



# Q1 2014 Results Conference Call

May 7, 2014  
9 am Eastern



# Cautionary Statement



This presentation may contain forward-looking statements with respect to Killam Properties Inc. 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 Properties Inc. 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' annual information form and other securities regulatory filings. The cautionary statements qualify all forward-looking statements attributable to Killam Properties Inc. 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.

# Highlights from Q1 2014



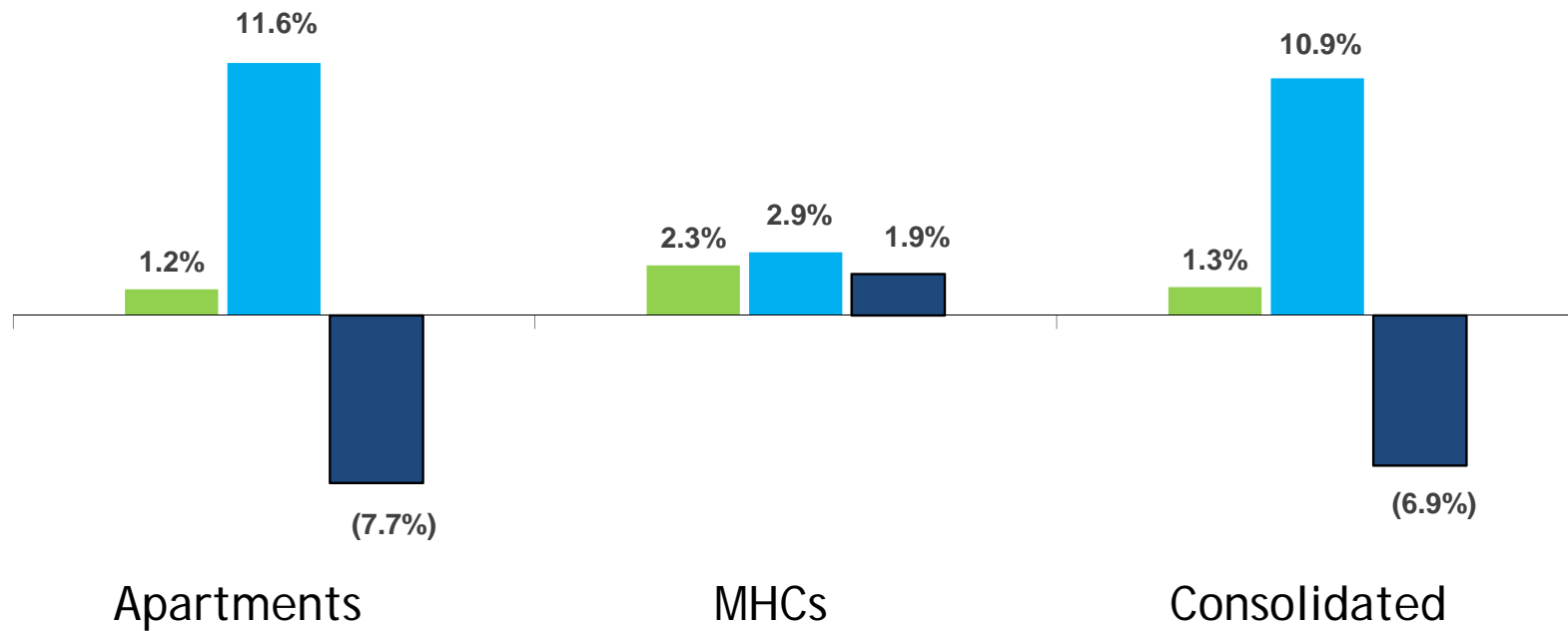
- Generated funds from operations per share of \$0.13 compared to \$0.15 during Q1 2013.
- Increased same store revenue by 1.3%.
- Higher heating and operating costs resulted in a 6.9% decrease in same store net operating income.
- Completed \$19.5 million in acquisitions.
- Reduced the weighted average interest rates on mortgage debt to 3.93%, from 4.05% at December 31, 2013.
- Extended the term to maturity of mortgage debt to 4.0 years from 3.9 years at December 31, 2013.

