



# Investor Presentation

January 2019

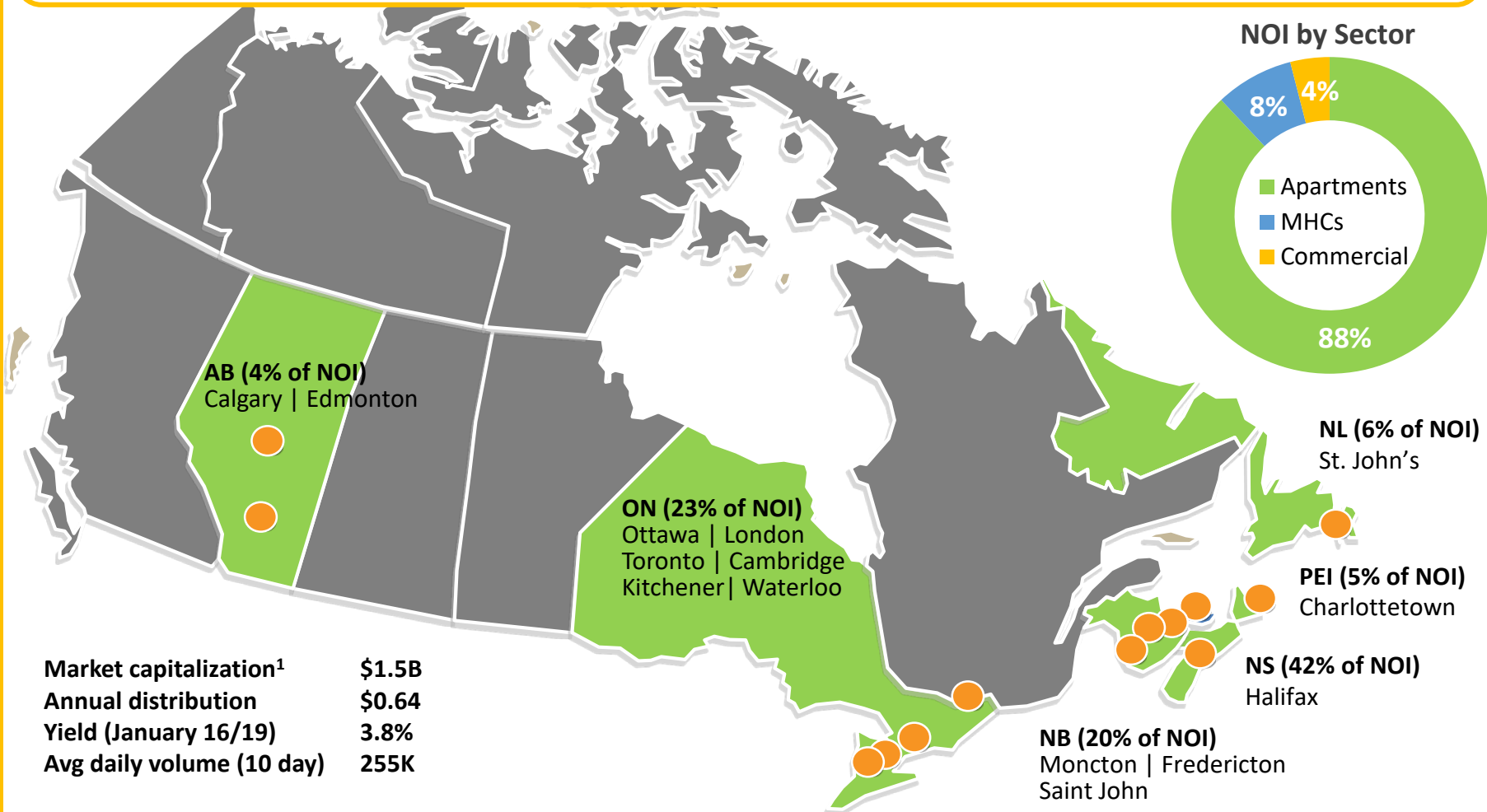


Home. For all.

# 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, 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.

Killam Apartment REIT owns, manages and develops multi-family residential properties in Atlantic Canada, Ontario and Alberta. Killam's portfolio includes \$2.8 billion in real estate assets, comprised of 15,883 apartment units, 5,427 manufactured home community (MHC) sites and 0.6 million square feet of commercial space.



Market capitalization <sup>1</sup>	\$1.5B
Annual distribution	\$0.64
Yield (January 16/19)	3.8%
Avg daily volume (10 day)	255K

<sup>1</sup> Includes exchangeable units.

## Apartment Portfolio

	Number of Units	Number of Properties	% of Total NOI <sup>(1)</sup>
<b>Nova Scotia</b>			
Halifax	5,753	64	35.9%
Sydney	139	2	1.0%
	<b>5,894</b>	<b>66</b>	<b>36.9%</b>
<b>New Brunswick</b>			
Fredericton	1,422	21	7.2%
Moncton	1,629	31	7.3%
Saint John	1,202	14	4.5%
Miramichi	96	1	0.5%
	<b>4,349</b>	<b>67</b>	<b>19.5%</b>
<b>Ontario</b>			
Ottawa	1,124	10	6.2%
London	523	5	3.8%
Toronto	378	2	2.8%
Cambridge	448	4	3.4%
	<b>2,473</b>	<b>21</b>	<b>16.2%</b>
<b>Newfoundland &amp; Labrador</b>			
St. John's	915	12	5.6%
Grand Falls	148	2	0.6%
	<b>1,063</b>	<b>14</b>	<b>6.2%</b>
<b>Prince Edward Island</b>			
Charlottetown	1,015	19	4.9%
Summerside	86	2	0.4%
	<b>1,101</b>	<b>21</b>	<b>5.3%</b>
<b>Alberta</b>			
Edmonton	474	3	2.6%
Calgary	531	3	1.8%
	<b>1,005</b>	<b>6</b>	<b>4.4%</b>
<b>Total Apartments</b>	<b>15,883</b>	<b>194</b>	<b>88.5%</b>

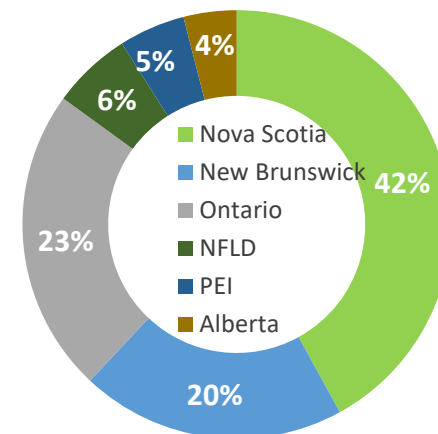
## Manufactured Home Community Portfolio

	Number of Sites	Number of Communities	% of Total NOI <sup>(1)</sup>
Nova Scotia	2,749	16	3.3%
Ontario	2,284	17	4.1%
New Brunswick <sup>(2)</sup>	224	1	0.2%
Newfoundland & Labrador	170	2	0.3%
<b>Total MHCs</b>	<b>5,427</b>	<b>36</b>	<b>7.9%</b>

## Commercial Portfolio

	Square Footage	Number of Properties	% of Total NOI <sup>(1)</sup>
Halifax, NS	254,000	5	1.4%
Waterloo, ON	297,000	1	2.2%
<b>Total Commercial</b>	<b>551,000</b>	<b>6</b>	<b>3.6%</b>
<b>Total Portfolio</b>		<b>236</b>	<b>100.0%</b>

## NOI By Province



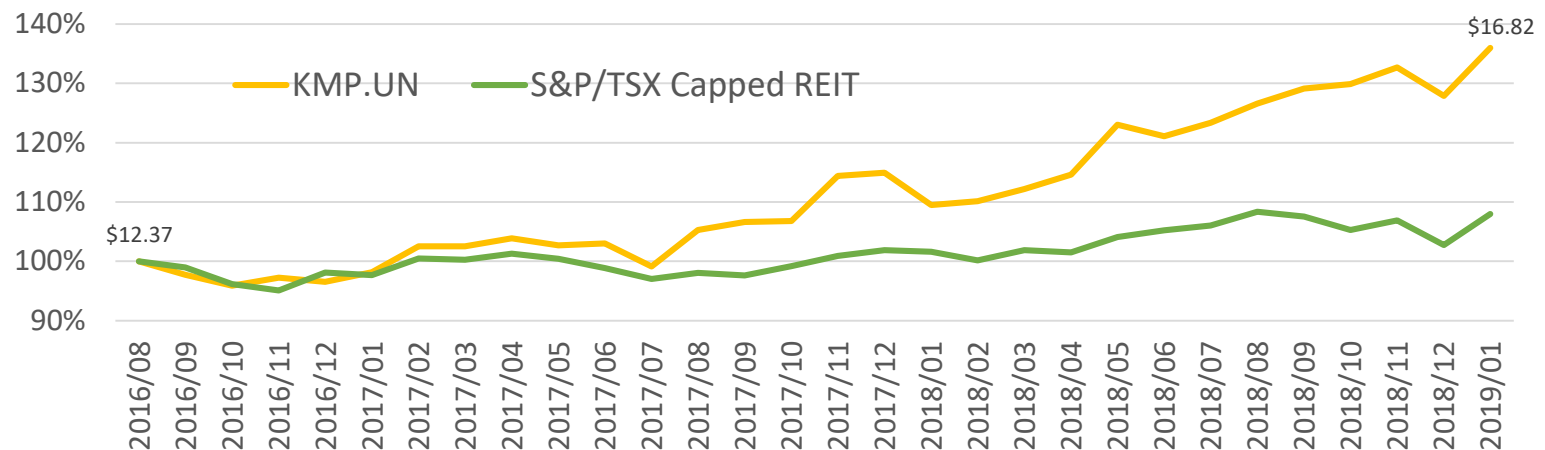
(1) % of Total NOI for the nine months ended September 30, 2018.

(2) This property is a seasonal resort, which is operational only during Q2 & Q3.

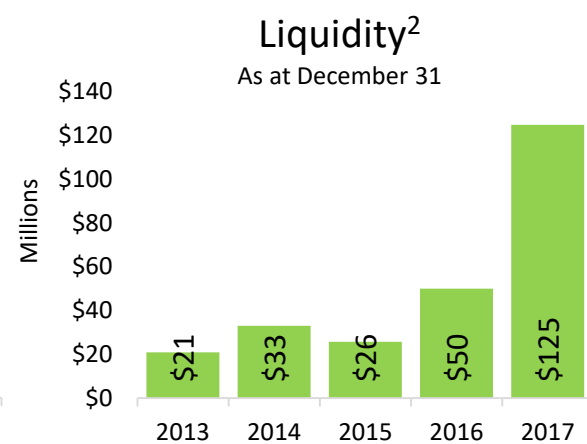
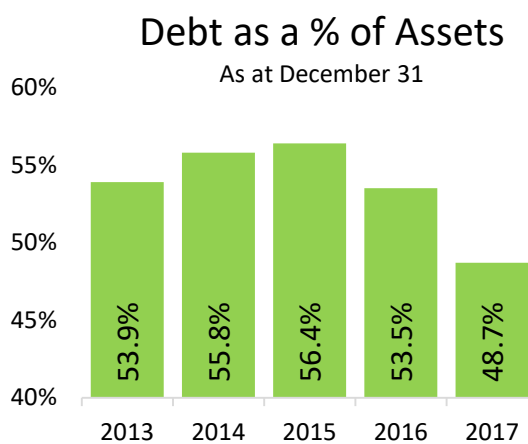
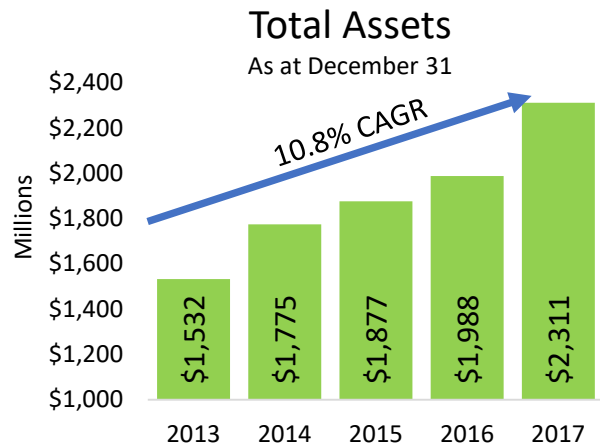
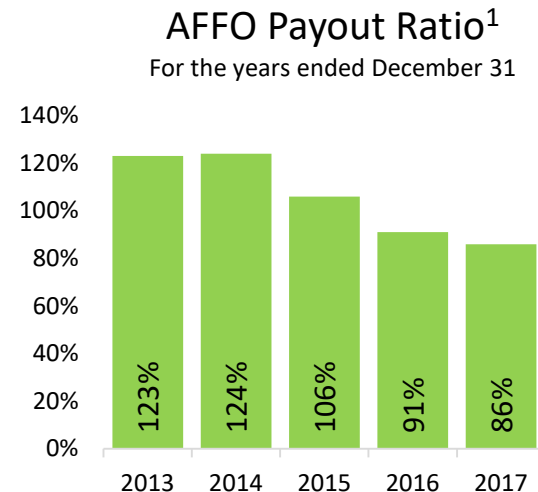
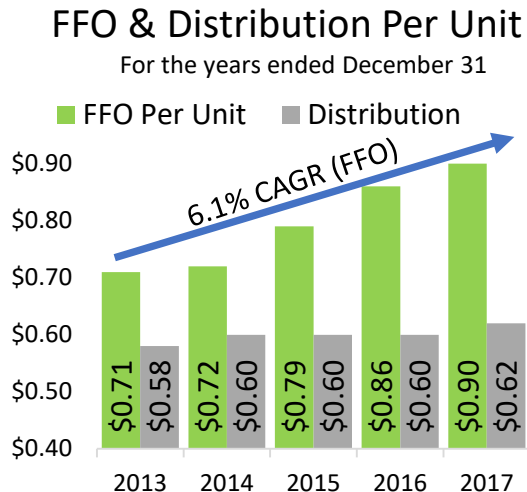
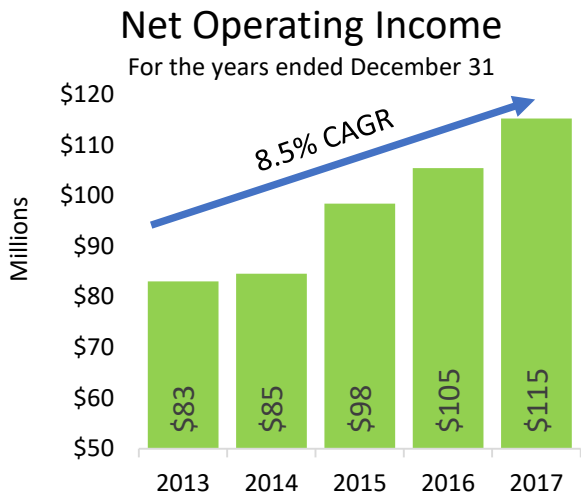
# Why Invest in Killam

