



Investor Presentation | September 2019



Cautionary Statement

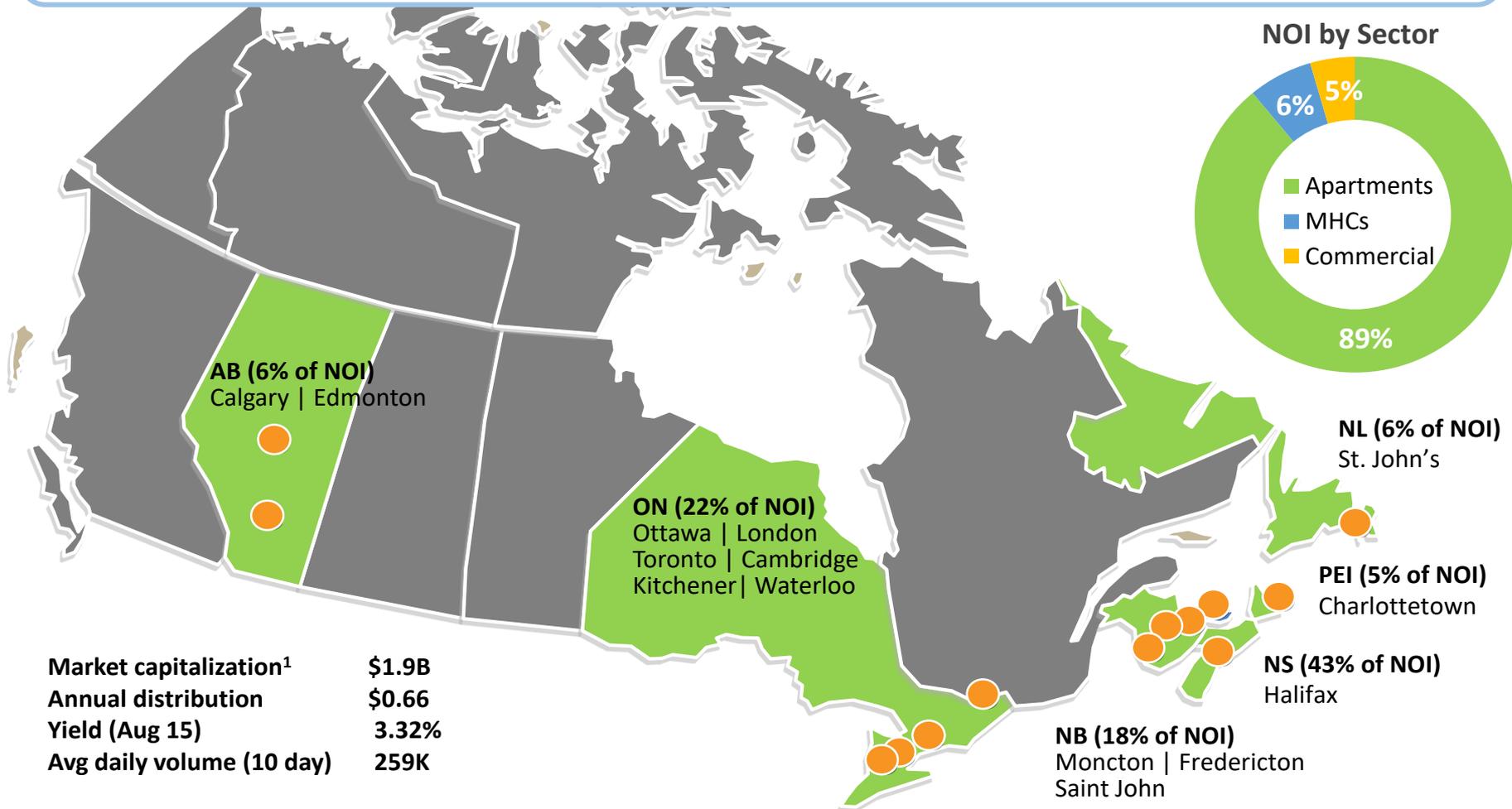
This presentation may contain forward-looking statements with respect to Killam Apartment REIT and its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward-looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “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



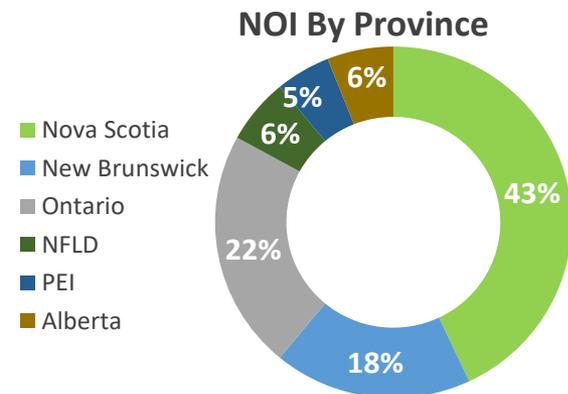
Killam Apartment REIT owns, manages and develops multi-family residential properties in Atlantic Canada, Ontario and Alberta. Killam's portfolio includes ~\$3.1 billion in real estate assets, comprised of 16,153 apartment units, 5,427 manufactured home community (MHC) sites and 0.8 million square feet of commercial space.



¹ Includes exchangeable units.

Apartment Portfolio			
	Number of Units	Number of Properties	% of Total NOI ⁽¹⁾
Nova Scotia			
Halifax	5,753	63	35.9%
Sydney	139	2	1.0%
	5,892	65	36.9%
New Brunswick			
Moncton	1,756	33	6.8%
Fredericton	1,481	22	7.0%
Saint John	1,202	14	3.9%
Miramichi	96	1	0.4%
	4,535	70	18.1%
Ontario			
Ottawa	1,216	9	6.4%
London	523	5	3.7%
Cambridge-GTA	818	6	6.9%
	2,557	20	17.0%
Newfoundland & Labrador			
St. John's	915	12	4.8%
Grand Falls	148	2	0.5%
	1,063	14	5.3%
Prince Edward Island			
Charlottetown	1,015	19	5.0%
Summerside	86	2	0.4%
	1,101	21	5.4%
Alberta			
Edmonton	474	3	2.8%
Calgary	531	3	3.4%
	1,005	6	6.2%
Total Apartments	16,153	196	89.0%

Manufactured Home Community Portfolio			
	Number of Sites	Number of Communities	% of Total NOI ⁽¹⁾
Nova Scotia	2,749	17	3.2%
Ontario	2,284	17	3.1%
New Brunswick ⁽²⁾	224	1	(0.1)%
Newfoundland & Labrador	170	2	0.2%
Total MHCs	5,427	37	6.5%
Commercial Portfolio			
	Square Footage	Number of Properties	% of Total NOI ⁽¹⁾
Nova Scotia	254,000	5	2.7%
Ontario	297,000	1	1.5%
Prince Edward Island	176,225	1	0.3%
New Brunswick	33,215	1	-%
Total Commercial	760,440	8	4.5%
Total Portfolio		241	100.0%



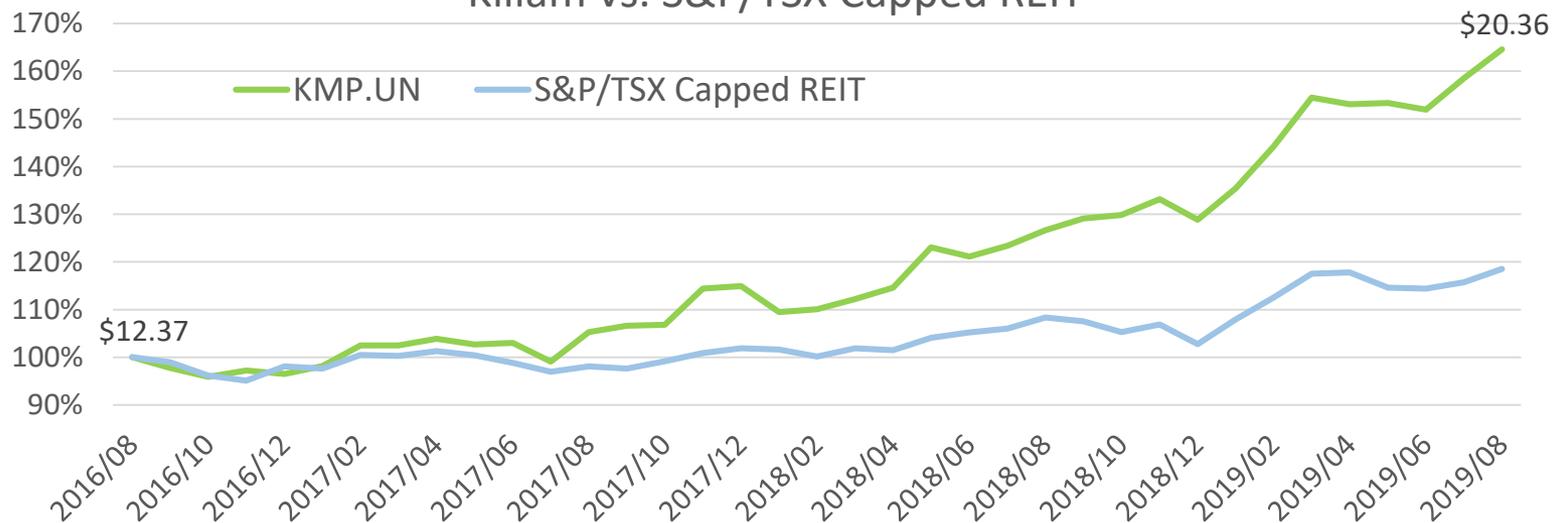
(1) % of total NOI for the six months ended June 30, 2019.

(2) Killam's NB MHC community has seasonal operations which commence in mid-May annually. Killam's NB commercial property was acquired June 27, 2019.

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

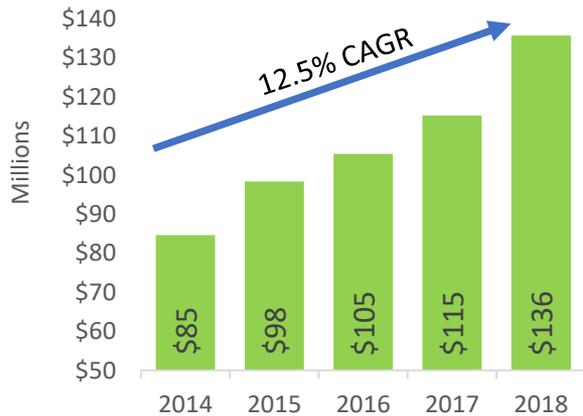
- Growing the portfolio and expanding geographically with accretive acquisitions, growing funds from operations (FFO), adjusted funds from operations (AFFO) & net asset value (NAV) per unit.
- Managing costs through ongoing process improvements.
- One of Canada's highest-quality and youngest apartment portfolios with 33% of NOI generated from apartments built in the last 10 years.
- Experienced developer with a \$700 million development pipeline to support future growth.
- Rising distributions with conservative payout ratio.
- Conservative balance sheet with capital flexibility.

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

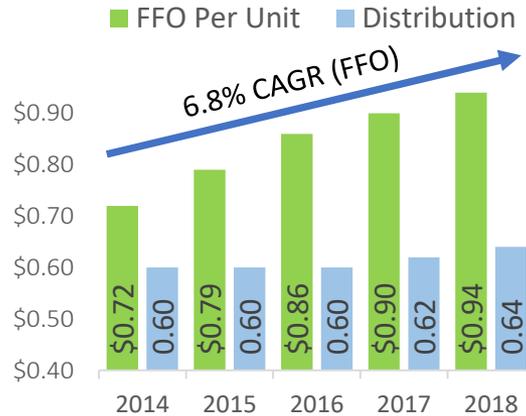


Five Years of Strong Growth

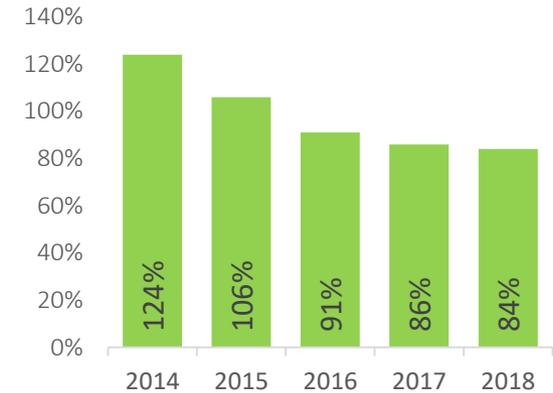
Net Operating Income



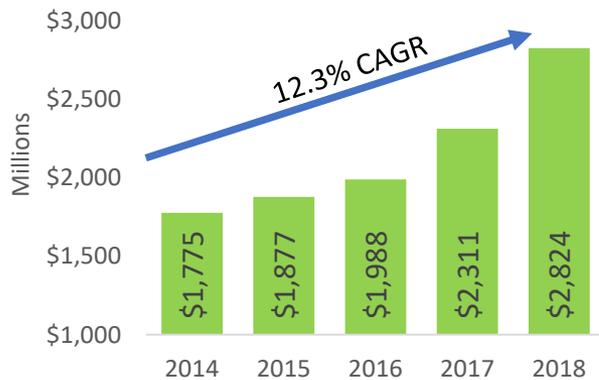
FFO & Distribution Per Unit



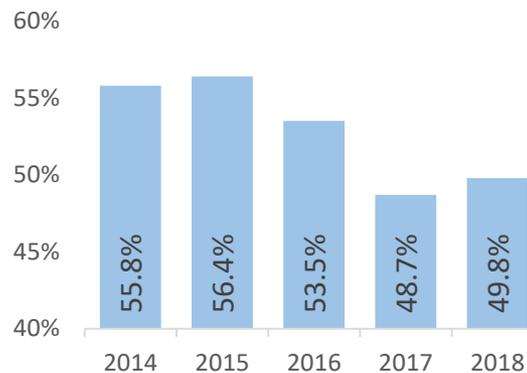
AFFO Payout Ratio¹



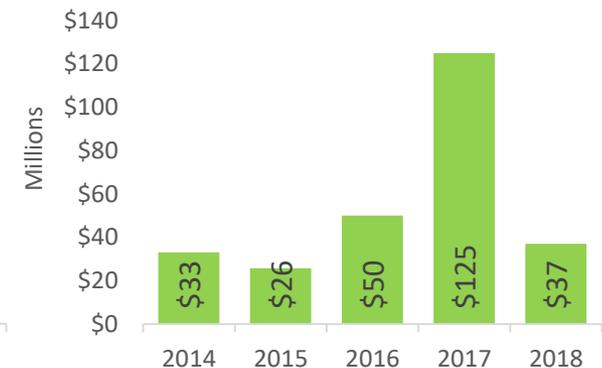
Total Assets



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.

