



minto
Apartment REIT

Investor Presentation

April 2019



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Non-Reliance

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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 proposed acquisitions; the properties that are the subject of the proposed acquisitions; the timing for completion of the proposed acquisitions; the satisfaction of the conditions for completion of the proposed acquisitions; and the potential economic impact of the proposed acquisitions. Additional risks and uncertainties are also described in the REIT’s regulatory filings, including the REIT’s base shelf short form prospectus dated December 21, 2018 and the REIT’s prospectus supplement dated April 8, 2019, both of which can be obtained on SEDAR at www.sedar.com, and the various documents incorporated by reference in them (collectively, the “Supplemented Prospectus”). 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 and forward-looking statements. For further details on forward-looking statements, see the sections relating to forward-looking statements in the Supplemented Prospectus.

Non-IFRS Financial Measures

The REIT prepares and releases consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”). As a complement to results provided in accordance with IFRS, 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 (“D/GBV”) 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 determined in accordance with IFRS. Further definitions and discussion of these non-IFRS measures and a reconciliation of FFO and AFFO to comparable IFRS measures are provided in the REIT’s most recent Management’s Discussion and Analysis, which can be obtained on SEDAR at www.sedar.com, in the sections entitled “Non-IFRS Measures” and “Reconciliation of Non-IFRS Measures (FFO/AFFO)”.



Key Operating Results

Summary Statistics	Amounts as at December 31, 2018		
	Actual	Forecast	Variance
Total suites	4,350	4,279	71
Average monthly rent (\$/suite)	\$1,402	\$1,388	\$14
Occupancy (%)	98.76%	96.30%	246 bps

000s unless otherwise noted	Six months ended December 31, 2018		
	Actual	Forecast	Variance
Revenue	\$42,475	\$40,767	4.20%
NOI	\$26,110	\$24,404	7.00%
NOI margin (%)	61.5%	59.9%	160 bps
FFO	\$16,197	\$14,095	14.9%
AFFO	\$13,235	\$11,673	13.4%
AFFO (\$/Unit)	\$0.3604	\$0.3179	\$0.0425
Distributions declared (\$/Unit)	\$0.2028	\$0.2028	-
AFFO Payout Ratio	56.25%	63.78%	(753 bps)



The REIT has met or exceeded all operating metrics since its Initial Public Offering

Organic Growth – Gain on New Leases

Realized Gain on New Leases on Suites Turned in the 3 Months Ending December 31, 2018 ⁽¹⁾

Geographic Node	Total New Leases Signed	Average Monthly Expiring Rent	Average Monthly New Rent	Percentage Gain on New Leases	Annualized Gain on New Leases
Toronto	19	1,860	2,118	13.9%	58,789
Ottawa	189	1,310	1,402	7.1%	210,306
Alberta	42	1,204	1,307	8.6%	52,200
Total/Average	250	\$1,334	\$1,441	8.0%	\$321,294

Gain-to-Lease Potential on Existing Rents ⁽²⁾

Geographic Node	Total Suites	Average Monthly In-Place Rent/Suite	Management's Estimate of Monthly Market Rent	Percentage Gain-to-Lease	Annualized Estimated Gain-to-Lease
Toronto	679	1,701	1,936	13.8%	1,947,594
Ottawa	2,941	1,364	1,453	6.5%	3,203,991
Alberta	431	1,197	1,296	8.3%	513,537
Total/Average	4,051	\$1,402	\$1,517	8.2%	\$5,665,122

(1) Excludes new leases of furnished suites

(2) Data as of December 31, 2018. Excludes 240 furnished suites and 59 vacant suites



Realizing on organic growth potential

Organic Growth - Update on Repositioning Program

Minto Yorkville	Edmonton	Carlisle	Castle Hill
<ul style="list-style-type: none">• 6 suites renovated in Q4, 106 out of 181 are complete	<ul style="list-style-type: none">• 11 suites renovated in Q4, 114 out of 251 are complete	<ul style="list-style-type: none">• Repositioning program commenced in Q1 2019	<ul style="list-style-type: none">• Repositioning program commenced in Q1 2019

Average simple ROI target of 8% - 15% depending on suite type, making investments accretive to both AFFO and NAV

New acquisitions LYM (Toronto) and Rockhill (Montreal) also have significant repositioning potential



Value add capital deployed productively

Previously Announced Transactions



Acquisition: December 18, 2018

Suites: 70

Average Rent/Suite: \$1,133⁽¹⁾

Year built: 2013

Purchase Price: \$20.4 million, representing a 4.4% cap rate on forecasted first year NOI and a 4.25% discount to appraised value.