- Clearly defined strategy to grow earnings and net asset value (NAV) per unit.
- One of Canada's highest-quality and youngest apartment portfolios with 31% of NOI generated from apartments built in the last 10 years.
- Experienced developer with a \$850 million development pipeline to support future growth.
- Growing funds from operations (FFO) & adjusted funds from operations (AFFO) per unit.
- Well positioned to benefit from strong fundamentals.
- Rising distributions with conservative payout ratio.
- Conservative balance sheet with capital flexibility.

**Unit Price Performance  
Killam vs. S&P/TSX Capped REIT**



# Financial Highlights | Five Years of Growth



<sup>1</sup> AFFO payout ratio for 2017 calculated using a maintenance capex reserve of \$900/unit for apartments \$300/site for MHCs. AFFO payout ratio for 2013 – 2016 calculated using a maintenance capex reserve of \$970/unit for apartments and \$225/site for MHCs.

<sup>2</sup> Liquidity includes cash on hand and availability under credit facilities. Pro-forma liquidity at December 31, 2017, includes pending mortgage financings that were arranged, but had not closed at December 31, 2017.

# Solid Progress Towards 2018 Targets

## 2018 Target

## YTD 2018 Performance

**Grow Same Property NOI by 1% to 2%**

**REVISED: 3% to 5%**

✓ 4.9% Same Property NOI growth in the first nine months of 2018.

**Acquire a minimum of \$125M of assets**

**REVISED: Minimum of \$225M**

✓ \$315 million of assets purchased in 2018.

**Focus 75% of acquisitions and at least 26% of 2018 NOI outside Atlantic Canada**

- ✓ 66% of acquisitions are located outside Atlantic Canada (77% excluding the purchase of the remaining 50% of The Alexander development).
- ✓ 27% of 2018 forecasted NOI outside Atlantic Canada.

**Complete The Alexander and Saginaw development and break ground on one additional development**

- ✓ Saginaw Park opened April 1<sup>st</sup>.
- ✓ The Alexander completed in October 2018.
- ✓ Shorefront broke ground in October 2018.
- ✓ Expect to break ground on the Mississauga development in Q1-2019.

**Maintain debt to total assets to below 52%.**

✓ 49.1% debt to total assets ratio at September 30, 2018.

# Clearly Defined Strategy to Grow FFO & NAV

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



Increase earnings from existing portfolio.

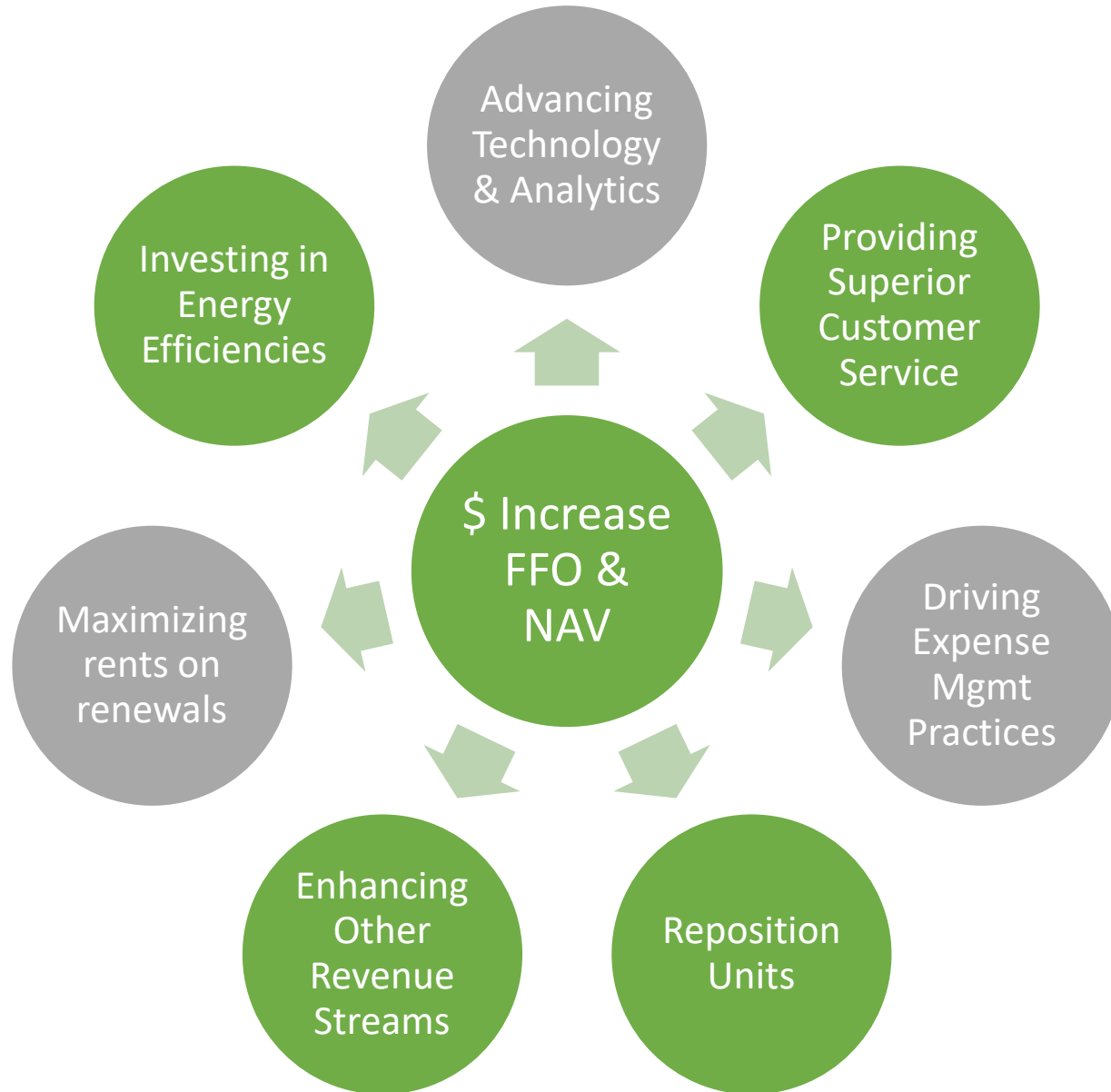


Expand the portfolio and diversify geographically through accretive acquisitions, with an emphasis on newer properties.



Develop high-quality properties in core markets.

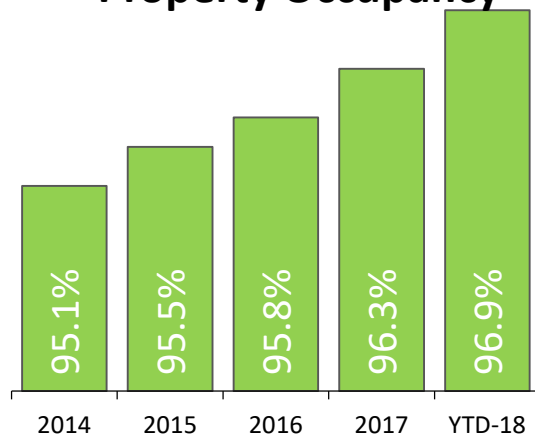




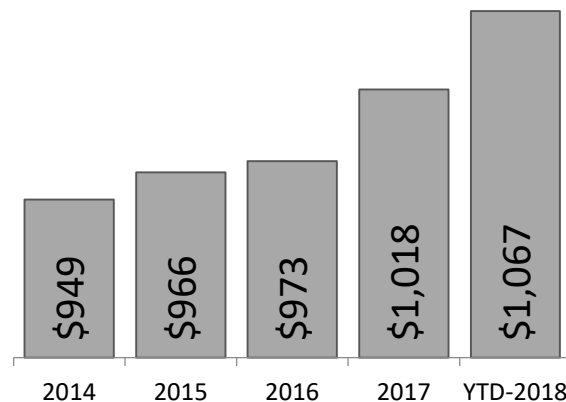
## Increasing earnings from existing operations through revenue growth.

- Strong occupancy – 2017 and YTD-2018 occupancy was amongst Killam’s highest.
- Rising rental rates – Rate increases on renewals (1.7%) and turns (5.0%) averaged 2.5% YTD-2018.
- Reduced incentives – incentives cut by more than 50%, as less inducements are required in current low vacancy environment.
- Quality product & service – 90% tenant satisfaction<sup>1</sup>.

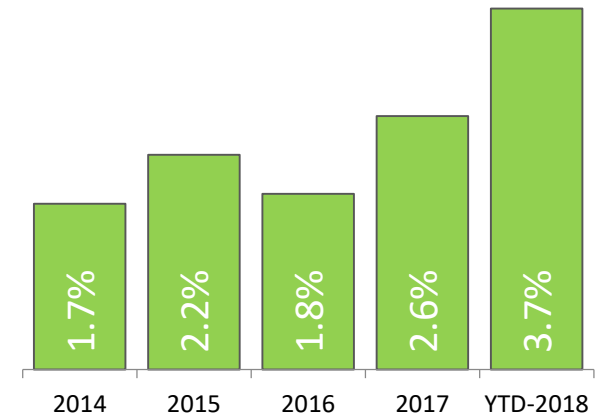
### Apartment Same Property Occupancy<sup>2</sup>



### Apartment Average Monthly Rental Rate



### Same Property Revenue Growth



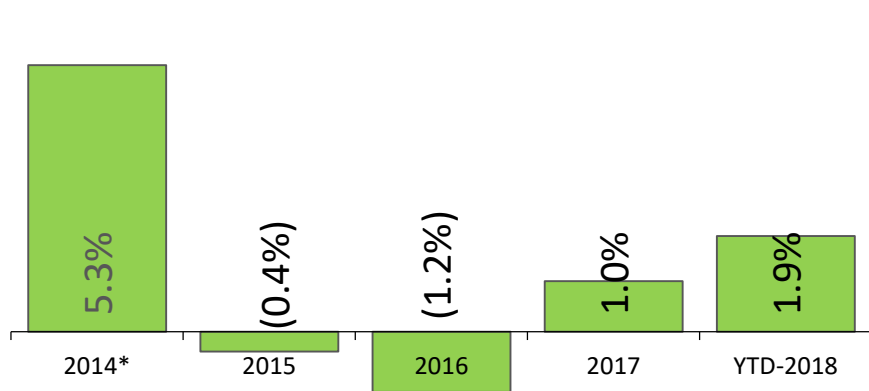
<sup>1</sup> Surveys administered by Corporate Research Associates. Killam has recorded 90% or better for the last three years.

<sup>2</sup> Measured as dollar vacancy versus unit vacancy to more accurately capture impact of vacant units.