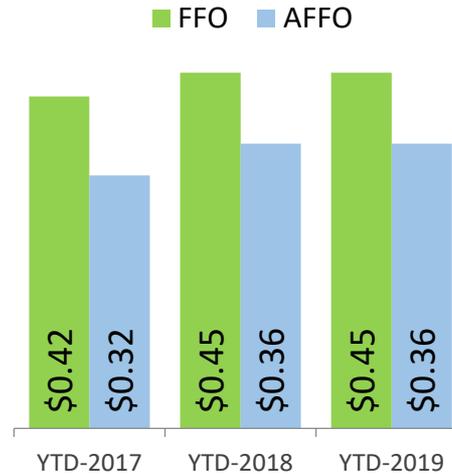
Strong YTD-2019 Results

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

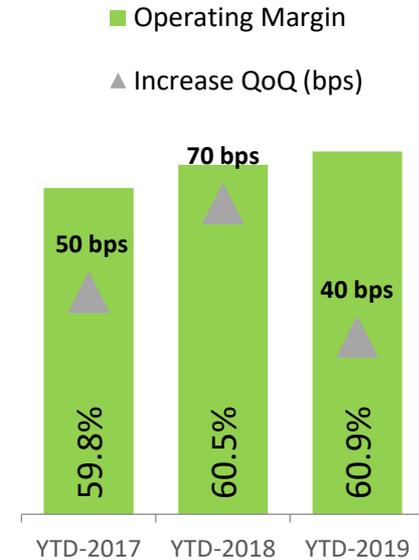
Same Property Consolidated NOI Growth
For the six months ended June 30,



YTD FFO & AFFO Per Unit
For the six months ended June 30,



YTD Operating Margin Expansion



2019 Target

YTD-2019 Performance

Same Property NOI Growth of 3% to 5%.

✓ 4.0% Same Property NOI growth.

Grow the portfolio to over \$3.0 billion by the end of 2019, with a minimum acquisition target of \$100 million.

✓ \$136 million of assets purchased YTD-2019 and recorded \$98 million in fair value gains.

Earn at least 30% of 2019 NOI outside Atlantic Canada.

~28% of YTD-2019 NOI was generated by properties in Ontario and Alberta.
✓ 30% of 2019 forecasted NOI outside Atlantic Canada.

Complete phase one of the Ottawa development, break ground on Silver Spear II and one additional development project.

✓ Ottawa development opened on June 1st.
✓ Broke ground on Gloucester Phase II (Latitude) and started site work on Silver Spear II (The Kay).

Maintain debt as a percentage of assets ratio below 49%.

✓ 47.7% debt to assets ratio at June 30, 2019.

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, targeting newer properties.



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

Accretive Capital Allocation

Development



Invest in developing high-quality energy efficient assets.

JV Investment



Invest in joint development opportunities to maximize growth potential.

Acquisitions



Acquire high-quality multi-residential assets.

Intensification



Intensifying existing assets with multi-residential developments.

NOI Enhancing Cap Ex



Invest in energy-efficiency initiatives, suite upgrades and building upgrades.

Dispositions

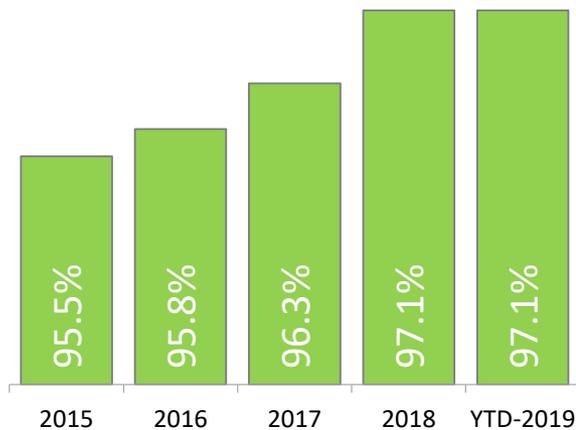


Dispose of select properties to provide capital to acquire newer/higher earning assets. 10

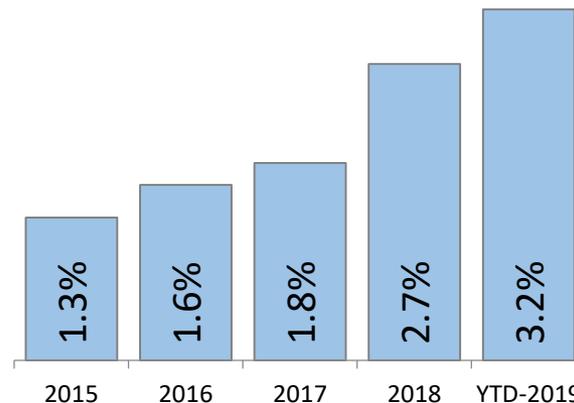
Increasing earnings from existing operations through revenue growth.

- Strong occupancy – 2018 occupancy was Killam’s highest, continuing in to 2019 with YTD same property occupancy being 50 bps higher than YTD-2018.
- Rising rental rates – Rate increases on renewals (2.0%), regular turns (5.6%) and repositioned turns (30.0%) averaged **3.2%** in Q2-2019, up from 2.4% in Q2-2018.

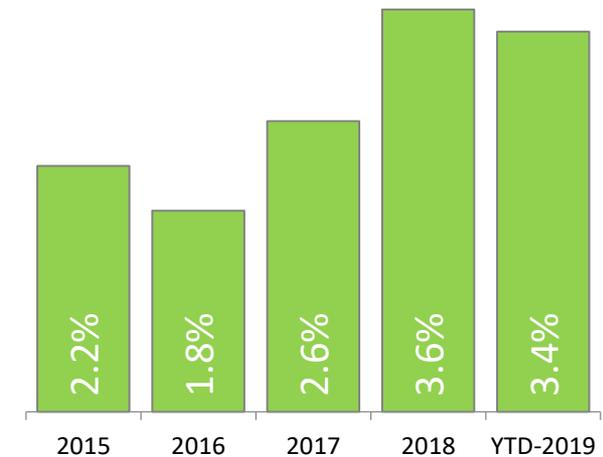
Apartment Same Property Occupancy¹



Apartment Same Property Average Rental Rate Growth



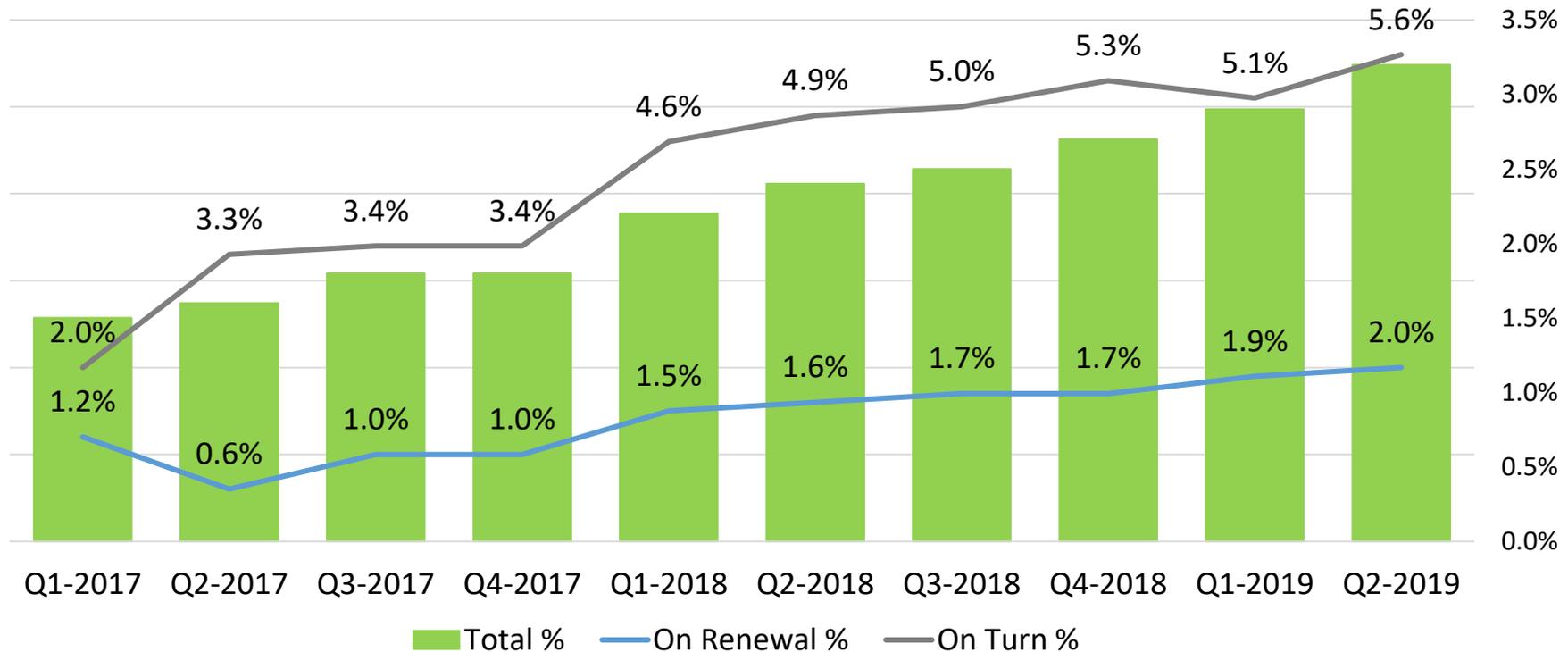
Same Property Revenue Growth



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

With continued high occupancy levels, increasing rental rates is a key focus for revenue optimization.

Same Property Rental Increases (%)

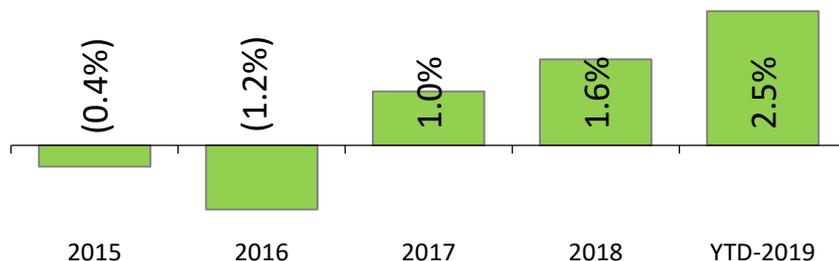


Same property rental rate growth has accelerated ~20 bps in each of the past six quarters, from 1.8% in Q4-2017 to 3.2% in Q2-2019.

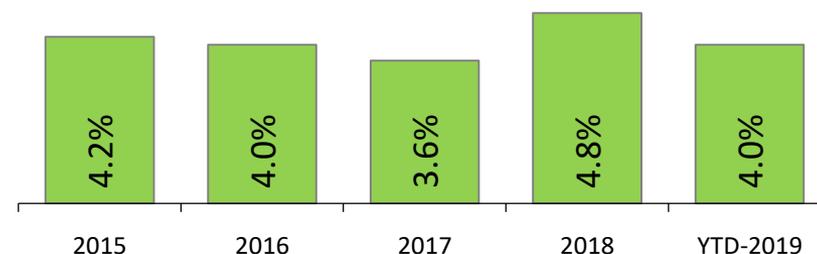
Increasing earnings from existing operations through expense management.