# Same Store NOI



Same Store Results  
3 months ended Mar 31, 2014

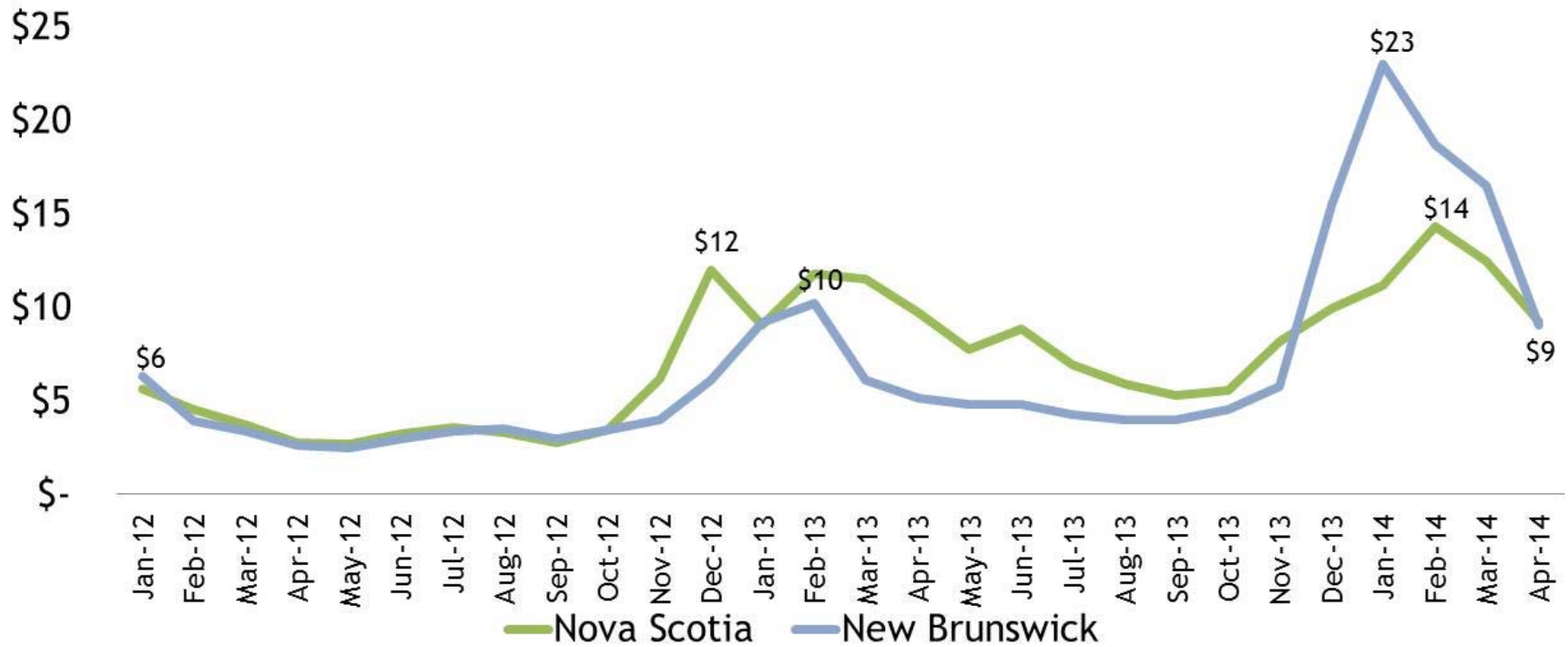
■ Revenue ■ Expenses ■ NOI