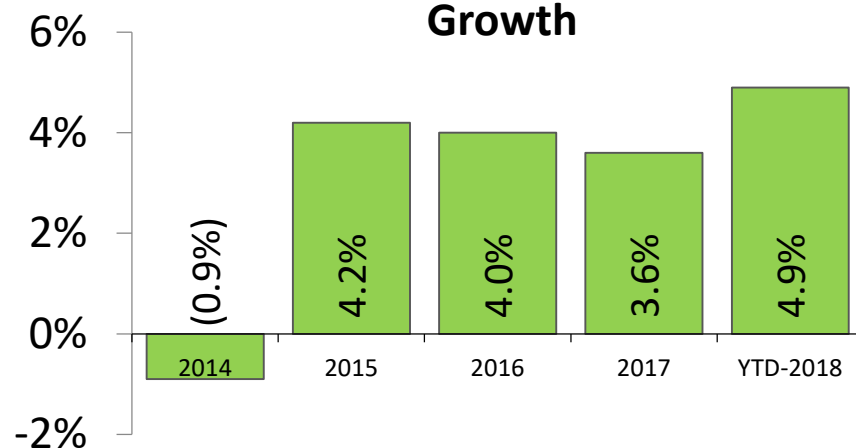
## Increasing earnings from existing operations through expense management.

- Energy conservation initiatives – \$3.5 million of investment in 2017 and \$5.0 million planned in 2018 – cumulatively saving \$2.0 million/year in expenses.
- Economies of scale – Negotiating lower pricing for goods and services.
- Employee training – Focus on front-line repairs and maintenance staff.
- Investment in technology – Mobile maintenance and online invoice processing.
- Risk management – Emphasis on loss prevention and claims management.
- Property taxes – Appealing rising property tax assessments.

### Same Property Expense Growth



### Same Property NOI Growth



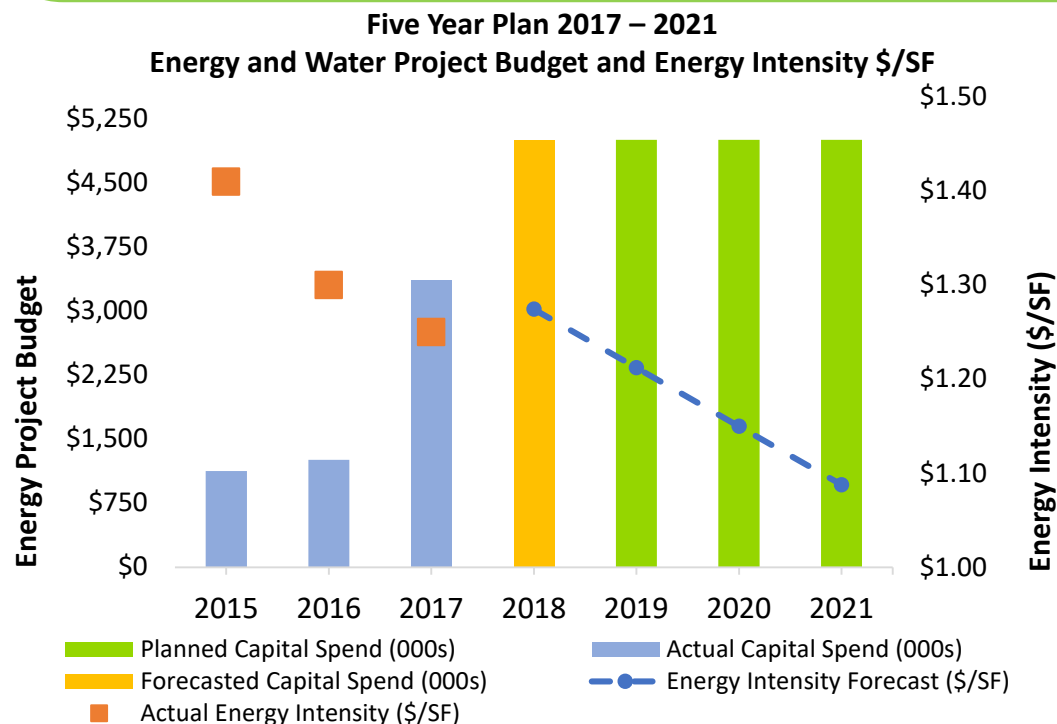
**2018 Target:** Same Property NOI growth of 3-5%.

**Long-term Target:** Average of 2%+ NOI growth.

\* Record high natural gas prices in Atlantic Canada impacted expense and NOI growth in 2014.

## Increasing earnings from existing operations through energy efficiency.

- Five year plan developed in 2016 to reduce resource intensity.
- **\$25 Million** of investments identified.
- **\$6 Million** invested to date.
- **4 Year** average payback.
- **\$7 Million** potential savings for a **\$140 Million** increase in NAV at 5.0% cap rate.
- 2018 - ~180 projects, **\$5.0M** invest with expected **\$1.1M** in annualized operating saving with a 4.2 year payback.



Killam has invested \$10 million to date in these projects, including 9,100 low-flow toilets installs, boiler upgrades and lighting retrofits.

## Driving revenues through unit repositionings to meet market demand.

- Seeking **higher** rent lifts and ROI on each unit turn with an increased focus on unit repositioning.

### 2018 Actual

- **~170** Units vs 43 units YTD-2017
- **14%** ROI
- **\$253** Avg Monthly Rental Rate Lift
- **\$22k** Avg Investment

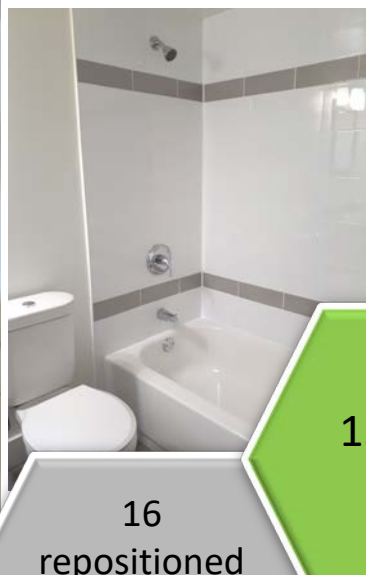
### 2019 Target

- **300** Unit Repositions
- **\$5-6M** Investment
- **\$0.9M** Annualized Revenue

### Total Opportunity

- **3000** Unit Repositions
- **\$54-60M** Investment
- **\$9M** Annualized Revenue

## Parker, Halifax (239 units) | Driving revenues through repositioning units



13% Avg ROI

\$0.4M Increased Targeted Asset Value

16 repositioned units targeted in 2018/19

\$21K Avg Investment

24% Avg Rent Lift  
\$220 Avg Monthly Increase



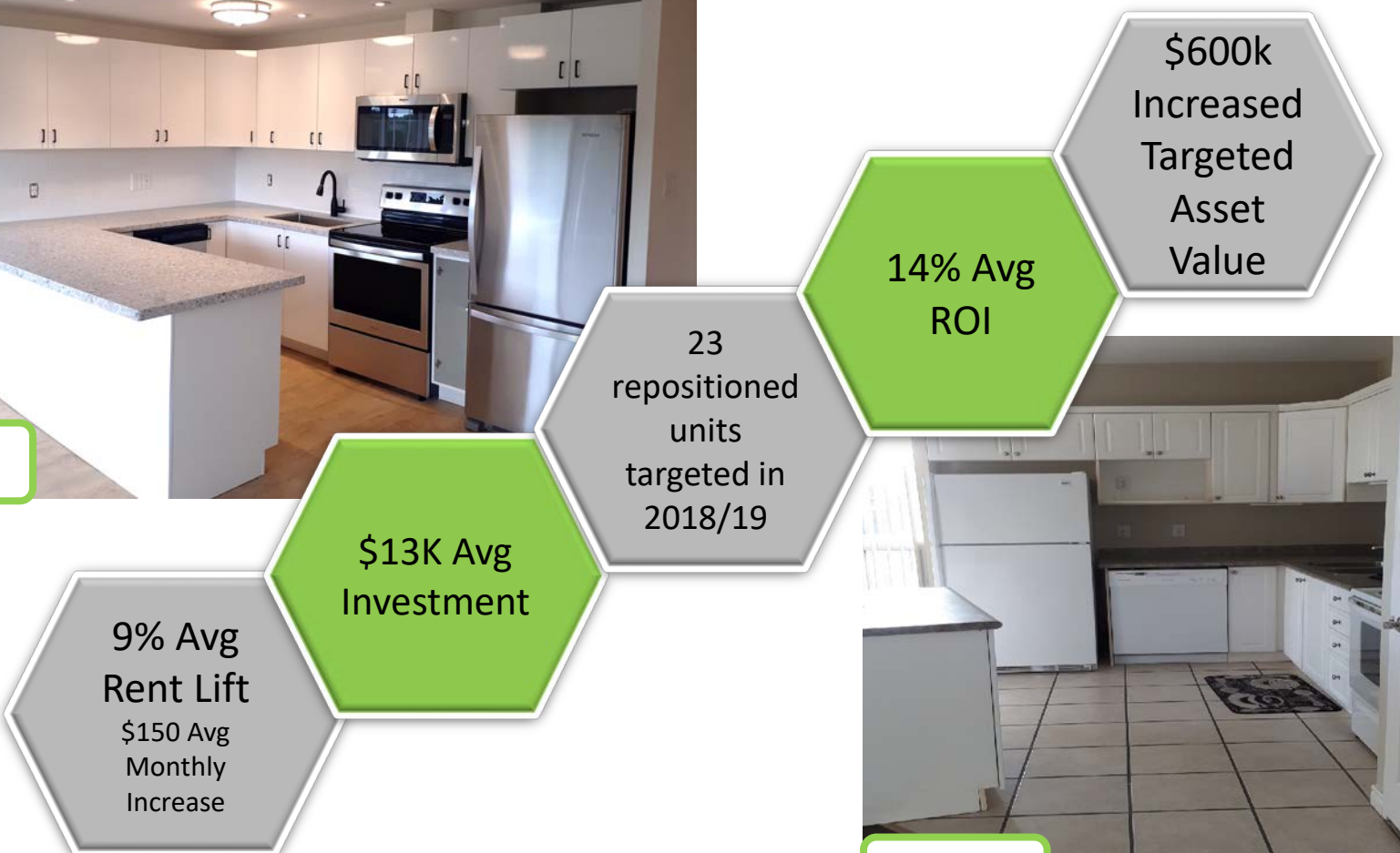
## Rivers Edge, Cambridge (225 units) | Driving revenues through repositioning units



