



minto
Apartment REIT

Q2 2024 Highlights Teleconference

August 14, 2024





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, 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.sedarplus.ca. 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 (“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”), FFO per unit, AFFO per unit, normalized FFO, normalized AFFO per unit, net operating income (“NOI”), normalized NOI, NOI margin, normalized NOI margin, debt-to-adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) ratio 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 non-IFRS financial measures 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”.



Q2 2024 Snapshot

Continued to translate NOI growth into cash flow per unit growth

Strong Operating Results

(\$ millions, except % and per unit amounts)	Q2 2024	YoY Growth
Average monthly rent ¹	\$1,939	▲ 7.7%
Occupancy ²	97.5%	▲ 30 bps
AMR ¹ - Same Property Portfolio ³	\$1,939	▲ 6.3%
Occupancy ² - Same Property Portfolio ³	97.5%	▲ 20 bps
Revenue	\$38.9	▼ (1.3)%
Normalized NOI ⁴	\$24.9	▲ 1.1%
Normalized NOI margin ⁴	64.0%	▲ 150 bps
Revenue - Same Property Portfolio ³	\$38.9	▲ 4.8%
Normalized NOI ⁴ - Same Property Portfolio ³	\$24.9	▲ 7.5%
Normalized NOI margin ⁴ - Same Property Portfolio ³	64.0%	▲ 160 bps
Normalized FFO ⁴	\$16.1	▲ 15.4%
Normalized FFO/unit ⁴	\$0.2452	▲ 15.4%
Normalized AFFO ⁴	\$14.5	▲ 18.7%
Normalized AFFO/unit ⁴	\$0.2207	▲ 18.7%

Key Highlights

- **Strong Same Property Portfolio NOI growth and NOI margin expansion**
- **Cost containment** supported by drop in utility expense
- **Strong Normalized FFO per unit growth** supported by strategic capital allocation decisions
- Same Property Portfolio **unfurnished suite revenue growth was 6.8%**. Total Same Property Portfolio revenue growth of 4.8% was impacted by a 12.8% decrease in furnished suite revenue from lower occupancy and a 27.4% decrease in commercial revenue from temporary Minto Yorkville retail vacancy
- **Leverage metrics improved:** Debt-to-Gross Book Value reduced by 100 bps to 41.8% and Debt-to-Adjusted EBITDA reduced by 0.92x to 10.87x from Q4 2023

Normalized FFO/unit⁴ Growth



¹ Average monthly rent ("AMR") for occupied unfurnished suites.
² Closing occupancy for unfurnished suites.
³ The Same Property Portfolio excludes the results of the three Edmonton properties sold in 2023 and two Ottawa properties sold in 2024.
⁴ Normalized balances exclude the impact of nonrecurring items not indicative of the REIT's typical operations.



Q2 2024 Key Operating Results

Revenue growth and moderating expenses supported strong NOI and cash flow per unit growth

(\$000s except %, suite, per suite and per unit amounts)	Same Property Portfolio ¹			Total Portfolio ²		
	Q2 2024	Q2 2023	Variance	Q2 2024	Q2 2023	Variance
Revenue	\$38,893	\$37,111	4.8%	\$38,893	\$39,401	(1.3)%
Operating expenses	\$13,998	\$14,001	—%	\$13,998	\$14,829	5.6%
NOI	\$24,895	\$23,110	7.7%	\$24,895	\$24,572	1.3%
NOI margin (%)	64.0%	62.3%	170 bps	64.0%	62.4%	160 bps
Normalized NOI ³	\$24,895	\$23,154	7.5%	\$24,895	\$24,616	1.1%
Normalized NOI margin (%) ³	64.0%	62.4%	160 bps	64.0%	62.5%	150 bps
Interest costs				\$8,946	\$10,710	16.5%
FFO				\$16,649	\$11,925	39.6%
FFO (\$/unit)				\$0.2535	\$0.1817	39.5%
AFFO				\$15,040	\$10,188	47.6%
AFFO (\$/unit)				\$0.2290	\$0.1552	47.6%
Distributions declared (\$/unit)				\$0.1262	\$0.1225	3.0%
AFFO payout ratio				55.1%	78.9%	2,380 bps
Normalized FFO ³				\$16,100	\$13,946	15.4%
Normalized FFO (\$/unit) ³				\$0.2452	\$0.2125	15.4%
Normalized AFFO ³				\$14,491	\$12,209	18.7%
Normalized AFFO (\$/unit) ³				\$0.2207	\$0.1860	18.7%
Normalized AFFO payout ratio ³				57.2%	65.9%	870 bps
Total suites ⁴	7,726	7,726	—	7,726	8,227	(501)
Average monthly rent per occupied suite ⁵	\$1,939	\$1,824	6.3%	\$1,939	\$1,801	7.7%
Average unfurnished occupancy	96.9%	96.9%	— bps	96.9%	97.0%	(10 bps)
Closing unfurnished occupancy	97.5%	97.3%	20 bps	97.5%	97.2%	30 bps

