



Q2-2020 RESULTS CONFERENCE CALL
Aug 6, 2020 | 9AM EASTERN



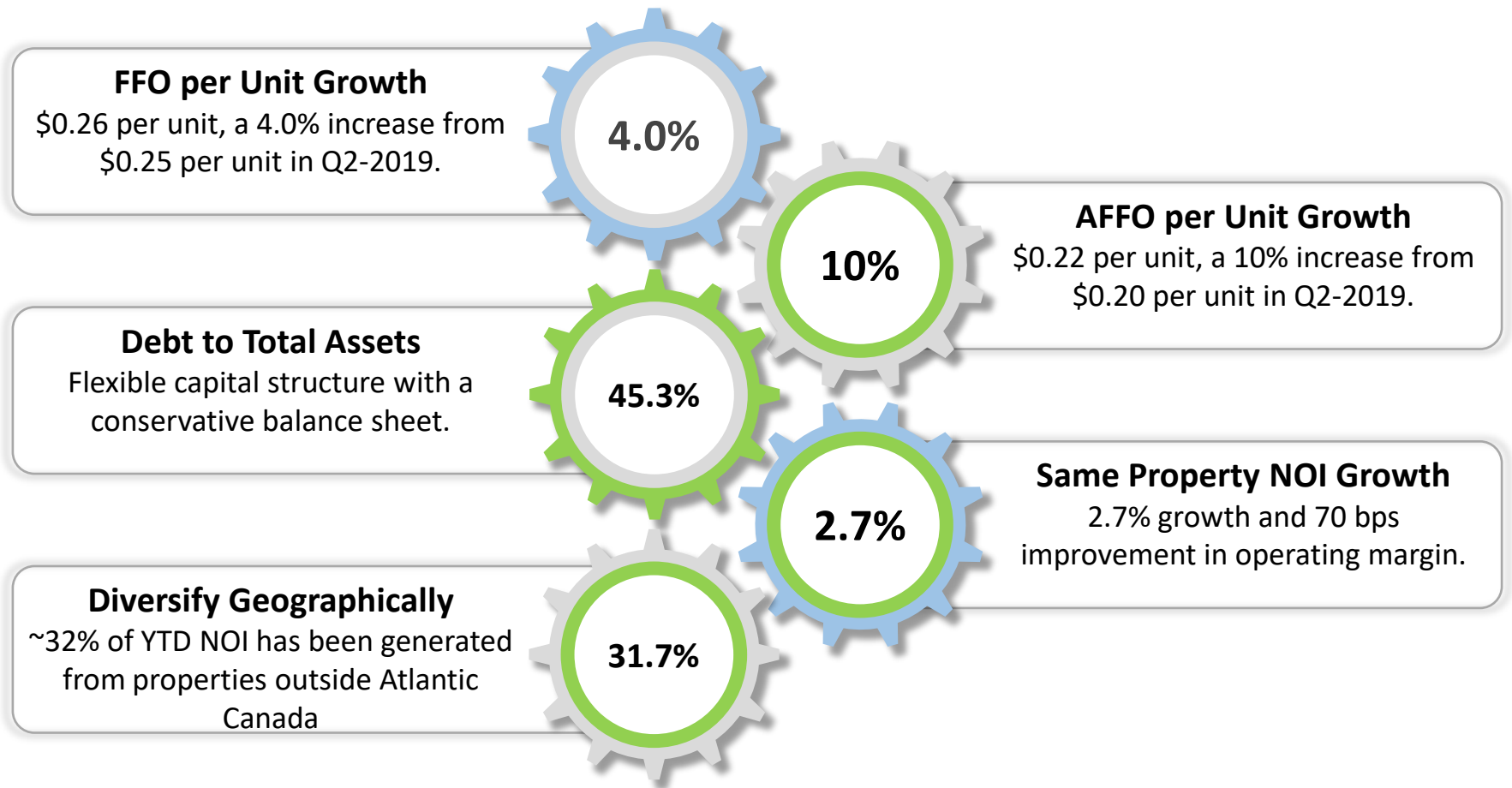
KILLAM APARTMENT REIT



Cautionary Statement

This presentation may contain forward-looking statements with respect to Killam Apartment REIT and its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward-looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of Killam Apartment REIT discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, among other things, risks and uncertainties relating to the COVID-19 pandemic, general economic and market factors, competition, changes in government regulation and the factors described under “Risk Factors” in Killam’s annual information form and other securities regulatory filings. The cautionary statements qualify all forward-looking statements attributable to Killam Apartment REIT and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date to which this presentation refers, and the parties have no obligation to update such statements.

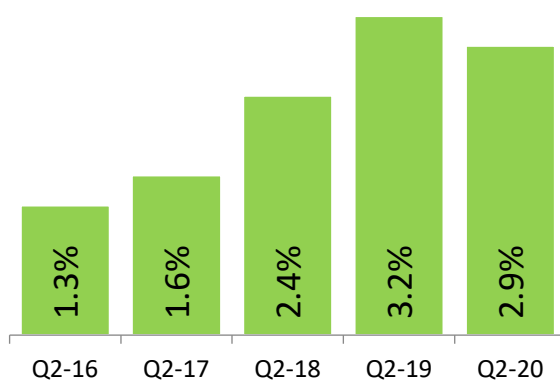




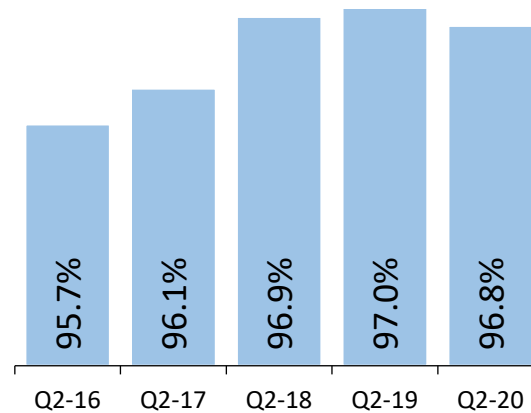
Q2-2020 | Financial Highlights



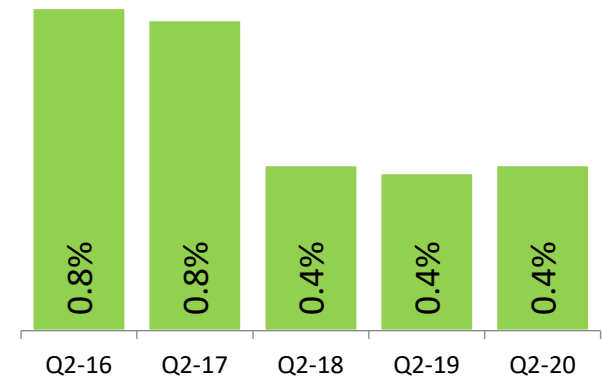
**Apt Same Property
Avg Rental Rate
Increase¹**



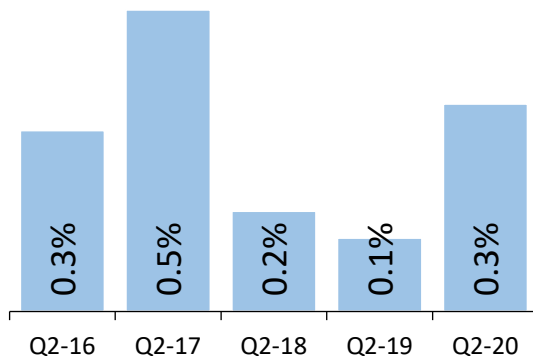
**Apt Same Property
Occupancy²**



**Apt Same Property
Incentive Offerings³**



**Apt Bad Debt
Expense³**



Net Revenue Growth of 2.2%

- Rental rate growth of 2.9%; contractual rent growth was 3.5% before waiving renewal increases during Q2
- Occupancy declined 20 bps
- Modest incentive offerings in only select markets

1 Killam's average rent growth as at June 2020 compared to June 2019 was reduced by approximately \$0.2 million due to Killam waiving the collection of renewal rental increases in the second quarter. Without the waiving of rental increases, same property average rent growth for Q2-2020 would be 3.5%, based on contractual rates.

