

Nexus Industrial REIT Investor Presentation

“Canada’s next Pure Play Industrial REIT”



Notice to the Reader

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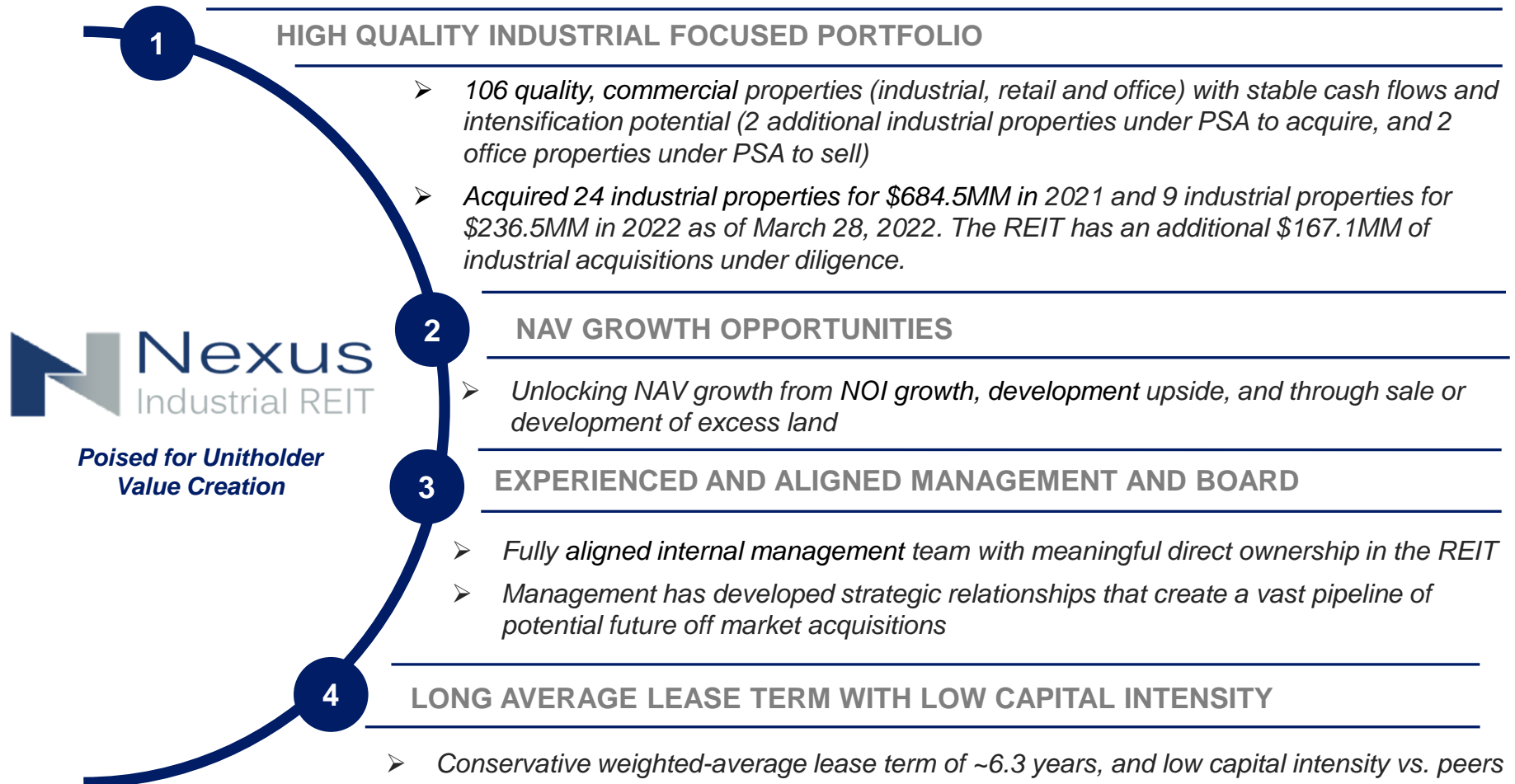
NON – IFRS MEASURES

Included in this presentation are non-IFRS financial measures that should not be construed as an alternative to net income / loss, cash from operating activities or other measures of financial performance calculated in accordance with IFRS and may not be comparable to similar measures as reported by other issuers. Certain additional disclosures for these non-IFRS measures have been incorporated by reference and can be found on page 3 in the REIT’s Management’s Discussion and Analysis for the year ended December 31, 2021, available on SEDAR at www.sedar.com and on the REIT’s website under Investor Relations.

