



Third Quarter 2020 Results Conference Call

TSX:CAR.UN
November 10, 2020





Disclaimer

Today's session and our answers to questions contain statements that constitute forward-looking statements about expected future events and financial and operating results of CAPREIT. These statements represent CAPREIT's intentions, plans, expectations and beliefs as of the date hereof and are subject to certain risks and uncertainties. These statements are based on certain factors and assumptions regarding expected growth, results of operations, performance and business uncertainties are more fully described in CAPREIT's regulatory filings, including our Annual Information Form and prospects and opportunities. Although such forward-looking statements are based upon assumptions that management believes are reasonable, there can be no assurance that actual results will be consistent with these forward-looking statements and actual results in future periods may differ materially from those expressed or implied by such forward-looking statements. These risks and Managements' Discussion and Analysis of the Results of Operations and Financial Condition, all of which can be obtained on SEDAR at www.sedar.com. Investors should not place undue reliance on any such forward-looking statements. Subject to applicable law, CAPREIT does not undertake any obligation to update or revise any forward-looking information.

Non-IFRS Financial Measures

CAPREIT prepares and releases unaudited condensed consolidated interim financial statements and audited consolidated annual financial statements in accordance with International Financial Reporting Standards ("IFRS"). In the MD&A, and in earnings releases and investor conference calls, as a complement to results provided in accordance with IFRS, CAPREIT also discloses and discusses certain financial measures not recognized under IFRS which do not have standard meanings prescribed by IFRS. These include stabilized net rental income ("Stabilized NOI"), Funds From Operations ("FFO"), Normalized Funds From Operations ("NFFO"), Adjusted Cash Flow from Operations ("ACFO"), FFO and NFFO per Unit amounts and FFO, NFFO and ACFO payout ratios, and Adjusted Cash Generated from Operating Activities (collectively, the "Non-IFRS Measures"). Since these measures are not recognized under IFRS, they may not be comparable to similar measures reported by other issuers. CAPREIT presents Non-IFRS measures because Management believes these Non-IFRS measures are relevant measures of the ability of CAPREIT to earn revenue and to evaluate its performance and cash flows. A reconciliation of these Non-IFRS measures to the comparable IFRS measures, along with further definitions and discussion, is provided in Section IV under Non-IFRS Financial Measures. The Non-IFRS measures should not be construed as alternatives to net income (loss) or cash flows from operating activities determined in accordance with IFRS as indicators of CAPREIT's performance or the sustainability of our distributions.





Mark Kenney

President & CEO



Scott Cryer

Chief Financial Officer



**Fraser Flats
Vancouver, BC**



Another Strong Quarter

**Kings Club
Toronto, ON**

<i>Three Months Ended</i>	Sept. 30, 2020
Operating Revenues	+ 11.0%
Net Operating Income (NOI)	+ 11.6%
Stabilized NOI	+ 4.0%
Normalized Funds from Operations (NFFO)	+ 13.0%
Strong NFFO Payout Ratio	58.8%
NFFO per Unit	+ 5.6%
Weighted Average Units Outstanding	+ 7.0%

Another Strong Year

<i>Nine Months Ended Sept. 30,</i>	2020	2019	Change (%)
Operating Revenues	\$657.4M	\$572.6M	+ 14.8%
NOI	\$429.5M	\$372.4M	+ 15.3%
Stabilized NOI	\$368.0M	\$353.4M	+ 4.1%
NFFO	\$289.0M	\$249.8M	+ 15.7%
NFFO Payout Ratio	61.4%	65.1%	↓ 3.7%
NFFO per Unit (basic)	\$1.692	\$1.591	+ 6.3%
Weighted Avg. Units O/S (000s)	170,810	156,956	+ 8.8%



Portfolio Growth to Drive Revenue Growth

	Suites and Sites	Cost
2019 Acquisitions	9,241	\$1,385 M
2020 Acquisitions	2,233	\$574 M
2020 Dispositions	194	\$57 M



Strong Stabilized Portfolio Performance

<i>Nine Months Ended Sept. 30,</i>	2020	2019
Stabilized Occupancy: Residential Suites¹	98.2%	98.8%
Stabilized Occupancy: MHCs¹	95.7%	96.1%
Stabilized Net Average Monthly Rents: Residential Suites¹	\$1,283	\$1,241
Stabilized Net Average Monthly Rents: MHCs¹	\$387	\$381
Same Property NOI Increase	4.1%	4.7%
Strong Stabilized NOI Margin	65.0%	64.6%

1. As at September 30, 2020

**The Meridian
Langley, BC**

Solid Performance During Pandemic

Canadian Portfolio



	<i>Nine Months Ended Sept. 30,</i>	2020		2019	
		Change in monthly rent		Change in monthly rent	
		\$	%	\$	%
Suite turnovers		117	8.8	167	13.6
Lease renewals		13	1.1	25	2.1
Weighted average of turnovers and renewals		32	2.5	50	4.1

