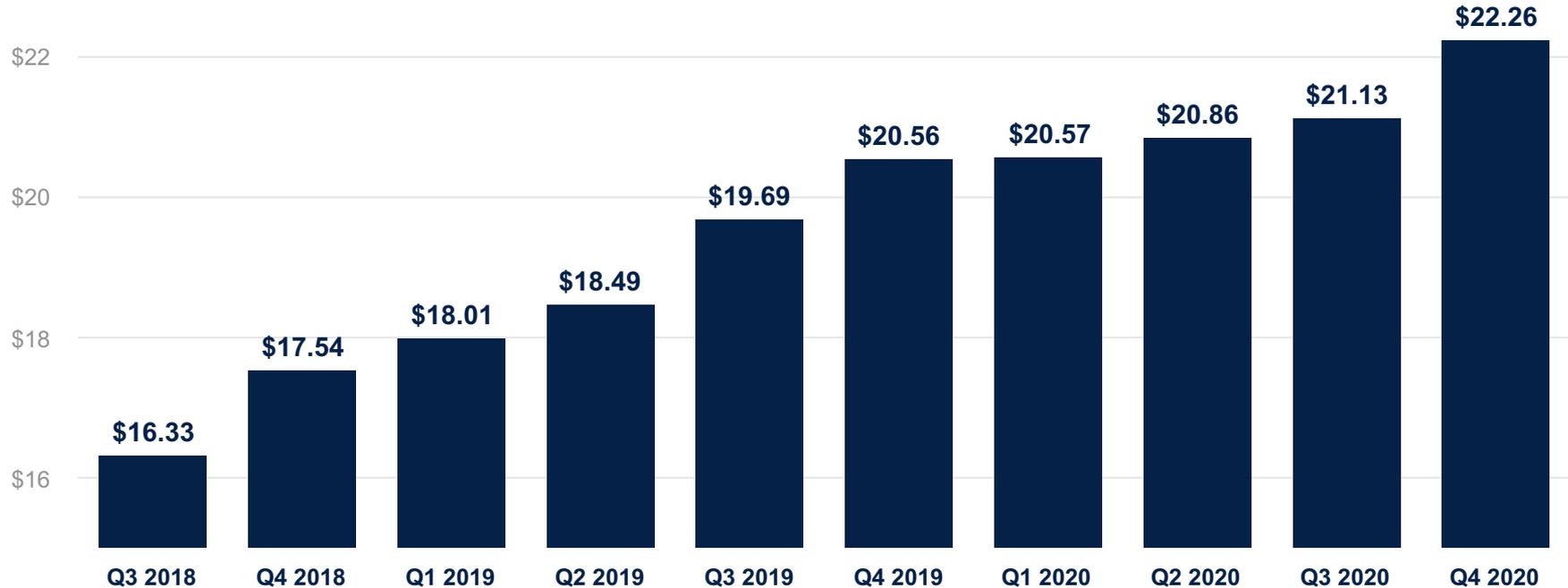
FY 2020 Highlights

In 2020 Minto Apartment REIT:

- **Demonstrated commitment and dedication in providing essential services that ensured our residents have safe and healthy homes**
- **Demonstrated resilience through the pandemic by growing AFFO per unit by 2.2%**
- **Increased its annualized cash distribution by 3.4%, while maintaining a conservative 60.25% payout ratio**
- **Grew net asset value per unit by 8.3%**
- **Completed the repositioning of 239 suites, improving asset quality, reducing future repair costs and driving strong growth in rental revenue**
- **Maintained significant financial flexibility and resources with total liquidity of \$171 million representing a liquidity ratio (total liquidity/total debt) of 20%**
- **Filed a base shelf short form prospectus on December 9, 2020. The prospectus replaced an expiring prospectus and is valid for a 25-month period and qualifies the issuance of up to \$800 million of trust units, debt securities and subscription receipts**



