



CANADIAN APARTMENT
PROPERTIES • REIT

First Quarter 2023

Results Conference Call

May 15, 2023



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 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 earnings releases, investor presentations and investor conference calls, CAPREIT discloses measures not recognized under IFRS which do not have standard meanings prescribed by IFRS. These include Funds From Operations ("FFO"), Adjusted Cash Generated from Operating Activities, Net Asset Value ("NAV"), Total Debt, Gross Book Value and Adjusted Earnings Before Interest, Tax, Depreciation, Amortization and Fair Value ("Adjusted EBITDAFV") (the "Non-IFRS Financial Measures"), as well as diluted FFO per unit, Ratio of Total Debt to Gross Book Value, Debt Service Coverage Ratio and Interest Coverage Ratio (the "Non-IFRS Ratios" and together with the Non-IFRS Financial Measures, the "Non-IFRS Measures"). Since these measures and related per unit amounts 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 Non-IFRS measures are relevant measures utilized by our investors to evaluate the ability of CAPREIT to earn revenue and to evaluate its performance, financial condition and cash flows. These Non-IFRS measures have been assessed for compliance with National Instrument 52-112 and a reconciliation of these Non-IFRS measures to the comparable IFRS measures, along with further definitions and discussion, is provided in Section VI of the MD&A under Non-IFRS Measures. The Non-IFRS measures should not be construed as alternatives to net (loss) income or cash flows from operating activities determined in accordance with IFRS as indicators of CAPREIT's performance or the sustainability of our distributions.





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Mark Kenney

President &
Chief Executive Officer



Stephen Co

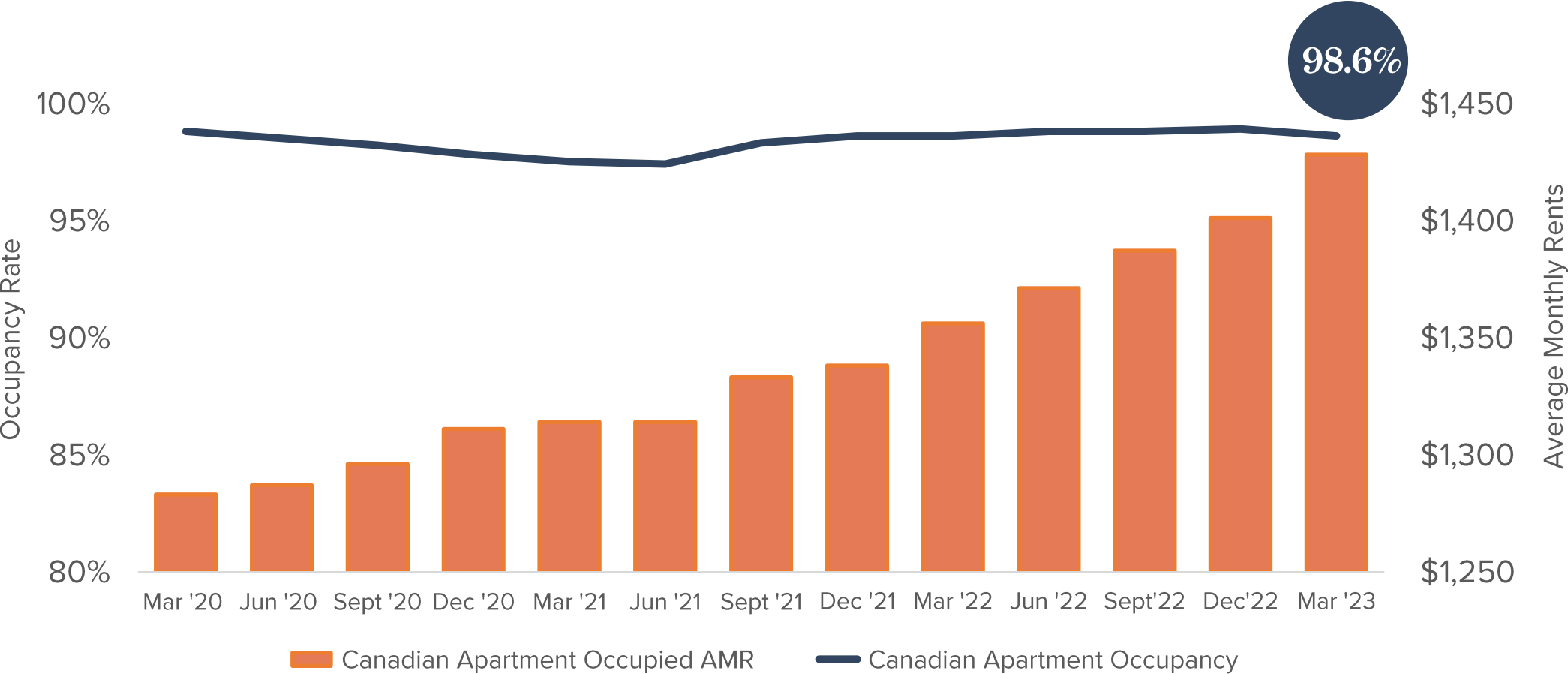
Chief Financial Officer



Julian Schonfeldt

Chief Investment Officer

Canadian Residential: Rising AMRs and Consistently Strong Occupancies



First Quarter Financial Results

<i>Quarter Ended March 31,</i>	2023	2022	Change (%)
Operating Revenues	\$260.9M	\$246.6M	+5.8%
Net Operating Income	\$163.9M	\$153.2M	+7.0%
Net Operating Income Margin	62.8%	62.1%	+0.7%
Funds From Operations ¹ (FFO)	\$97.2M	\$97.6M	-0.5%
FFO per Unit (diluted)	\$0.567	\$0.555	+2.2%
FFO Payout Ratio	63.6%	65.3%	-1.7%
Distributions per Unit	\$0.362	\$0.362	-
Weighted Avg. Units O/S (diluted) (000s)	171,266	175,994	-2.7%

1. Formerly known as Normalized Funds From Operations (NFFO).



Net Asset Value
Per Unit (diluted)

\$57.47

Eagle Pointe, ON



Strategic Capital Deployment Opportunities

NON-CORE PROPERTY DISPOSITIONS

Active Asset Allocation Strategy



NEW CONSTRUCTION APARTMENT FOCUS

Large, strong, growing urban markets

- Canada's strongest markets
- Targeting high-growth suburban areas and new-build properties

ENTITLED EXCESS LAND DISPOSITIONS

NCIB PROGRAM

Strategic Capital Allocation

- Dispositions at premium pricing
- Reinvesting in NCIB at significant discounts to NAV
- Crystallizing spread between premium dispositions and discounted NCIB



DEBT REPAYMENT

Active Debt Management

- Allocating excess funding toward repaying higher interest debt or delaying re-financing, given volatility in interest rate environment