**AFTER**



**BEFORE**



## Fort Howe, Saint John (153 units) | Driving revenues through repositioning units



AFTER



10% Avg ROI

\$1.1M Increased Targeted Asset Value

20 repositioned units targeted in 2018/19

\$32K Avg Investment

32% Avg Rent Lift  
\$275 Avg Monthly Increase

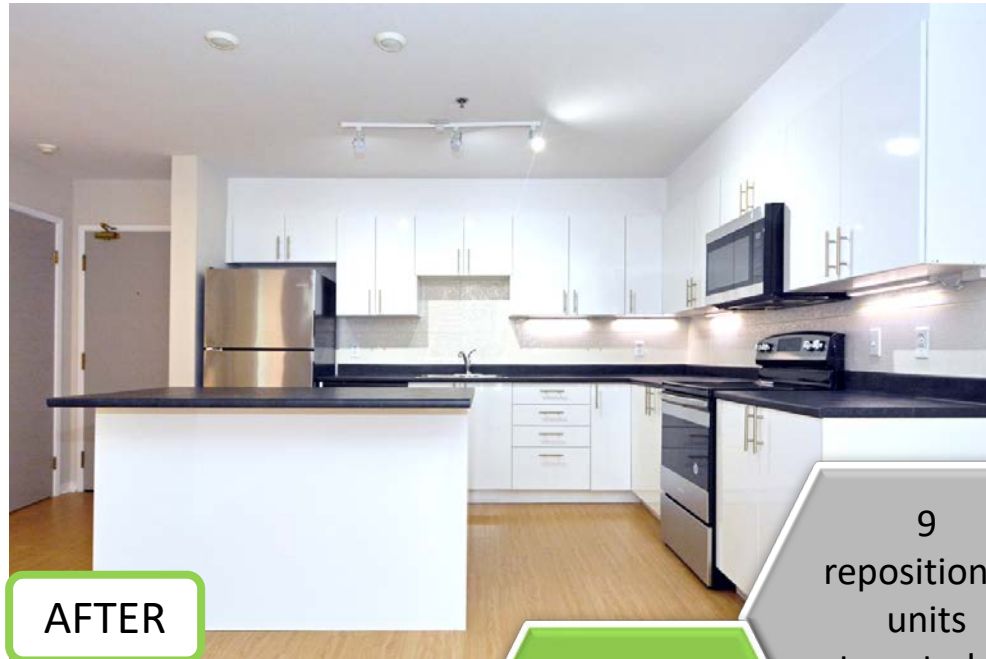


BEFORE



# Clearly Defined Strategy | Existing Portfolio

**Tobin (47 units), Halifax | Driving revenues through repositioning units**



**AFTER**

9 repositioned units targeted in 2018

\$25K Avg Investment

22% Avg Rent Lift  
\$270 Avg Monthly Increase

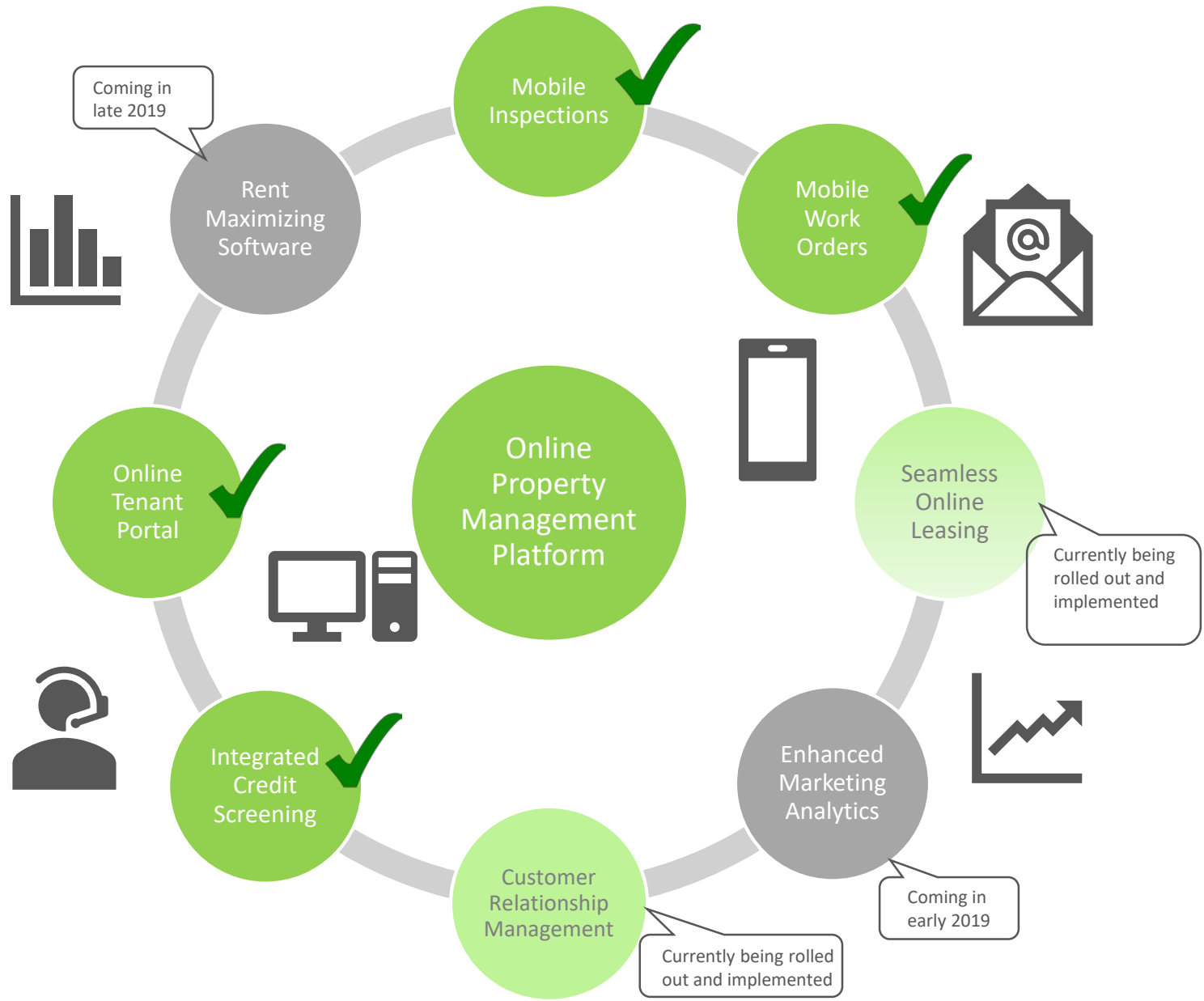
13% Avg ROI

\$232k Increased Targeted Asset Value

**BEFORE**



**BEFORE**

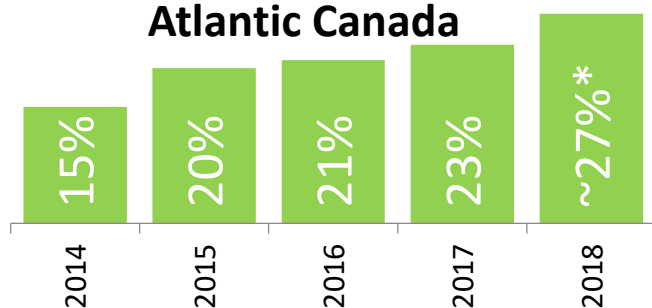


Expanding the portfolio and diversifying geographically through accretive acquisitions, with an emphasis on newer properties.

## Annual Acquisitions (\$ millions)



## NOI Generated Outside Atlantic Canada



### Focused on Expansion in Ontario and Alberta

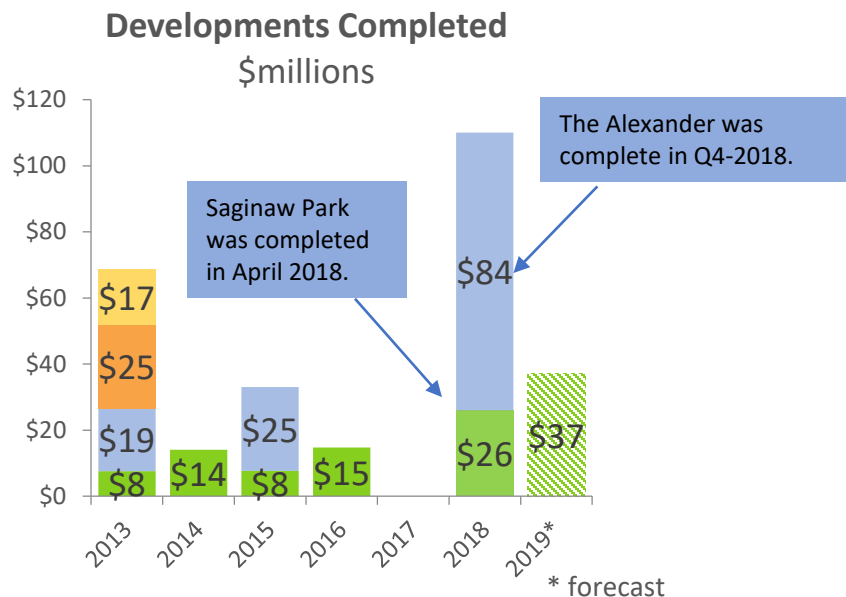
- Higher rates of population growth.
- Primary landing point for new Canadians.
- Traditional engines of economic growth.
- Liquid markets.
- Countercyclical to Killam's Atlantic Canadian holdings.

\*expected based on YTD as of Sept 30, 2018 and Q4 acquisitions.

**Long-term Target:** >30% of NOI generated outside Atlantic Canada by 2020.

## Developing high-quality properties in core markets.

- Over \$240 million (1,180 units) of developments completed or underway.
- Experienced in-house architect and engineers.
- Development pipeline of approximately 3,000 units.



Development projects underway and the recently completed (The Frontier, Saginaw Park and The Alexander) are expected to contribute FFO of \$0.03/unit and \$12 million of NAV when complete.

See pages 49 to 56 for additional information on Killam's current developments.

**Long-term Target:** Create \$20 million of value through development by 2020.

# Clearly Defined Strategy | Developments

Over \$200 million of developments completed.



49 units - Charlottetown, PEI



63 units - Halifax, NS



101 units - Fredericton, NB



47 units - Charlottetown, PEI



71 units - St. John's, NL



102 units - St. John's, NL



240 units - Halifax, NS



122 units - Cambridge, ON



70 units - Halifax, NS



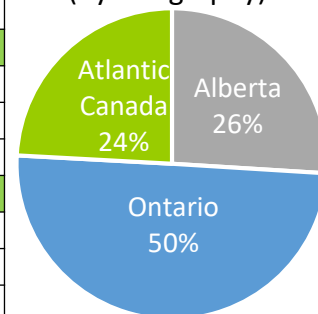
94 units - Cambridge, ON

# Clearly Defined Strategy | Developments

**Killam has a \$850 million development pipeline.**

Future Development Opportunities					
Property	Location	Killam Interest	Potential # of Units	Status	Est Year of Completion
<b>Developments expected to start in the next 24 months</b>					
Silver Spear II	Mississauga, ON	50%	64	Approved; to break ground Q1-19	2020
Weber Scott Pearl	Kitchener, ON	100%	178	In design	2021
Grid 5/Plaza 54 (Ph 1)	Calgary, AB	40%	132	In design and approval process	2021
Gloucester City Park (Ph 2)	Ottawa, ON	50%	104	In design	2021
Cameron Heights	Edmonton, AB	100%	172	In design and approval process	2021
Westmount (Ph 1)	Waterloo, ON	100%	120	In design	2022
<b>Developments expected to start in 2021-2025</b>					
Gloucester City Park (Ph 3-4)	Ottawa, ON	50%	185	In design	2024
Grid 5/Plaza 54 (Ph 2-3)	Calgary, AB	40%	276	In design and approval process	2024
Westmount (Ph 2-5)	Waterloo, ON	100%	680	In design	2028
<b>Additional future development projects</b>					
The Governor	Halifax, NS	100%	48	In design and approval process	TBD
Carlton Terrace	Halifax, NS	100%	104	In design and approval process	TBD
Kanata Lakes	Ottawa, ON	50%	40	In design and approval process	TBD
Haviland Street	Charlottetown, PE	100%	99	In design	TBD
Medical Arts (Spring Garden)	Halifax, NS	100%	200	Future development	TBD
Carlton Houses	Halifax, NS	100%	80	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
<b>Total Development Opportunities</b>			<b>2,787</b>		

**% of Total Development Pipeline (by Geography)**

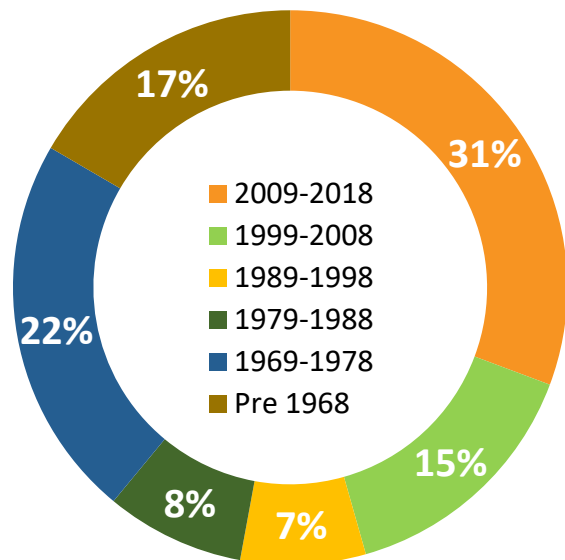


Killam targets yields of 5.0% - 6.0% on development, 50-150 bps higher than the expected cap-rate value on completion. Building out the \$850 million pipeline at a 100 basis point spread would create approximately \$200 million in net asset value for unitholders.

## Killam operates one of Canada's newest apartment portfolios.

- 31% of apartment NOI is earned from properties built in the last 10 years.
- Modern, high-quality buildings are in greater demand and require less maintenance capital to operate.

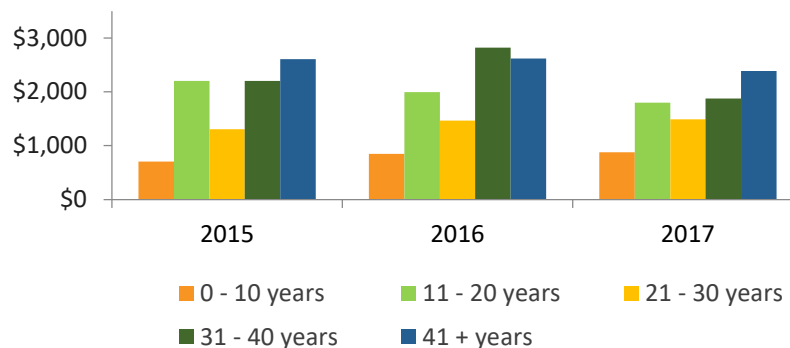
### Apartment NOI by Year of Construction



Killam is growing its portfolio of high-quality properties by focusing on developments and acquiring newer properties.

### Average Capital Spend Per Unit by Building Age

For the years ended Dec 31



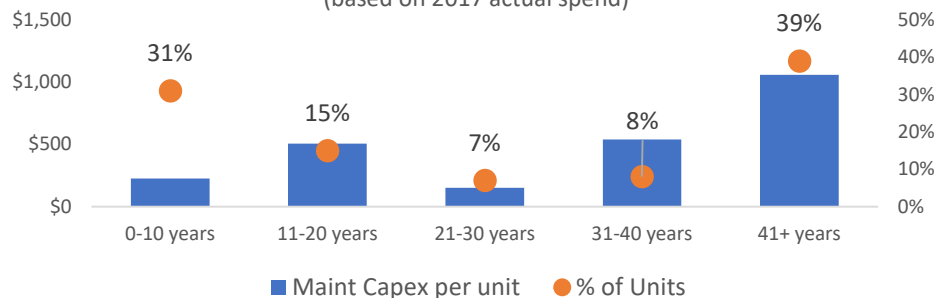
Killam's average annual spend for properties less than 10 years old was \$879 per unit in 2017 compared to \$2,325 per unit for buildings over 40 years old.

