



CANADIAN APARTMENT
PROPERTIES • REIT

Second Quarter 2023

Results Conference Call

August 4, 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 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 uncertainties are more fully described in CAPREIT's regulatory filings, including our Annual Information Form and Managements' Discussion and Analysis of the Results of Operations and Financial Condition, all of which can be obtained on SEDAR+ at www.sedarplus.ca. 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 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.





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Mark Kenney

President &
Chief Executive Officer



Stephen Co

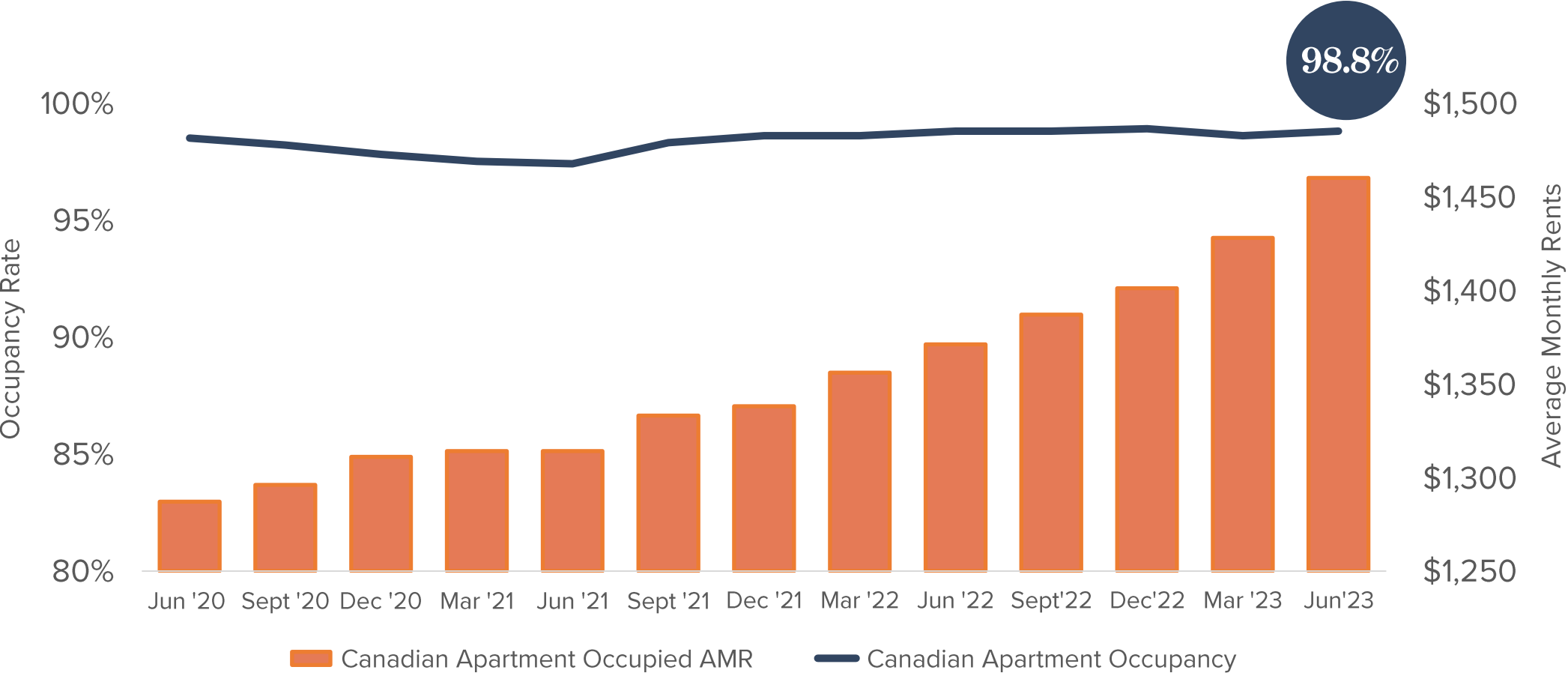
Chief Financial Officer



Julian Schonfeldt

Chief Investment Officer

Canadian Residential: Rising AMRs and Consistently Strong Occupancies



Second Quarter Financial Results

Quarter Ended June 30,	2023	2022	Change (%)
Operating Revenues	\$263.8M	\$251.7M	+4.8%
Net Operating Income	\$173.8M	\$166.1M	+4.6%
Net Operating Income Margin	65.9%	66.0%	-0.1%