# Increased Natural Gas Costs



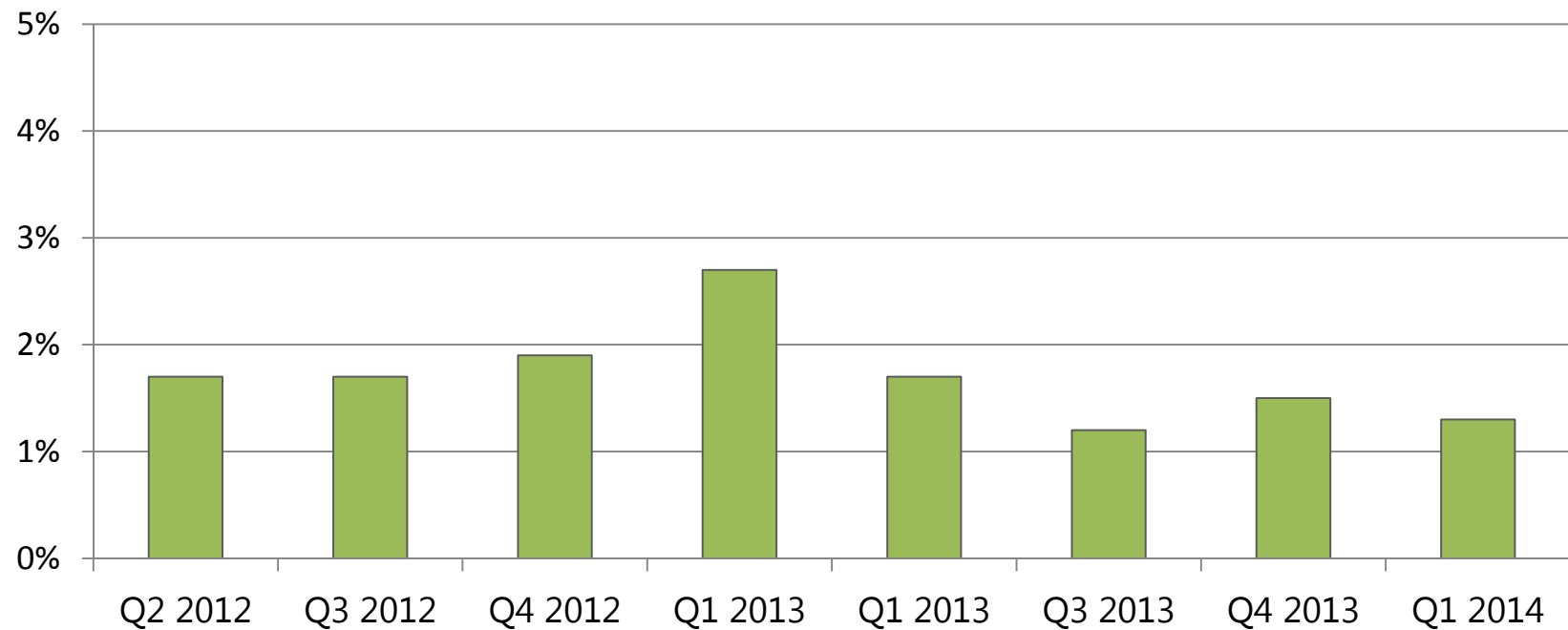
Cost of Natural Gas in Nova Scotia & New Brunswick  
(Commodity Charge per GJ)