All figures in C\$ unless otherwise noted.

Nexus Industrial REIT Poised For Value Creation

Nexus Industrial 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

84% of NOI¹

***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

12% of NOI¹

***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

4% of NOI¹

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

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

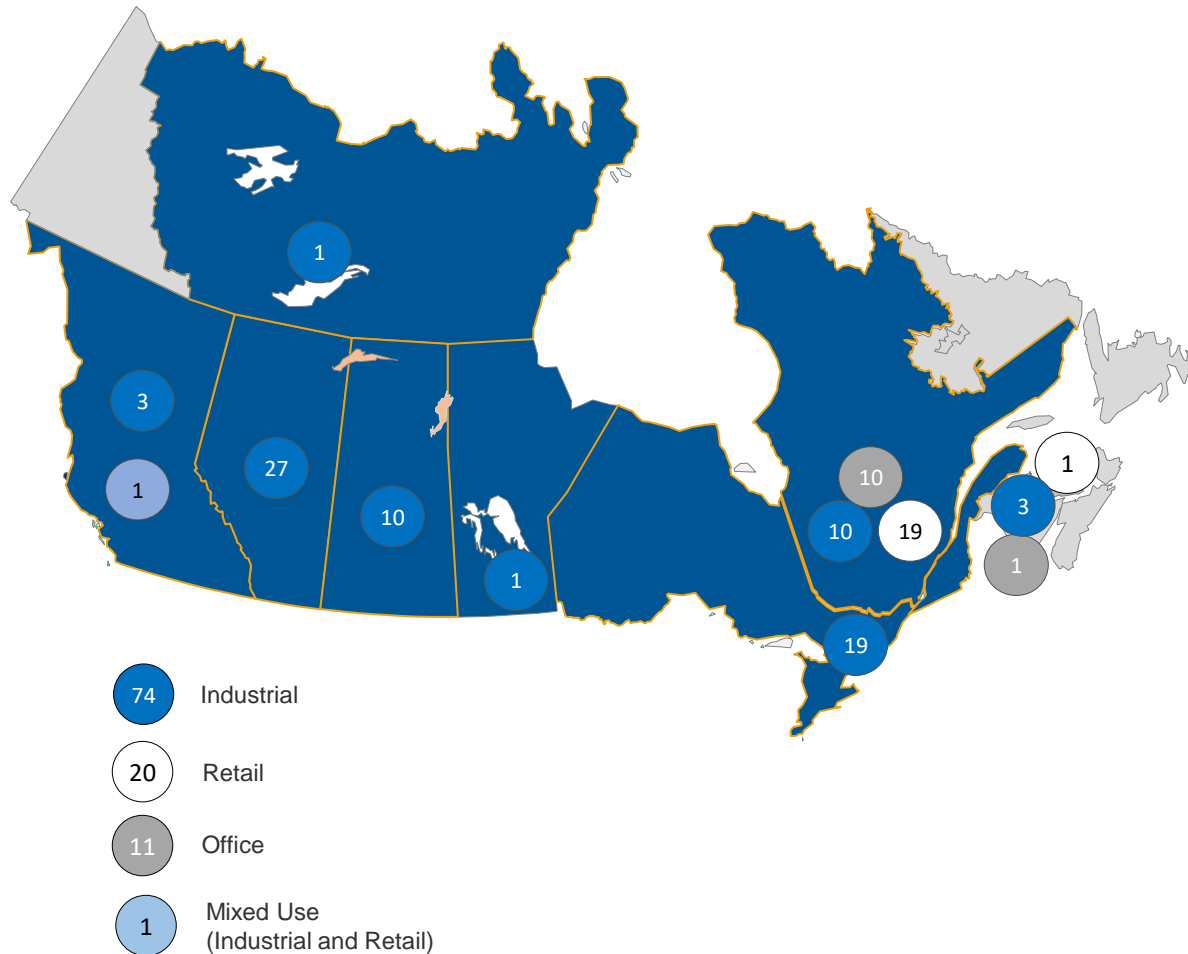


1. Proforma acquisitions and dispositions under contract

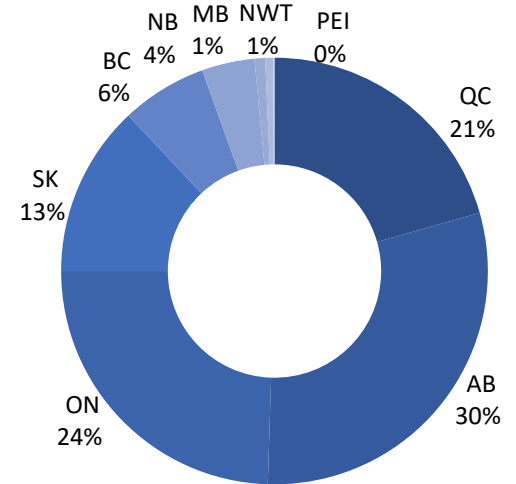
Nationwide Asset Base

106 properties located across Canada

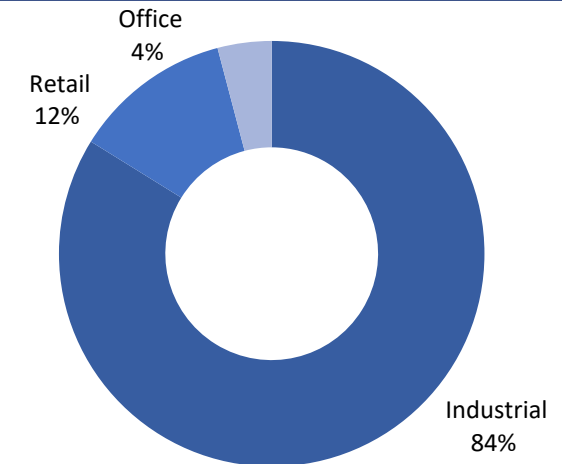
(pro forma the acquisition of 2 industrial properties and the disposition of 2 office properties)