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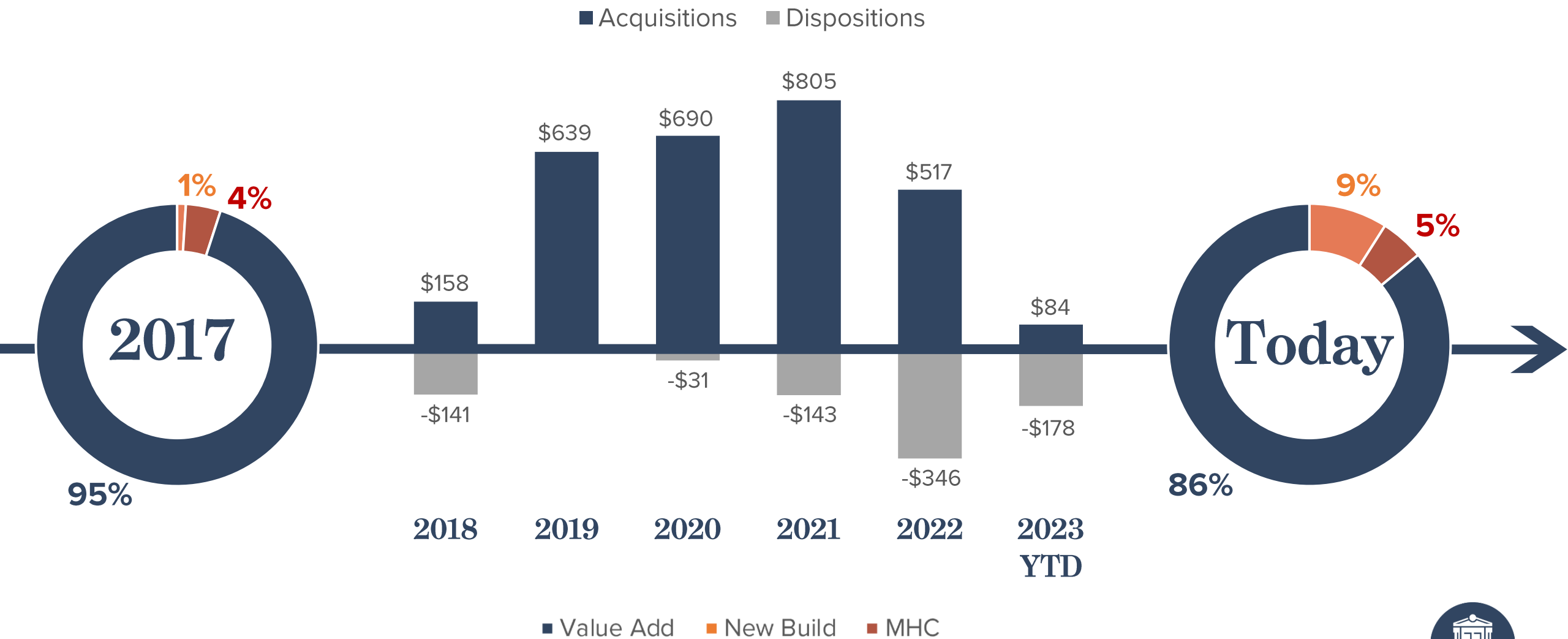
Investment Strategy

STRATEGIC CAPITAL ALLOCATION

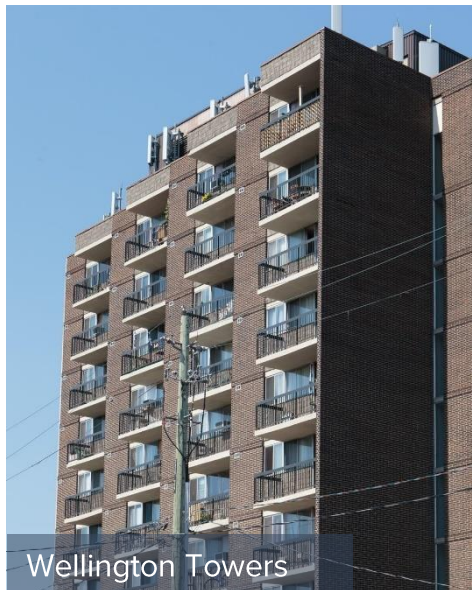


Julian Schonfeldt
Chief Investment Officer

Repositioning Our Canadian Portfolio



Capital Recycling Continues – First Quarter 2023



Paramount Disposition Ottawa, Ontario

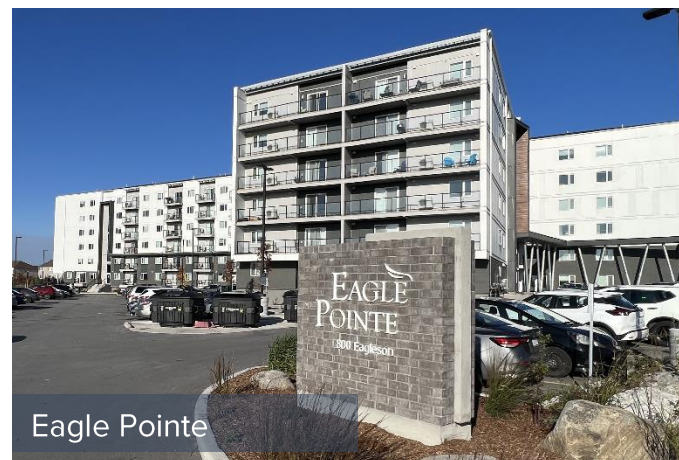
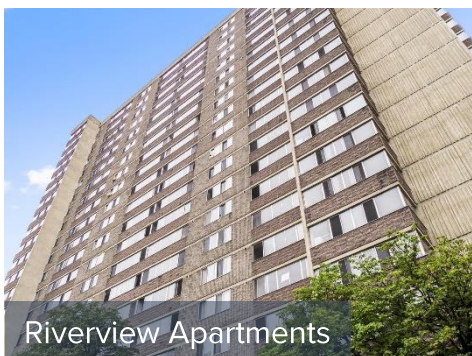
1,150 suites

\$136.25 million

Mid-3% cap rate

Built 1969-1981

Non-managing 50% interest



Eagle Pointe Acquisition Ottawa, Ontario

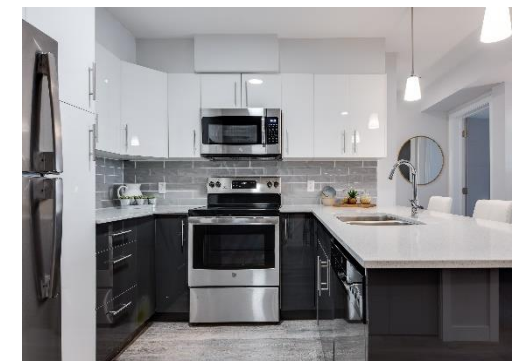
143 suites

\$61.0 million

Mid-4% cap rate

Built 2021

95% occupied





Asset-Light Development Model

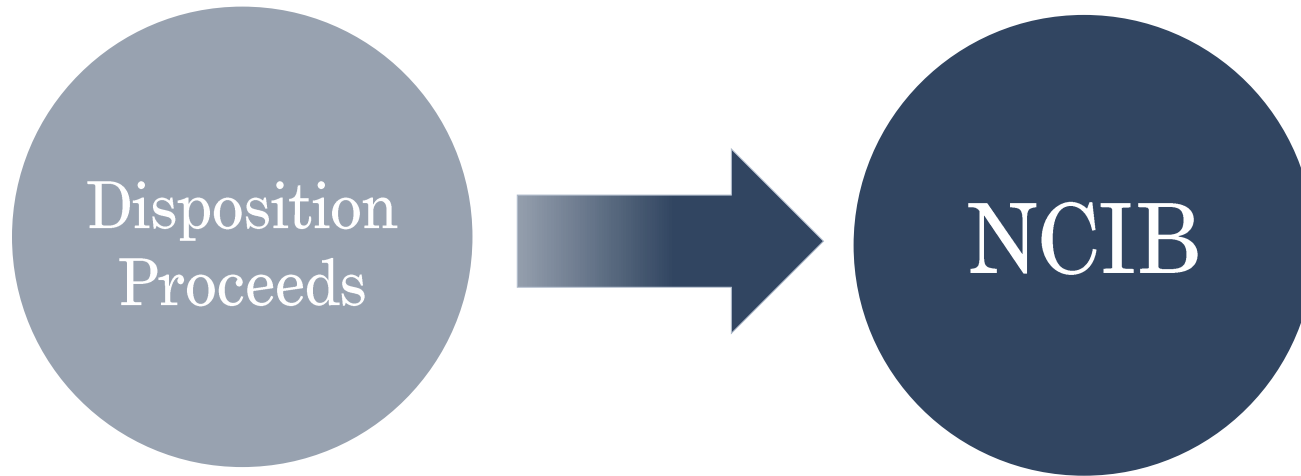
- Disposition of under-utilized parking lot site located adjacent to CAPREIT's property in Montréal successfully closed in Q1 2023
- CAPREIT's undertaking of the end-to-end entitlement process provided **~0.3M square feet of buildable gross floor area**
- Generated strong sales price of **\$62 per buildable square foot** that will soon give rise to needed residential accommodation in the community