# Same Store Revenue Growth



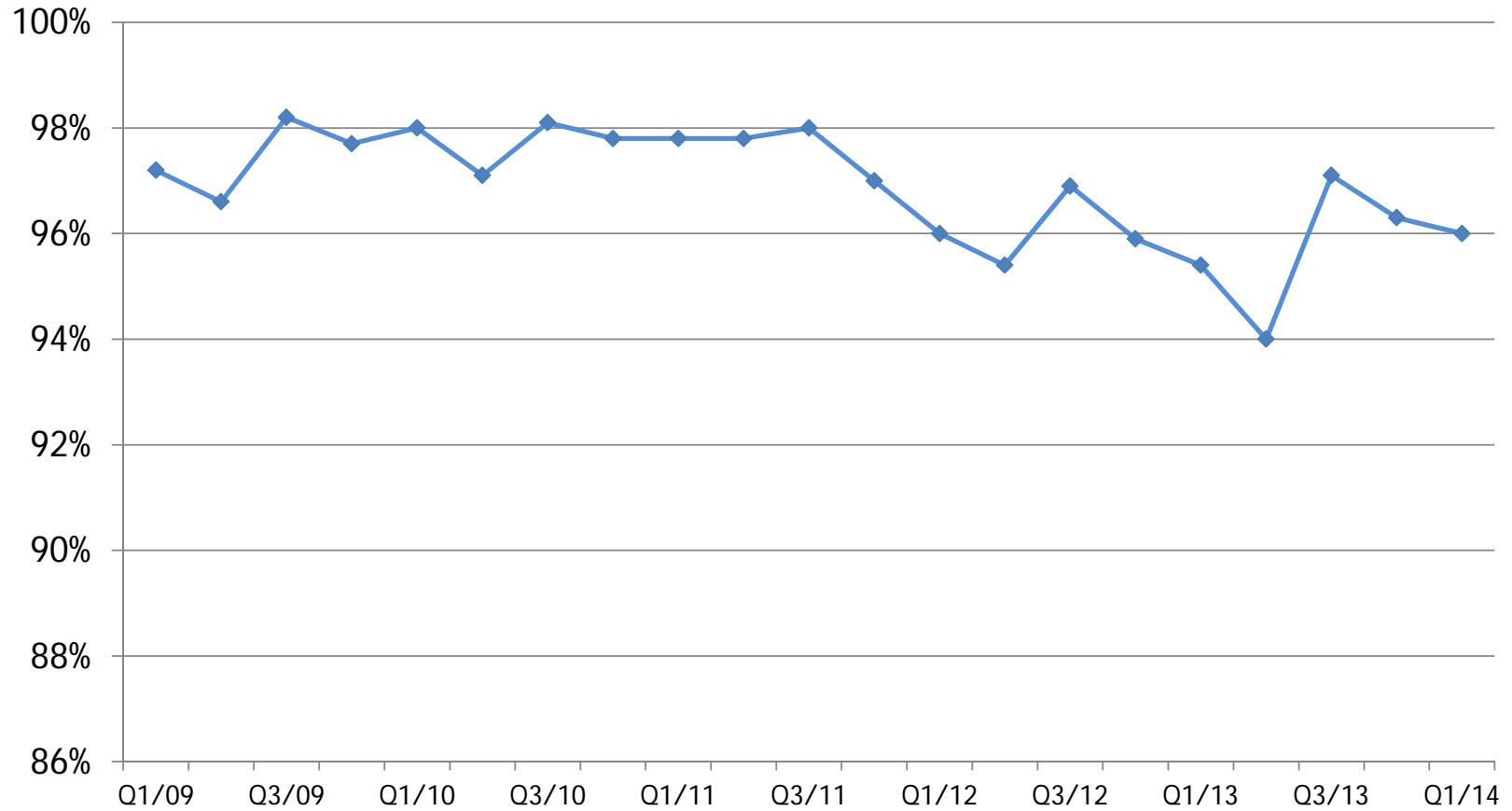
## Same Store Quarterly Revenue Growth



# Occupancy of 