2 Measured as dollar vacancy for the quarter.

3 Measured as a percentage of residential rent.

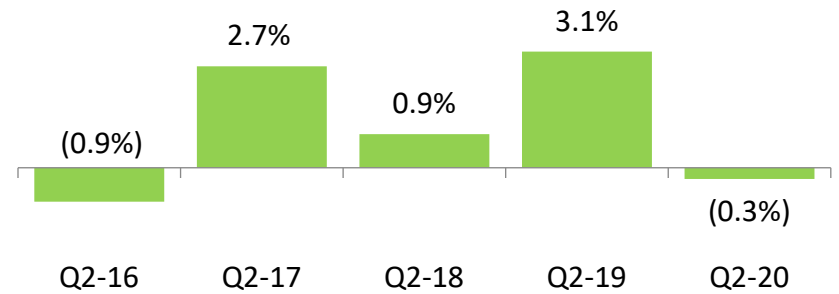
Q2-2020 | Financial Highlights



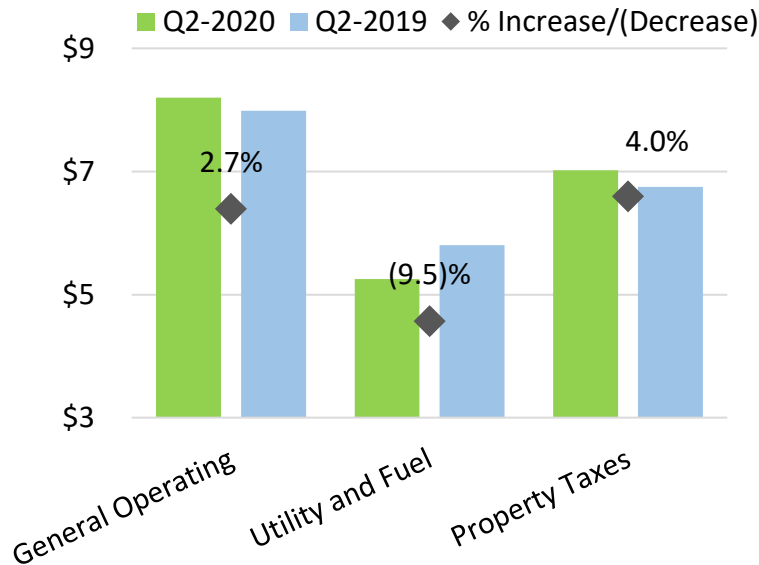
Lower heating fuel and energy expenses drove expense savings in Q2 and YTD 2020.

- Invested in energy and water conservation initiatives.
- Reduced consumption due to mild winter.
- Lower natural gas and heating oil prices.
- Maximizing economies of scale.
- Successfully appealing property tax assessments.

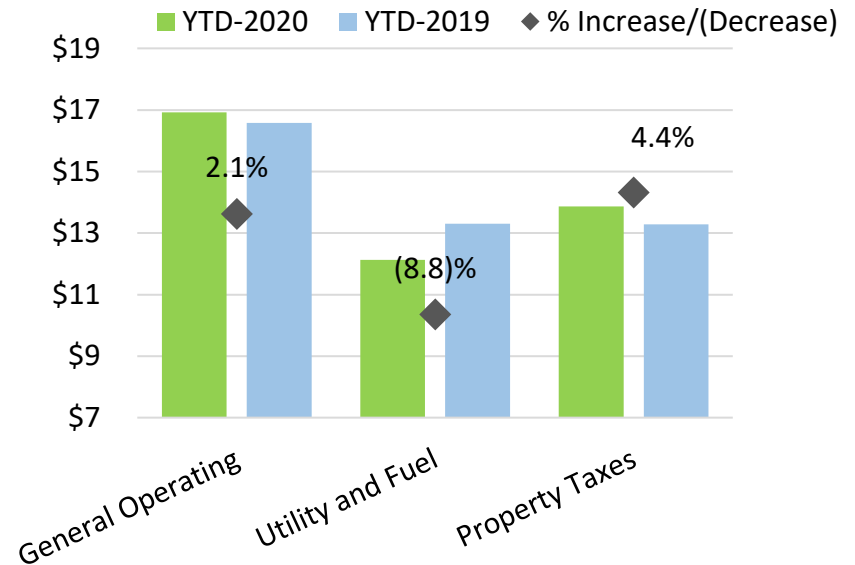
Same Property Expense Growth



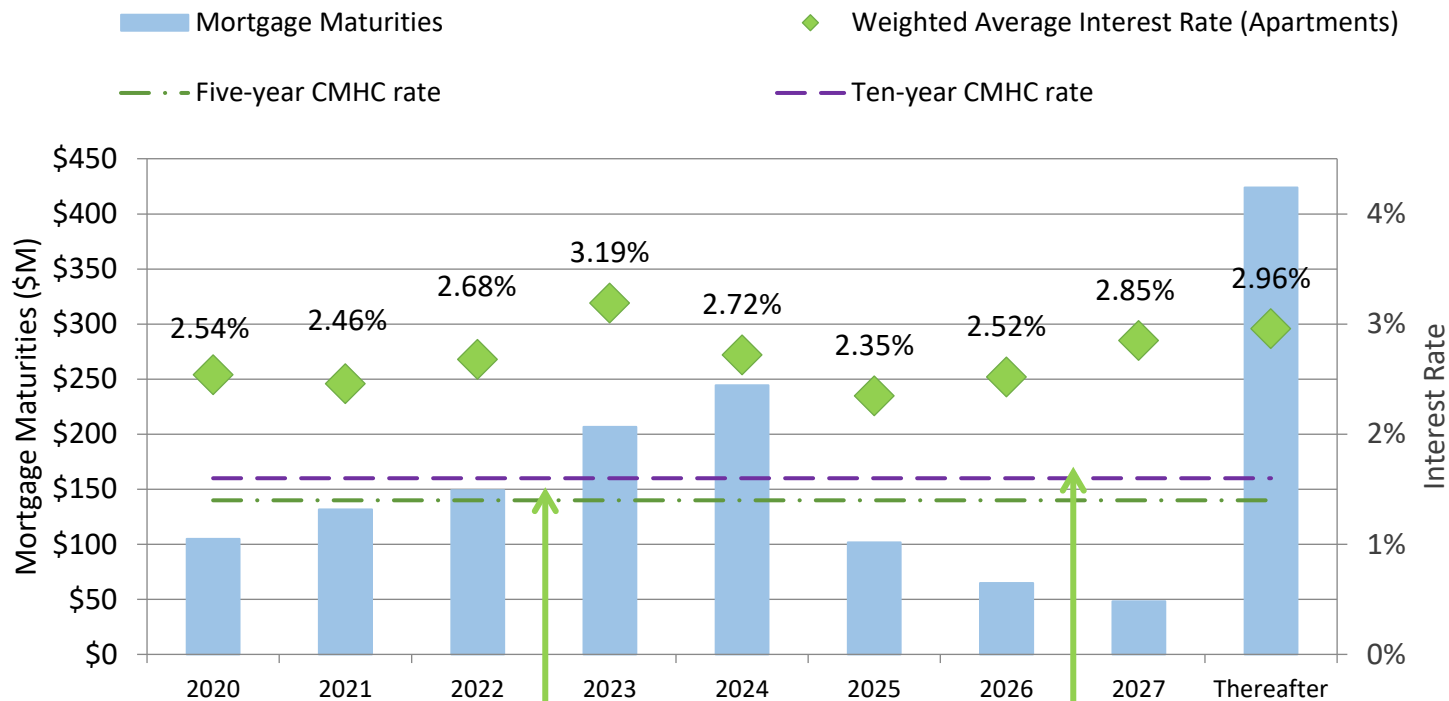
Q2 Same Property Expense by Category (\$M)



YTD-2020 Same Property Expense by Category (\$M)



Apartment Mortgage Maturities by Year As at June 30, 2020



**Current
Weighted
Average
Interest Rate of
2.83%**

**86% of
Apartment
Mortgages
CMHC Insured**

**Weighted
Average Term
to Maturity of
4.6 years**

Killam's mortgage refinancing program has remained on schedule during the COVID-19 pandemic.

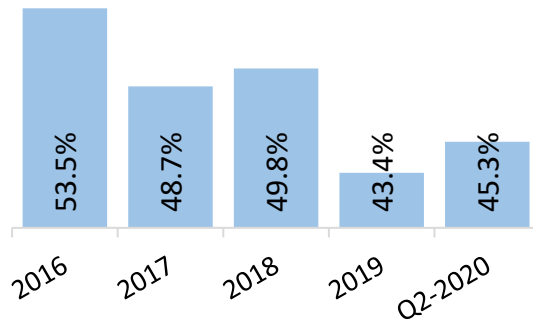
Current rate for 5-year and 10-year CMHC insured debt is approximately 1.4% and 1.6%.

Q2-2020 | Financial Highlights

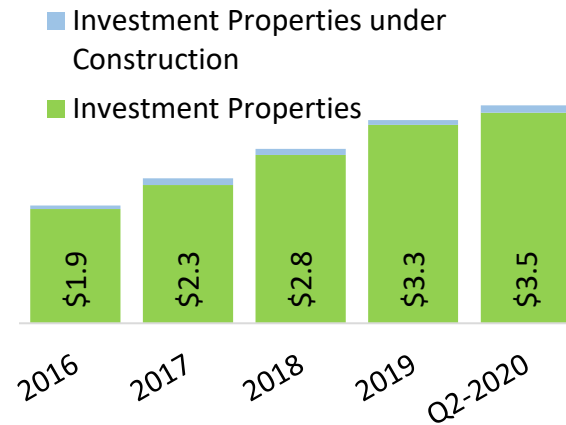


Increasing value of investment properties with conservative debt metrics.