Killam's overall average annual capital spend was \$1,966 per unit in 2017.

Maintenance capital (\$900/unit) represents 46% of total capital spend.

### Avg Maint Capex Spend per Unit by Building Age

(based on 2017 actual spend)



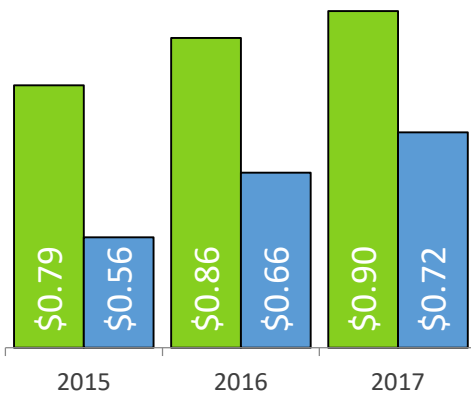
# Growing Earnings & Improved Payout Ratio

FFO and AFFO per unit growth from same property NOI growth, interest savings, accretive acquisitions and developments.

## FFO & AFFO Per Unit

For the years ended Dec 31

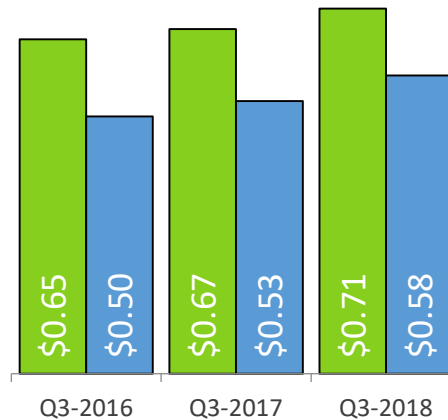
■ FFO ■ AFFO\*



## FFO & AFFO Per Unit

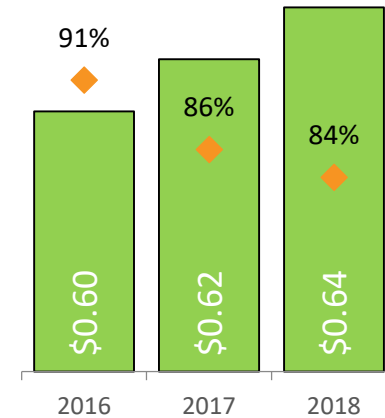
For the 9 months ended September 30

■ FFO ■ AFFO\*



## Distribution & Payout Ratio

■ Distribution  
◆ AFFO Payout Ratio\*\*



\*AFFO calculation revised in Q1-2017 based on REALpac white paper published in February 2017. Historical AFFO restated to conform to current presentation.

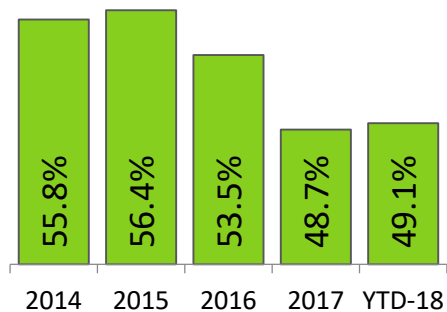
\*\* AFFO payout ratio represents consensus estimate based on current annual distribution of \$0.64. Killam's Board of Trustees approved a 3.2% increase on February 13, 2018.



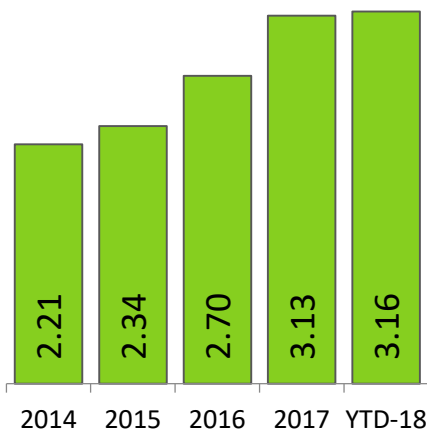
# Strong Balance Sheet, Increased Flexibility

Killam is managing its balance sheet with conservative leverage.

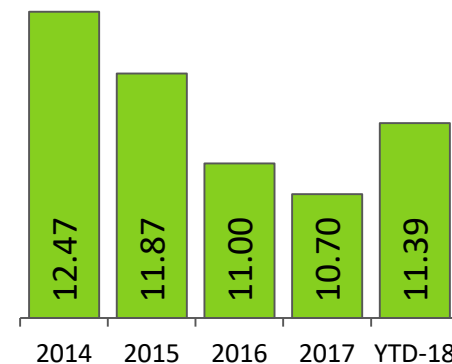
Debt as a % of Total Assets



Interest Coverage Ratio



Debt to EBITDA



Debt to normalized EBITDA with stabilization of recent acquisitions and developments would be approx. 10.4x.

- Killam has a credit facility of up to \$90 million (including a \$20 million accordion feature). As at September 30, 2018, \$16.4 million was drawn on the facility.

**Long-term Targets** Debt as a percentage of assets of less than 50% by 2020.

# Interest Expense Savings

- ~\$158 million of apartment refinancings in 2019.
- Expect to refinance mortgage maturities at higher interest rates in 2019 & 2020.

**Current Weighted Average Interest Rate of 2.94%**

**84% of Apartment Mortgages CMHC Insured**

**Weighted Average Term to Maturity of 4.5 years**

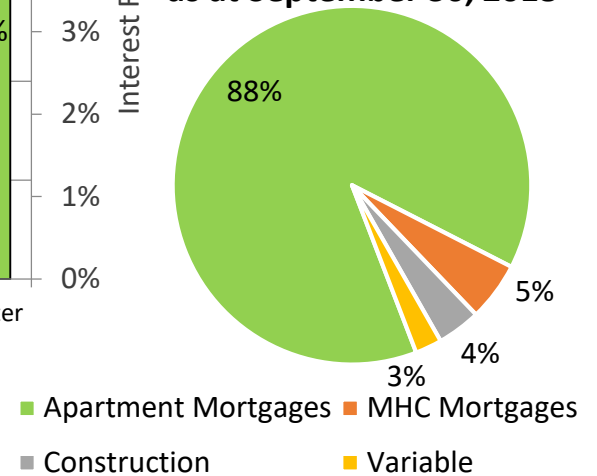
### Apartment Mortgage Maturities by Year As at September 30, 2018



Current rate for 5-year CMHC insured debt is approximately 2.9%.

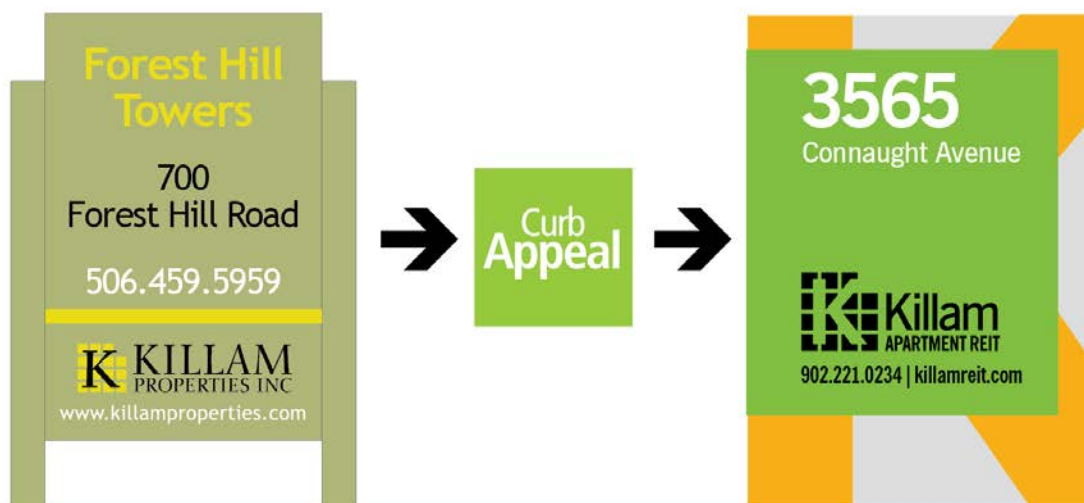
Current rate for 10-year CMHC insured debt is approximately 3.1%.

### Type of Debt as at September 30, 2018



**Killam is positioned for long-term success with a focus on the following initiatives:**

- Growing the portfolio and expanding geographically with accretive acquisitions.
- Expanding the portfolio through developments in core markets.
- Cost management through ongoing process improvements.
- Maintaining a strong balance sheet and lowering debt levels.
- Increasing capital flexibility with an expanded line-of-credit and improved AFFO payout ratio.





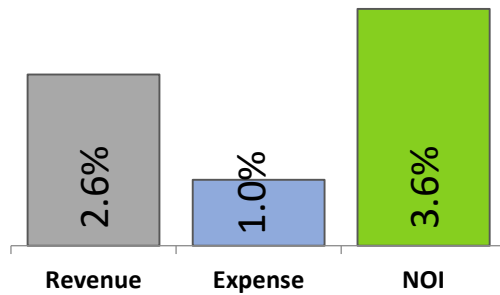
# Appendices



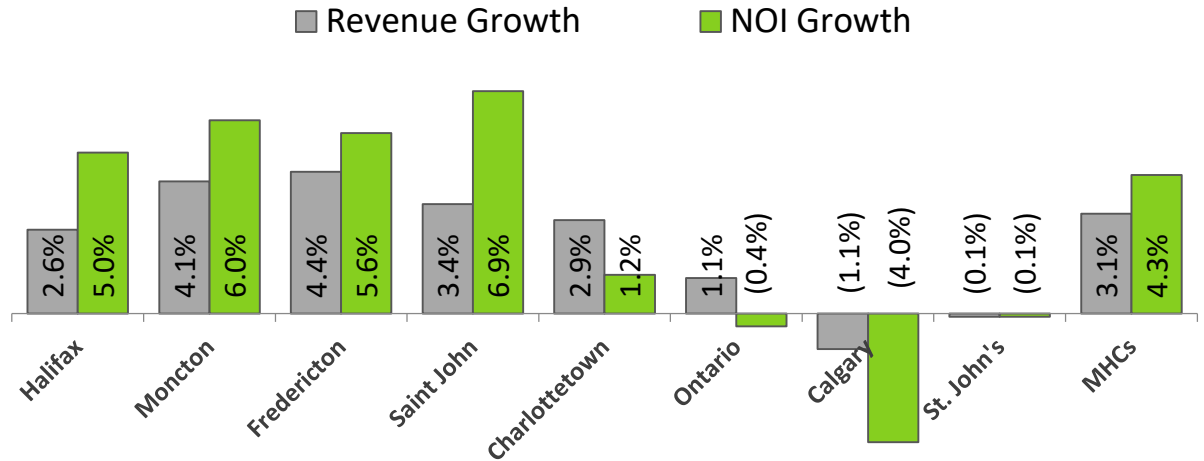
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# 2017 & Q1-Q3 2018 Performance