Netherlands Portfolio



	<i>Nine Months Ended Sept. 30,</i>	2020		2019	
		Change in monthly rent		Change in monthly rent	
		€	%	€	%
Suite turnovers		75	8.4	56	6.9
Lease renewals		19	2.3	27	3.5
Weighted average of turnovers and renewals		25	2.9	30	3.8



Our Strategies are Working

Focused on strong resident & staff relationships

The Carrington
Calgary, AB

Maintaining Close Resident Relations

Resident Communications



Compassionate Care Program

Responding to resident issues
Thank our residents for working with us
Averaging **3,000** calls per month

Rent Payment Plan

Approximately **0.7%** of residents approved for a payment plan

Adapting to Pandemic Issues

**Bad debt levels
remain very low**

Only 0.6% of total operating revenue

**Limited impact from
legislated rent freeze**

Voluntary rent freeze from April 2020

Ontario mandated no increases in 2021

- Only \$2.5 million impact to revenues in 2021

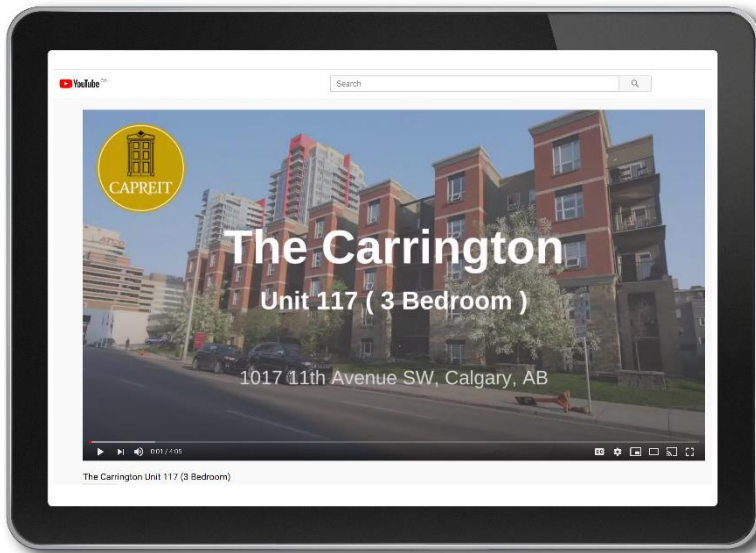
No effect on turnovers

- 8.8% increase in overall AMR to date in 2020



Utilizing Technology Platform

Technology



Resident Portal Launched

Approx. 60% of total units now using portal

Numerous effective new features added

Increasing take-up on Pre-Authorized Payments

85% of rent collection now by electronic means

Remote Leasing Program

Allows potential residents to view virtual tours

Over 5,000 leases arranged remotely (Mar – Sep)

Increasing personal showings as economy opens

Back to Basics

Business

Operational Focus: Back to Basics

Rent collection
Renting vacant suites
Finding operational efficiencies

Rent Collection Focus

**Over 99% of rents collected as at Oct 31,
2020**





Continuing Stable Occupancies

Portfolio	March 31, 2020	June 30, 2020	Sept. 30, 2020	Oct. 31, 2020
Residential Occupancy	98.7%	98.6%	98.2%	97.9%
MHC Occupancy	95.8%	95.8%	95.7%	95.7%
Overall Occupancy	98.2%	98.0%	97.7%	97.5%

Highly Affordable Suites

Average Gross Rent per Square Foot



CAPREIT

\$1.60 per sq ft



Condo /New Rental Construction

\$3.00 - \$5.00 per sq ft

Accretive Asset Allocation

Apartment Focus

Strong, large, growing urban markets
Focus on suburban areas
Value-add mid-tier properties



MHC Focus

Stable, low risk portfolio
Significant new income opportunities



Europe Focus

Dividend and fee income growing
Targeted **15%** exposure over time
Strong spreads between yields and financing rates
Significant growth potential



Solid Potential in MHC Business

**Canada's second
largest player**

11,685 sites in 72 communities across country

Predominantly rural focus

Approx. 4.2% of asset base / 6.3% of NOI

**Stable segment /
significant
opportunity:**

We own land / resident owns home

**Little competition in each market – drives
stability**

Potential additional income opportunities:

- Sale of new homes
- Commissions on new homes
- Fees for sourcing mortgage financing



**Parkbridge
BC, AB, ON**



A Commitment to Diversity

A well-represented diverse employee base*:

- 51:49 gender split (male / female)
- Women in Governance Parity-Certified
- Over 61 languages spoken
- Multi-generational work force

Supporting communities:

- Sensitive to issues facing diverse communities
- Diverse employee base reflects our communities
- 2,100 suites leased by social housing agencies & programs