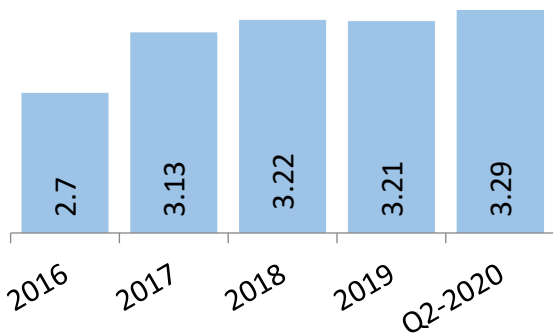
Debt as a % of Assets



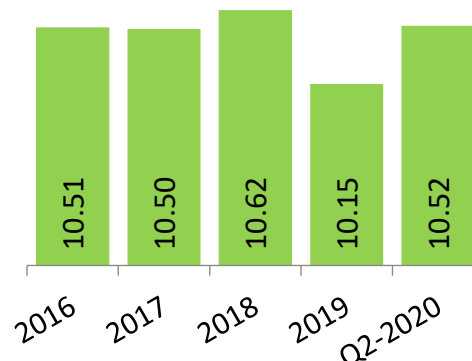
Investment Properties (\$B)



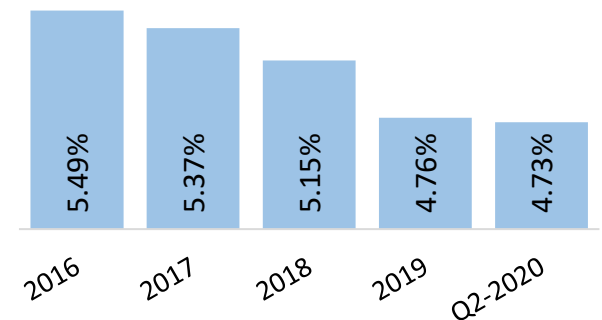
Interest Coverage Ratio



Debt to Normalized EBITDA

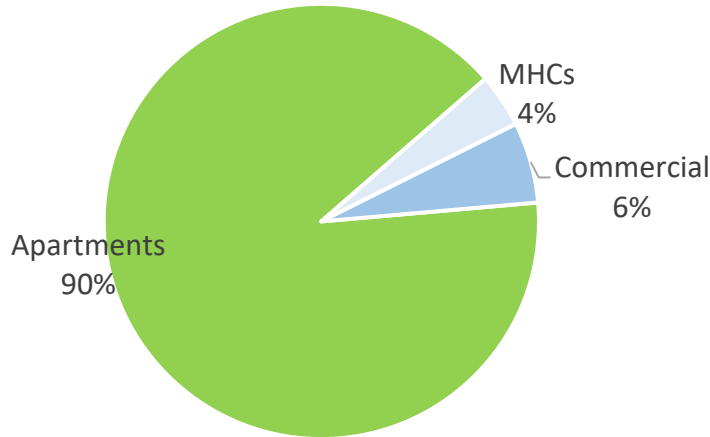


Weighted Average Apartment Effective Cap-Rates

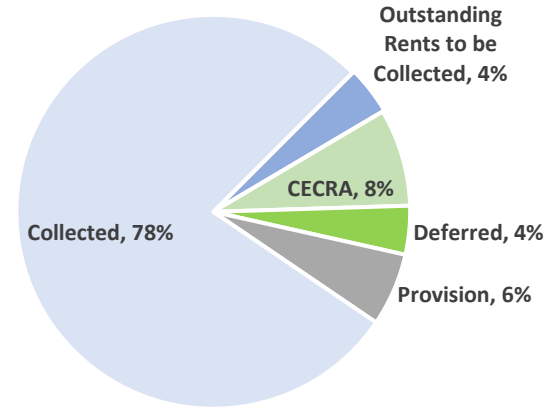


Q2-2020 | Rent Collection Impact of COVID-19

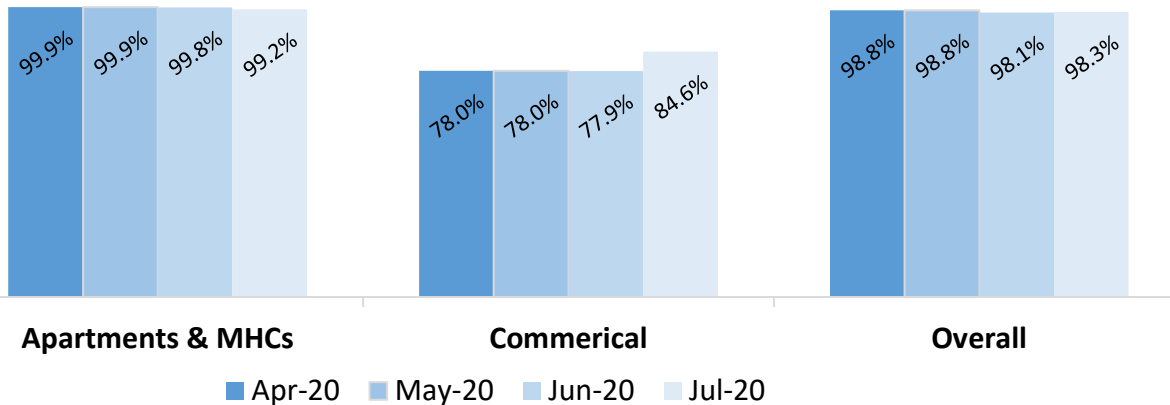
Avg Monthly Rental Revenue



Q2-2020 Commercial Rent Collection



Monthly Rent Collection



Killam's Commercial Tenants

Participating in the federal CECRA program with:

- 35 tenants
- \$0.1M revenue reduction recorded in Q2

Working with tenants that do not qualify for CECRA on a case-by-case basis, and in certain cases have agreed to temporary rent deferrals for 60 to 90 days.

Killam continues to diligently work on all arrears and seeking rent deferrals arrangements with commercial and residential tenants on a case-by-case basis.

Killam's strategy to increase FFO, NAV and maximize value is focused on three priorities:



Increase earnings from existing portfolio.



Expand the portfolio and diversify geographically through accretive acquisitions, targeting newer properties.

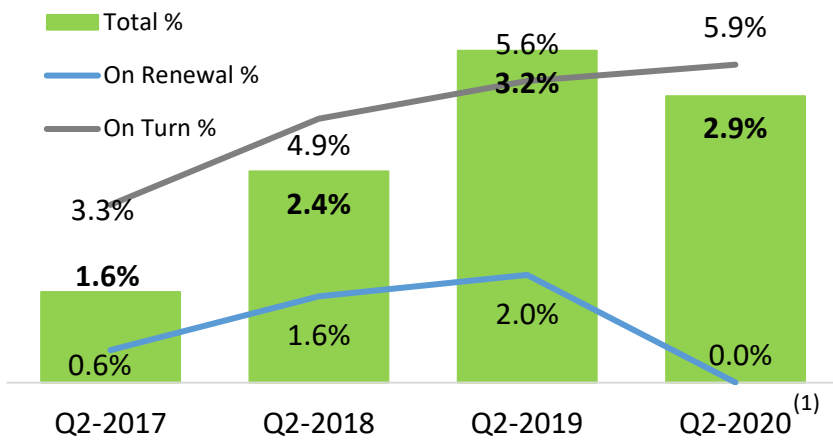


Develop high-quality properties in Killam's core markets.

Q2-2020 | Revenue Drivers – Long-term Strength

With strong occupancy levels, **rental rate growth** through **repositioning** units and **achieving market rents** upon turn is a key focus for Killam.

Apt Same Property Avg Rental Rate Increases (%)



Short-term Limitations	Longer-term Opportunities
<ul style="list-style-type: none"> • Suspension of rental increases 	<ul style="list-style-type: none"> • Renovation program well established
<ul style="list-style-type: none"> • Experiencing lower turnover 	<ul style="list-style-type: none"> • Expect demand to exceed supply
<ul style="list-style-type: none"> • Demand drivers have slowed 	<ul style="list-style-type: none"> • Expect mark-to-market opportunities

