



minto
Apartment REIT

Investor Day Presentation

June 15, 2021

Cautionary Statement

Non-Reliance

This presentation and our answers to questions do not purport to be comprehensive or to contain all the information that a recipient may need in order to evaluate an investment in securities of Minto Apartment Real Estate Investment Trust (the "REIT"). No representation or warranty, express or implied, is given and, so far as is permitted by law no responsibility or liability is accepted by any person, with respect to the accuracy or completeness of this presentation or its contents or our answers to questions.

Forward Looking Statements

This presentation and our answers to questions contain statements that constitute forward-looking statements (within the meaning of applicable Canadian securities laws) relating to the business of the REIT. These statements are not historical facts, but instead represent the REIT's expectations, beliefs, assumptions, estimates, forecasts and projections as of the date hereof. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Although such forward-looking statements are based upon assumptions that management believes are reasonable as of the date hereof, there can be no assurance that those forward-looking statements will prove to be accurate and actual outcomes and results may differ materially from those expressed or implied in these forward-looking statements. The REIT's expectations, beliefs, assumptions, estimates, forecasts and projections, include, but are not limited to, the REIT's future growth potential, results of operations, future prospects and opportunities, demographic and industry trends, no change in legislation or regulatory environment, future levels of indebtedness, current tax laws, the continuing availability of capital, the impact of the COVID-19 pandemic and current economic conditions. These risks and uncertainties are more fully described in the REIT's regulatory filings, including the REIT's most recent Annual Information Form ("AIF") and its most recent Management's Discussion and Analysis of the results of operations and financial condition ("MD&A"), all of which can be obtained on SEDAR at www.sedar.com. Investors should not place undue reliance on any such forward-looking statements. Certain statements contained in this presentation may be considered "financial outlook" for purposes of Canadian securities laws and as such, the financial outlook may not be appropriate for purposes other than this presentation. Subject to applicable law, the REIT does not undertake any obligation to update or revise any forward-looking statements. For further details on forward-looking statements, see the section entitled "Forward-Looking Statements" in the most recent MD&A.

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, and NOI 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".



Michael Waters

Chief Executive Officer
Minto Apartment REIT

Agenda

1) Message from Chairman of the Board of Trustees of Minto Apartment REIT

2) Development Segment

- Overview
- Focus on High Park Village, Beechwood and Fifth + Bank

3) Repositioning Segment

- Overview
- Focus on Haddon Hall
- Focus on Sustainability

4) Rental Market Segment

- Macro Perspective
- Portfolio Insights

5) Wrap up and Question and Answer Session



Roger Greenberg

Chairman of the Board of Trustees
Minto Apartment REIT

DEVELOPMENT





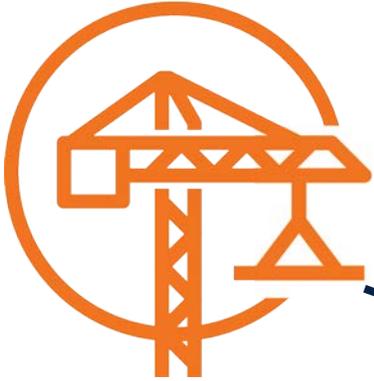
Glen MacMullin, CPA, CA

Chief Investment Officer
Minto Apartment REIT

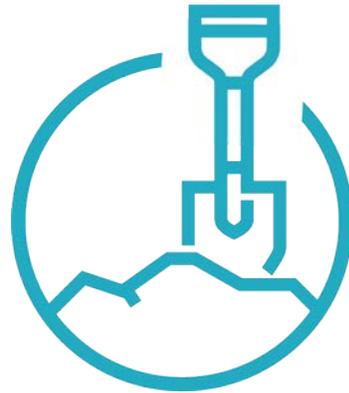
Benefits of the Strategic Alliance with the Minto Group

- Development of new multi-residential real estate is a key component to the REIT's strategy and will materially contribute to its growth trajectory
- The REIT benefits from the experience of the Minto Group, a fully integrated development enterprise with a 65-year history and strong track record
- The REIT leverages the Minto Group's private balance sheet to both source a pipeline of new opportunities (e.g. Beechwood) and facilitate capital structures in which the REIT may not otherwise be able to participate (e.g. Lonsdale Square)
- **These are key differentiators to the REIT and uniquely position us to generate strong financial returns, but with risk considerably mitigated**

DEVELOPMENT



Construction



Land Development



Estimating

**Benefits of Strategic Alliance
with the Minto Group**



Sustainability

Procurement



Design

Target Development Characteristics

- ✓ Properties that have an “**edge**”
- ✓ High walk / transit score
- ✓ Ability to **create a community** through amenity space and/or programming
- ✓ **VECTOM** markets
- ✓ **Scale** – generally a minimum of 100 suites or a \$50 million investment
- ✓ **Proximity** to major demand generators



Growth Through Development

Development provides several significant benefits:

- **Reduces average age of our portfolio**, important given most of the multi-res product in Canada was built +/-50 years ago
- **Lower major capital expenditure** for the foreseeable future
- Allows us to **accumulate properties cost-effectively**, an important advantage given the REIT targets institutional quality assets in major urban centers that typically trade at lower cap rates
- Generates **higher “opportunistic” level returns**

The REIT will pursue development through: intensification of existing projects, convertible development loans and stand-alone development



Intensification



Convertible
Development
Loans



New
Development

Intensification Benefits

- **Monetize otherwise illiquid** excess land
- Expand and improve amenities that **benefit the entire community**
- Leverage excess existing parking
- **Lower lease-up risk** given market presence
- **Demand** and appeal of existing suites improves
- Significant **operational efficiencies** through enhanced scale



Convertible Development Loans

- Creates a **pipeline of new product** for the REIT
- **AFFO Accretive** – lending money at ~6-7% during construction
- **NAV Accretive** – purchase option upon property stabilization at 5% discount to appraised value
- Potential for a combined +/-15% annual levered return makes a **very compelling risk-return profile**



Lower Risk Development Returns

Characteristics of Convertible Development Loans

During Construction

- Stable, accretive income
- Fully guaranteed loan
- Sheltered from schedule, cost escalation and leasing risk
- Not restricted by the REIT's 20% development limit¹
- Ability to influence building design and asset management direction



At Stabilization

- Creation of a proprietary pipeline free of market competition
- If option exercised, immediate value lift to REIT's Unitholders
- Reduces average age of portfolio and future major capital obligations
- Predictable acquisition timing



**Lower risk,
higher return
financial
instrument**

1. Convertible development loans are considered mortgages under the REIT's Declaration of Trust ("DOT"). Pursuant to the REIT's DOT, the REIT's aggregate total investment in mortgages is limited to a maximum of 20% of gross book value.

A Development Pipeline of Over 1,500 Suites

	Estimated Suites	REIT Ownership	Rezoning for Intended Use	Site Plan Approval	Permits	Under Construction	Estimated Cost (\$millions)	Anticipated Yield ¹	Expected Stabilization
Intensifications									
Richgrove	225	100%	✓	In process	In process		\$114	4.25% - 4.75%	Q4 2025
Leslie York Mills	192	50%	✓	In process			\$171	3.75% - 4.25%	Q1 2025
High Park Village	650	40%	In process				\$454	4.25% - 4.75%	Q4 2028
Convertible Development Loans									
Fifth + Bank	163	100% Purchase Option	✓	✓	✓	✓	\$87	n/a	Q2 2022
Lonsdale Square	113	100% Purchase Option	✓	✓	✓	✓	\$78	n/a	Q1 2023
Beechwood	229	100% Purchase Option	In process				\$123	n/a	Q4 2024

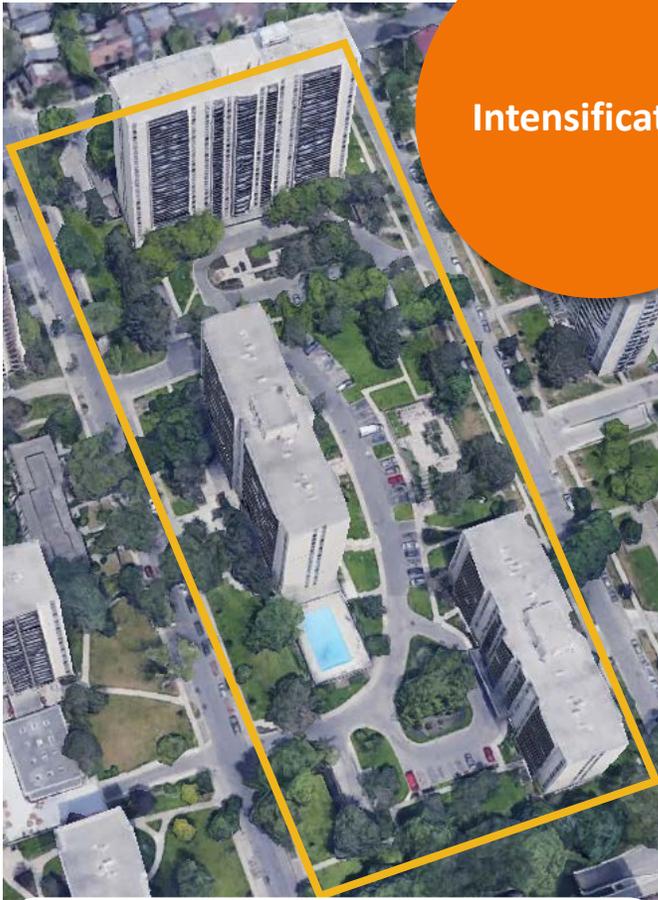
1. Anticipated yield applies only to projects developed directly by the REIT. The REIT has an option to purchase projects developed through convertible development loans upon stabilization at a 5% discount to its then-appraised value.