*** As at December 31, 2019**

*** Please refer to our 2019 ESG Report**



Strong Liquidity & Balance Sheet

Capacity to grow and prosper

The Point
Langley, BC

High Liquidity / Low Cost Financing

36.0%	Conservative Debt to GBV Ratio <i>(at Sept. 30, 2020)</i>
\$372 million	Liquidity available <i>(at Sept. 30, 2020)</i> • \$234.4 million in cash • \$137.8 million credit facility available
\$783 million	In unencumbered Canadian properties <i>(at Sept. 30, 2020)</i>
\$1.2 ¹ billion	Total expected mortgage and top-ups in 2020 • Favourable interest rate environment • Currently 1.3% – 1.8% for five and ten-year interest rates
\$777¹ million	New financings in 2020 <i>(to Nov. 9, 2020)</i> • Low weighted average 1.84% interest rate

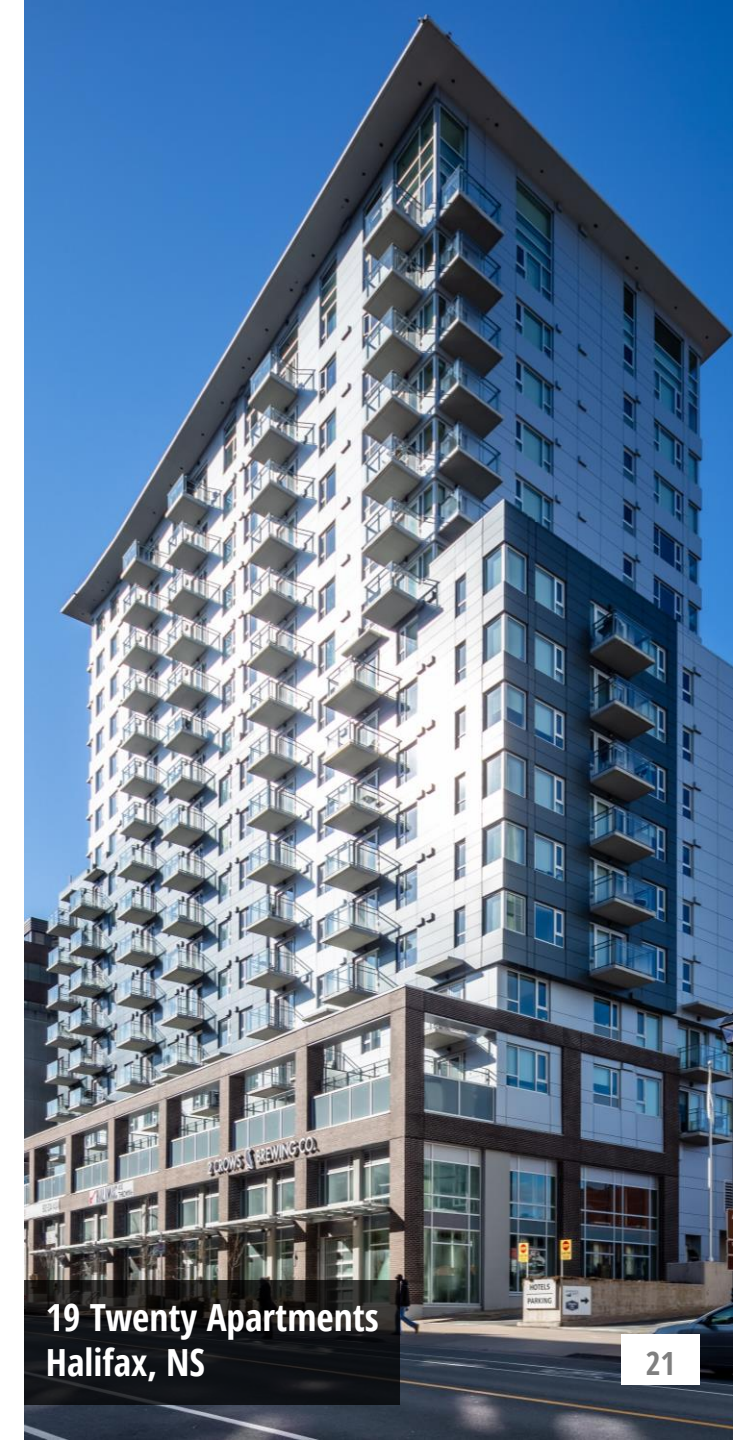
1. For the Canadian portfolio.

Industry-Leading Liquidity

As at Sept. 30, 2020

Cash	\$234M
Capacity on credit facilities	\$138M
Up-financing on portfolio (excl Operating Lease Buyouts)	\$237M
Operating lease buy-out financing	\$500M
Financing potential on unencumbered assets (at 60% LTV)	\$470M
Total available liquidity	\$1,579M
Leverage ratio if utilized	41.2%

Management expects to raise between \$900 million and \$950 million in total mortgage renewals and refinancing for 2021, excluding financings on acquisitions.