Pro Forma NOI by Geography¹



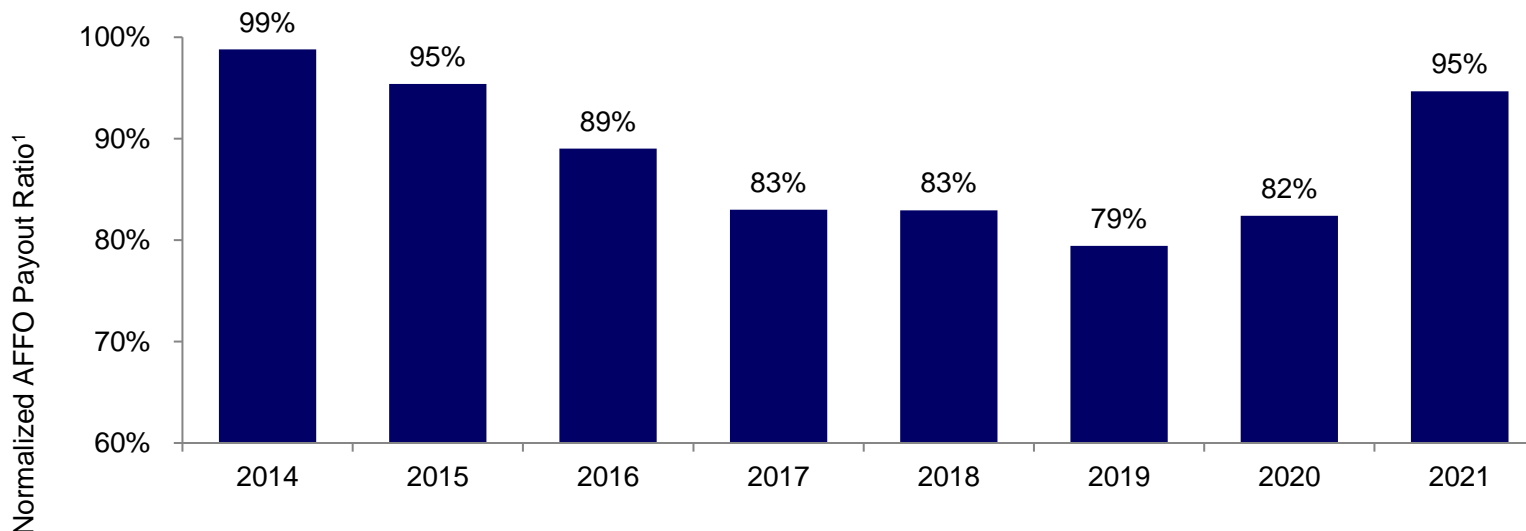
Proforma NOI by Asset Class¹



1. Non-IFRS Measure

Demonstrated Track Record of Success

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



- The 2020 Normalized AFFO payout ratio was impacted by COVID-19.
- The 2021 Normalized AFFO Payout Ratio was impacted by a \$34.9MM equity raise in March 2021, a \$112.1MM equity raise in August 2021 and a \$141MM equity raise in November 2021 with the cash not yet fully deployed on planned accretive acquisitions.
- The 2021 Normalized AFFO Payout Ratio was also impacted by a \$103.5MM acquisition completed on April 1st with approximately 65% of the purchase price being settled in units. The properties acquired were subsequently financed to balance the REIT's capital structure and generate funds available to complete additional acquisitions.

1. Non-IFRS Measure

Delivering Year Over Year Accretive Growth

- In 2021, the REIT acquired 24 industrial properties for \$684.5MM, with vendors receiving \$118.5MM in Class B LP Units.
- 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.
- YTD 2022, the REIT has acquired 9 industrial properties for \$236.5MM, and the REIT has ample liquidity to fund additional industrial acquisitions.

2021 Acquisitions

Date Closed	City	GLA (at share)	Purchase Price	Capitalization Rate	Highlights
Q1&Q2 2021	8 Ontario Properties 3 Alberta Properties	1,700,000 sf	\$162.3MM		The REIT completed the acquisition of 11 industrial properties in Ontario and Alberta, highlighted by a portfolio of 6 industrial properties in London, Ontario for a purchase price of \$103.5MM. The vendor received \$67MM of the purchase price in Class B LP Units.
Q3 2021	4 Alberta Properties 1 Manitoba Property	710,000 sf	\$95.5MM		The REIT acquired 5 properties in Alberta and Manitoba, highlighted by a portfolio of 2 single-tenant industrial buildings in Calgary, AB and Winnipeg, MB for a purchase price of \$44MM. The vendor received \$15.4MM of the purchase price in Class B LP Units.
Q4 2021	3 Ontario Properties 2 New Brunswick Properties 1 Quebec Property 1 Saskatchewan Property 1 Alberta Property	2,400,000 sf	\$426.7MM		The REIT acquired 8 industrial properties across Canada. On October 1, 2021, the REIT closed on a portfolio of 3 single-tenant distribution centers with long-term leases to Loblaw's and Shoppers Drug Mart for a total purchase price of \$230MM. On December 9, 2021, the REIT closed on a single tenant distribution center in Montreal, QC leased long-term to Sobeys. The purchase price for a 50% interest in this property was \$98MM.
2021 Total	24 Properties	4,810,000 sf	\$684.5MM	5.58%	The REIT has substantially grown assets through unit deals and equity raises. In 2021 vendors received \$118.5MM in units, helping grow the REIT's market cap and preserving cash for future deals.