Growth in Net Asset Value



Minto Apartment REIT's net asset value ("NAV") per unit grew by 8.3% in 2020



Q4 2020 Key Operating Results

Q4 Results Reflect Balance Between Occupancy and Preserving Average Monthly Rent

(\$000s except %, suite, per suite and per unit amounts)	Same Property Portfolio ¹ - excluding furnished suites			Same Property Portfolio ¹			Total Portfolio ²		
	Three months ended December 31,			Three months ended December 31,			Three months ended December 31,		
	2020	2019	Variance	2020	2019	Variance	2020	2019	Variance
Revenue	\$20,281	\$20,604	(1.6)%	\$22,242	\$23,191	(4.1)%	\$30,930	\$29,868	3.6%
NOI	\$12,735	\$12,899	(1.3)%	\$13,671	\$14,529	(5.9)%	\$18,946	\$18,613	1.8%
NOI margin (%)	62.8%	62.6%	20 bps	61.5%	62.6%	(110) bps	61.3%	62.3%	(100) bps
FFO							\$12,022	\$11,737	2.4%
AFFO							\$10,459	\$10,212	2.4%
AFFO (\$/unit)							\$0.1771	\$0.1738	\$0.0033
Distributions declared (\$/unit)							\$0.1138	\$0.1100	\$0.0038
AFFO payout ratio							64.2%	63.3%	90 bps
Total suites				4,554	4,552	2	7,245	7,243	2
Average monthly rent / suite ³				\$1,523	\$1,480	2.9%	\$1,623	\$1,579	2.8%
Occupancy ⁴				95.06%	97.76%	(270 bps)	95.57%	98.01%	(244 bps)

¹ The Same Property Portfolio represents 24 properties comprising 4,554 suites wholly-owned by the REIT for equivalent periods in 2020 and 2019. The same property portfolio includes The Quarters in Calgary, acquired on January 7, 2019, as the exclusion of the impact of the first six days of January is not considered material.

² The Total Portfolio includes the Same Property Portfolio plus five (December 31, 2019 - five) additional property acquisitions representing 5,082 (December 31, 2019 - 5,080) wholly-owned suites plus 2,163 (December 31, 2019 - 2,163) suites co-owned with institutional partners.

³ Excludes 232 furnished suites, 307 vacant suites, 109 suites held off, line for repositioning and 31 suites held offline for enhanced turns.

⁴ Excludes 232 furnished suites, 109 suites held offline for repositioning and 31 suites held offline for enhanced turns.



Revenue Analysis

Realizing on Organic Growth Potential

Realized Gain on New Leases in the three months ended December 31, 2020¹

Geographic Node	Total New Leases Signed	Average Monthly Expiring Rent	Average Monthly New Rent	Percentage Gain on New Leases	Realized Annual Gain on New Leases (000s) ²
Toronto	79	\$1,867	\$2,020	8.2%	\$93
Ottawa	181	\$1,578	\$1,641	4.0%	\$136
Alberta	87	\$1,319	\$1,214	(8.0)%	(\$58)
Montreal	59	\$1,526	\$1,576	3.3%	\$17
Total/Average	406	\$1,551	\$1,584	2.1%	\$188

Gain-to-Lease Potential on Existing Rents³

Geographic Node	Total Suites	Average Monthly In-Place Rent/Suite	Management's Estimate of Monthly Market Rent	Percentage Gain-to-Lease	Estimated Annualized Gain-to-Lease (000s) ⁴
Toronto	1,736	\$1,858	\$2,001	7.7%	\$1,927
Ottawa	2,777	\$1,511	\$1,621	7.3%	\$3,684
Alberta	618	\$1,235	\$1,270	2.8%	\$258
Montreal	1,436	\$1,923	\$2,114	9.9%	\$2,180
Total/Average	6,567	\$1,623	\$1,745	7.6%	\$8,049

¹ Excludes new leases of furnished suites.

² Leases on properties where Minto Apartment REIT co-owns the property are shown at the REIT's effective ownership in those leases.

³ Data as of December 31, 2020. Excludes 232 furnished suites, 306 vacant suites, 109 suites held offline for repositioning and 31 suites held offline for enhanced turns.