¹ The Same Property Portfolio represents 28 properties wholly and jointly-owned by the REIT for equivalent periods in 2024 and 2023.

² The Total Portfolio represents 28 (June 30, 2023 - 31) properties.

³ Excludes the impact of nonrecurring items not indicative of the REIT's typical operations.

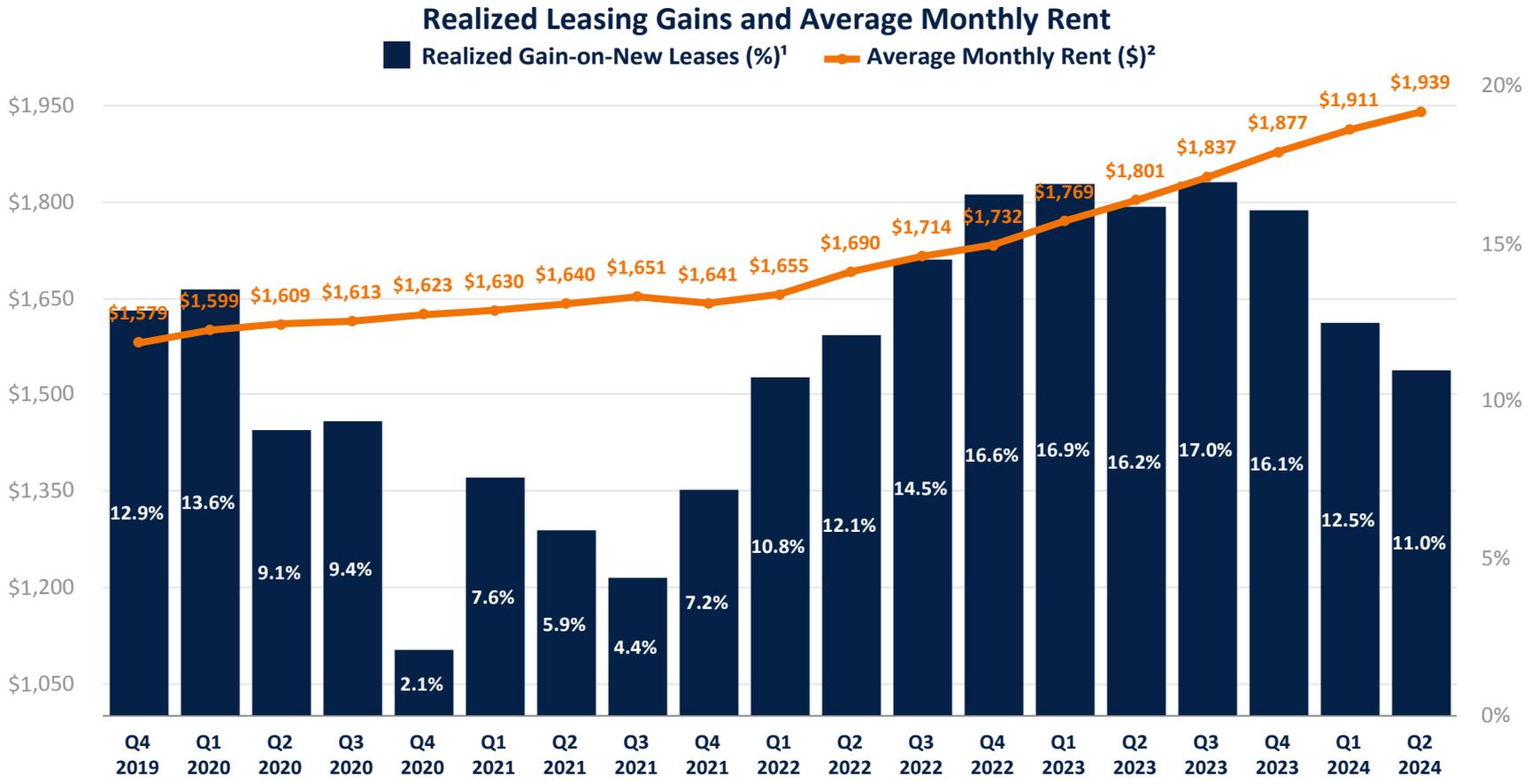
⁴ Includes 2,664 suites co-owned with institutional partners.