2022 Acquisitions

Date Closed	City	GLA (at share)	Purchase Price	Capitalizati on Rate	Highlights
January 12, 2022	Regina, SK	180,000 sf	\$28MM		Acquired a large bay multi-tenant industrial building in Regina, SK with long-term leases to strong credit tenants. The property includes 21 acres of excess land where the REIT is planning on developing a new distribution center.
February 2, 2022	Mascouche, QC	101,000 sf	\$28.9MM		The REIT acquired a brand new single-tenant industrial distribution center leased to St Hubert, with a long-term lease commencing on the acquisition date.
February 8, 2022	Edmonton, AB	210,000 sf	\$38.2MM		Acquired a single-tenant distribution center in Edmonton, AB. The location was built in 2016 and is leased to Acropolis Warehousing.
February 22, 2022	2 Properties in Edmonton, AB	556,000 sf	\$91MM		Acquired two single-tenant industrial buildings in Edmonton, AB. Both have long-term leases in place to a strong covenant logistics tenant.
March 1, 2022	Edmonton, AB	72,000 sf	\$14.75MM		Acquired a multi-tenant industrial property in Edmonton, AB. The location was built in 2007 and the major tenant is Lee Valley Tools.
March 1, 2022	3 Properties in London, ON	346,000 sf	\$35.7MM		Acquired three industrial buildings in London, ON. \$22.3MM of the purchase price was satisfied by the issuance of Class B LP Units.
Total Closed Deals	9 Properties	1,465,000 sf	\$236.5MM		The REIT has closed on the acquisitions of 9 industrial properties as of March 28, 2022.
Acquisitions Under Contract	2 Industrial Properties Across Canada	857,000 sf	\$167.1MM		\$27.1MM of the purchase price to be satisfied by issuing Class B LP Units. One property is a newly built facility expected to close in Jan 2023. The second property has a substantial addition being added to the building and is expected to close in April 2023.
YTD Total	11 Properties	2,322,000 sf	\$403.6MM	4.97%	The REIT has substantially grown assets through unit deals and equity raises. Proforma acquisitions under contract, the REIT will have acquired \$1.07B in industrial acquisitions since the beginning of 2021. Vendors will have received \$167.8MM in units, helping grow the REIT's market cap and preserving cash for future deals.

Value Creation - Richmond, BC

Overview

- Mixed-use asset (consisting of 2 buildings) in Richmond, BC purchased for \$57.4MM in April 2018.
- Appraised at ~\$80MM (March 2018), and \$120MM to \$136MM (Q3 2021) 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. This is expected to be completed in July 2022.
- 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 and NAV per unit**

Redevelopment Value Creation Underway



Purchase Price	\$57.4MM
Acquisition Cap Rate	6.50%
In-Place NOI	\$3.1MM
Development Investment	\$6.1MM
Post-Development NOI	\$5.1MM
Stabilized Cap Rate	4.00%
Stabilized Property Value	\$128MM

Unitholder Value Created ~\$32MM¹

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, QC

Overview

- The REIT and the REIT's partner are in negotiation to sell excess land at 7500 Boulevard les Galeries d'Anjou, QC. The purchaser intends to build residential units on the land. The purchase price is expected to be approximately \$25MM (at 100% interest – the REIT owns 50% of the property)
- The first payment to the REIT and its partner is likely to be mid 2022 when the purchaser gets final approval from the city.



