Q1-2019 Results Conference Call

May 2, 2019 |9AM Eastern

Killam APARTMENT REIT

Cautionary Statement

This presentation may contain forward-looking statements with respect to Killam Apartment REIT and its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward-looking words such as “may”, ”will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of Killam Apartment REIT discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, among other things, 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.

Q1-2019 | Highlights

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Apartment Occupancy of 97.2%

5.0% FFO per unit Growth

$27M in Fair Value Gains

3.17x Interest Coverage

4.3% Same Property (SP) NOI Growth

Debt to Total Assets of 46.4%

5.5% increase in Average Rental Rate

Normalized Debt to EBITDA of 10.04x

60 bps improvement in SP NOI Margin

2.97% weighted average mortgage interest rate

AFFO Payout Ratio of 84%

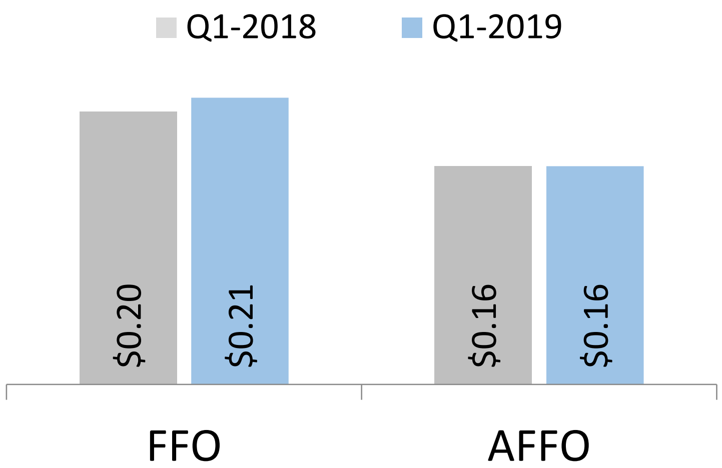
Q1-2019 | Strategic Achievements

2019 Target	Q1-2019 Performance
Same Property NOI Growth of 3% to 5%.	✓ 4.3% 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.	~ $1.5 million of assets purchased in Q1-2019. $105.1 million closed/announced year-to-date.
Earn at least 30% of 2019 NOI outside Atlantic Canada.	~29% of Q1-2019 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 on track to open June 1st ✓Expect to break ground on both the Silver Spear II (Mississauga) and Frontier II (Ottawa) developments in Q2-2019.
Maintain debt as a percentage of assets ratio below 49%.	✓46.4% debt to assets ratio at March 31, 2019.

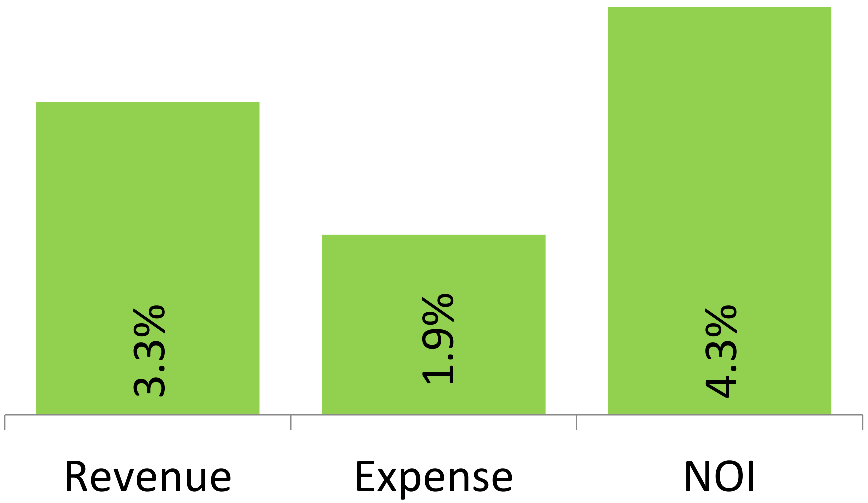
Q1-2019 | Financial Highlights

- Generated FFO per unit of $0.21 versus $0.20 in Q1-18.
- Produced AFFO per unit of $0.16 consistent with Q1-18.
- Increased same property rental revenue 3.3% for the quarter.
- Managed same property expenses with 1.9% increase for the quarter.
- Achieved same property NOI growth of 4.3% in Q1-19.

Q1 FFO & AFFO Per Unit



Same Property Portfolio Performance
For the three months ended March 31, 2019

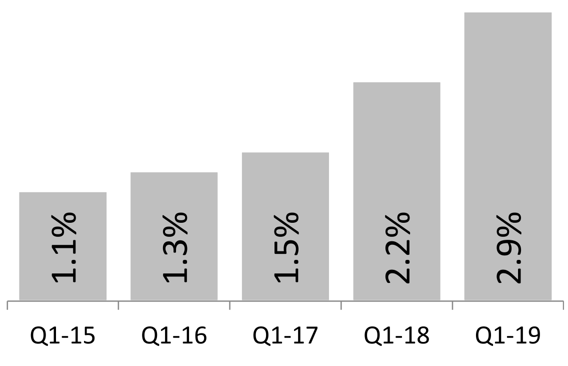


Q1-2019 | Financial Highlights

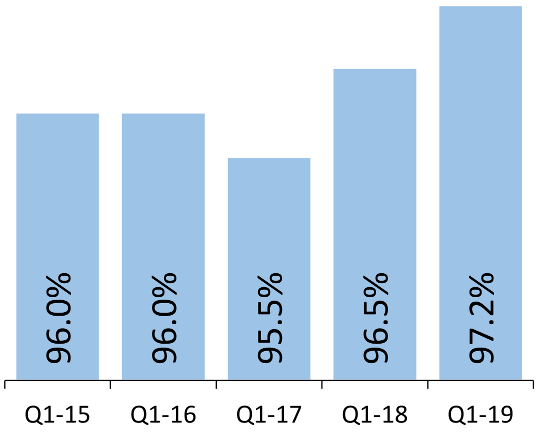
Strong revenue growth.

- Increasing rental rates: Rate increases on renewals of 1.9%, turns of 5.1% and repositionings of 27.8%, averaged **2.9%** in Q1-2019.
- Strong occupancy: Q1-2019 economic occupancy amongst Killam's **highest**.
- Reduced incentives: **Minimal** incentives currently required with the strong market fundamentals.

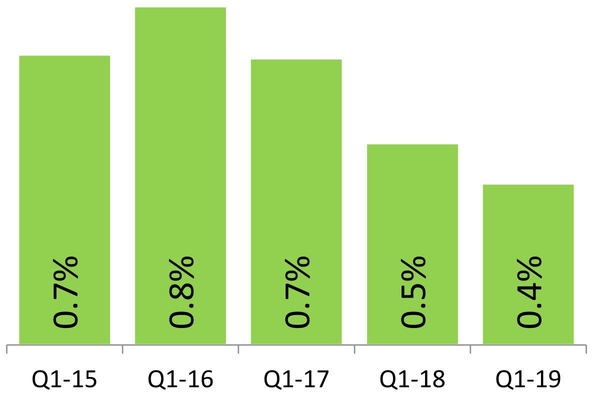
Apt Same Property Avg Rental Rate Increase



Apt Same Property Occupancy[1]



Apt Same Property Incentive Offerings[2]

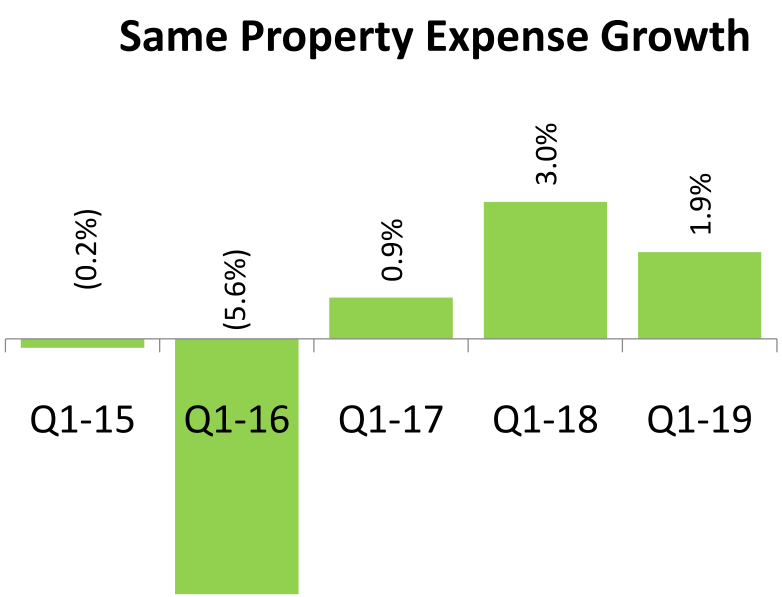


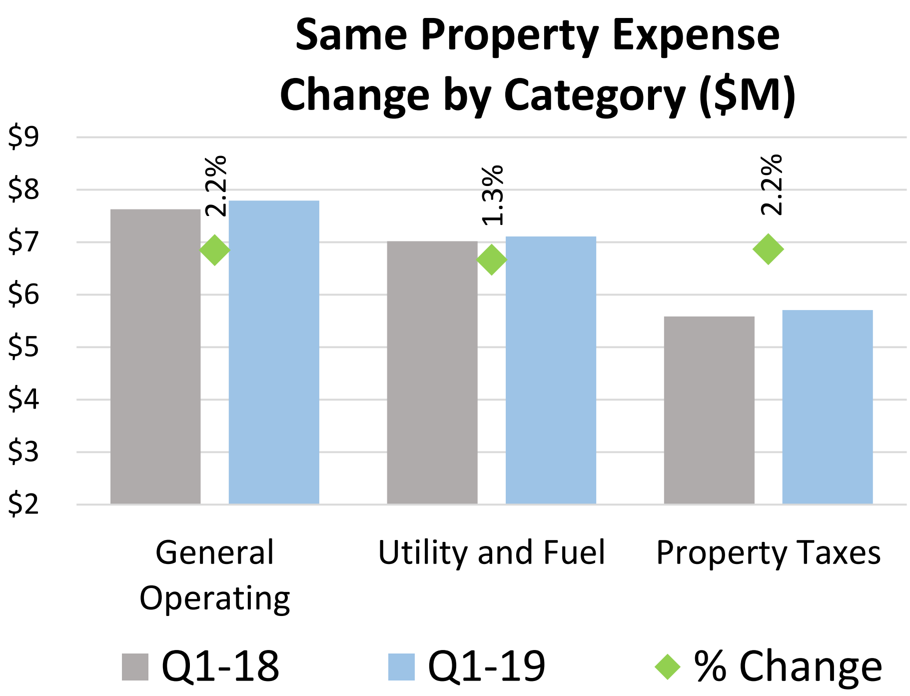
1 Measured as dollar vacancy for the quarter.
2 Measured as a percentage of residential rent.