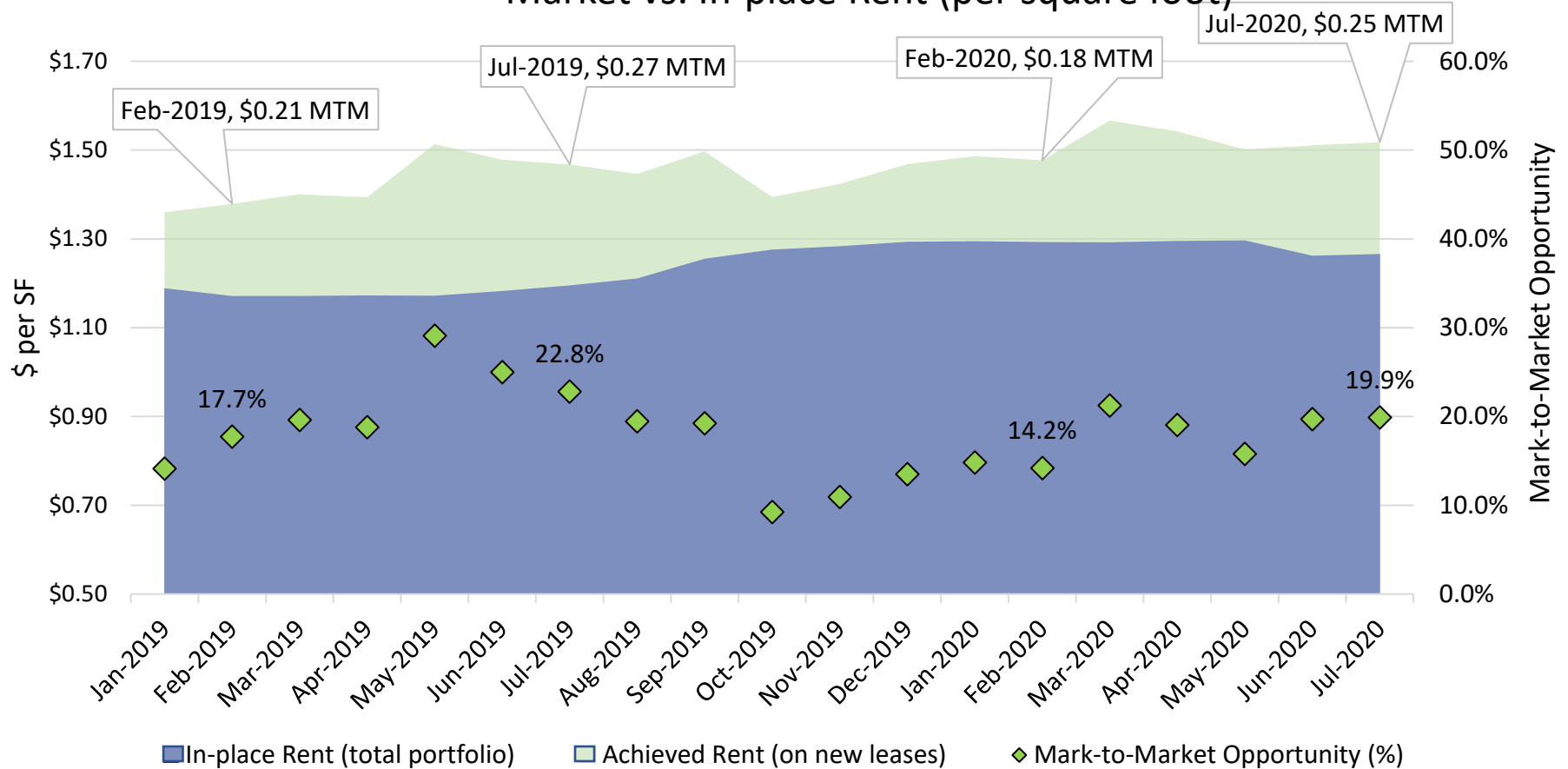
(1) Killam waived the collection of rental increases on renewals in Q2-2020, resulting in a reduction of same property revenue of approximately \$150k. Without the waiving of increases, same property rent growth on renewals would have been 2.4% and same property average rental rate increases for Q2-2020 would be 3.5%, based on contractual rates.

Q2-2020 | Revenue Drivers – Current Market



With strong occupancy levels, rental rate growth on turnover is a key longer-term focus for Killam.

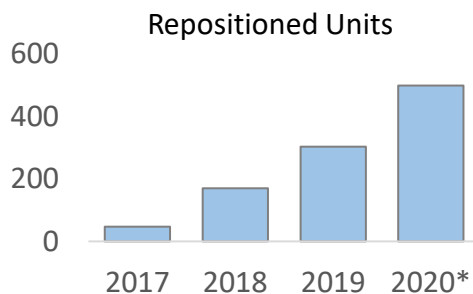
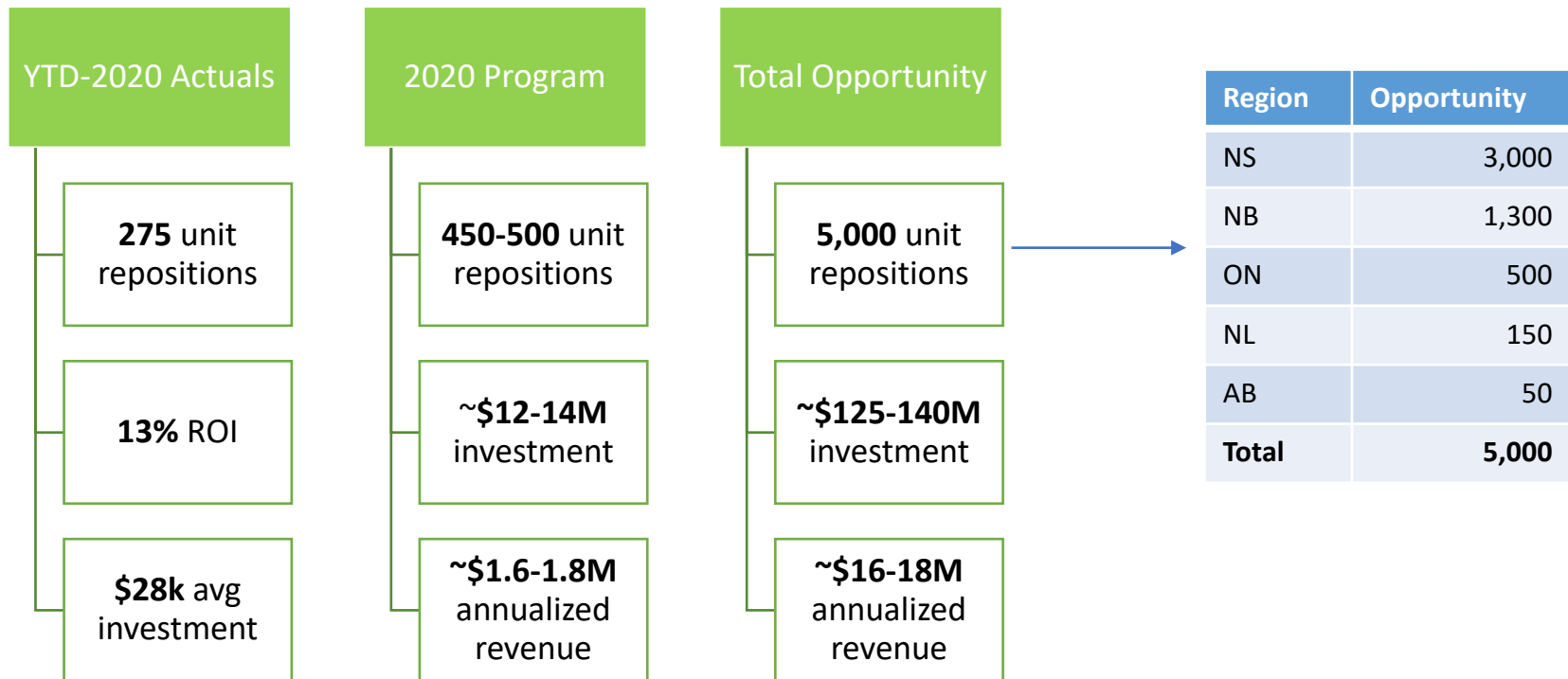
Market vs. In-place Rent (per square foot)



The market rent opportunity has remained strong through July 2020 with a ~\$0.25 per SF (or 20%) differential between market and in-place rents across Killam’s apartment portfolio.

Q2-2020 | Revenues Drivers - Renovations

Revenue growth through unit repositions to meet market demand.



*forecast

Based on a 5% cap rate this investment would increase the NAV by ~\$340M.

Note: Unit renovations have continued with compliance with social distancing measures.

Increasing earnings from operations through energy efficiency.

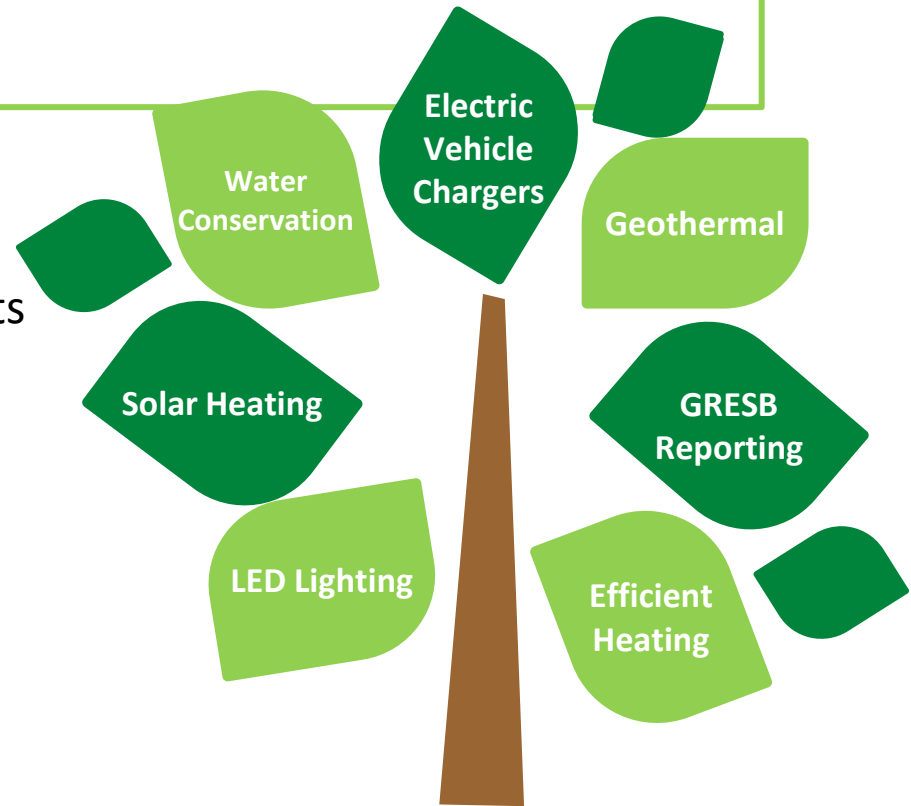
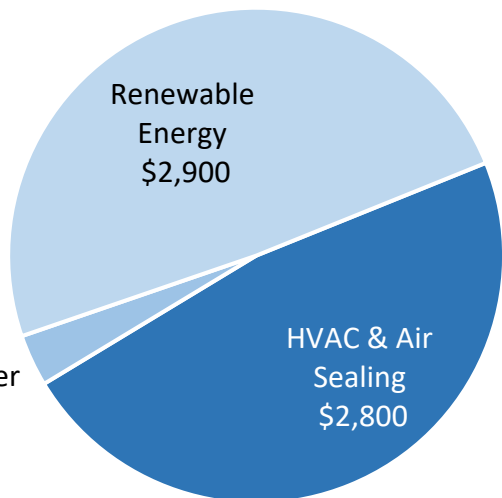
Includes photovoltaic solar panels, water conservation projects and heating efficiencies.

