



Investor Presentation | April 2019



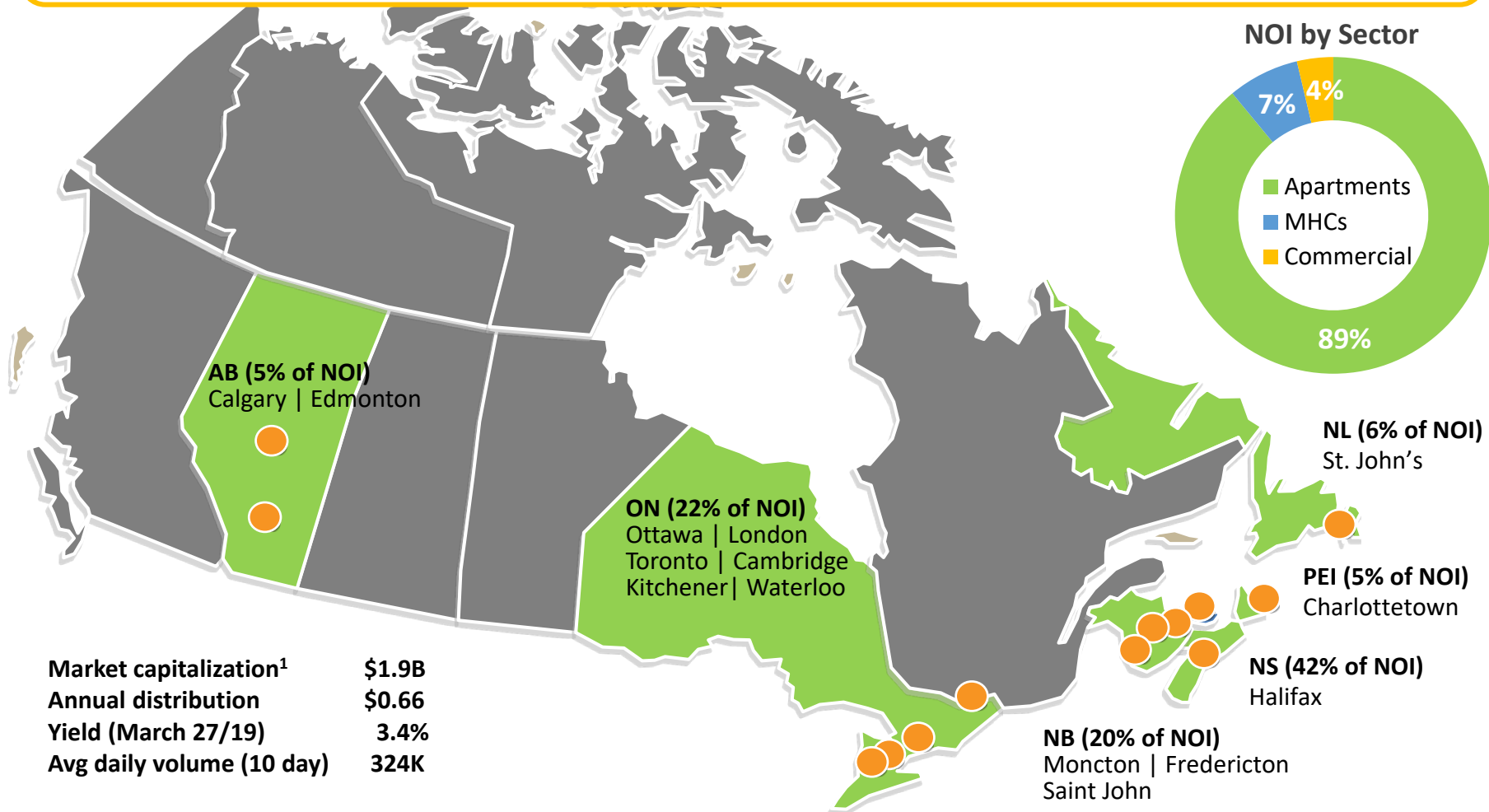
Cautionary Statement

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

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.



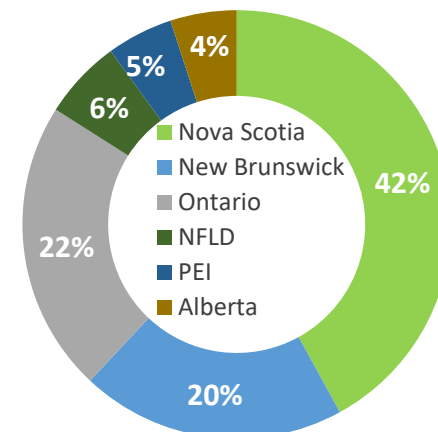
Market capitalization ¹	\$1.9B
Annual distribution	\$0.66
Yield (March 27/19)	3.4%
Avg daily volume (10 day)	324K

¹ Includes exchangeable units.

Apartment Portfolio			
	Number of Units	Number of Properties	% of Total NOI ⁽¹⁾
Nova Scotia			
Halifax	5,753	64	35.6%
Sydney	139	2	1.0%
	5,892	66	36.6%
New Brunswick			
Fredericton	1,422	21	7.1%
Moncton	1,629	31	7.5%
Saint John	1,202	14	4.7%
Miramichi	96	1	0.5%
	4,349	67	19.8%
Ontario			
Ottawa	1,124	10	6.4%
London	523	5	3.7%
Toronto	378	2	2.8%
Cambridge	448	5	3.5%
	2,473	22	16.4%
Newfoundland & Labrador			
St. John's	915	12	5.3%
Grand Falls	148	2	0.6%
	1,063	14	5.9%
Prince Edward Island			
Charlottetown	1,015	19	5.1%
Summerside	86	2	0.4%
	1,101	21	5.5%
Alberta			
Edmonton	474	3	2.7%
Calgary	531	3	2.1%
	1,005	6	4.8%
Total Apartments	15,883	196	89.0%

Manufactured Home Community Portfolio			
	Number of Sites	Number of Communities	% of Total NOI ⁽¹⁾
Nova Scotia	2,749	17	3.3%
Ontario	2,284	17	3.6%
New Brunswick ⁽²⁾	224	1	0.1%
Newfoundland & Labrador	170	2	0.3%
Total MHCs	5,427	37	7.3%
Commercial Portfolio			
	Square Footage	Number of Properties	% of Total NOI ⁽¹⁾
Halifax, NS	254,000	5	2.2%
Waterloo, ON	297,000	1	1.5%
Total Commercial	551,000	6	3.7%
Total Portfolio		239	100.0%

NOI By Province



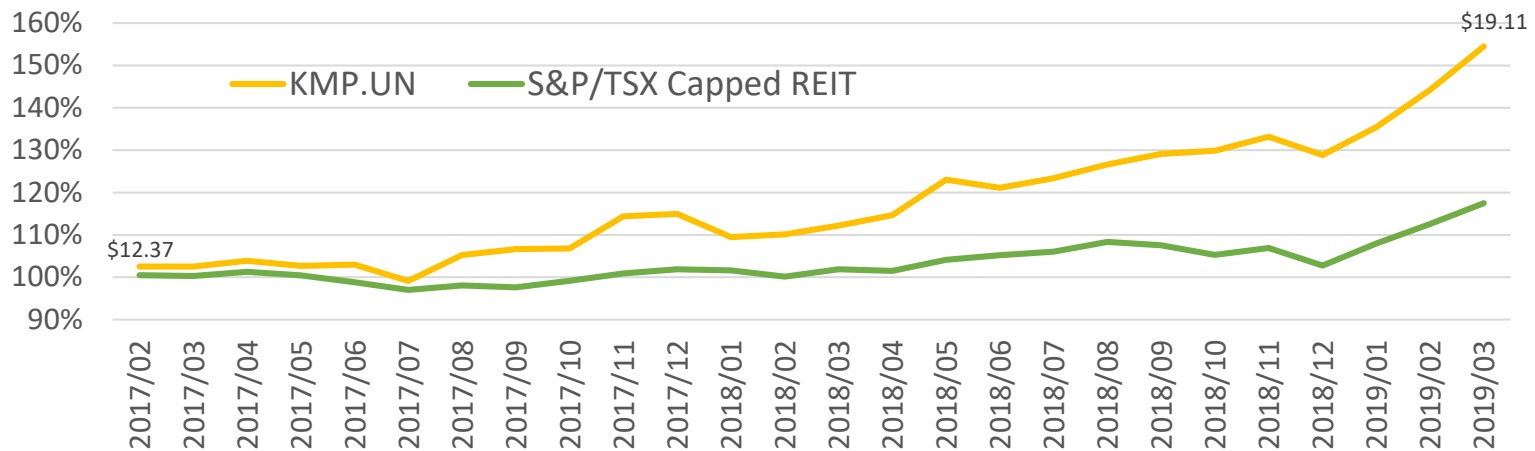
(1) % of Total NOI for the twelve months ended December 31, 2018.

(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 33% 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.

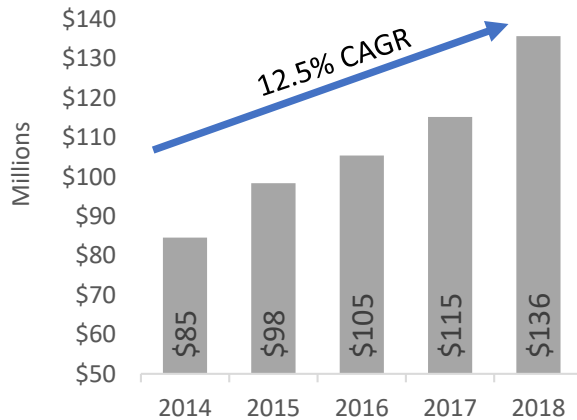
Unit Price Performance
Killam vs. S&P/TSX Capped REIT



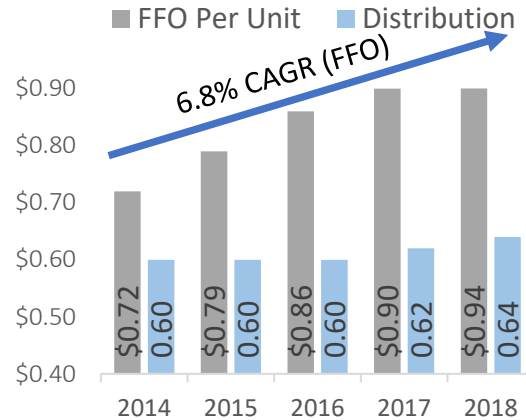
2018 Highlights | Five Years of Strong Growth



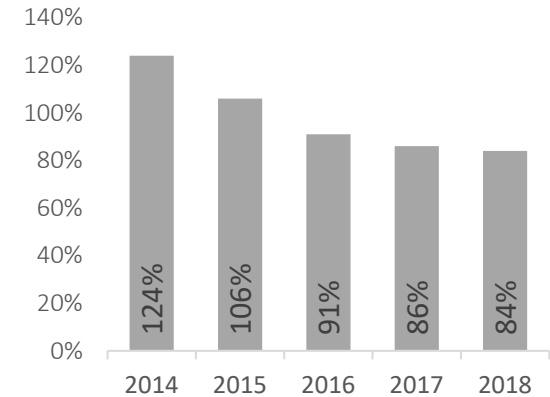
Net Operating Income



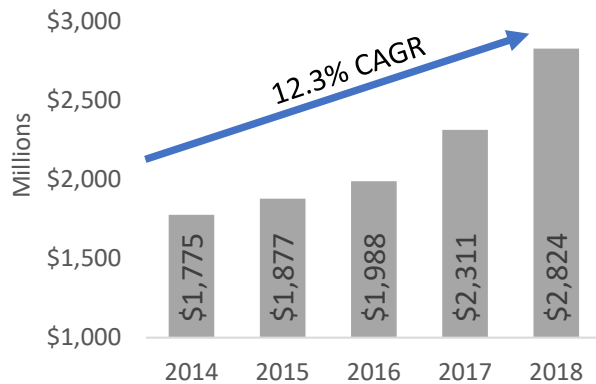
FFO & Distribution Per Unit



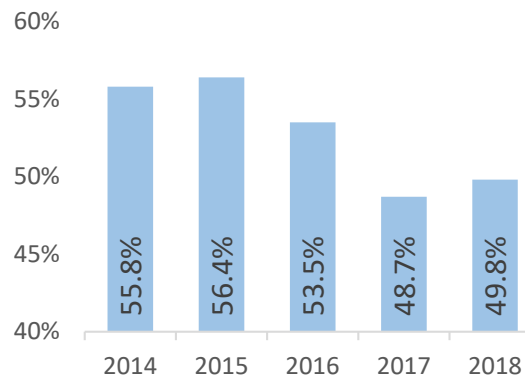
AFFO Payout Ratio¹



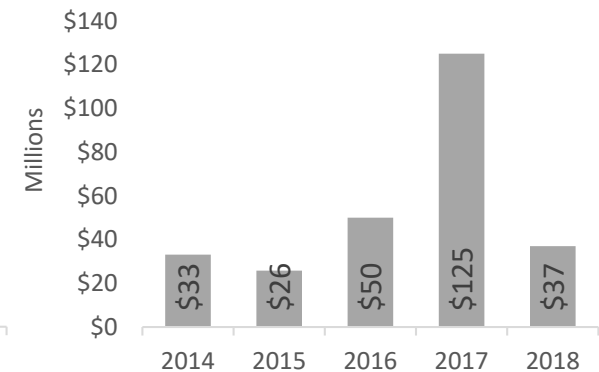
Total Assets



Debt as a % of Assets



Liquidity²



¹ AFFO payout ratio for 2017-2018 calculated using a maintenance capex reserve of \$900/unit for apartments. AFFO payout ratio for 2014 – 2016 calculated using a maintenance capex reserve of \$970/unit for apartments.

² Pro-forma liquidity at December 31, 2017, includes pending mortgage financings that were arranged, but had not closed at December 31, 2017.