⁵ Excludes 177 furnished suites, 107 vacant suites, 77 suites leased for future occupancy and 27 suites offline for post move-out repairs and maintenance or repositioning.



AMR and Gain-on-Lease Over Time

Average monthly rent continued to grow while maintaining strong gain-on-lease, which moderated slightly due to the nature of suites turning over in Q2 2024



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 as at the end of the period.



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

Realized gain-on-lease impacted by turnover occurring in suites with rents closer to market rates. Gain-to-lease potential remains strong at 15.7%.

Gain-on-Lease Realized in Q2 2024

Geographic Node	Total New Leases Signed ¹	Expiring AMR	New AMR	Realized Gain-on-Lease	Annualized Gain-on-Lease ² (\$000s)
Toronto	114	\$2,716	\$2,964	9.2%	\$145
Ottawa	145	\$1,795	\$2,032	13.2%	\$413
Calgary	49	\$1,812	\$2,010	10.9%	\$117
Montreal	112	\$2,122	\$2,316	9.1%	\$190
Total/Average	420	\$2,018	\$2,240	11.0%	\$865

In Toronto, there was a larger proportion of new leases signed at suites with a shorter average length of stay, resulting in a smaller gap to market rents. In addition, approximately 50% of the new leases in Toronto were signed at Niagara West, a non-rent controlled property where expiring rents are closer to market. **Excluding Niagara West, realized gain-on-lease in Toronto was 14.4% and 12.0% across the portfolio.**

Gain-to-Lease Potential on existing rents as at June 30, 2024

Geographic Node	Total Suites ³	Current AMR	Mgmt's Estimate of Market AMR	Percentage Gain-to-Lease Potential	Annualized Estimated Gain-to-Lease Potential ² (\$000s)
Toronto	2,275	\$2,234	\$2,611	16.9%	\$5,970
Ottawa	2,659	\$1,790	\$2,097	17.2%	\$9,804
Calgary	656	\$1,820	\$2,012	10.6%	\$1,517
Montreal	1,748	\$2,006	\$2,287	14.0%	\$4,214
Total/Average	7,338	\$1,939	\$2,243	15.7%	\$21,505

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

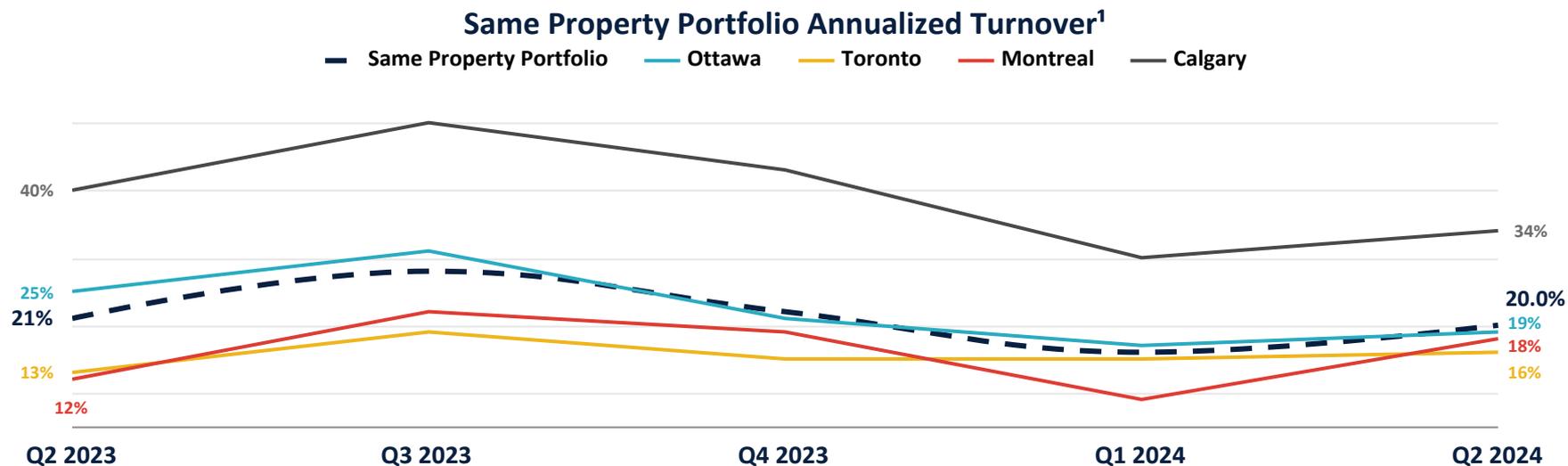
² For co-owned properties, reflects the REIT's co-ownership interest only.