✓ Identified in excess of ~6 million square feet of possible GFA across potential development sites in GTA alone

Cavendish Land Disposition



Value-Enhancing NCIB Program



- ✓ NCIB continues to generate meaningful accretion in 2023, with CAPREIT having invested \$91.5 million in Q1 to repurchase 2 million Trust Units at steep discounts to NAV

Activity Inception To Date

\$338M+
NCIB Spend

\$46
Weighted Average
Purchase Price
Per Unit

7.4M
Units Purchased

\$57
Net Asset Value
Per Unit
(Diluted)¹





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Strong Liquidity & Balance Sheet

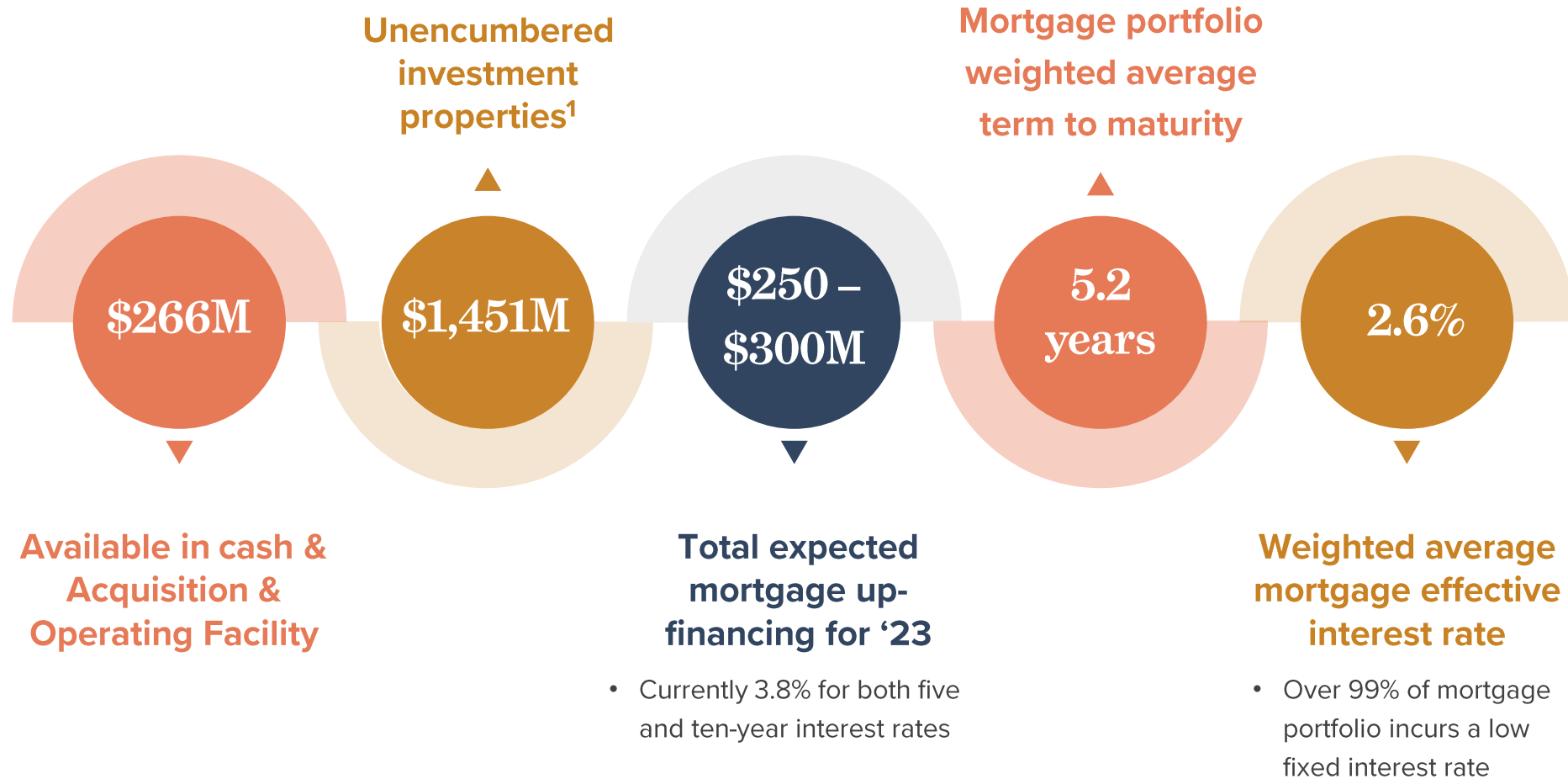
CAPACITY TO PROSPER



Stephen Co
Chief Financial Officer

Available Liquidity

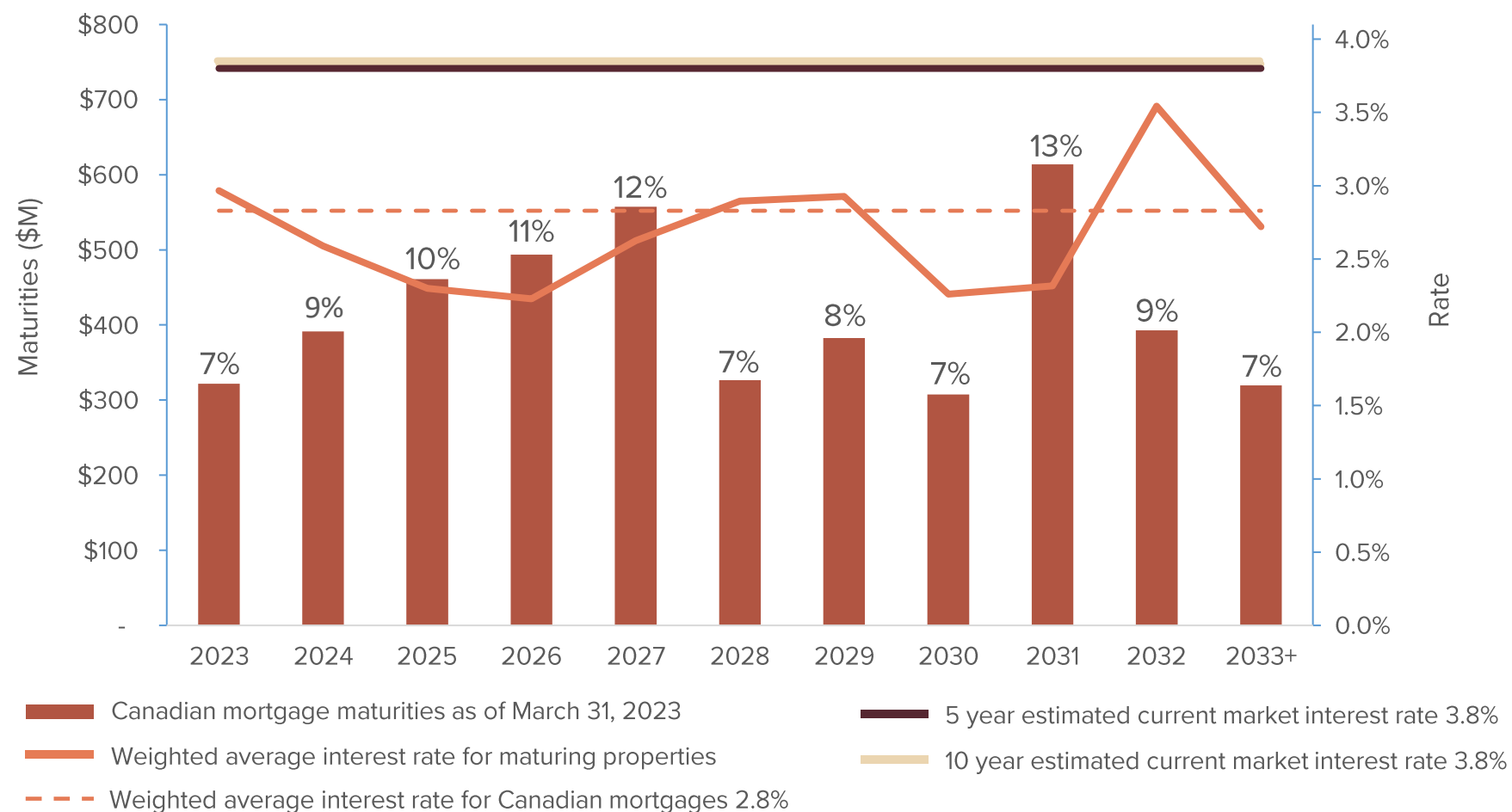
as at March 31, 2023



1. \$1.1 billion of Canadian properties secure only the Acquisition and Operating Facility, of which \$272 million carry a negative pledge relating to the ERES Credit Facility.