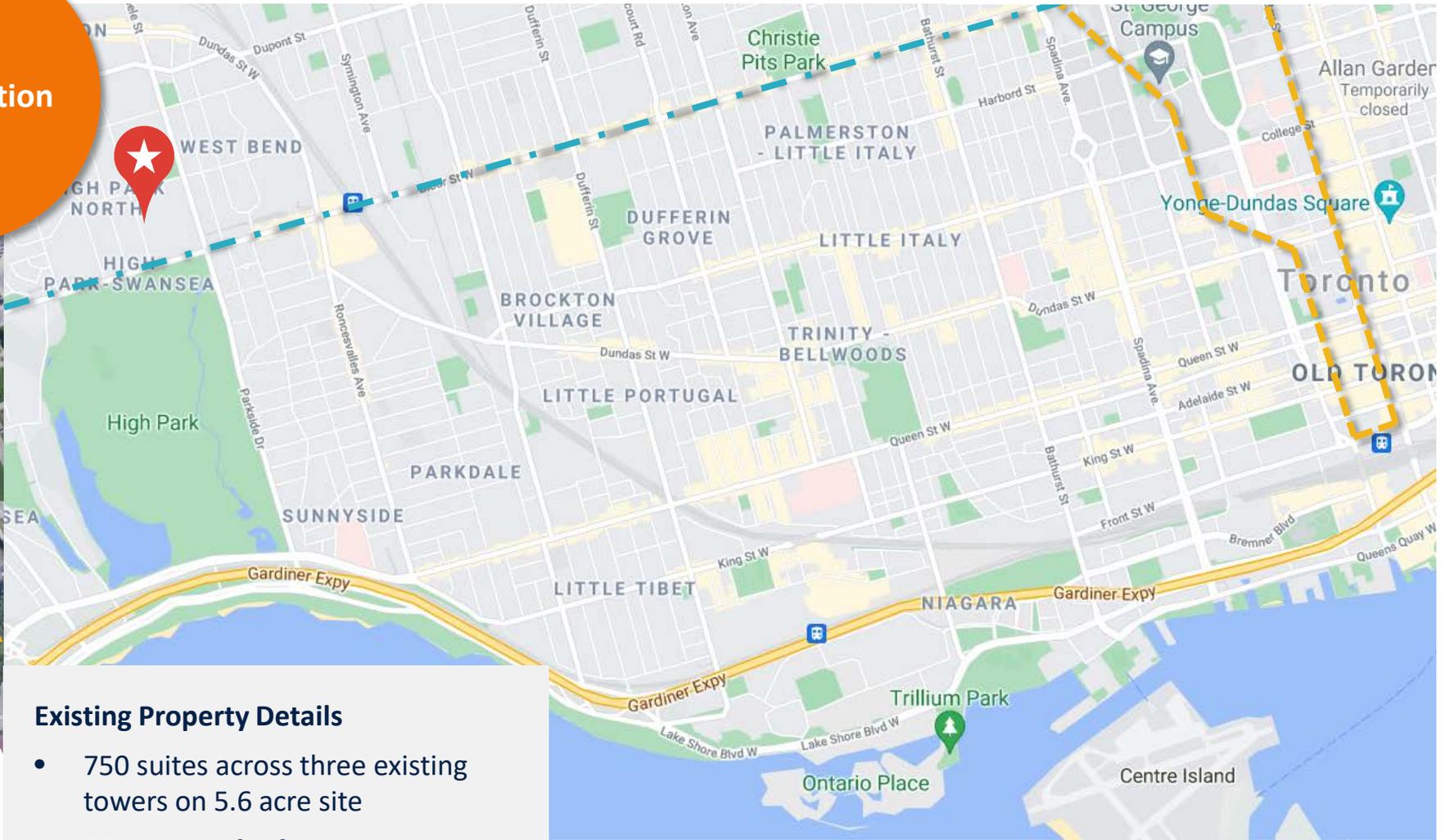
Agnieszka Wloch

Vice President, Development
Minto Communities Canada

High Park Village | Toronto, ON



Intensification

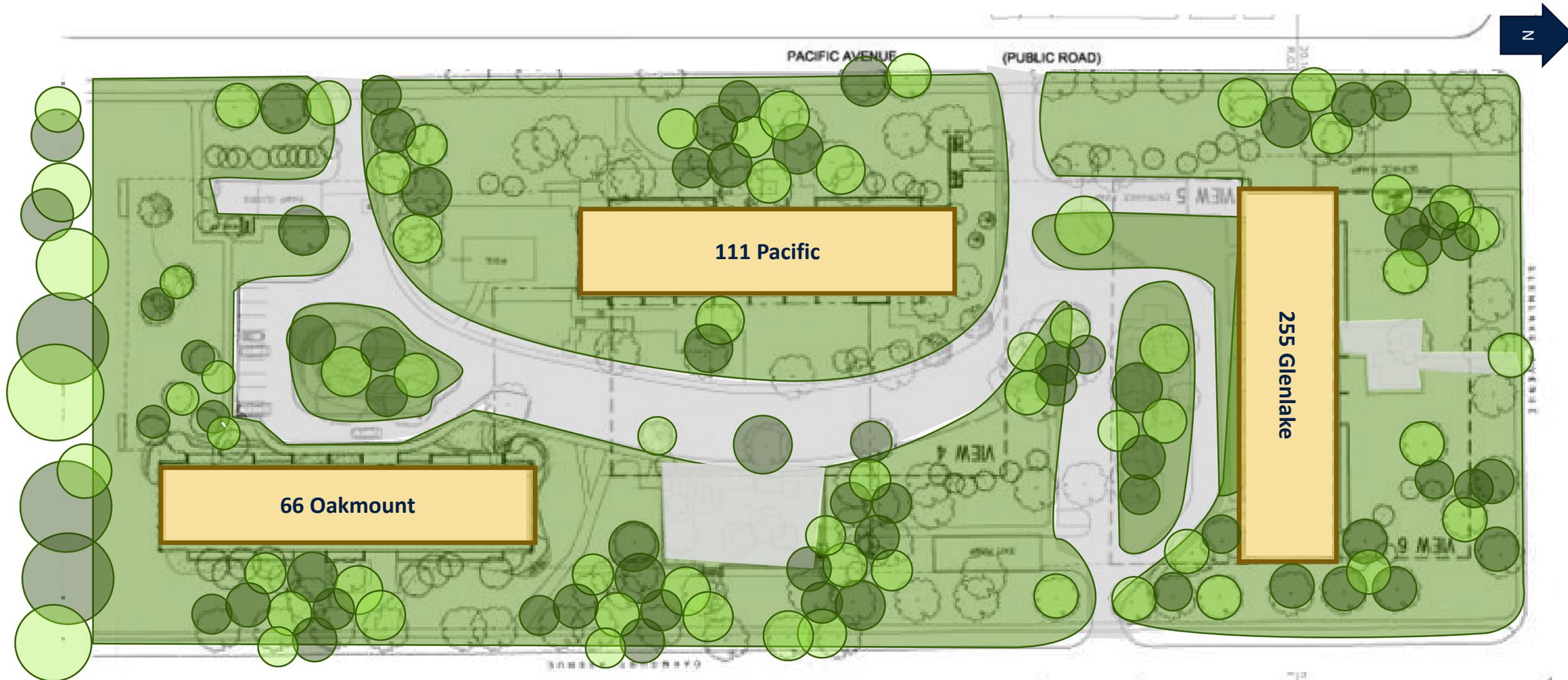


Existing Property Details

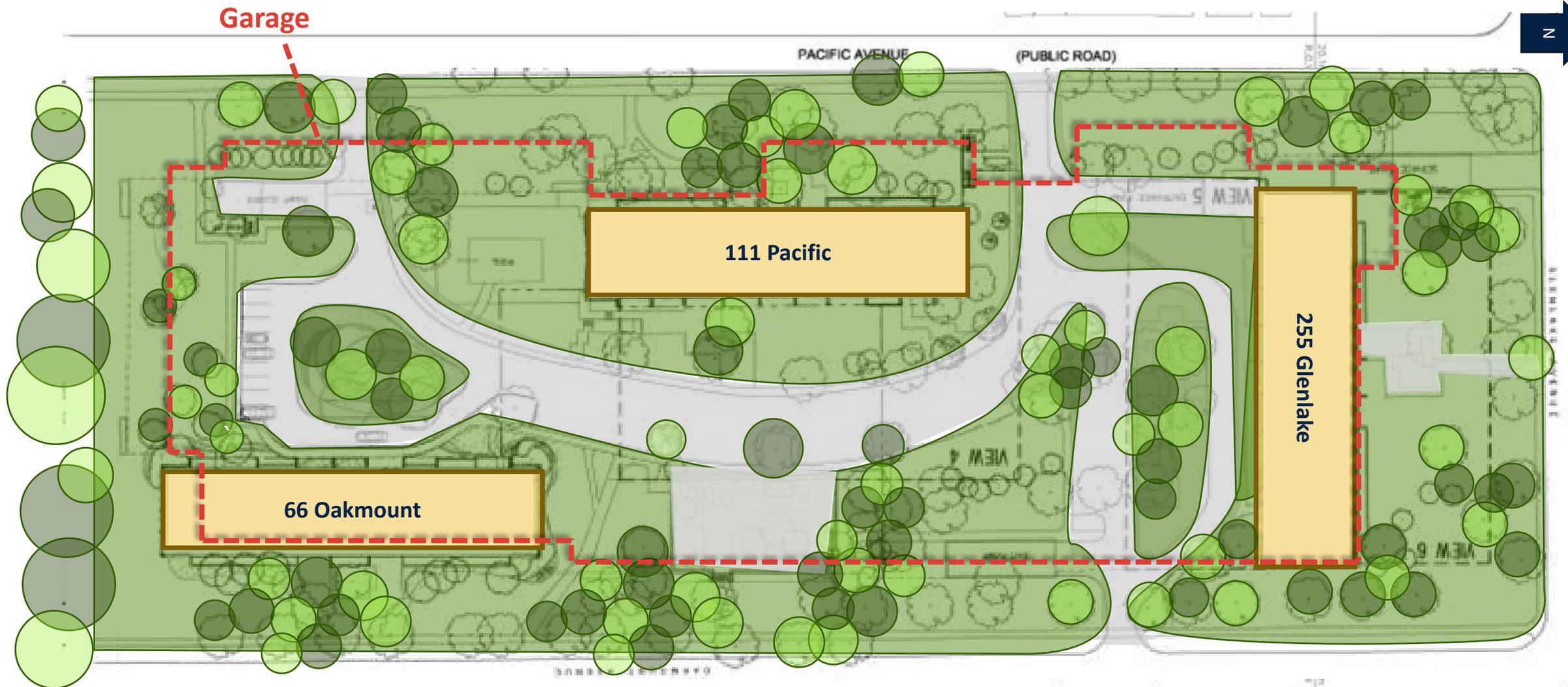
- 750 suites across three existing towers on 5.6 acre site
- 585,000 sq. ft of GFA



