

Nexus Real Estate Investment Trust Investor Presentation

“Industrial-Focused Growth Vehicle”



Notice to the Reader

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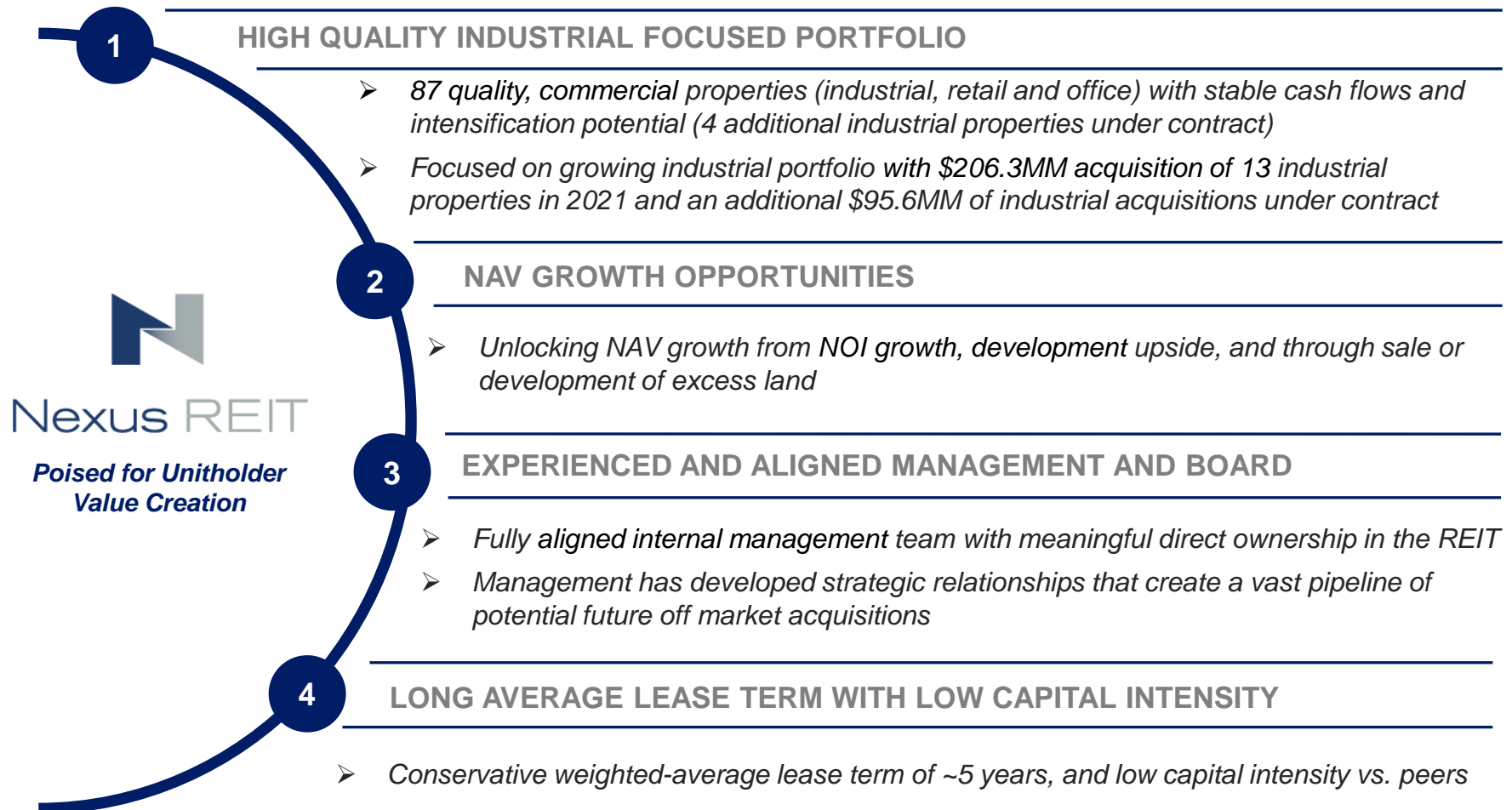
This presentation contains forward-looking statements which reflect the REIT’s current expectations and projections about future results. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this presentation. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to: the ability of the REIT to obtain necessary financing or to be able to implement its business strategies; satisfy the requirements of the TSX with respect to the plan of arrangement; obtain unitholder approval with respect to the plan of arrangement; the level of activity in the retail, office and industrial commercial real estate markets in Canada, the real estate industry generally (including property ownership and tenant risks, liquidity of real estate investments, competition, government regulation, environmental matters, and fixed costs, recent market volatility and increased expenses) and the economy generally. While the REIT anticipates that subsequent events and developments may cause its views to change, the REIT specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the REIT’s views as of any date subsequent to the date of this presentation. Although the REIT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the REIT.