96% at March 31, 2014



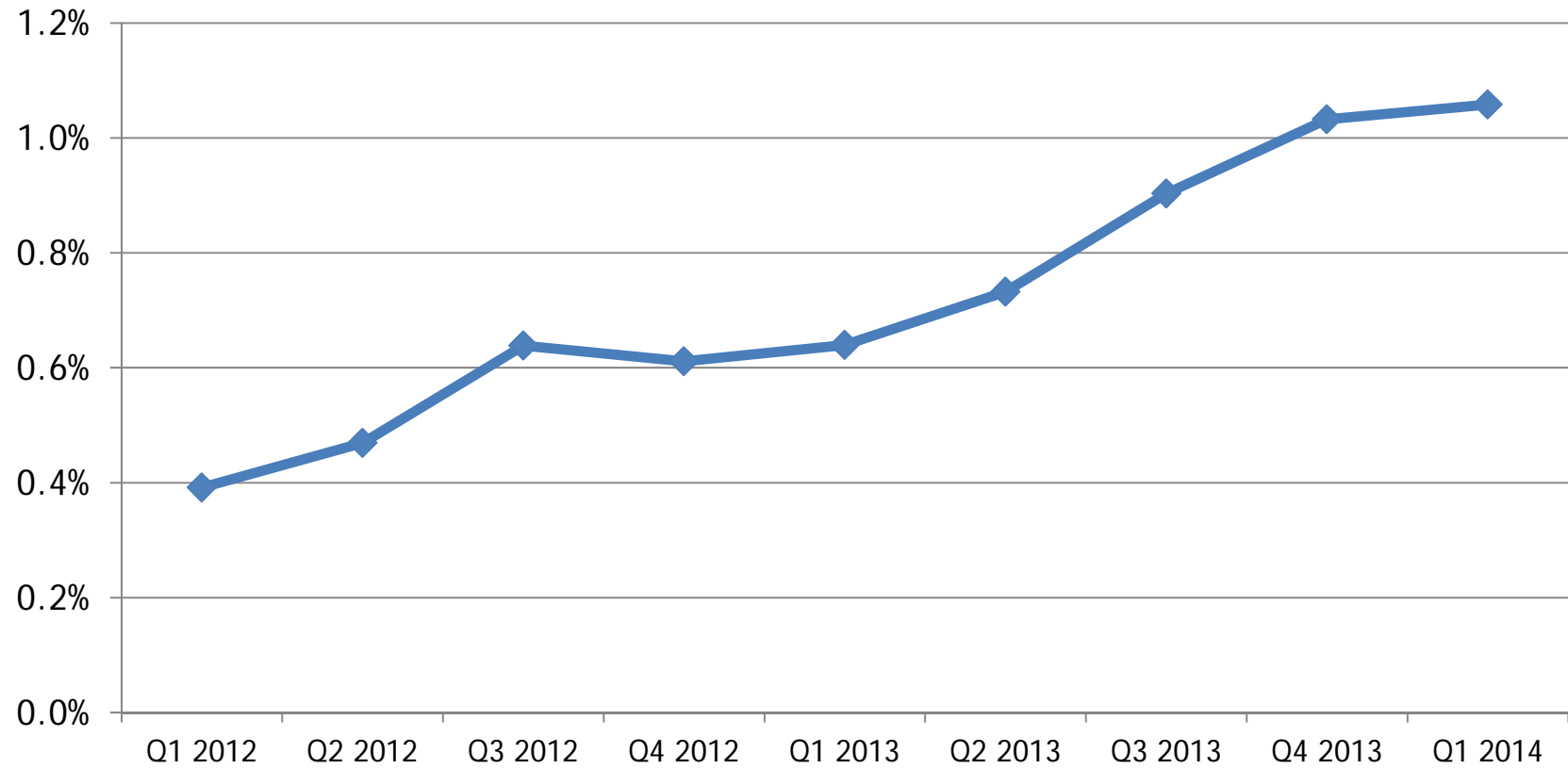
Killam's Apartment Occupancy Levels at Quarter-end  
2009 - 2014