**19 Twenty Apartments
Halifax, NS**



King's Club
Toronto, ON

Strong & Flexible Financial Position

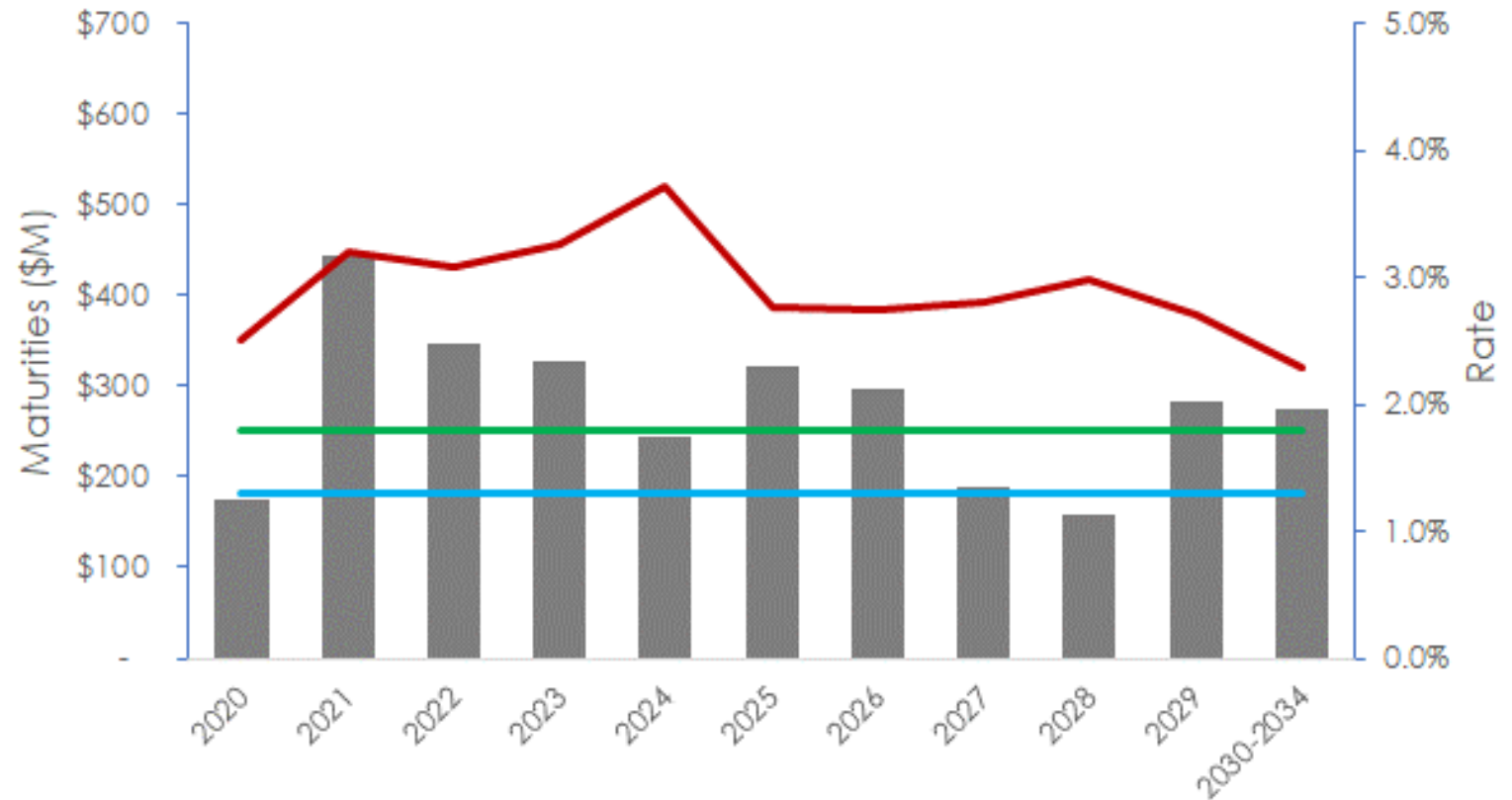
<i>As at Sept. 30,</i>	2020	2019
Total Debt to GBV	36.0%	36.7%
Mortgage Debt to GBV - Canadian	30.1%	31.7%
Weighted Average Mortgage Interest Rate	2.65%	2.93%
Weighted Average Mortgage Interest Rate - Canadian	2.92%	3.13%
Weighted Average Term to Maturity (years)	4.9	5.2
Weighted Average Term to Maturity (years) - Canadian	5.0	5.2
Debt Service Coverage	2.03	1.79
Interest Coverage	4.04	3.52