2018 | Strategic Achievements

2018 Target	2018 Performance	2019 Target	Longer-term Target
Grow Same Property NOI by 3% to 5%.	✓ 4.8% Same Property NOI growth in 2018.	Same Property NOI Growth of 3% to 5%	Same Property NOI Growth averaging over 3%.
Acquire a minimum of \$225M of assets.	✓ \$315 million of assets purchased in 2018.	Grow the portfolio to over \$3.0 billion by the end of 2019, with a minimum acquisition target of \$100 million	Grow the portfolio to more than \$3.5 billion by 2021.
Focus 75% of acquisitions and at least 26% of 2018 NOI outside Atlantic Canada	~66% of completed acquisitions are located outside Atlantic Canada ⁽¹⁾ . ✓ 27% of 2018 NOI outside Atlantic Canada.	Earn at least 30% of 2019 NOI outside Atlantic Canada	More than 35% of NOI generated outside Atlantic Canada by 2021.
Complete The Alexander, Saginaw and break ground on one additional development	✓ The Alexander and Saginaw developments were completed and leased-up in 2018. The 78-unit Shorefront development in PEI broke ground in Q4-2018.	Complete phase one of the Ottawa development, break ground on Silver Spear II and one additional development project	Create a minimum of \$20 million of value from developments completed between 2019 through 2021.
Maintain debt to total assets to below 52%.	✓ 49.8% debt to assets ratio at December 31, 2018.	Maintain debt as a percentage of assets ratio below 49%	Reduce debt total as a percentage of assets to below 45% by the end of 2021.

(1) Excluding the acquisition of the remaining 50% interest in the joint Halifax-based Alexander development in December; 77% of the acquisitions were outside of Atlantic Canada.

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.



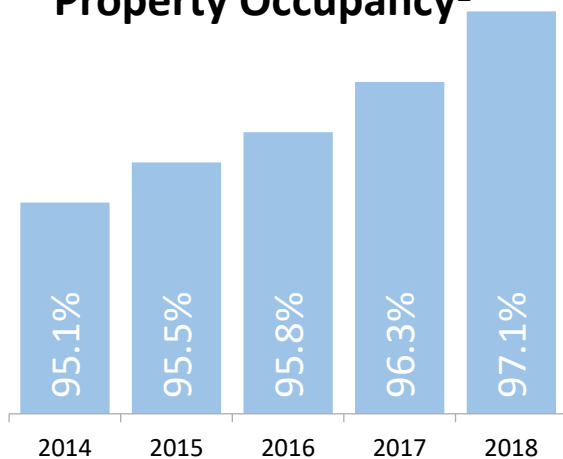
Develop high-quality properties in core markets.



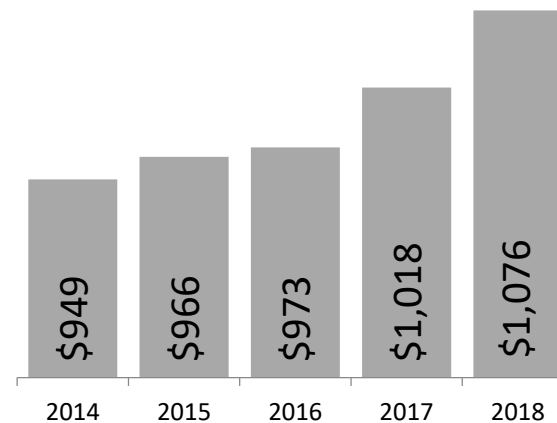
Increasing earnings from existing operations through revenue growth.

- Strong occupancy – 2018 occupancy was Killam’s highest.
- Rising rental rates – Rate increases on renewals (1.7%) and turns (5.3%) averaged **2.7%** 2018, up from 1.8% in 2017.
- Reduced incentives – 30 bps lower than 2017, as fewer inducements required with the current strong market fundamentals.

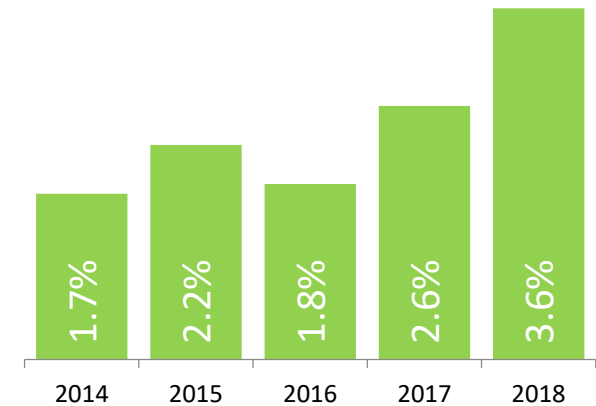
Apartment Same Property Occupancy¹



Apartment Average Monthly Rental Rate



Same Property Revenue Growth

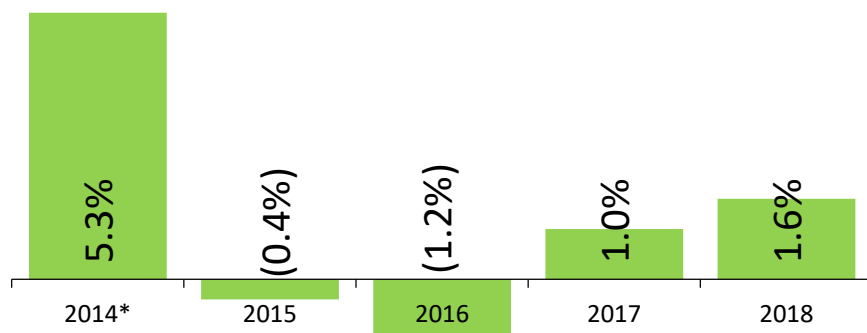


¹ Measured as dollar vacancy versus unit vacancy to more accurately capture impact of vacant units.

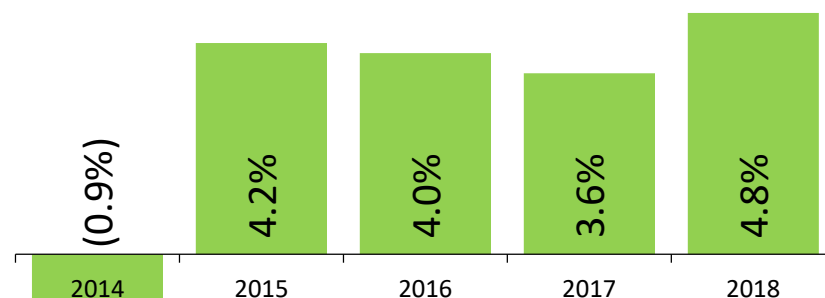
Increasing earnings from existing operations through expense management.

- Energy conservation initiatives – \$4.4 million in 2018, 184 projects, \$0.9 million annual savings, 5.0 year payback!
- 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



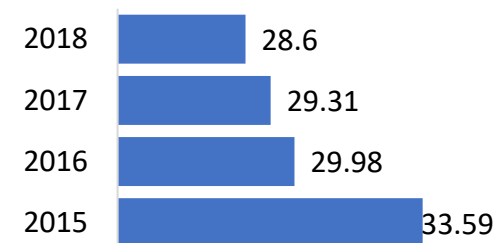
2019 Target: Same Property NOI growth of 3-5%. **Long-term Target:** Same Property NOI growth averaging over 3%.

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

Increasing earnings from operations through energy efficiency.

- Five year plan developed in 2016 to reduce resource intensity.
- **\$25 Million** of investments identified.
- **\$10 Million** invested to date.
- **5 Year** average payback.
- **\$5 Million** potential savings for a **\$100 Million** increase in NAV at 5.0% cap rate.

Carbon Intensity (kgCO₂e/SF)

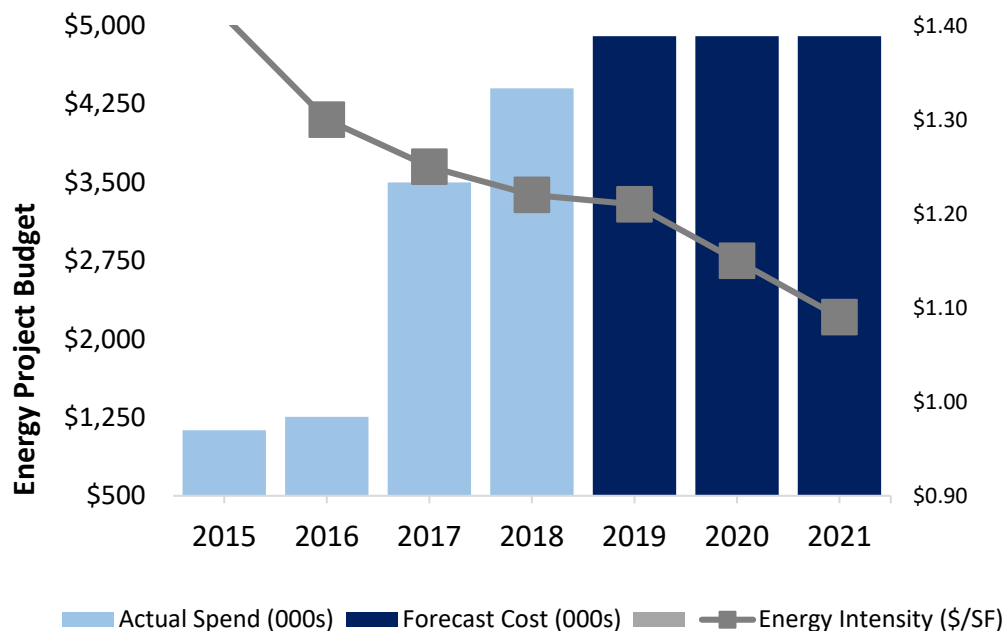


Since commencing the five-year, \$25 million energy-efficiency program in 2016, we have seen a 15% reduction in GHG intensity (as measured by CO₂e/SF).

We are targeting another 3% reduction in carbon intensity in 2019.

Five Year Plan 2017 – 2021

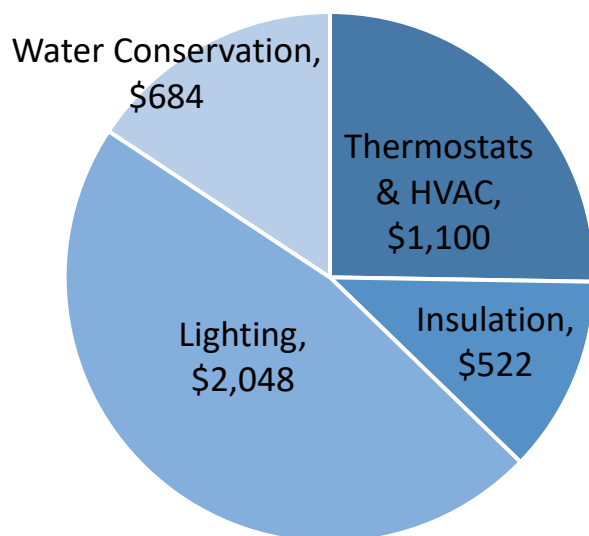
Energy and Water Project Budget and Energy Intensity \$/SF



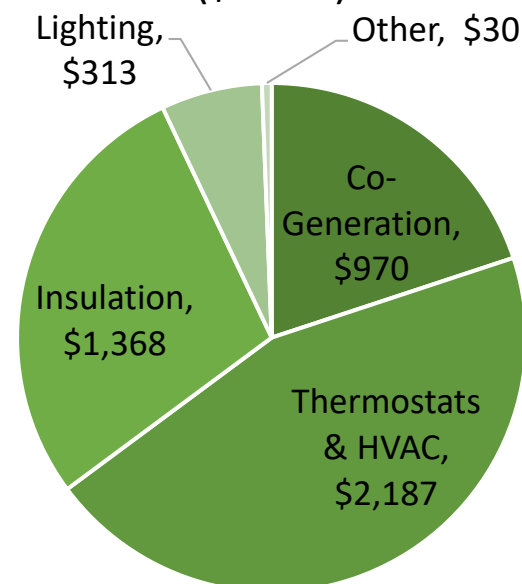
Killam's \$25 million energy efficiency investment in existing properties

- Killam has invested \$10M to date in efficiency projects, including
 - 9,100 low-flow toilets installs (annual savings of 600M litres of water)
 - Lighting retrofits at ~90 properties (annual savings of 3.7M kWh)
 - Boiler, insulation and thermostat upgrades.
- 2018 | \$4.4M investment, 184 projects, \$0.9M annual savings, 5.0 year payback.
- 2019 Planned | \$4.9M investment, 123 projects, \$1.1M annual savings, 4.6 year payback

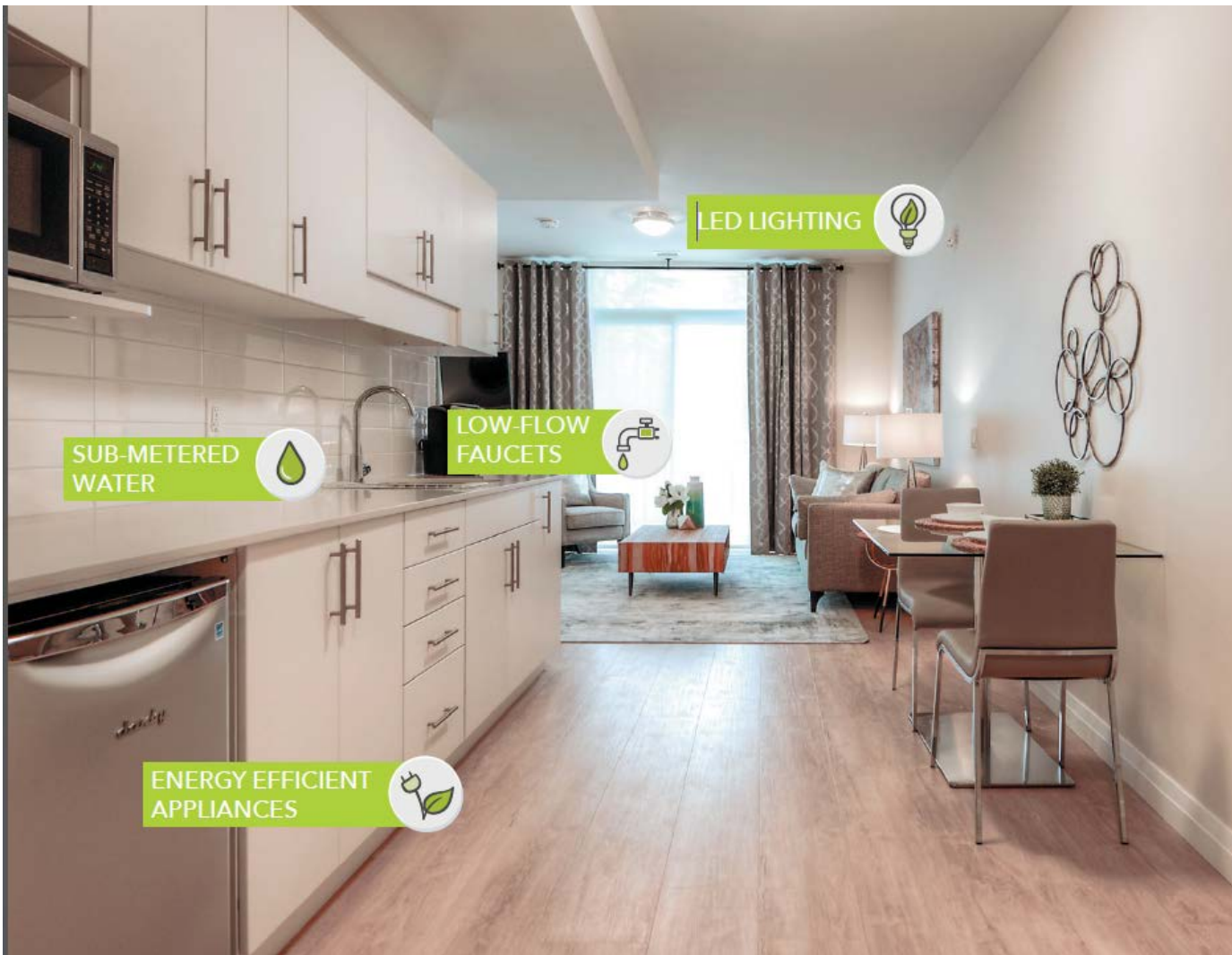
2018 Energy Efficiency Investments
(\$000's)



2019 Planned Energy Efficiency Investments
(\$000's)



We use technology and renewable resources whenever feasible with the intent to create green and sustainable homes for our residents. From LED lighting and motion sensing technology to geothermal heating and in-suite green switches, energy conservation is an important component of our development & renovating designs.