³ All data for occupied unfurnished suites. Excludes 177 furnished suites, 107 vacant suites, 77 suites leased for future occupancy and 27 suites offline for post move-out repairs and maintenance or repositioning.



Same Property Portfolio Unfurnished Suite Turnover and Occupancy

Same Property Portfolio annualized turnover of 20.0% was in-line with seasonal norms and move-ins outpaced move-outs, leading to improved closing occupancy



- **Calgary** - Strong demand resulted in the highest turnover rate in the portfolio, but maintained Same Property Portfolio closing occupancy at 98.6%.
- **Ottawa** - Market conditions remained strong, driving lower turnover and resulting in increased Same Property Portfolio closing occupancy of 98.9%.
- **Montreal** - Increased turnover, with strong demand resulting in Same Property Portfolio closing occupancy increasing to 96.8%.
- **Toronto** - Higher turnover was driven by non-rent controlled suites. Toronto experienced higher vacancy among one-bedroom suites, resulting in decreased Same Property Portfolio closing occupancy of 95.1%. Management is leveraging a combination of tactical promotion, marketing campaigns and a targeted renewal program to drive occupancy.

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.



Update on Commercial and Furnished Suite Portfolios

Commercial Portfolio

- **Revenue from commercial leases decreased by 27.4% over Q2 2023**, driven by the temporary retail vacancy at Minto Yorkville.
- Management anticipates a lease will be executed in 2024, with lease payments expected to occur in early 2026 to account for the fixturing period for a new tenant.

Furnished Suites

- **Furnished suite revenue decreased by 12.8% from Q2 2023** due to lower occupancy, partially offset by a 5.1% increase in average monthly rent for furnished suites.
- Occupancy was lower at Minto Yorkville in Toronto due to fewer transient stays, while at Minto one80five occupancy improved year over year. Aggregate occupancy improved over Q1 2024, driving a 20.4% increase in furnished suite revenue quarter over quarter.
- Since Q2 2023, Management has converted six furnished suites to the unfurnished portfolio, of which five were at Minto Yorkville. Management will complete additional suite conversions in the second half of 2024 as unfurnished demand remains solid.

<i>(\$000s except per suite amounts)</i>	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Furnished Suites Operating Metrics					
Furnished suite inventory	183	182	178	177	177
Average monthly rent	\$5,512	\$6,250	\$5,912	\$5,942	\$5,795
Average occupancy	77.6%	67.5%	66.8%	56.1%	69.7%



Q2 2024 Operating Expense Detail

Same Property Portfolio normalized operating expenses were flat year over year, as lower utility and repairs and maintenance costs were offset by increased property taxes and salaries and wages

(\$000s except %)	Same Property Portfolio ¹			Total Portfolio ²		
	Q2 2024	Q2 2023	Variance	Q2 2024	Q2 2023	Variance
Normalized property operating costs ³	\$ 7,606	\$ 7,508	(1.3)%	\$ 7,606	\$ 7,881	3.5%
Normalized property taxes ³	3,911	3,768	(3.8)%	3,911	4,043	3.3%
Utilities						
Electricity	1,121	1,219	8.0%	1,121	1,290	13.1%
Natural gas	597	719	17.0%	597	731	18.3%
Water	763	743	(2.7)%	763	840	9.2%
	2,481	2,681	7.5%	2,481	2,861	13.3%
Normalized operating expenses³	\$ 13,998	\$ 13,957	(0.3)%	\$ 13,998	\$ 14,785	5.3%

¹ The Same Property Portfolio represents 28 properties wholly and jointly-owned by the REIT for equivalent periods in 2024 and 2023.

