

Another Record Year

Operating revenues for the year ended December 31, 2019 rose 13.0% to \$777.9 million, driven by our strong portfolio growth during the year, our continuing near-full occupancies, and a solid 4.1% increase in stabilized average monthly rents. With this revenue growth, combined with our proven and successful property management programs, Net Operating Income (NOI) rose a very strong 15.3% to \$508.2 million for the year. We also generated another year of industry-leading organic growth as NOI for our stabilized property portfolio increased 4.9%.

Normalized Funds from Operations (NFFO), our key performance benchmark, increased 17.2% in 2019 to \$339.1 million, resulting in another year of accretive growth as NFFO per Unit rose 5.7% to \$2.139 despite the 10.9% increase in the weighted average number of Units outstanding. Our payout ratio of distributions declared to NFFO remained very conservative at 64.6%.

Importantly, we continue to maintain one of the strongest balance sheets in our business. Total debt to gross book value was a conservative 34.99% at year end, well within our guidelines and providing the resources and flexibility to maintain our track record of growth. Our mortgage portfolio remained well-balanced with a weighted average term to maturity of 5.13 years, adding to the stability of our long-term cash flows. We also continue to benefit from a low cost of debt with a weighted average interest rate of only 2.78% at December 31, 2019.

Looking ahead, we are confident we will continue to generate enhanced value for our Unitholders over the long term. By capitalizing on our strengths and building on the solid foundation established since our founding in 1997, we see an exciting future ahead.

BUILDING ON OUR STRENGTHS Growing and Diversifying our Portfolio

During 2019, we acquired 9,241 residential suites and MHC sites well-located in our target markets for a total purchase price of \$1.4 billion. With this growth, our total portfolio consisted of 60,713 suites and sites with a book value of \$13.1 billion at year end, maintaining our position as Canada's largest multi-family residential REIT.

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NFFO per Unit – Inception to 2019