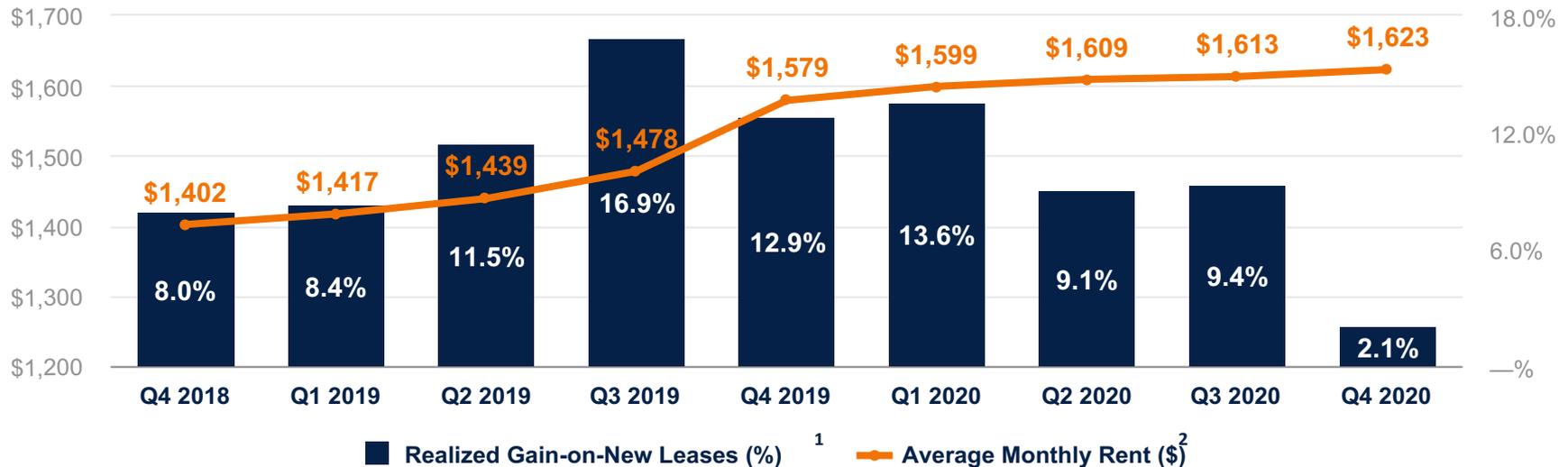
⁴ Suites in properties that are co-owned by the REIT are shown at the REIT's effective ownership interest in those properties.



Revenue Analysis - Time Series

Leasing Gains Slow on High Move-Outs in Q4 2020

Realized Leasing Gains and Average Monthly Rent



Geographic Node	Average monthly rent ³	Average sq. ft. per suite	Average rent per sq. ft
Toronto	\$1,858	800	\$2.32
Ottawa	\$1,511	836	\$1.81
Alberta	\$1,235	725	\$1.70
Montreal	\$1,923	1,007	\$1.91
Average	\$1,623	846	\$1.92

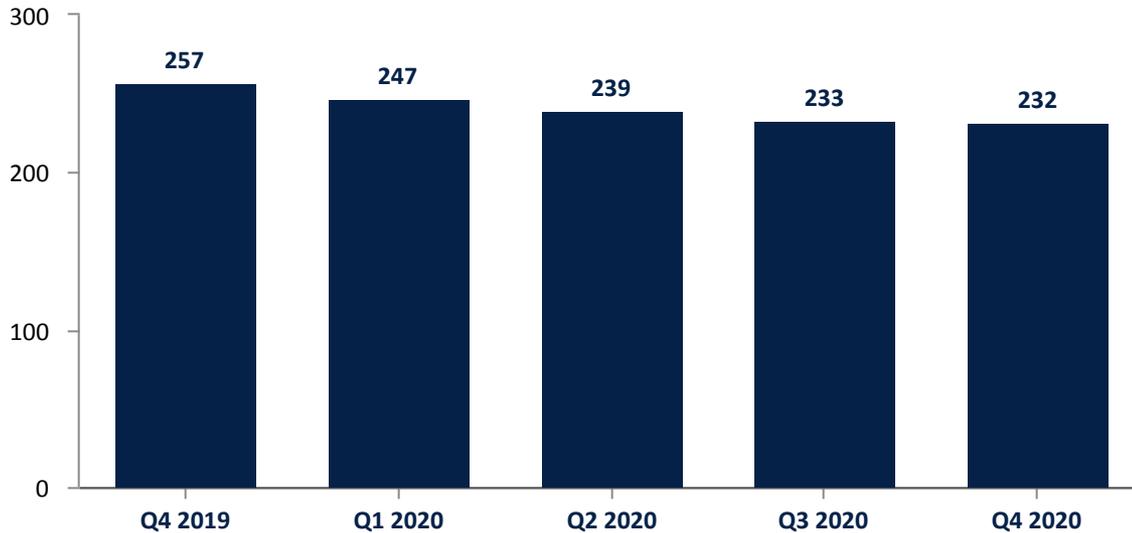
1. Average percentage increase in new rents compared to expiring rents on new leases of unfurnished suites.
2. Average monthly rent for occupied unfurnished suites.
3. As at December 31, 2020.