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All figures in C\$ unless otherwise noted.

Nexus REIT Poised For Value Creation

Nexus REIT (“Nexus” or the “REIT”) is focused on unitholder value creation through the acquisition and ownership of commercial properties across Canada



A Diversified Portfolio With An Industrial Focus

Industrial Portfolio

68% of NOI (73% proforma acquisitions)

***Stable Cash Flow, Long-Term Leases,
and Embedded Rent Escalations***

- Provides stability to Nexus as cash flows are stable, long-term, and contain embedded yearly rent escalations
- Properties are crucial and integral to the day-to-day operations of several tenants reducing re-leasing risk
- Majority of Nexus' industrial portfolio is located in high-demand industrial nodes across Canada



Retail Portfolio

20% of NOI

***Many Investment Grade, High-Quality
National Tenants Offering Necessity-
Based Products***

- Grocery-anchored retail assets located in the Greater Quebec City and Montreal areas
- Sandalwood Management provides property management services to a significant portion of the retail portfolio
- High-quality tenants such as Shopper's, Dollarama, Metro, National Bank, Super C, Canadian Tire, and SAQ (Quebec's provincial liquor retailer)



Office Portfolio

12% of NOI

***Majority of Urban Office Assets
Located in the Downtown Montreal
Core***

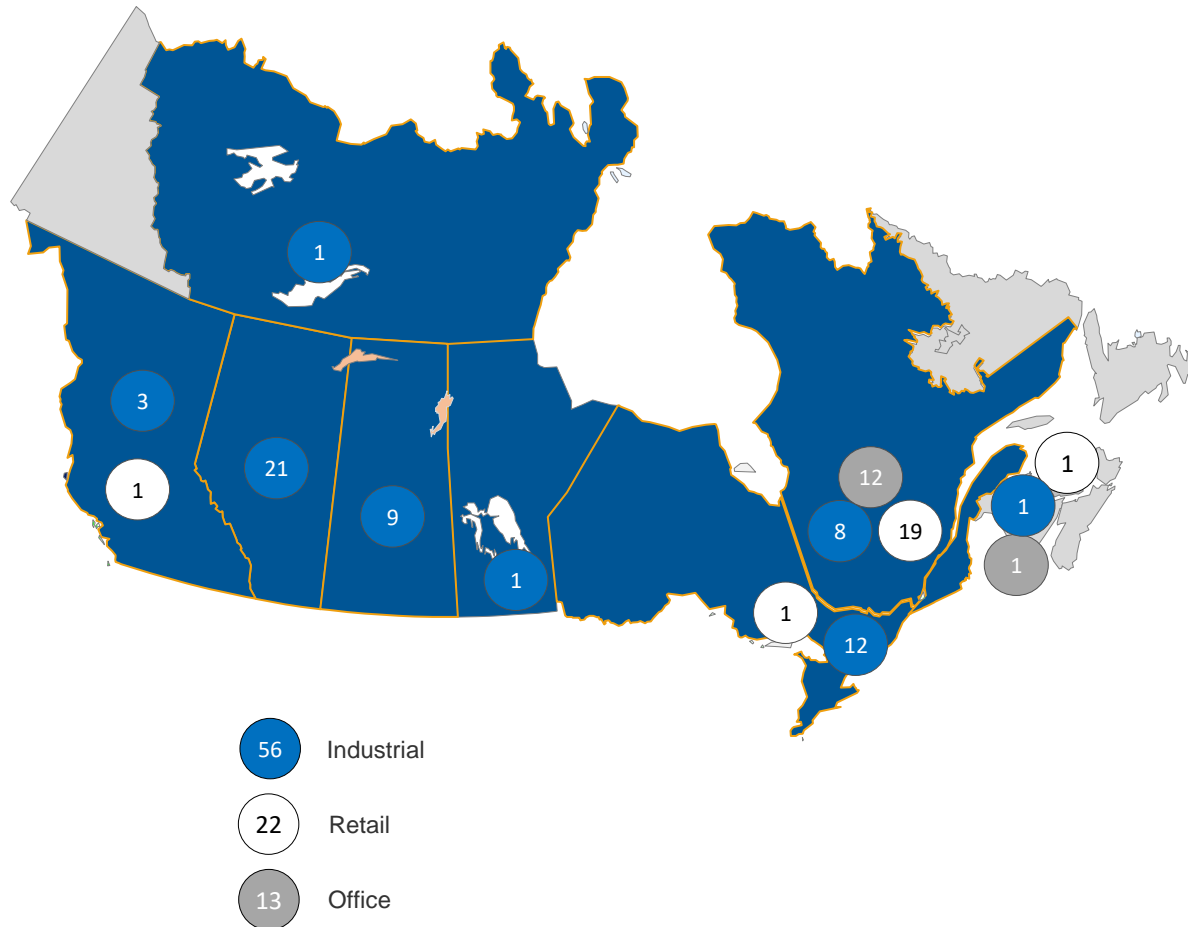
- Tenants include, Sunlife, Dicom, Xerox, The Notaries of Quebec, Public Works Government and Service Canada
- Concentration of Old Montreal character properties