Q1-2019 | Financial Highlights

Managing expenses to increase same property earnings.

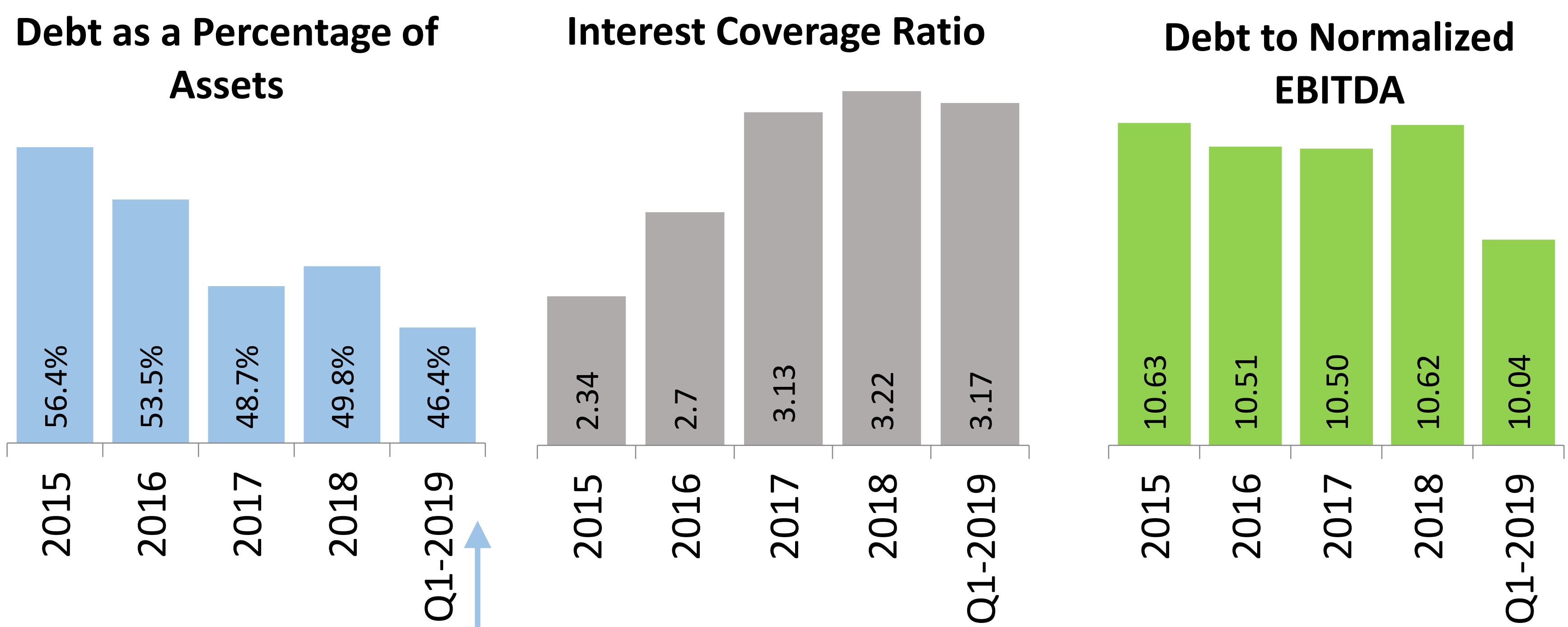
- Investing in energy and water conservation initiatives.
- Maximizing economies of scale.
- Appealing rising property tax assessments.





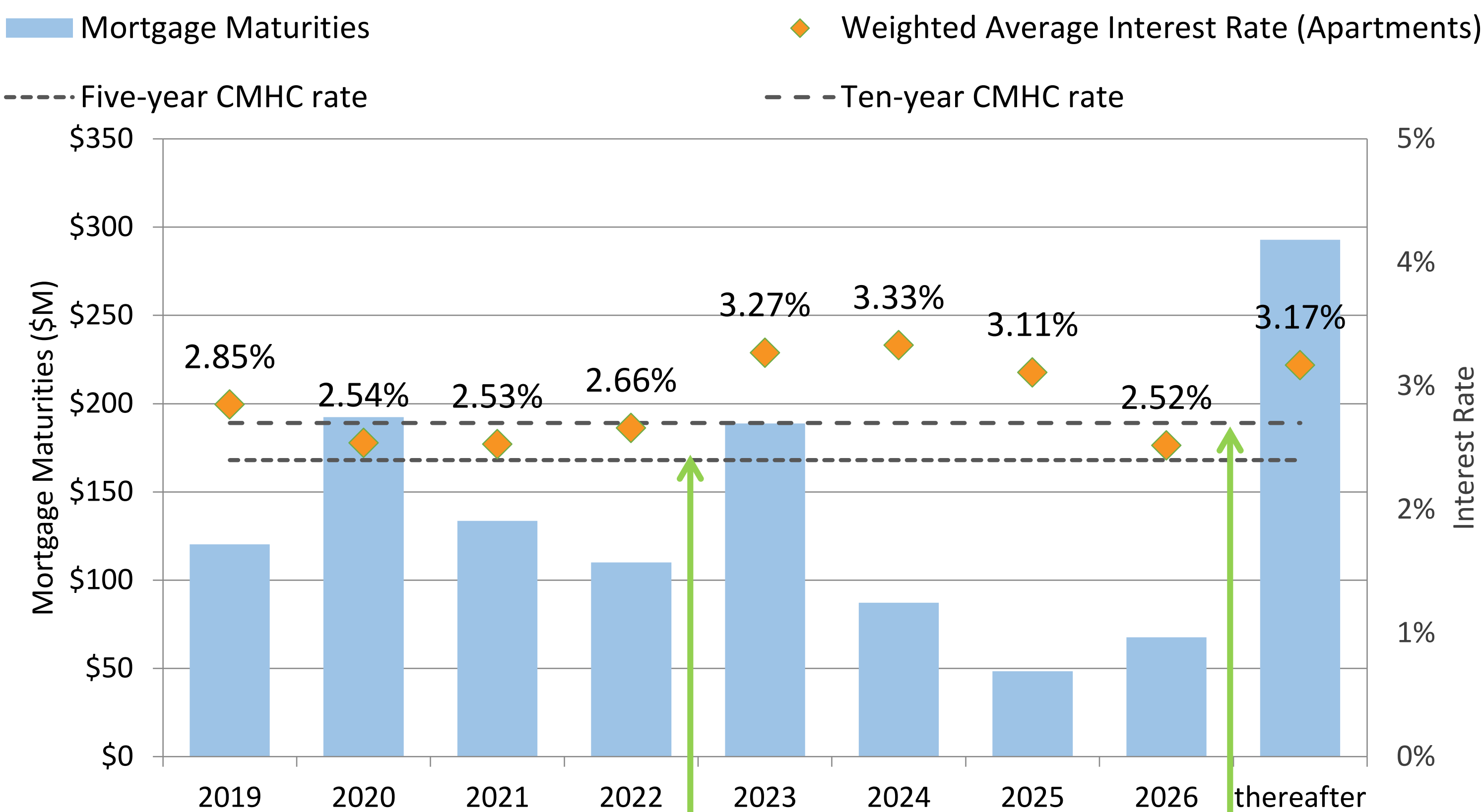
Q1-2019 | Financial Highlights

Managing balance sheet with conservative leverage.



Leverage decreased in Q1 due to Q1 equity offering and subsequent repayment of the credit facility and other debt.

Apartment Mortgage Maturities by Year
As at March 31, 2019



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

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

Current Weighted Average Interest Rate of 2.97%

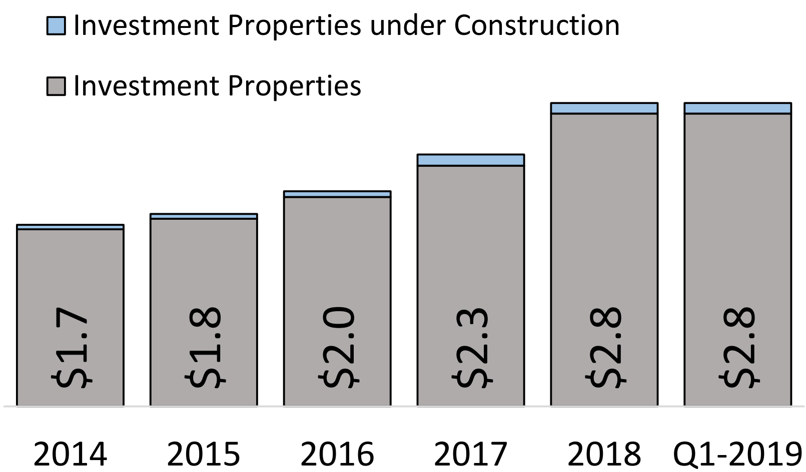
85% of Apartment Mortgages CMHC Insured

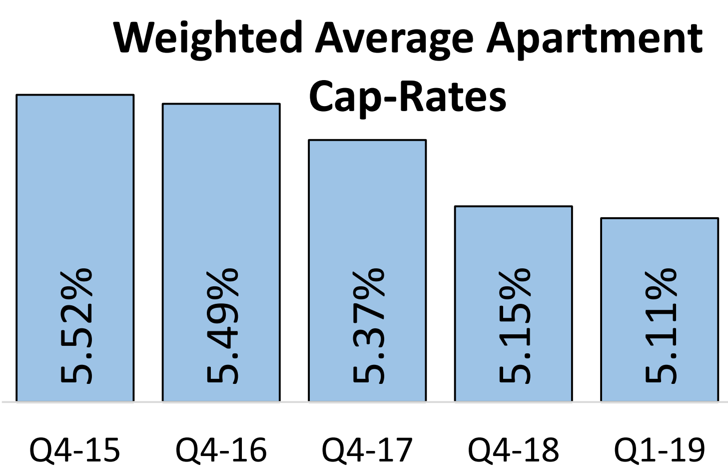
Weighted Average Term to Maturity of 4.5 years

Q1-2019 | Financial Highlights

Increasing value of investment properties.