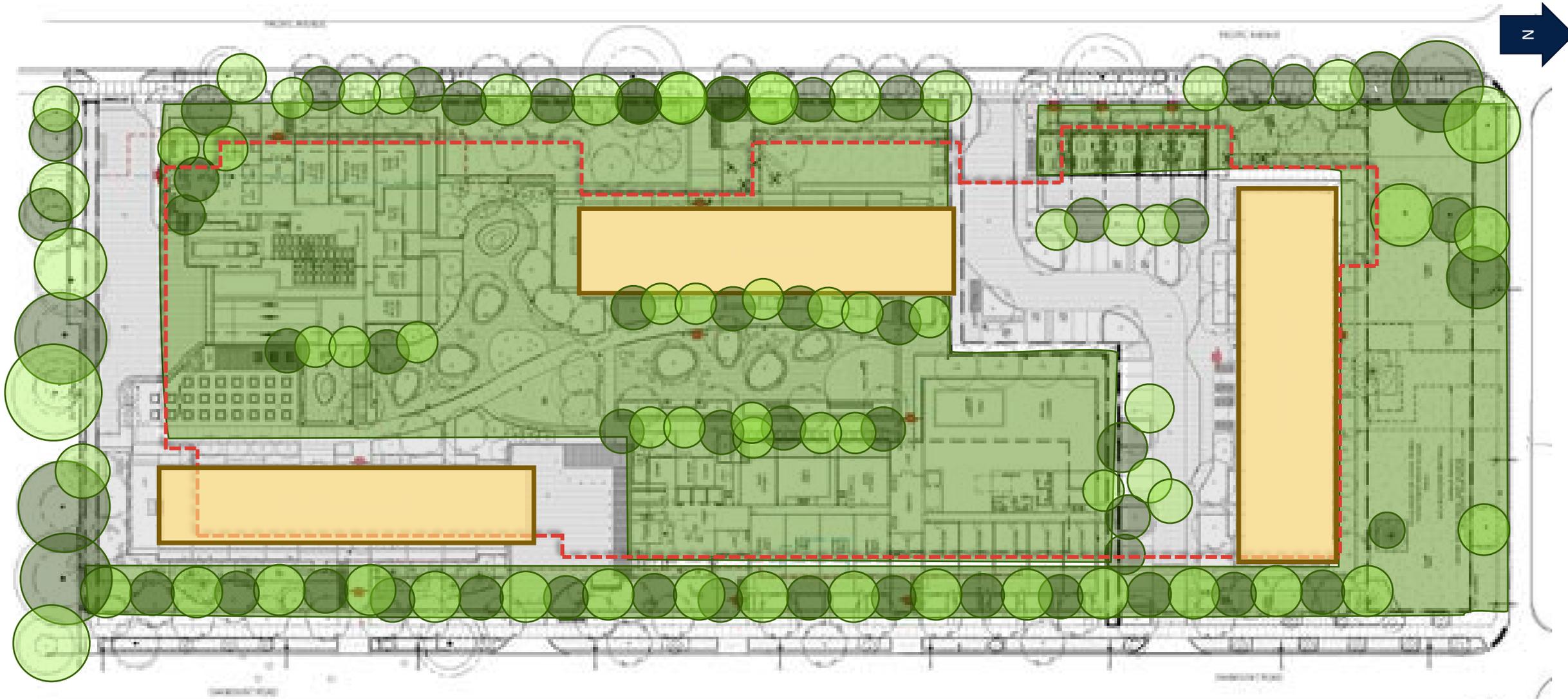
The Infill Development Challenge



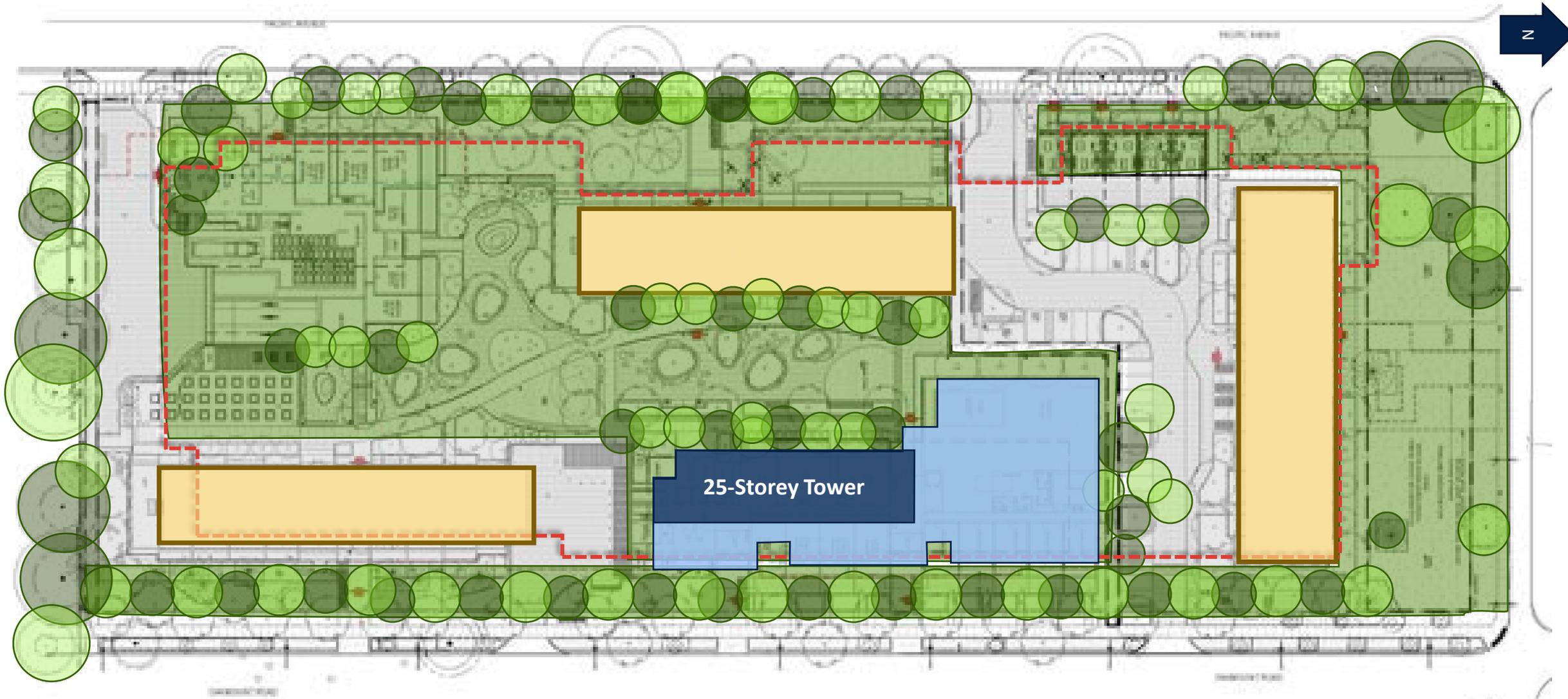
The Infill Development Challenge



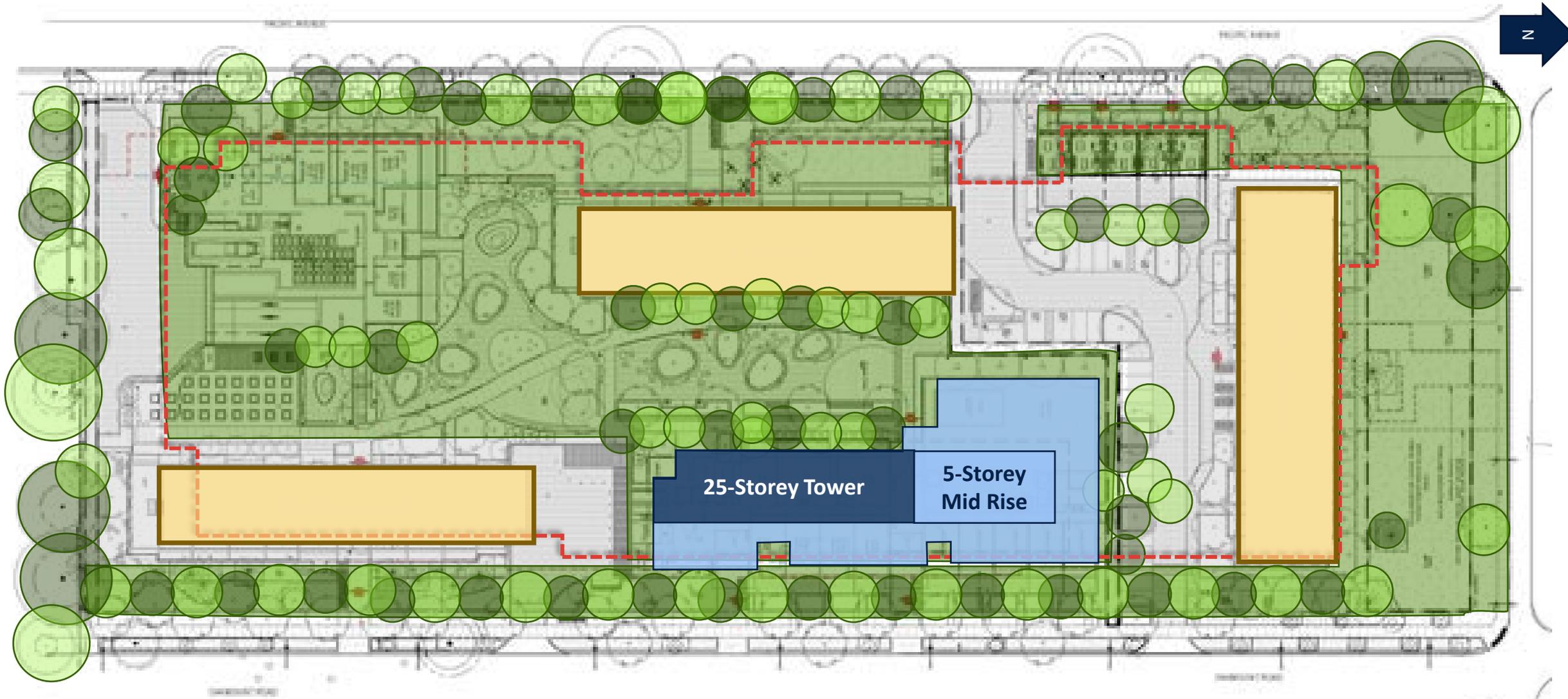
The Infill Development Challenge



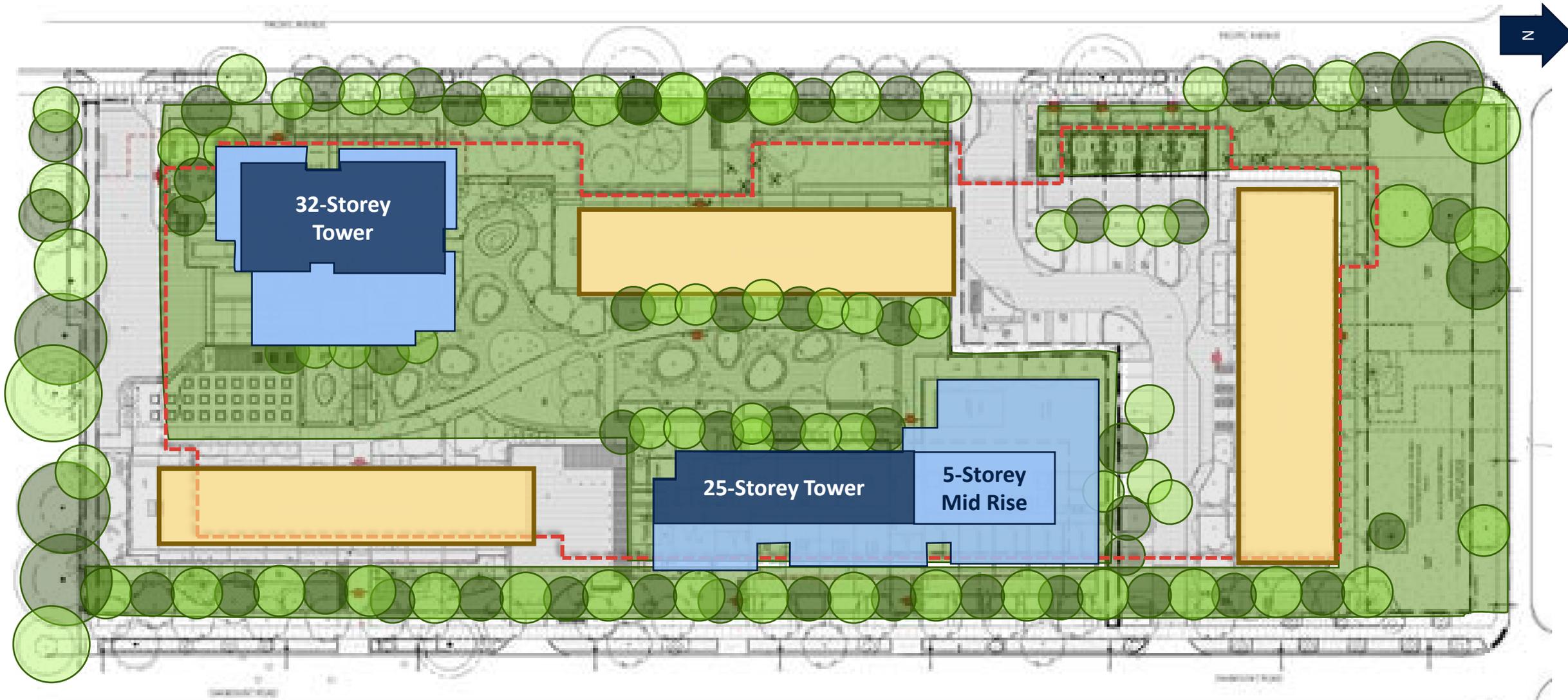
The Infill Development Challenge



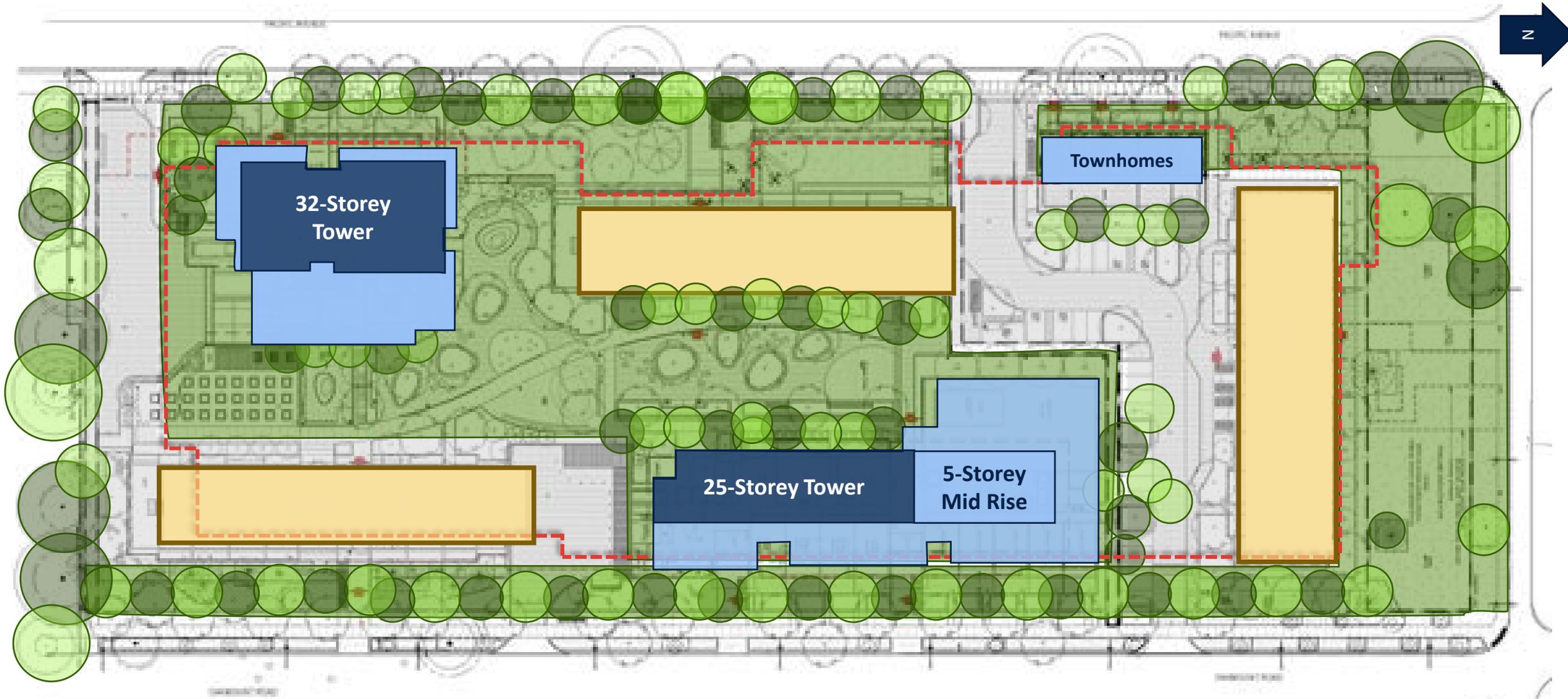
The Infill Development Challenge



The Infill Development Challenge



The Infill Development Challenge



Unique Infill and Revitalization Opportunity

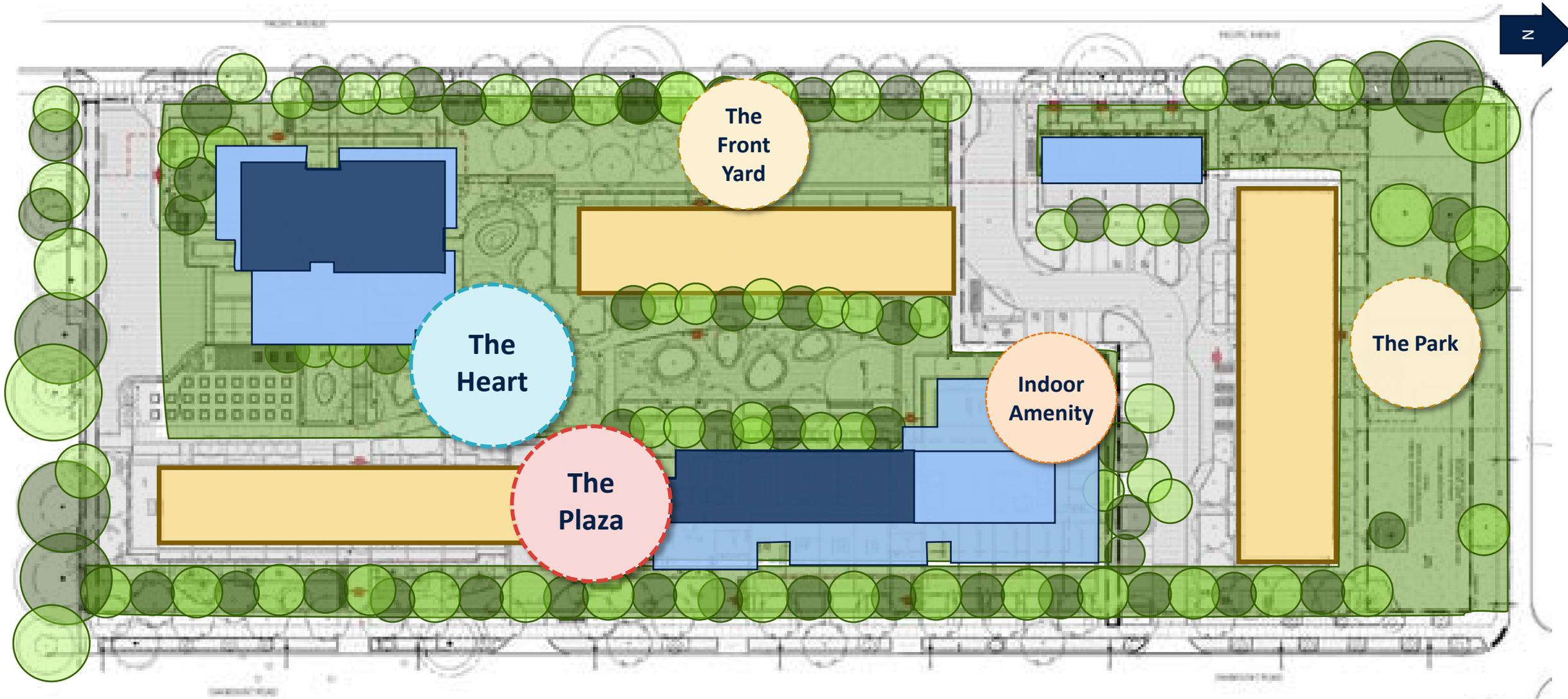


- Development Opportunity Details**
- ~535,000 sq. ft. additional GFA
 - ~650 Suites (10% affordable)
 - 15,000 sq. ft. of new indoor amenity areas