Furnished Suite Program - Adjusting Inventory

Furnished Suite Occupancy and AMR Improve in Q4 2020

Furnished Suite Inventory



Furnished suite at Minto Yorkville, Toronto

	Q4 2019	Q2 2020	Q3 2020	Q4 2020
Furnished Suites Operating Metrics				
Furnished suite inventory	257	239	233	232
Average monthly rent	\$4,200	\$3,956	\$3,460	\$3,571
Occupancy	84%	66%	75%	77%



Portfolio Repositioning Status at Q4 2020

Property	Ownership Interest	Suites Repositioned and Leased ¹		Remaining Suites ¹ to Reposition	Total Suites in the Program ¹	% Complete
		Three months ended December 31, 2020	Year ended December 31, 2020			
Minto Yorkville	100%	3	8	45	99	55%
Leslie York Mills	50%	19	62	298	409	27%
High Park Village	40%	10	34	358	407	12%
Edmonton properties ²	100%	1	13	74	171	57%
Carlisle	100%	13	33	129	191	32%
Castle Hill	100%	3	26	107	176	39%
Rockhill	50%	7	61	862	934	8%
Le 4300	100%	0	2	259	261	1%
Haddon Hall	100%	—	—	191	191	—%
Total		56	239	2,323	2,839	18%

¹ All suite counts, including co-owned properties, are presented at 100% and not at the REIT's ownership share.

² The Edmonton repositioning program is currently on hold due to market conditions.

- **56 suites were repositioned in Q4 2020 (37 at the REIT's share) at an average cost of \$38,988 per suite. These suites earned an annual average rent increase of \$3,512 per suite generating a 9.0% simple return on investment**
- **While COVID-19 created delays to construction schedules, both Haddon Hall and Le 4300 are progressing and pre-leasing is underway for suites to be delivered in Q1 2021. Eight suites have been leased subsequent to quarter end at rental rates in excess of proforma rates.**
- **Subject to availability of suites through move-outs, the REIT expects to reposition approximately 250 to 300 suites in 2021 (approximately 200 to 250 at the REIT's proportionate share)**



Intensification and Development

Benefits from the Strategic Alliance with The Minto Group

Fifth + Bank Redevelopment

Concept



Construction Underway



	REIT Ownership Interest	Suites
Development approvals being pursued for:		
Richgrove	100%	225
Leslie York Mills	50%	192
Rezoning being pursued for:		
High Park Village	40%	~650
Purchase option:		
Fifth + Bank	100%	160
		1,227

- Construction at Fifth + Bank remains on schedule with project completion expected in early 2022
- Richgrove is anticipated to begin construction in Q2 2021 subject to finalizing customary approvals



Financing - Lonsdale Square Development

- The REIT has agreed to advance up to \$11.9 million in financing to a joint venture formed by Minto Properties Inc. and Darwin Properties Ltd. to develop Phase 1 of Lonsdale Square in North Vancouver, British Columbia ("Lonsdale Square"), a large master-planned community.
- The development will comprise 113 rental suites over six stories, and approximately 7,800 square feet of retail at-grade.
- The financing bears interest at 7%, which will accrue and be payable in full on the maturity of the loan.
- The REIT has the option to purchase the stabilized property at 95% of its then-appraised fair market value.
- Pursuant to the REIT's strategic alliance with Minto, the REIT will have the opportunity to participate in future multi-residential phases of the Lonsdale Square project, currently estimated to be an additional 700 suites.