Investment Properties ($ billions)

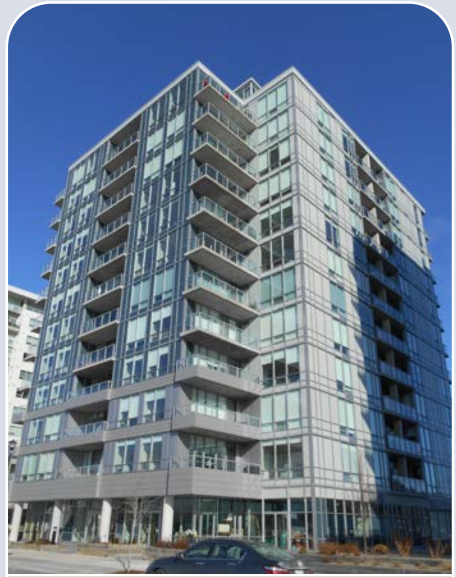




Q1-2019 | Growing FFO & NAV

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.

Develop high-quality properties in core markets.

Q1-2019 | Increase Value in Existing Portfolio

Q1-2019 | Increasing Revenues to Grow NOI

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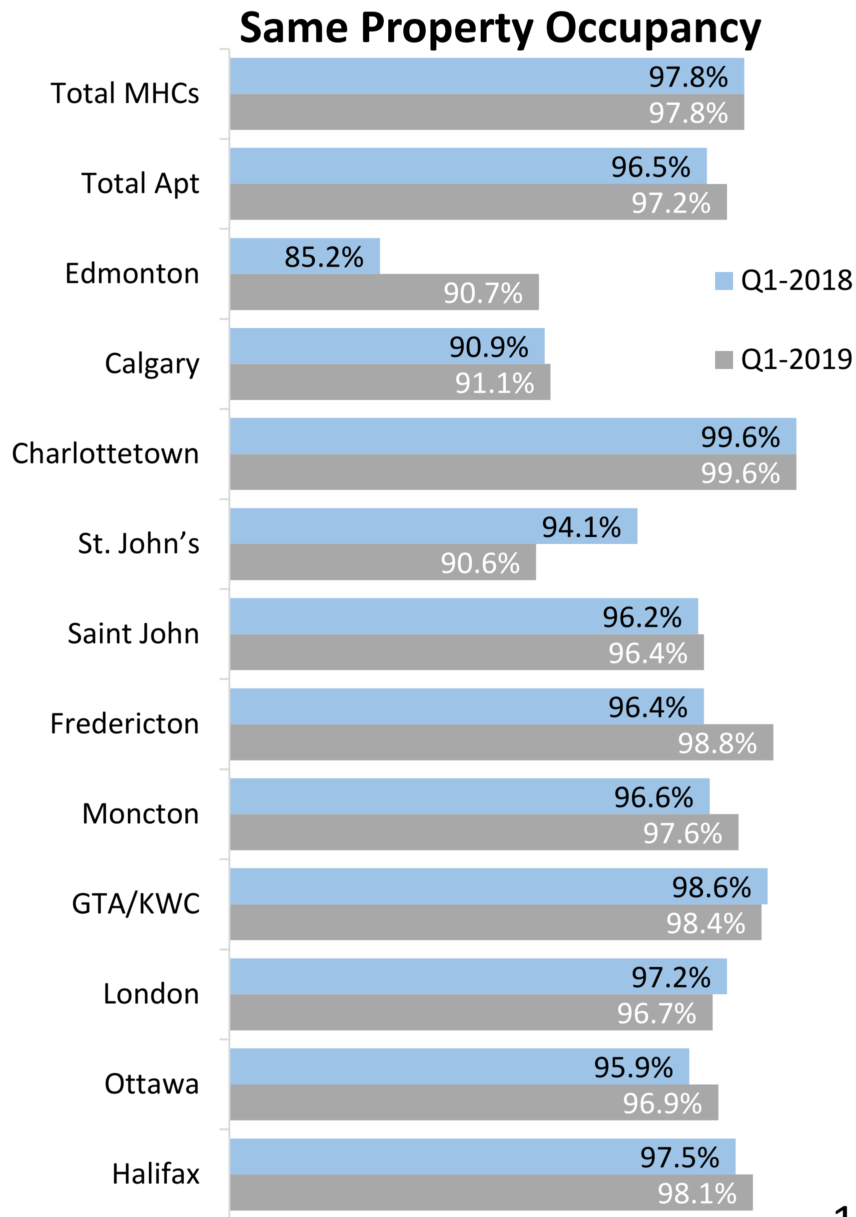
Driving revenues through increased occupancy and rental rates, as well as fewer rental incentive offerings.

	Same Property Average Rent		
Region	**Mar 2019**	**Mar 2018**	**% Change**
Halifax	$1,061	$1,026	3.4% ↑
Ottawa	$1,504	$1,454	3.4% ↑
London	$1,274	$1,239	2.8% ↑
GTA/KWC	$1,430	$1,378	3.8% ↑
Moncton	$874	$846	3.3% ↑
Fredericton	$965	$940	2.7% ↑
Saint John	$814	$780	4.4% ↑
St. John's	$983	$975	0.8% ↑
Charlottetown	$957	$935	2.4% ↑
Calgary	$1,175	$1,140	3.1% ↑
Edmonton	$1,449	$1,502	(3.5%) ↓
Total Apt	$1,048	$1,018	2.9% ↑
Total MHCs	$254	$249	2.4% ↑



Q1-2019 | Increasing Revenues to Grow NOI

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

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

2018

- **~170** Units vs 47 units in 2017
- **14%** ROI
- **$253** Avg Mthly Rental Rate Lift
- **$22K** Avg Investment

2019 Target

- **300** Unit Repositions
- **~$6M** Investment
- **$1.0M** Annualized Revenue

Total Opportunity

- **3,000** Unit Repositions
- **$54-60M** Investment
- **$10M** Annualized Revenue

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

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

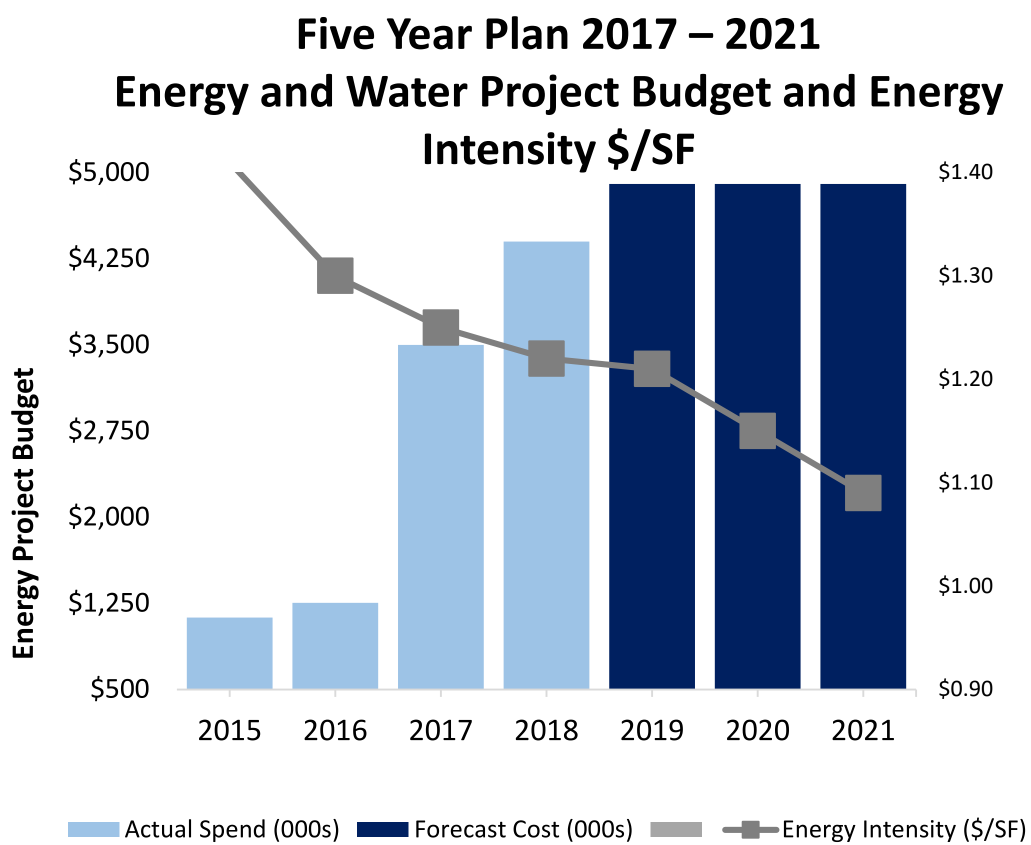
AFTER

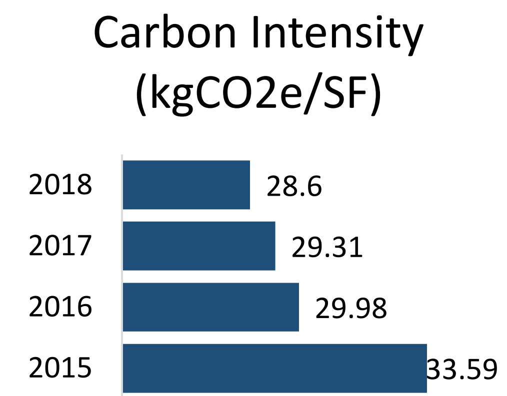
Suite Repositionings
- $27k - Average investment per unit
- 22% - Average rent lift
- 14.1% - Average ROI
- $390 Avg monthly increase

BEFORE

Q1-2019 | Managing Expenses to Grow NOI

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





Since commencing the five-year, $25 million energy-efficiency program in 2016, we have seen a 15% reduction in GHG intensity (as measured by CO_2e/SF).

