



*Canada's Next
Pure Play
Industrial REIT*

Nexus Industrial REIT

Q1 2023 – Investor Presentation



Notice to the Reader

ABOUT THIS PRESENTATION

No reliance may be placed for any purpose whatsoever on the information contained in this presentation or the completeness or accuracy of such information. No representation or warranty, express or implied, is given by or on behalf of Nexus Industrial REIT (the “REIT”), or its unitholders, trustees, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this presentation, and no liability is accepted for any such information or opinions.

FORWARD-LOOKING INFORMATION

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.

This presentation includes industry data and forecasts obtained from independent industry publications, market research and analyst reports, surveys and other publicly available sources and in certain cases, information is based on the REIT’s own analysis and information or its analysis of third-party information. Although the REIT believes these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data is not guaranteed. The REIT has not independently verified any of the data from third party sources referred to in this presentation nor ascertained the underlying assumptions relied upon by such sources.

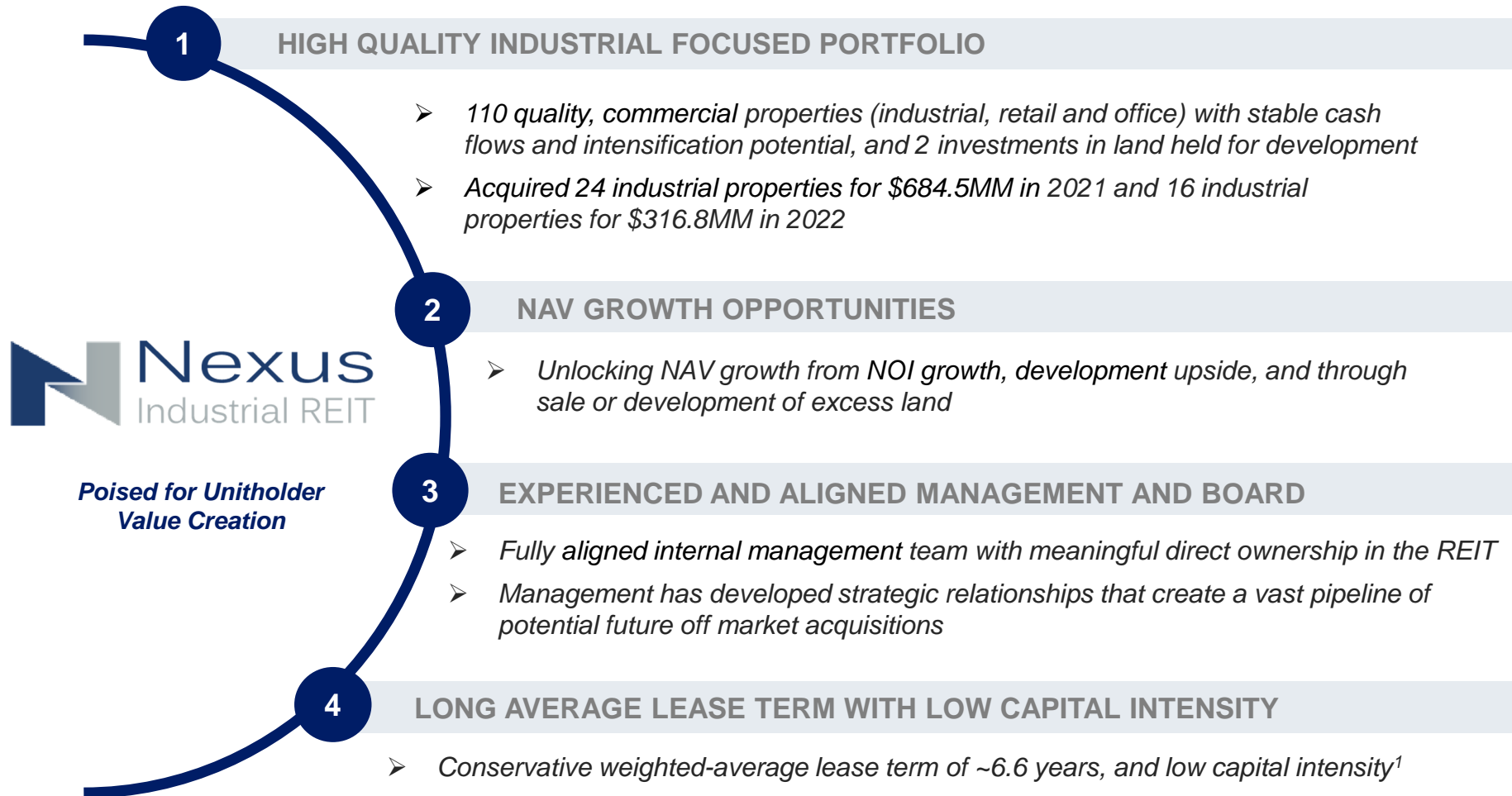
NON – IFRS MEASURES

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 period ended September 30, 2022, 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 institutional quality industrial properties across Canada