² The Total Portfolio represents 28 (June 30, 2023 - 31) properties.

³ Excludes the impact of nonrecurring items not indicative of the REIT's typical operations.

- Same Property Portfolio normalized property operating costs increased slightly compared to Q2 2023 as salary and wage³ growth was offset partially by lower repairs and maintenance.
- Same Property Portfolio normalized property taxes rose due to increases in assessed values in Calgary and Montreal and rates in Toronto and Ottawa.
- Lower utilities costs were driven by a significant year over year drop in natural gas and electricity rates.



Suite Repositioning in Q2 2024

The REIT repositioned 13 suites generating a 9.7% ROI in Q2 2024

11
properties
with active
programs

13
suites¹
repositioned
and leased

\$64.2k
average cost
per suite

9.7%
average
unlevered return

41%
of program
completed

Fiscal Quarter	Suites Repositioned and Leased ¹	Average Cost per Suite	Average Annual Rental Increase per Suite	Average Unlevered Return
Q3 2023	33	\$73,476	\$6,441	8.8%
Q4 2023	18	\$83,559	\$9,886	11.8%
Q1 2024	7	\$69,350	\$6,517	9.4%
Q2 2024	13	\$64,160	\$6,200	9.7%
Total/Average	71	\$73,725	\$7,276	9.9%

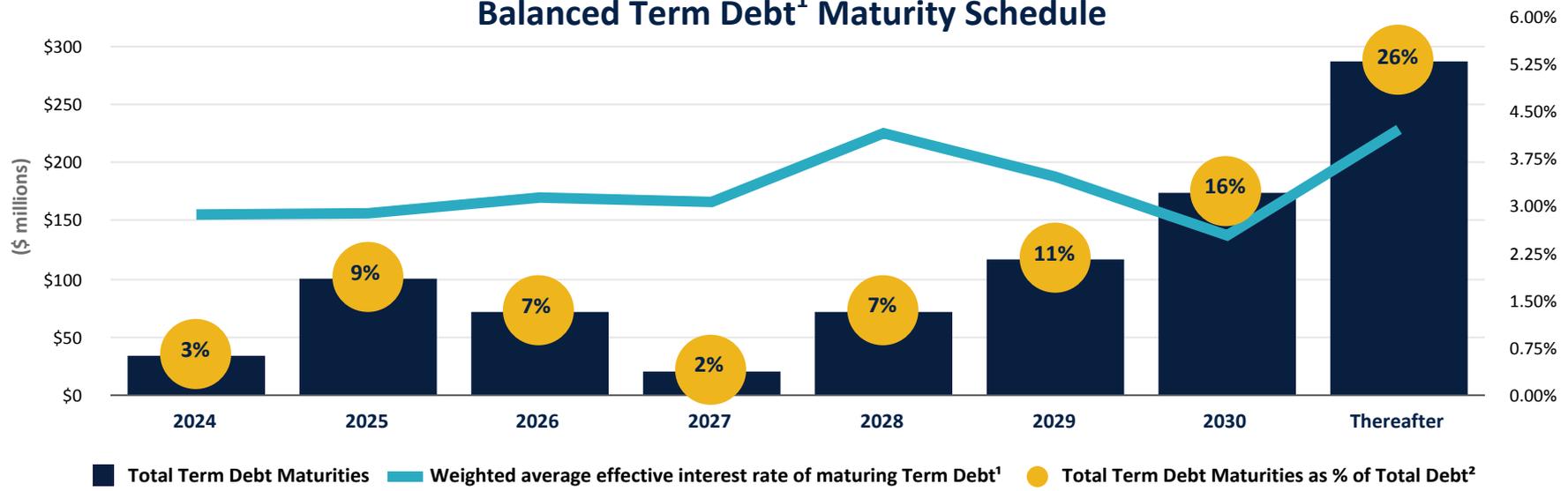
¹Suites repositioned presented at 100% rather than the REIT's proportionate share.

The REIT expects to reposition a total of 35 to 70 suites in 2024, a reduction from previous estimates primarily due to the lower propensity for turnover among the remaining suites. Management remains disciplined on reviewing each repositioning opportunity as it becomes available, assessing the market rent, incremental capital investment, and opportunity cost of the downtime required for renovation, among other factors.