\$5.8 Million planned for 2020; 87 projects

\$0.65 Million potential annualized savings

8 year average payback

2020 Planned Energy Efficiency Investments (\$000's)



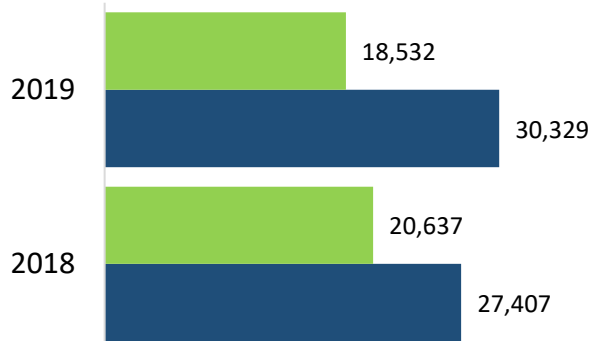
Killam continues to build on its current successes to make its buildings **more sustainable** and **resilient** to the impacts of climate change.

Q2-2020 | Killam's Green Commitment



Quinpool Court, Halifax, NS
94 kW Array | 113 MWh produced annually

Killam-managed GHG Emissions (tCO₂e)*



Killam's GHG emission sources include: electricity, natural gas, propane, oil and steam.

2020 Solar Array Projects

- 11 Solar array installs at various properties in NS & PEI
- \$1.3M Investment
- 800 Mega Watts hours (MWh) annually
- ~\$150k Annual expense savings
- 11% Average ROI

*GHG emissions were reviewed by an independent third-party

Q2-2020 | Acquisitions

	Property	Location	Acquisition Date	Ownership Interest (%)	Property Type	Purchase Price ⁽¹⁾ (\$M)
1	Christie Point	Victoria, BC	Jan 15, 2020	100%	Apartment	\$54,000
2	9 Carrington	Halifax, NS	Jan 31, 2020	100%	Apartment	8,800
3	Domaine Parlee	Shediac, NB	Mar 23, 2020	100%	MHC	3,950
4	1323-1325 Hollis	Halifax, NS	Mar 31, 2020	100%	Apartment	3,700
5	Total Q1 Acquisitions					\$70,450
6	Belmont Crossing	Langford, BC	April 30, 2020	100%	Apartment	60,000
7	Total Q2-YTD Acquisitions					\$130,450

(1) Purchase price does not include transaction costs.



Q2-2020 Acquisitions | Langford, BC

Description:

156 units

2 apartment buildings with 1 and 2 bedroom units

Average rent – \$1,868/month (\$2.61/sf)

Acquisition Details:

\$60 million

4.4% capitalization rate

90% leased

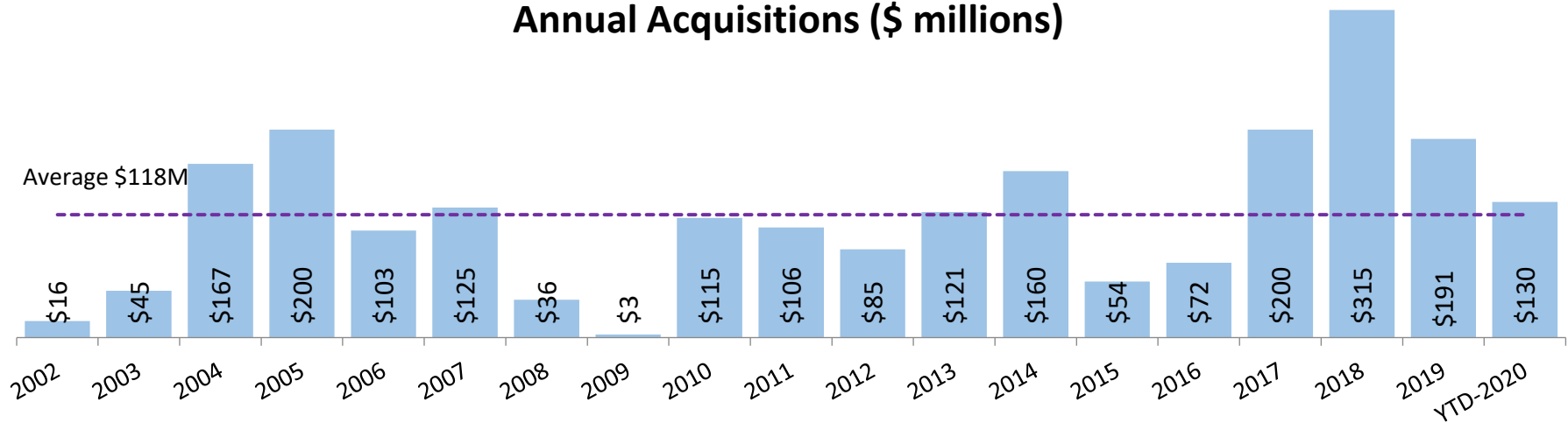
Closed: April 30, 2020

Location:

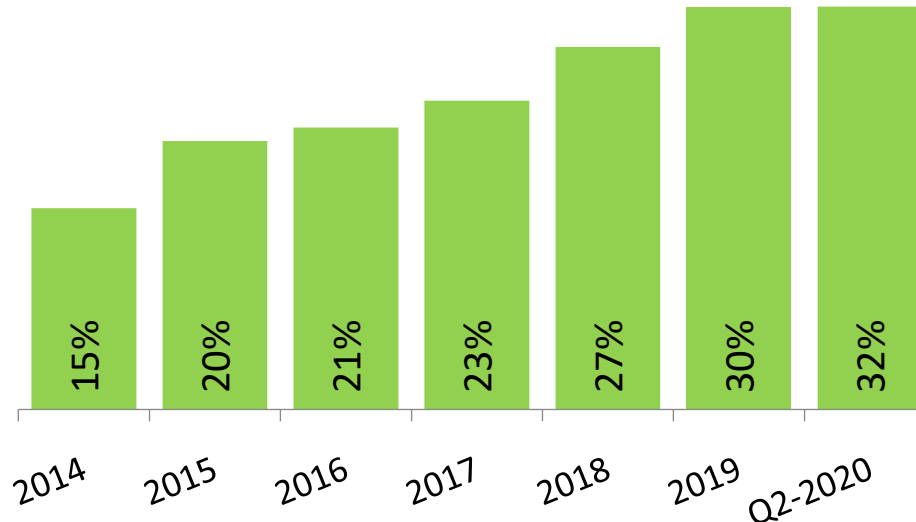
Langford, BC



Annual Acquisitions (\$ millions)



NOI Generated Outside Atlantic Canada



Killam continues to expand the portfolio and diversify geographically through accretive acquisitions, targeting newer properties.

Q2-2020 | Developments Completed



**Projects Completed
2013 – 2019**
Value today - \$348M
Cost to build - \$278M
Gain - \$70M (25%)



Approximately \$280 million in completed developments.