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 47 units in 2017
- **14%** ROI
- **\$253** Avg Monthly Rental Rate Lift
- **\$22K** Avg Investment

2019 Target

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

Total Opportunity

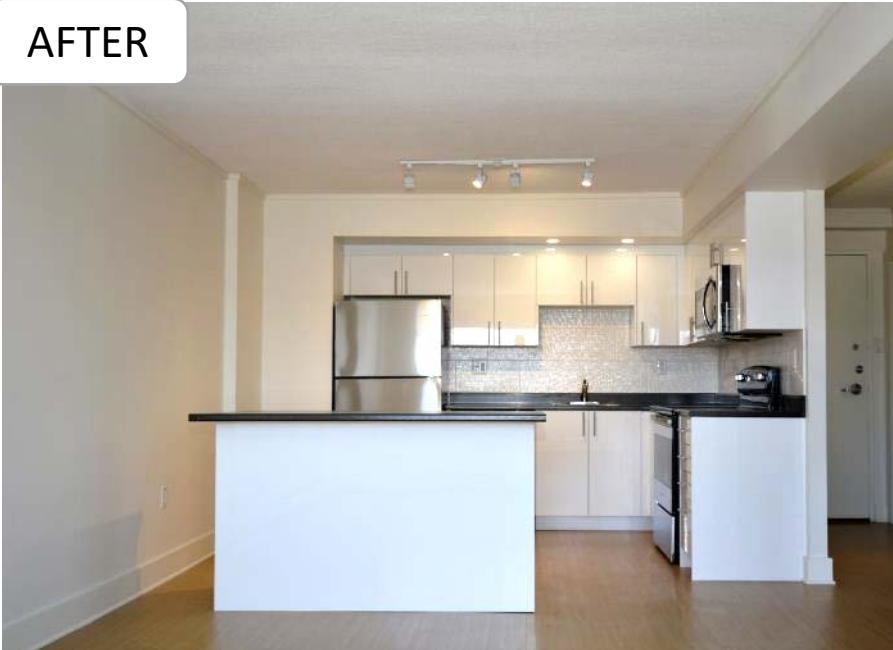
- **3,000** Unit Repositions
- **\$54-60M** Investment
- **\$9M** Annualized Revenue

Based on a 5% cap rate this investment would increase the NAV by ~\$180M

Increasing Revenues to Grow NOI

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

AFTER



BEFORE



Suite Repositionings

- \$205K invested in 13 units in 2018
- 12% Avg ROI
- 25% Avg rent lift
- \$220 Avg monthly increase

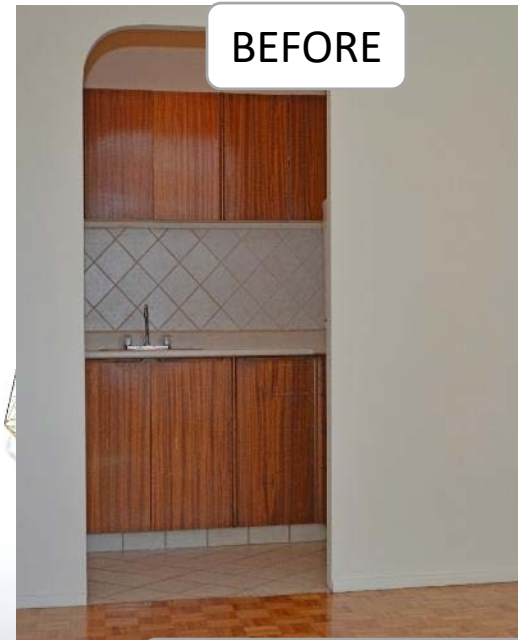
Increasing Revenues to Grow NOI

Spring Garden Terrace, Halifax (201 units) | Driving revenues through repositionings

AFTER



BEFORE



Suite Repositionings

- \$110K invested in 6 units in 2018
- 20% Avg ROI
- 18% Avg rent lift
- \$230 Avg monthly increase

Common area upgrades



Increasing Revenues to Grow NOI

Garden Park, Halifax (246 units) | Driving revenues through repositionings

AFTER



BEFORE



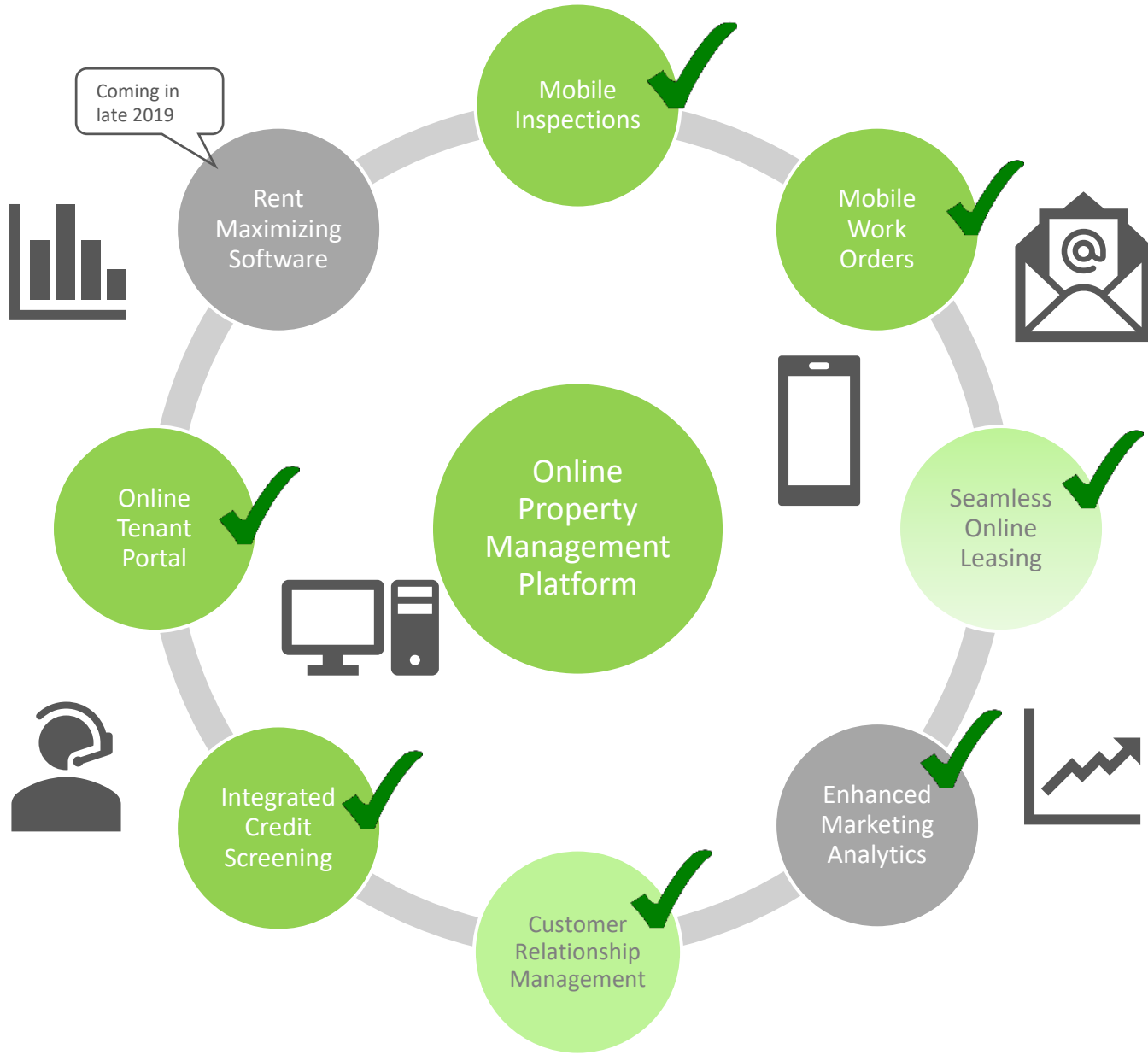
Common area upgrades

AFTER

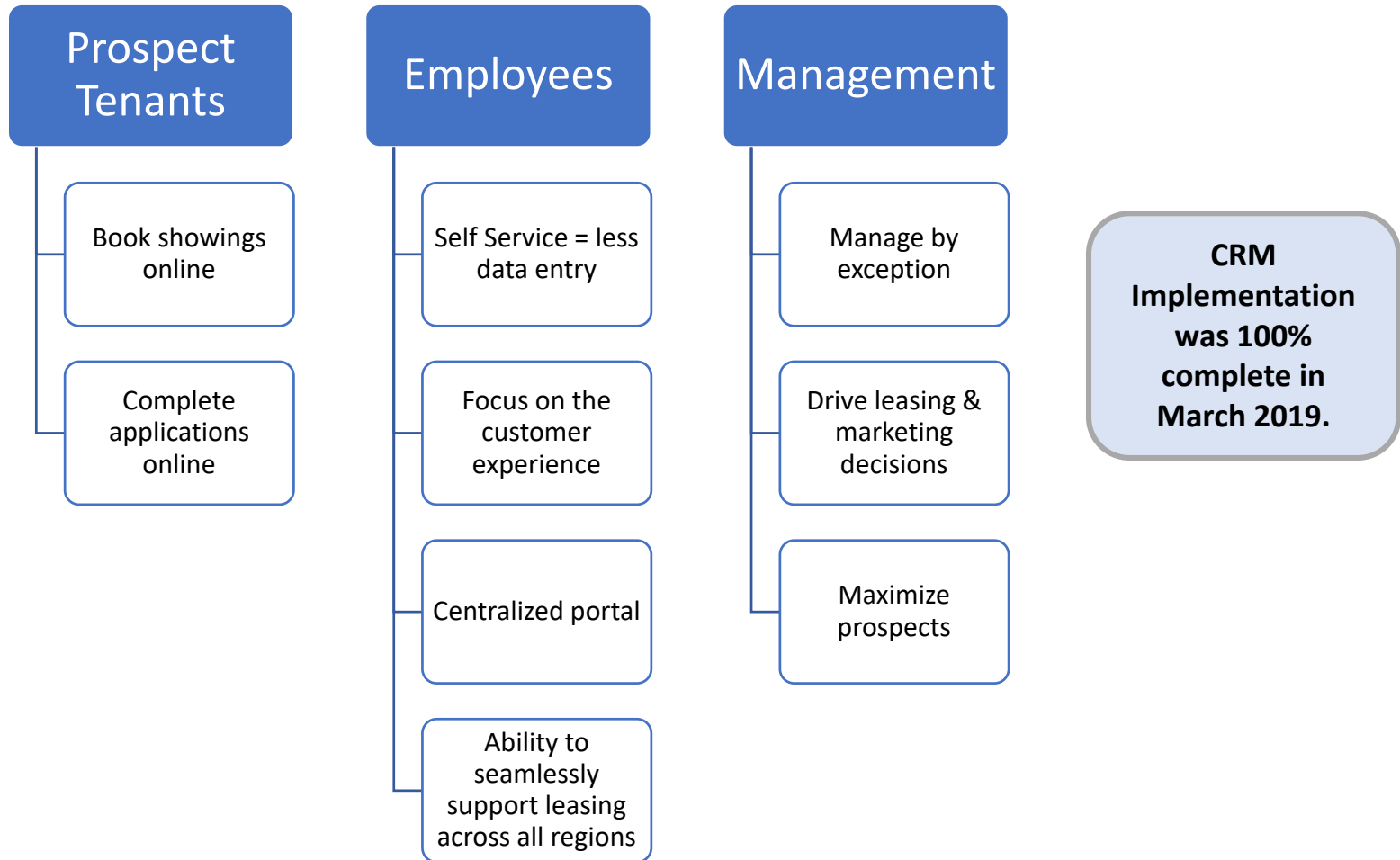


BEFORE

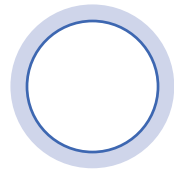




Investment in CRM (Customer Relationship Management) platform benefits all stakeholders.