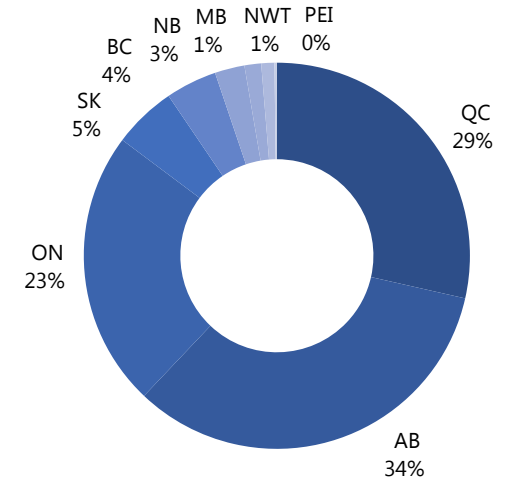
Nationwide Asset Base

91 properties located across Canada

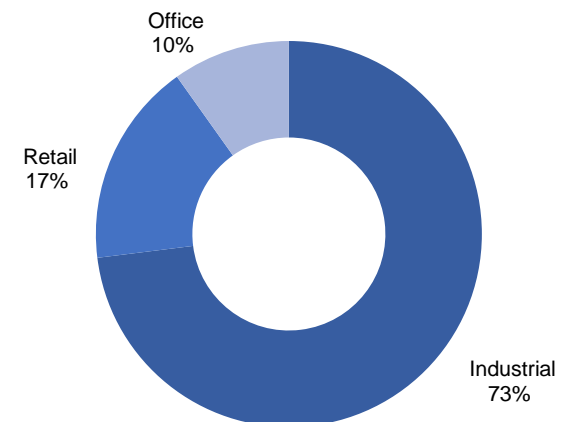
(pro forma the acquisition of 4 industrial properties under contract)