The Thomas
Toronto, ON

Well-Positioned Mortgage Portfolio

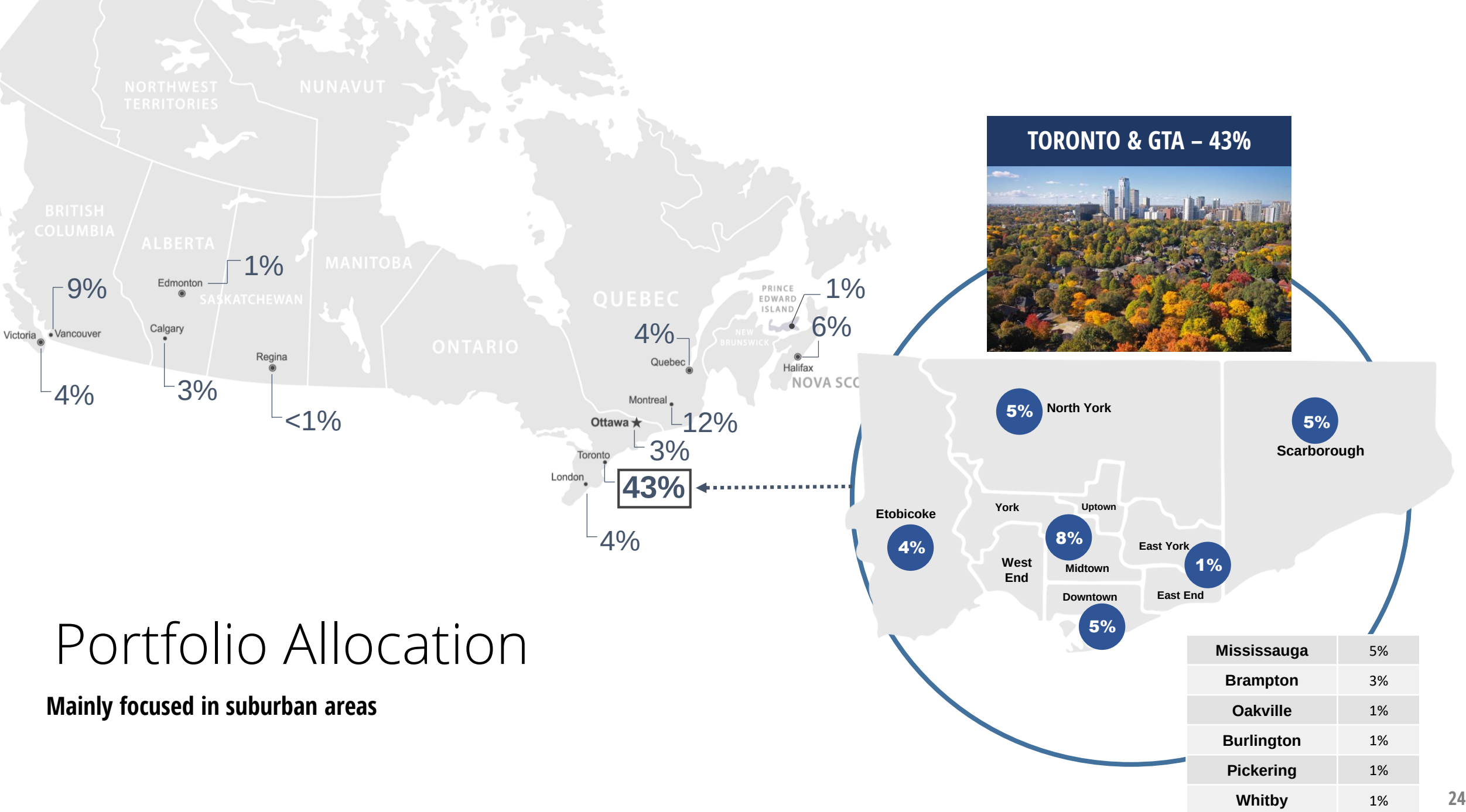
Total Mortgage Maturities and Interest Rates for Canadian denominated debt