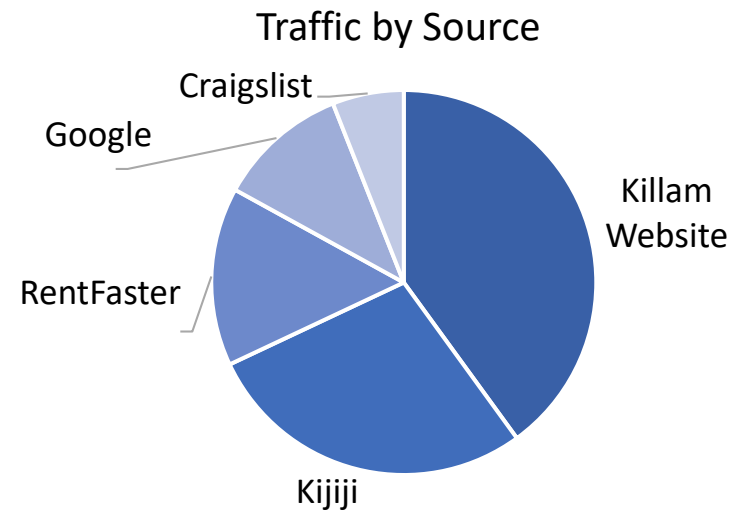
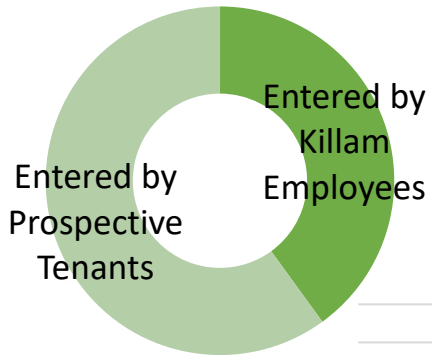
This CRM investment maximizes rents and minimized vacancy, increasing NOI.



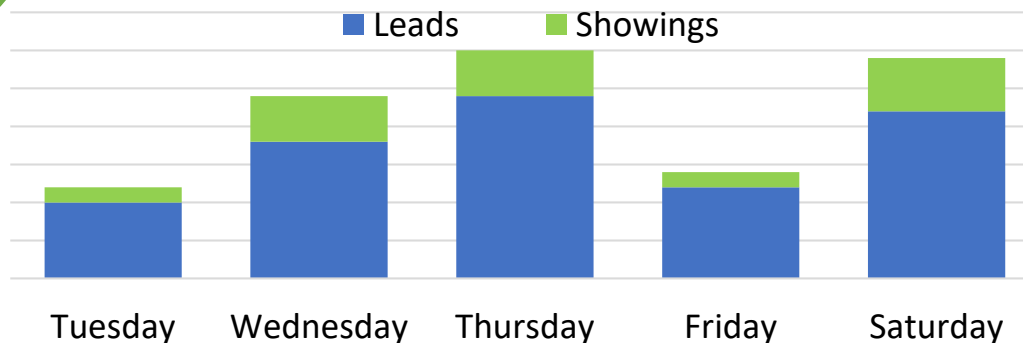
Analytics that Drive Decisions

- Conversion Ratios
- Average Response Time
- Traffic By Source
- Leads By Hour
- Daily Traffic Trends
- Email Response Time
- Average Age of Customer Inquiry
- Application Conversion by Source

Data Entry



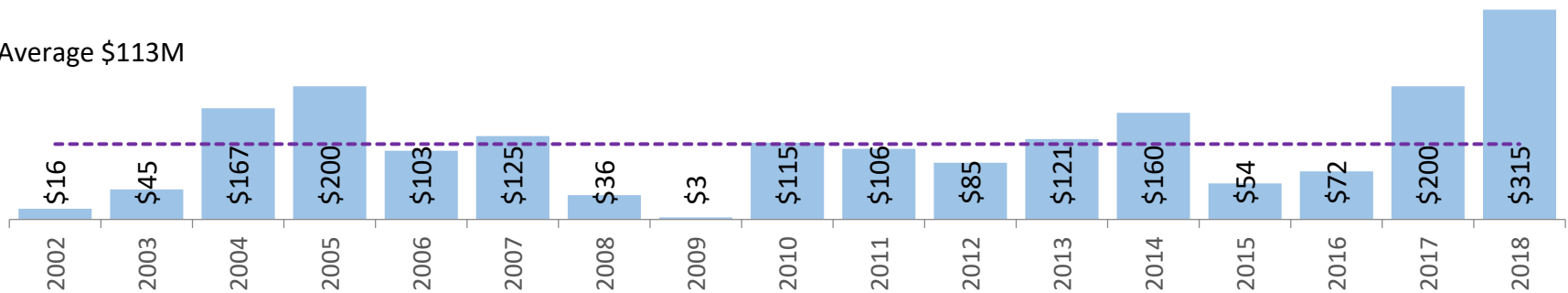
Leasing Activity



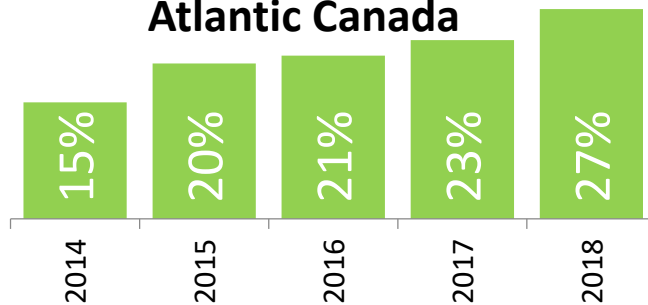
Expanding the portfolio and diversifying geographically through accretive acquisitions, with an emphasis on newer properties.

Annual Acquisitions (\$ millions)

Average \$113M



NOI Generated Outside Atlantic Canada



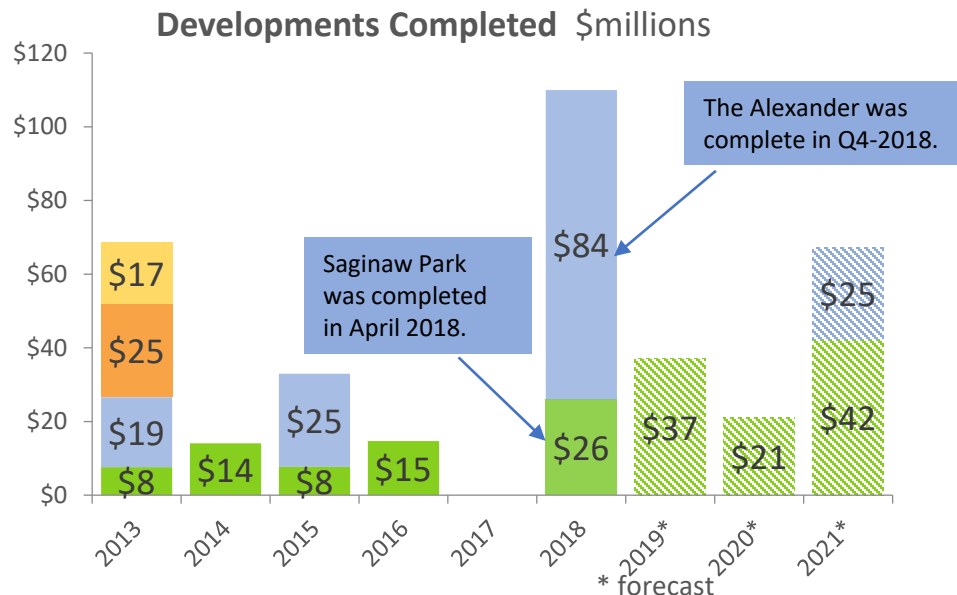
Focused on Expansion in Ontario and Alberta

- 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.

Long-term Target: >35% of NOI generated outside Atlantic Canada by 2021.

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 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 24 to 34 for additional information on Killam's current developments.

Long-term Target: Create a minimum of \$20 million of value through development between 2019 through 2021.

Clearly Defined Strategy | Developments

Approximately \$250 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



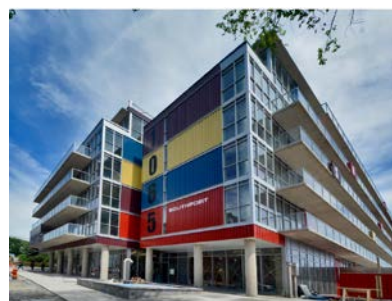
102 units - St. John's, NL



240 units - Halifax, NS



122 units - Cambridge, ON

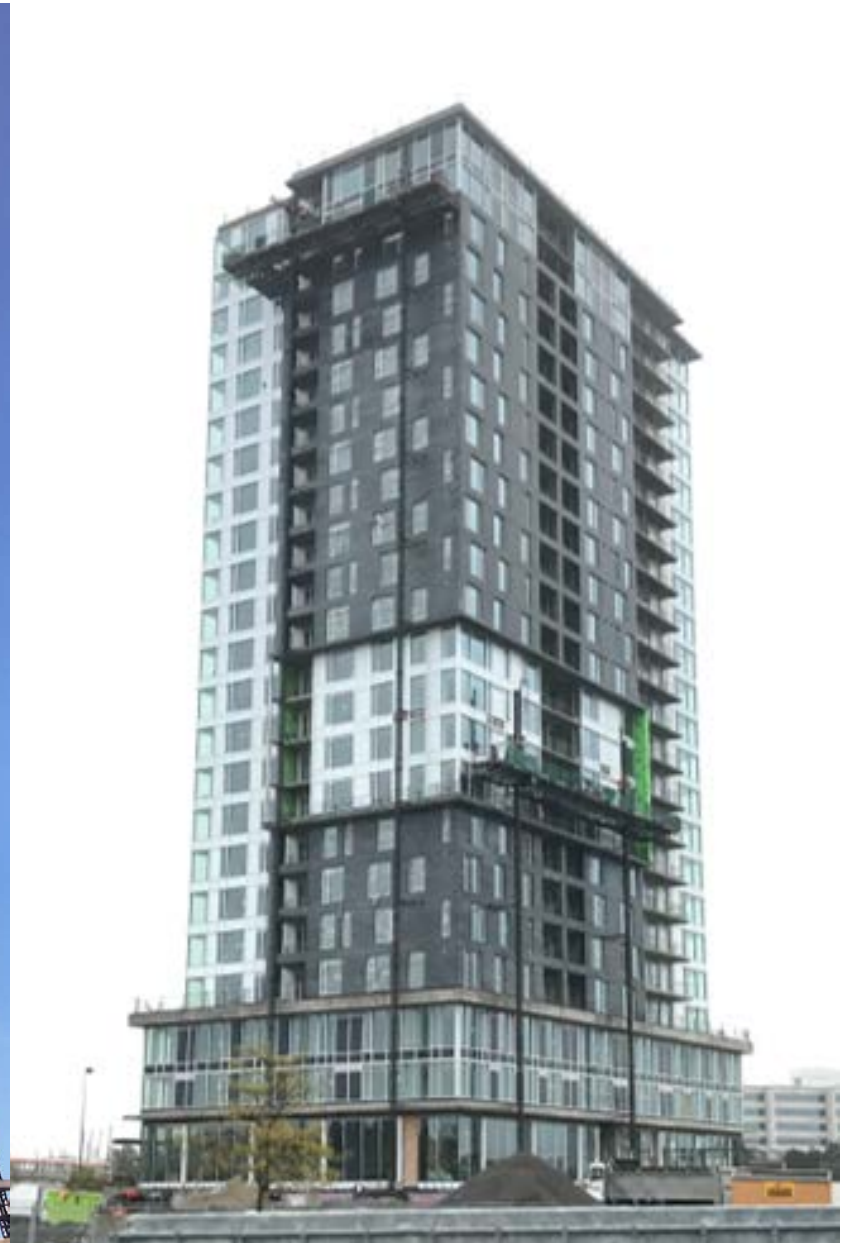


70 units - Halifax, NS



94 units - Cambridge, ON

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)

Ottawa, ON - Frontier, Phase One of Gloucester City Centre



frontier



Ottawa, ON - Phase Two of Gloucester City Centre



Rental Units: 208 units

Ownership: Killam 50%, RioCan 50%

Start Date: Q2-2019

Projected Completion: Q2-2021

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

Features: Water separately metered,
Geothermal heating

Cost: \$42.2 million (Killam's cost)
(\$406,000/unit)

Expected Yield: 5.2%

Expected Cap-rate: 4.0%

Average Unit Size: 803 square feet

Average Rent: \$2,085 (\$2.60/sf)

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%





Rental Units: 128 units

Ownership: Killam 50%, Partners 50%

Expected Start Date: Q2-2019

Projected Completion: Q2-2021

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

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



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.

Development Opportunity – Building A:

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



Future development – Tower One, Westmount Place, Waterloo.

Future Developments



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



The Governor - 48 units beside The Alexander in Halifax.



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

Clearly Defined Strategy | Developments

Killam has a \$850 million development pipeline.

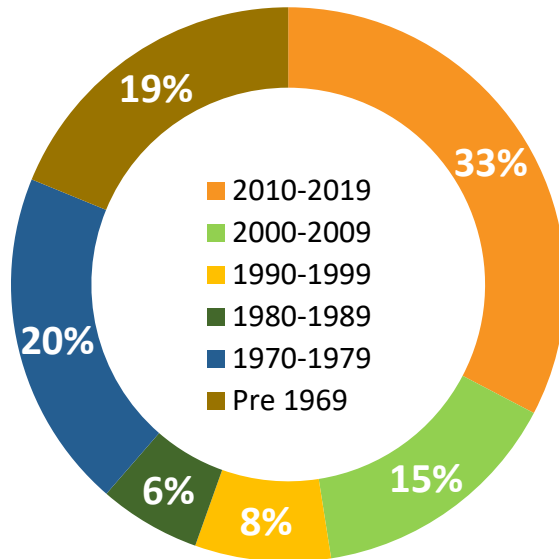
Future Development Opportunities					
Property	Location	Killam Interest	Potential # of Units	Status	Est Year of Completion
<u>Developments expected to start in the next 24 months</u>					
Silver Spear II	Mississauga, ON	50%	64	Approved; to break ground Q2-19	2020
Weber Scott Pearl	Kitchener, ON	100%	178	In design	2021
Gloucester City Park (Ph 2)	Ottawa, ON	50%	104	In design	2021
Westmount (Ph 1)	Waterloo, ON	100%	120	In design	2022
<u>Developments expected to start in 2021-2025</u>					
Gloucester City Park (Ph 3-4)	Ottawa, ON	50%	185	In design	2024
Grid 5/Plaza 54 (Ph 1-3)	Calgary, AB	40%	408	In design and approval process	2024
Cameron Heights	Edmonton, AB	100%	172	In design and approval process	2024
Westmount (Ph 2-5)	Waterloo, ON	100%	680	In design	2028
<u>Additional future development projects</u>					
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
Total Development Opportunities			2,787		

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. ~70% of Killam's development pipeline is outside Atlantic Canada.