NOI by Geography

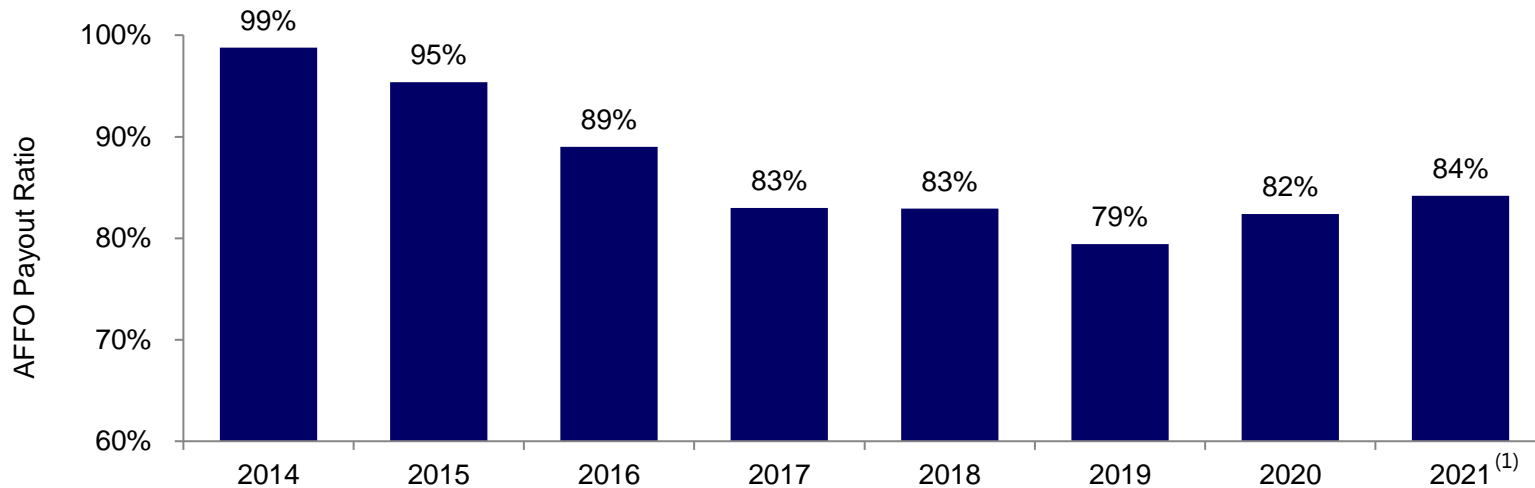


NOI by Asset Class



Demonstrated Track Record of Success

Management has demonstrated its ability to successfully make and integrate accretive acquisitions resulting in an attractive AFFO payout ratio



1. 2021 Q1 Excluding units issued in the March 4th offering

Delivering Year Over Year Accretive Growth

- 2021 to date, the REIT has acquired 13 industrial properties for \$206.3MM
- In 2020, the REIT completed \$67.7MM of industrial acquisitions, with vendors receiving \$26.1MM in REIT and LP units at a premium to the trading price of the REIT's units.
- The REIT completed \$122.4MM of acquisitions in 2018 and 2019, with vendors receiving approximately \$51.8MM in REIT and LP units at a premium to the trading price of the REIT's units.

2021 Acquisitions

Overview

- 1 ***Nexus is acquiring industrial assets with strong long-term tenants in attractive markets.***
- 2 ***Deals are accretive to AFFO/Unit, and purchase prices are significantly lower than appraisal values.***
- 3 ***Many vendors continue to take units as partial purchase price consideration.***



Date Closed	City	GLA (at share)	Purchase Price	Capitalization Rate	Highlights
March 1, 2021	2 Properties in Edmonton, AB	108,156 sf	\$14.0 MM		Vendor received \$7.0 MM (50%) of the purchase price in Class B LP units valued at a premium to the trading price when the purchase and sale agreement was executed
April 1, 2021	6 Properties in London, ON	1,191,184 sf	\$103.5 MM		\$65.6MM (63%) of the purchase price was satisfied by the vendor taking Class B LP Units
June 10, 2021	Red Deer, AB	153,052 sf	\$16.3 MM		Acquired a Class A building in Red Deer, AB with Chrysler as the tenant. The building is one of Chrysler's three distribution centers in Canada
June 11, 2021	St. Thomas, ON	130,500 sf	\$13.8 MM		Sale leaseback with a 10-year lease of a newly built Class A building with 32' clear heights.
June 14, 2021	Windsor, ON	120,000 sf	\$14.7 MM		Sale leaseback with 15-year lease of a newly constructed Class A building with 32' clear heights.
July 2, 2021	Calgary, AB and Winnipeg, MB	205,380 sf	\$44.0 MM		Acquired two class A buildings with long term leases with a strong covenant tenant. As partial satisfaction of the purchase price the vendor received \$15.4MM in Class B LP units.
Under Contract	4 Industrial Properties Across Canada	~896,000 sf	\$95.6MM		\$28.5 MM of the purchase price to be satisfied by issuing Class B LP Units. Expected closings: July 16 (2 properties), September 9 and November 1, 2021.
Total	17 Properties	~2,800,000 sf	\$301.9MM	6.45%	In 2021 the REIT has substantially grown assets through unit deals and equity raises. Vendors will have received \$118.5 MM in units, helping grow the REIT's market cap and preserving cash for future deals.