Envisioning, Developing & Delivering a Complete Community



Envisioning, Developing & Delivering a Complete Community



Envisioning, Developing & Delivering a Complete Community

The Heart



Play Area



Farmers Market

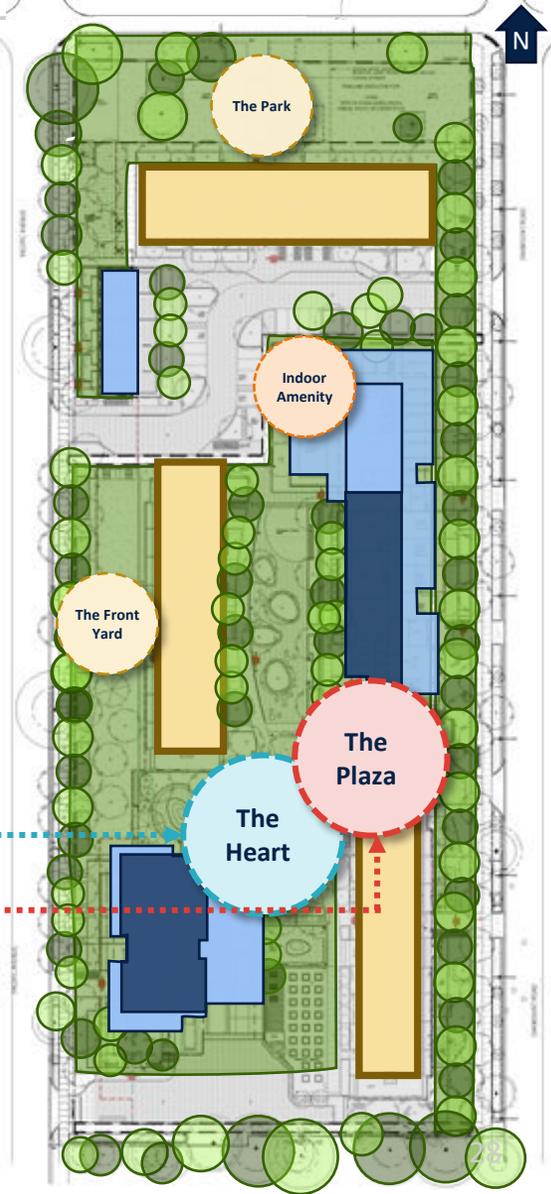


Community Gardens



Sunday Concert

The Plaza





Ben Mullen, MBA

Vice President, Asset Management
Minto Apartment REIT

Beechwood | Ottawa, ON

Convertible
Development
Loan



Development Opportunity Details

- Rezoning is in process for a mid-rise infill development (9 storeys) with approximately 229 suites and 6,000 square feet of retail
- Extensive amenity package and latest property technology
- High performance building and sustainable design



Illustrating the REIT's Growth Through Development Strategy

Exemplifies the REIT's growth strategy through development:

- ✓ VECTOM markets: Beechwood is in Ottawa's coveted New Edinburgh neighbourhood
- ✓ High walk / transit score: urban main street development with a walk score of 84 and transit score of 65
- ✓ Scale: ~229 suites and ~\$123 million development project
- ✓ Reduces the portfolio's average building age and future capital requirements

Demonstrates the strategic advantage of the REIT's convertible development loans:

- ✓ Provides the REIT with preferential access to a high-quality new purpose built rental property in a highly attractive location that is free of rent control
- ✓ Generates an AFFO accretive return through the development period
- ✓ Option to purchase at stabilization at 5% discount to then-appraised fair market value, thus providing a cost-effective opportunity to acquire an institutional quality asset in a major urban center
- ✓ The REIT is sheltered from schedule, cost-overrun and lease-up risk

Designing the Ideal Product for Acquisition

The REIT is able to influence building design and provide asset management direction.

- **Location and Scale** – participation in site selection and land assembly
- **Asset Management Involvement** – including development concept, project underwriting, optimal suite mix, floor plans, amenity package and pro forma assumptions
- **ESG Considerations** – alignment of the development pipeline with the REIT's ESG framework
- **Timeline Direction** – providing direction on project schedule, optimal lease-up period and acquisition timing





Kevin A. Harper
AICP, MCIP, RPP, LEED AP
Director, Infill Development
Minto Communities Canada

Within 3km of Parliament Hill



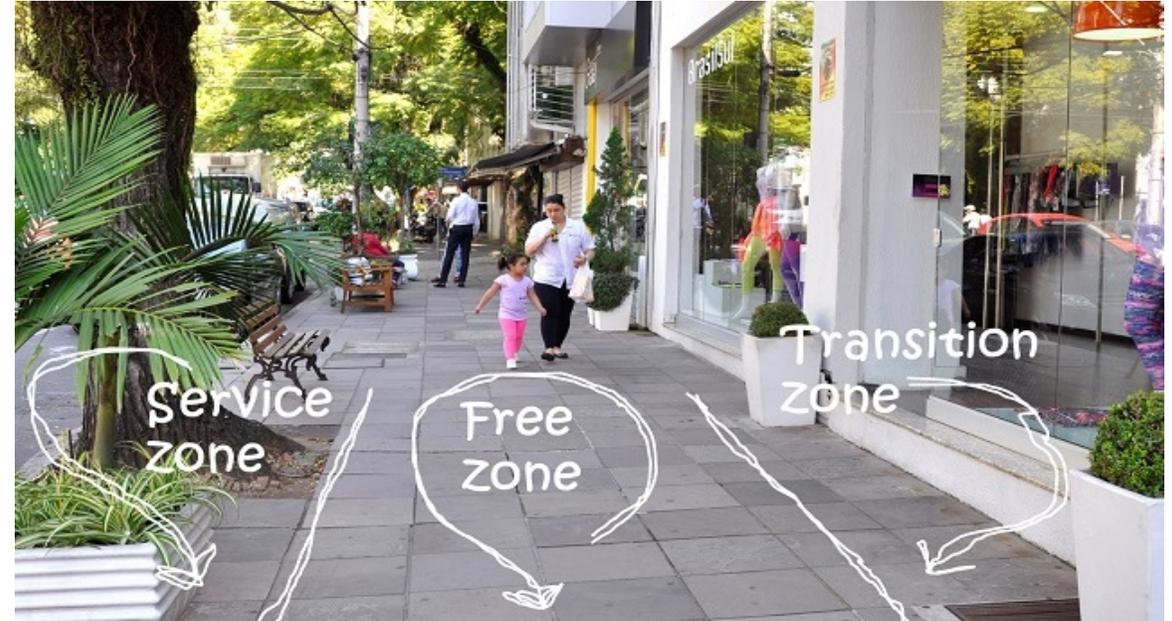
- 1 Parliament of Canada
- 2 Central Business District
- 3 Byward Market
- 4 University of Ottawa
- 5 City Hall
- 6 Supreme Court of Canada
- 7 National Arts Centre
- 8 Global Affairs Canada
- 9 National Research Council of Canada
- 10 Rideau Hall

Community Engagement is a Critical Success Factor

Community Engagement is Key – early and often.



Public Realm Matters – what are we bringing to the street?



Design Needs to Adapt to the Situation

Architecture at a Human Scale – materials, articulation and finer details.



Context and Transition – fitting in, while making a mark.



Need to Manage Multiple Stakeholders

Planning and Zoning – layers upon layers.



Construction and the Community – managing expectations and minimizing impacts.





Paul Baron, CFA

Vice President, Asset Management
Minto Apartment REIT



Brendan Downey

Senior Director, Revenue Management
Minto Apartment REIT

Fifth + Bank | Ottawa, ON

Convertible
Development
Loan



Development Opportunity Details

- Redevelopment of existing commercial property
- 163 suites
- Neighborhood with limited new multi-res supply
- Extensive amenities and premium services
- Use of smart technology



PLACEHOLDER FOR F + B FILM

REPOSITIONING



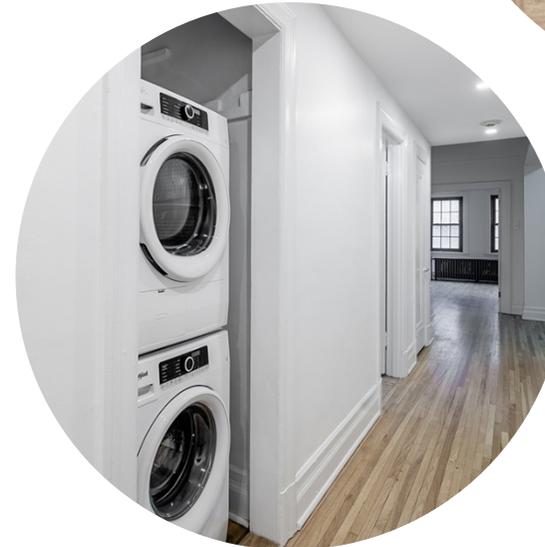
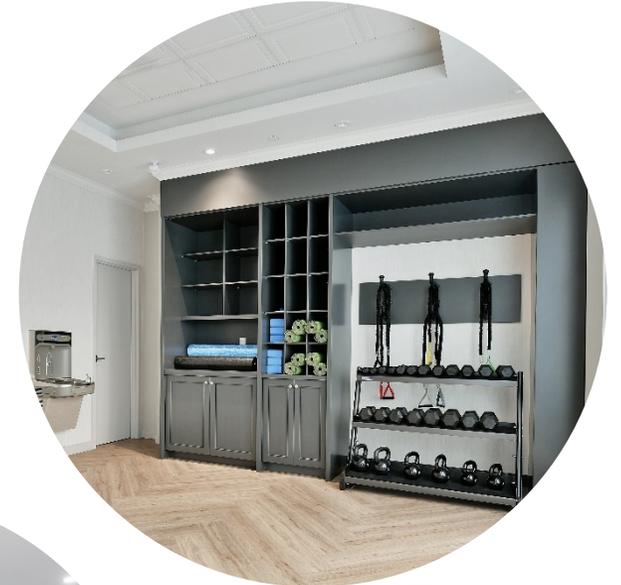


Martin Tovey

Senior Vice President, Investments
Minto Apartment REIT

Finding Demand for Improved Suites

- Asset management team develops plans specific to each property
- Majority of suites well positioned requiring only regular repairs and maintenance
- Opportunities exist where there is resident demand for improved suites
- The REIT has active repositioning programs at 10 properties with 2,425 suites¹ remaining to be repositioned