Funds From Operations ¹ (FFO)	\$100.1M	\$102.9M	-2.7%
FFO per Unit (diluted)	\$0.590	\$0.583	+1.2%
FFO Payout Ratio	61.5%	61.9%	-0.4%
Distributions per Unit	\$0.363	\$0.363	-
Weighted Avg. Units O/S (diluted) (000s)	169,664	176,322	-3.8%

Net Asset Value
Per Unit (diluted)

\$57.08



Parque on Park, BC

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



Six Months 2023 Results



Operating
Revenues

+5.3%

Total Portfolio
NOI

+5.8%

Total Portfolio
NOI Margin

64.3%

Same Property
NOI Margin

64.9%

FFO per Unit
(Diluted)

+1.7%

FFO
Payout Ratio

62.5%



Strategic Capital Deployment Opportunities

NON-CORE PROPERTY DISPOSITIONS

Active Asset Allocation Strategy



NEW CONSTRUCTION APARTMENT FOCUS

Large, strong, growing urban markets

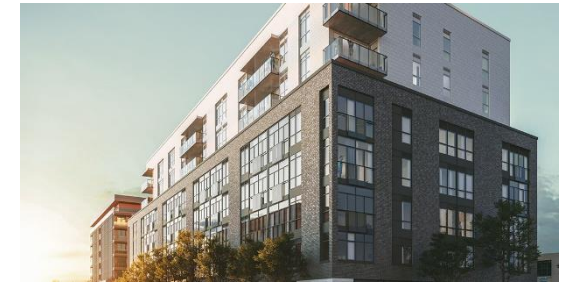
- Canada's strongest markets
- Targeting high-growth suburban areas and new-build properties

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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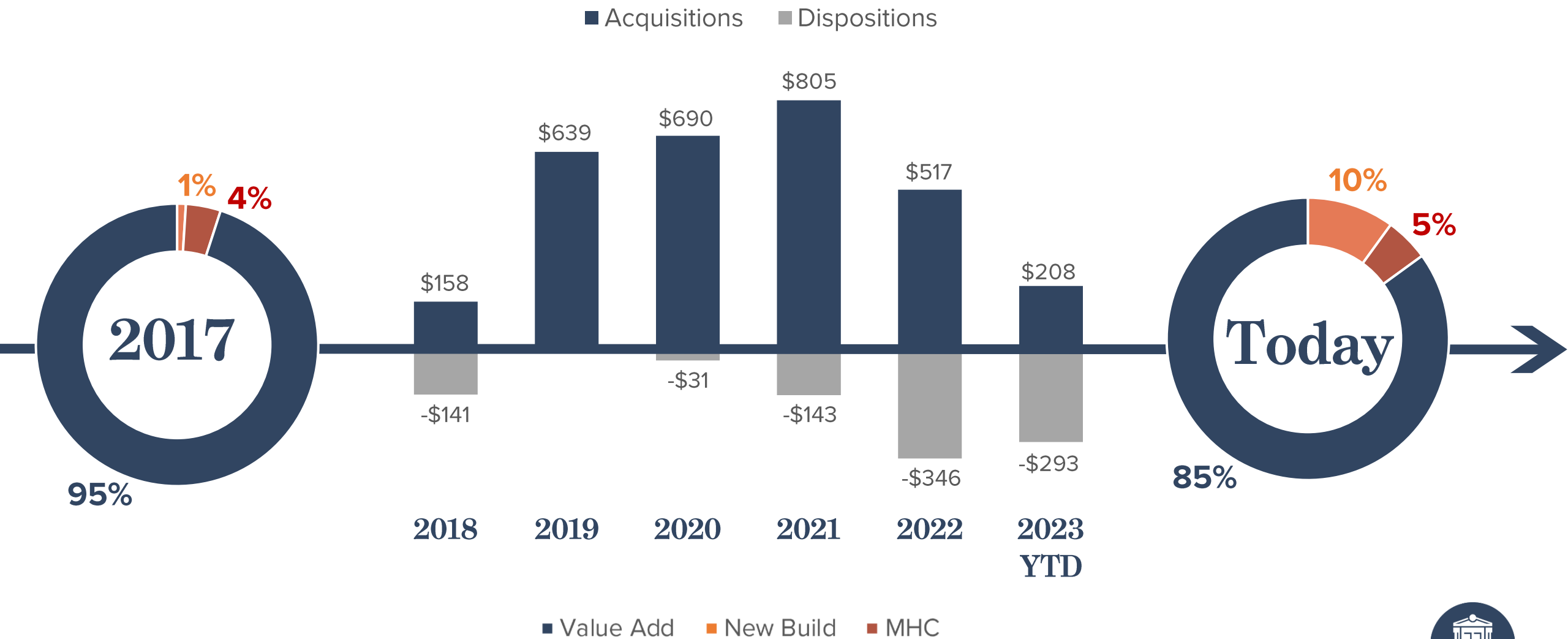
Investment Strategy