Killam operates one of Canada's newest apartment portfolios.

- 33% 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.

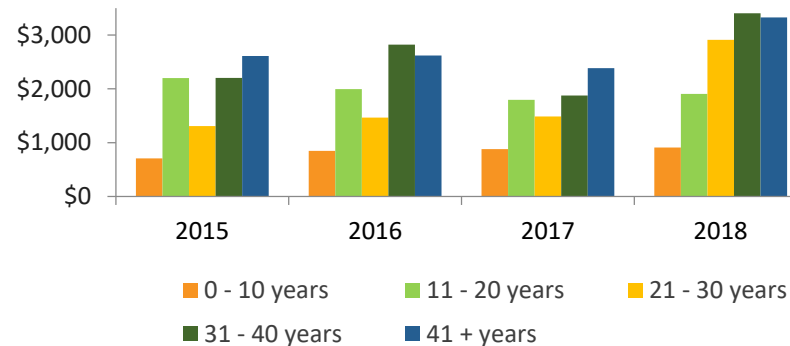
Apartment NOI by Year of Construction



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



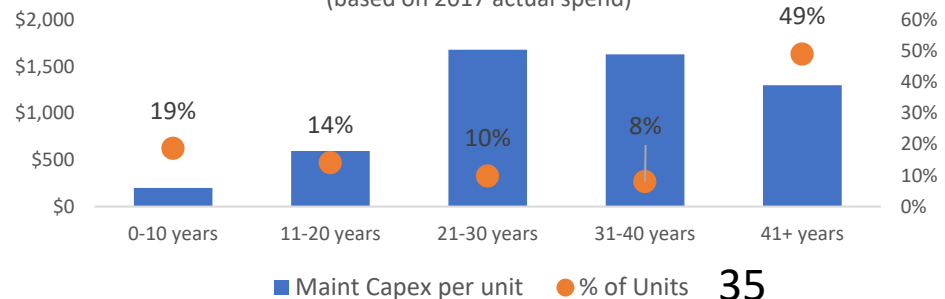
Killam's average annual spend for properties less than 10 years old was \$910 per unit in 2018 compared to \$3,325 per unit for buildings over 40 years old.

Killam's overall average annual capital spend was \$2,718 per unit in 2018.

Maintenance capital (\$900/unit) represents 33% of total capital spend.

Avg Maint Capex Spend per Unit by Building Age

(based on 2017 actual spend)



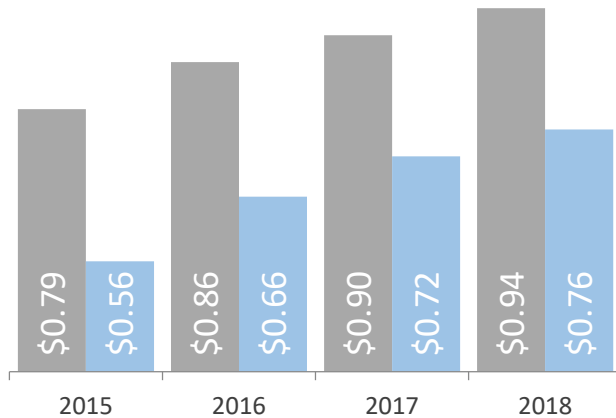
Growing Earnings & Improved Payout Ratio

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

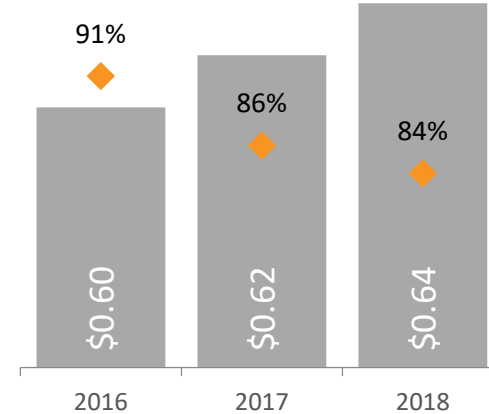
■ FFO ■ AFFO*



Distribution & Payout Ratio

■ Distribution

◆ AFFO Payout Ratio**



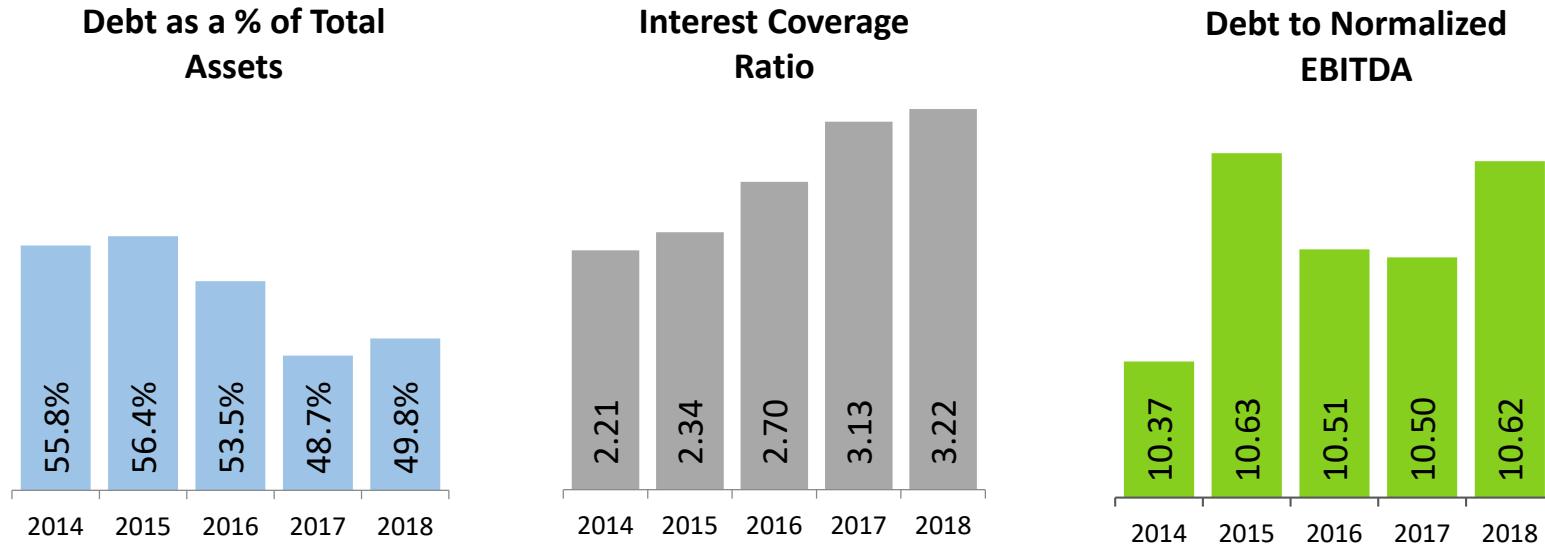
2

*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 3.1% increase on February 13, 2019.

Strong Balance Sheet, Increased Flexibility

Killam is managing its balance sheet with conservative leverage.



- Killam has a credit facility of up to \$90 million (including a \$20 million accordion feature). As at December 31, 2018, \$53.35 million was drawn on the facility as at December 31, 2018 and was paid back following the February equity raise. Currently there is no balance on the credit facility and Killam has an acquisition capacity of ~\$200M.

Long-term Target: Reduce debt as a percentage of assets below 45% by the end of 2021.

Interest Expense Savings

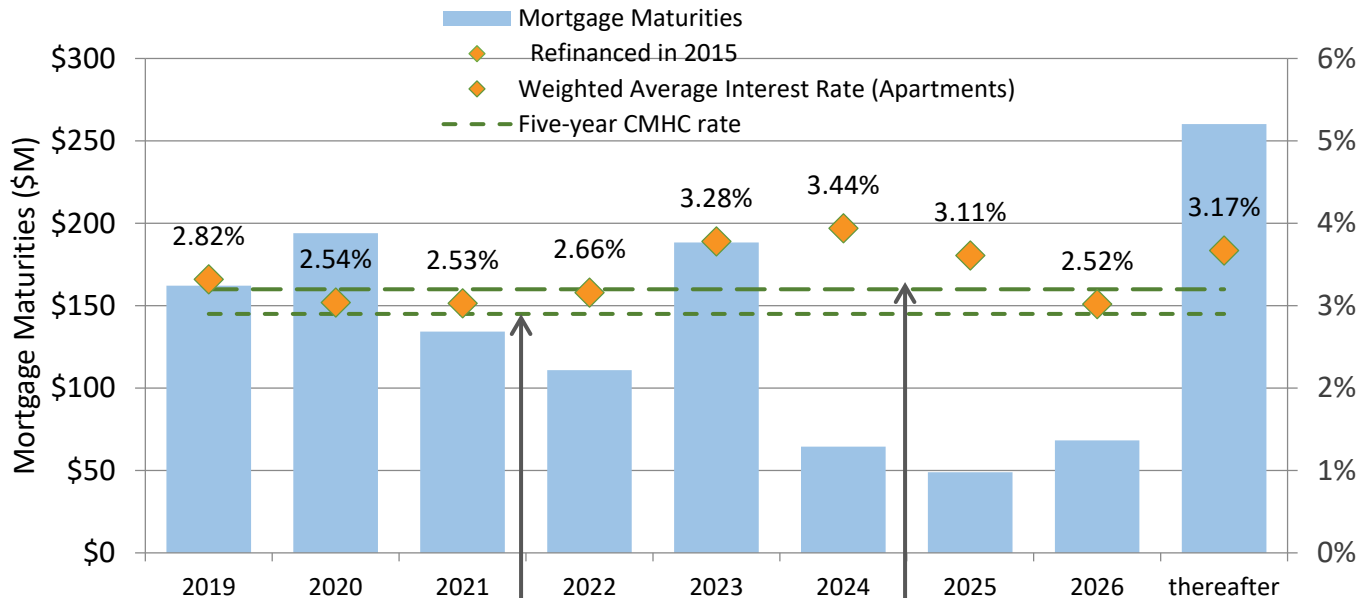
- ~\$158 million of apartment refinancings in 2019.
- Currently expect to refinance mortgage maturities at similar interest rates in 2019 & 2020.

Current Weighted Average Interest Rate of 2.95%

85% of Apartment Mortgages CMHC Insured

Weighted Average Term to Maturity of 4.4 years

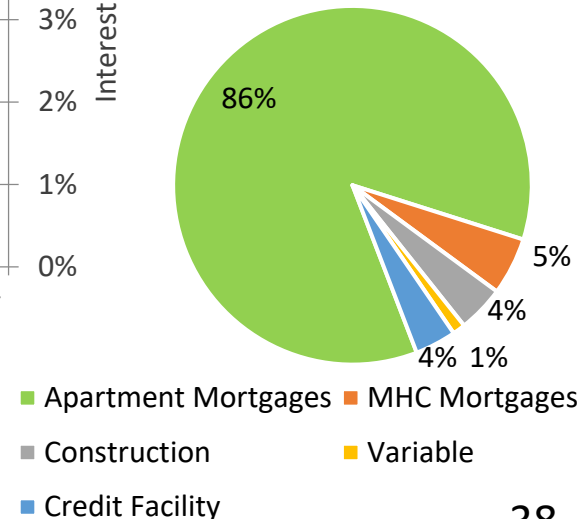
Apartment Mortgage Maturities by Year As at December 31, 2018



Current rate for 5-year CMHC insured debt is approximately 2.40%.

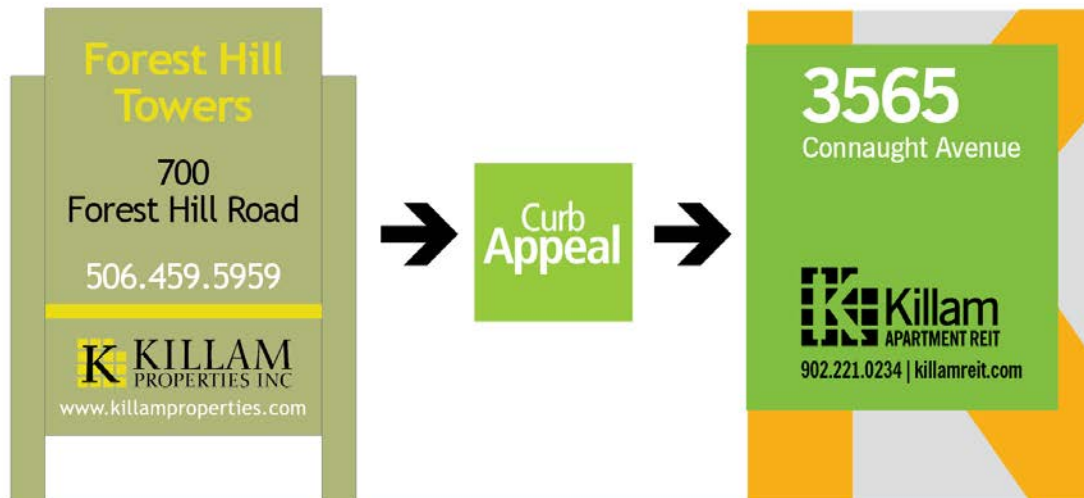
Current rate for 10-year CMHC insured debt is approximately 2.70%.

Type of Debt as at December 31, 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.