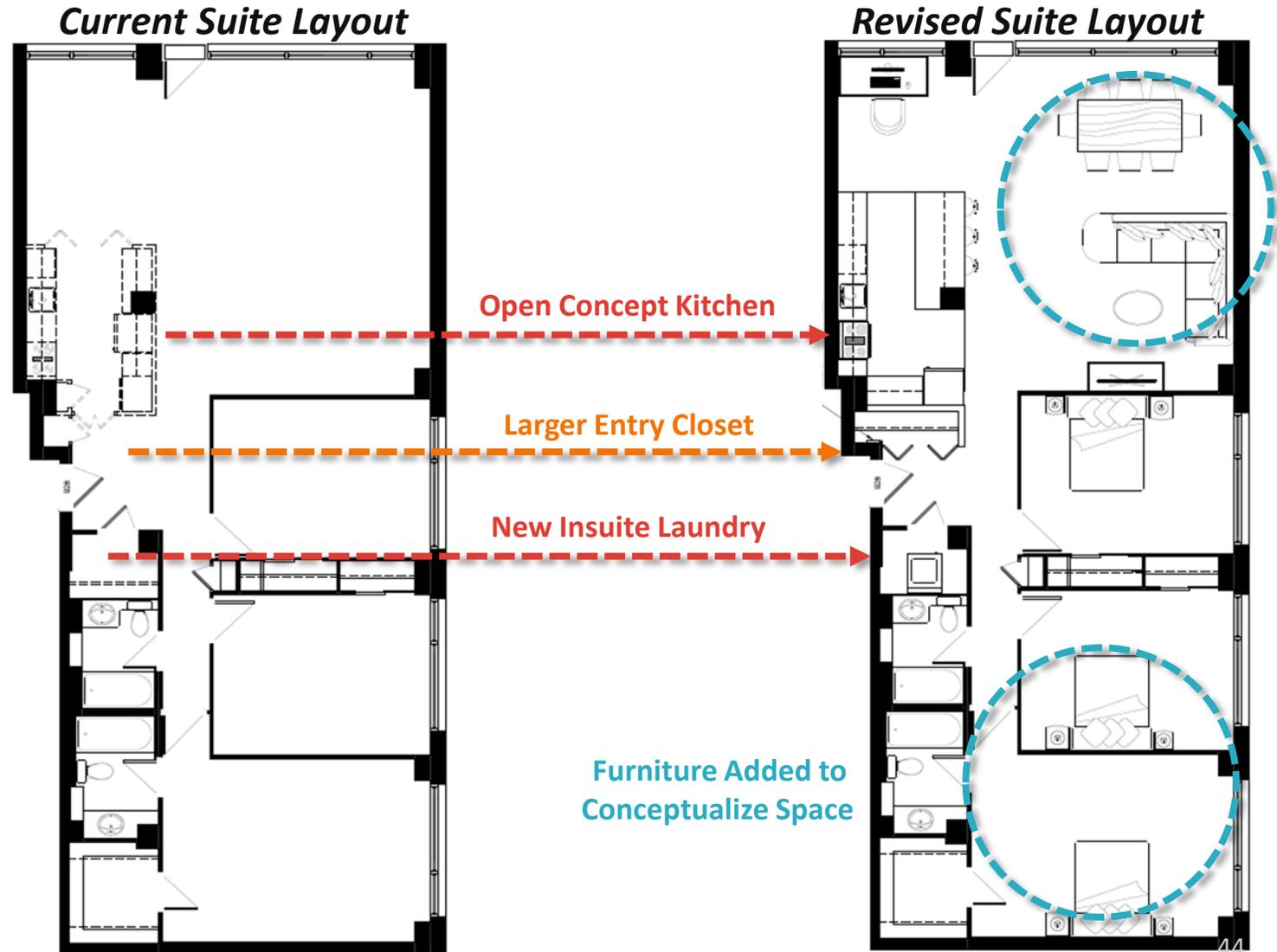
1. As at March 31, 2021.

Making Improvements That Residents Want

Repositioning opportunities can include suites, lobbies, corridors, amenities, building exterior.

Repositionings follow a standard process that includes:

- ✓ Designer engagement
- ✓ Preliminary design
- ✓ Scope development
- ✓ Test suite mock-up
- ✓ Value engineering
- ✓ Execution



Creating Open Concept | Castle Hill in Ottawa, ON

Before



After



Creating New Amenities | Rockhill in Montreal, QC

Before



After



Transforming and Modernizing



Before



After



Repositioning Delivers Results

	Total Suites Repositioned ¹	Average Cost / Suite	Average Annual Rent Increase	Average Return on Investment
Q2 2020	50	\$39,767	\$3,142	8.0%
Q3 2020	62	36,636	3,650	10.0%
Q4 2020	56	38,988	3,512	9.0%
Q1 2021	46	52,277	4,531	8.7%
Total / Weighted Avg.	214	\$42,827	\$3,790	9.1%

- The REIT's repositioning program presents the **best risk/return profile** of all investment opportunities
- Repositioning programs are **flexible with relatively small capital commitments** and short project durations, easily accelerated, or slowed, as market conditions dictate
- The **high volume of repositionings generates efficiencies** through volume purchasing, repeatable design concepts and lessons learned carried forward
- Subject to availability of suites, the REIT expects to reposition approximately 250 to 300 suites in 2021 (approximately 200 to 250 at the REIT's proportionate share)

1. Total suites repositioned are shown on a gross basis. The REIT has 50% ownership interest in each of the repositioned suites at Rockhill and Leslie York Mills and a 40% ownership interest in the repositioned suites at High Park Village.

SUSTAINABILITY + TECHNOLOGY





Joanna Jackson, P.Eng, LEED AP BD+C

Director, Sustainability & Innovation

Minto Properties

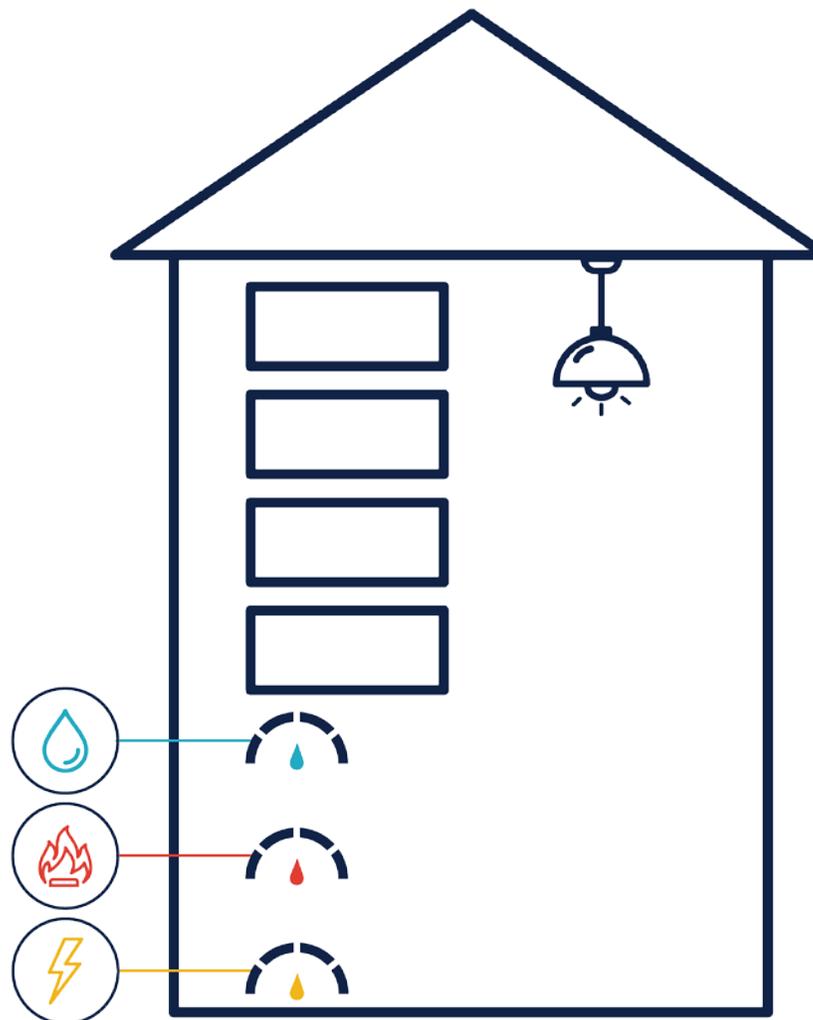
Part of the Minto Group's History



Baseline Technology in Our Apartments

Baseline Sustainability Features

- LED Lights
- 3L/flush toilets
- Real time water data (electric & natural gas monthly data from utility bills)



Baseline Technology in Our Apartments

Baseline Sustainability Features

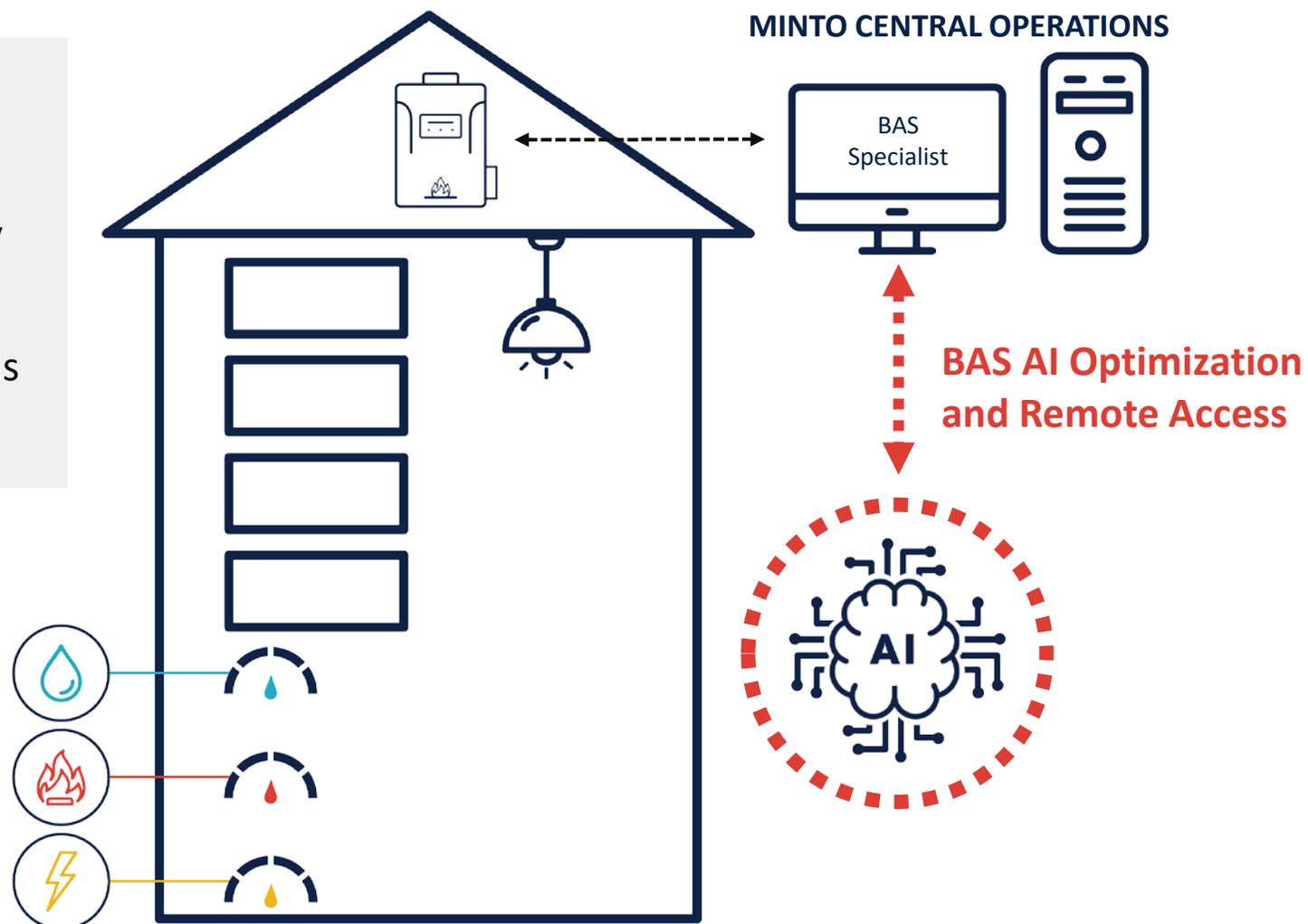
- LED Lights
- 3L/flush toilets
- Real time water data (electric & natural gas monthly data from utility bills)
- **Central mechanical equipment on Building Automation System** (remote access)