Effective weighted average
Interest rate for maturing
mortgages

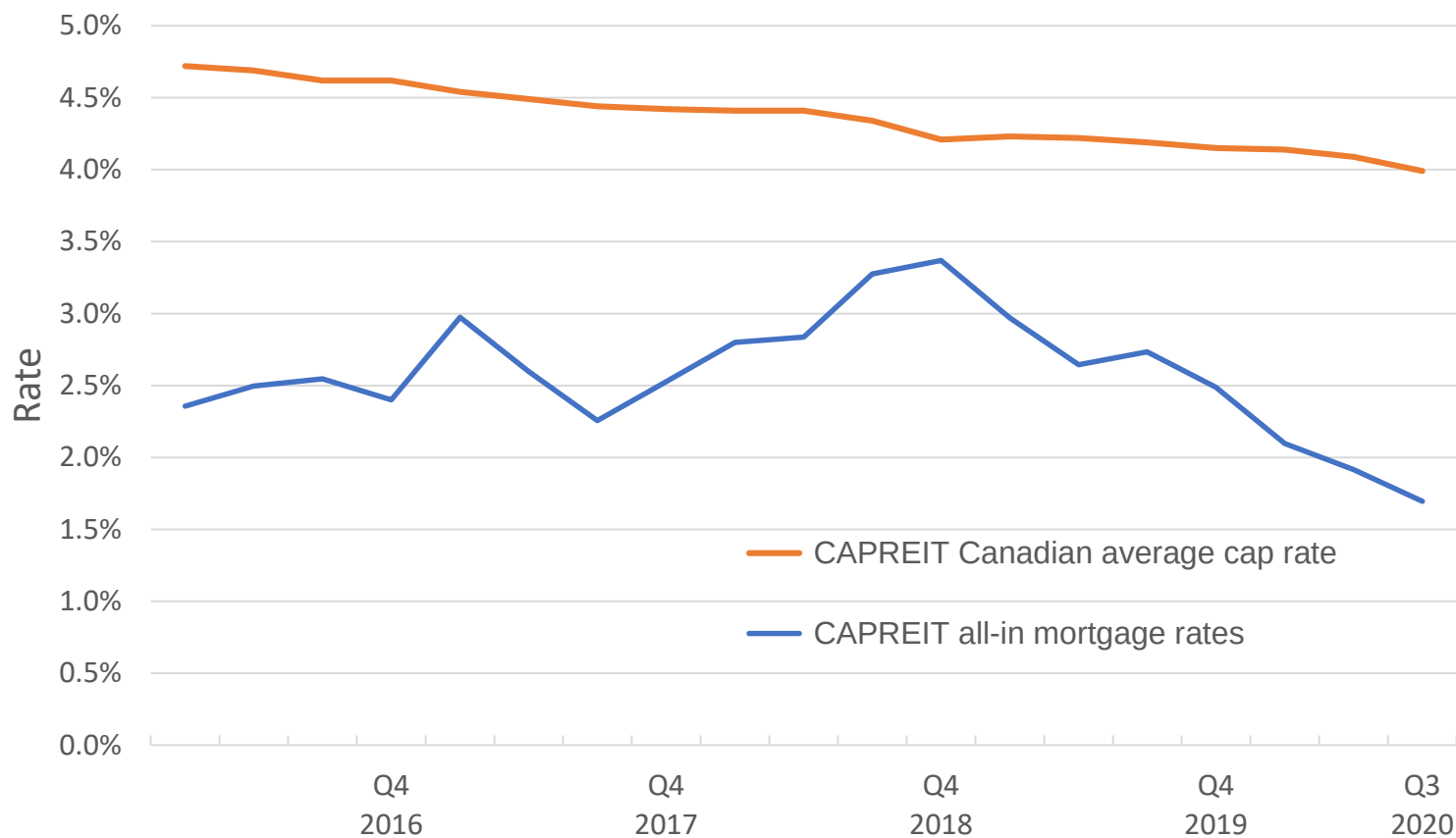
10 year estimated current
market interest rate 1.80%

5 year estimated current
market interest rate 1.30%



Attractive Spreads

Capitalization Rates and All-in Mortgage Interest Rates for the Canadian Portfolio



Fraser Flats
Vancouver, BC



The Best Place to...



LIVE

FOR OUR RESIDENTS



WORK

FOR OUR EMPLOYEES



INVEST

FOR OUR UNITHOLDERS

 **S&P/TSX 60**

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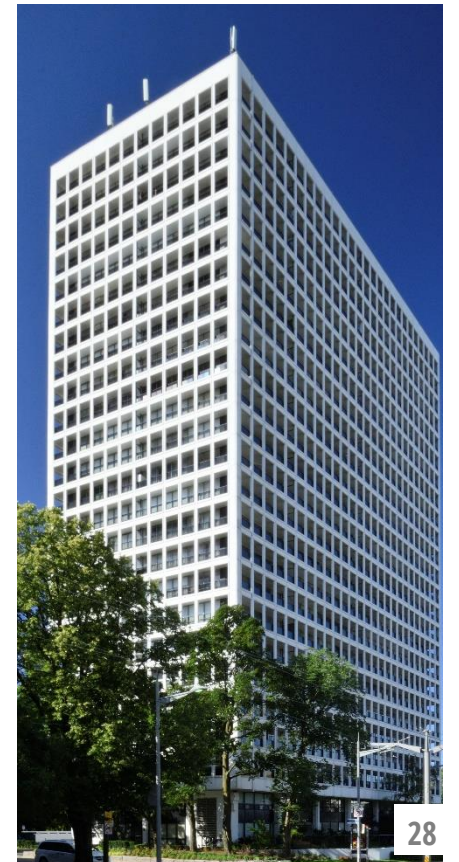


Thank you!