Location: Located in Northwest Calgary close to the University of Calgary, the Alberta Children's Hospital, McMahon Stadium, the City of Calgary Athletic Park, retail amenities and the Banff Trail LRT station.

1. As at December 31, 2018.

2. As at January 31, 2019.



Acquisition: January 7, 2019

Suites: 199

Average Rent/Suite: \$1,506⁽²⁾

Year built: 2017/2018

Purchase Price: \$63.8 million, representing a 4.1% cap rate on forecasted first year NOI and a 6.25% discount to appraised value.

Location: Located in the heart of Quarry Park in Southeast Calgary close to the Bow River and adjacent to the Quarry Park Corporate Campus. The Quarters is also close to the Laurier (an existing REIT property).



Investment Financing Facility: Up to \$30 million to be advanced on meeting certain conditions (expected to be advanced in the second half of 2019) to assist Minto Properties Inc. with the redevelopment of an existing property into a multi-residential mixed-use property with approximately 160 suites.

Option: The REIT will have the option to acquire the project upon stabilization (forecasted to be Q1 2022) at 95% of fair value.

Location: Located on Bank Street in the heart of the Glebe neighbourhood in Ottawa close to Lansdowne Park, TD Place, the Rideau Canal and retail amenities.



Executing on growth and diversification strategies

New Acquisition – “Rockhill” - 4850-4874 Côte-des-Neiges Rd, Montréal, PQ

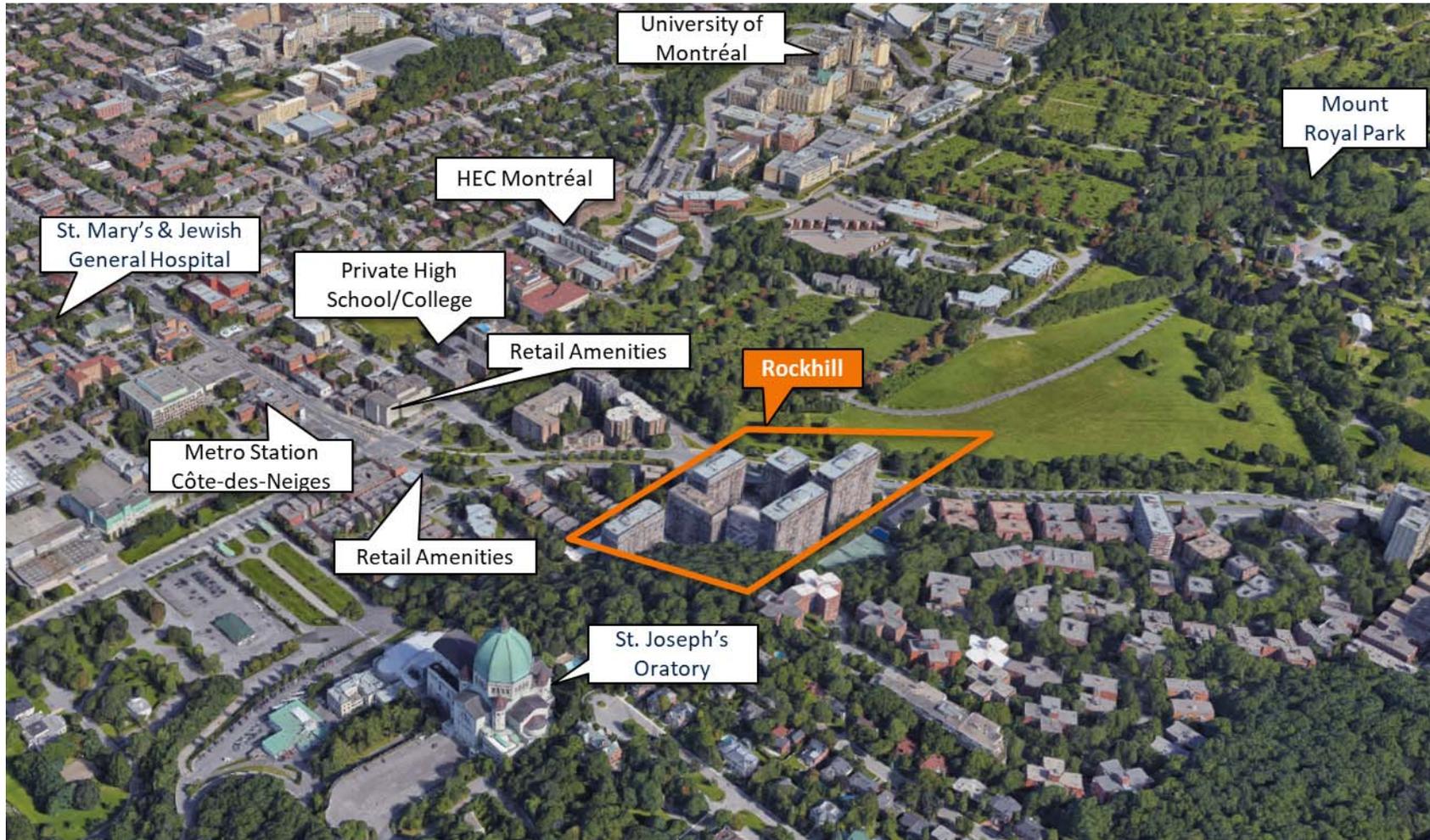
- Purchase price of \$268 million represents a 4.0% cap rate on forecasted year one NOI and a 2.3% discount to appraised value
- Property will be purchased in a 50/50 co-tenancy between Minto Apartment REIT and I.G. Investment Management, Ltd., as trustee for Investors Real Property Fund (“Investors Group”)
- Closing is expected on or about May 6, 2019