Debt Strategy: Well-Balanced Mortgage Portfolio

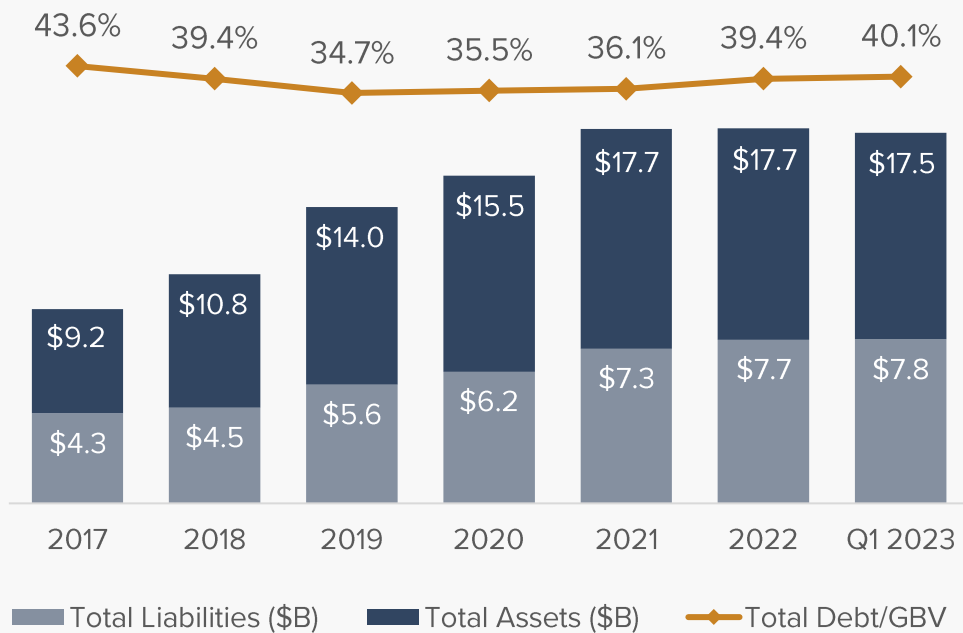


No more than
13%
of total Canadian
mortgages come due
in any given year

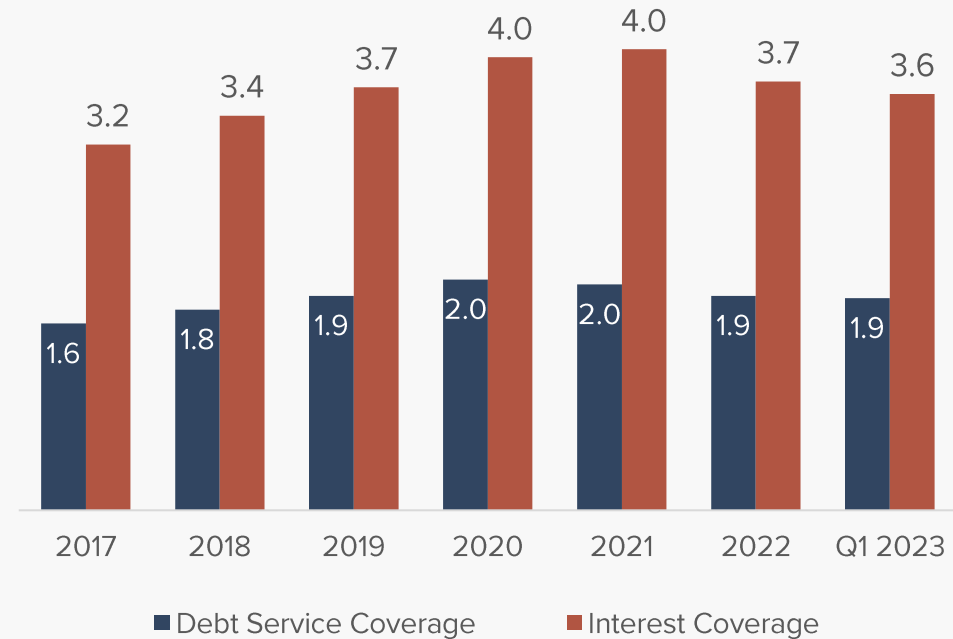


Conservative Debt Metrics

BALANCE SHEET & LEVERAGE



COVERAGE RATIOS





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Market Update

HOUSING CRISIS IN CANADA

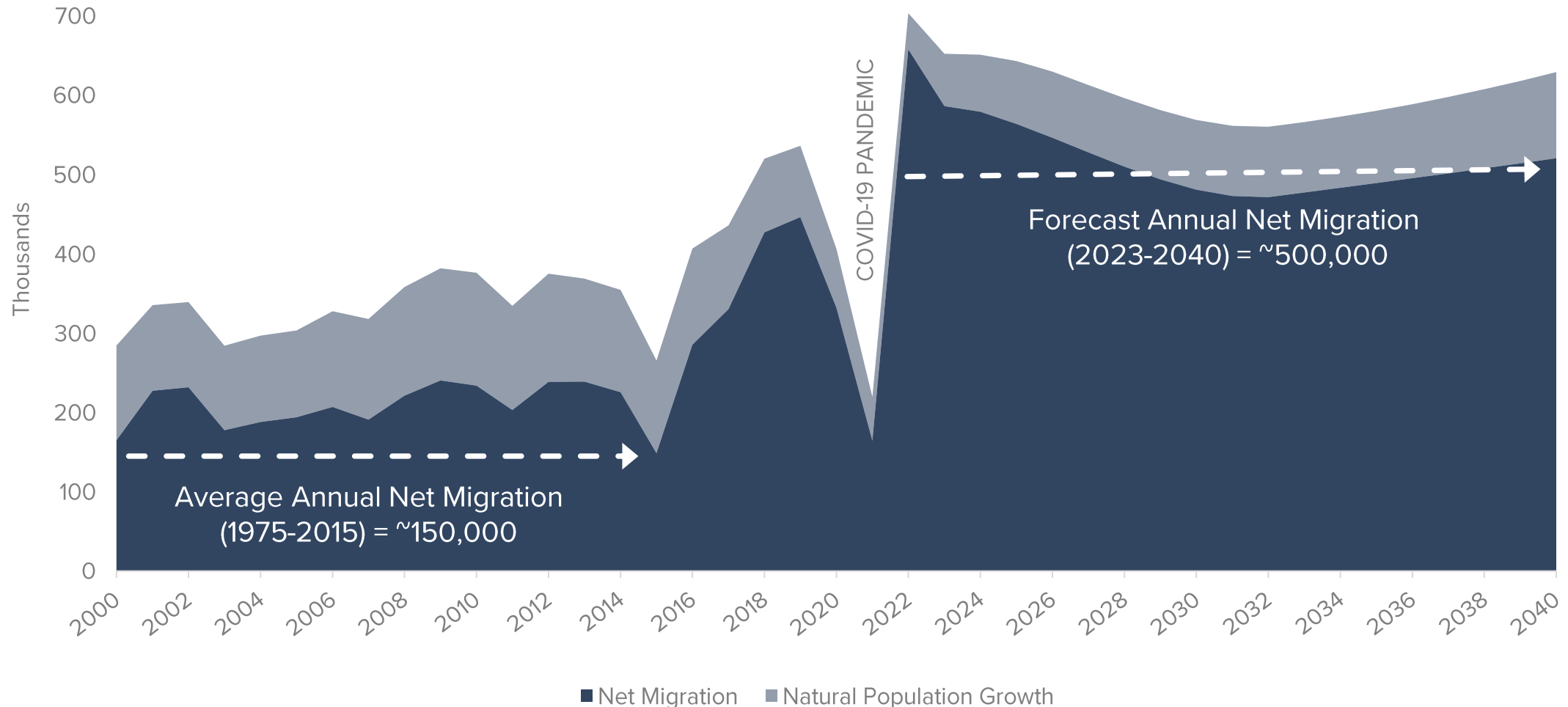


Mark Kenney

President & Chief Executive Officer