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

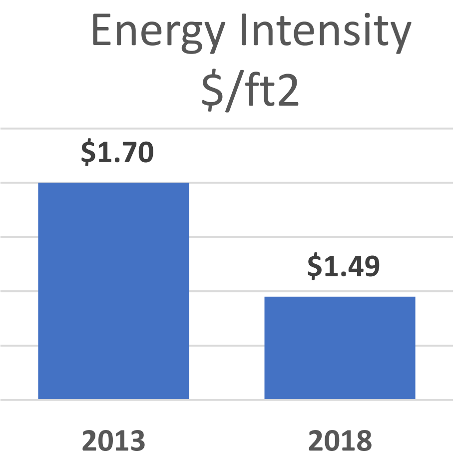
Q1-2019 | Managing Expenses to Grow NOI

Waterview, Halifax (88 units)

- 2016 - Low Flow Toilets Retrofit
- 2017 – Fuel Conversion Ph 1
- 2018 – Common Area LED Retrofit

✓ Decrease Energy Intensity by 12.4%
✓ Payback 4.6 years

Energy/Water	2015	2018	Annual Consumption Savings	Annual Dollar Savings
Common Area Electricity	102,600 kWh	83,300 kWh	19,300 kWh	$4,400
Natural Gas	3,400 GJ	3,100 GJ	300 GJ	$6,400
Water	9,800 m^3	6,400 m^3	3,400 m^3	$9,200
Total				$20,000



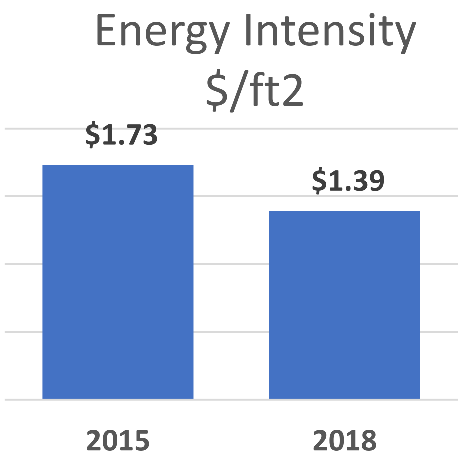
Q1-2019 | Managing Expenses to Grow NOI

Brentwood, Halifax (240 units)

- 2014/15 – Boiler Room Overhauls
- 2016 – Low-flow toilets
- 2018 – Common Area LED Retrofit
- 2018 – Tenant Air Sealing

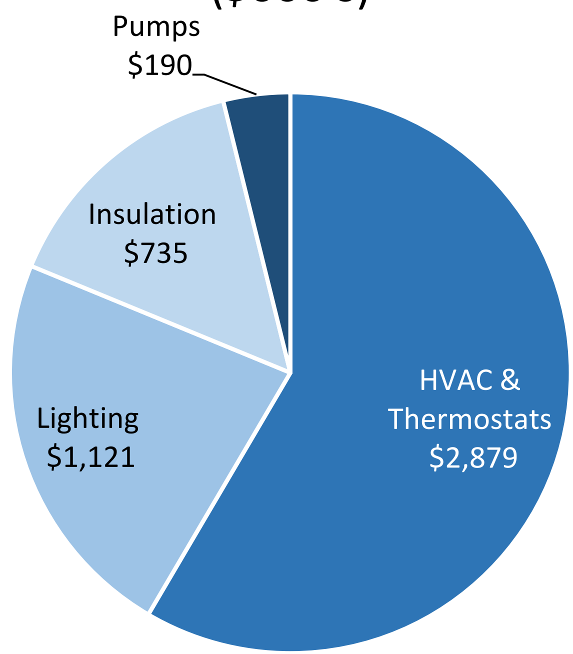
✓ Decrease Energy Intensity by 19.7%
✓ Payback 8.1 years

Energy/Water	2015	2018	Annual Consumption Savings	Annual Dollar Savings
Common Area Electricity	336,100 kWh	277,900 kWh	58,200 kWh	$10,500
Natural Gas	16,800 GJ	14,800 GJ	2,000 GJ	$30,000
Water	33,700 m^3	18,100 m^3	15,600 m^3	$42,100
Total				**$82,600**



Q1-2019 | Managing Expenses to Grow NOI

2019 Planned Energy Efficiency Investments ($000's)



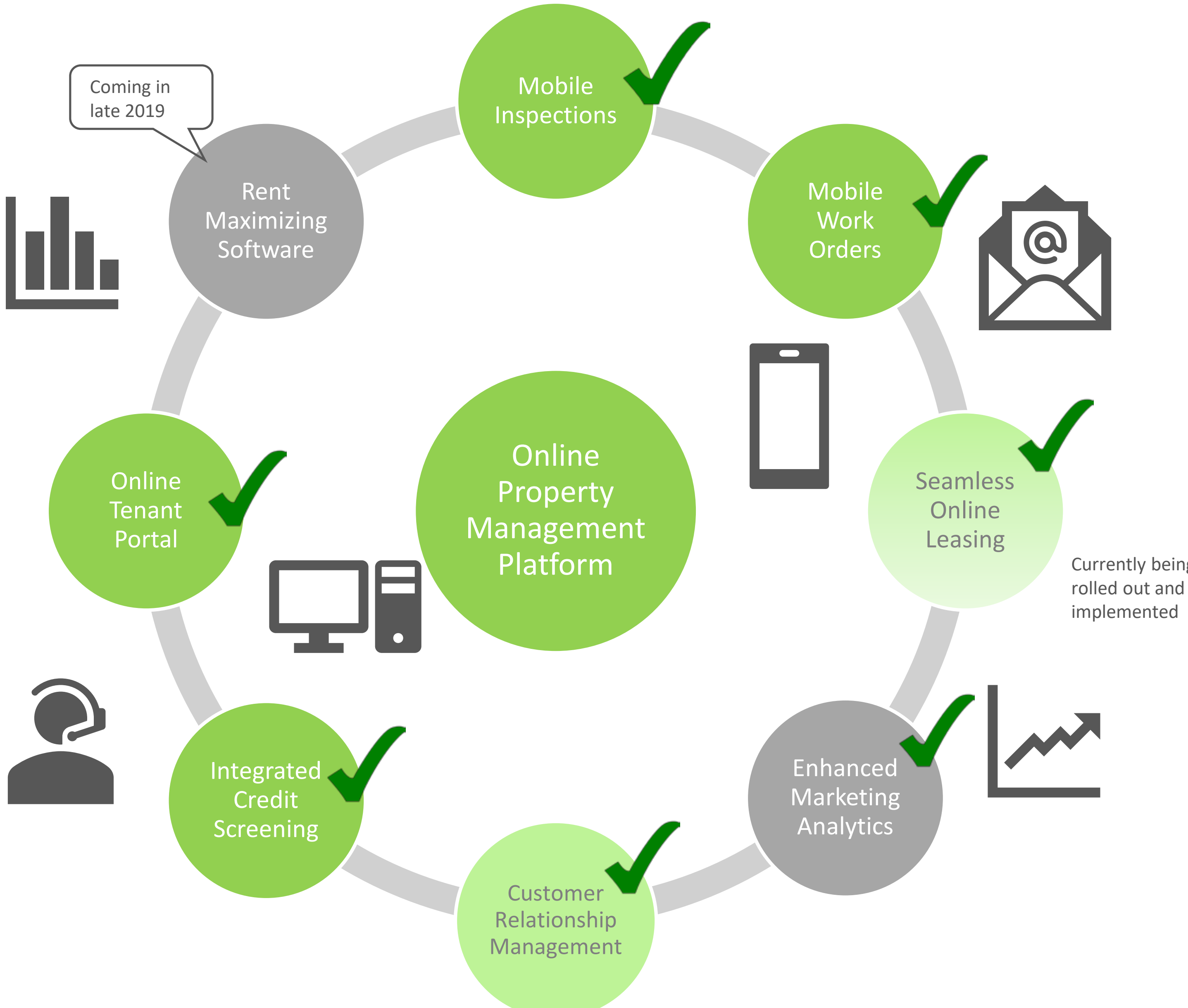
2019 Investment

- $5.0 Million
- 197 projects
- $0.8 Million annual savings
- 6 year payback

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.

Q1-2019 | Leading with Technology



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

Employees

- Self Service = less data entry
- Focus on the customer experience
- Centralized portal
- Ability to seamlessly support leasing across all regions

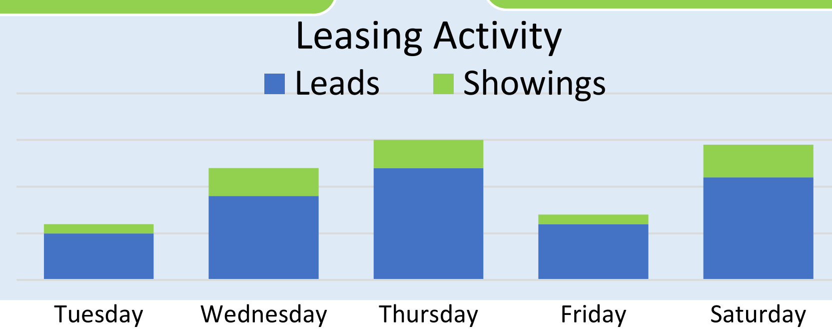
Prospect Tenants

Book showings online

Complete applications online

Management

- Manage by exception
- Drive leasing & marketing decisions
- Maximize prospects



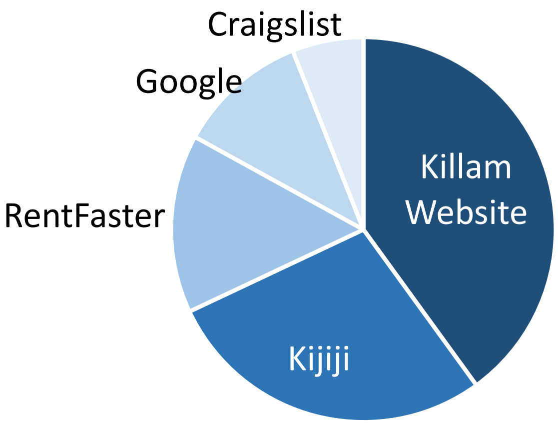
CRM implementation was 100% complete in March 2019.
This CRM investment will maximize rents and minimize vacancy, increasing NOI.