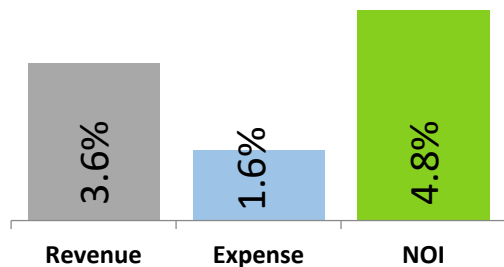


Appendices

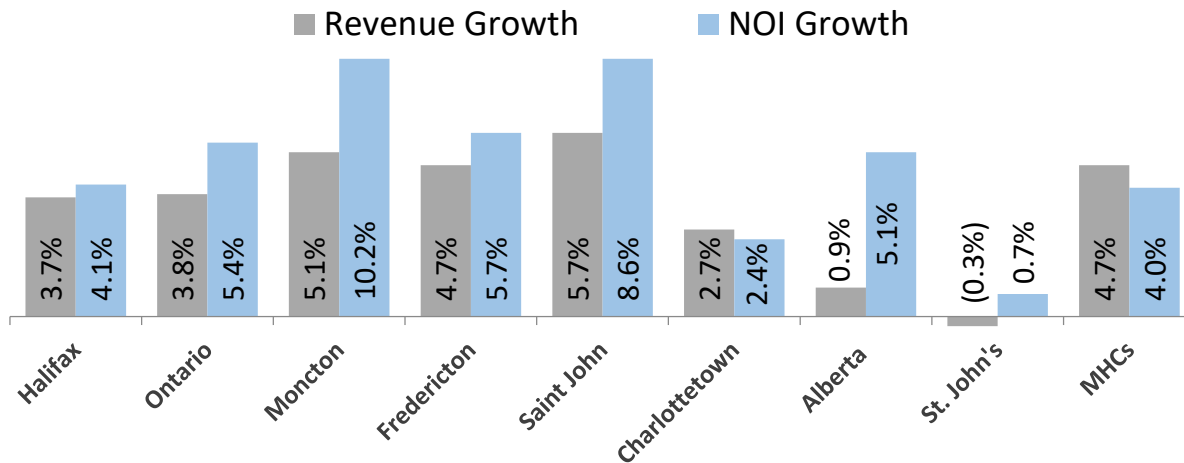
Q4 & 2018 Performance

2018 & Q4-2018 Performance

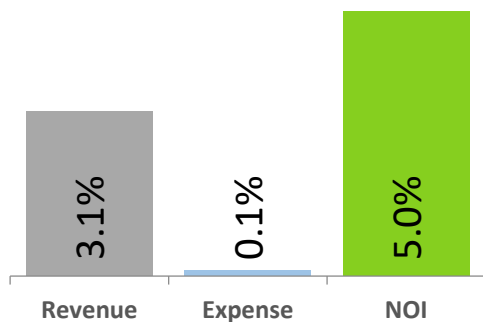
2018 Same Property Performance



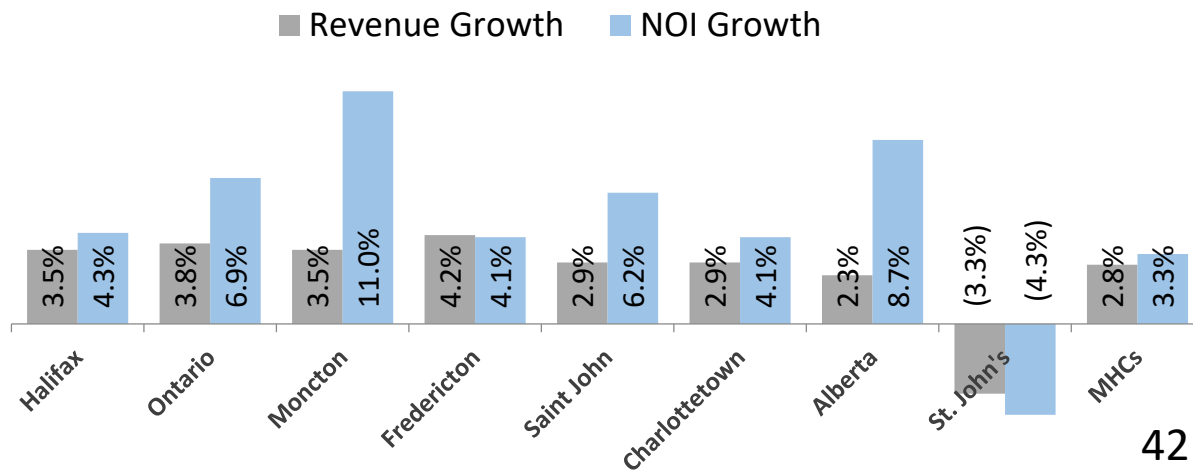
2018 Results by Market



Q4 2018 Same Property Performance



Q4 2018 Results by Market



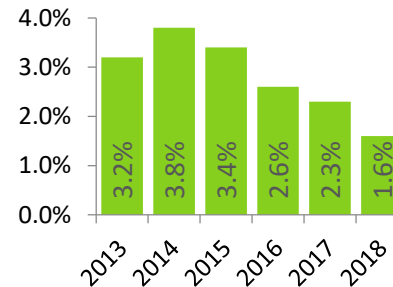
Core Market Update

The Halifax rental market is strong with overall occupancy at a historic high level of 98.4%.

Current Market Conditions

- Strong demand as 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.
- Turnover rate declined to 21% in 2018

Halifax Vacancy per CMHC

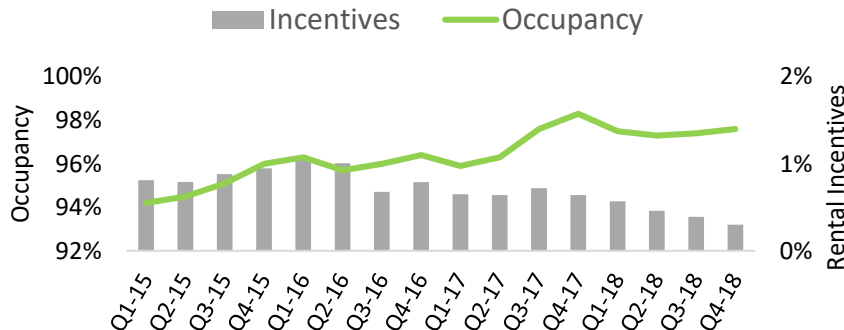


CMHC Market Stats¹

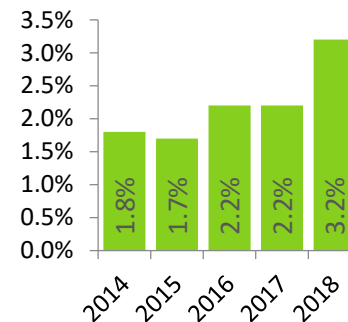
49,025 Rental Units
 1.6% Vacancy
 2.1% ↑ in Average Rent
 1,922 Starts in 2018
 1,320 Completions in 2018
 4,088 Under Construction
 \$1,066 Average Rent

Killam's Same Property Performance

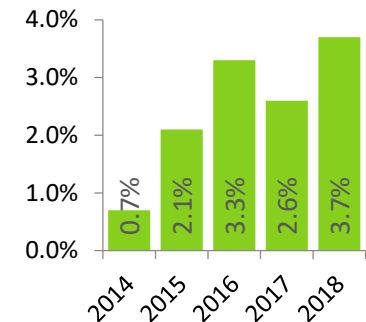
Halifax Same Property Occupancy



Halifax Same Property Rental Increases



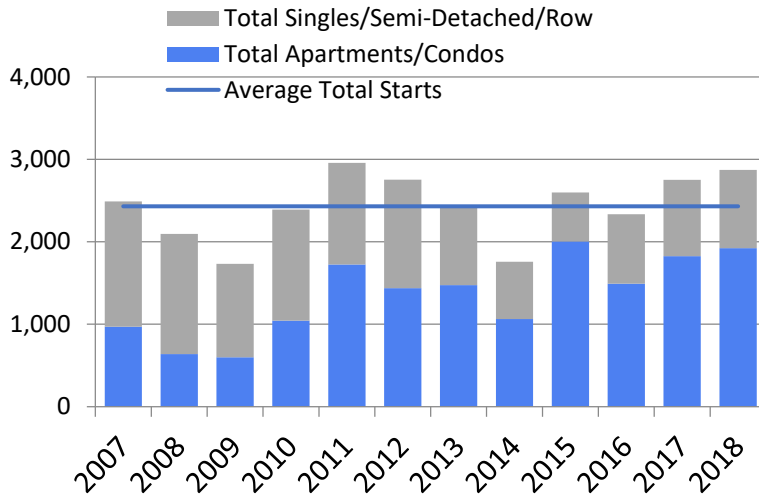
Halifax Same Property Revenue Growth



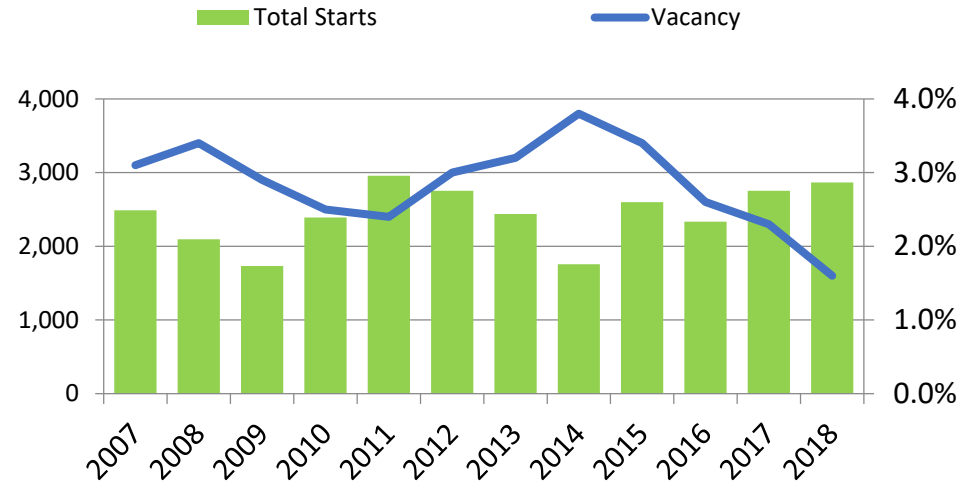
¹ CMHC 2018 Rental Market Report, Fall 2018 Housing Market Outlook and Housing Portal.

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

Halifax Housing Starts - Apt & Single



Halifax Housing Starts & Vacancy Trend

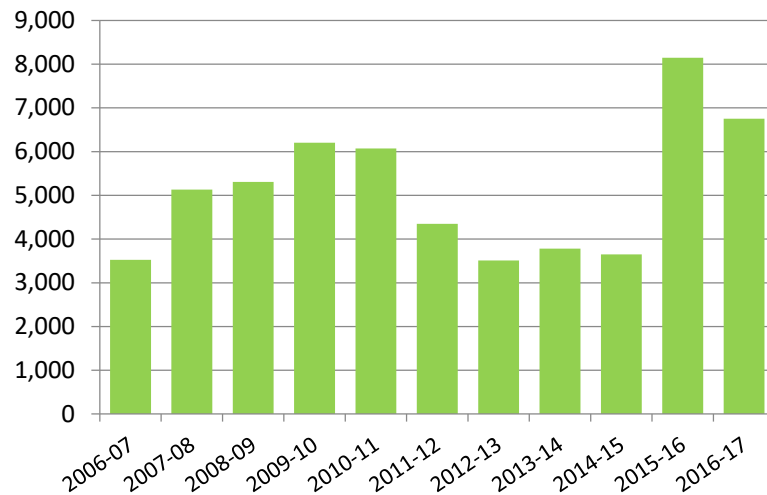


Total housing starts have averaged 2,400 dwellings over the past decade – however the portion of multi-family units has increased from 1/3 to 2/3 of starts.

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

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

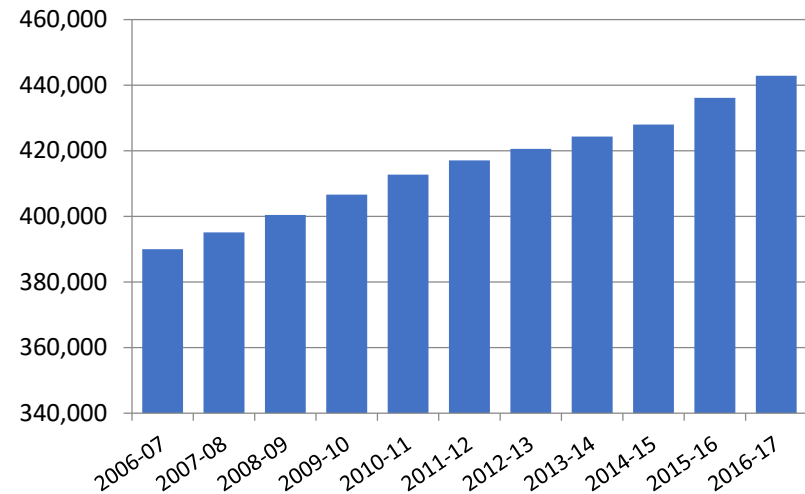
Halifax Population Growth and Source
Annually from July 1 – June 30



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

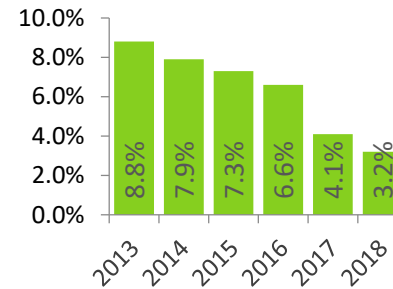
Statistics Canada's latest population estimates for cities in February, estimates Halifax's population increased by 1.6% for the 12 months ended June 30, 2017.

Population growth coupled with limited construction has resulted in an 18-year high occupancy of 96.8%.