2021 Pilot Projects

Sustainability Features

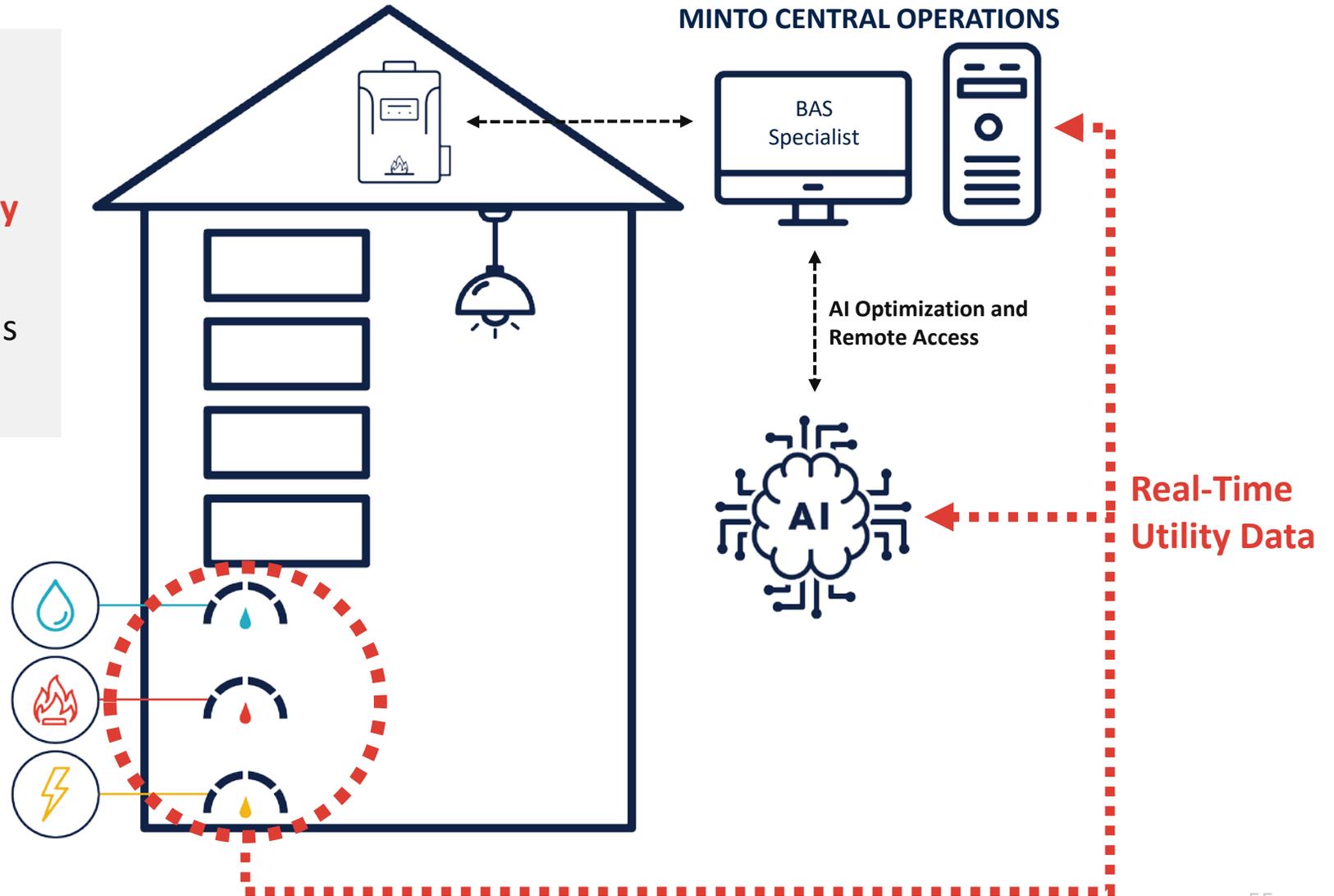
- **AI Systems for BAS**
- Real/Near-Time Monitoring of Utility Consumption
- Corridor and Garage Lighting Controls



2021 Pilot Projects

Sustainability Features

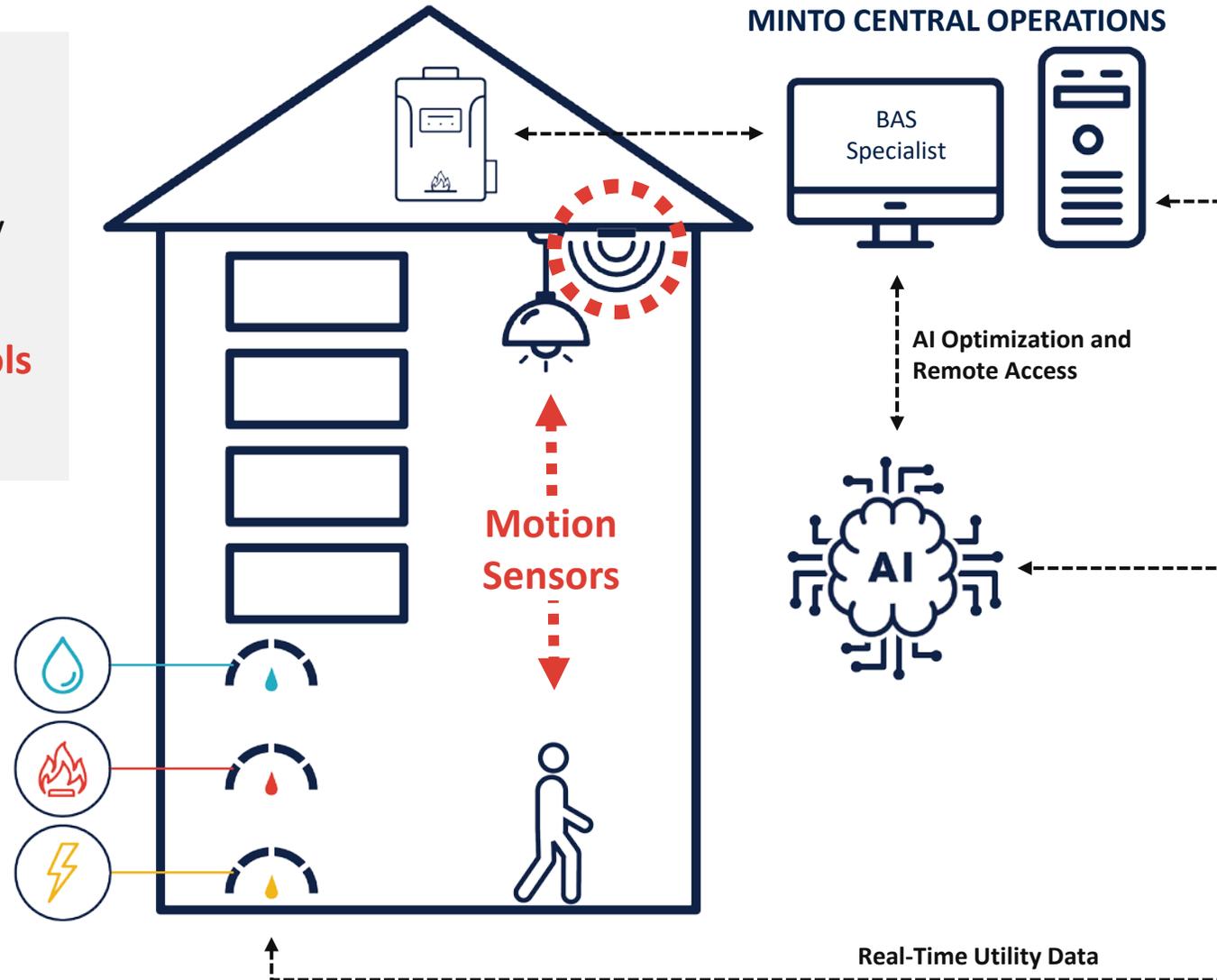
- AI Systems for BAS
- **Real/Near-Time Monitoring of Utility Consumption**
- Corridor and Garage Lighting Controls



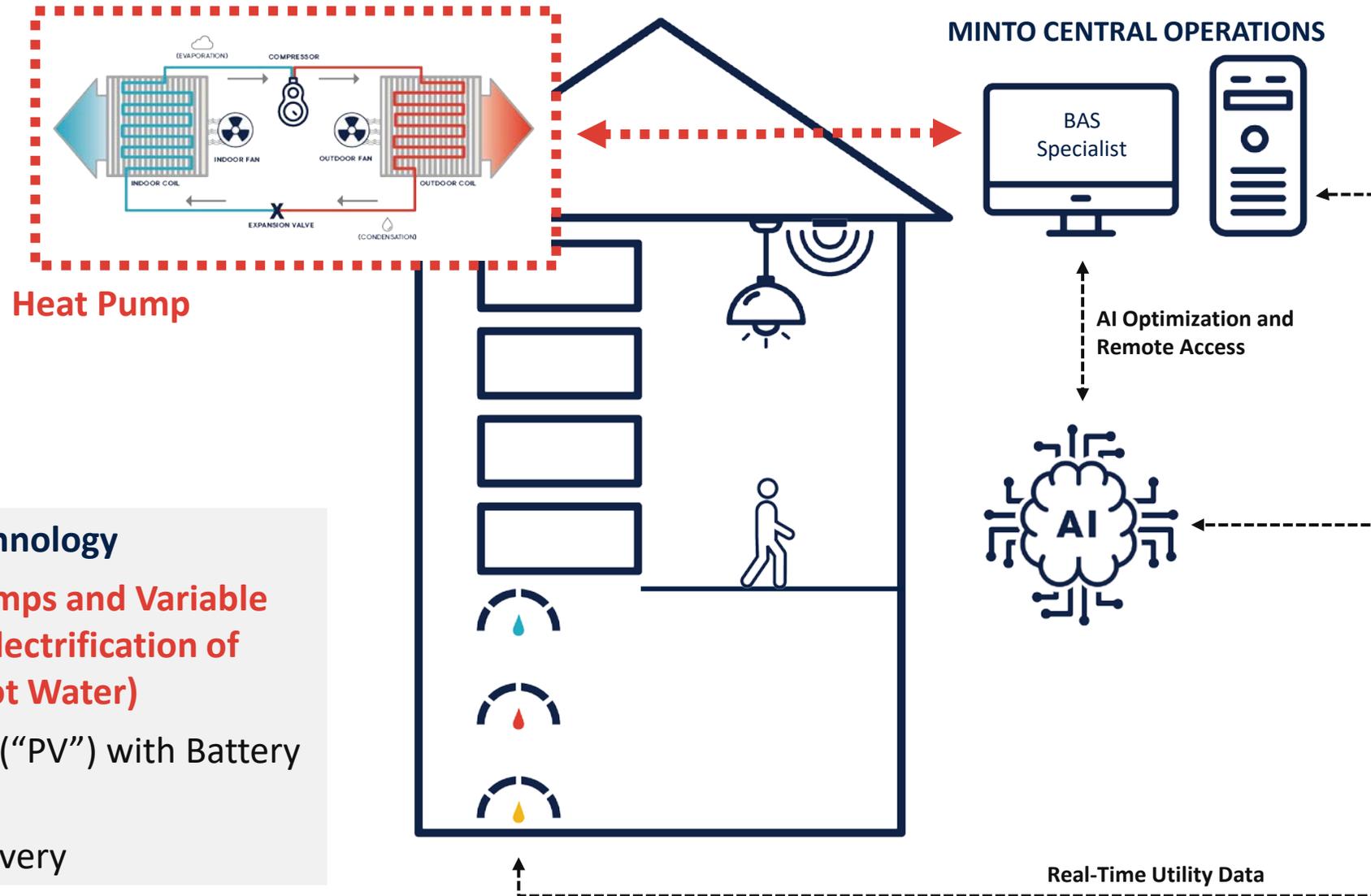
2021 Pilot Projects

Sustainability Features

- AI Systems for BAS
- Real/Near-Time Monitoring of Utility Consumption
- **Corridor and Garage Lighting Controls**



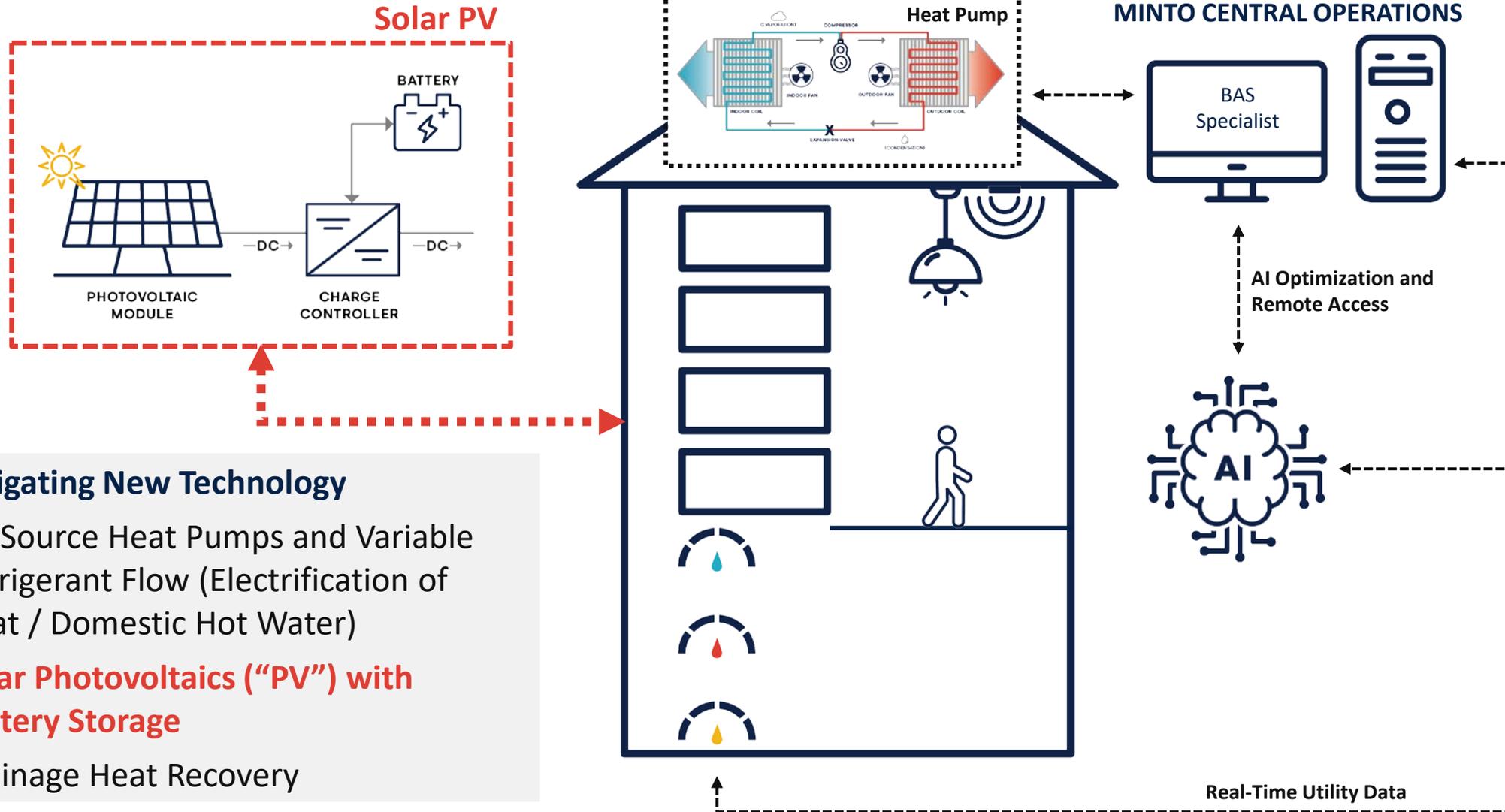
Future Pilot Projects (2022/2023)