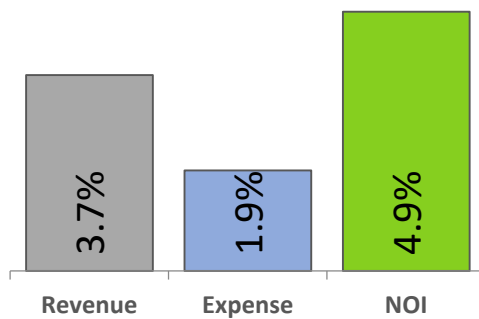
### 2017 Same Property Performance



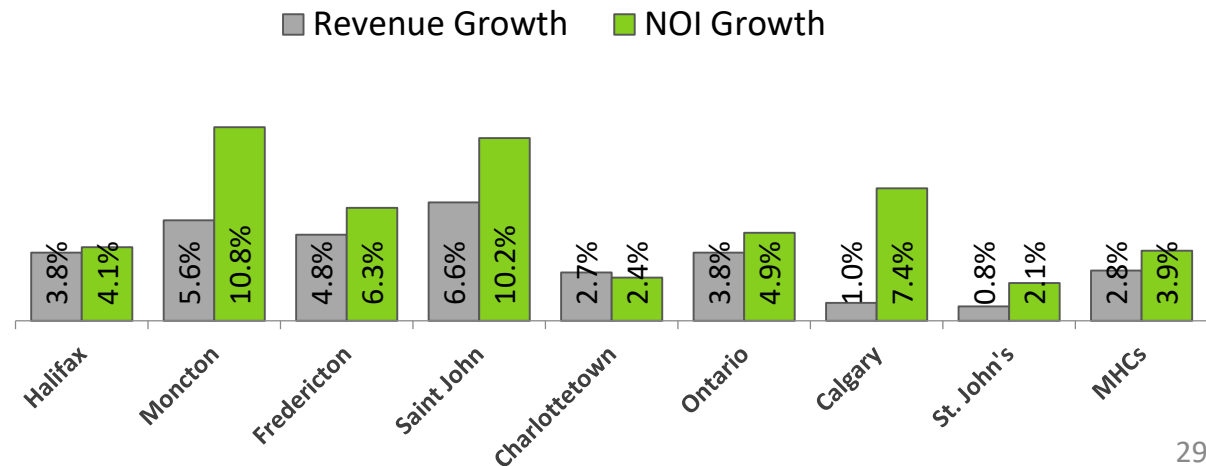
### 2017 Results by Market



### Q1-Q3 2018 Same Property Performance



### Q1- Q3 2018 Results by Market

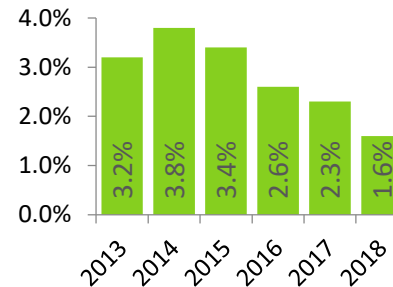


**The Halifax rental market has been very strong with overall vacancy at historic low level of 1.6%.**

## Current Market Conditions

- Strong demand due to population growth from immigration, intraprovincial migration and demographics continues to outpace new supply
- Increasing supply with rising number of rental units under construction
- Occupancy forecast to increase only modestly over the coming years and turnover rate declines to 21% in 2018

**Halifax Vacancy per CMHC**

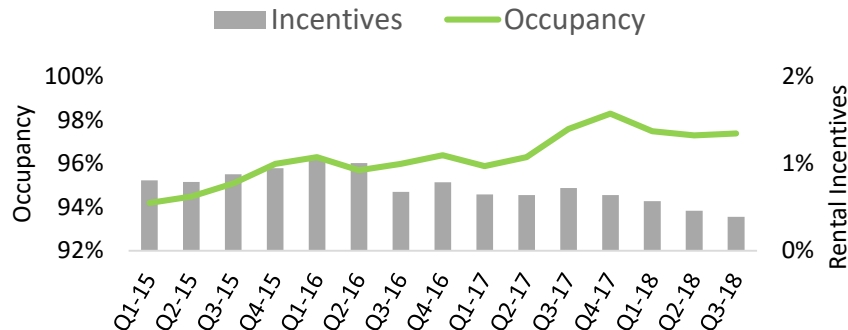


## CMHC Market Stats<sup>2</sup>

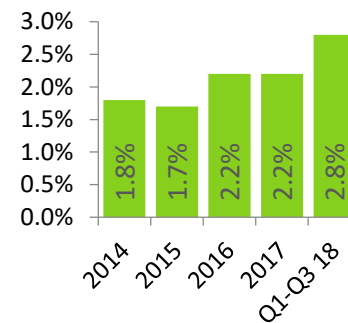
49,025 Rental Units  
 1.6% Vacancy  
 2.1% ↑ in Average Rent  
 1,922 Starts in 2018  
 1,320 Completions in 2018  
 4,088 Under Construction  
 \$1,066 Average Rent

## Killam's Same Property Performance

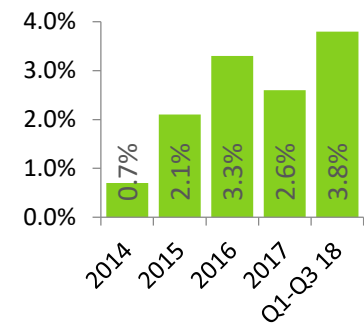
**Halifax Same Property Occupancy**



**Halifax Same Property Rental Increases**



**Halifax Same Property Revenue Growth**



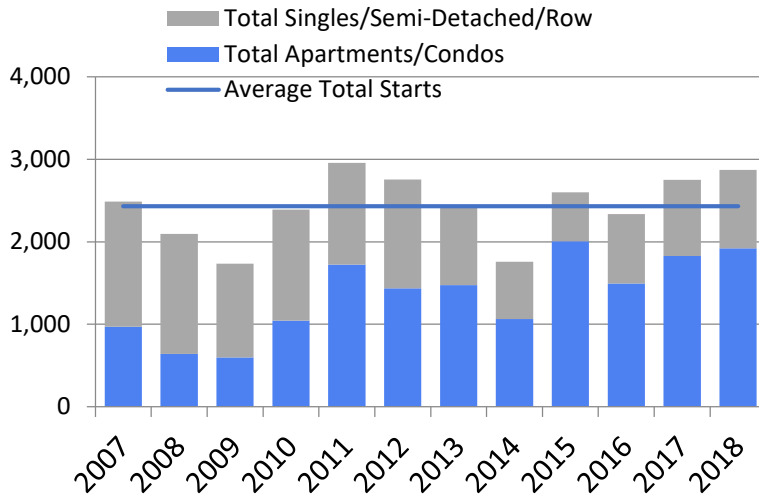
<sup>1</sup> Conference Board of Canada.

<sup>2</sup> CMHC 2018 Rental Market Report, Fall 2018 Housing Market Outlook and Housing Portal.

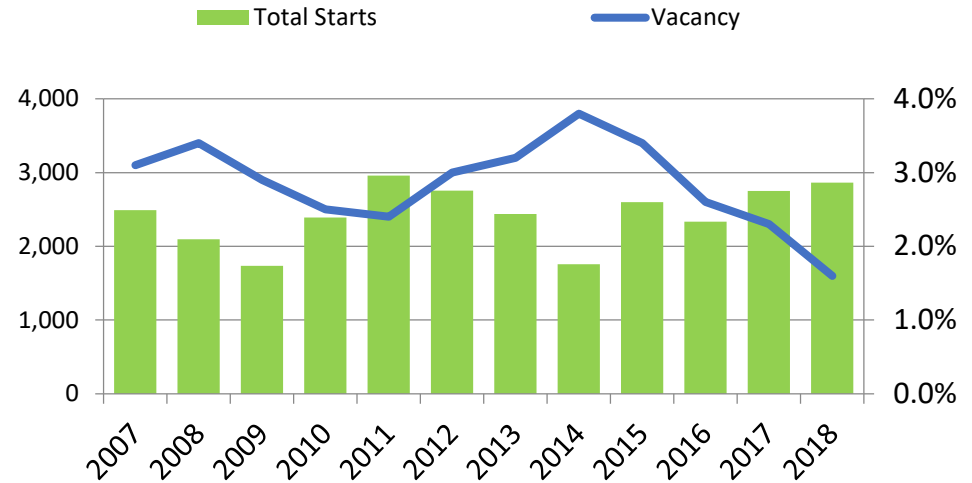
# Halifax – 43% of NOI

**New supply has been absorbed by population growth from immigration, migration and demographics.**

### Halifax Housing Starts - Apt & Single



### Halifax Housing Starts & Vacancy Trend



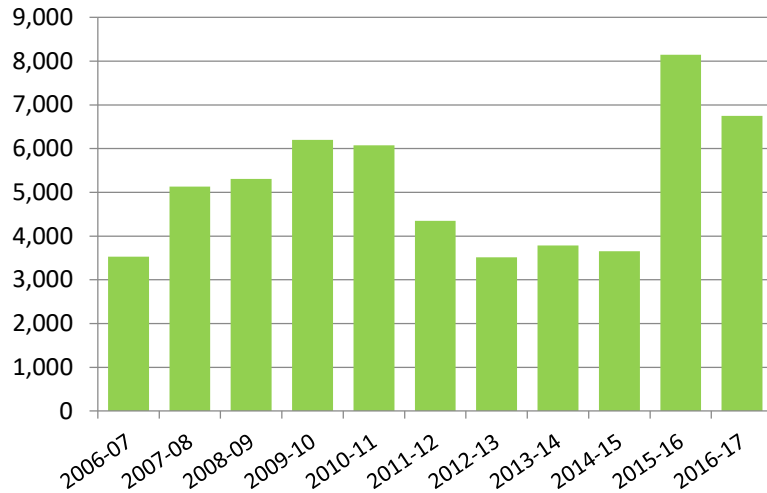
Total housing starts have averaged 2,400 dwellings over the past decade – however the portion of multi-family units has increased from 1/3 to 2/3 of starts.

Halifax employment up **5.4%** in November 2018 compared to November 2017 due to rise in full-time jobs.

# Halifax – 43% of NOI

**From January 2016 – August 2018, almost 12,000 new permanent residents have landed in Halifax.**

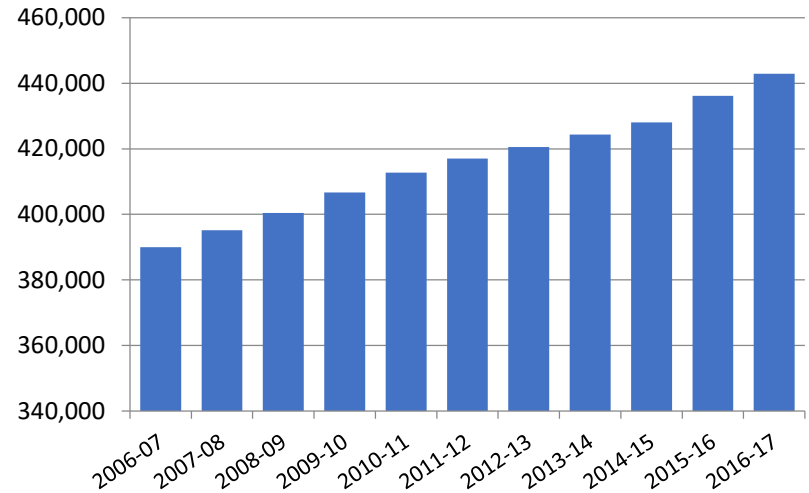
**Halifax Population Growth and Source**  
Annually from July 1 – June 30



Source: CMHC

Net interprovincial migration into Nova Scotia has been positive for the last three years, with figures surpassing 2,500 in both 2017 and 2018.

**Halifax Total Population**



Source: Statistics Canada

Statistics Canada's latest population estimates for cities in February, estimates Halifax's population increased by 1.6% for the 12 months ended June 30, 2017.

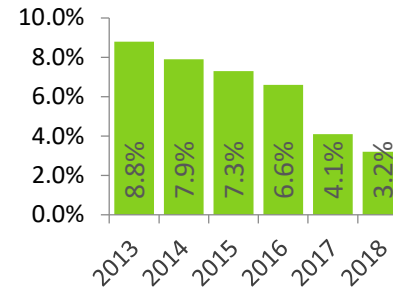


**Population growth coupled with limited construction has resulted in 18-year low vacancy level of 3.2%.**

## Current Market Conditions

- Population growth from increased interprovincial and international migration boosts rental demand in 2018, along with downsizing seniors.
- Fewer apartment starts in recent years has contributed to improved occupancy.
- Higher occupancy and rental increases in all three major markets.

**NB Vacancy per CMHC**

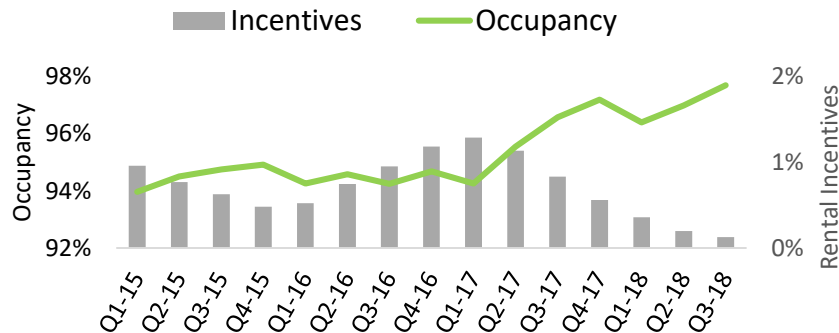


## CMHC Rental Stats<sup>1</sup>

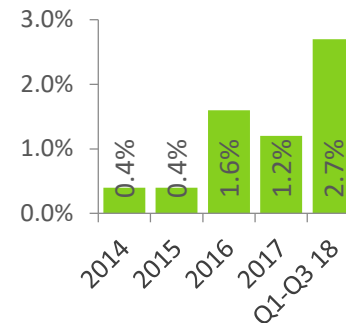
35,066 Rental Units  
 3.2% Vacancy  
 3.2% ↑ in Average Rent  
 622 Starts in 2018  
 728 Completions in 2018  
 833 Under Construction  
 \$773 Average Rent  
 \$750 Median Rent

## Killam's Same Property Performance

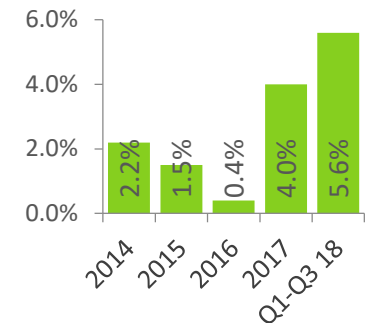
**NB Same Property Occupancy**



**NB Same Property Rental Increases**



**NB Same Property Revenue Growth**



<sup>1</sup> CMHC 2018 Rental Market Report and Fall 2018 Housing Market Outlook and Housing Portal.