- Energy conservation initiatives – \$5.0 million in 2019, 197 projects, \$0.9 million annual savings, 5.6 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



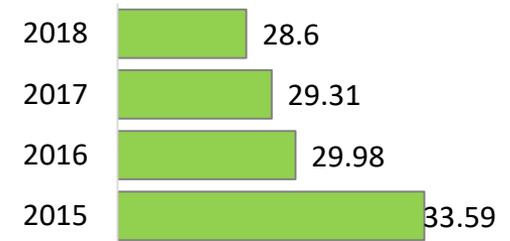
Same Property NOI Growth



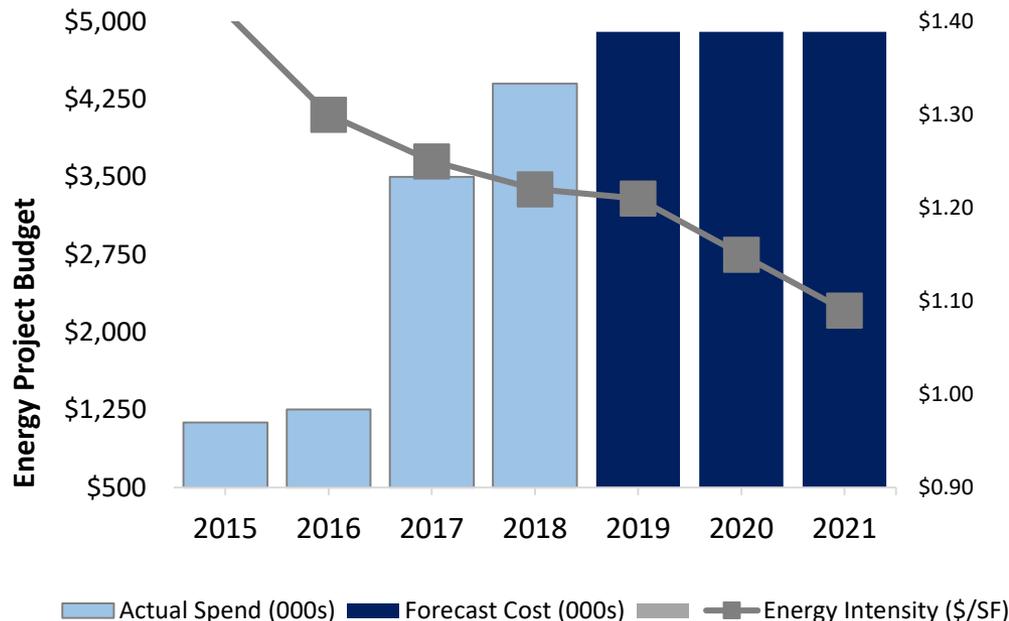
2019 Target: Same Property NOI growth of 3-5%. **Long-term Target:** Same Property NOI growth averaging over 3%.

Increasing earnings from operations through energy efficiency.
 Five year plan | **\$25 Million** of investments | **\$11 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)



Five Year Plan 2017 – 2021 Energy and Water Project Budget and Energy Intensity \$/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.

Driving revenues through unit repositionings to meet market demand, maximize NOI growth and investment returns.



Based on a 5% cap rate this investment would increase the NAV by ~\$195M

Increasing Revenues to Grow NOI

Spruce Grove, Calgary (66 units) | Driving revenues through repositioning units

AFTER



Suite Repositionings

- \$27k - Average investment per unit
- 22% - Average rent lift
- 14.1% - Average ROI
- \$390 Avg monthly increase

BEFORE



Increasing Revenues to Grow NOI

Westminster, London (106 units) | Growing revenues through repositioning units



AFTER

Suite Repositionings

- \$32k - Average investment per unit
- 44% - Average rent lift
- 13% - Average ROI
- \$350 Avg monthly increase



BEFORE



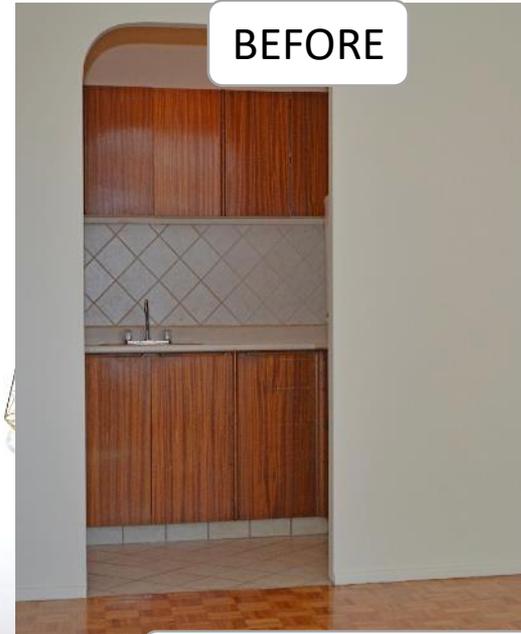
Increasing Revenues to Grow NOI

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

Quinpool Tower, Halifax (233 units) | Investing in common area upgrades



AFTER



Common area upgrades

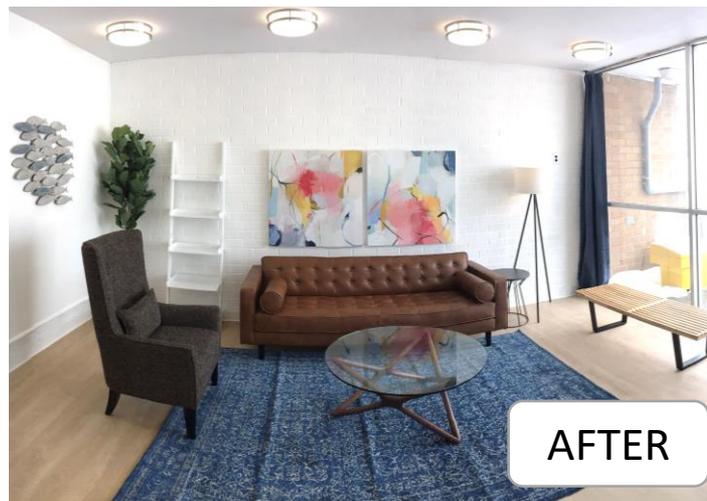


BEFORE

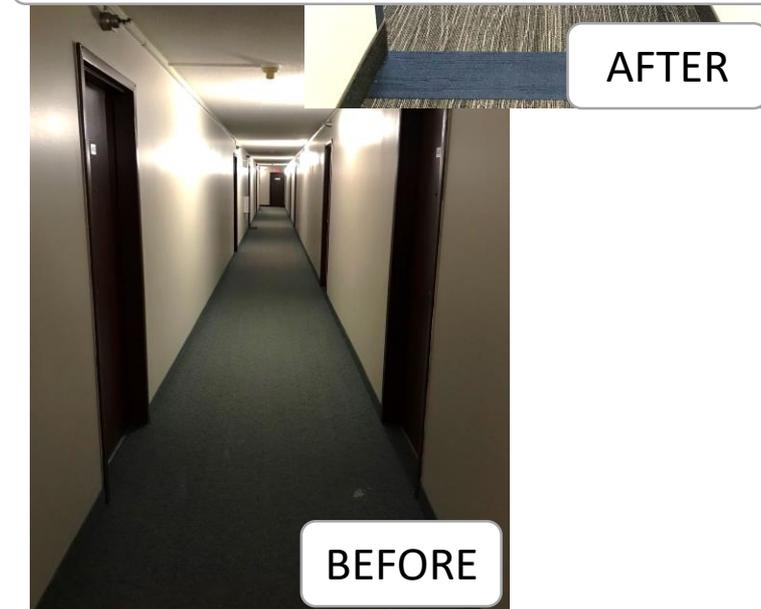
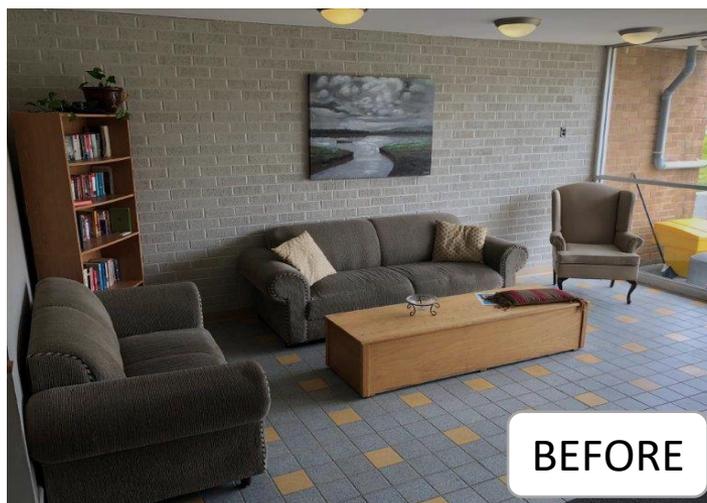


Increasing Revenues to Grow NOI

Investing in both unit and common area upgrades to increase curb appeal and revenues



Torbay, St. John's (84 units)

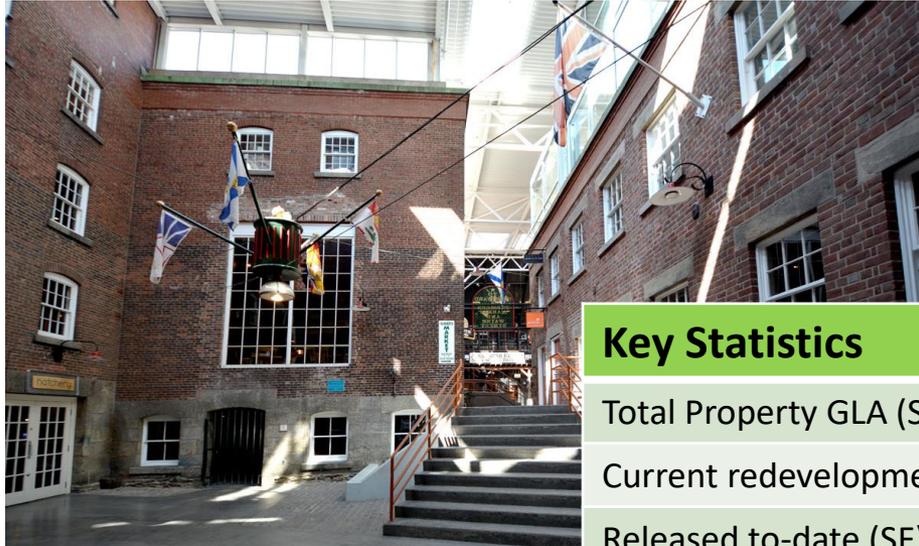


Redevelopment to maximize potential

Repositioning the 158,000 SF Brewery Market, located adjacent to The Alexander (240 units).

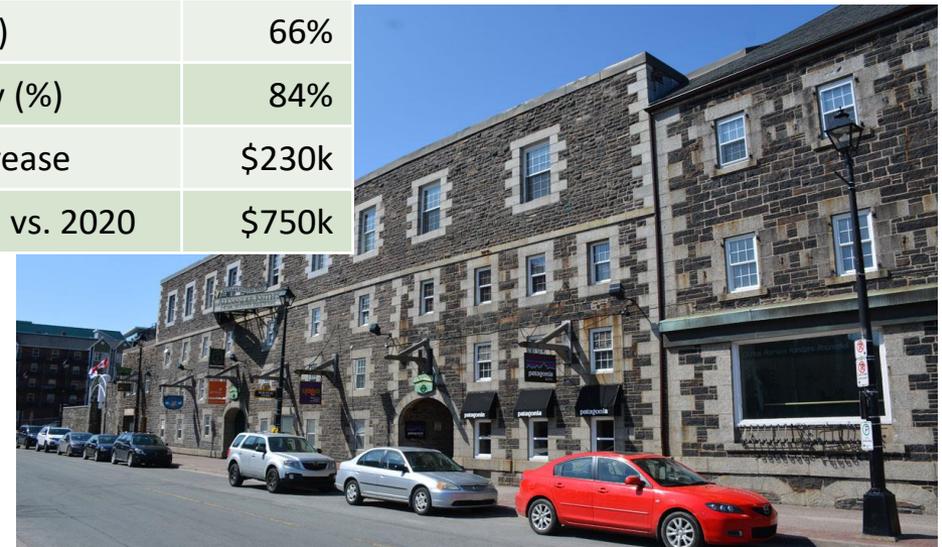


Redevelopment to maximize potential



Key Statistics

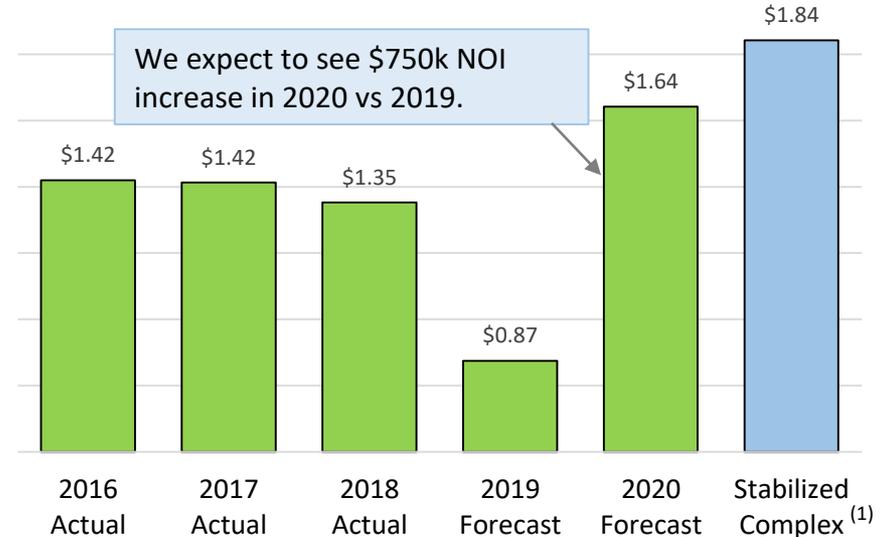
Total Property GLA (SF)	158,000
Current redevelopment (SF)	54,000
Released to-date (SF)	29,000
Current Occupancy (%)	66%
Committed Occupancy (%)	84%
Est. Stabilized NOI Increase	\$230k
Est. NOI Increase 2019 vs. 2020	\$750k