Value Creation - Richmond, BC

Overview

- Industrial asset (consisting of 2 buildings) in Richmond, BC purchased for \$57.4MM in April 2018
- Appraised at ~\$80MM (March 2018), highlighting the significant inherent value of the property; offering significant NAV growth
- Repurposing of the front building to a multi-tenant sports facility announced March 12, 2020 with two new leases signed at \$33 and \$34.25 psf net rent (Phase 2A). This is expected to be completed in September 2021.
- Additional value creation with ~70,000 sq ft of additional GLA is currently being planned.

Key Transaction Highlights

- 1** *Off-market transaction, sourced through Nexus' long-standing relationship with the vendor*
- 2** *Attractive risk-return development profile, with high inherent value in the property*
- 3** *Accretive to AFFO per unit with the potential to be significantly accretive to NAV per unit*

Phase Redevelopment Value Creation Underway



Acquisition Cap Rate	6.50%
In-Place NOI	\$3.1MM
Development Investment	\$6.1MM
Post-Development NOI	\$5.1MM
Stabilized Cap Rate	4.0%- 4.5%
Stabilized Property Value	~\$125MM

Phase 2A Unitholder Value Created ~\$30MM¹

¹ Pursuant to a development management agreement which the REIT has entered into, value creation will be split with the vendor of the property, which has sourced the new tenants and is managing the development on behalf of the REIT.

Value Creation – Halles d'Anjou

Overview

- The REIT and the REIT's partner are in negotiation to sell excess land at 7500 Boulevard les Galeries d'Anjou. The purchaser intends to build residential units on the land. The purchase price is expected to be approximately \$25MM.
- The first payment to the REIT and its partner is likely to be in the very late fall of 2021 or early 2022.



Value Creation



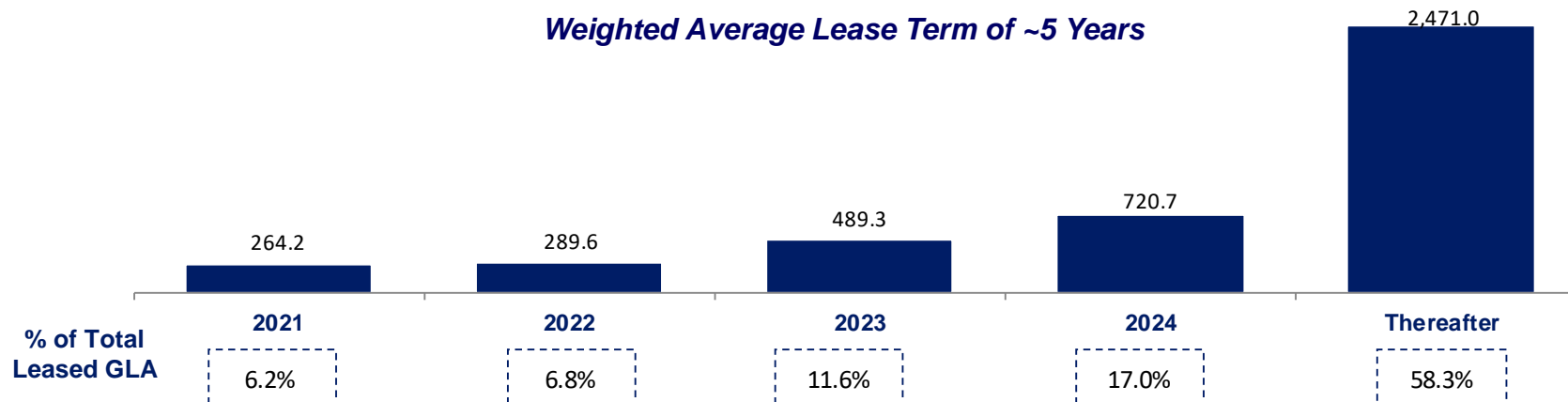
Highlights

- 1 ***Capitalize on land value while maintaining the property's income to the REIT. The REIT expects ~\$13MM of NAV growth.***
- 2 ***Increase the attractiveness of our retail property while also increasing foot traffic to the retail property***
- 3 ***The land sale will provide the REIT with cash to deploy on industrial acquisitions to further create shareholder value.***

