Strong Operating Results Supported by Strong Market Fundamentals

- Growth in revenue and net operating income ("NOI") from stabilized properties driven by higher monthly rents compared to last year
- On turnovers, monthly residential rents for the year ended December 31, 2019 increased by 13.5% on 19.0% of the Canadian portfolio, compared to an increase of 11.4% on 21.5% of the Canadian portfolio for the year ended December 31, 2018
- On renewals, monthly residential rents for the year ended December 31, 2019 increased by 2.1% on 85.9% of the Canadian portfolio, compared to an increase of 2.2% on 85.4% of the Canadian portfolio for the year ended December 31, 2018
- Net Average Monthly Rent ("Net AMR") for the stabilized portfolio as at December 31, 2019 increased by 4.1% compared to December 31, 2018, while occupancies remained stable at 98.9%
- Net AMR increased due to the strong rents on turnovers in Ontario, British Columbia and Nova Scotia and above guideline increases in Ontario
- Year-over-year NOI increased significantly by 4.9% for the stabilized portfolio for the year ended December 31, 2019, compared to a year-over-year NOI increase of 8.0% for the stabilized portfolio for the year ended December 31, 2018
- NOI for the total portfolio increased by 15.3% for the year ended December 31, 2019 compared to last year, primarily due to contributions from acquisitions and increased same property monthly rents
- NOI margin for the total portfolio increased to 65.3% for the year ended December 31, 2019 from 64.0% for the year ended December 31, 2018 due to organic margin growth and acquisitions of high margin properties.

Continued Fair Value Increases in Investment Properties

- For the year ended December 31, 2019, the fair value of investment properties increased by $892.2 million, primarily as a result of (i) rental increases on turnover and renewals, (ii) continued cap rate compression, and (iii) progress on CAPREIT's strategy to buy out and convert operating leasehold interests to traditional fee simple property interests

Strong and Flexible Balance Sheet

- CAPREIT's financial position continues to strengthen, with reduced leverage ratios
- Debt to gross book value ("GBV") reduced to 34.99% as at December 31, 2019 from 39.37% as at December 31, 2018, due to increases in fair value of investment properties and proceeds of the equity raise used to repay debt
- Debt Service Coverage ("DSC") ratio improved to 1.87 as at December 31, 2019 compared to 1.75 as at December 31, 2018
- In addition to $477.3 million of cash and cash equivalent, liquidity available on our Credit Facilities is $146.2 million as at December 31, 2019. In addition, there is $200.0 million of borrowing capacity under the Bridge Facility and $108.6 million available under the ERES Credit Facility and the ERES Bridge Facility
- Closed mortgage refinancing of $300.5 million for the year ended December 31, 2019, with top-up of $68.2 million, a weighted average term to maturity of 8.3 years and a weighted average interest rate of 2.73%
- CAPREIT's mortgage weighted average term to maturity and the weighted average interest rate as at December 31, 2019 are 5.1 years and 2.78%, respectively. CAPREIT continues to fix long-term mortgages to defend against the risk of rising interest rates

Delivering Unitholder Value

- NFFO was up 17.2% for the year ended December 31, 2019
- NFFO per Unit was up 5.7% for the year ended December 31, 2019 despite an increase of 10.9% weighted average number of Units outstanding

Key Performance Indicators

To assist management and investors in monitoring and evaluating CAPREIT's achievement of its objectives, CAPREIT has defined a number of key operating and performance indicators ("KPIs") to measure the success of its operating and financial strategies:

Occupancy – Through a focused, hands-on approach, CAPREIT strives to achieve occupancies at or greater than market conditions in each of the geographic regions where it operates. Management believes annual occupancies can be maintained between 97% to 99% over the long term, and same property Net AMR will continue to gradually increase; thus, providing the basis for sustainable year-over-year increases in revenue.