Analytics that Drive Decisions

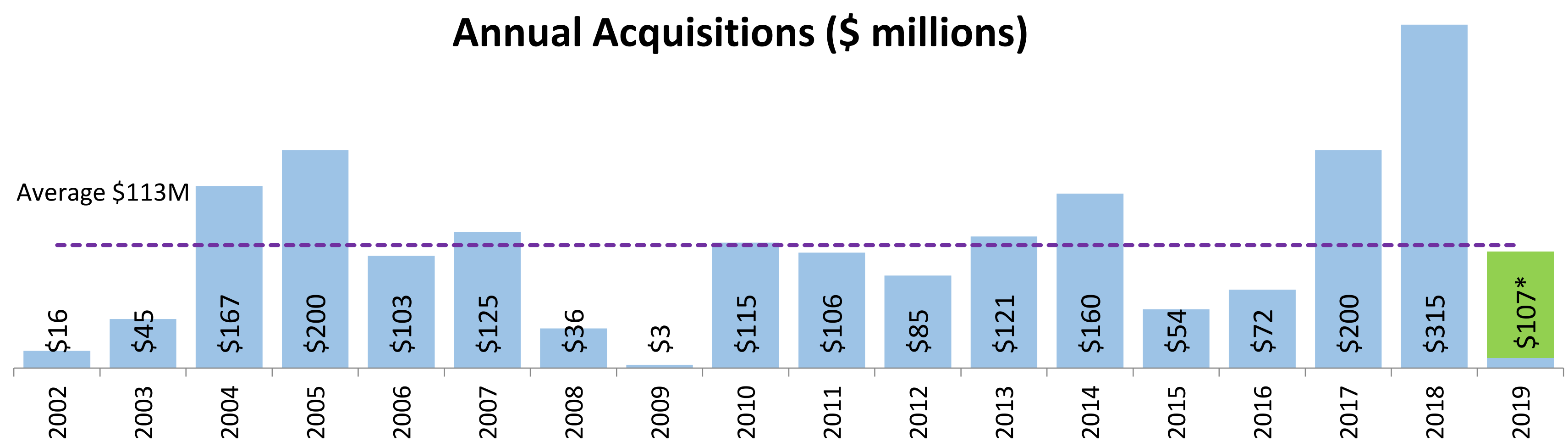
- Conversion Ratios
- Average Response Time
- Traffic By Source
- Leads By Hour
- Daily Traffic Trends
- Email Response Time
- Average Age of Customer Inquiry
- Application Conversion by Source

Data Entry

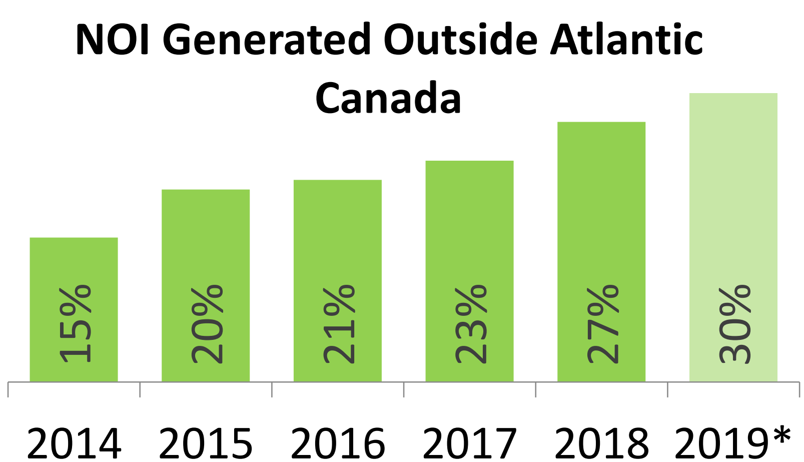
Traffic by Source



Q1-2019 | Acquisitions



* Killam closed $9.6 million in acquisitions as at May 2, 2019, with an additional $97 million in acquisitions announced and expected to close in May 2019.



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

YTD-2019 Acquisitions | Charlottetown Mall

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Description:
- 32 acre commercial site
- 352,448 sf grocery anchored enclosed retail complex
- Residential development opportunity with excess surface parking to support ~300 units

Commercial/Retail Details:
- 5.42 year average lease term
- 91.4% occupancy
- 80% national tenants
- Retail continued to be managed by RioCan

Acquisition Details:
- $23.75 million (50% interest)
- 6.7% yield

50%/50% Killam/RioCan Joint Venture

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

YTD-2019 Acquisitions | Charlottetown Mall

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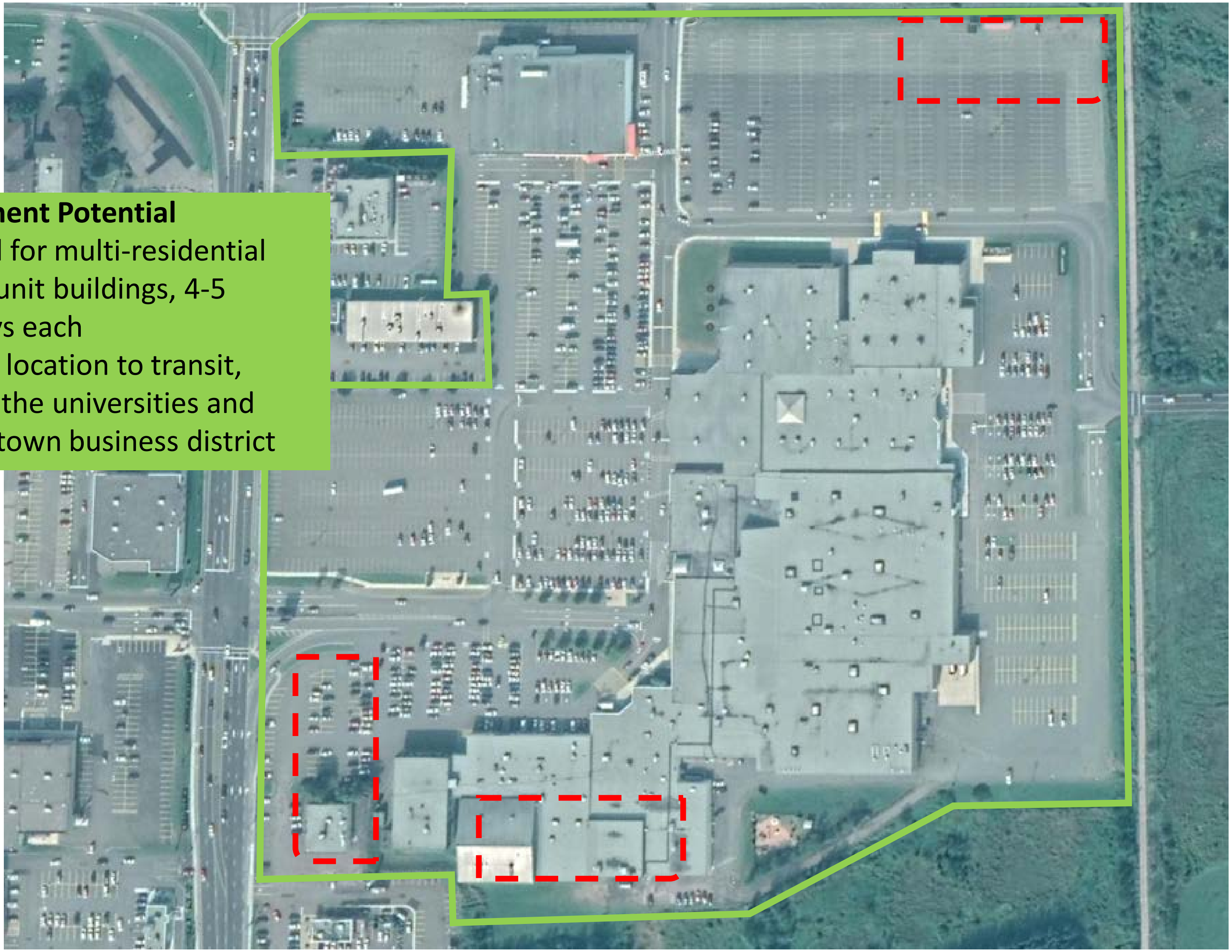
Key Tenants	GLA %
Atlantic Superstore	10.1%
Sport Chek	7.1%
Cineplex	8.1%
H&M	5.4%
Winners	7.5%
Urban Planet	7.1%
Ardene	4.3%
Bank of Montreal	1.5%
Dollarama	2.9%

Atlantic Superstore SPORTCHEK CINEPLEX H&M WINNERS URBAN PLANET ARDENE BMO DOLLARAMA GARAGE

YTD-2019 Acquisitions | Charlottetown Mall

Development Potential
- Zoned for multi-residential
- ~100 unit buildings, 4-5 storeys each
- Prime location to transit, trails, the universities and downtown business district



YTD-2019 Acquisitions | Fredericton Apt

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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

Location:
Fredericton, NB

YTD-2019 Acquisitions | Grid 5 & Silver Spear

Description:
Grid 5 – 50% of 307 units;
Silver Spear – 50% of 199 units

Acquisition Details:
$69.5 million
4.2% capitalization rate

Location:
Calgary, AB
Mississauga, ON

Q1-2019 | Development Success

Approximately $250 million of developments completed.

101 units - Fredericton, NB

122 units - Cambridge, ON

94 units - Cambridge, ON

70 units - Halifax, NS

71 units - St. John's, NL

63 units - Halifax, NS

102 units - St. John's, NL

49 units - Charlottetown, PEI

47 units - Charlottetown, PEI

240 units - Halifax, NS

Q1-2019 | New Development Leasing Activity

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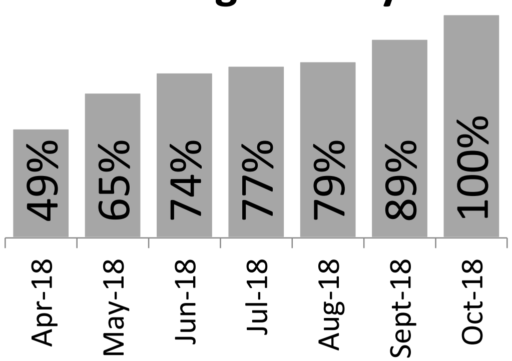
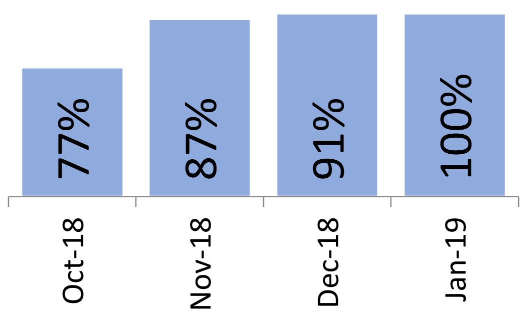
Strong leasing results |Three most recent developments have exceeded expectations.