# Ontario – 22% of NOI

**Strong rental market driven by robust job market, international immigration and high housing prices.**

## Current Market Conditions

- Strong economic growth.
- Rising population due to immigration and intra-provincial migration.
- Growth in rental supply outpaces strong rental demand.
- Affordability of homeownership is driving many to rent.
- Low vacancy rates and high asking rents resulted in lower turnover.

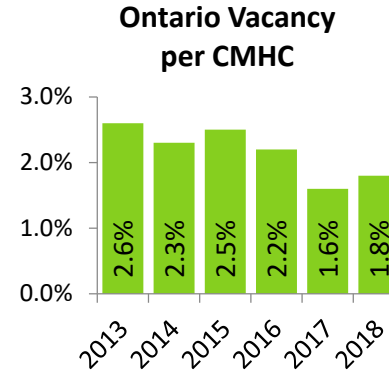
## CMHC Rental Stats<sup>1</sup>

Ottawa (6.2% of NOI)  
 1.6% vacancy in 2018  
 1.7% vacancy in 2017

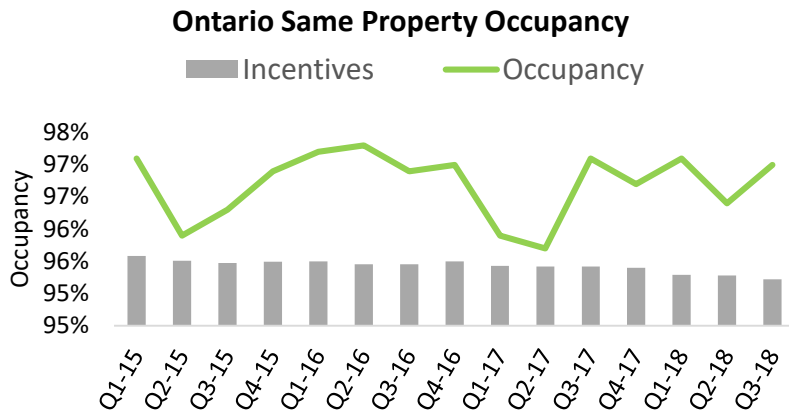
London (3.8% of NOI)  
 2.3% vacancy in 2018  
 1.8% vacancy in 2017

Cambridge (3.4% of NOI)  
 3.0% vacancy in 2018  
 1.9% vacancy in 2017

Toronto (2.8% of NOI)  
 1.1% vacancy in 2018  
 1.1% vacancy in 2017

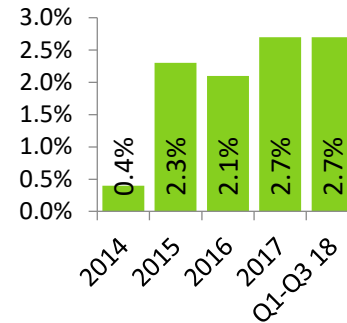


## Killam's Same Property Performance

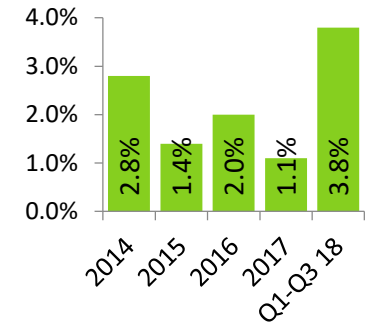


Rental Incentives

### Ontario Same Property Rental Increases



### Ontario Same Property Revenue Growth



<sup>1</sup> CMHC 2018 Rental Market Report and Fall 2018 Housing Market Outlook and Housing Portal.

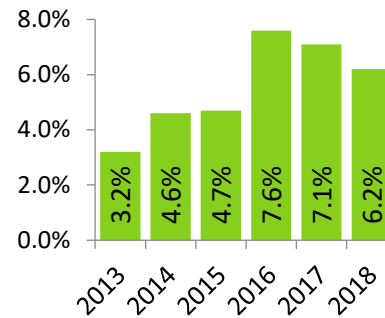
# St. John's & Charlottetown, 6% & 5% of NOI

## St. John's – Occupancy trending higher with more robust and improving economic conditions

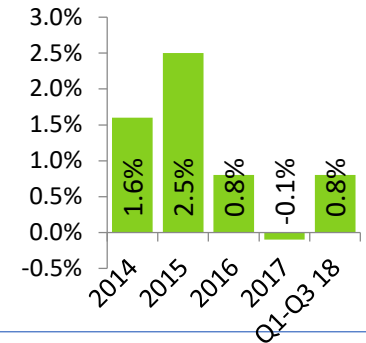
### Market Fundamentals

- Rental market has stabilized with a second year in a row (2017 & 2018) of decreasing vacancy rates.
- Rental rates have shown growth of 1.6% in 2018 after a decline in the previous year.
- Depressed construction with rental completions well below the average of the last five years should drive improvements in vacancy going forward.

St. John's Vacancy per CMHC<sup>1</sup>



St. John's Same Property Revenue Growth

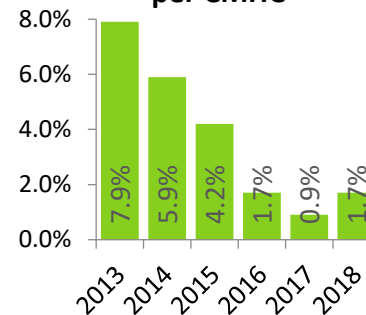


## Charlottetown – Tight market as supply has not kept pace with population growth.

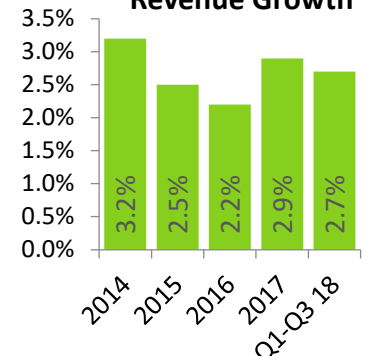
### Market Fundamentals

- Per capita, amongst the highest rates of immigration in Canada leading to significant population growth.
- Sizable senior population downsizing to rental.
- Limited new construction with only 327 multi-family starts in 2018.
- Rent control limits rental rate growth.

Charlottetown Vacancy per CMHC<sup>1</sup>



Charlottetown Same Property Revenue Growth



<sup>1</sup> CMHC 2018 Rental Market Report and Fall 2018 Housing Market Outlook and Housing Portal.

Q1-2018 Acquisitions

## The Killick, Halifax

### Description:

110 units & 4,500 sf of commercial space

Average rent – \$1,810/month (\$2.00/sf)

Fully leased

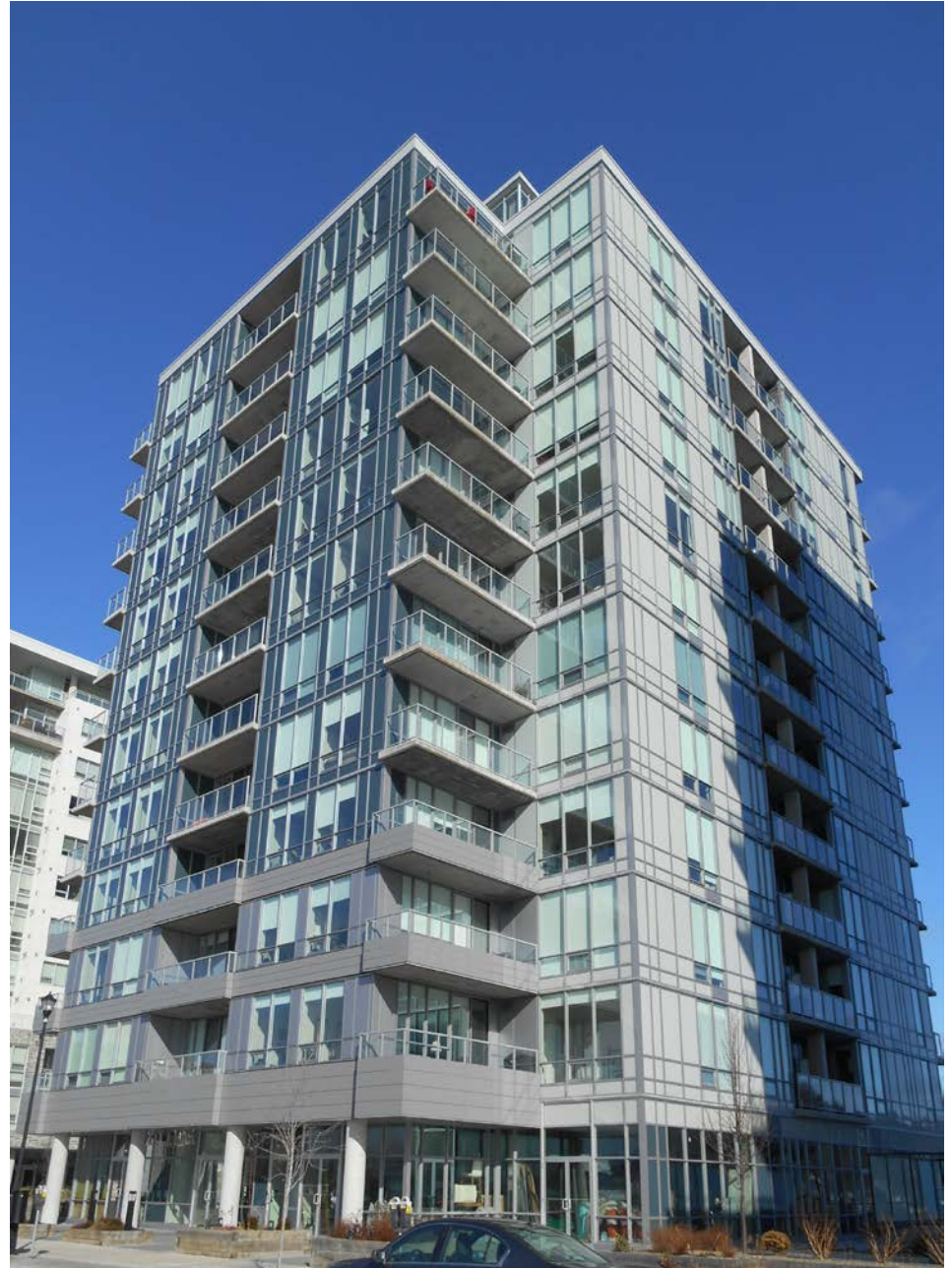
### Location:

49 King's Wharf, Dartmouth

### Acquisition Details:

\$33.0 million (\$290,000/unit)

5.0% capitalization rate



Q1-2018 Acquisitions

## Westmount Place, Waterloo

**Description:**

- 14.7 acre existing commercial site
- 189,000 sf office tower
- 87,000 sf grocery anchored retail plaza
- 21,000 sf of second floor office space
- 2.0 acre residential development site  
expected to support 560 units

**Commercial/Office Details:**

- 8 year average lease term
- 96% occupancy
- 84% national tenants
- Sunlife = 56% of revenue
- 33,000 sf grocer to open Nov-18

**Acquisition Details:**

- \$77.8 million
- 5.7% yield



Q1-2018 Acquisitions

## Westmount Place, Waterloo



## Westmount Place, Waterloo

### Development Opportunity:

- 560 - 800 units
- 3-phase development
- Construction expected to begin in late 2019/early 2020
- Opportunity to create over \$70 million of unitholder value through the development of 560-800 units



Future development, Westmount Place, Waterloo.