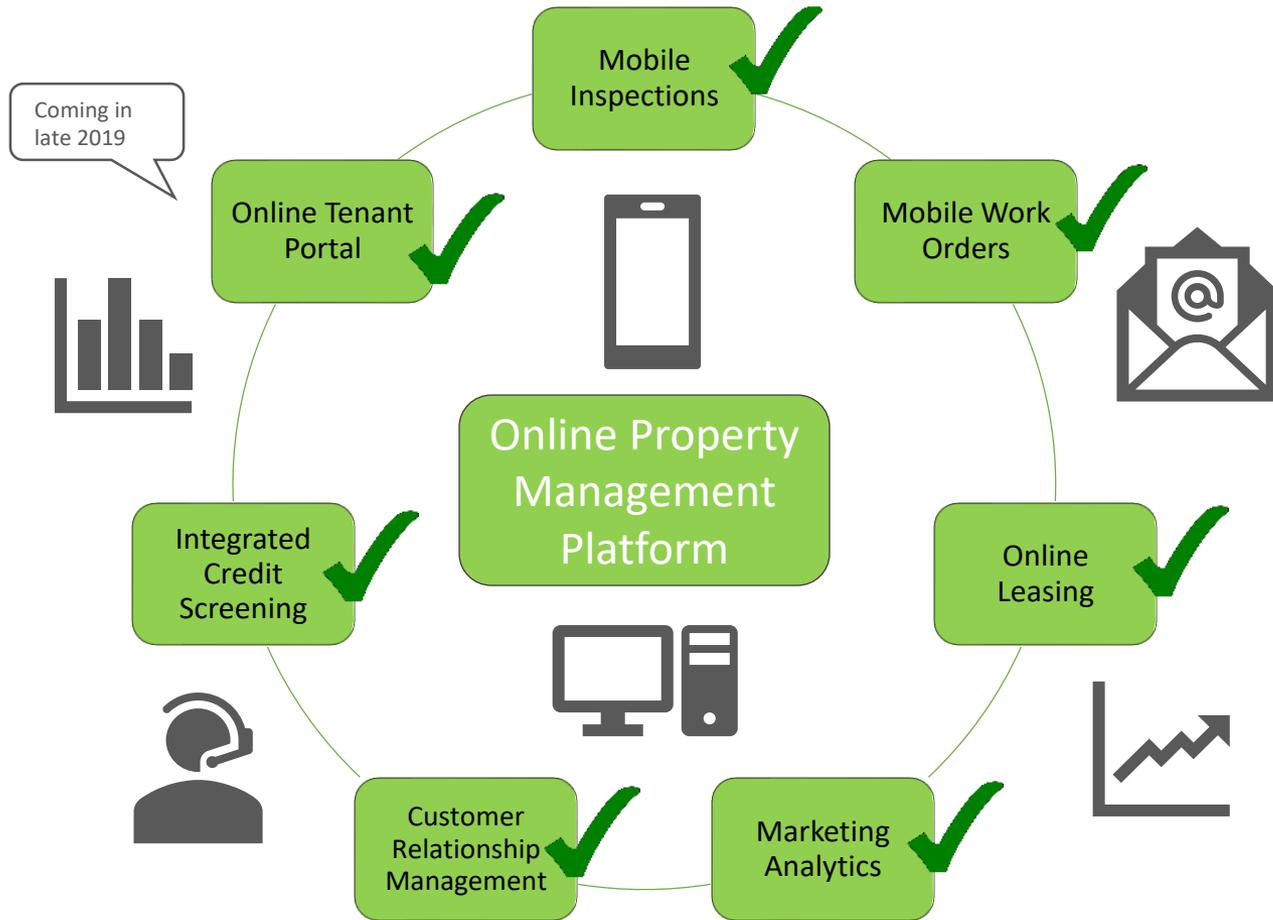
Redevelopment to maximize potential



Brewery Market NOI (\$M)



(1) Includes all commercial space in the Brewery Market/Alexander block.



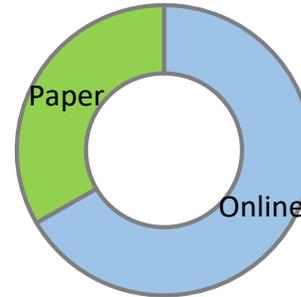
Next Priorities:

- Implementing rent optimization software
- Maximizing functionality of current suite of products
- Continuous efficiencies of internal processes

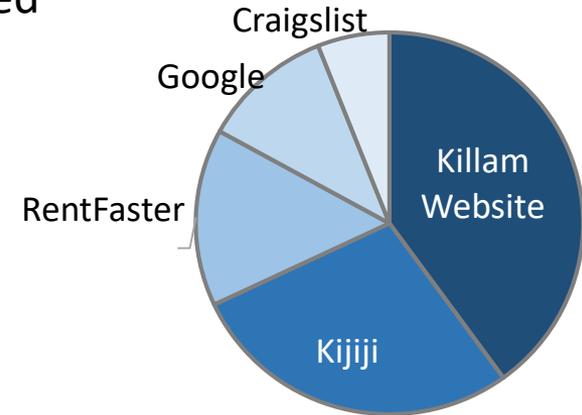
Data Analytics Drive Decisions

- Showing and Lease Conversion Ratios
- Average Response Time
- Traffic By Source
- Leads By Hour
- Daily Traffic Trends
- Email Response Time
- Average Age of Customer Inquiry
- Effectiveness of Campaigns
- Staff Performance
- Resource Workload Volumes

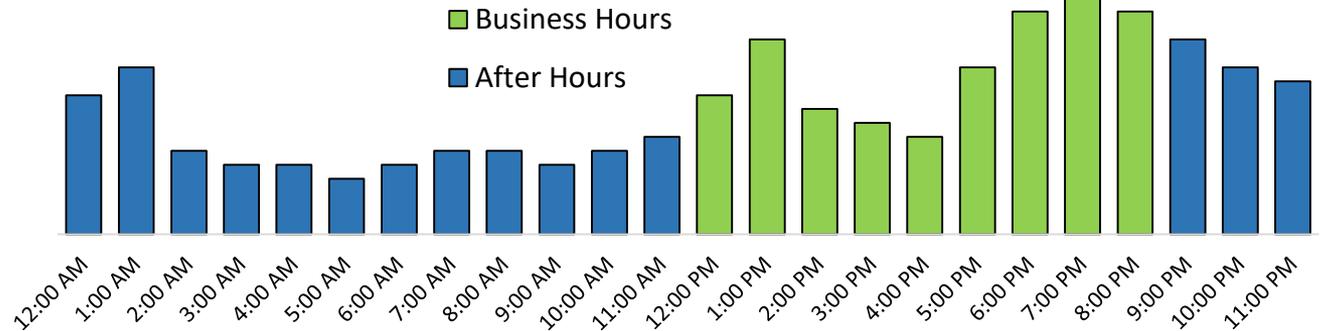
Applications Completed



Traffic by Source



Leads by Hour Trending



CRM implementation was 100% complete in March 2019.

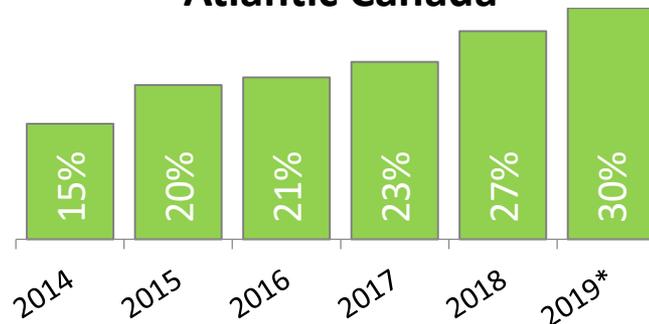
This CRM investment will optimize rents and minimize vacancy, increasing NOI.

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

Annual Acquisitions (\$ millions)



NOI Generated Outside Atlantic Canada



*Based on its current portfolio, Killam forecasts that 30% of 2019 NOI will be generated outside Atlantic Canada.

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

2019 Acquisitions | 11 Harold Doherty

Description:

59 units; 48 underground parking stalls
Average rent – \$1,175/month (\$1.40/sf)
100% leased

Acquisition Details:

\$8.1 million (\$137,000/unit)
5.8% capitalization rate
Built in 2017
Closed: April 18, 2019

Location:

Fredericton, NB



2019 Acquisitions | Charlottetown Mall

Description:

- 32 acre commercial site with apartment development opportunity for ~300 units
- 352,448 sf grocery anchored enclosed retail complex

Commercial/Retail Details:

- 5.42 year average lease term
- 89.2% occupied
- 80% national tenants
- Retail continued to be managed by RioCan

Acquisition Details:

- \$23.75 million (50% interest)
- 6.7% yield
- Closed May 17, 2019

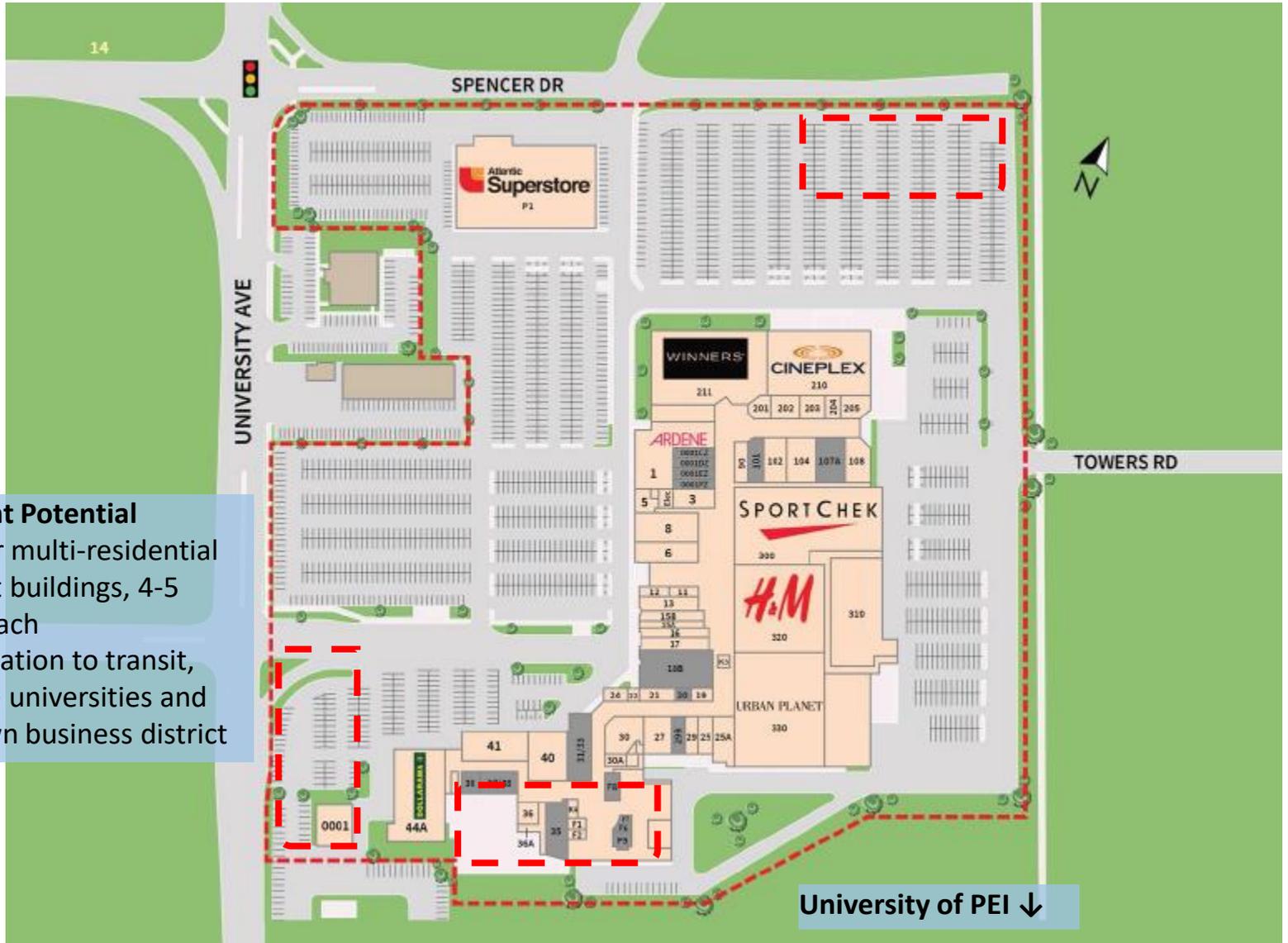
Location Details:

- Downtown Charlottetown
- PEI's busiest retail node
- Premium visibility on main arterial routes
- Surrounded by retail, residential neighbourhoods and the University of PEI

50%/50% Killam/RioCan Joint Venture



2019 Acquisitions Charlottetown Mall | Future Development



2019 Acquisitions | Grid 5 & Silver Spear

Description:

Grid 5 – 50% of 307 units

Silver Spear – 50% of 199 units

Acquisition Details:

\$69.9⁽¹⁾ million

4.2% capitalization rate

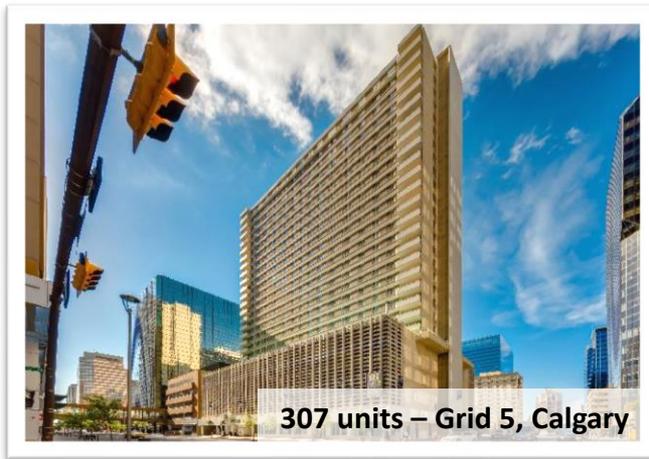
Closed: June 14, 2019

Location:

Calgary, AB

Mississauga, ON

Killam acquired its initial ownership interest in Silver Spear in 2012 and Grid 5 in 2014 and has been managing these properties since then. Killam acquired the remaining 50% interest in both assets in early June 2019 with a seamless absorption into our property management platform.