1. Q3-2022

Industrial-Focused Portfolio

Industrial Portfolio

85% of NOI⁽¹⁾

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



- Provides stability to Nexus as cash flows are stable, long-term, and the majority 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

10% of NOI⁽¹⁾

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

5% of NOI⁽¹⁾

Majority of Urban Office Assets Located in the Downtown Montreal Core

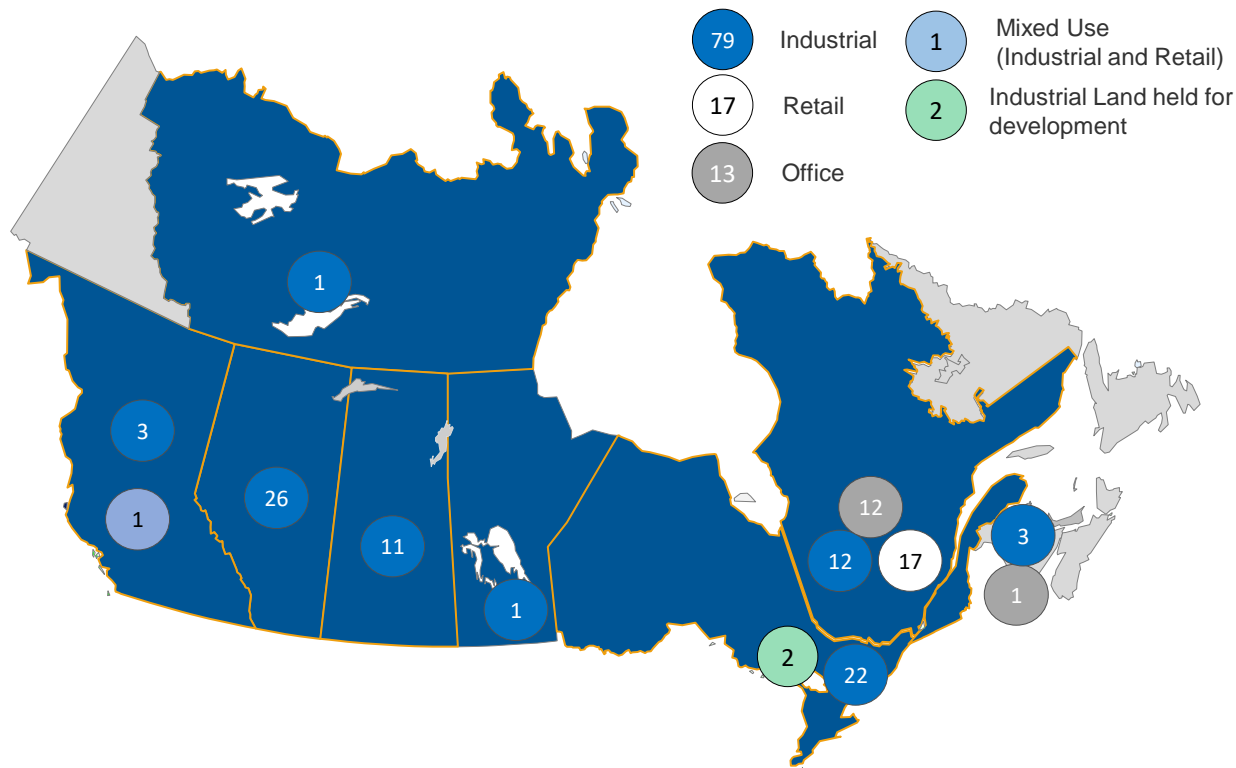


- Tenants include Sunlife, Xerox, The Notaries of Quebec, and Public Works Government and Service Canada
- Concentration of Old Montreal character properties

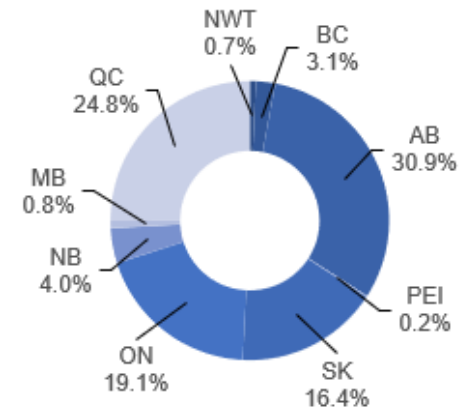
1. Q3-2022

Nationwide Asset Base

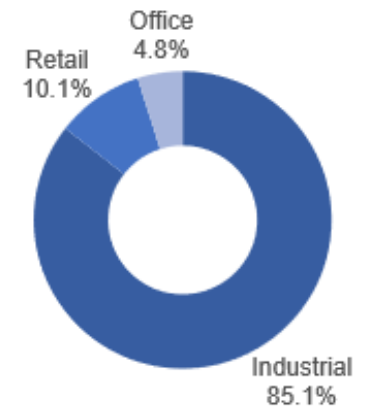
112 properties located across Canada⁽¹⁾



NOI by Geography (2)(3)