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

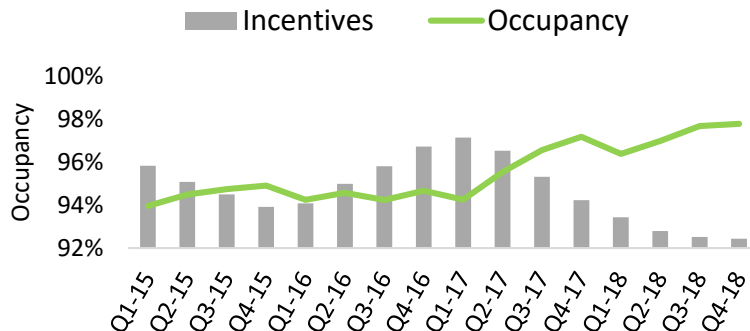


CMHC Rental Stats¹

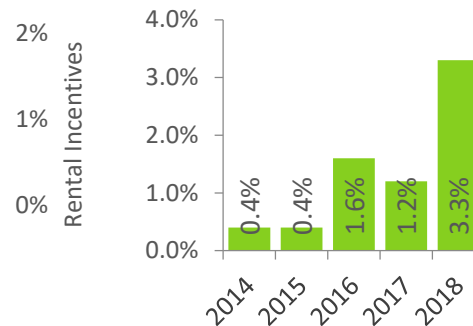
35,066 Rental Units
 3.2% Vacancy
 3.2% ↑ in Average Rent
 622 Starts in 2018
 728 Completions in 2018
 833 Under Construction
 \$773 Average Rent
 \$750 Median Rent

Killam's Same Property Performance

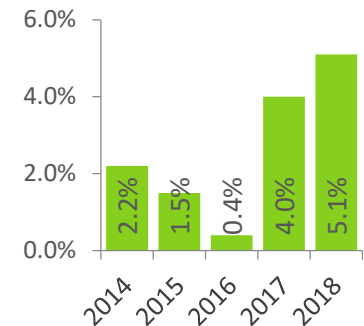
NB Same Property Occupancy



NB Same Property Rental Increases



NB Same Property Revenue Growth



¹ CMHC 2018 Rental Market Report and Fall 2018 Housing Market Outlook and Housing Portal.

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 = low turnover.

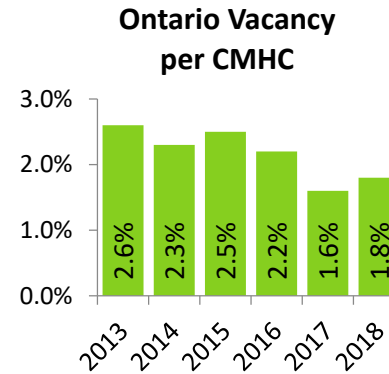
CMHC Rental Stats¹

Ottawa (6.4% of NOI)
 1.6% vacancy in 2018
 1.7% vacancy in 2017

London (3.7% of NOI)
 2.3% vacancy in 2018
 1.8% vacancy in 2017

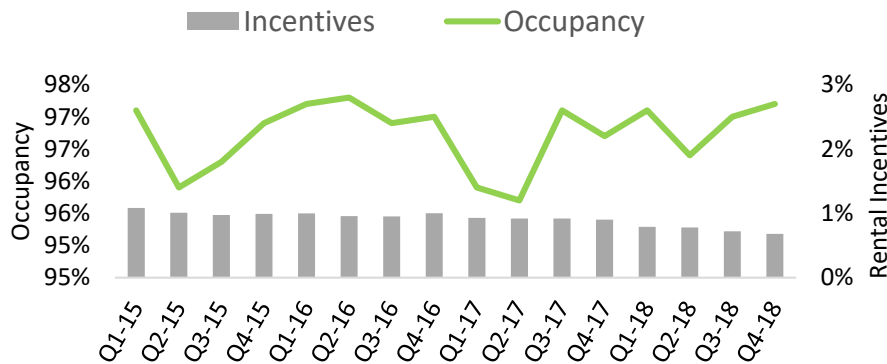
Cambridge (3.5% of NOI)
 3.0% vacancy in 2018
 1.9% vacancy in 2017

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

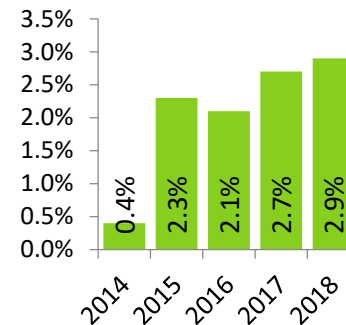


Killam's Same Property Performance

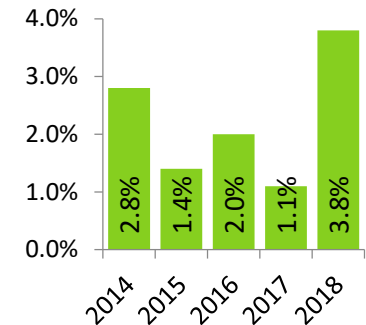
Ontario Same Property Occupancy



Ontario Same Property Rental Increases



Ontario Same Property Revenue Growth



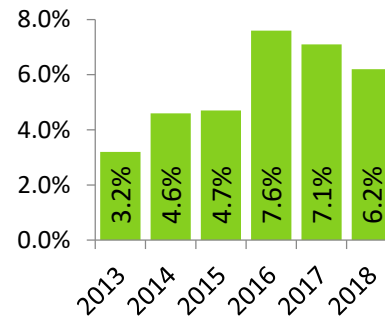
St. John's & Charlottetown, 6% & 5% of NOI

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

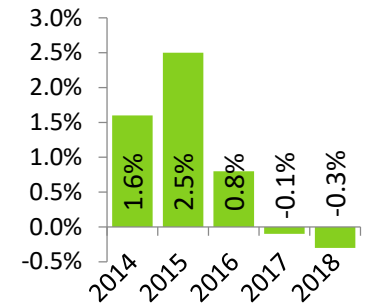
Market Fundamentals

- Rental market has stabilized with a second year in a row (2017 & 2018) of decreasing vacancy rates.
- Rental rates have shown growth of 0.9% 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 CMHC¹



St. John's Same Property Revenue Growth

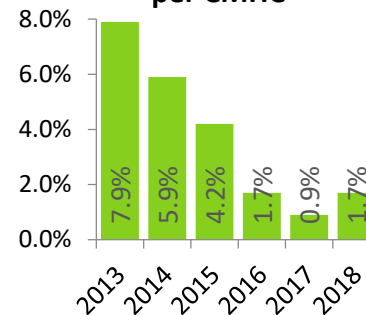


Charlottetown – Tight market as supply has not kept pace with population growth.

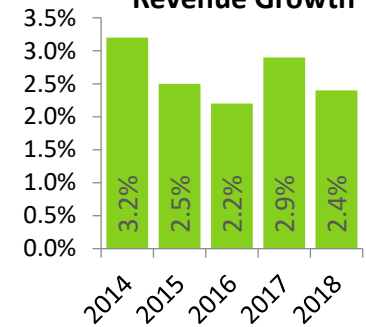
Market Fundamentals

- 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 CMHC¹



Charlottetown Same Property Revenue Growth



¹ CMHC 2018 Rental Market Report and Fall 2018 Housing Market Outlook and Housing Portal.

ESG Initiatives

Our Commitment to Sustainability

As one of Canada's largest residential landlords, we take the responsibilities of corporate citizenship seriously. Our core values of Build Community and Do the Right Thing guide our commitment to Environmental, Social and Governance (ESG) programs and initiatives.

New Technology and Sustainability Initiatives

Invest in new technology and initiatives to increase sustainability, lowering our carbon footprint across the portfolio with a focus on reducing waste, energy and water usage.



Focus on Employee Development and Customer Satisfaction

Support and invest in our employees through training, development opportunities and access to a safe and positive workplace.

Provide outstanding customer service and sense of community at our properties.



ESG Practices

Establish robust governance policies and practices.

Review our annual ESG benchmark ratings and target areas of improvement each year.

Report annually on our ESG programs, new initiatives and performance against targets.

Killam will continue to build on our current successes to make buildings more sustainable and resilient to the impacts of climate change.

- Since 2015, installed 9,100 low-flow toilet, saving over 600 million litres of water
- Newer developments such as Saginaw Park, which opened in 2018, have sub-metered water.

Water Conservation



- Seven properties have on-site electric vehicle (EV) charging stations for residents
- All new developments will have EV stations
- Killam is developing in urbanized environments that support direct access to public transportation (ex. Frontier)

Electric Vehicle Chargers



- Committed to increasing its geothermal heating and cooling investment with new developments
- Currently two properties have geothermal, including the Frontier development scheduled for completion in Q2-2019.

Geothermal



As Killam continues to grow, we challenge ourselves to ensure our impact on the environment is minimized.

- Solar thermal heating systems at four properties today, saving ~2,800 GJ of natural gas annually.
- Killam plans to install additional solar photovoltaic (PV) power generating panels in 2019, including its current 78-unit Shorefront development in PEI.

Solar Heating



- Invested \$2.1 million in lighting retrofits in 2018, and by the end of Q2-2019 will have retrofitted 100% of its portfolio with LED lighting.
- Over 5M kWh being saved annually.
- Buildings not only consume less electricity, but also have improved lighting levels and reduced maintenance costs with the LED program.

LED Lighting



- Several programs are underway to reduce heating costs and its impact on the environment, including:
 - Large-scale boiler-room overhauls save 15,000 GJ of natural gas use per year
 - New program underway to air seal and add insulation to its portfolio

Efficient Heating



Contributing to Our Community

Killam has a Community Involvement Committee that extensively monitors all aspects of the Trust's community involvement and charitable efforts on an ongoing basis.

Below are Killam's key ongoing community initiatives:

Partner with non-profit housing agencies, along provincial government housing boards, providing 600+ subsidized units

Donate nine fully furnished units to hospitals across our portfolio to provide comfortable accommodation to families as they support loved ones through treatment.

Provide financial assistance to organizations that offer shelter,

Killam's Board of Trustees personally pledge \$100,000 annually

Provide assistance to residents who had fallen on hard times and need financial support.

Grant a full day of paid leave each year for employees to volunteer with a charity of their choice.



UNIVERSITY OF CALGARY



Our Customer Service

Killam provides outstanding customer service and fosters community at its properties.

Killam surveys residents to measure its success in meeting expectations and to identify areas for improvement.



Creating a sense of **community** is a priority at Killam.

Examples of programs, events and amenities that contribute to resident engagement:

- Holiday gatherings, community barbecues, meet and greets, pizza parties and movie nights.
- Community gardens, playgrounds, fitness rooms, recreational facilities, as well as waterfront and pool upgrades at seasonal resorts.
- Killam’s online resident portal, along with a mobile app, and corporate website, including the online live chat option, has expanded communication options for existing and prospective residents.



Killam's success is due to the hard work and dedication of our people.

Killam is an equal opportunity employer.

- Killam is committed to providing a **supportive** and **inclusive** workplace for all employees.
- Killam recognizes the benefits which arise from employee **diversity**, including a strengthened corporate culture, improved employee retention, access to different perspectives and ideas.
- Employees are encouraged to develop their **full potential** and use their unique talents, maximizing the efficiency of our team.

Employee Benefits Include:

Flexible benefits plans	Employee & Family Assistance Program	Paid volunteer time	Paid time off (vacation & person)	Paid sick leave	Annual incentive plan
Employee Unit Purchase Plan	Parental leave pay	Referral bonuses	Short-term & long-term disability coverage	Scholarships	Tuition reimbursements

2018 EMPLOYEE SURVEY RESULTS

I am willing to give extra effort to help Killam succeed

94%

My supervisor treats me with respect

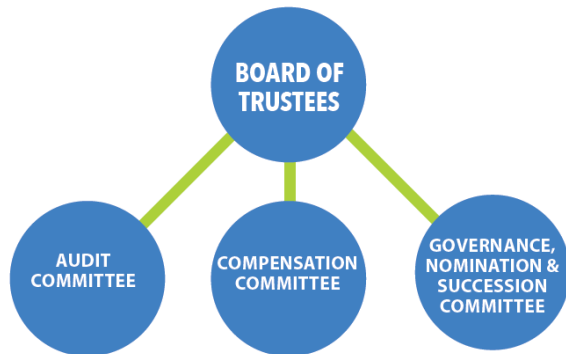
91%

Safety is a top priority

92%

The commitment to sound governance practices is in the best interest of the Trust and its unitholders, and contributes to effective and efficient decision making.

The Board carries out its responsibilities with the support of several Board committees.



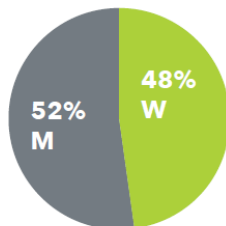
- Independence
- Code of Business Conduct & Ethics
- Diversity Policy
- Best Practice Compensation Policies
- Diversity Policy
- Whistleblower Policy

Killam was awarded the highest rating for Governance by Institutional Shareholder Services (ISS) in 2018.

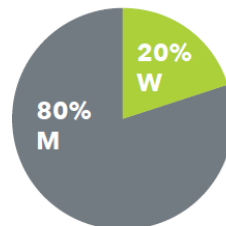


Diversity Metrics

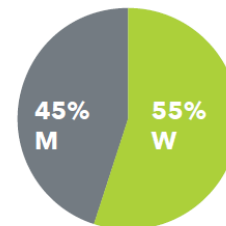
All Employees



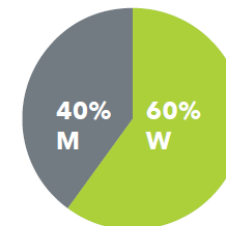
Board of Trustees



Executive



Senior Managers & Professionals



2018 Completed Developments

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 19, 2018 for \$44.5M.