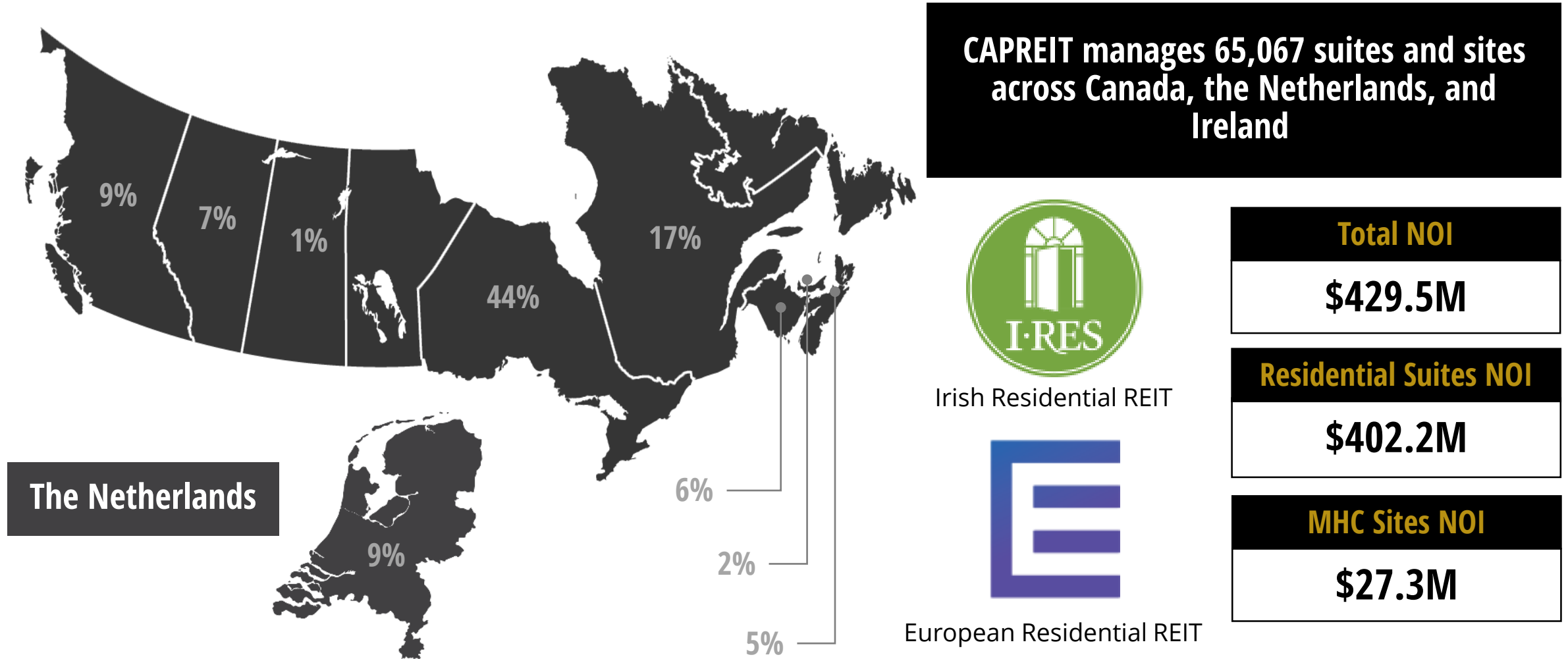


Property Portfolio

Kings Club
Toronto, ON

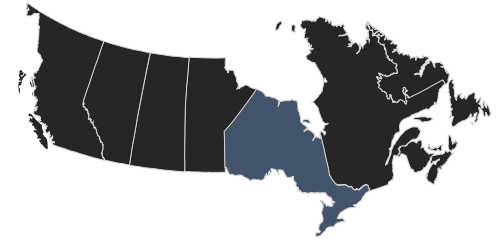


Portfolio Snapshot as at Sept. 30, 2020



Regional Overview

Ontario

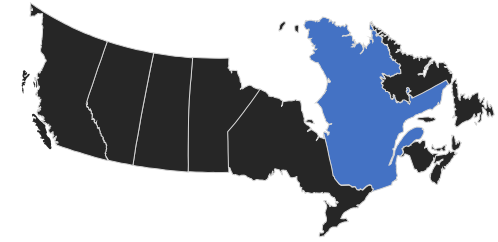


Residential Suites as at Sept. 30	2020	2019
% Total NOI ¹	43.8%	47.6%
NOI (\$ 000s) ¹	\$188,590	\$177,359
NOI Margin (%) ¹	65.0%	65.0%
Occupancy (%)	98.7%	99.0%
Net Average Monthly Rents (\$)	\$1,394	\$1,357

(1) For the nine months ended Sept. 30, 2020

Regional Overview

Québec

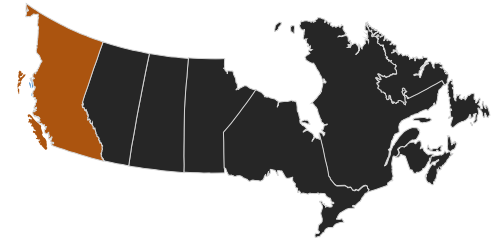


Residential Suites as at Sept. 30	2020	2019
% Total NOI ¹	15.2%	15.7%
NOI (\$ 000s) ¹	\$65,052	\$58,466
NOI Margin (%) ¹	61.3%	58.6%
Occupancy (%)	97.7%	99.0%
Net Average Monthly Rents (\$)	\$1,021	\$993