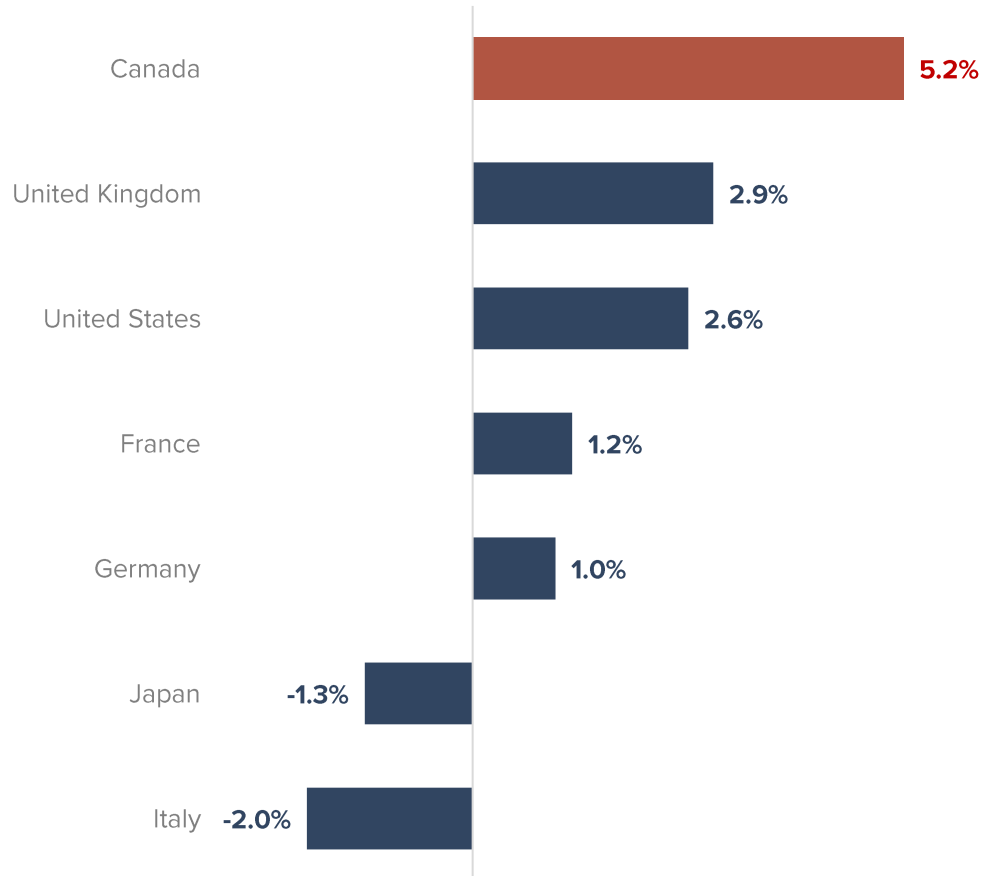
Unprecedented Population Growth in Canada

HISTORICAL & FORECAST



Fastest Growing Population...

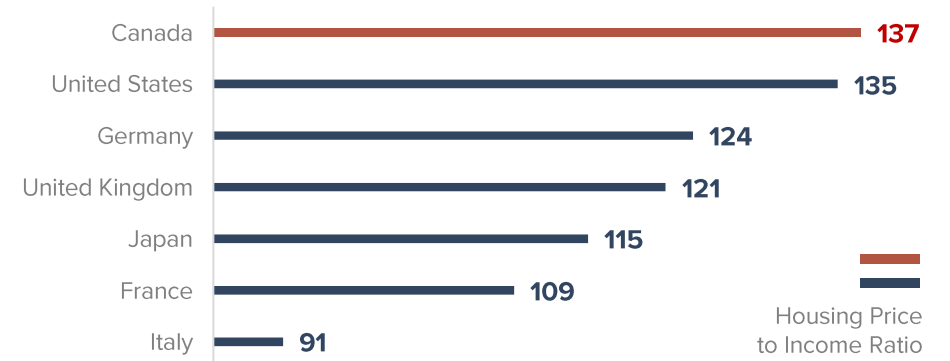
G7 POPULATION GROWTH RATES 2016-2021 (%)



1. Excluding Italy due to data limitations.

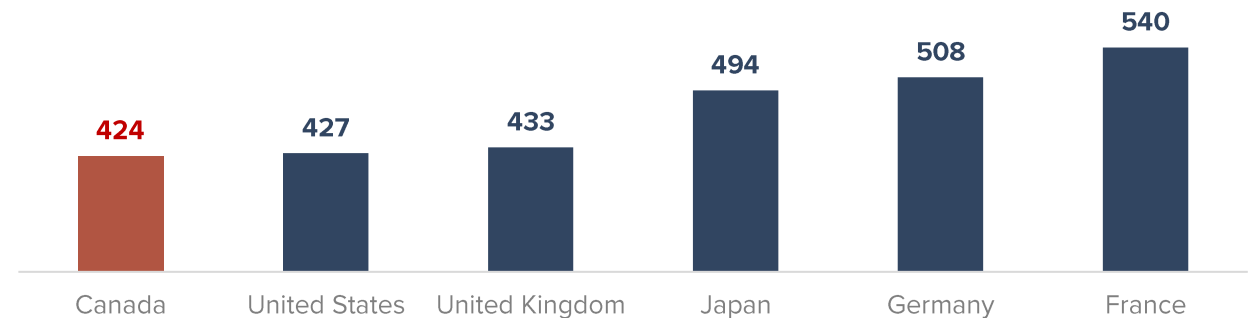
Sources: G20 Population Growth Rates from Statistics Canada; G7 Housing Units per Capita from Scotiabank Economics, Statistics Canada, OECD, US Census; Price to Income Ratio from OECD.