STRATEGIC CAPITAL ALLOCATION



Julian Schonfeldt
Chief Investment Officer

Repositioning Our Canadian Portfolio



Second Quarter Exhibit

Disposition: Sold for **\$68.9 million**

Joie De Vivre Apartments - Montréal, Québec



Built in 1971



\$208 MILLION NEW BUILD CANADIAN INVESTMENTS YTD

Acquisition: Purchased for **\$53.7 million**

Parque on Park - Langley, British Columbia



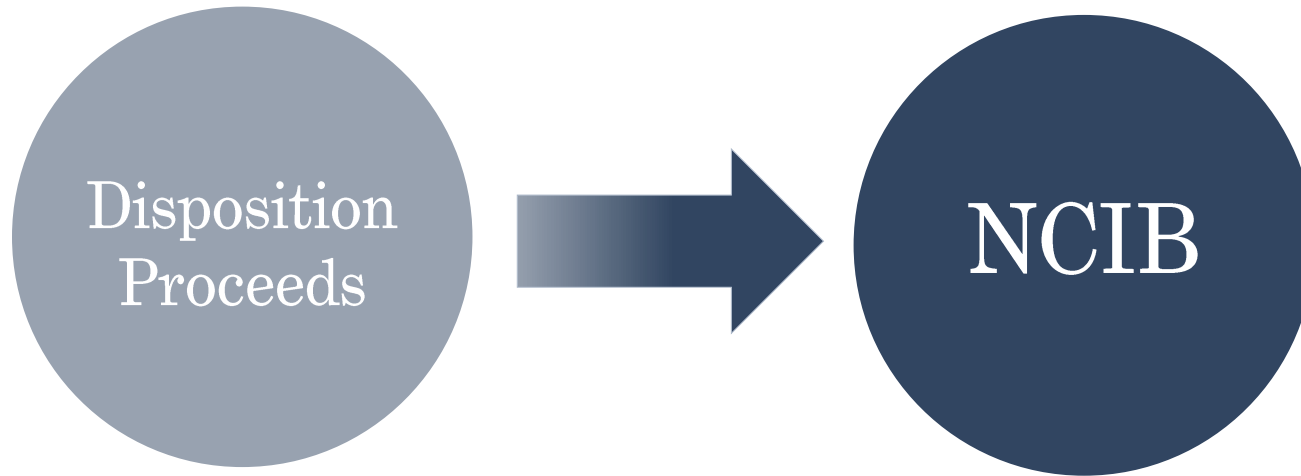
Built in 2022



Q2 RESULTS CONFERENCE CALL - 10

\$293 MILLION NON-CORE CANADIAN DIVESTMENTS YTD

Value-Enhancing NCIB Program



- ✓ NCIB continues to generate meaningful accretion in 2023, with CAPREIT having invested \$101 million to repurchase 2.2 million Trust Units at steep discounts to NAV