1. Non-IFRS Measure

Value Creation



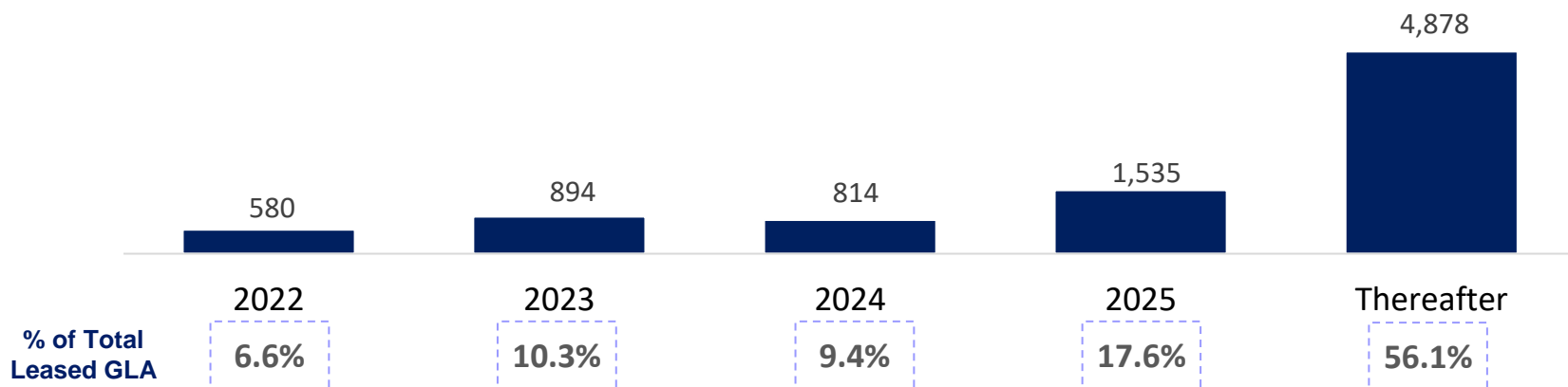
Highlights

- 1 ***Capitalize on land value while maintaining the property's income to the REIT. The REIT expects ~\$10MM to \$13MM of NAV growth.¹***
- 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 December 31, 2021

Weighted Average Lease Term of ~6.3 Years



Occupancy by Asset Class at December 31, 2021

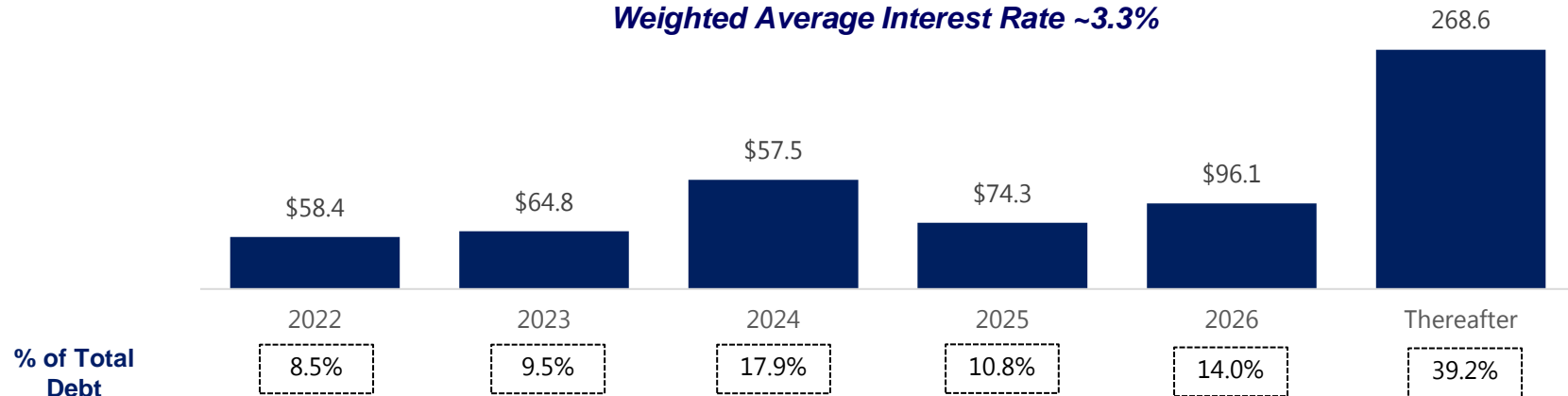
	GLA (at share)	Occupancy
Industrial	7,128,357	98.0%
Retail	1,413,425	90.7%
Office	526,614	83.3%
Total	9,068,396	96.0%



Liquidity & Debt Maturities

Debt Repayment Schedule (\$MM) as at December 31, 2021

Weighted Average Term to Maturity ~6.6 Years
Weighted Average Interest Rate ~3.3%



Liquidity

- As at December 31, 2021 the REIT had \$82MM of cash, \$45.5MM available under credit facilities, and \$150MM of properties which were unencumbered.
- Sufficient liquidity to complete the acquisitions of properties under contract and additional industrial acquisitions in 2022.
- 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
- Indirectly owns ~6% 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

Development Opportunity:

- The REIT has partnered with RFA on a planned industrial development in Hamilton ON.