Lease Expiries and Occupancy

Lease Expiry Schedule (Square Feet, '000s) at March 31, 2021

Weighted Average Lease Term of ~5 Years



Occupancy by Asset Class at March 31, 2021

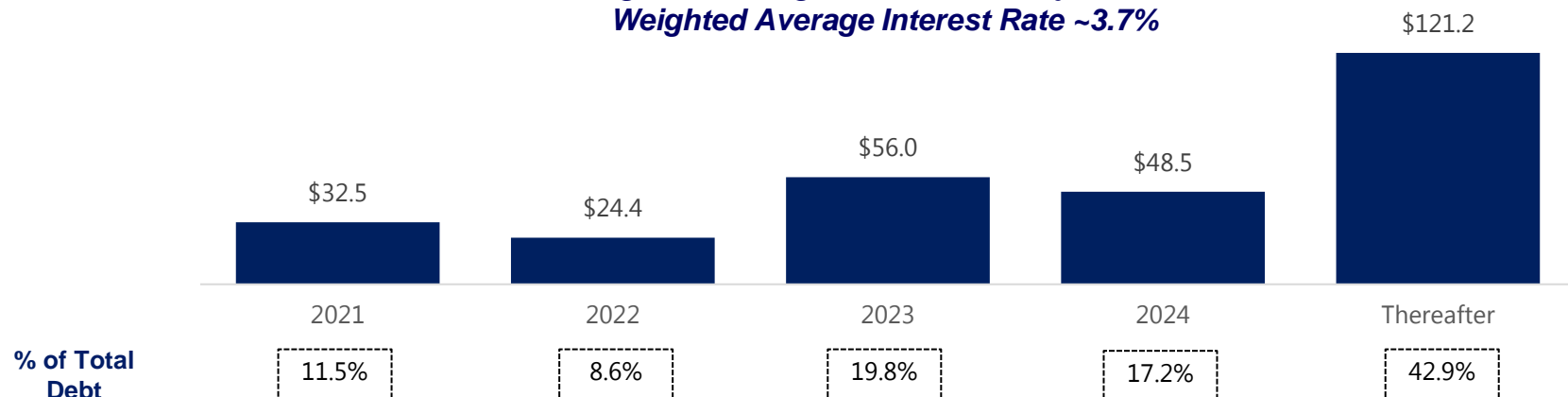
	GLA (at share)	Occupancy
Industrial	2,502,070	98.7%
Retail	1,310,276	89.9%
Office	552,895	91.2%
Total (Excl. Dev.)	4,338,960	95.1%
Development	171,274	65.0%
Total	4,510,234	94.0%



Liquidity & Debt Maturities

Debt Repayment Schedule (\$MM)

Weighted Average Term to Maturity ~4 Years
Weighted Average Interest Rate ~3.7%



Liquidity

- As at March 31, 2021 the REIT had \$51.8MM of cash.
- \$5.5MM of credit facilities undrawn.
- Leveraged up London properties acquired on April 1, 2021, creating an additional ~\$45MM of liquidity.
- Sufficient liquidity to complete the acquisitions of properties under contract and additional industrial acquisitions in 2021.
- No significant near-term mortgage maturities and expectation is that maturing mortgages will be refinanced on reasonable terms.

Benefiting from a Strategic Investor and Partner



Overview:

- Privately held real estate investment and asset management firm
- Owns ~10% of the REIT's outstanding units

Founded:

- 1996

Experience in Real Estate:

- *Invests in office, retail, industrial, multi-family and seniors housing properties in the major Canadian markets as well as mortgages and CMBS*
- *Has invested in over \$15B of commercial mortgages*

Headquarters:

- Toronto, ON

Other:

- Canada's first and largest investor in non-investment grade CMBS
- Acquired an entity to form RFA Bank of Canada

Sourced Acquisitions:

- 27 acquisitions sourced through RFA

Strategic partnership to provide pipeline for accretive growth

Leadership Team

Management Team

Name	Title	Experience
Kelly Hanczyk	CEO	<ul style="list-style-type: none"> Former CEO and Trustee of TransGlobe Apartment REIT Extensive experience in all disciplines of industrial, commercial and residential real estate
Robert Chiasson	CFO	<ul style="list-style-type: none"> Former Corporate Controller of InStorage REIT Former Director of Accounting and Finance of Samuel Manu-Tech Obtained the CPA, CA designation while articling at KPMG