MOST EXPENSIVE HOUSING MARKET IN THE G7

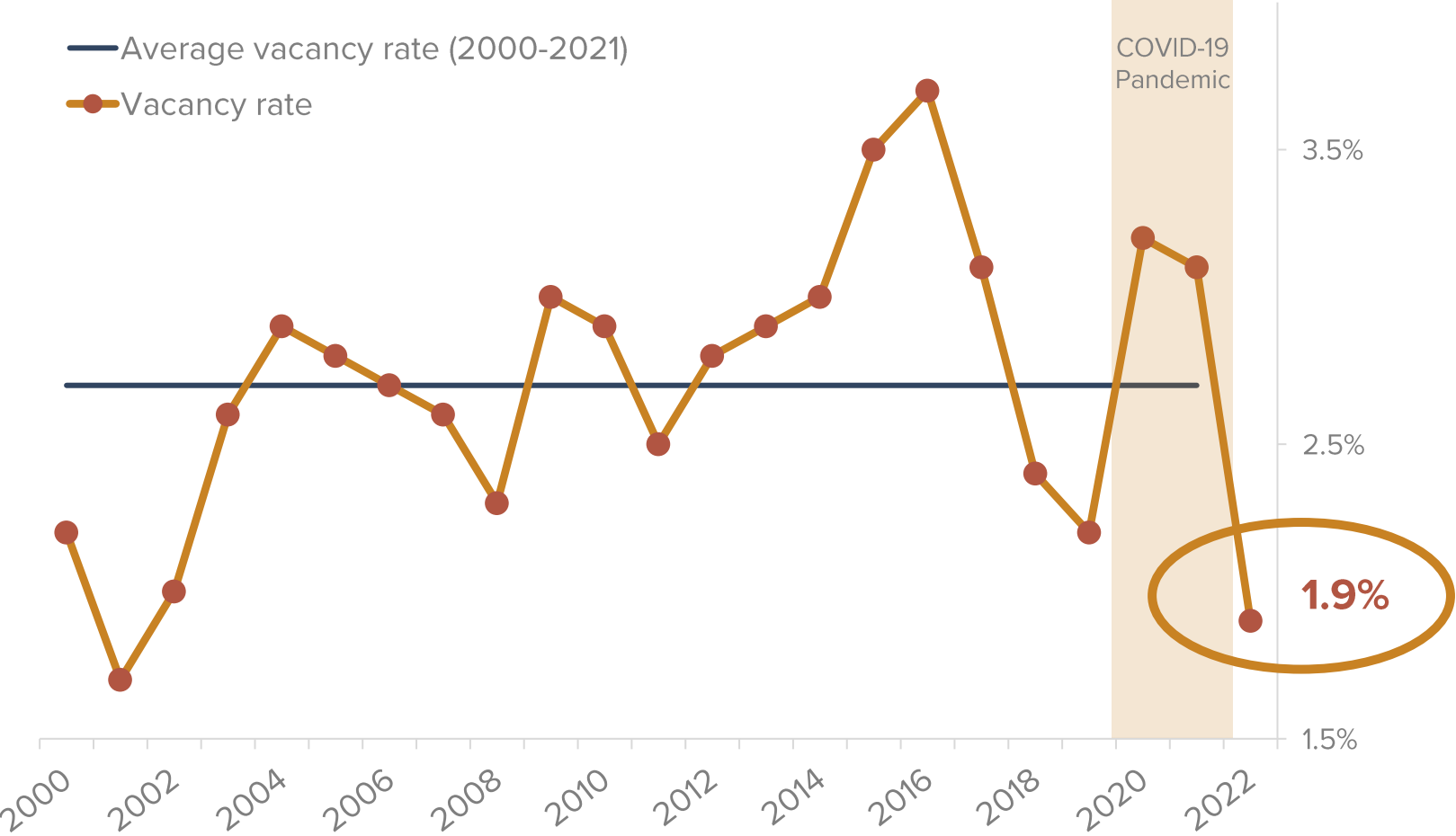


...Fewest Homes per Capita

G7¹ HOUSING UNITS PER 1,000 POPULATION



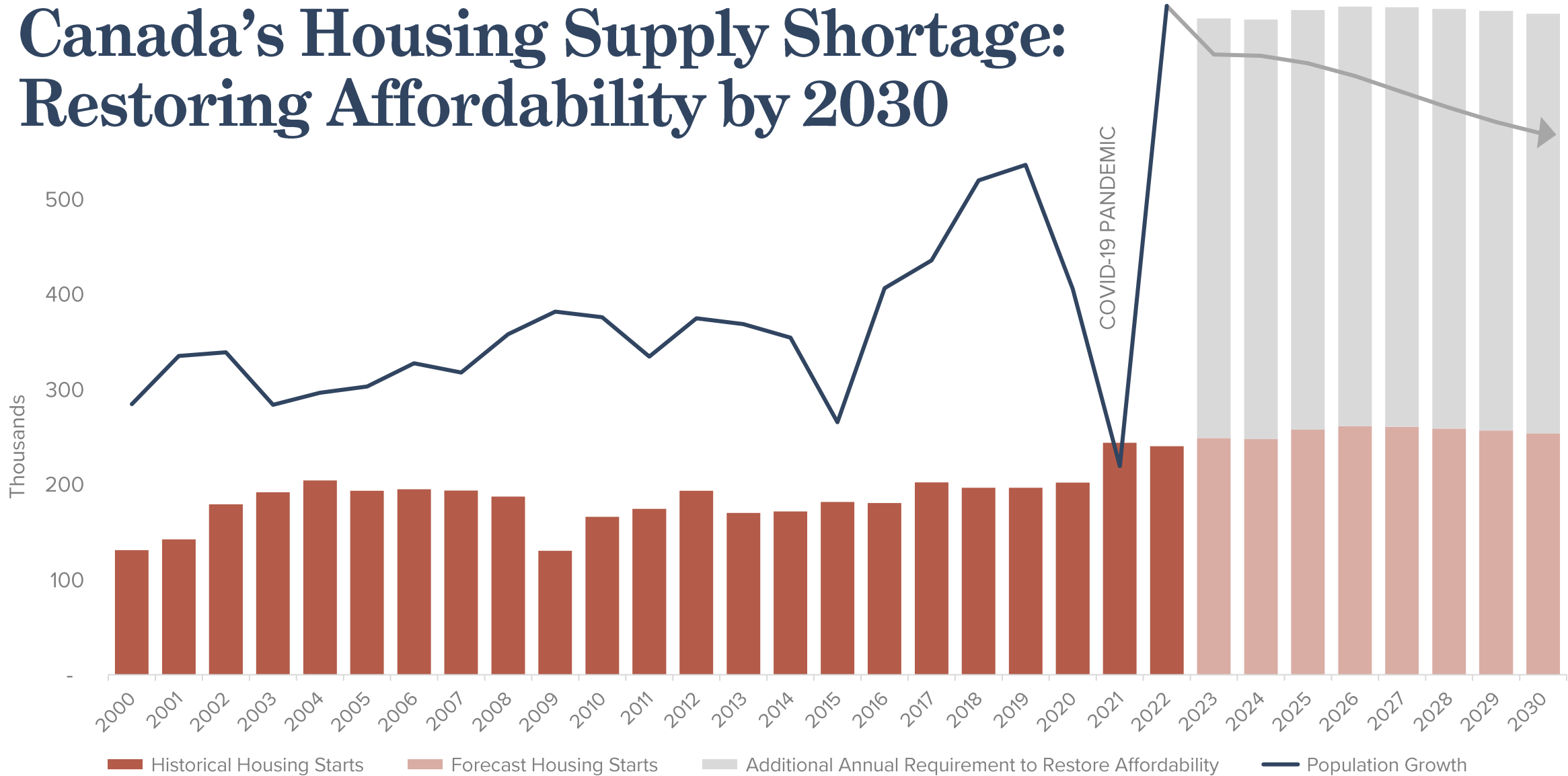
Home Ownership Fundamentals Driving Demand