The Alexander, Halifax



2018 Acquisitions

Property	Location	Acquisition Date	Ownership Interest (%)	Property Type	Income-Producing Properties	Land for Development
The Killick	Halifax, NS	Feb 28, 2018	100%	Apartment	\$33,000	\$-
4 th Avenue Land	Calgary, AB	Feb 28, 2018	40%	Dev Land	-	7,200
Weber Scott Pearl	Kitchener, ON	Mar 12, 2018	100%	Dev Land	1,200	4,800
Westmount Place	Waterloo, ON	Mar 29, 2018	100%	Retail/Office & Dev	72,900	4,900
Mississippi Lakes	Carleton Place, ON	Jul 16, 2018	100%	Seasonal Resort	2,000	-
Nolan Hill	Calgary, AB	Jul 15, 2018	100%	Dev Land		2,200
Haviland Street	Charlottetown, PE	Aug 3, 2018	100%	Dev Land		2,150
Erb Street	Waterloo, ON	Aug 10, 2018	100%	Dev Land		2,300
Harley Street	Charlottetown, PE	Aug 14, 2018	100%	Apartment	22,400	
The Vibe	Edmonton, AB	Aug 27, 2018	100%	Apartment	47,000	
Shorefront	Charlottetown, PE	Sept 7, 2018	100%	IPUC		1,200
151 Greenbank	Ottawa, ON	Sept 26, 2018	100%	Apartment	20,700	
180 Mill Street	London, ON	Sept 28, 2018	100%	Parking garage	2,400	
Treo	Calgary, AB	Oct 1, 2018	100%	Apartment	39,000	
Dietz House	Waterloo, ON	Oct 15, 2018	100%	Dev Land		2,900
Parkwood Court	New Minas, NS	Oct 22, 2018	100%	MHC	2,675	
The Alexander	Halifax, NS	Dec 19, 2018	50%	Apartment	44,500	
Total Acquisitions					\$287,775	\$27,650

The Killick, Halifax

Description:

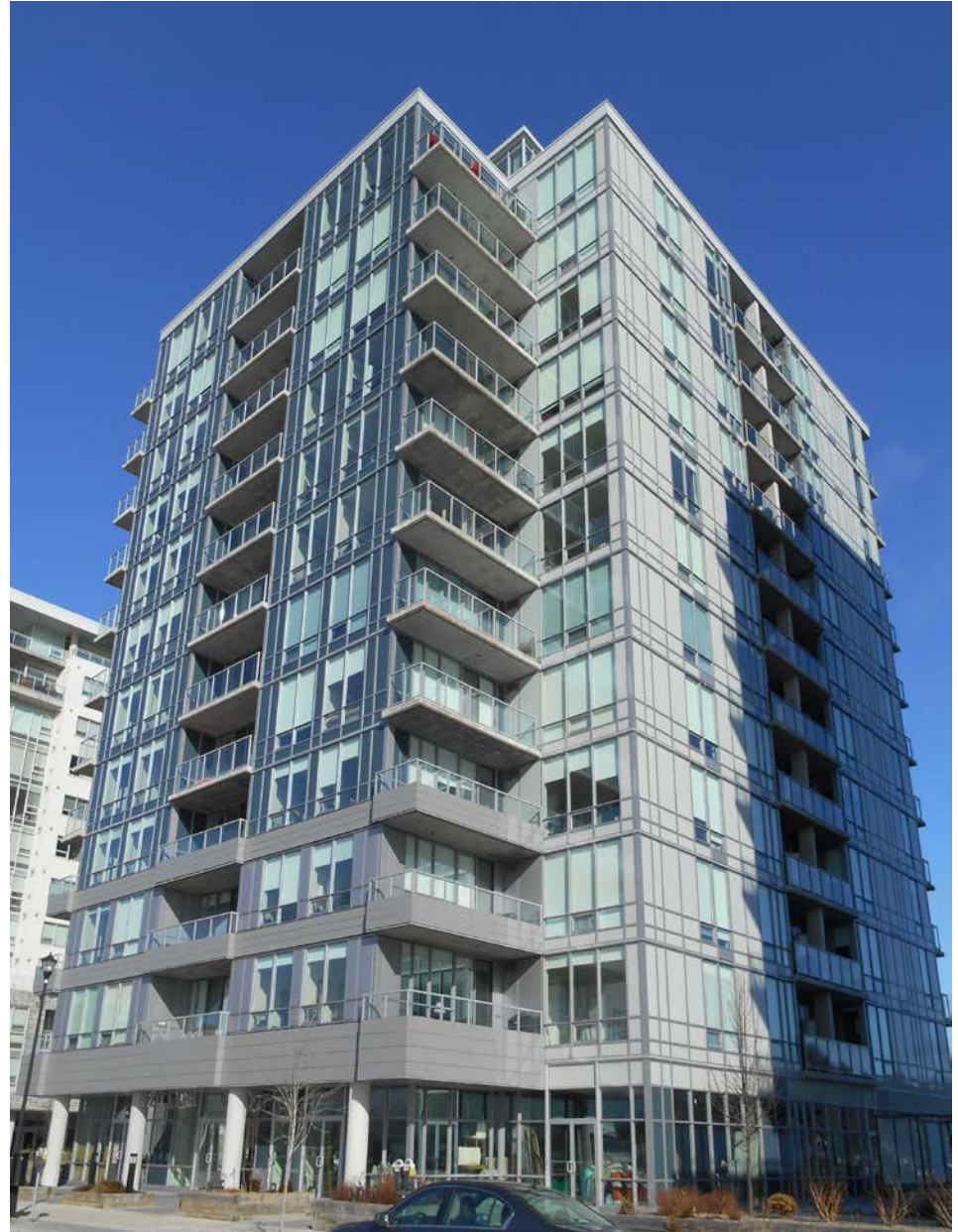
110 units & 4,500 sf of commercial space
Average rent – \$1,810/month (\$2.00/sf)
Fully leased

Location:

49 King's Wharf, Dartmouth

Acquisition Details:

\$33.0 million (\$290,000/unit)
5.0% capitalization rate



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



Westmount Place, Waterloo



Description:

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

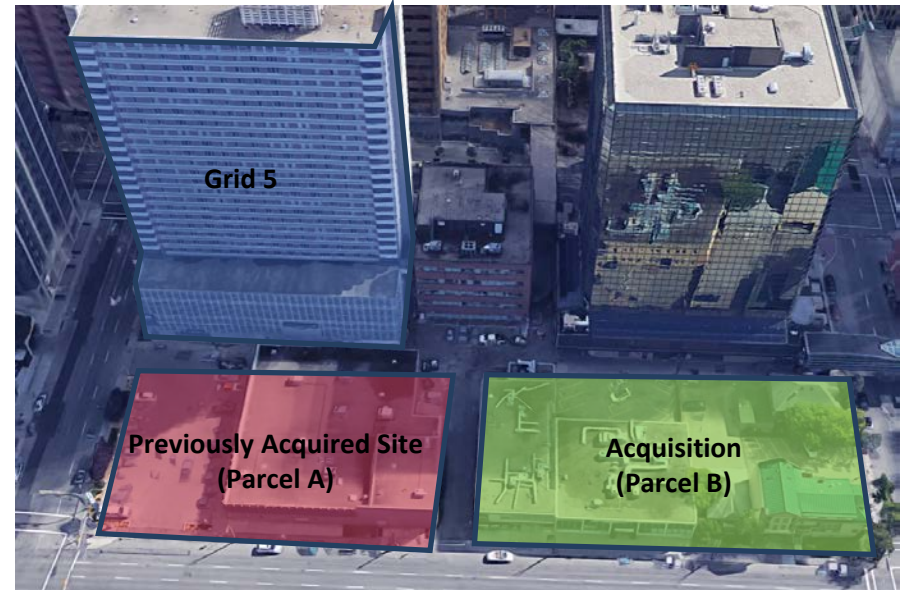
Combined expected to support three towers totalling 970 units

Location:

5th Street Southwest and 4th Avenue Southwest
Adjacent Grid 5

Acquisition Details:

\$7.2 million (40% interest)



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)

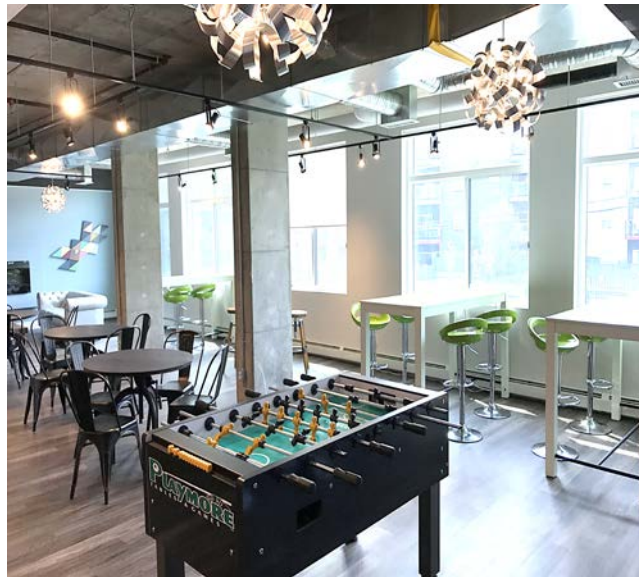
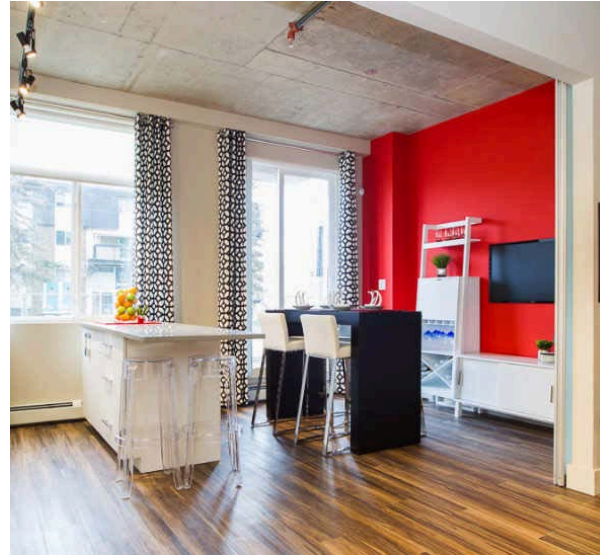
Location:

10620-116th Street NW Edmonton, Alberta



Vibe Lofts, Edmonton

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:

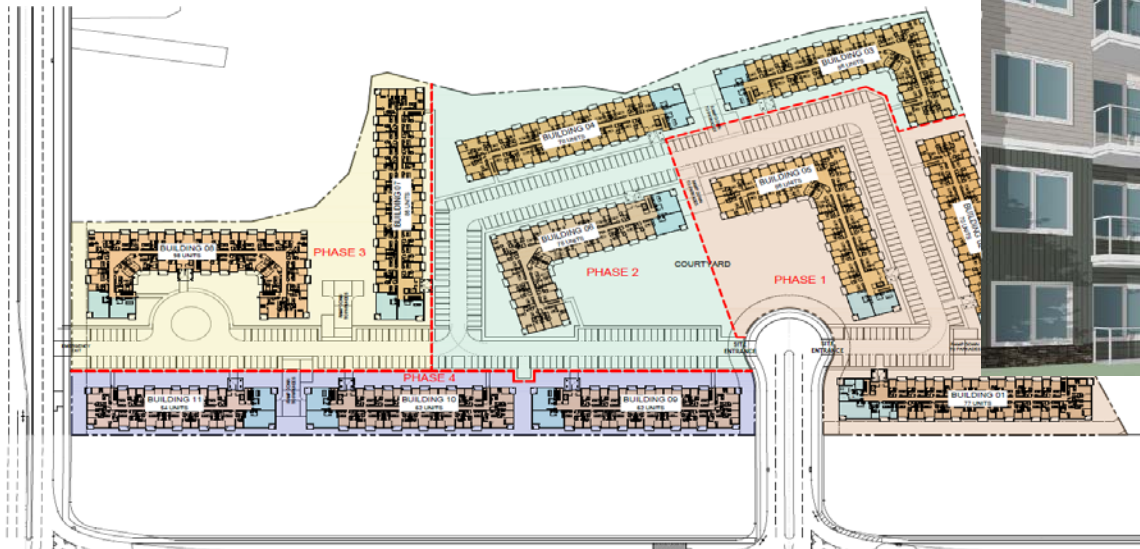
\$2.0 million for 10% interest

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



PHASING PLAN



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



151 Greenbank, Ottawa

Description:

60 units

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

Current occupancy – 93% (initial lease-up)

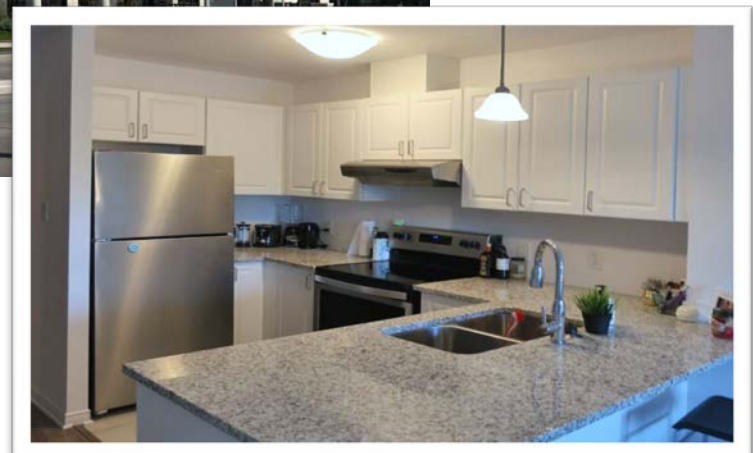
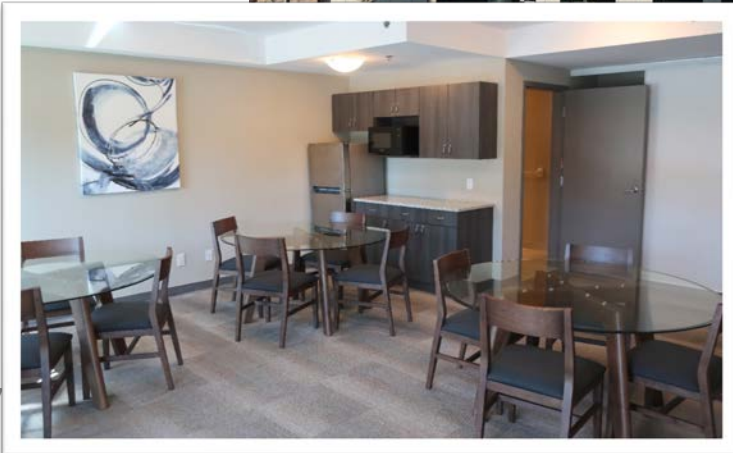
Location:

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





Philip Fraser
President & Chief Executive Officer
902-453-4536
pfraser@killamreit.com

Robert Richardson, FCPA, FCA
Executive Vice President
902-442-9001
rrichardson@killamreit.com

Dale Noseworthy, CPA, CA, CFA
Chief Financial Officer
902-442-0388
dnoseworthy@killamreit.com

Nancy Alexander, CPA, CA
Sr Director, Investor Relations & Performance
Analytics
902-442-0374
nalexander@killamreit.com