Maintaining a Balanced Maturity Schedule and Limiting Variable-Rate Debt Exposure

Balanced Term Debt¹ Maturity Schedule



5.57 yrs Weighted Avg. Term to Maturity - Term Debt ¹	3.43% Weighted Avg. Effective Interest Rate - Term Debt ¹	78% CMHC-Insured Total Debt ²	92% Fixed Rate to Total Debt ²	41.8% Debt-to-Gross Book Value	10.87x Debt-to-Adjusted EBITDA	\$164m Total Liquidity ³
--	--	--	---	--	--	---

Variable-Rate Debt as a % of Total Debt²



+\$70 to \$80m
of estimated upward financing proceeds from four properties

¹ Term Debt includes mortgages and Class C LP Units.

² Total Debt includes a variable rate credit facility and fixed rate debt comprised of mortgages, a variable rate mortgage fixed through an interest rate swap, Class C LP Units, and the construction loan.

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



Pipeline Remains Robust. Disciplined Approach to Capital Allocation Will Persist

<i>(in \$ millions, except suites)</i>	Ownership Interest ¹	Suite Potential		Construction Underway	Total CDL Commitment	Total CDL Amount Outstanding ²	Estimated Stabilization
		(100%)	(REIT Share)				
Development							
Richgrove <small>TORONTO</small>	100%	225	225	✓	N/A	N/A	Q2 2026
Leslie York Mills <small>TORONTO</small>	50%	192	96	✓	N/A	N/A	Q4 2026
Convertible Development Loans							
Lonsdale Square <small>NORTH VANCOUVER</small>	100%	113	113	✓	\$14.0	\$14.0	Q3 2024
The Hyland <small>VANCOUVER</small>	85%	108	92	✓	\$19.7	\$18.5	Q1 2025
88 Beechwood <small>OTTAWA</small>	100%	227	227	✓	\$51.4	\$44.8	Q1 2025
University Heights <small>VICTORIA</small>	45%	594	267	✓	\$51.7	\$42.7	Q4 2026
Total Development		1,459	1,020		\$136.8	\$120.0	
Pre-Development							
High Park Village <small>TORONTO</small>	40%	688	275	On Hold	N/A	N/A	N/A

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

² As at June 30, 2024; includes accrued interest.



Status of Existing Development Pipeline - Ottawa and Toronto



Project Concept

CDL



Project Concept

REIT



Project Concept

REIT



Balcony and masonry work continues, interior work on amenities and finishings is ongoing. First move-ins occurred in June.



The above grade slab is complete and initial above grade forming is underway



Foundation work is underway and above grade forming has commenced

88 Beechwood

Ottawa

227 Suites

Estimated Q1 2025 Stabilization

Richgrove

Toronto

225 Suites (100 Affordable)

Estimated Q2 2026 Stabilization

Leslie York Mills

Toronto

192 Suites • 50% Ownership

Estimated Q4 2026 Stabilization



Status of Existing Development Pipeline - Vancouver and Victoria

Project Concept

CDL



Exterior work, landscaping & sidewalk paving complete; interior finishings nearly complete. First occupancies occurred and residential leasing continues.

Lonsdale Square
North Vancouver • 113 Suites
Estimated Q3 2024 Stabilization

Project Concept

CDL



Landscaping and interior finishings in progress. Residential pre-leasing is underway.

The Hyland
Vancouver • 108 Suites
Estimated Q1 2025 Stabilization

Project Concept

CDL



At the first building, drywall installation continues, at the second, framing continues and at the remaining buildings underground slab work is ongoing

University Heights
Victoria • 5 Towers • 594 Suites
Estimated Q4 2026 Stabilization



Outlook

- **Management believes that the fundamentals that have underpinned our sector will continue to support rental housing demand.**
- **The REIT is well-positioned for long-term success and will be highly focused on the following:**
 - **Continuing to optimize revenue and expenses;**
 - **Growing FFO per unit and AFFO per unit;**
 - **Exploring attractive refinancing opportunities;**
 - **Making disciplined capital allocation decisions; and**
 - **Critically assessing growth opportunities in our pipeline.**



minto
Apartment REIT

mintoapartmentreit.com

info@mintoapartmentreit.com