Source: Canada Mortgage and Housing Corporation.



Canada's Housing Supply Shortage: Restoring Affordability by 2030

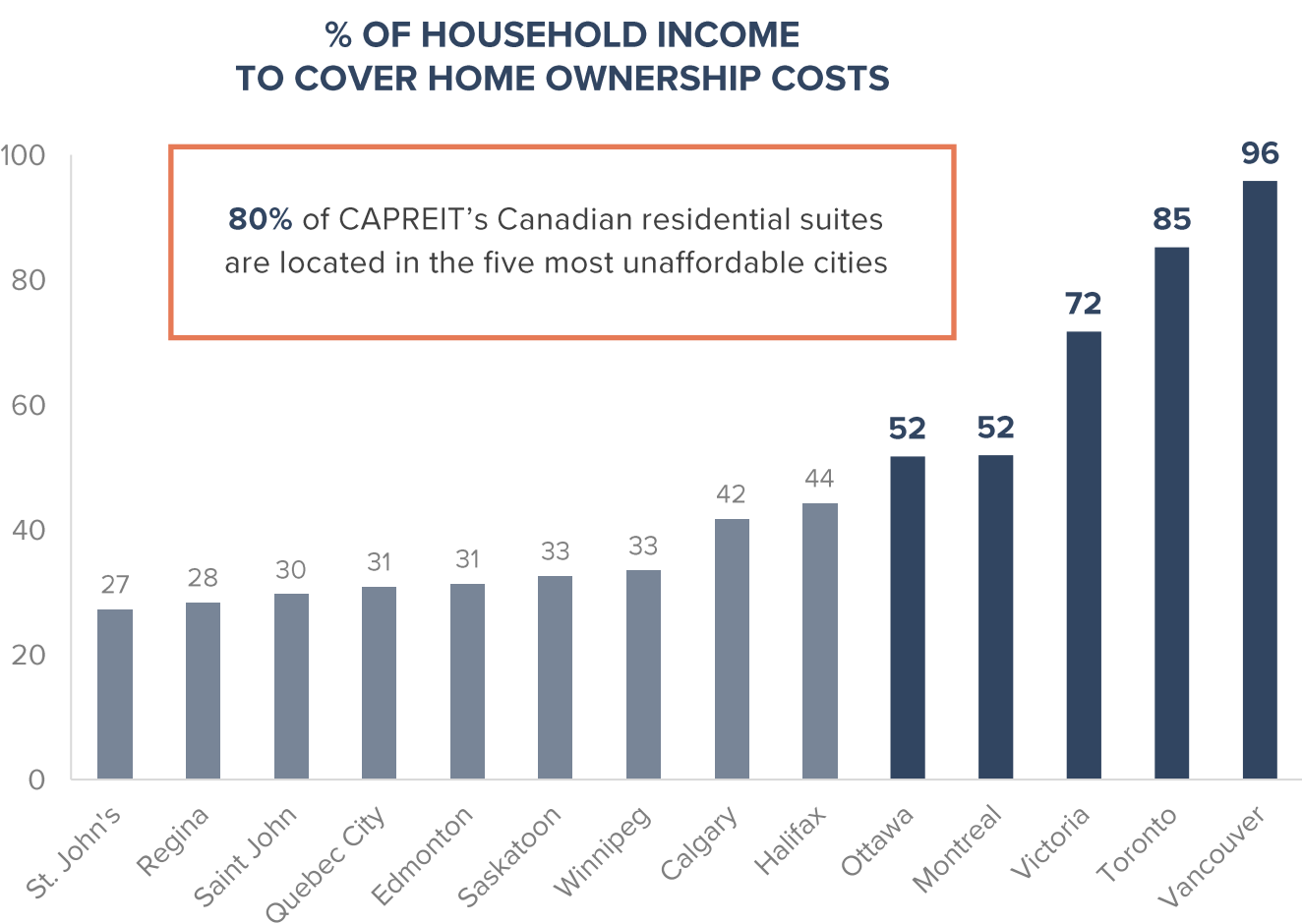


HOUSING STARTS IN CANADA (TOTAL UNITS)

Source: Statistics Canada; CMHC.



Canada's Housing Supply Shortage: Most Unaffordable Markets



HOUSING SUPPLY NEEDED TO ADDRESS AFFORDABILITY		
Ontario	1,850,000	52%
Québec	620,000	18%
British Columbia	570,000	16%
Manitoba	260,000	7%
Saskatchewan	100,000	3%
Newfoundland	60,000	2%
Nova Scotia	50,000	1%
Alberta	20,000	1%