# Increased Incentive Offerings



## Incentives as a Percentage of Rental Revenue



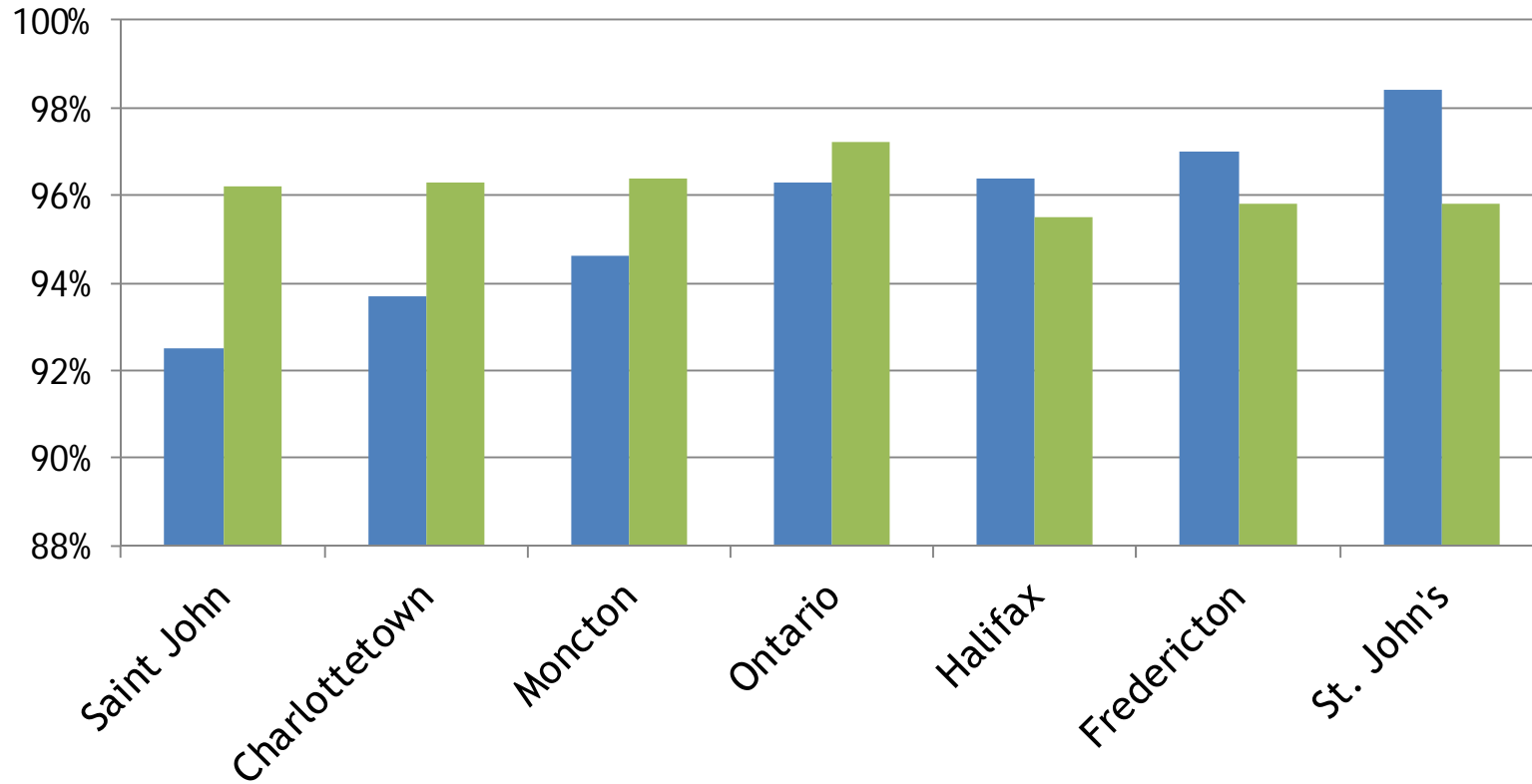


# Occupancy by Market



## Quarter-Over-Quarter Occupancy

■ Mar-13 ■ Mar-14



# Irving Shipbuilding Retrofit Underway



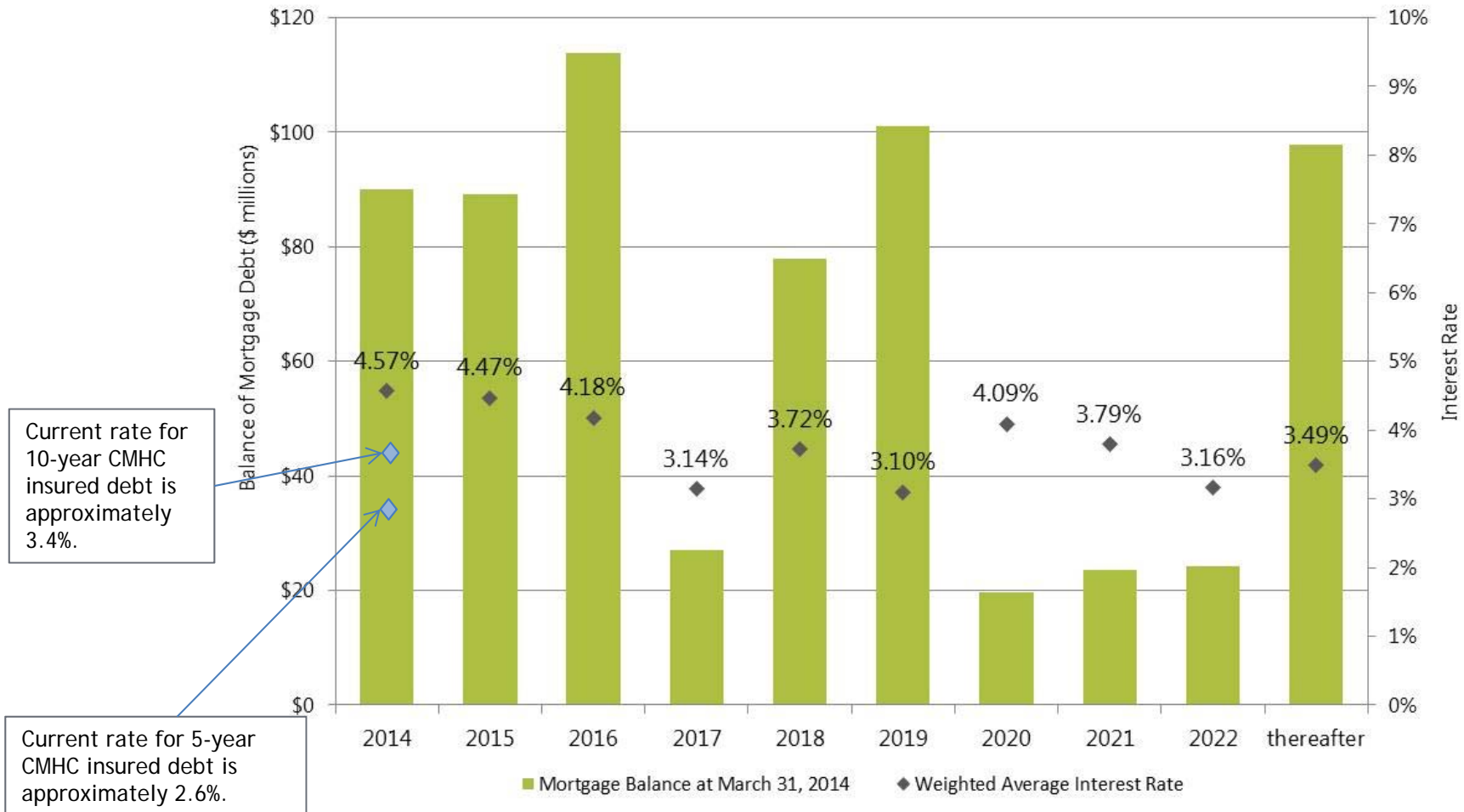
# Convention Centre Construction in Halifax



# Interest Expense Savings



## Apartment Mortgage Maturities by Year



# \$38 Million in Acquisitions YTD



300 Royale, Halifax



50 Selkirk, Ottawa



65 Bonaccord, Moncton



350 Mayfield, Ottawa

# Chelsea Place Development



- Building Description: 102 units, two buildings, wood frame construction with concrete floor topping
- Start Date: October 2013
- Projected Completion: Summer 2014
- Location: Adjacent Killam's recently completed Bennett House, St. John's, Newfoundland
- Construction Cost: \$21.4 million, \$209,800/door
- Building Features: In-suite laundry, stainless steel appliances, granite countertops, gym, common room

# Chelsea Place Development



# Saginaw Gardens Development



Building Description:	122 units, 7 storeys, concrete construction
Start Date:	December 2013
Projected Completion:	Spring 2015
Location:	650 Saginaw Parkway, Cambridge, Ontario
Construction Cost:	\$25.3 million, \$207,000/door
Building Features:	Open concept with condo quality features, in-suite laundry, large balconies, air conditioning, underground parking, fitness studio, large outdoor terraces.



# Saginaw Gardens Development



Saginaw Gardens, Cambridge



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