(1) For the nine months ended Sept. 30, 2020

Regional Overview

British Columbia

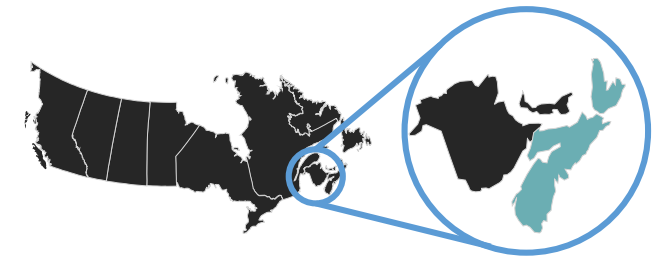


Residential Suites as at Sept. 30	2020	2019
% Total NOI¹	11.4%	12.1%
NOI (\$ 000s)¹	\$48,761	\$44,854
NOI Margin (%)¹	70.0%	70.8%
Occupancy (%)	98.9%	98.8%
Net Average Monthly Rents (\$)	\$1,415	\$1,383

(1) For the nine months ended Sept. 30, 2020

Regional Overview

Nova Scotia



Residential Suites as at Sept. 30	2020	2019
% Total NOI ¹	4.7%	2.9%
NOI (\$ 000s) ¹	\$20,007	\$10,883
NOI Margin (%) ¹	58.8%	60.4%
Occupancy (%)	97.0%	98.4%
Net Average Monthly Rents (\$)	\$1,207	\$1,175

(1) For the nine months ended Sept. 30, 2020

Regional Overview

Alberta

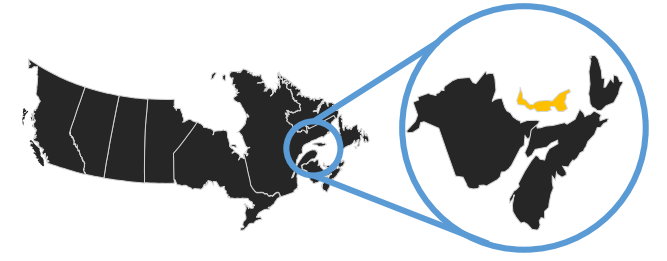


Residential Suites as at Sept. 30	2020	2019
% Total NOI ¹	3.6%	4.3%
NOI (\$ 000s) ¹	\$15,602	\$16,078
NOI Margin (%) ¹	55.9%	59.0%
Occupancy (%)	95.0%	98.8%
Net Average Monthly Rents (\$)	\$1,085	\$1,120

(1) For the nine months ended Sept. 30, 2020

Regional Overview

Prince Edward Island



Residential Suites as at Sept. 30	2020	2019
% Total NOI ¹	0.7%	0.7%
NOI (\$ 000s) ¹	\$3,184	\$2,587
NOI Margin (%) ¹	50.8%	50.2%
Occupancy (%)	99.2%	99.1%
Net Average Monthly Rents (\$)	\$1,096	\$1,067

(1) For the nine months ended Sept. 30, 2020

Regional Overview

Saskatchewan



Residential Suites as at Sept. 30	2020	2019
% Total NOI¹	0.3%	0.3%
NOI (\$ 000s)¹	\$1,149	\$1,202
NOI Margin (%)¹	53.5%	55.3%
Occupancy (%)	93.2%	97.0%
Net Average Monthly Rents (\$)	\$974	\$1,035

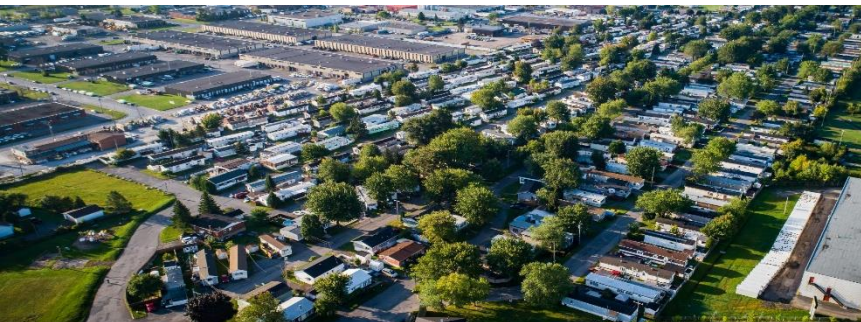
(1) For the nine months ended Sept. 30, 2020

MHC Portfolio



Residential Suites as at Sept. 30	2020	2019
% Total NOI¹	6.3%	5.9%
NOI (\$ 000s)¹	\$27,287	\$22,082
NOI Margin (%)¹	64.3%	65.7%
Occupancy (%)	95.7%	96.1%
Net Average Monthly Rents (\$)	\$387	\$381

(1) For the nine months ended Sept. 30, 2020



Regional Overview

Europe – The Netherlands



Residential Suites as at Sept. 30	2020	2019
% Total NOI ^{1,2}	14.0%	10.5%
NOI (\$ 000s) ^{1,2}	\$59,893	\$38,935
NOI Margin (%) ^{1,2}	75.8%	77.5%
Occupancy (%)	98.4%	97.1%
Net Average Monthly Rents (\$)	\$1,378	\$1,195

(1) For the nine months ended Sept. 30, 2020

(2) Inclusive of commercial property within the ERES portfolio located in The Netherlands