Lonsdale Square Location Overview





Lonsdale Square Location Overview





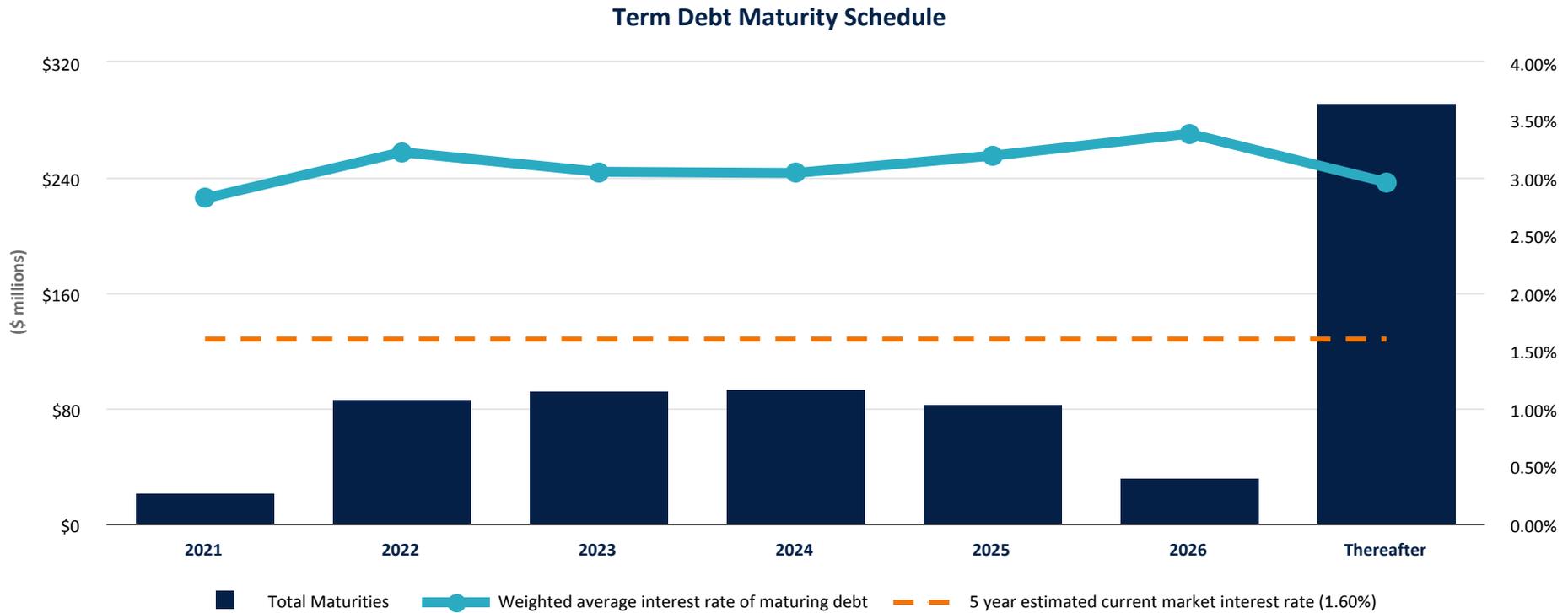
New Environmental, Social and Governance ("ESG") Framework Approved

- **Sustainability and social responsibility have always been an important part of the Minto Group's culture and values and this extends to the REIT**
- **In 2020, the REIT's ESG Steering Committee recommended updates to its ESG framework incorporating new and expanded initiatives and benchmarks**
- **The updated ESG framework was approved by the REIT's Board of Trustees and implementation is underway**
- **The REIT will participate in the Global Real Estate Sustainability Benchmark (GRESB) in 2021 and will align its reporting with the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB)**
- **Annual reporting on the REIT's performance against ESG targets and key performance indicators will begin in the second half of 2021**



Debt Financing and Liquidity

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



5.81 Years Weighted Average Term to Maturity ¹	2.94% Weighted Average Interest Rate ¹	77% of Debt is CMHC Insured	96% of Debt is Fixed Rate	38.6% Debt-to-Gross Book Value	\$170.7m Cash and Credit Facility Available
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¹ For fixed rate debt



Outlook

- **Looking past the pandemic, the REIT's focus on high-quality multifamily housing in desirable urban areas is expected to outperform in the long-term**
- **Strong fundamentals that have driven long-term growth are still present (e.g. immigration, housing affordability)**
- **Strong recovery in core urban rental markets expected in second half of 2021 as pandemic impact subsides and the benefits of urban living are re-established**
- **The REIT has the right assets and strategy for long-term success by:**
 - **Capitalizing on organic growth**
 - **Creating value from suite repositioning**
 - **Exploring acquisition opportunities**
 - **Capitalizing on the relationship with the Minto Group**