Board of Trustees

Name	Experience
Ben Rodney	<ul style="list-style-type: none"> Chairman of The Board Principal and Managing Partner of RFA Capital Chair of Artis REIT Board of Trustees
Floriana Cipollone	<ul style="list-style-type: none"> Vice President and Chief Financial Officer of MCAN Mortgage Corp Director at Minto Group Inc Former Chief Financial Officer of Plaza Retail REIT and Charter REIT
Brad Cutsey	<ul style="list-style-type: none"> President of InterRent REIT Former Managing Director, Real Estate Investment Banking at Dundee Capital Markets
Nick Lagopoulos	<ul style="list-style-type: none"> Principal and Managing Partner of RFA Capital Previously with GE Capital and Credit Suisse
Kelly Hanczyk	<ul style="list-style-type: none"> See Bio under Management Team

REIT Comparison

	Last Price ⁽¹⁾	Units O/S	Market Cap ⁽²⁾	Distribution	Current Yield	FFO 2021E	Price / FFO 2021E	AFFO 2021E	Price / AFFO 2021E	NAV	Prem./Disc. to NAV
Nexus REIT	\$ 9.94	48.3	\$ 480.1	\$ 0.64	6.4%	\$ 0.85	11.7x	\$ 0.80	12.4x	\$ 10.16	-2.2%
Industrial REITs											
Dream Industrial REIT	\$ 15.14	228.0	\$ 3,451.9	\$ 0.70	4.6%	\$ 0.77	19.7x	\$ 0.69	21.9x	\$ 14.75	2.6%
Granite REIT	\$ 82.46	65.7	\$ 5,417.6	\$ 3.00	3.6%	\$ 4.06	20.3x	\$ 3.61	22.8x	\$ 86.67	-4.9%
Summit Industrial REIT	\$ 17.87	167.7	\$ 2,996.8	\$ 0.56	3.1%	\$ 0.69	25.9x	\$ 0.64	27.9x	\$ 16.48	8.4%
WPT Industrial REIT	\$ 18.13	85.8	\$ 1,555.6	\$ 0.76	4.2%	\$ 1.05	17.3x	\$ 0.91	19.9x	\$ 18.79	-3.5%
Weighted Industrial Average					3.8%		20.3x		22.8x		

Upside on Trading Price

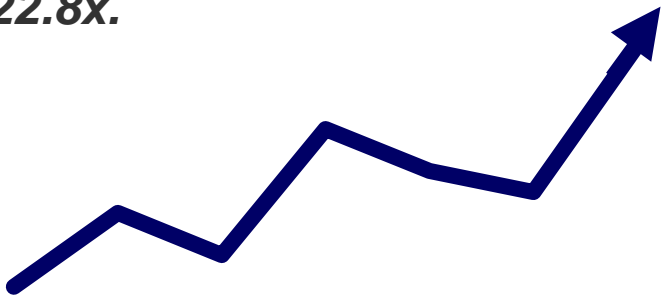
- Pro forma the acquisition of 4 industrial properties currently under contract, Nexus REIT will have a 73% industrial weighting.
- Nexus currently trades at a 12.4x AFFO multiple which provides substantial trading price upside as Nexus continues its strategy of moving toward becoming a pure play industrial REIT.

1. Trading price as at June 29, 2021
2. In millions

Key Takeaways

Nexus provides investors the opportunity to participate in an industrial-focused investment vehicle that acquires and operates quality real estate assets across Canada at a valuation that represents a significant discount compared to industrial REITs.

At the recent \$9.94 trading price, the REIT's units are trading at a 12.4x multiple of AFFO per unit. The average multiple for industrial REITs is 22.8x.



1. Robust pipeline of industrial acquisition opportunities with opportunity to add significant GLA to existing assets in the London Ontario market.
2. Opportunity for multiple expansion, with the REIT trading at roughly half of industrial multiples on a portfolio that is 73% industrial by NOI (pro forma announced acquisitions)
3. We have ample liquidity
4. Attractive current distribution yield at ~ 6.4%
5. Conservative capital structure with Debt to Assets less than 50%
6. AFFO payout ratio coming into the crisis was sub 80%; 82% for 2020;
7. Agreement to sell excess land in Montreal could result in significant windfall for the REIT
8. Richmond, BC value creation expected to result in an increase in the REIT's NAV ~\$0.60 to \$0.70 per unit
9. Strong historical performance with consistent AFFO per unit and NOI growth



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