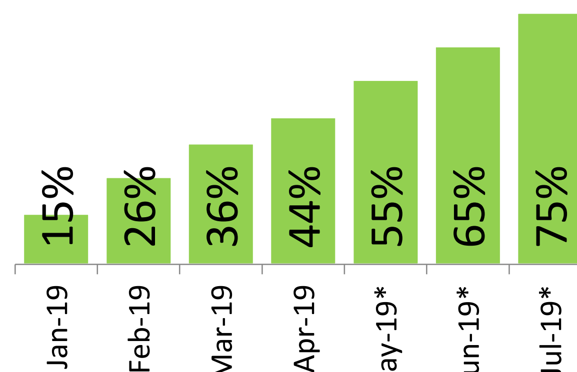
Saginaw Park – 2018 Leasing Activity



The Alexander – 2018/2019 Leasing Activity



Frontier – 2019 Pre-Leasing Activity



*forecast

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

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

Key Statistics	
Number of units	228
Start date	Q2-2017
Completion date	Q2-2019
Project Budget ($M)*	$36.5
Cost per unit	$320,000
Expected Yield	5.0% - 5.25%
Expected Value Cap-rate	4.0%
Average Unit Size	789 SF
Average Rent	$1,965

* Killam's 50% interest.

Early leasing activity for Frontier began in late December 2018 with official sales campaign launch in March 2019. To date, ~124 units have been pre-leased.

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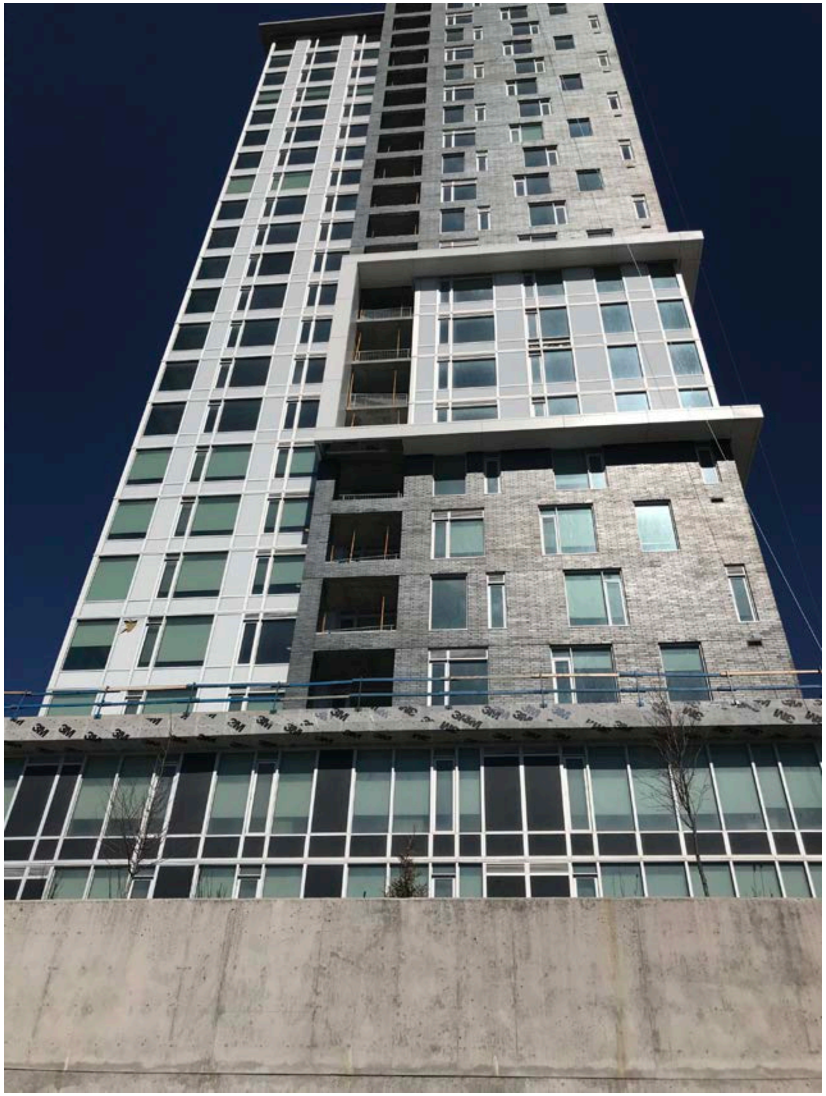
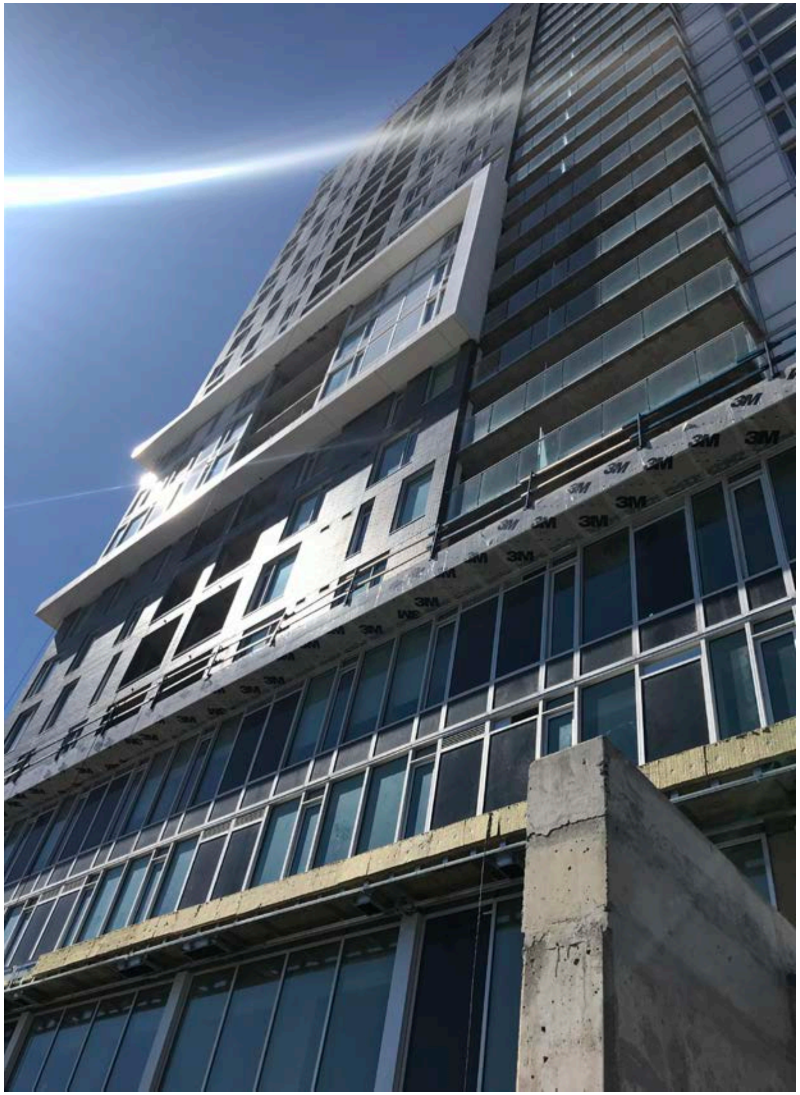
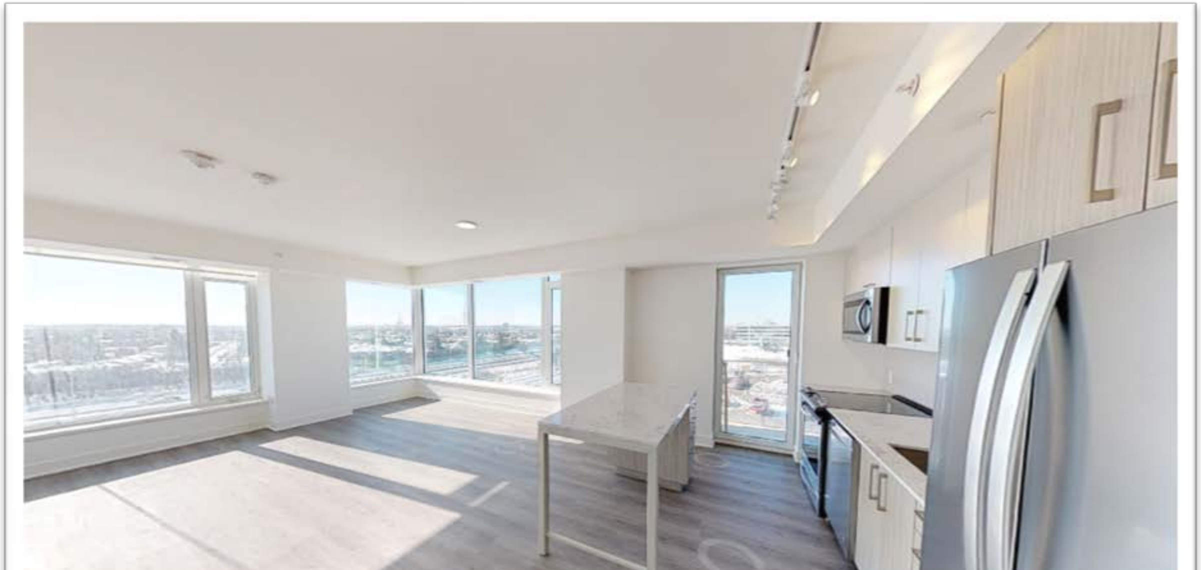
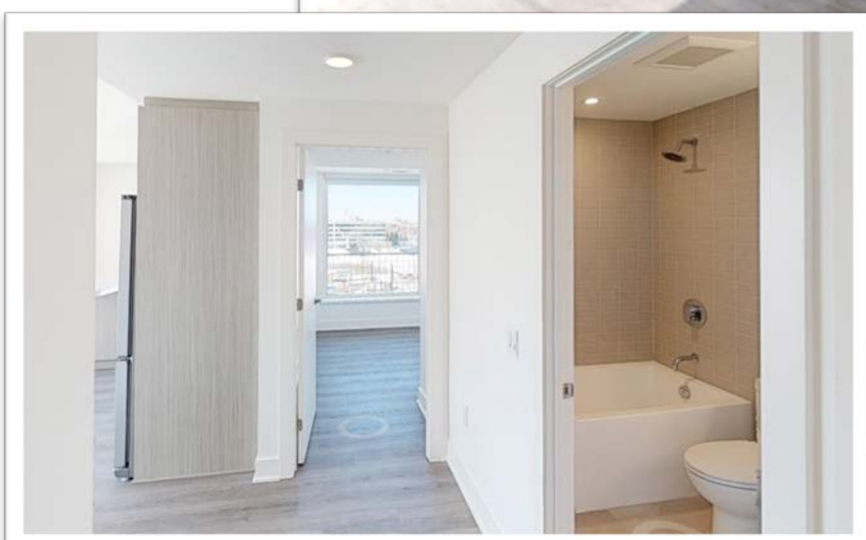
Ottawa, ON - Frontier, Phase One of Gloucester City Centre