Q2-2020 | Develop High Quality Properties

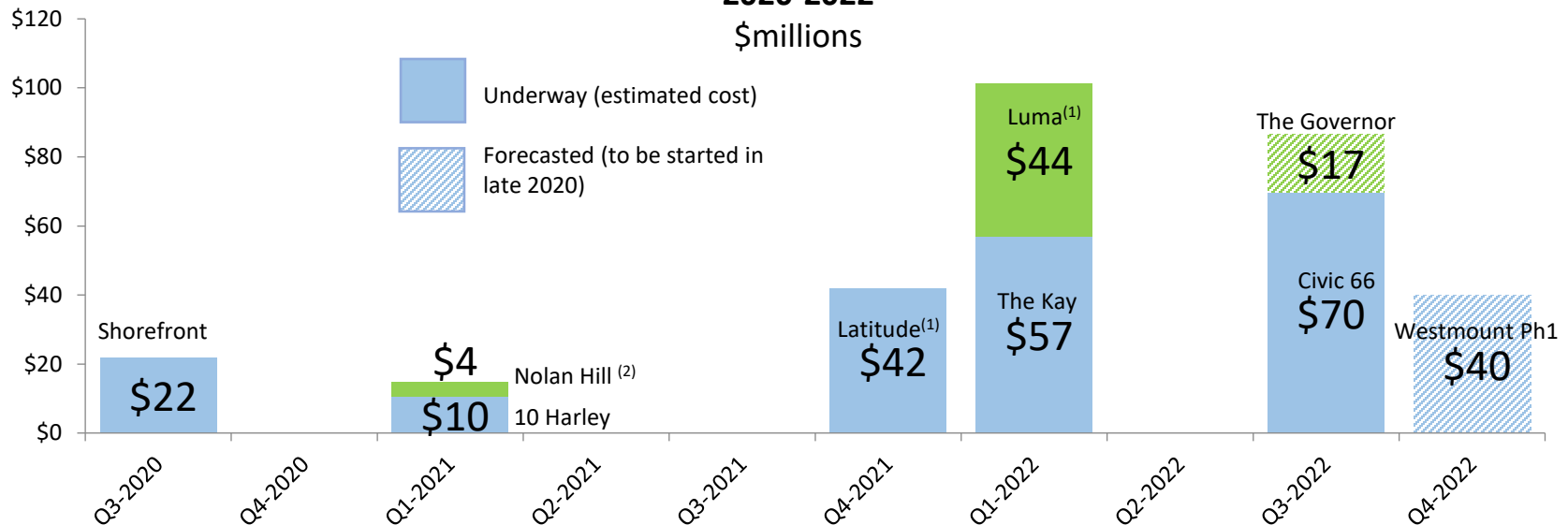


Developing high-quality properties in core markets.

- Over \$600 million (~2,000 units) of developments completed or underway.
- Experienced in-house architect and engineers.
- Extensive development experience with \$280 million (1,024 units) in 10 development projects completed in 2013-2019.

The current pipeline of developments has an expected yield of approximately 5%, contributing to FFO per unit growth in 2021 – 2023.

Developments Expected to be Completed 2020-2022 \$millions



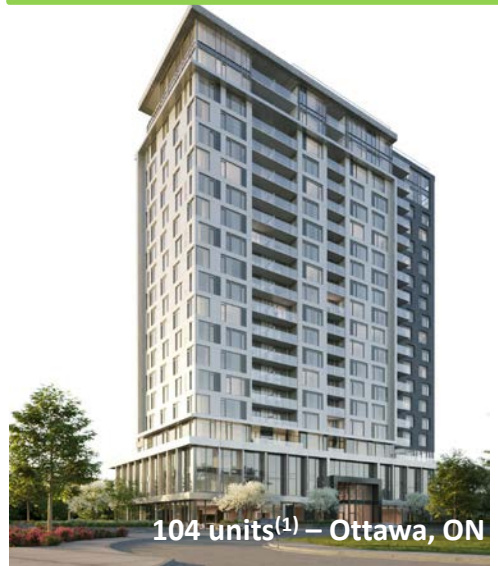
(1) Killam's 50% ownership

(2) Killam's 10% ownership. Killam will acquire the remaining 90% interest of this 233-unit building upon completion.

Q2-2020 | 2020 Development Projects



Killam currently has six developments underway, plus a 10% interest in a Calgary project, for a total of 624 apartment units at a total cost of ~\$250 million and an expected yield of ~5%.



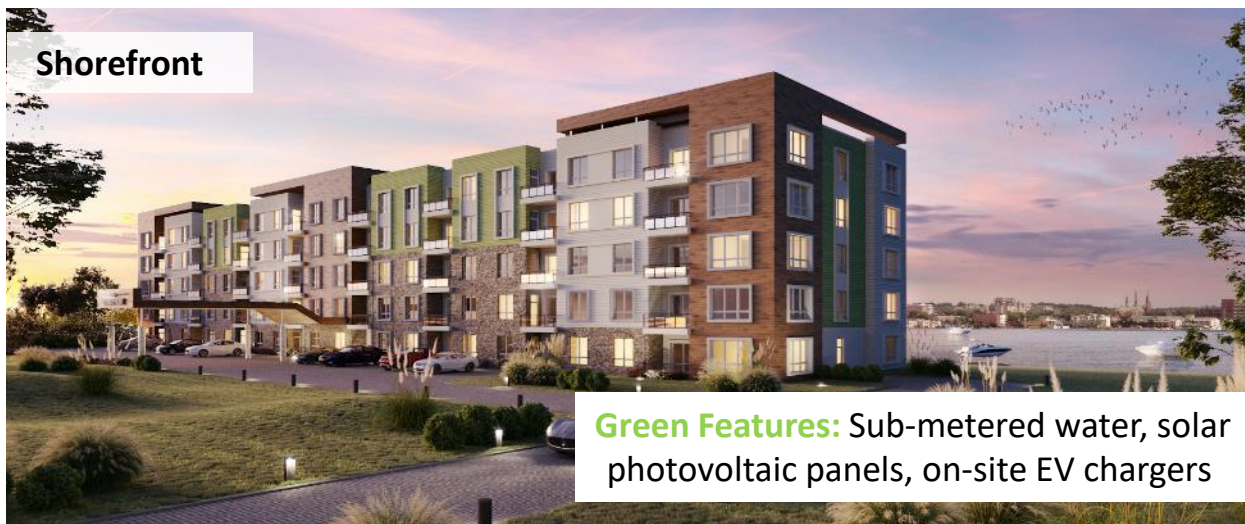
(1) Represents Killam's 50% ownership

(2) Represents Killam's 10% ownership

Shorefront anticipates opening in September 2020.

Key Statistics

Number of units	78
Start date	Q4-2018
Estimated completion date	Sept-2020
Project budget (\$M)	\$22.0
Cost per unit	\$282,000
Expected yield	5.25-5.5%
Expected value	4.75-5.0%



Shorefront is scheduled for completion in September 2020 and is currently 25% pre-leased.



10 Harley Street – 38-unit redevelopment in Charlottetown.



10 Harley

Key Statistics

Number of units	38
Start date	Q3-2019
Estimated completion date	Feb-2021
Project budget (\$M)	\$10.4
Cost per unit	\$274,000
Expected yield	5.0-5.25%
Expected value	4.75-5.0%



- Original building was three storeys and 29 units.
- Rebuild has increased the size to four storeys and 38 units.
- Insurance proceeds from the loss are covering a portion of the reconstruction costs.

Q2-2020 | Development Activity, Calgary

Killam has a 10% interest in a 233-unit development project, **Nolan Hill**, in Calgary. Killam has a commitment to acquire the remaining 90% interest upon completion in Q1-2021.

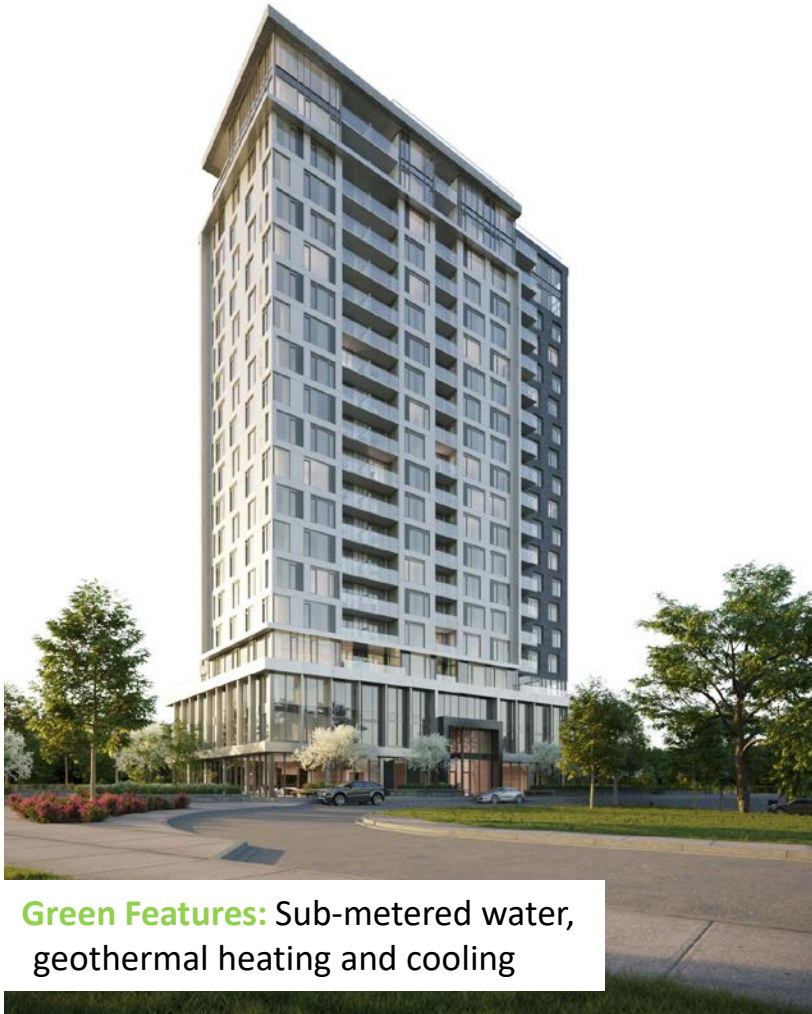
Key Statistics

Number of units	233
Start date	Q4-2019
Estimated completion/purchase date	Q1-2021
Project budget (\$M)*	\$4.4M \$190,000/unit
Purchase Price	\$55.0M \$236,000/unit

* Killam's 10% interest.