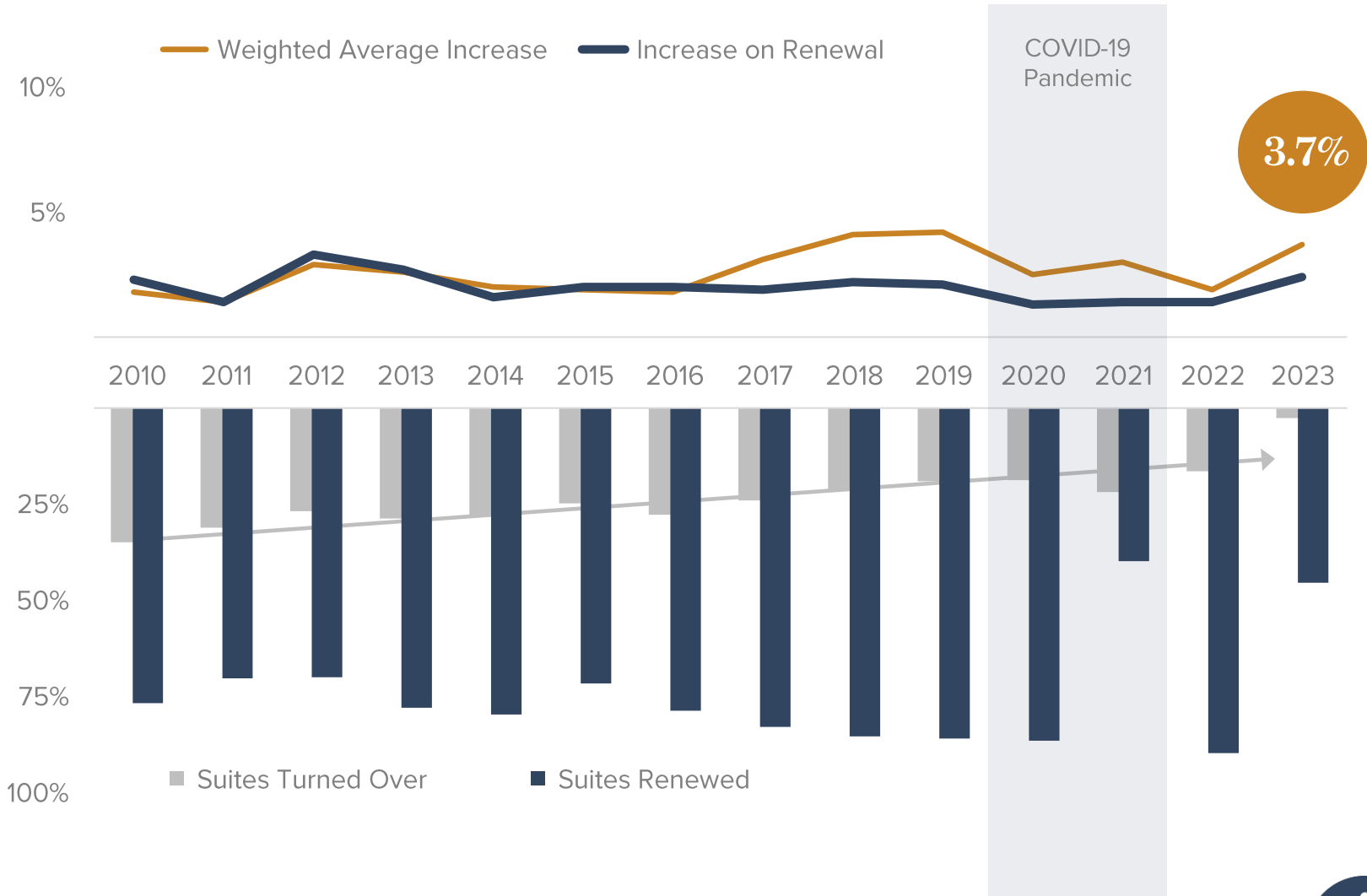
Note: Housing Affordability (defined as ownership costs as a % of median pre-tax household income) sourced from RBC Economics; Required supply sourced from CMHC; CAPREIT's portfolio allocation based on fair value as at March 31, 2023.





Eagle Pointe, ON

CAPREIT – Big Picture Portfolio



For Canadian residential suites.
2021 lease renewals impacted by the COVID-19 pandemic.

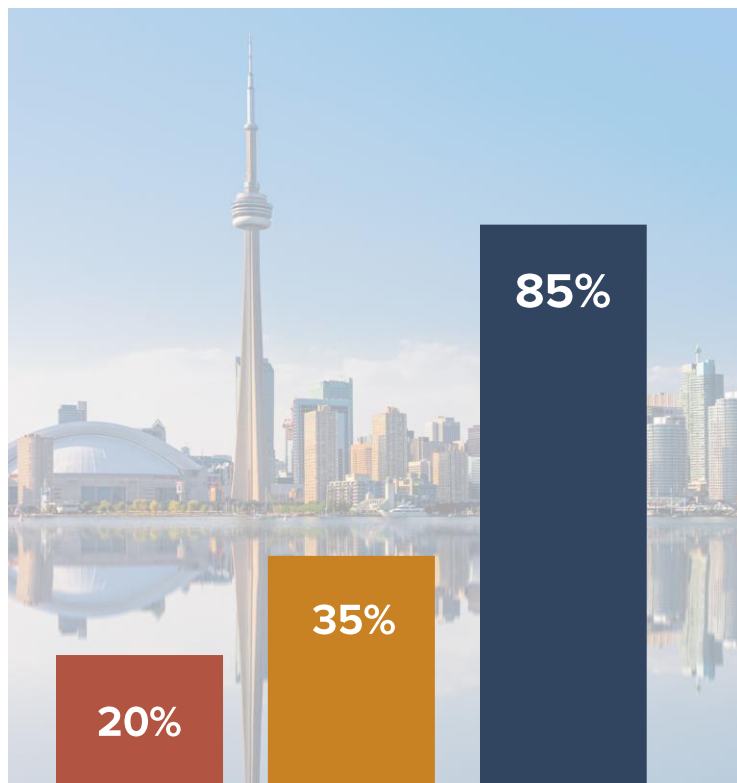


CAPREIT's Affordable Living in Least Affordable Cities

■ CAPREIT - Rent to Income Ratio

■ Market - Rent to Income Ratio

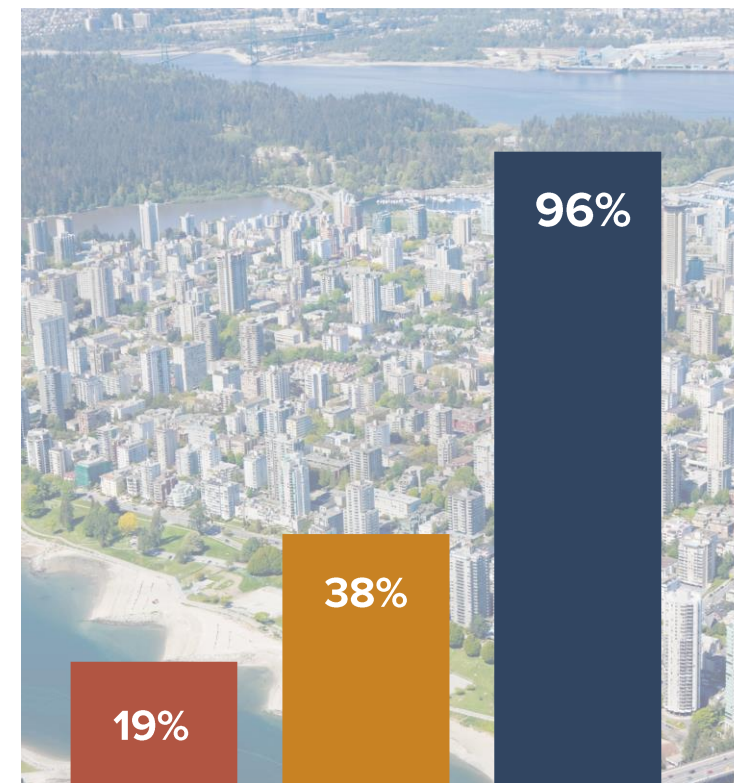
■ Home Ownership Cost to Income Ratio



GREATER TORONTO AREA (GTA)
(47% OF CAPREIT PORTFOLIO)



GREATER MONTREAL AREA (GMA)
(15% OF CAPREIT PORTFOLIO)



GREATER VANCOUVER AREA (GVA)
(9% OF CAPREIT PORTFOLIO)

Note: Income sourced from 2020 census data, CMA gross income, Statistics Canada. CAPREIT ratio based on Q1 2023 Occupied Average Monthly Rents; Market ratio based on Rentals.ca, April 2023 Rent Report; Home Ownership sourced from RBC Economics. Percentage of CAPREIT portfolio is based on fair value as at March 31, 2023, excluding MHC sites, right-of-use assets and the European portfolio.





The best place to live, work & invest

PROVIDING OUR RESIDENTS WITH HIGH QUALITY RENTALS IN WELCOMING COMMUNITIES

Continuously working to ensure our residents love where they live



COMMITTED TO THE CAREER GROWTH OF OUR EMPLOYEES

Recognized as an industry leader in employee engagement

THE BEST CHOICE FOR INVESTORS

Seeking the strongest returns in our asset class



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