(C\$ millions)	Total Project (100%)	Minto Apartment REIT (50%)	Investors Group (50%)
Purchase price	268.0	134.0	134.0
Mortgage financing	135.0	67.5	67.5
Net cash requirement	133.0	66.5	66.5



Rockhill is the REIT’s first acquisition in the Montreal market

Rockhill – Location and Amenities



Well-located close to employment drivers, schools, transit and parks

New Acquisition – “LYM” - 740 & 750 York Mills Road and 17 Farmstead Road, Toronto, ON

- Minto Apartment REIT is purchasing Minto Properties Inc.’s 50% co-tenancy interest in LYM
- Purchase price of \$75 million represents a 3.75% cap rate on forecasted year one NOI and a 5% discount to appraised value
- Healthcare of Ontario Pension Plan, MPI’s existing co-owner of LYM, will maintain its existing 50% co-tenancy interest
- The REIT’s cash requirement (closing expected to be May 1, 2019):

(C\$ millions)	
Purchase value (@100%)	150.0
Minto Apartment REIT's share	50%
Purchase price	75.0
Mortgage assumed	23.5
Net cash requirement	51.5



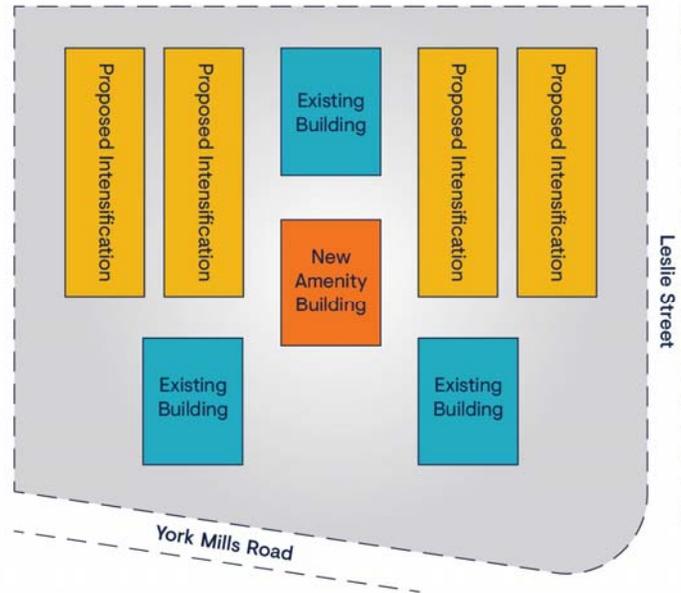
Benefiting from the relationship with Minto Properties Inc.