Investigating New Technology

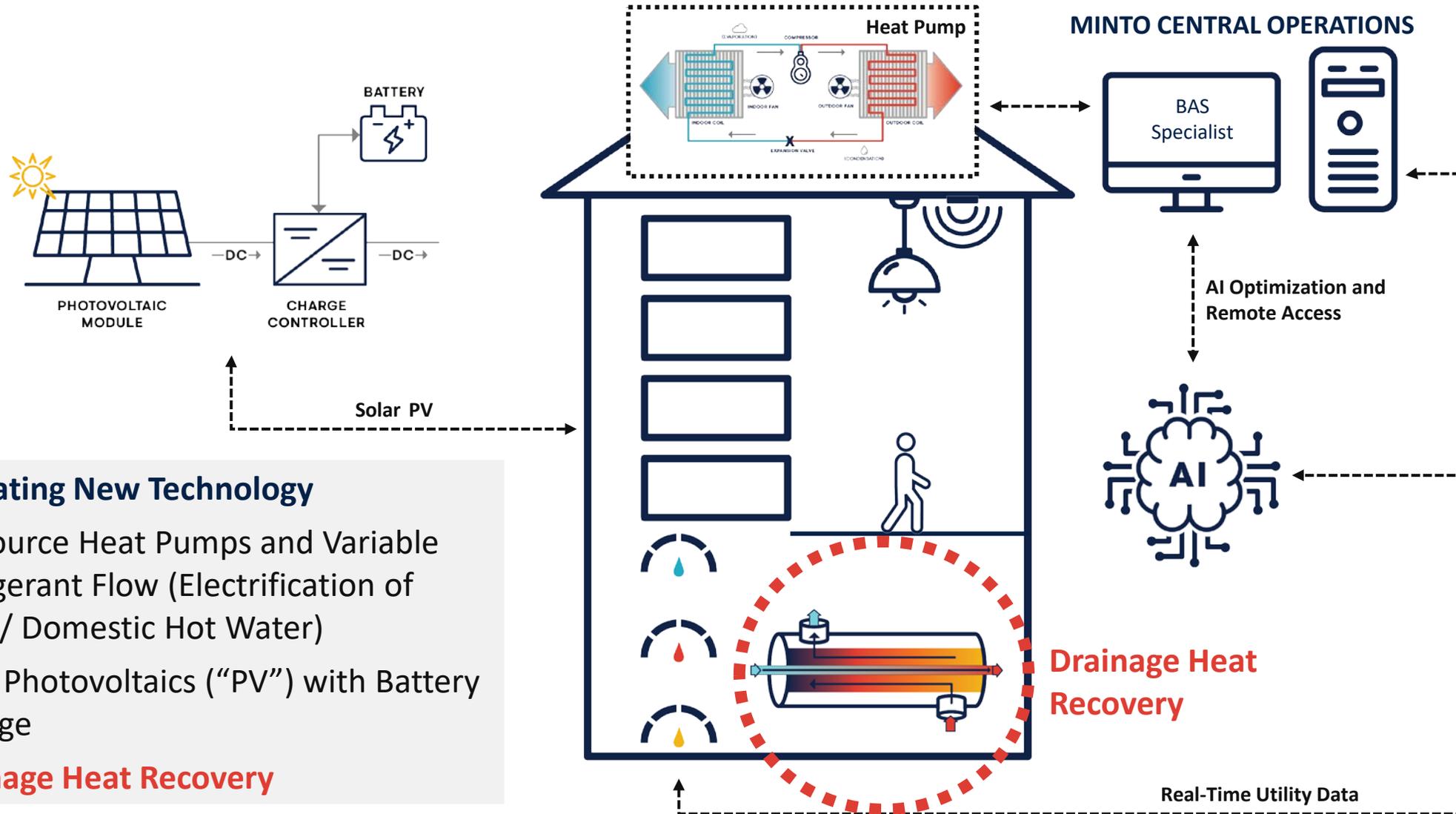
- **Air Source Heat Pumps and Variable Refrigerant Flow (Electrification of Heat / Domestic Hot Water)**
- Solar Photovoltaics (“PV”) with Battery Storage
- Drainage Heat Recovery

Future Pilot Projects (2022/2023)



- Investigating New Technology**
- Air Source Heat Pumps and Variable Refrigerant Flow (Electrification of Heat / Domestic Hot Water)
 - **Solar Photovoltaics (“PV”) with Battery Storage**
 - Drainage Heat Recovery

Future Pilot Projects (2022/2023)



- Investigating New Technology**
- Air Source Heat Pumps and Variable Refrigerant Flow (Electrification of Heat / Domestic Hot Water)
 - Solar Photovoltaics (“PV”) with Battery Storage
 - **Drainage Heat Recovery**

MARKET OVERVIEW





George Van Noten

Chief Operating Officer
Minto Apartment REIT

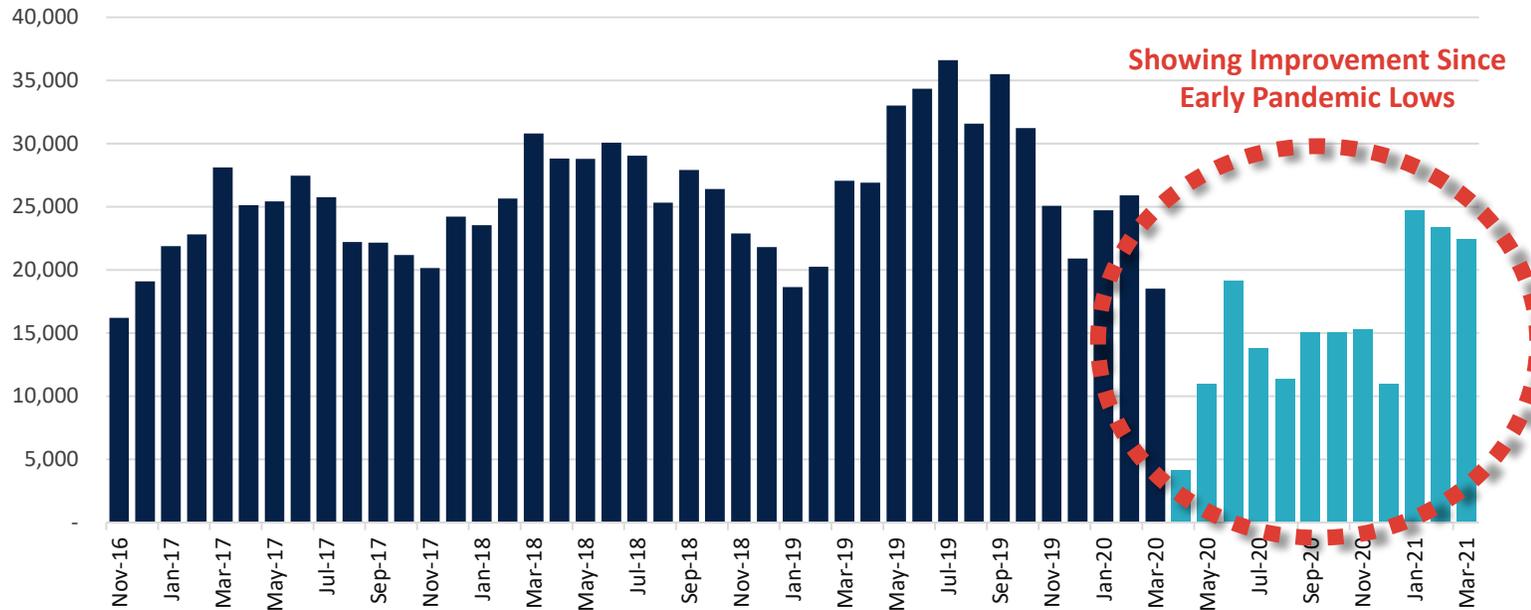


Francois Forrest, CPA

Director, Revenue Management
Minto Properties

2020 Immigration Drag Will Become a Tailwind in 2021

New Permanent Residents (Monthly)

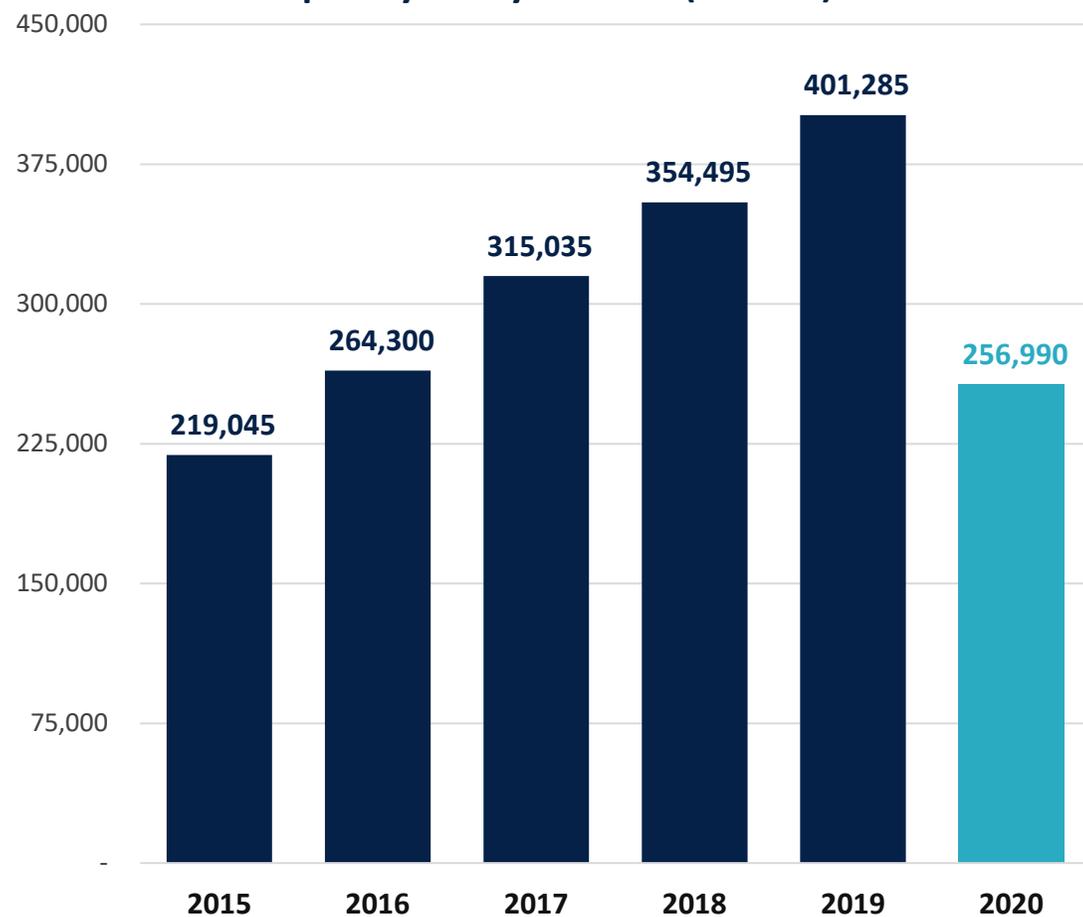


	2020 Population Growth	YoY % Change
Canada	411,854	1.1%
Toronto	92,435	1.4%
Montreal	31,148	0.7%
Vancouver	30,905	1.1%
Calgary	29,254	1.9%
Edmonton	26,121	1.8%
Ottawa	19,468	1.8%
Subtotal/Avg.	299,331	1.4%

- The Federal Government has reiterated its commitment to immigration and has increased targets for new Canadians to 401,000 for 2021, 411,000 for 2022 and 421,000 for 2023
- The REIT’s six target markets are preferred by new Canadians and these markets grew at a faster rate on average than the balance of the country, accounting for 56% of all population growth in 2020
- Under the Immigration Levels Plan, Canada is targeting about 60 per cent of admissions under skilled worker programs

Return to In-Person Learning Will Drive Rental Demand

Temporary Study Permits (Annual)¹



- Temporary study permits almost doubled from 2015 to 2019 but were down by almost 150,000 in 2020
- The actual number of temporary students that lived in Canada in 2020 was likely even lower as many foreign students elected to return home and study online
- Several major universities, including UBC and McGill, have announced a return to in-person learning in September 2021 and many others are planning for a partial return
- With the pace of COVID-19 vaccinations increasing, other universities are expected to return to in-person learning
- The return of foreign students will create significant rental demand in the second half of 2021