Activity Inception To Date

\$339M

NCIB Spend

\$46

Weighted Average
Purchase Price
Per Unit

7.4M

Units Purchased

\$57

Net Asset Value
Per Unit
(Diluted)¹



Asset-Light Development Model

1

IDENTIFICATION OF
HIGH LAND VALUE

2

ENTITLEMENT
OF LAND

3

EXECUTION OF
“VALUE SURFACING”

APPLICATIONS IN PROGRESS

141 Davisville
Toronto, Ontario
~259k sq ft of GFA



33 Davisville
Toronto, Ontario
~331k sq ft of GFA

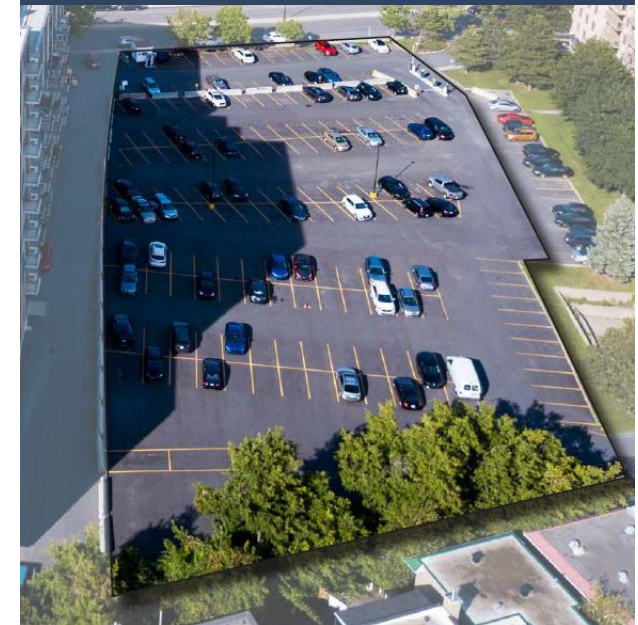


5 Tangreen
Toronto, Ontario
~2M sq ft of GFA



SOLD FOR \$17MM (~\$62 per GFA)

Cavendish Land
Montréal, Québec
~280k sq ft of buildable GFA





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Strong Liquidity & Balance Sheet