307 units – Grid 5, Calgary

Grid 5 - Annual NOI (\$M)



Silver Spear - Annual NOI (\$M)



199 units – Silver Spear, Mississauga

⁽¹⁾ With an additional \$3.6 million allocated to the acquisition of the Silver Spear II development land.

2019 Acquisitions | Dieppe Village

Description:

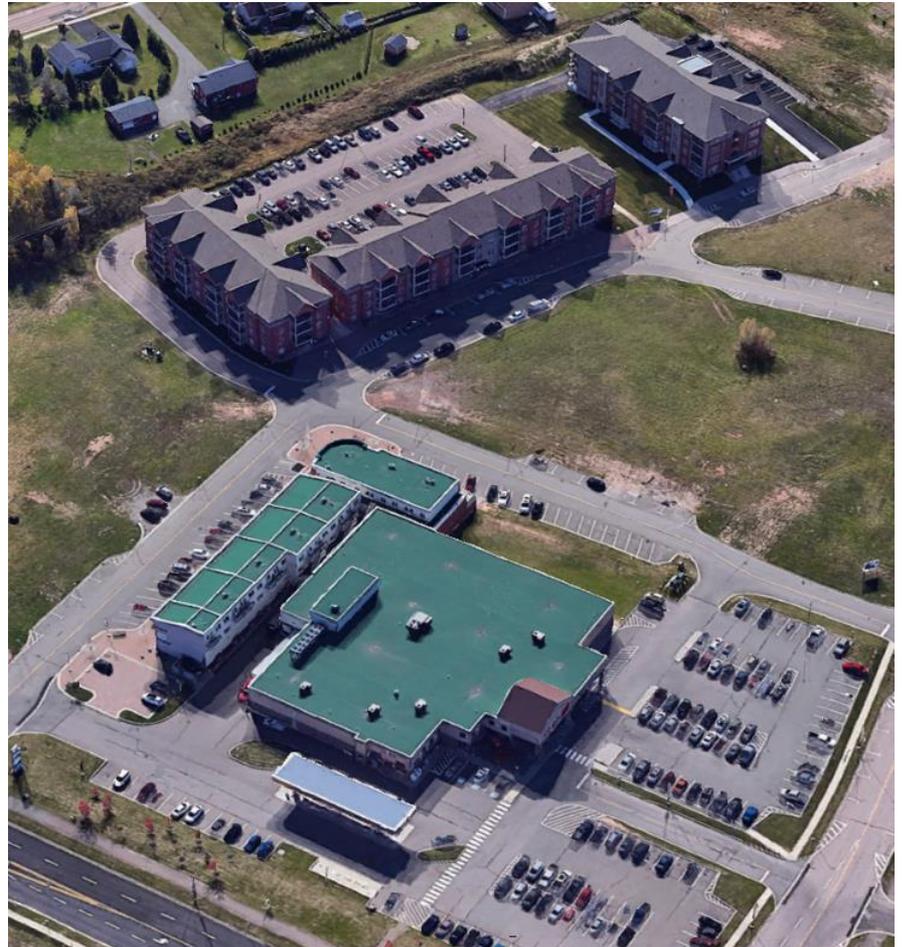
- 3 residential apartment buildings
- 1 mixed-use commercial & residential building
- 127 units total
- 1 Co-op grocery store with gas bar & 2.5 acres of vacant land
- 45,500 SF of commercial space total

Acquisition Details:

- Blended all cash yield of 5.7%
- 5.0% residential capitalization rate
- 7.9% commercial capitalization rate
- \$28.9 million (\$21.4M res; \$6.6M comm; \$0.9M vacant land)
- Closed: June 27, 2019

Location:

Moncton, NB



2019 Acquisitions | Lian Street

Description:

48 units; 48 underground parking spots
Four-storey apartment complex with large 2 & 3
bedroom units
Average rent – \$1,367/month (\$1.00/sf)

Acquisition Details:

\$9.25 million
5.40% capitalization rate
100% occupied
Closed: August 20, 2019

Location:

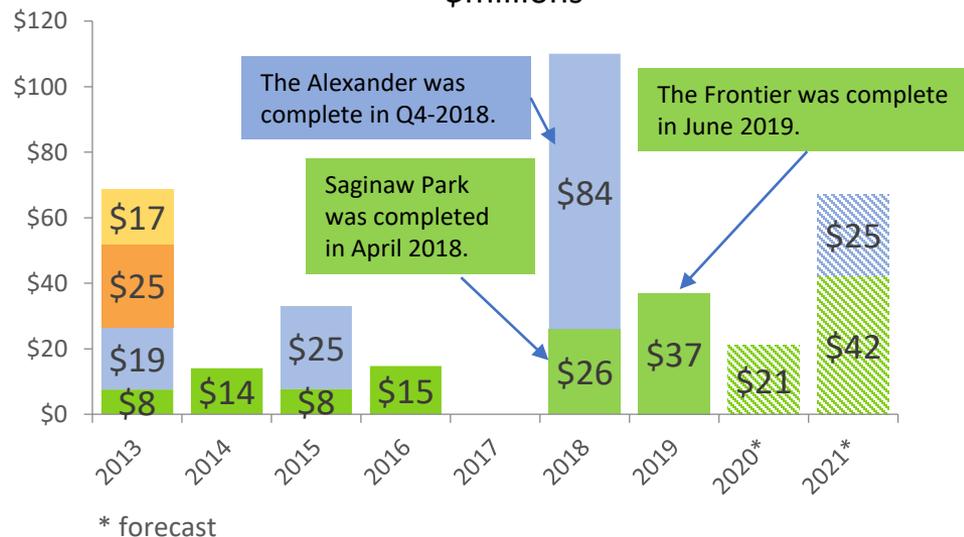
Fredericton, NB



Developing high-quality properties in core markets.

- Over \$300 million (1,180 units) of developments completed or underway.
- Experienced in-house architect and engineers.
- Development pipeline of approximately 2,200 units.

Developments Completed
\$millions



The two recently completed developments, The Alexander and Saginaw Park, are already contributing to FFO per unit this year, while the Frontier will contribute in 2020. Total FFO per unit contribution for these developments is expected to be \$0.03/unit and \$12 million of NAV when complete and stabilized.

See pages 34 to 43 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 \$300 million of developments completed.



Ottawa, ON - Frontier, Phase I of Gloucester City Centre, was substantially complete in June 2019.



Green Features: Sub-metered water, geothermal heating and cooling, adjacent to Ottawa's Light Rail Transit.

Key Statistics

Number of units	228
Start date	Q2-2017
Completion date	Q2-2019
Project Budget (\$M)*	\$37.5
Cost per unit	\$329,000
Expected Yield	5.25%
Expected Value Cap-rate	4.0%
Average Unit Size	789 SF
Average Rent	\$1,965 \$2.49/sf

* Killam's 50% interest.

Phase I of Killam's 228-unit joint development project, Frontier, located in Ottawa, reached substantial completion in June 2019 and is currently 75% leased.

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



Frontier Leasing Activity



*forecast



Ottawa, ON - Phase II (Latitude) of Gloucester City Centre



Latitude (Phase II)

Frontier (Phase I)

Key Statistics

Number of units	209
Start date	Q2-2019
Est. Completion date	Q4-2021
Project Budget (\$M)*	\$43.6
Cost per unit	\$417,000
Expected Yield	5.2%
Expected Value Cap-rate	4.0%
Average Unit Size	803 SF
Average Rent	\$2,085 (\$2.60/sf)

* Killam's 50% interest.

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

Shorefront development broke ground in October 2018.

Key Statistics

Number of units	78
Start date	Q4-2018
Estimated Completion date	Q2-2020
Project Budget (\$M)	\$20.8
Cost per unit	\$267,000
Expected Yield	5.6%
Expected Value	4.75-5.0%



Green Features: Sub-metered water, solar photovoltaic panels, on-site EV chargers

Shorefront development is on schedule and budget with \$4.6 million invested to-date.



Silver Spear II development (The Kay) to break ground in Q3-2019.

Key Statistics

Number of units	128
Start date	Q3-2019
Estimated Completion date	Q2-2021
Project Budget (\$M)	\$49.0
Cost per unit	\$383,000
Expected Yield	5.0-5.25%
Expected Value Cap-rate	3.5%



Weber Scott Pearl

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



Westmount Place

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

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



Development Pipeline - ~\$700 million

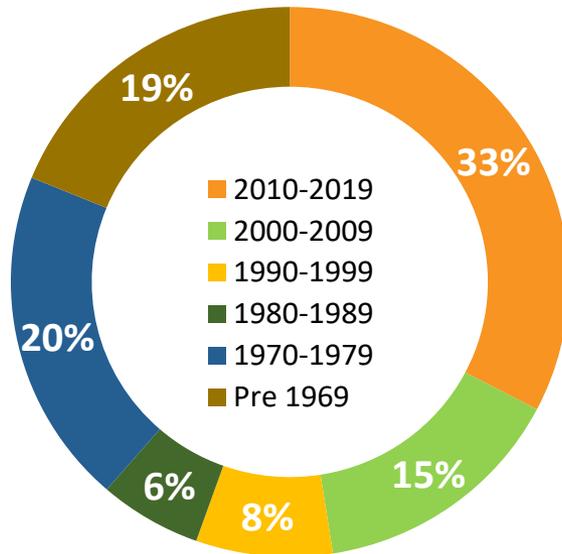
Future Development Opportunities					
Property	Location	Killam Interest	Potential # of Units	Status	Est Year of Completion
<u>Developments expected to start in the next 24 months</u>					
The Governor	Halifax, NS	100%	12	In design and approval process	2021
Nolan Hill	Calgary, AB	10%	23	In design and approval process	2021
Weber Scott Pearl	Kitchener, ON	100%	170	In design and approval process	2022
Westmount Place (Ph 1)	Waterloo, ON	100%	118	In design	2022
<u>Developments expected to start in 2021-2025</u>					
Haviland Street	Charlottetown, PE	100%	99	In design	2022
Gloucester City Park (Ph 3-4)	Ottawa, ON	50%	185	In design	2024
Westmount Place (Ph 2-5)	Waterloo, ON	100%	908	In design	2028
<u>Additional future development projects</u>					
Carlton Terrace	Halifax, NS	100%	104	In design and approval process	TBD
Kanata Lakes	Ottawa, ON	50%	40	In design and approval process	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			2,244		

~ 64% of Killam's development pipeline is outside Atlantic Canada. Killam targets yields of 5.0% to 6.0% on development, 50–150 bps higher than the expected cap-rate value on completion. Building out the \$700 million pipeline at a 100 bps spread would create approximately \$175 million in NAV growth for unitholders.

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.

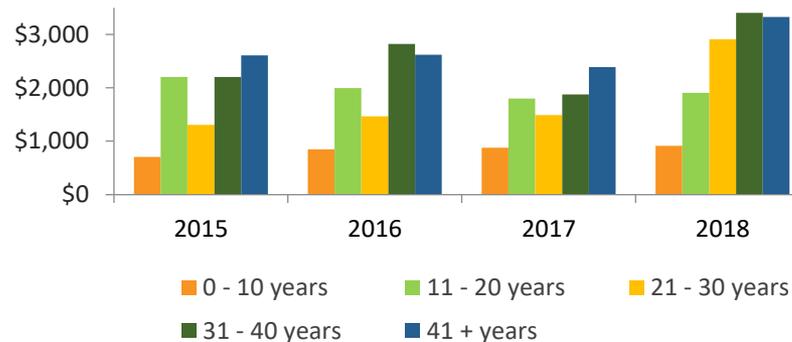
Apartment NOI by Year of Construction



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



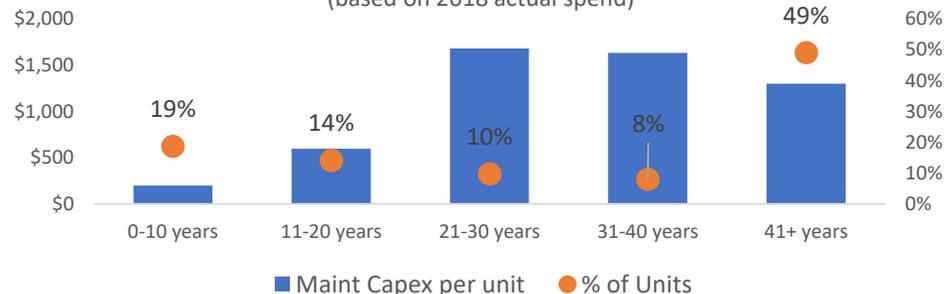
Killam's average annual spend for properties less than 10 years old was \$910 per unit in 2018 compared to \$3,325 per unit for buildings over 40 years old.