1. Immigration, Refugees and Citizenship Canada

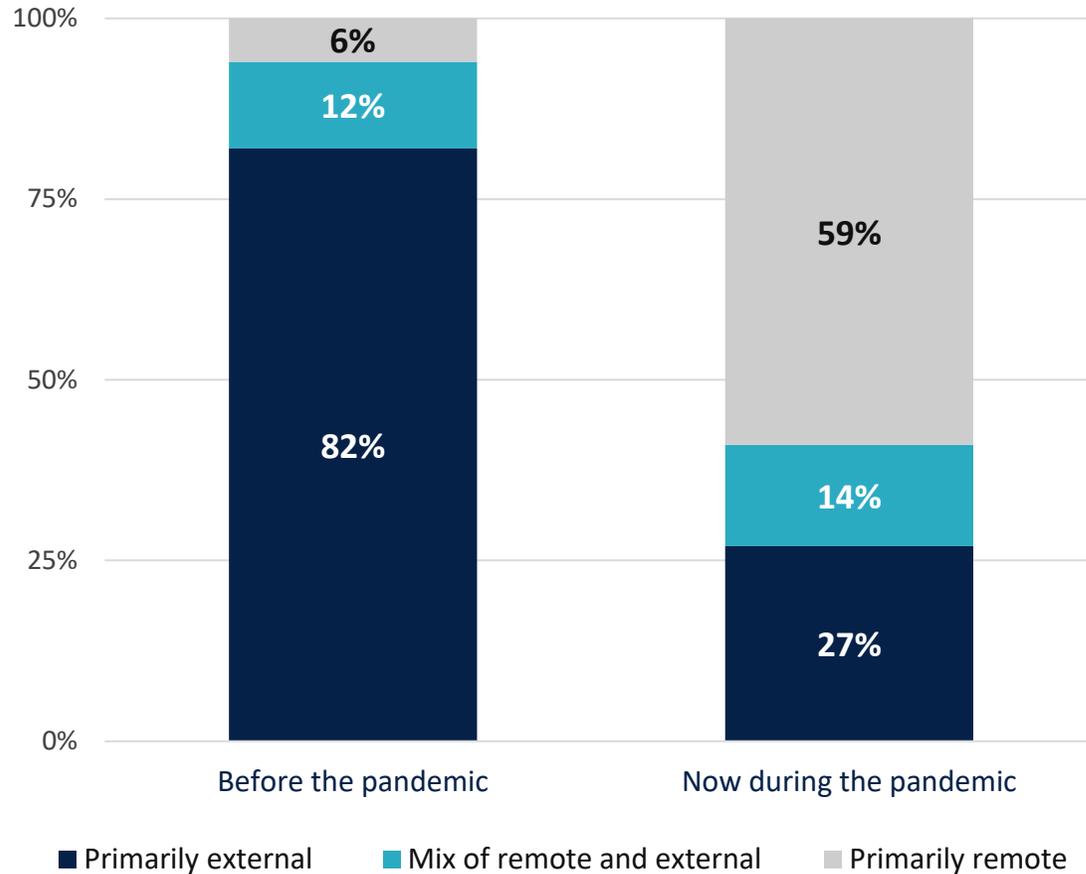
2. Statistics Canada, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710001801>

3. StatsCan

An Urban Living Renewal

The Adjusted Workplace

"Describe your work environment"

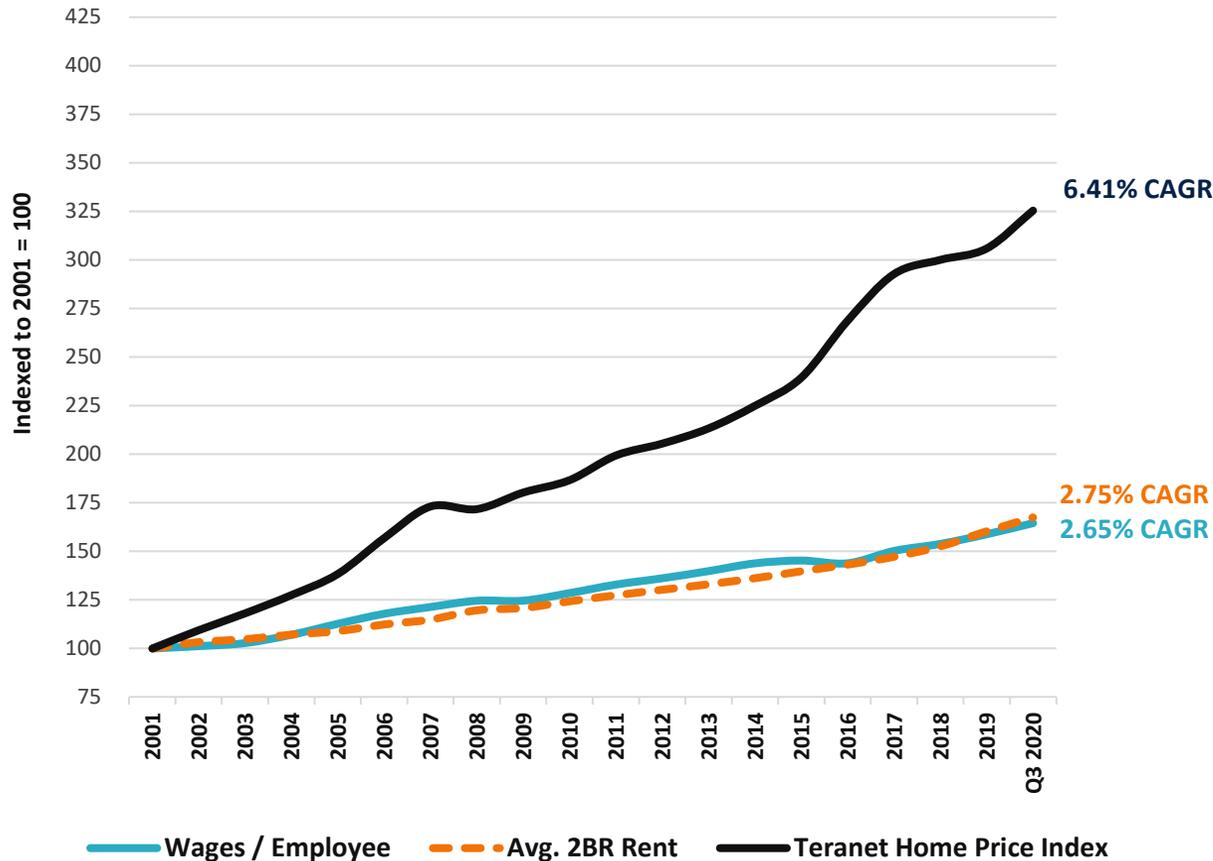


- COVID-19 disrupted labour markets in 2020 with 59% of employees transitioning from in office to a remote work environment¹
- According to a recent KPMG survey of about 2,000 Canadians, 63% of workers in Canada want to return to the office. While some are expecting more flexibility in their work arrangements, as vaccination rates increase there will be a significant return to the office
- Countries that are further ahead in their reopening plans are seeing a strong return to urban living with a significant increases in restaurant reservations, cinema screenings, shopping, consumer spending and apartment demand. We expect major urban centres in Canada will follow suit

1. PWC Canadian Pulse Survey, <https://www.pwc.com/ca/en/today-s-issues/upskilling/canadian-pulse-survey.html#return-to-the-workplace>
 2. Global News – KPMG Worker Survey, <https://globalnews.ca/news/7880530/covid-workplace-return-remote-office-hybrid-kpmg>

Relative Affordability of Rental Housing Improves

Canada Home Affordability Gap

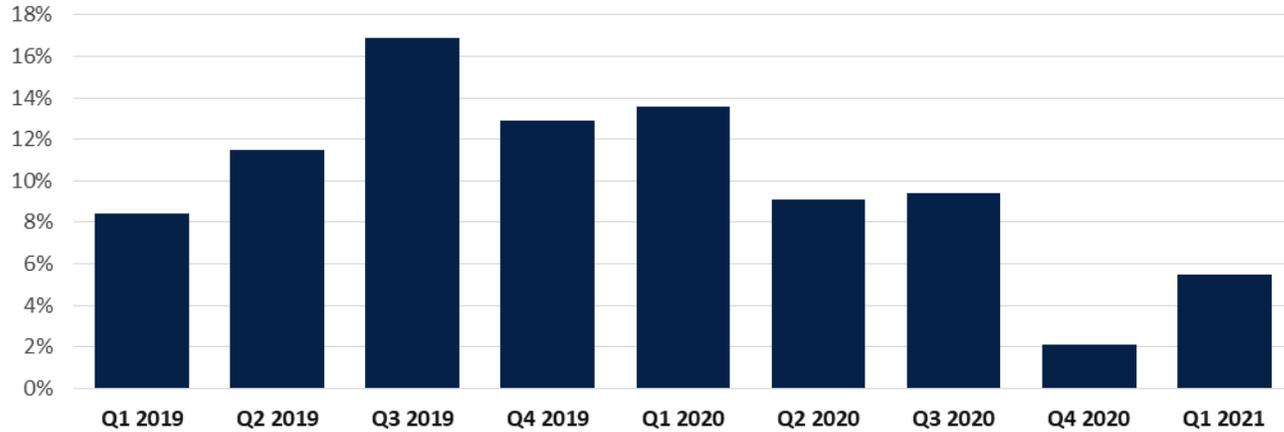


- In 2020, substantial year-over-year home price increases in major markets increased the affordability gap
- Personal earnings growth over the long-term has been in line with the average growth in two-bedroom rents, while significantly lagging the appreciation of house prices
- While it is difficult to quantify the number of young adults (aged 18-29) living with their parents, research suggests the number increased during the pandemic; this trend is likely to reverse as COVID-19 restrictions ease releasing pent-up demand for apartments as the affordable housing option

Sources: Statistics Canada, Conference Board of Canada, CMHC, Teranet, Pew Research

Leasing Performance Contributes to NAV Growth

Gain-to-Lease On New Leases



Consistent gain-on-new leases contributes to 27% growth in NAV per unit

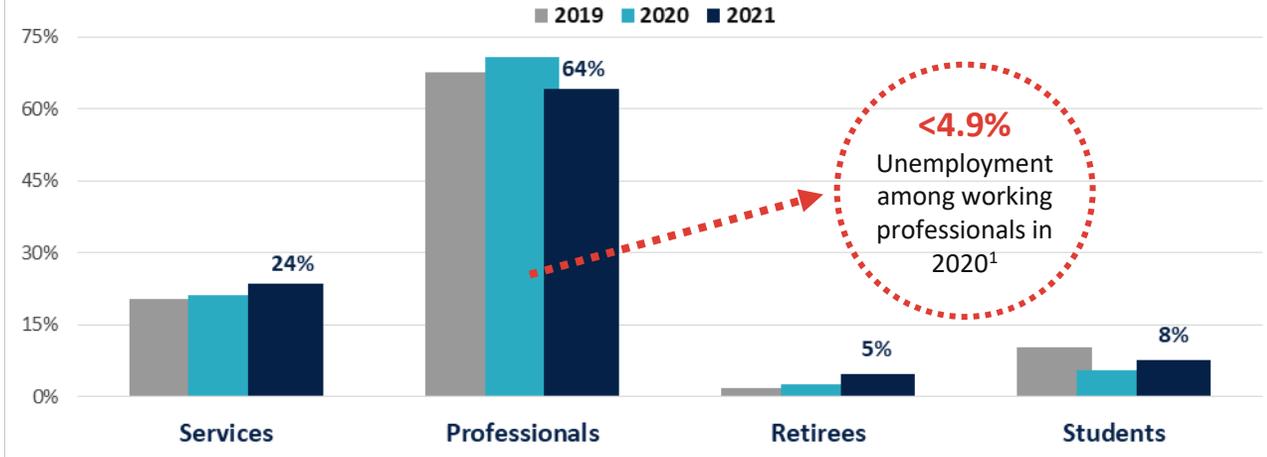
NAV per unit



Consistent growth in new rents is supported by stable working professionals with low unemployment.



New Leases by Market Segment



1. Statista, <https://www.statista.com/statistics/578391/unemployment-rate-by-industry-canada/>

We Are Well-Positioned to Capitalize on Increased Demand



\$1,630 Average Monthly Occupied Rent
as at March 31, 2021

Higher than average of \$1,190 for public market peers¹



5.6 Years Average Length of Stay
for sitting tenants

Our tenants view our assets as long-term housing options; discounting rents has significant long-term impacts



\$98k Average Qualifying Household Income

Our high-quality assets, with an average transit score of 71, attract high-income tenants, with an average rent-to-income of 20%²



91.1% Avg. Unfurnished Suite Occupancy
over Q1 2021

The REIT is well-positioned to take advantage of improving market conditions

1. Average of REIT's public market peers at Q1 2021 (including InterRent, CAP REIT, Killam REIT and Boardwalk REIT).
2. Using \$98,000 as applicant's household income and an average in-place rent of \$1,630/month



Julie Morin

Chief Financial Officer
Minto Apartment REIT



www.mintoapartments.com

1.613.230.7501

info@mintoapartmentreit.com

Minto Apartment REIT
200-180 Kent Street
Ottawa, ON K1P 0B6