## Westmount Place, Waterloo

### Development Opportunity – Building A:

- 116 units; 98 parking spaces underground and a new parking garage for Sunlife Employees (175 spaces)





## Central Calgary Development | Plaza 54

### Description:

32,548 sf development site located adjacent Grid 5 and another site purchased in 2015

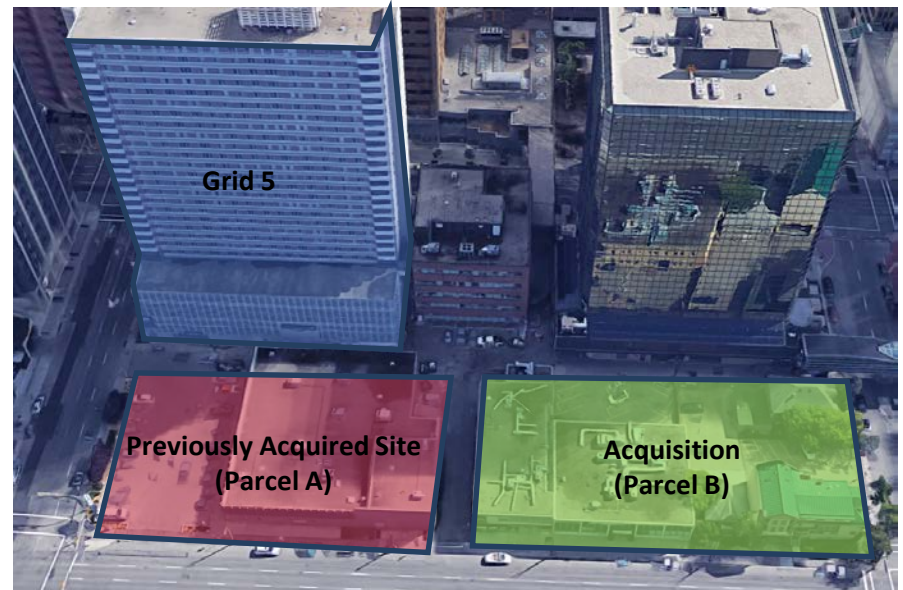
Combined expected to support three towers totalling 970 units

### Location:

5<sup>th</sup> Street Southwest and 4<sup>th</sup> Avenue Southwest  
Adjacent Grid 5

### Acquisition Details:

\$7.2 million (40% interest)



Q1-2018 Acquisitions/ Future Developments

## Weber Scott Pearl, Kitchener

### Description:

1.8 acre development site including a small commercial building and a heritage residence

Opportunity to develop a 163-unit apartment building

**Location:** Downtown Kitchener

**Acquisition Details:** \$6.0 million



## Vibe Lofts, Edmonton

### Description:

178 units

Average rent of \$1,444/month (\$2.35 per square foot);

Construction completed in September 2017

Occupancy at 85%

### Acquisition Details:

\$47.0 million (\$267,000/unit)

### Location:

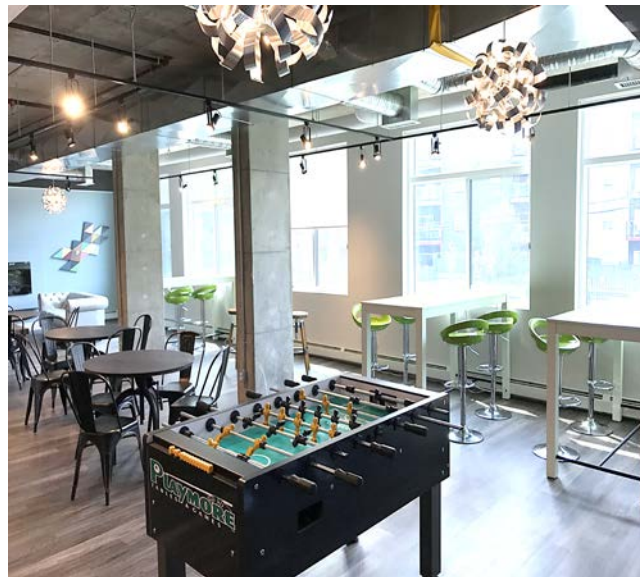
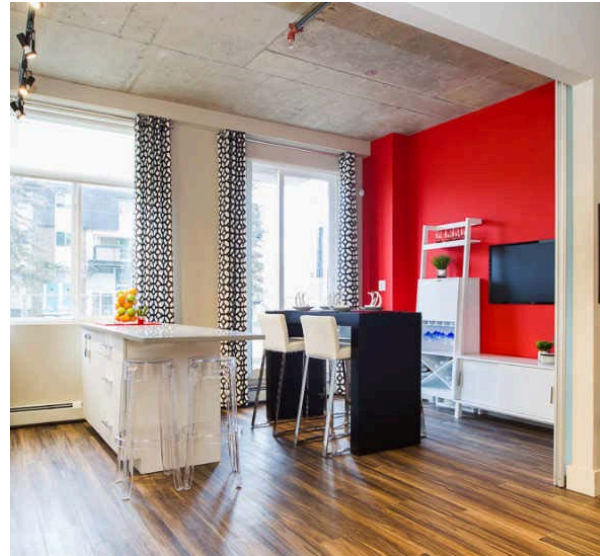
10620-116<sup>th</sup> Street NW Edmonton, Alberta



Vibe Lofts, Edmonton

Q3-2018 Acquisitions

## Vibe Lofts, Edmonton



## Nolan Hill, Calgary

### Description:

10% interest in a 13.58-acre development site

Located in Northwest Calgary

Zoned for 829 units

First phase – 233 units to be completed in 2020

### Acquisition Details:

\$2.0 million for 10% interest

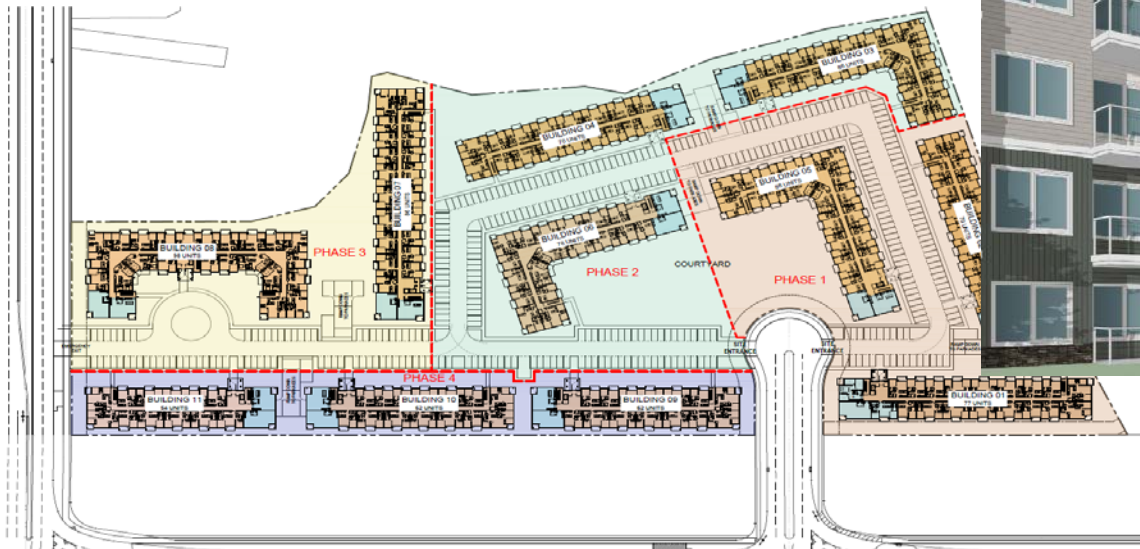
Agreed to purchase first phase of 233 units at a purchase price of \$55 million (\$236,000 per unit)

Future first right to purchase remaining phases

Westmount Place,



PHASING PLAN



Q3-2018 Acquisitions

## Harley Street, Charlottetown

### Description:

107 units

Average rent – \$1,505/month (\$1.40/sf)

Current occupancy – 100%

### Location:

Charlottetown, PEI

### Acquisition Details:

\$22.4 million (\$209,000/unit)

5.6% capitalization rate



Q3-2018 Acquisitions

## 151 Greenbank, Ottawa

### Description:

60 units

Average rent – \$1,729/month (\$2.24/sf)

Current occupancy – 93% (initial lease-up)

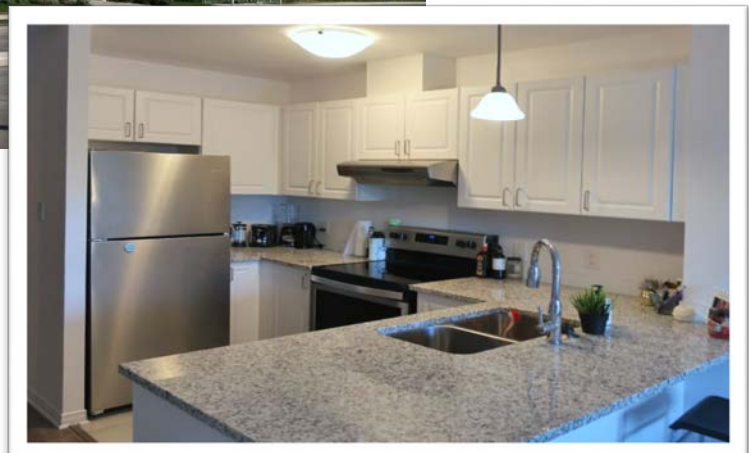
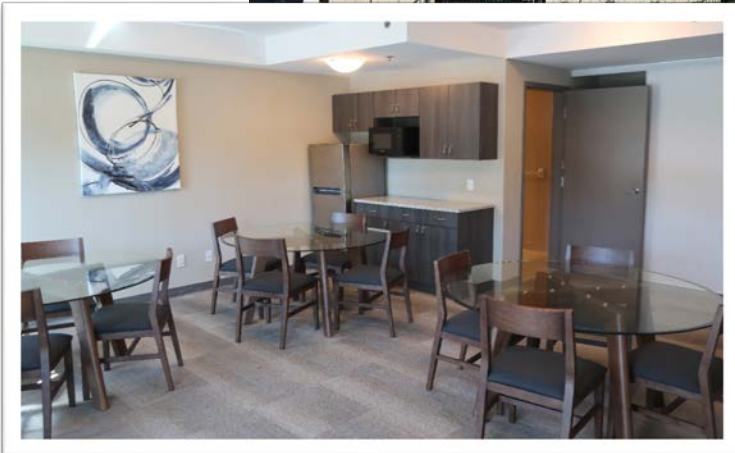
### Location:

Ottawa, ON

### Acquisition Details:

\$20.7 million (\$345,000/unit)

4.6% capitalization rate



## Treo, Calgary

### Description:

158 units

Average rent – \$1,339/month (\$1.55/sf)

Current occupancy – 100%

### Location:

Sherwood neighbourhood, Calgary

### Acquisition Details:

\$39.0 million (\$247,000/unit)

4.9% capitalization rate





## Developments

### **Saginaw Park, Cambridge**

**Rental Units:** 94 units

**Start Date:** Q3-2016

**Completion Date:** April-2018

**Location:** Adjacent Saginaw Gardens,  
Saginaw Parkway, Cambridge

**Cost:** \$25.5 million (\$274,000/unit)

**Expected Yield:** 5.4%

**Expected Value:** 4.0%

**Average Unit Size:** 1,025 sf

**Average Rent:** \$1,670 (\$1.63/sf)

**Current Occupancy:** 100%

Unique design features include:

- Sub-metered water
- Smart locks controlled by smartphones

## The Alexander, Halifax



**Rental Units:** 240 units & 6,350 sf of retail space

**Ownership during development:** Killam 50%, Partners 50%\*

**Completion:** Q4-2018

**Location:** Downtown Halifax across from the waterfront

**Cost:** \$41.6 million (Killam's 50% cost)

**Expected Yield:** 4.70%

**Market Cap-rate:** 4.40%

**Average Unit Size:** 740 sf

**Average Rent:** \$1,770 (\$2.39/sf)

**Leased (as of Jan 18/19):** 100%

\*Killam purchased the remaining 50% of The Alexander on Dec 18, 2018 for \$44.5M.

Developments

# The Alexander, Halifax



Developments

## Gloucester City Centre (Phase I) – The Frontier, Ottawa

**Rental Units:** 228 units

**Ownership:** Killam 50%, RioCan 50%

**Start Date:** Q2-2017

**Projected Completion:** Q2-2019

**Location:** Ottawa's East End, adjacent  
Ottawa's Light Rail Transit (LRT) Blair Station.

**Cost:** \$36.5 million (Killam's cost)  
(\$320,000/unit)

**Expected Yield:** 5.0%

**Expected Cap-rate:** 4.0%

**Average Unit Size:** 789 square feet

**Average Rent:** \$1,829 (\$2.32/sf)



## Gloucester City Centre | Four Phase Development of 840 Units



## Shorefront, Charlottetown

**Rental Units:** 78 units

**Start Date:** Q4-2018

**Projected Completion:** Q2-2020

**Location:** Charlottetown, PEI

**Cost:** \$20.8 million (\$267,000/unit)

**Expected Yield:** 5.6%

**Expected Cap-rate:** 5.0%



Future Developments

**Silver Spear II, Mississauga**



**Rental Units:** 128 units

**Ownership:** Killam 50%, Partners 50%

**Expected Start Date:** Q1-2019

**Projected Completion:** Q1-2021

**Location:** Dixie Road, Mississauga

**Cost:** \$24.5\* million (\$383,000/unit)

**Expected Yield:** 5.25%

**Expected Cap-rate:** 3.50%

**Average Unit Size:** 740 sf

**Average Rent:** \$1,925 (\$2.58/sf)

\* 50% interest


## Future Developments



Kanata Lakes - New 80-unit building beside existing 5-building property in Ottawa.



The Governor - 48 units beside The Alexander in Halifax.

Governor's Plaza  Killam



Carlton Terrace - 104 units beside Spring Garden Terrace in Halifax.



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