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

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

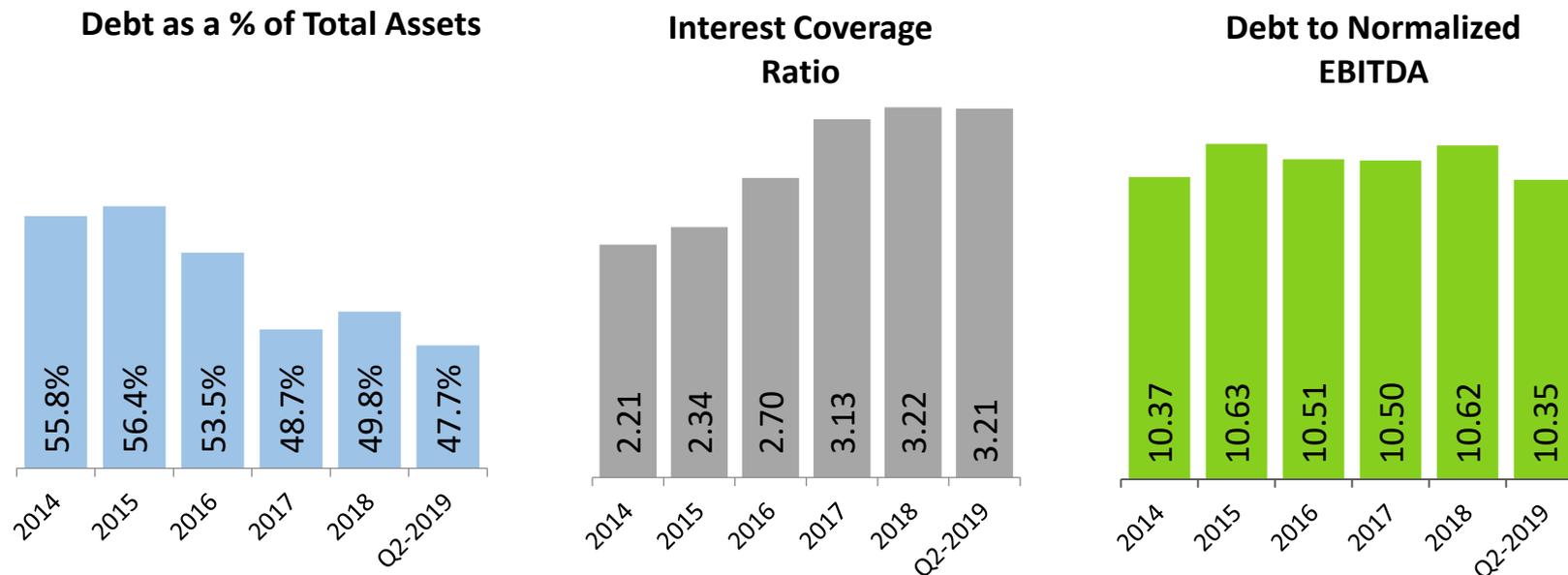
Avg Maint Capex Spend per Unit by Building Age

(based on 2018 actual spend)



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 June 30, 2019, \$48 million was drawn on the facility and Killam has acquisition capacity of ~\$120 million.

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

Interest Expense Savings

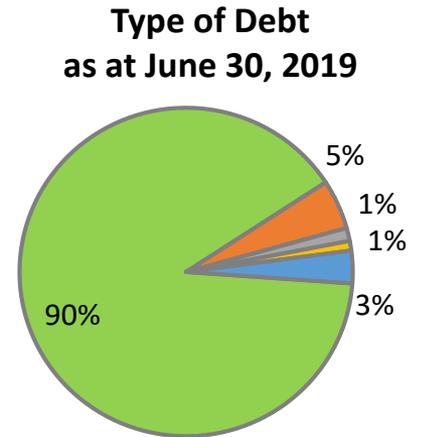
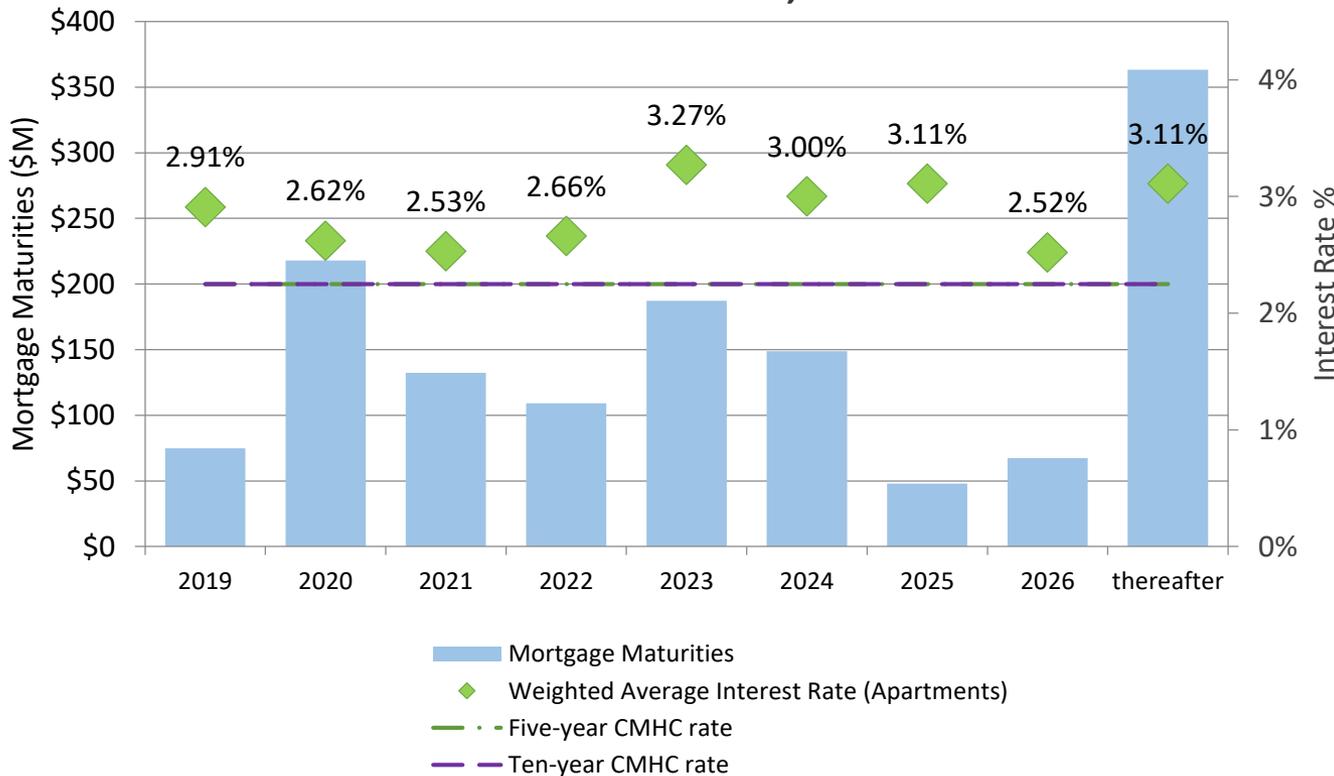
- ~\$69 million of apartment refinancings remaining in 2019.
- Currently expect to refinance mortgage maturities at similar interest rates in 2019 & 2020.

Current Weighted Average Interest Rate of 2.95%

84% of Apartment Mortgages CMHC Insured

Weighted Average Term to Maturity of 4.6 years

**Apartment Mortgage Maturities by Year
As at June 30, 2019**



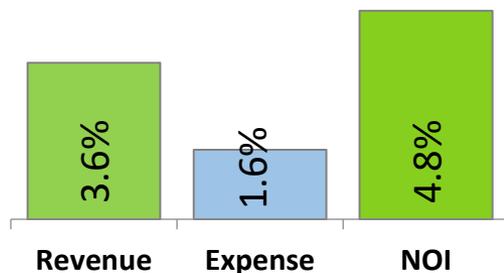
- Apartment Mortgages
- MHC Mortgages
- Construction
- Variable
- Credit Facility

Appendices

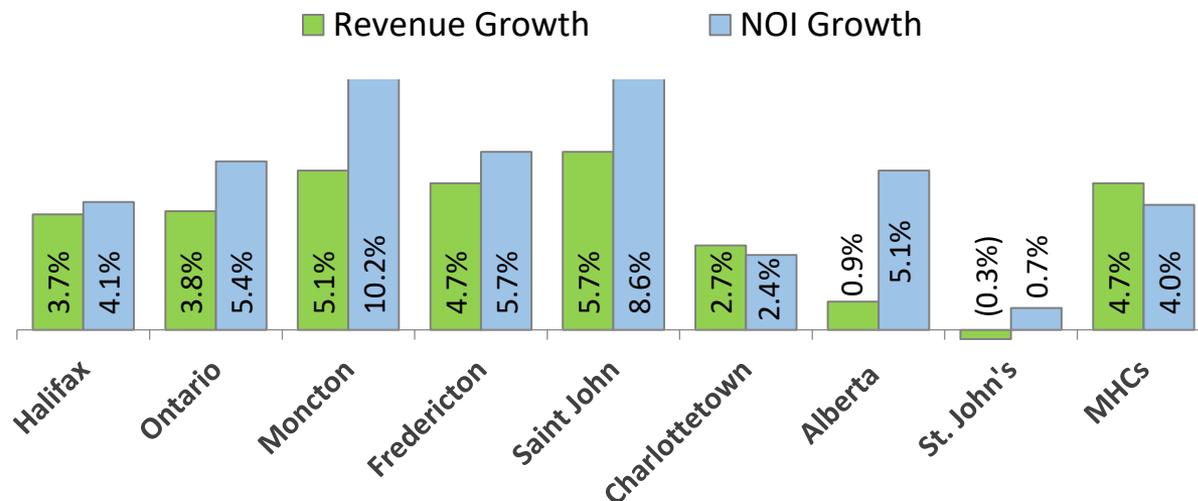
2018 & YTD-2019 Performance

2018 & YTD-2019 Performance

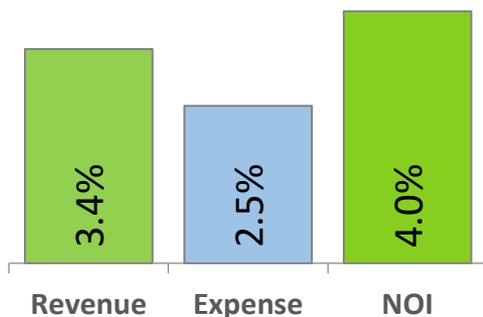
2018 Same Property Performance



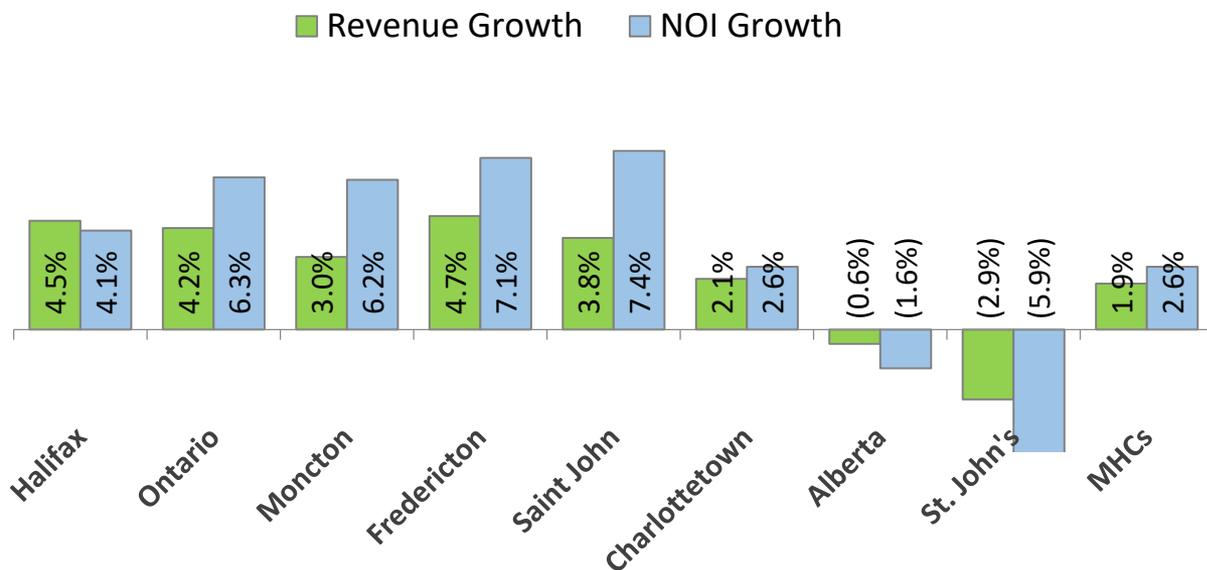
2018 Results by Market



YTD 2019 Same Property Performance



YTD 2019 Results by Market



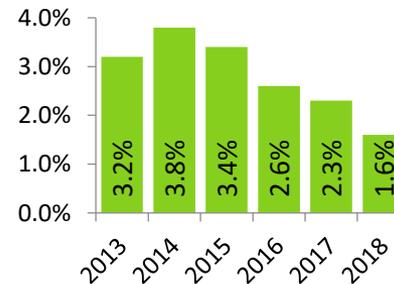
Core Market Update

The Halifax rental market is strong with occupancy at a historic high level of ~98% for 2018 and YTD-2019.