Leslie/York Mills – Location and Amenities



Central Toronto Location

Leslie/York Mills – Opportunity to Intensify



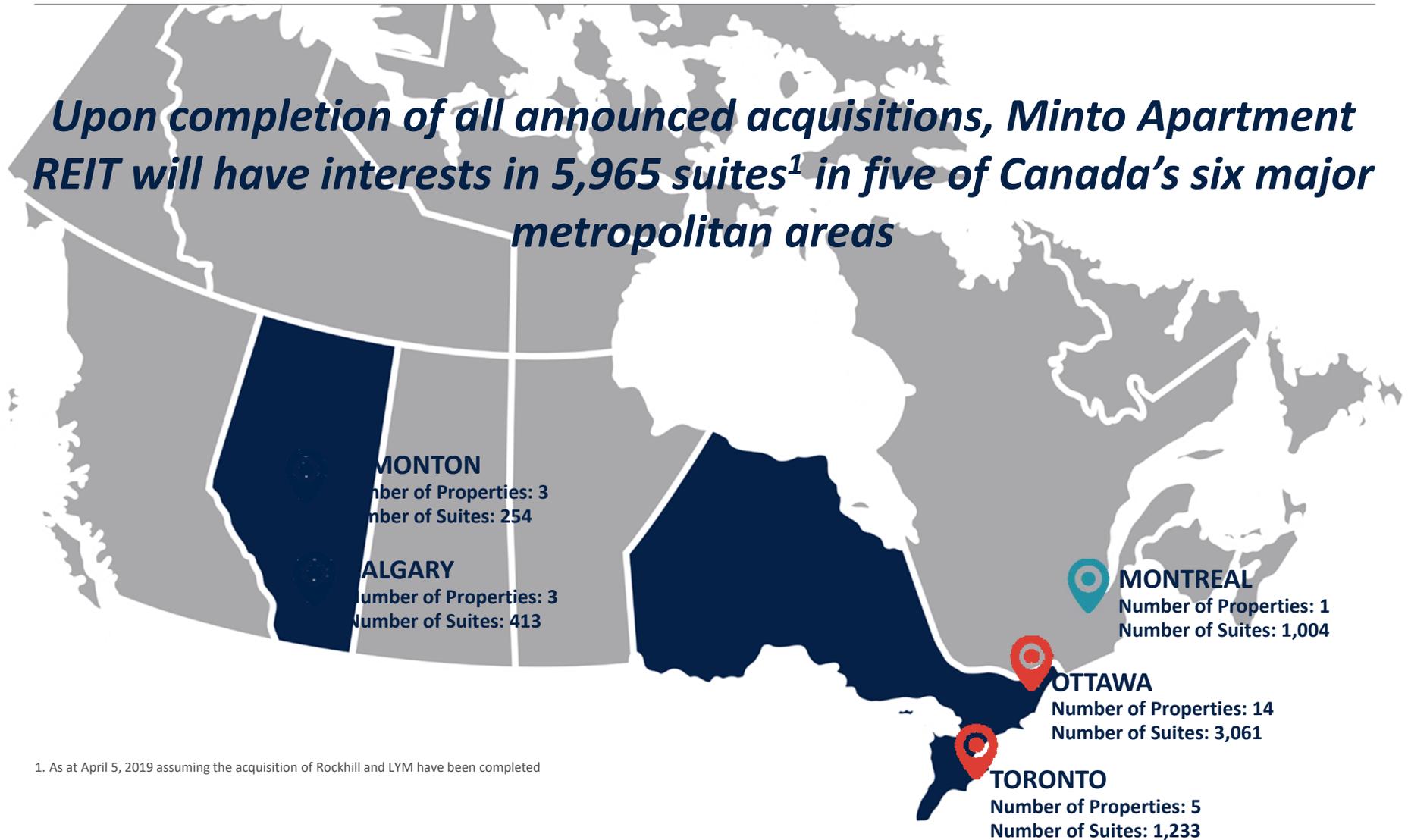
- Recently completed rezoning that permits the development of 192 rental terrace homes (average 1,050 sf/suite)
- Conceptual plans have been developed and site plan and related approvals are in process
- The REIT will seek partner approval to proceed once all municipal approvals are in place and costing is complete



Potential to realize on intensification opportunities

REIT Portfolio Overview

Upon completion of all announced acquisitions, Minto Apartment REIT will have interests in 5,965 suites¹ in five of Canada's six major metropolitan areas