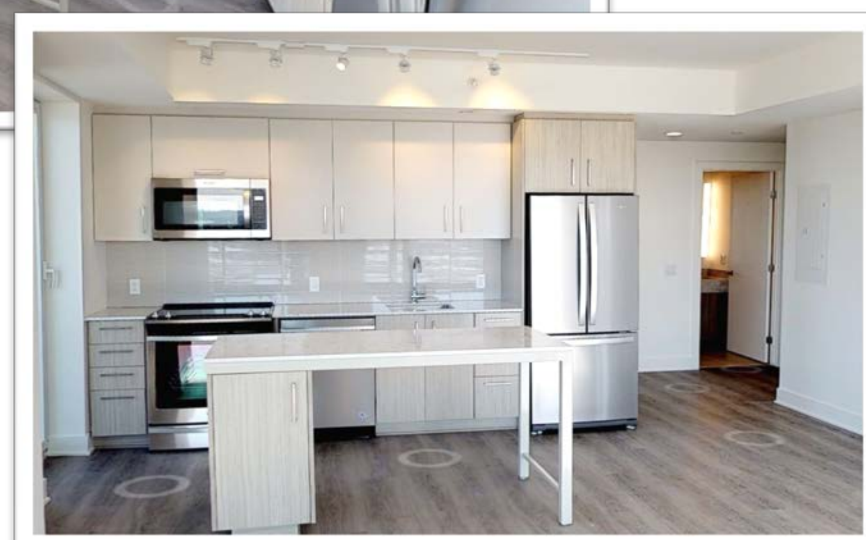




Ottawa, ON - Frontier, Phase One of Gloucester City Centre

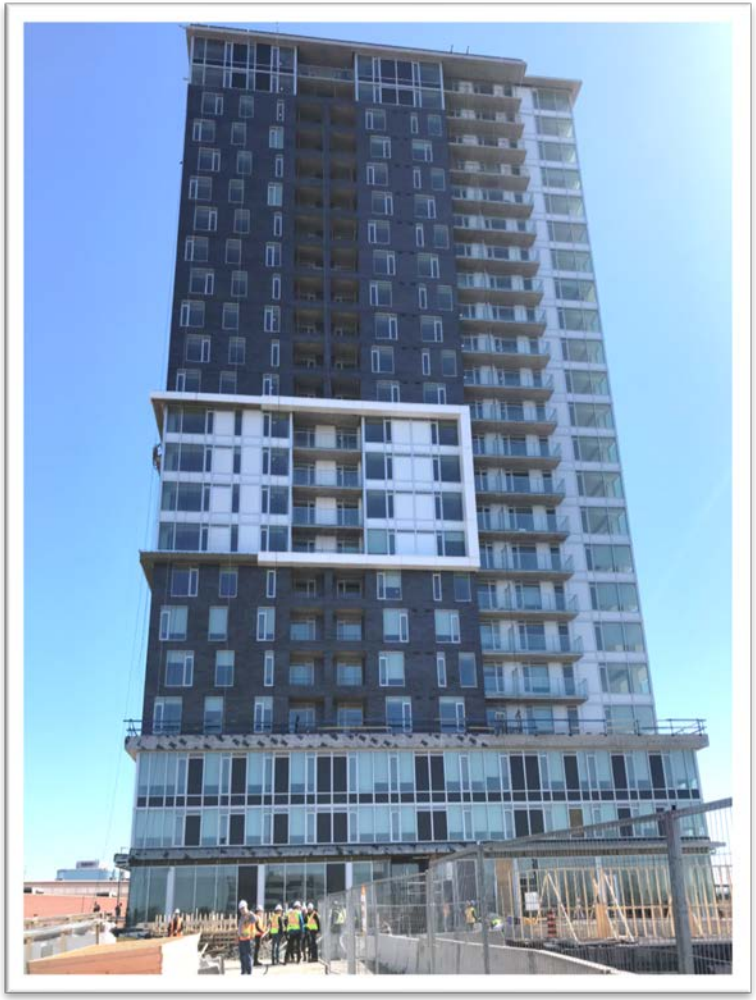






Q1-2019 | Development Activity | Ottawa

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



frontier

Q1-2019 | Development Activity | Ottawa

Ottawa, ON - Phase Two of Gloucester City Centre

Key Statistics	
Number of units	208
Start date	Q2-2019
Completion date	Q4-2021
Project Budget ($M)*	$42.2
Cost per unit	$406,000
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

Q1-2019 | Development Activity | PEI

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 heating system, on-site EV chargers

Q1-2019 | Development Activity | Mississauga

Silver Spear development to break ground in early Q2-2019.

Key Statistics	
Number of units	128
Start date	Q2-2019
Estimated Completion date	Q1-2021
Project Budget ($M)[1]	$24.5
Cost per unit	$383,000
Expected Yield	5.0-5.25%
Expected Value Cap-rate	3.5%

(1) Killam has a 50% interest in the Silver Spear II land; however, has an agreement to purchase the remaining 50% interest in Q2-2019. The total development potential is 128 units and total project cost of $59 million.

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

Silver Spear II, Mississauga

Q1-2019 | Development Pipeline - ~$800 million

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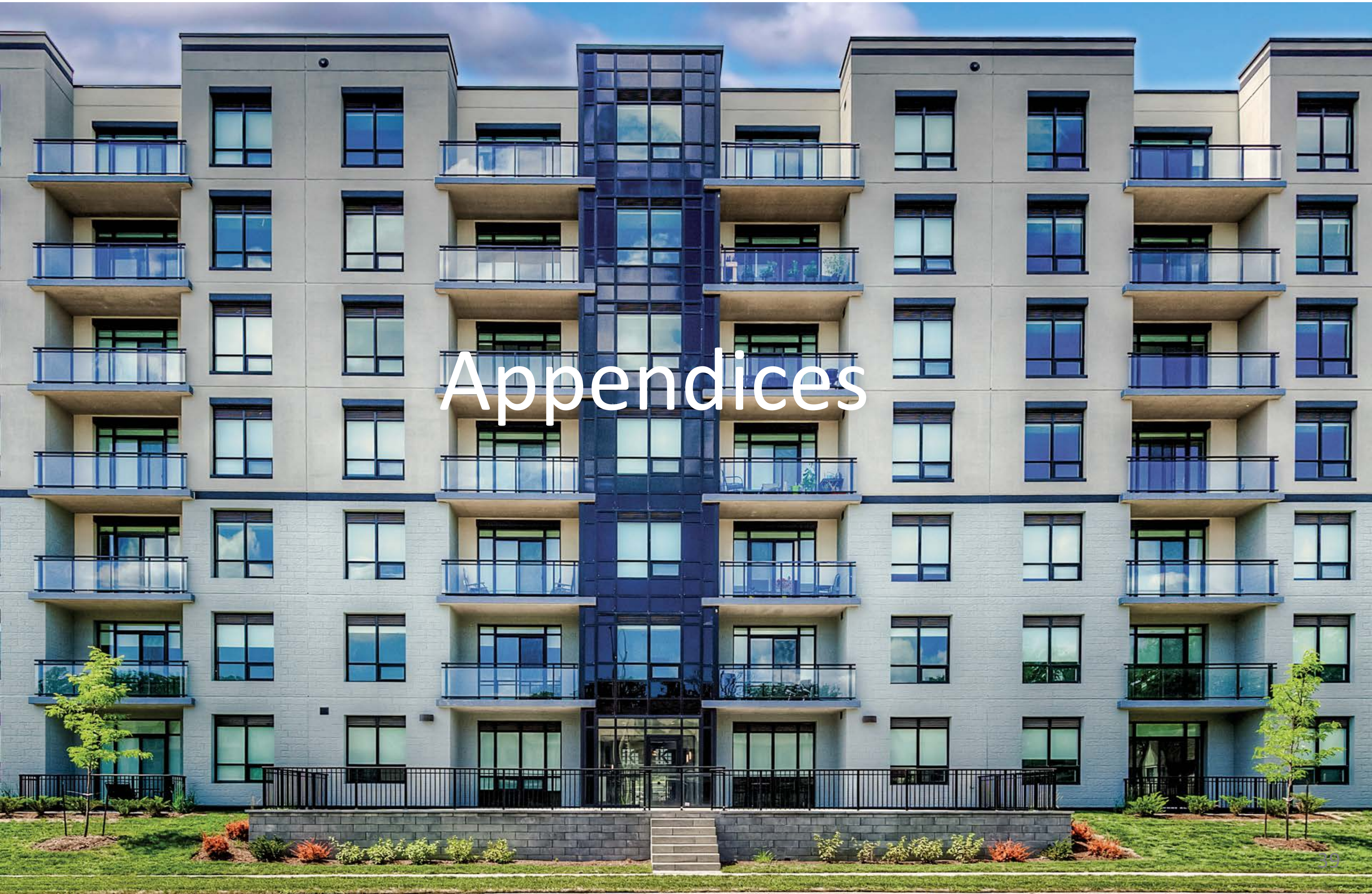
Future Development Opportunities					
Property	Location	Killam Interest	Potential # of Units	Status	Est Year of Completion
Developments expected to start in the next 24 months					
Silver Spear II (1)	Mississauga, ON	50%	64	Approved; to break ground Q2-19	2021
Weber Scott Pearl	Kitchener, ON	100%	178	In design	2021
Gloucester City Park (Ph 2)	Ottawa, ON	50%	104	Broke ground in Q1-19	2021
Westmount (Ph 1)	Waterloo, ON	100%	106	In design	2022
The Governor	Halifax, NS	100%	12	In design and approval process	TBD
Developments expected to start in 2021-2025					
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
Westmount (Ph 2-5)	Waterloo, ON	100%	908	In design	2028
Additional future development projects					
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			2,793		

(1) Killam has a 50% interest in the Silver Spear II land; however, has an agreement to purchase the remaining 50% interest in Q2-2019. The total dev potential is 128 units.