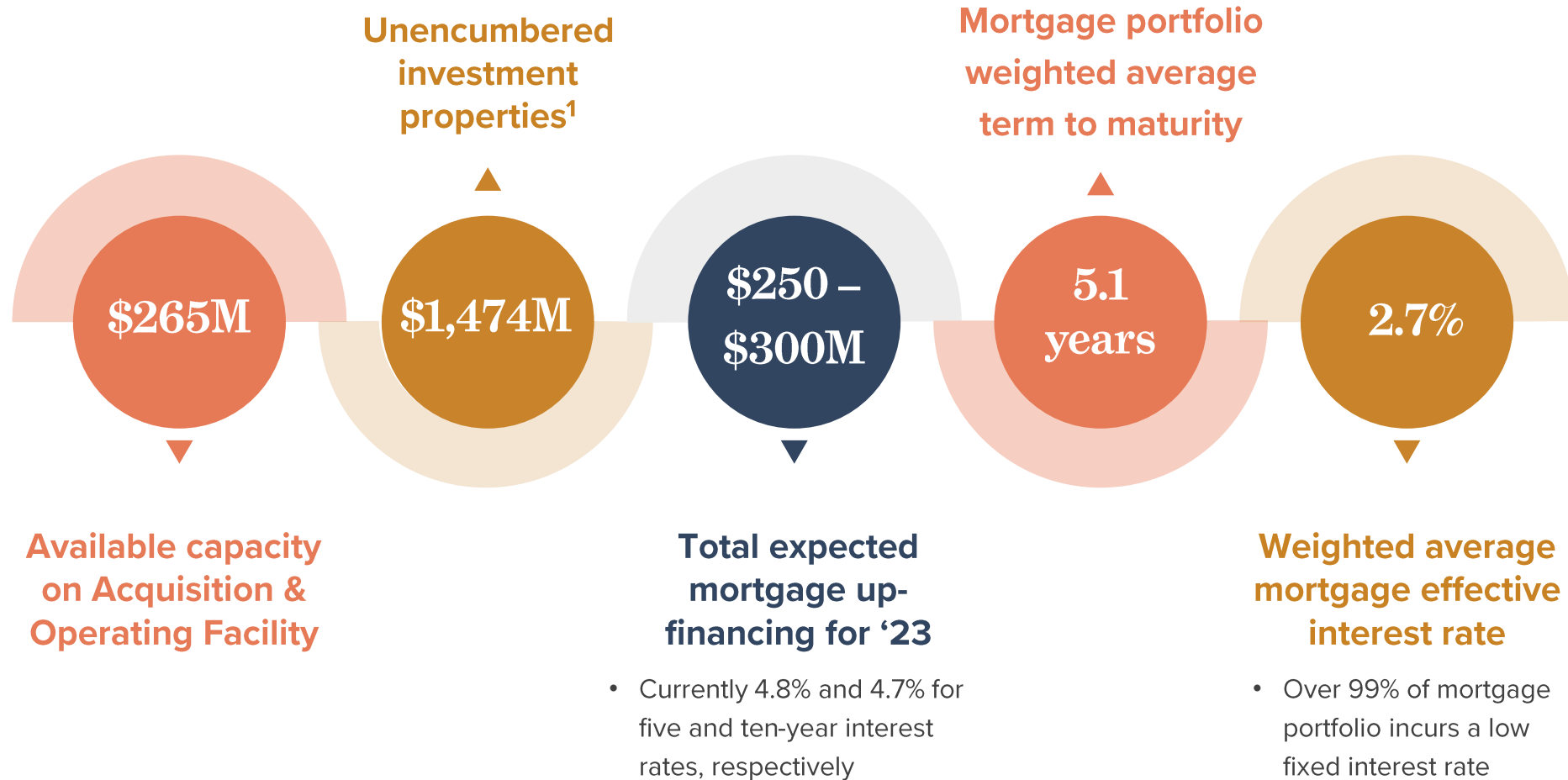
CAPACITY TO PROSPER



Stephen Co
Chief Financial Officer

Available Liquidity

as at June 30, 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

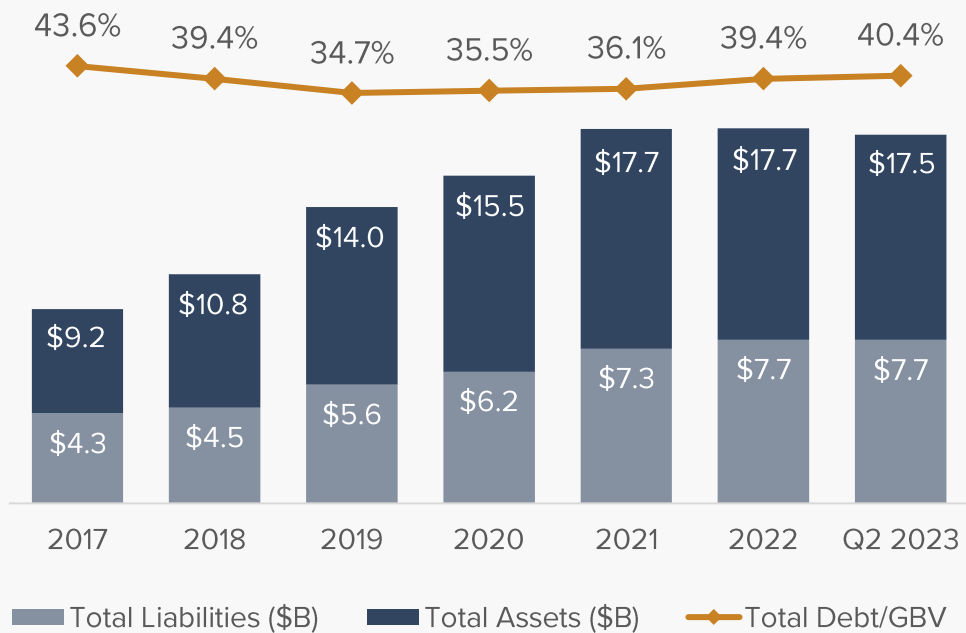


No more than
14%
of total Canadian
mortgages come due
in any given year

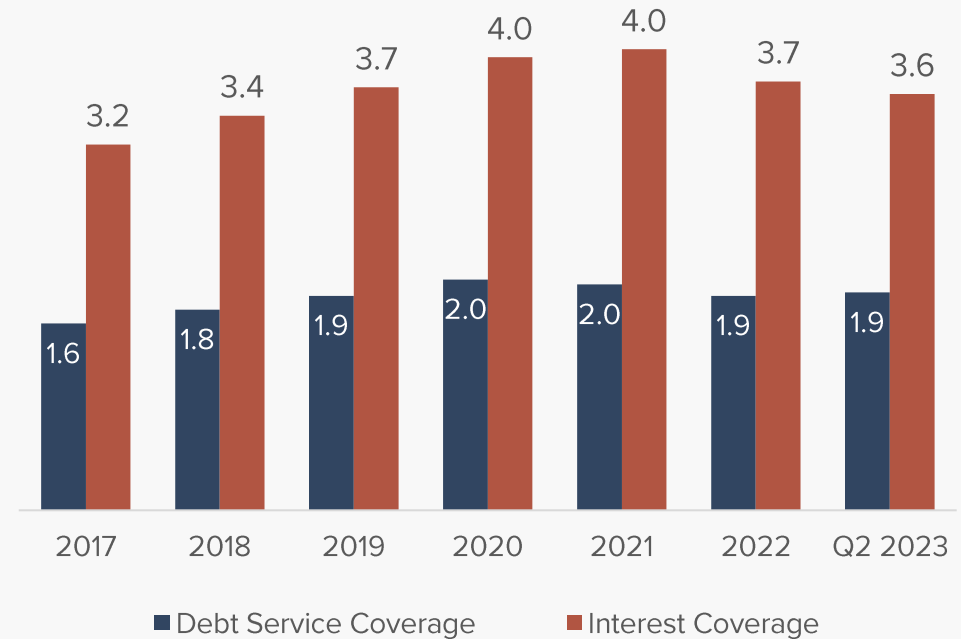


Conservative Debt Metrics

BALANCE SHEET & LEVERAGE



COVERAGE RATIOS





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Closing Remarks

ENVIRONMENTAL
SOCIAL
GOVERNANCE



Mark Kenney

President & Chief Executive Officer

2022 ESG Highlights

Best
Place to
LIVE

Best
Place to
WORK

Best
Place to
INVEST



Almost **\$20 million invested** in energy efficiency in 2022¹ with almost **\$67 million** in cumulative investments since 2019



Scored 7/10 on our annual Resident Satisfaction Survey and our Recommendation Score remained strong at **78%**



42% of our suites are considered affordable housing units



Provided affordable housing to more than **50** municipalities and community social groups for the most vulnerable



Scored 75% on our overall engagement score in our annual Employee Engagement Survey



The **only Canadian company to have achieved gender balance** across all levels (2021), out of those analyzed and reported by Equileap²



55% of our workforce identifies as female, and **31%** of our employees self-identify as Black, Indigenous or People of Colour (BIPOC)



20+ employees were certified in 'Mental Health and First Aid'



38% of Independent Trustees self-identify as female



22% of trustees and **45%** of senior executive management³ self-identify as BIPOC