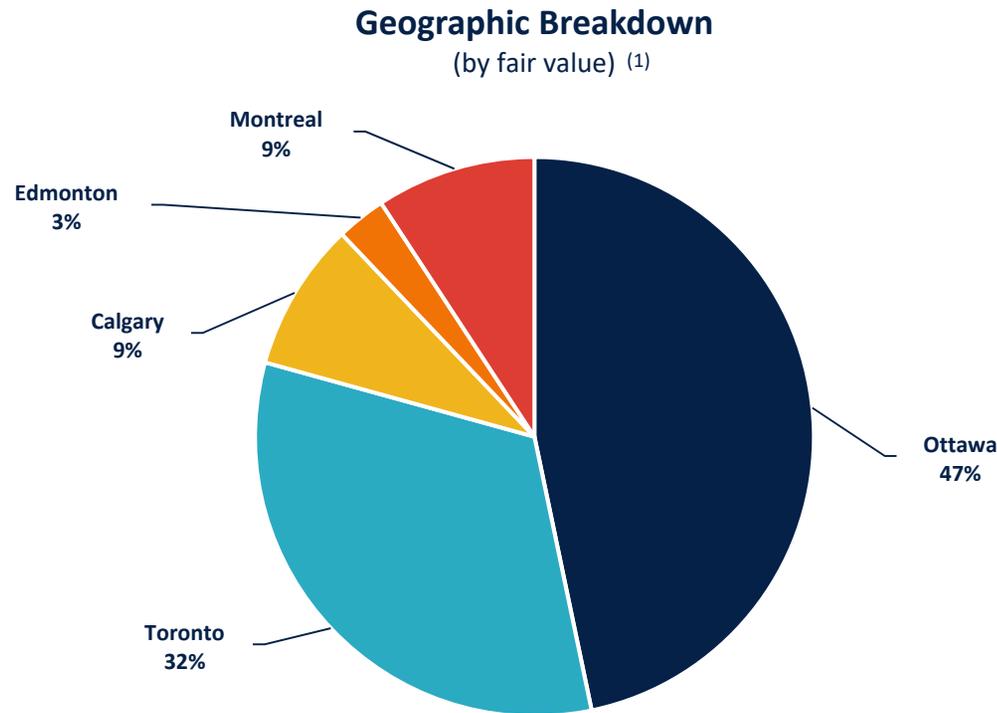


1. As at April 5, 2019 assuming the acquisition of Rockhill and LYM have been completed



High quality multi-residential rental properties
strategically located across attractive urban centres in Canada

Portfolio Geographic Diversification



- **Minto Apartment REIT has added 1,686 suites (39%) since its IPO on July 3, 2018**
- **Acquisitions enhance portfolio diversification**
- **Consistent with its strategy, the REIT now has properties in five of the six major metropolitan areas in Canada**

1. Property values are as at December 31, 2018 except for The Quarters (which is the January 7, 2019 acquisition closing value) and for Rockhill and LYM, which are carried at their transaction values.



Portfolio Diversification Drives Long-term Unitholder Value

REIT Follow-on Equity Issue

- **On April 4, 2019 Minto Apartment REIT announced an equity issue from treasury:**
 - **\$150 million bought deal with a 15% over-allotment option**
 - **Offering was priced at \$19.60/unit, which was a 3.16% discount to price at trading halt**
- **Proceeds will be used to:**
 - **Finance a portion of the acquisition of Rockhill and LYM**
 - **Repay amounts outstanding under the REIT's revolving credit facility incurred for previous acquisitions**



Successful Equity Issuance

REIT Pro-Forma Capitalization

Balance sheet reloaded with acquisition capacity of \$160 million excluding over-allotment and \$200 million with the over-allotment

(\$000s)	As at December 31, 2018	Proforma after Equity Issue	Proforma after Over- Allotment
Indebtedness			
Mortgages	275,601	410,916	410,916
Credit Facility (committed \$150mm)	35,925	35,565	13,946
Class B LP Units	385,899	385,899	385,899
Class C LP Units	231,037	231,037	231,037
Unitholders' Capital			
Units	212,078	355,709	377,328
Total Capitalization	1,140,540	1,419,126	1,419,126
Assets	1,206,925	1,485,511	1,485,511
Debt-to-Gross Book Value	44.95%	45.61%	44.15%



All proceeds deployed productively

Outlook

Management is focused on growing the REIT in a strategic and disciplined manner through:

- Capitalizing on organic growth opportunities including the continued realization of embedded gain-to-lease on existing rents
- Creating value from the repositioning of existing assets by on-going investment in in-suite and common area improvements at 61 Yorkville, the three Edmonton properties, Castle Hill, Carlisle, LYM and Rockhill
- Exploring opportunities to make strategic acquisitions in urban centres across Canada
- Capitalizing on our relationship with the Minto Group to source growth either through the intensification of existing sites or by accessing the Minto Group's pipeline of assets and development opportunities