Latitude (Phase II of Gloucester City Centre)



Green Features: Sub-metered water, geothermal heating and cooling



Key Statistics

Number of units	209
Start date	Q2-2019
Estimated completion date	Q4-2021
Project budget (\$M)*	\$42.0
Cost per unit	\$402,000
Expected yield	4.75-5.0%
Expected value cap-rate	4.0%
Average unit size	803 SF
Average rent	\$2,085 (\$2.60/sf)

* Killam's 50% interest.

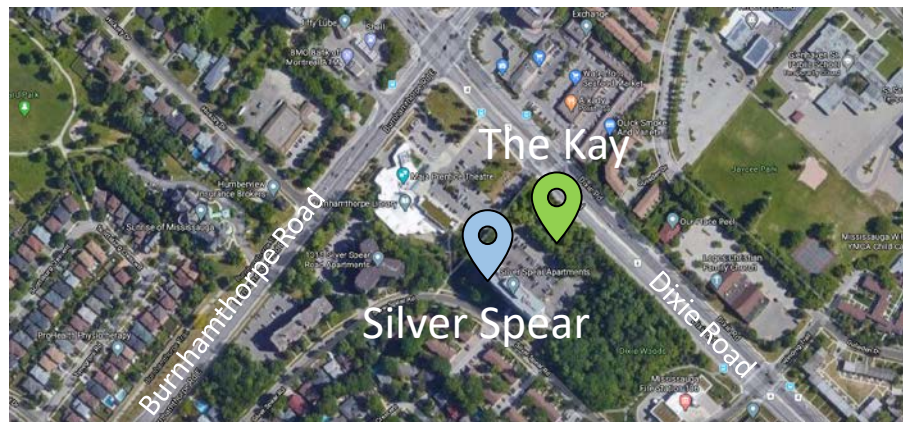
Latitude, the second phase of the Gloucester City Centre development, is expected to be completed in late-2021.



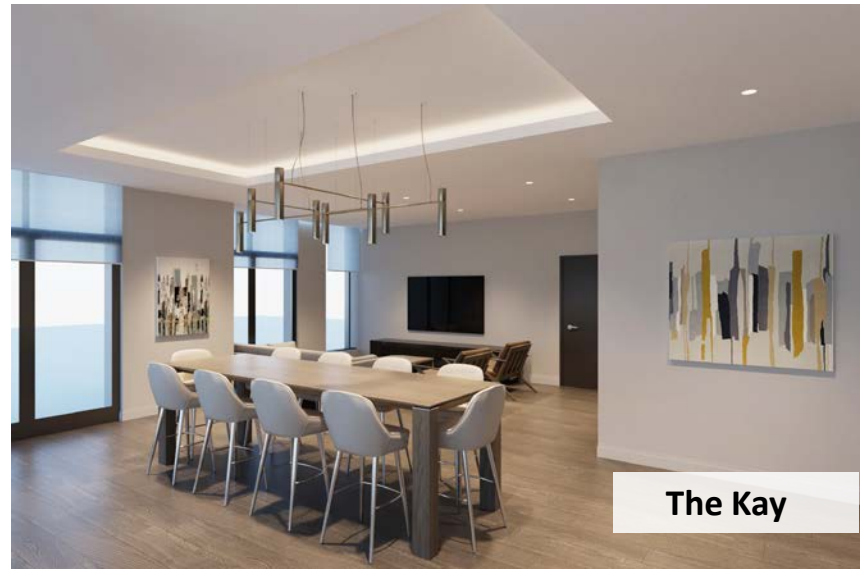
The **Key** development broke ground in Q3-2019.

Key Statistics

Number of units	128
Start date	Q3-2019
Estimated completion date	Q1-2022
Project budget (\$M)	\$57.0
Cost per unit	\$445,500
Expected yield	4.75-5.0%
Expected value cap-rate	3.5%



Q2-2020 | Development Activity, Mississauga



The Kay



The Kay, a 128-unit development, is expected to be completed in early 2022.

Q2-2020 | Development Activity, Ottawa

Luma – 168-unit development in Ottawa 50/50 with Riocan REIT.



Key Statistics

Number of units	168
Start date	Q3-2019
Estimated completion date	Q1-2022
Project budget (\$M)*	\$44.3
Cost per unit	\$527,000
Expected yield	4.0-4.25%
Avg rent per square foot (SF)	\$2.90 per SF
Avg unit size (SF)	748 SF



* Killam's 50% interest.

Q2-2020 | Development Activity, Kitchener

Civic 66 – 169-unit development in Kitchener that broke ground in July 2020.

Key Statistics

Number of units	169
Start date	Q3-2020
Estimated completion date	Q3-2022
Project budget (\$M)	\$69.7
Cost per unit	\$412,000
Expected yield	4.75-5.0%
Avg unit size (SF)	780 SF



Q2-2020 | Development Pipeline - ~\$850 million



Future Development Opportunities					
Property	Location	Killam's Interest	Potential # of Units ⁽¹⁾	Status	Est Year of Completion
Developments expected to start in the next 24 months ⁽²⁾					
The Governor	Halifax, NS	100%	12	In design and approval process	2023
Westmount Place (Phase 1)	Waterloo, ON	100%	114	In design and approval process	2023
Developments expected to start in 2022-2026					
Carlton Terrace	Halifax, NS	100%	104	In design	2024
Carlton Houses	Halifax, NS	100%	80	In design	2024
Gloucester City Centre (Phase 3-4)	Ottawa, ON	50%	200	In design	2025
Westmount Place (Phase 2-5)	Waterloo, ON	100%	908	In design	2028
Additional future development projects					
Gloucester City Centre (Phase 5)	Ottawa, ON	50%	100	In design	TBD
Kanata Lakes	Ottawa, ON	50%	40	In design	TBD
Christie Point	Victoria, BC	100%	312	Future development	TBD
Medical Arts	Halifax, NS	100%	200	Future development	TBD
Topsail Road	St. John's, NL	100%	225	Future development	TBD
Block 4	St. John's, NL	100%	80	Future development	TBD
Total Development Opportunities			2,375		

(1) Represents Killam's interest/# of units in the potential development units.

(2) Management is reevaluating the timing of development plans originally expected to start in 2020 in response to COVID-19.

~ 70% of Killam's development pipeline is outside Atlantic Canada. Killam targets yields of 4.75% to 5.5% on development, 50–150 bps higher than the expected cap-rate value on completion. Building out the \$850 million pipeline at a 100 bps spread would create approximately \$200 million in NAV growth for unitholders.

Non-IFRS Measures

Management believes these non-IFRS financial measures are relevant measures of the ability of the REIT to earn revenue and to evaluate Killam's financial performance. The non-IFRS measures should not be construed as alternatives to net income or cash flow from operating activities determined in accordance with IFRS, as indicators of Killam's performance, or sustainability of Killam's distributions. These measures do not have standardized meanings under IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded organizations.

- Funds from operations ("FFO"), and applicable per unit amounts, are calculated by Killam as net income adjusted for depreciation on an owner-occupied building, fair value gains (losses), interest expense related to exchangeable units, gains (losses) on disposition, deferred tax expense (recovery), unrealized gains (losses) on derivative liability, internal commercial leasing costs, interest expense related to lease liabilities, insurance proceeds and non-controlling interest. FFO are calculated in accordance with the REALpac definition, except for the adjustment of insurance proceeds as REALpac does not address this adjustment.
- Adjusted funds from operations ("AFFO"), and applicable per unit amounts and payout ratios, are calculated by Killam as FFO less an allowance for maintenance capital expenditures ("capex") (a three-year rolling historical average capital spend to maintain and sustain Killam's properties), commercial leasing costs and straight-line commercial rents. AFFO are calculated in accordance with the REALpac definition. Management considers AFFO an earnings metric.
- Same property results in relation to Killam are revenues and property operating expenses for stabilized properties that Killam has owned for equivalent periods in 2020 and 2019. Same property results represent 89% of the fair value of Killam's investment property portfolio as at June 30, 2020. Excluded from same property results in 2020 are acquisitions, dispositions and developments completed in 2019 and 2020, non-stabilized commercial properties linked to development projects, and other adjustments to normalize for revenue or expense items that relate to prior periods or are not operational.
- Interest coverage is calculated by dividing earnings before interest, tax, depreciation and amortization ("EBITDA") by interest expense, adjusted for interest expense related to exchangeable units.
- Debt service coverage is calculated by dividing EBITDA by interest expense, less interest expense related to exchangeable units, and principal mortgage repayments.
- Debt to normalized EBITDA is calculated by dividing interest-bearing debt (net of cash) by EBITDA that has been adjusted for a full year of stabilized earnings from recently completed acquisitions and developments.