Integrating ESG into a newly developed **Enterprise Risk Management Program**



Initiated development of a corporate **Climate Action Plan**

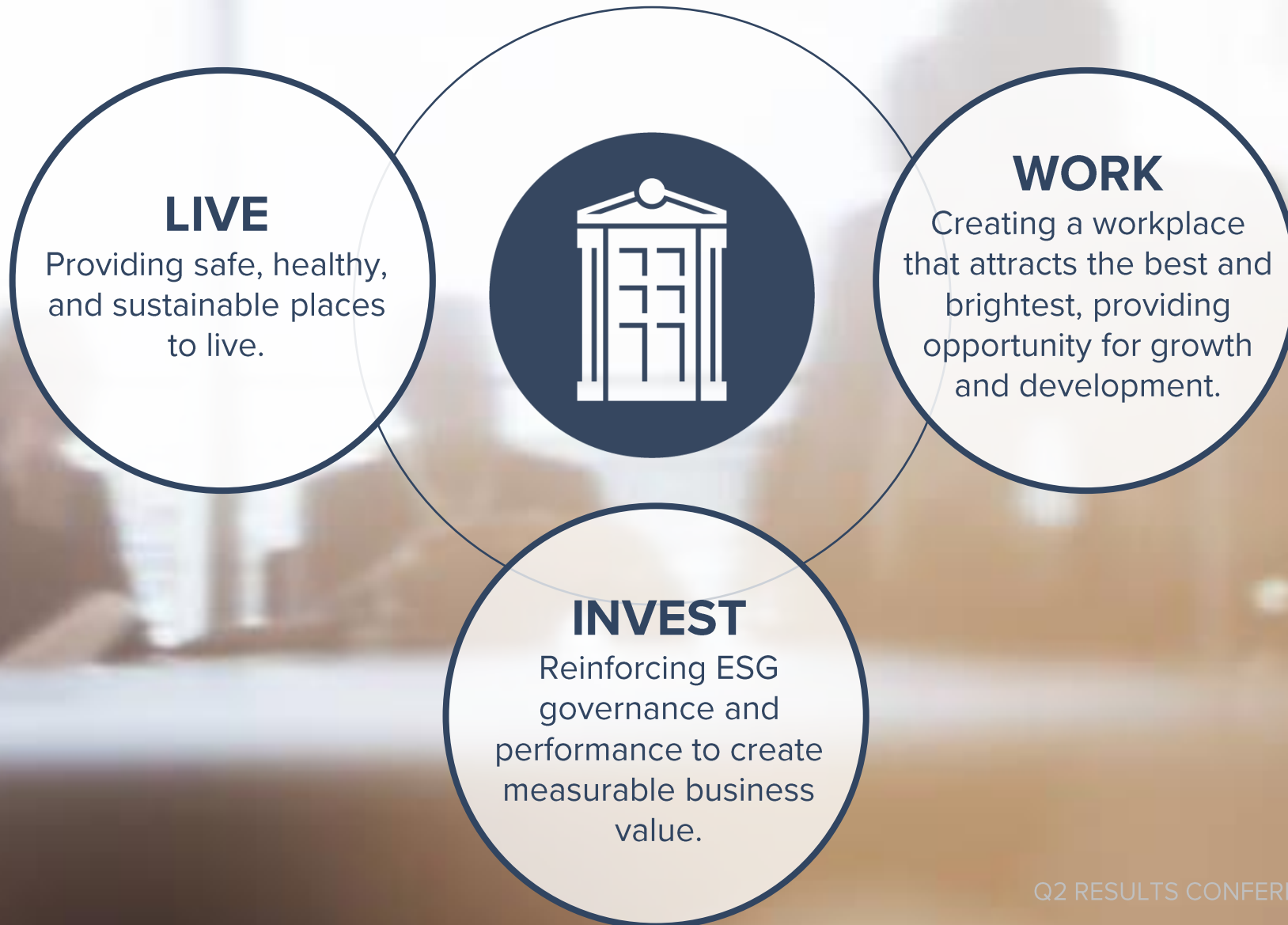
¹ Includes energy-efficiency investments in residential suites and buildings, MHC sites, and commercial/retail spaces in the Canadian portfolio.

² As reported by Equileap in their 2023 Gender Equality Global Report & Ranking.

³ Vice Presidents and above.



ESG Strategic Alignment





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



Contact Us



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