~ 70% of Killam's development pipeline is outside Atlantic Canada (57% in Ontario and 15% in Alberta). Killam targets yields of 5.0% to 6.0% on development, 50-150 bps higher than expected cap-rate value on completion. Building out the $800 million pipeline at a 100 bps spread would create approximately $200 million in NAV for unitholders.

Appendices



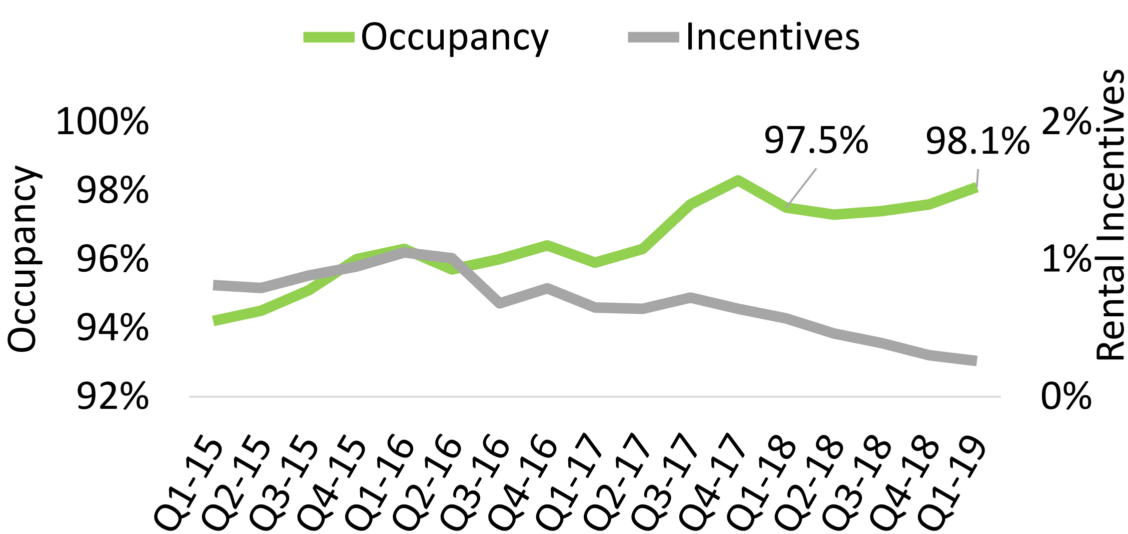
Q1-2019 | Performance | Halifax

The Halifax rental market is strong with overall occupancy at a historic high level of 98.0%.

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.

Killam's Halifax Same Property Results



Killam's Same Property Performance

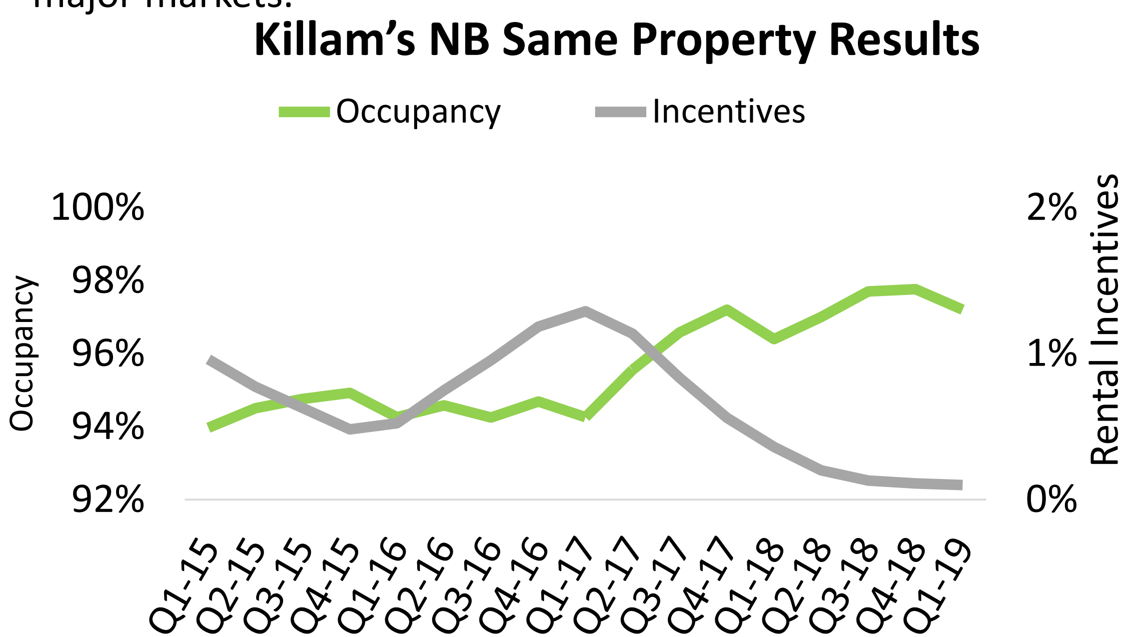
Halifax Q1-2019	
% of NOI	38.1%
Units	5,753
Rental Rate Growth	3.4%
Occupancy	98.1%
NOI Growth	2.4%

Q1-2019 | Performance | New Brunswick

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.



Killam's Same Property Performance

New Brunswick Q1-2019	
% of NOI	17.7%
Units	4,349
Rental Rate Growth	3.4%
Occupancy	97.2%
NOI Growth	8.8%

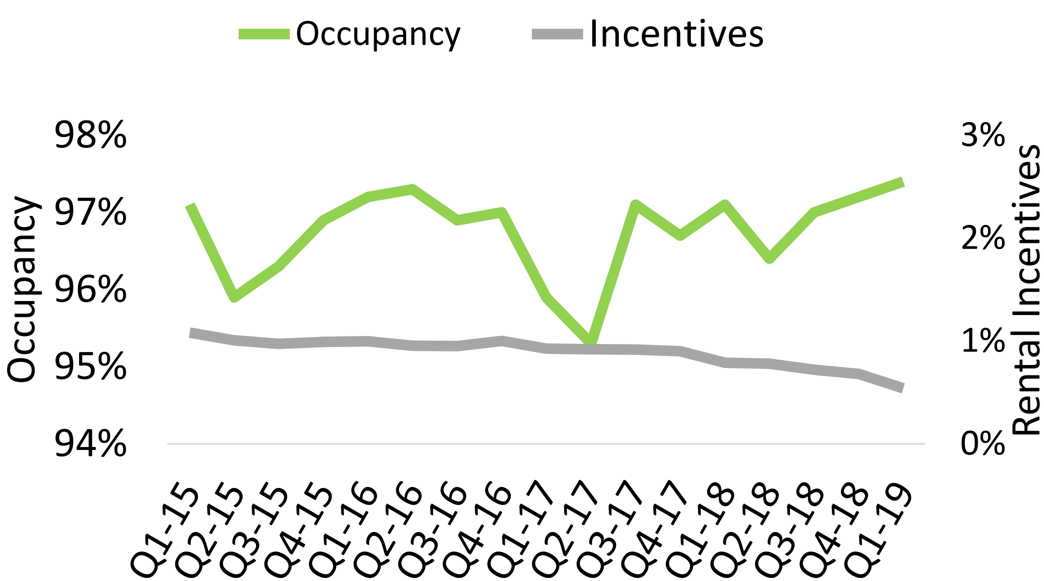
Q1-2019 | Performance | Ontario

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.

Killam's Ontario Same Property Results



Killam's Same Property Performance

Ontario Q1-2019	
% of NOI	22.6%
Units	2,473
Rental Rate Growth	3.4%
Occupancy	97.4%
NOI Growth	7.8%

Non-IFRS Measures

Non-IFRS Measures

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

- Funds from operations ("FFO"), and applicable per unit amounts, are calculated by Killam as net income adjusted for depreciation on an owner-occupied building, fair value gains (losses), interest expense related to exchangeable units, gains (losses) on disposition, deferred tax expense (recovery), unrealized gains (losses) on derivative liability and non-controlling interest. FFO are calculated in accordance with the REALpac definition.

- Adjusted funds from operations ("AFFO"), and applicable per unit amounts and payout ratios, are calculated by Killam as FFO less an allowance for maintenance capital expenditures ("capex"), representing a three-year rolling historical average capital spend to maintain and sustain Killam's properties. AFFO are calculated in accordance with the REALpac definition. Management considers AFFO an earnings metric.

- Same property results in relation to Killam are revenues and property operating expenses for stabilized properties that Killam has owned for equivalent periods in 2019 and 2018. Same property results represent 85% of the fair value of Killam's investment property portfolio as at March 31, 2019 (93.7% of apartment units and 95.2% of MHC sites). Excluded from same property results in 2019 are acquisitions, dispositions and developments completed in 2018 and 2019 as well as non-stabilized commercial properties linked to development projects.

- Interest coverage is calculated by dividing earnings before interest, tax, depreciation and amortization ("EBITDA") by interest expense, adjusted for interest expense related to exchangeable units.

- Debt service coverage is calculated by dividing EBITDA by interest expense, less interest expense related to exchangeable units, and principal mortgage repayments.

- Normalized debt to EBITDA is calculated by dividing interest-bearing debt (net of cash) by EBITDA that has been adjusted for a full year of stabilized earnings from recently completed acquisitions and developments.

See the Q1-2019 Management's Discussion and Analysis for further details on these non-IFRS measures and, where applicable, reconciliations to the most directly comparable IFRS measure.

Q1-2019 Results Conference Call

May 2, 2019 |9AM Eastern

Killam
APARTMENT REIT