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

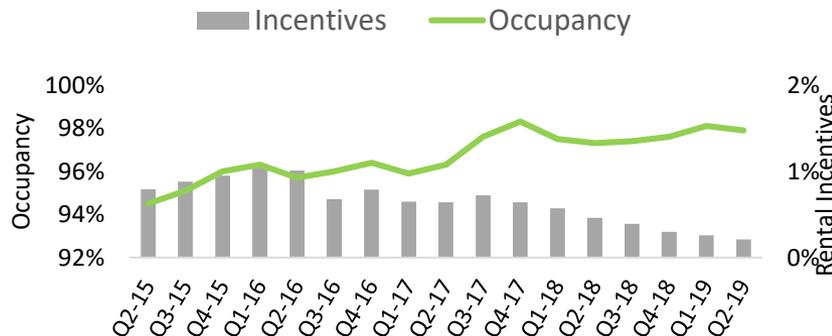


CMHC Market Stats¹

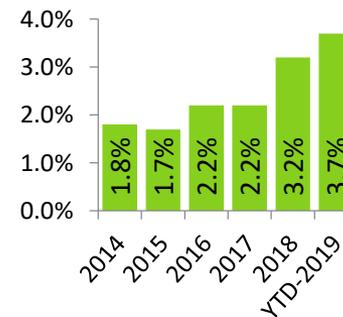
49,025 Rental Units
 1.6% Vacancy
 2.1% ↑ in Average Rent
 1,922 Starts in 2018
 1,320 Completions in 2018
 4,088 Under Construction
 \$1,066 Average Rent

Killam's Same Property Performance

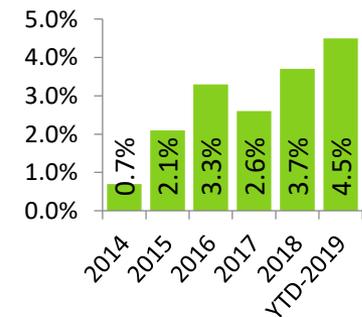
Halifax Same Property Occupancy



Halifax Same Property Rental Increases



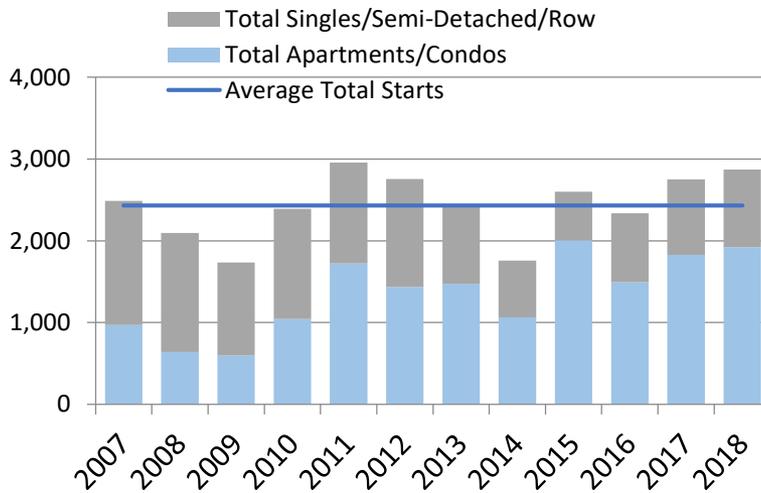
Halifax Same Property Revenue Growth



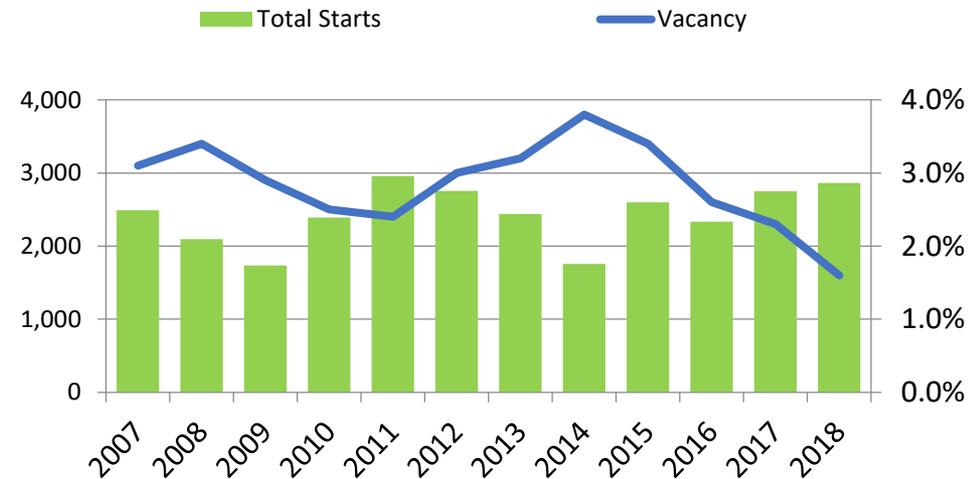
¹ CMHC 2018 Rental Market Report, Fall 2018 Housing Market Outlook and Housing Portal.

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

Halifax Housing Starts - Apt & Single



Halifax Housing Starts & Vacancy Trend



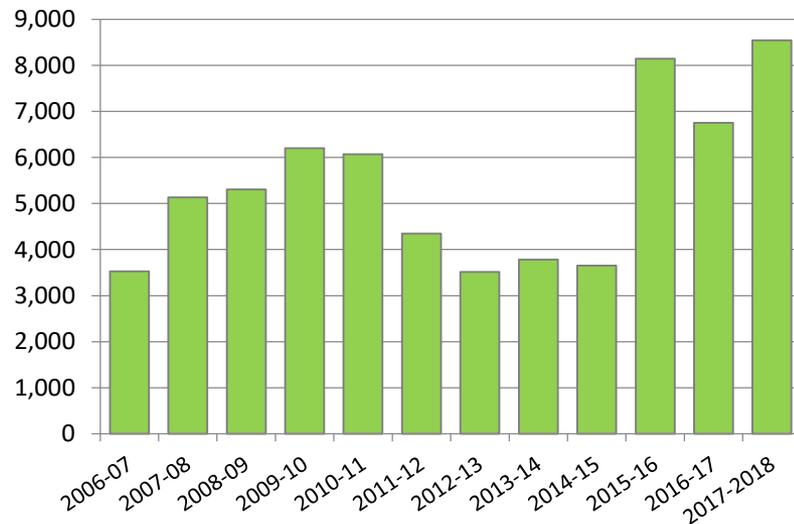
Total housing starts have averaged 2,400 dwellings over the past decade – however the portion of multi-family units has increased from 1/3 to 2/3 of starts.

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

Halifax – 43% of NOI

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

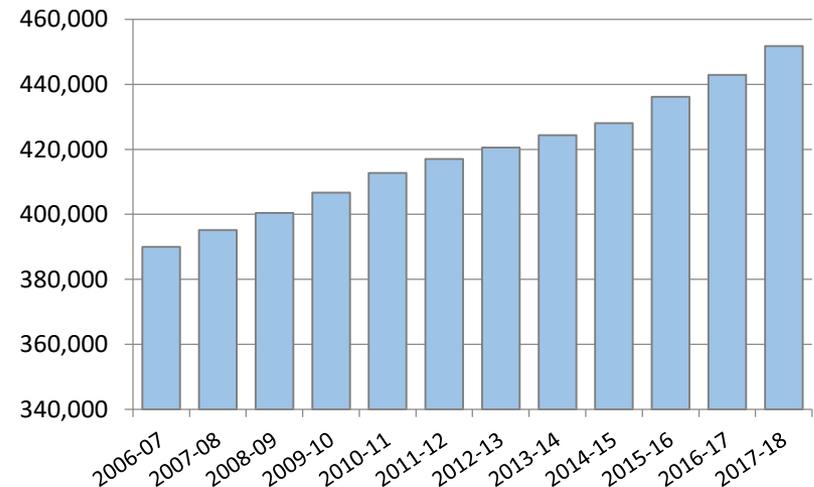
Halifax Population Growth Annually from July 1 – June 30



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

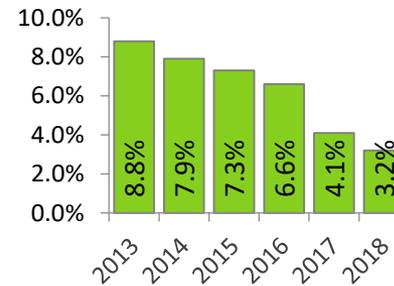
Statistics Canada's latest population estimates for cities in February, estimates Halifax's population increased by 2.0% for the 12 months ended June 30, 2018.

Population growth coupled with limited construction has resulted in 18-year high occupancy of ~98% for 2018 & YTD-2019.

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

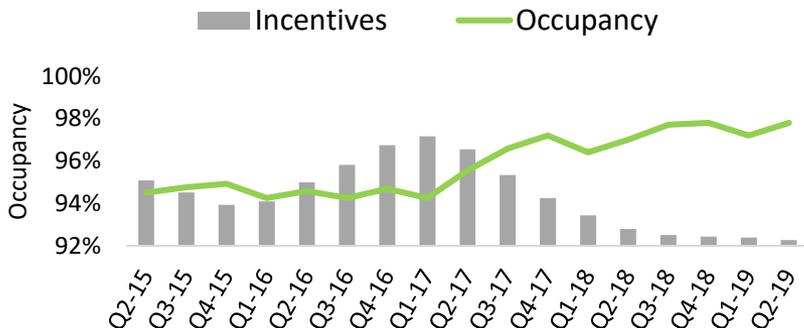


CMHC Rental Stats¹

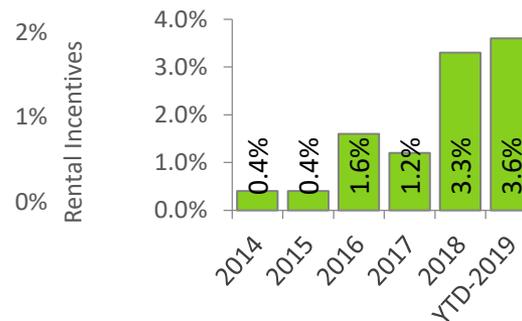
35,066 Rental Units
 3.2% Vacancy
 3.2% ↑ in Average Rent
 622 Starts in 2018
 728 Completions in 2018
 833 Under Construction
 \$773 Average Rent
 \$750 Median Rent

Killam's Same Property Performance

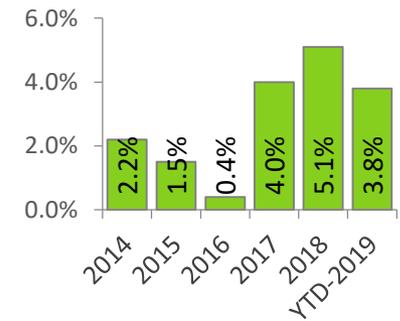
NB Same Property Occupancy



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.

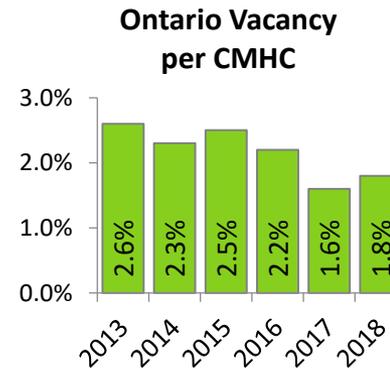
CMHC Rental Stats¹

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

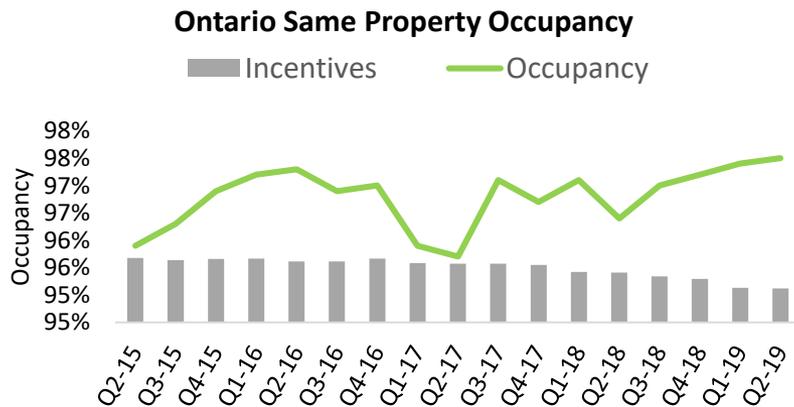
London (3.7% of NOI)
 2.3% vacancy in 2018
 1.8% vacancy in 2017

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

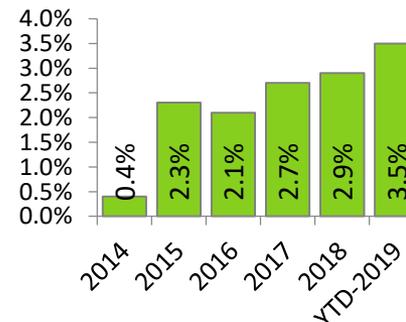
Toronto (2.8% of NOI)
 1.1% vacancy in 2018
 1.1% vacancy in 2017



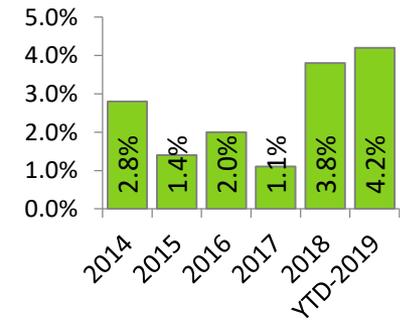
Killam's Same Property Performance



Ontario Same Property Rental Increases



Ontario Same Property Revenue Growth



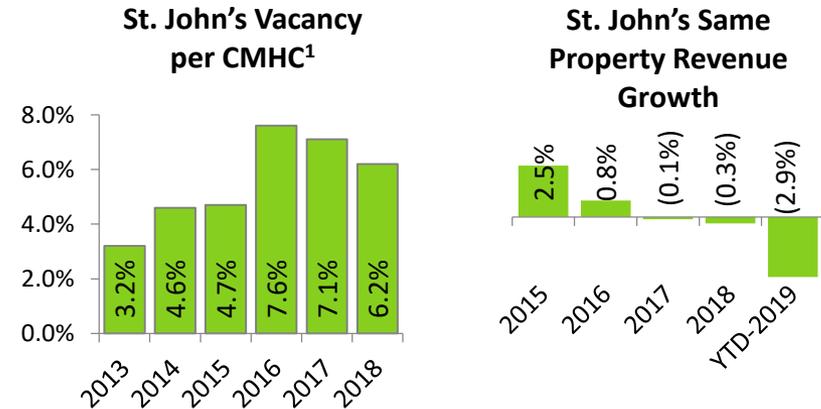
¹ CMHC 2018 Rental Market Report and Fall 2018 Housing Market Outlook and Housing Portal.