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
Justine Delisle	<ul style="list-style-type: none"> Partner with Richter Previously held positions of Vice-President, Family Account Management, Manager, Family Account Management, Manager, and Staff Accountant / Senior Auditor with Richter
Louie DiNunzio	<ul style="list-style-type: none"> Senior Vice President, Investments at Cadillac Fairview Former Director of WPT REIT Formerly held senior positions within the investment banking industry at both BMO Nesbitt Burns Inc. and Merrill Lynch Canada.
Kelly Hanczyk	<ul style="list-style-type: none"> See Bio under Management Team

Favourable Pricing Metrics

	Last Price ⁽¹⁾	Units O/S	Market Cap ⁽²⁾	Distribution	Current Yield	FFO 2022E	Price / FFO 2022E	AFFO 2022E	Price / AFFO 2022E	NAV	Prem./Disc. to NAV
Nexus Industrial REIT	\$ 12.77	78.6	\$ 1,004	\$ 0.64	5.01%	\$ 0.83	15.4x	\$ 0.76	16.8x	\$ 12.89	-0.9%
Industrial REITs											
Dream Industrial REIT	\$ 16.14	255.5	\$ 4,124	\$ 0.70	4.34%	\$ 0.89	18.1x	\$ 0.79	20.4x	\$ 16.43	-1.8%
Granite REIT	\$ 96.38	65.7	\$ 6,332	\$ 3.10	3.22%	\$ 4.36	22.1x	\$ 4.03	23.9x	\$ 93.70	2.9%
Summit Industrial REIT	\$ 22.02	177.3	\$ 3,903	\$ 0.56	2.54%	\$ 0.76	29x	\$ 0.68	32.4x	\$ 20.21	9.0%
Weighted Industrial Average					3.24%				24.5x		3.1%

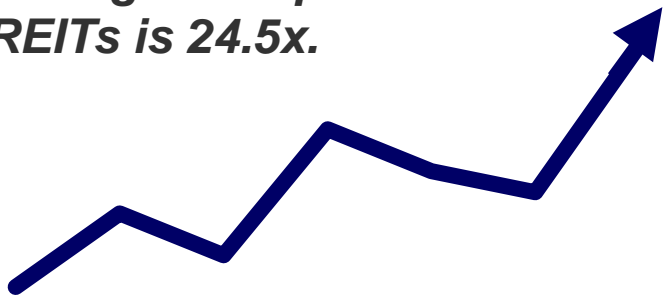
- Pro forma announced acquisitions and dispositions, Nexus will have an approximately 84% industrial weighting.
- Nexus trades at a 16.8x multiple of 2022 analyst consensus AFFO per unit as compared to an average of 24.5x for its industrial REIT peers.⁽³⁾
- Current valuation provides substantial trading price upside as Nexus continues moving towards becoming a pure play industrial REIT.

1. Based on trading price as at March 31, 2022
2. Millions of Dollars
3. Non-IFRS Measure

Key Takeaways

Nexus provides investors the opportunity to participate in early growth stages of an industrial 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 \$12.77 trading price, the REIT's units are trading at a 16.8x multiple of 2022E AFFO per unit¹. The average multiple for industrial REITs is 24.5x.



1. Non-IFRS Measure

1. Robust pipeline of industrial acquisition opportunities combined with opportunity to add significant GLA to existing assets in the South Western Ontario, Regina and Calgary markets
2. Opportunity for multiple expansion, with the REIT trading at roughly half of industrial multiples on a portfolio that is 84% industrial by NOI (pro forma announced acquisitions)
3. The REIT has access to ample liquidity
4. Attractive current distribution yield at ~ 5%
5. Conservative capital structure with Debt to Assets less than 50%
6. AFFO payout is expected to drop towards the low 80% level in 2022¹
7. Agreement to sell excess land in Montreal could result in significant windfall for the REIT
8. ~70,000 sf addition at Richmond, BC has the potential to create more than \$20MM in value
9. Strong historical performance with consistent AFFO per unit and NOI growth



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