See the Q2-2020 Management's Discussion and Analysis for further details on these non-IFRS measures and, where applicable, reconciliations to the most directly comparable IFRS measure.

Q2-2020 Appendices



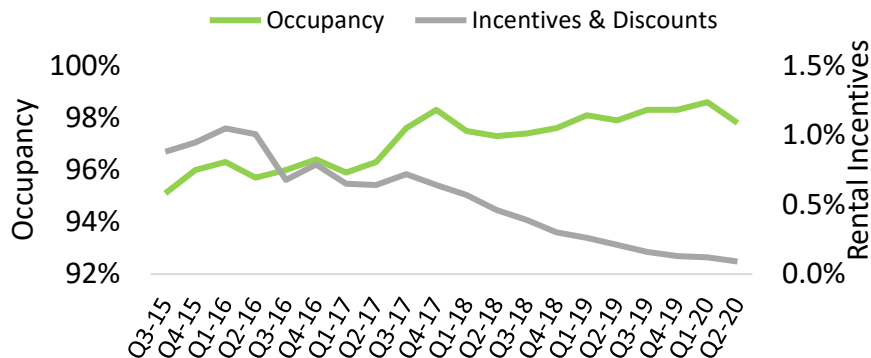
Q2-2020 Apt Performance | By Region



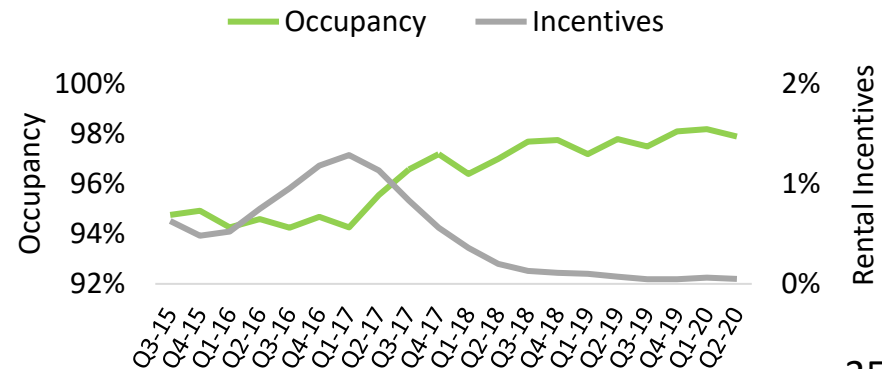
Nova Scotia Q2-2020	
% of NOI	34.3%
Units	5,814
Rental Rate Growth	3.5%
Incentives/Discounts	0.09% (↓11 bps)
Occupancy	97.8% (↓10 bps)
NOI Growth	5.6%

New Brunswick Q2-2020	
% of NOI	19.0%
Units	4,631
Rental Rate Growth	3.5%
Incentives/Discounts	0.05% (↓2 bps)
Occupancy	97.9% (↑10 bps)
NOI Growth	5.9%

Killam's Halifax Same Property Results



Killam's NB Same Property Results



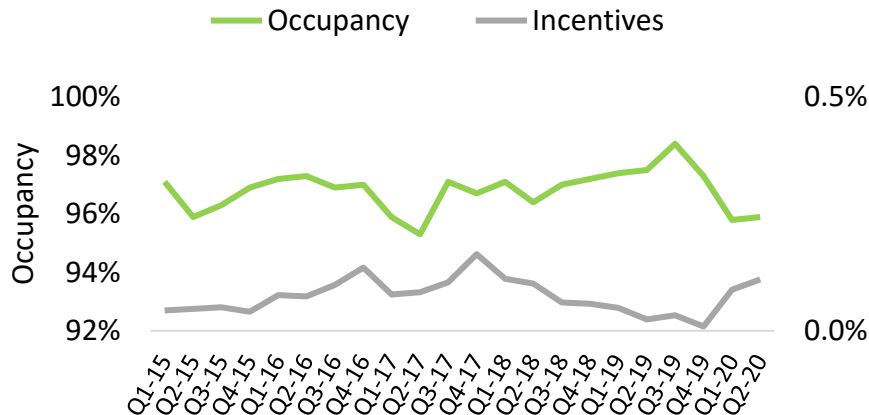
Q2-2020 Apt Performance | By Region



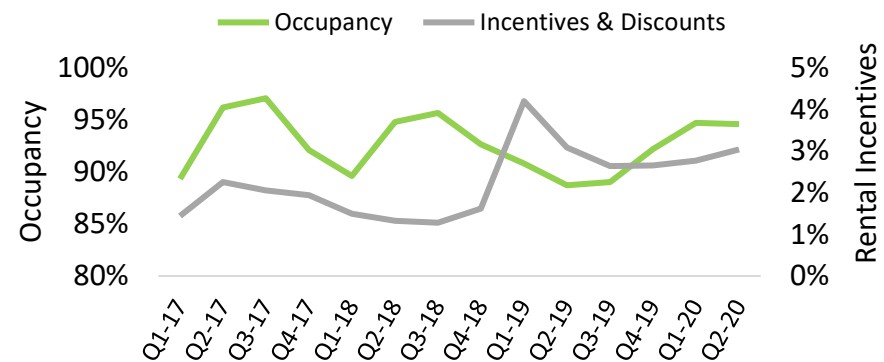
Ontario Q2-2020	
% of NOI	16.9%
Units	2,557
Rental Rate Growth	3.2%
Incentives/Discounts	0.11% (↑5 bps)
Occupancy	95.9% (↓150 bps)
NOI Growth	(2.1)%

Alberta Q2-2020	
% of NOI	7.3%
Units	1,110
Rental Rate Growth	0.7%
Incentives/Discounts	3.0% (↓70 bps)
Occupancy	94.6% (↑390 bps)
NOI Growth	4.8%

Killam's Ontario Same Property Results



Killam's Alberta Same Property Results



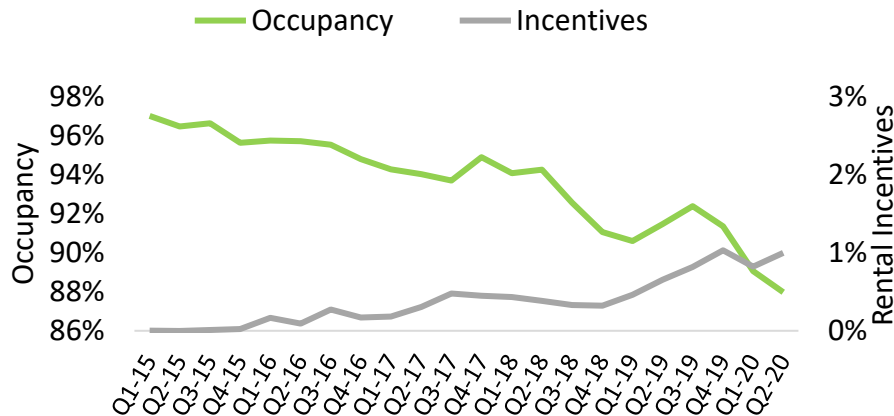
Q2-2020 Apt Performance | By Region



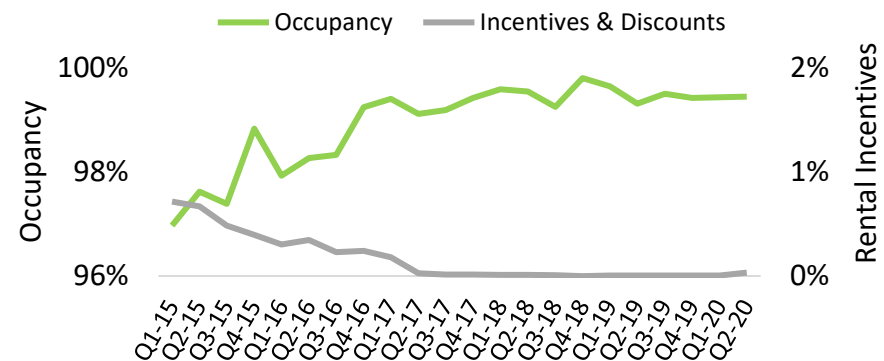
Newfoundland Q2-2020	
% of NOI	4.3%
Units	1,063
Rental Rate Growth	1.2%
Incentives/Discounts	1.0% (↑35 bps)
Occupancy	88.0% (↓350 bps)
NOI Growth	(8.3)%

PEI Q2-2020	
% of NOI	4.7%
Units	1,072
Rental Rate Growth	1.4%
Incentives/Discounts	0.03% (↑3 bps)
Occupancy	99.4% (↑20 bps)
NOI Growth	4.0%

Killam's Newfoundland Same Property Results



Killam's PEI Same Property Results





Q2-2020 RESULTS CONFERENCE CALL
August 6, 2020 | 9AM EASTERN



KILLAM APARTMENT REIT