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

St. John's – Slow recovery of economic conditions as major oil investments are expected to generate positive growth in 2019.

Market Fundamentals

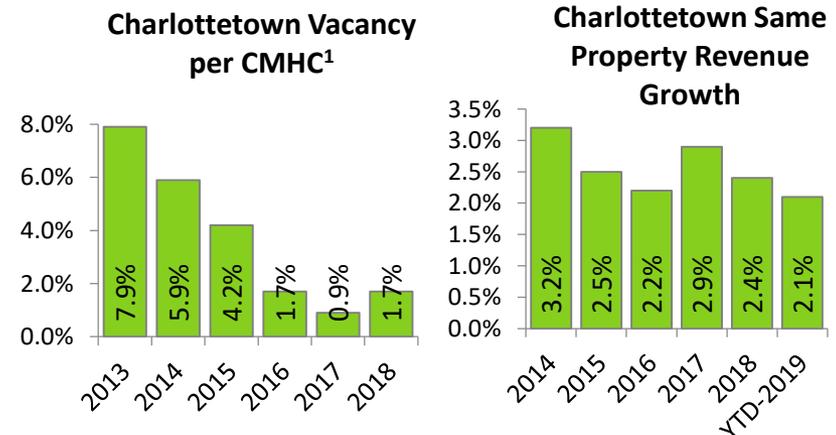
- Rental market has stabilized with a second year in a row (2017 & 2018) of decreasing vacancy rates.
- Rental rates have shown growth of 0.9% in 2018 and 0.7% in Q2-2019, after a decline in previous years.
- Depressed construction with rental completions well below the average of the last five years should drive improvements in vacancy going forward.



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.



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.

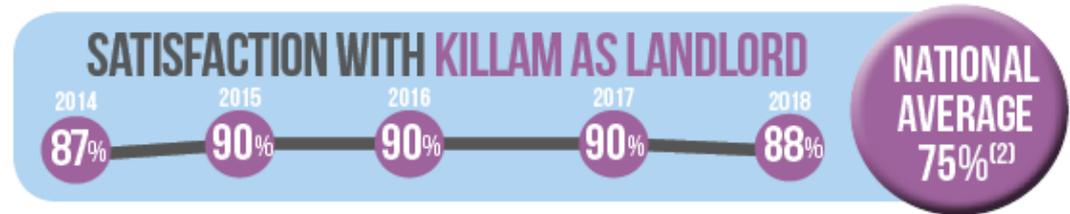
Grant a full day of paid leave each year for employees to volunteer with a charity of their choice.



Our Customer Service

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

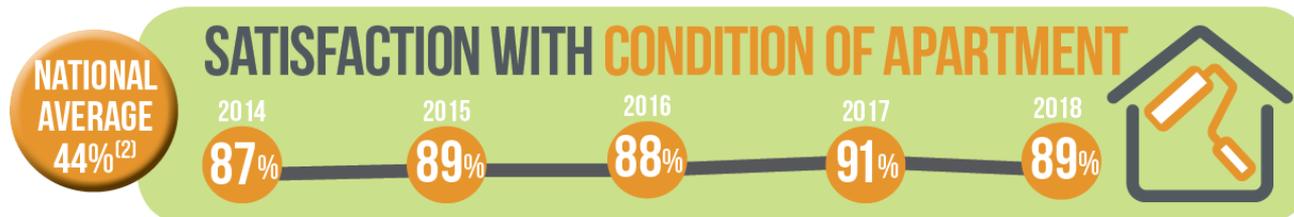
Killam surveys residents to measure its success in meeting expectations and to identify areas for improvement.



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.

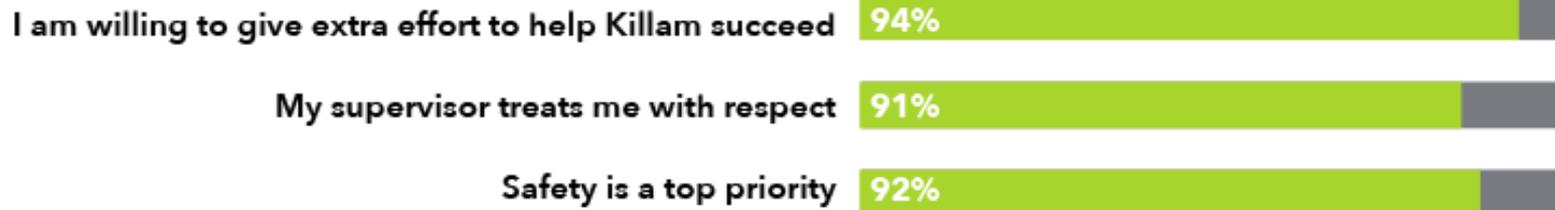
Killam is an equal opportunity employer.

- 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:

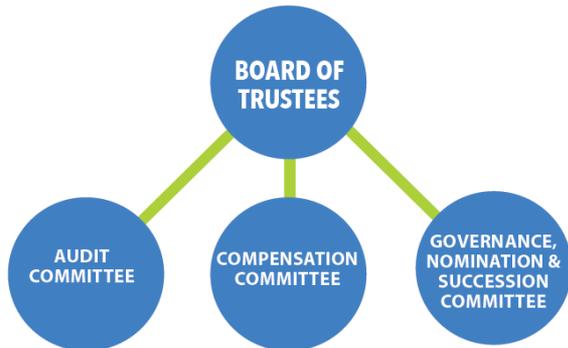
Flexible benefits plans	Employee & Family Assistance Program	Paid volunteer time	Paid time off (vacation & person)	Paid sick leave	Annual incentive plan
Employee Unit Purchase Plan	Parental leave pay	Referral bonuses	Short-term & long-term disability coverage	Scholarships	Tuition reimbursements

2018 EMPLOYEE SURVEY RESULTS



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.

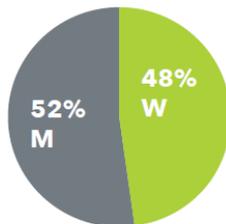
The Board carries out its responsibilities with the support of several Board committees.



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

Diversity Metrics

All Employees



Board of Trustees



Executive



Senior Managers & Professionals



2018 Completed 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 2019): 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

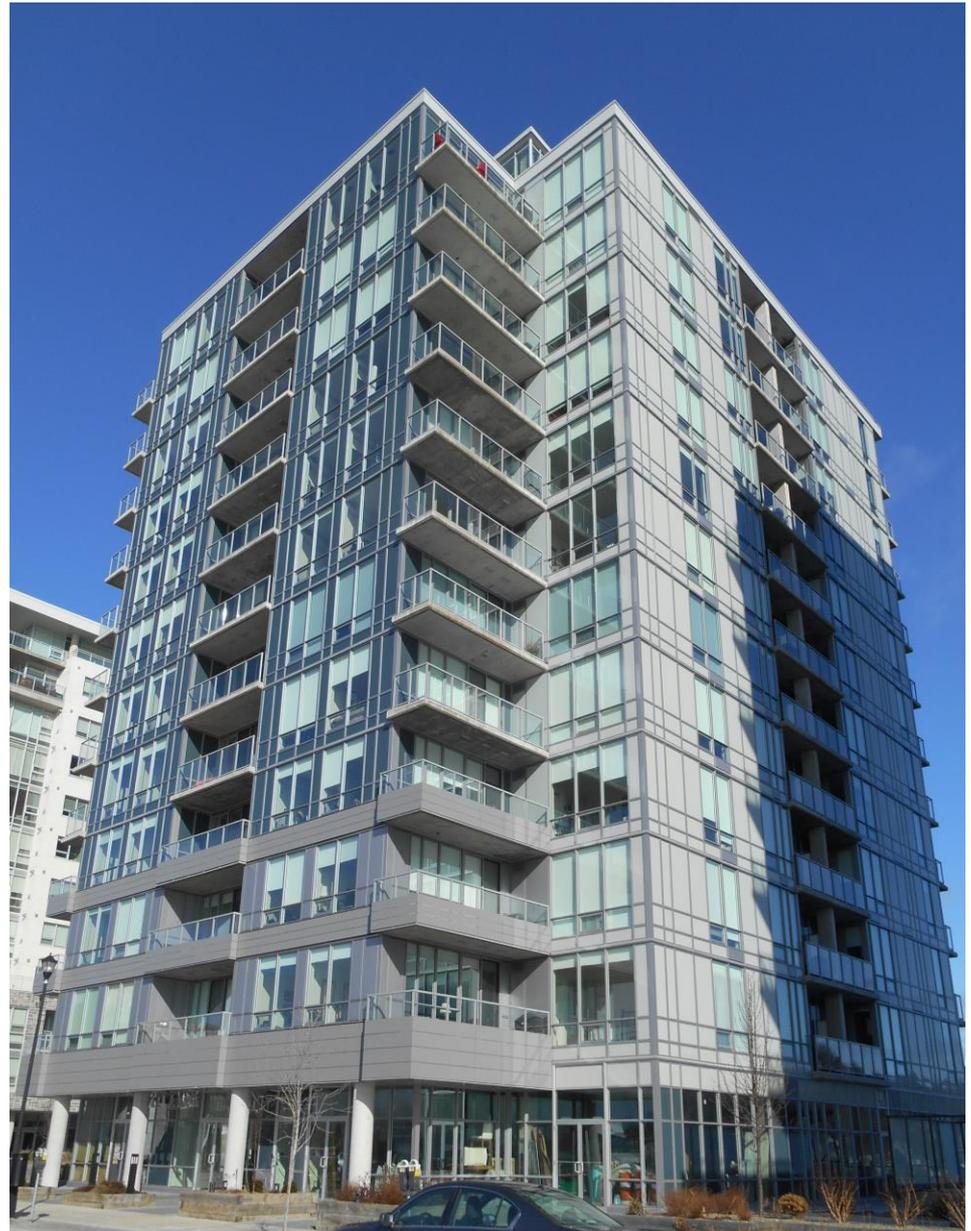
Location:

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:

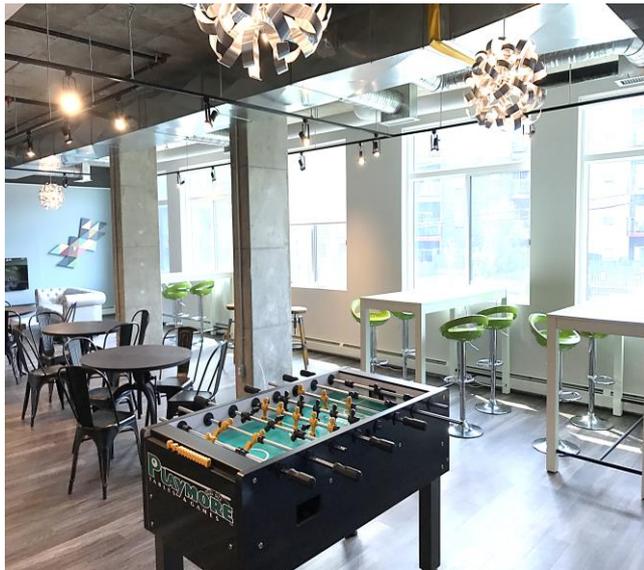
\$47.0 million (\$267,000/unit)

Location:

10620-116th Street NW Edmonton, Alberta



Vibe Lofts, Edmonton



Nolan Hill, Calgary

Description:

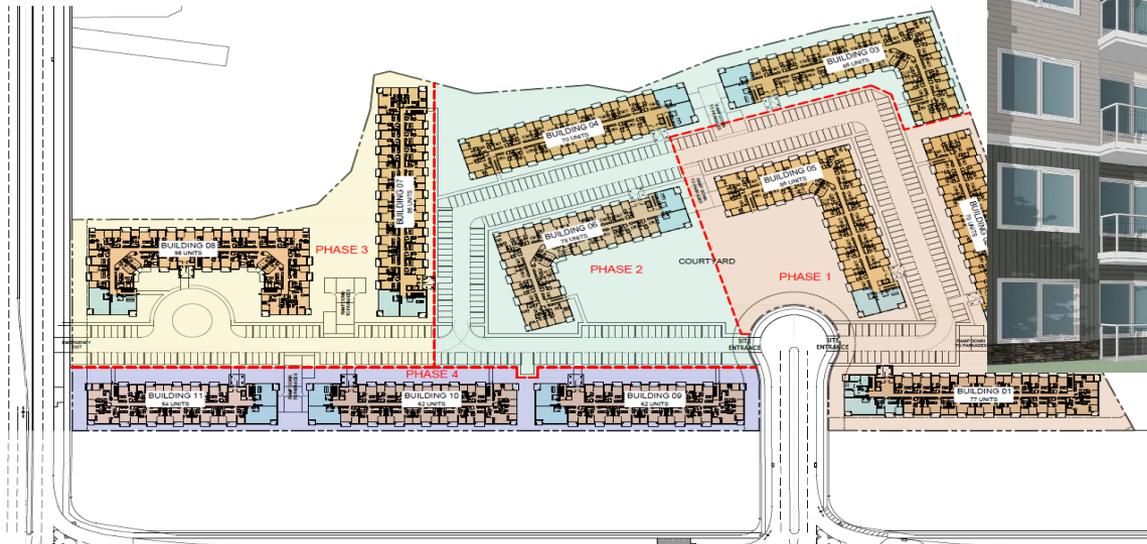
10% interest in a 13.58-acre development site
Located in Northwest Calgary
Zoned for 829 units
First phase – 233 units to be completed in 2020

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





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