NOI by Asset Class (1)(2)



Top Ten Tenants	Loblaws	Westcan Bulk	Sobeys	MTE Logistix	Valard Construction	Mastec Canada	Peavey Industries	Triple M Housing	Acropolis Warehousing	Direct Ltd. Partnership
% of Annualized Base Rent	12.7%	5.7%	3.9%	3.7%	2.8%	2.7%	2.5%	2.1%	2.0%	1.8%

1. As of 23-Dec-22
2. Non-IFRS Measure
3. As of Q3-2022

Recent acquisitions have primarily been industrial distribution properties, increasing the portfolio's weighting to in-demand, industrial properties

2021 Acquisitions

Date Closed	Province	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	Province	GLA (at share)	Purchase Price	Capitalization Rate	Highlights
Q1 2022	4 Alberta Properties 3 Ontario Properties 1 Quebec Property 1 Saskatchewan Property	1,460,000 sf	\$236.4MM		The REIT completed the acquisition of 9 industrial properties. The acquisitions are highlighted a two-property portfolio in Edmonton acquired for a purchase price of \$91MM and tenanted by a third-party logistics provider under long-term leases.
Q3 2022	2 Quebec Properties 1 Ontario Property	200,000 sf	\$41.5MM		The REIT acquired 3 properties in Q3 2022 highlighted by a 15-year sale leaseback in Montreal, QC for \$17.8MM.
Q4 2022	4 Ontario Properties	440,000 sf	\$38.8MM		The REIT acquired a 4-property portfolio in Windsor, ON for a purchase price of \$38.8MM. The portfolio is leased to a single tenant with a long-term lease in place.
2022 Total	16 Properties	2,100,000 sf	\$316.8MM	5.42%	The REIT has substantially grown assets through unit deals and the deployment of cash from equity raises. The REIT has ample liquidity to continue acquiring industrial properties.



Portfolio High-Grading Initiatives

Select Pending Acquisitions: Logistics and Distribution Assets

Greater Ottawa



Rental Increases:	2% per annum (after year 3)
Lease term:	15 Years
Est. completion:	Q1 2023
GLA:	~531k sf
Shipping doors:	45
Clear Heights:	36'

London, Ontario



Rental Increases:	Rent increase by CPI annually
Lease term:	2031
Est. completion:	Q1 2023
GLA:	~335k sf
Shipping doors:	53

Portfolio High-Grading Initiatives continued

Select Pending Acquisitions: Logistics and Distribution Assets

Greater Montreal



Rental Increases:	4.25% per annum
Lease term:	7 Years
Est. completion:	Q2 2023
GLA:	~191k sf
Shipping doors:	29
Clear Heights:	32'

Greater Toronto



Rental Increases:	4% per annum
Lease term:	7 Years
Est. completion:	Q2 2023
GLA:	~141k sf
Shipping doors:	30
Clear Heights:	32'

Portfolio High-Grading Initiatives continued

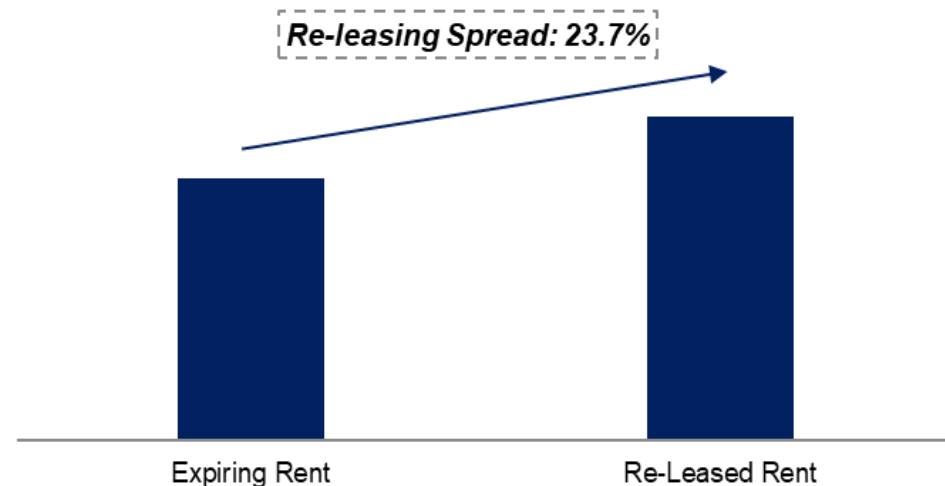
Development and Expansion Opportunities

- 10 Industrial Properties
- ~2,400,000 square feet in the pipeline
- 925,000 square feet expected to commence construction in 2023
- These projects are expected to generate strong returns for the REIT
- The 925,000 sf of development expected to commence in 2023 to create approximately \$100MM of value



Enhanced Leasing Spreads

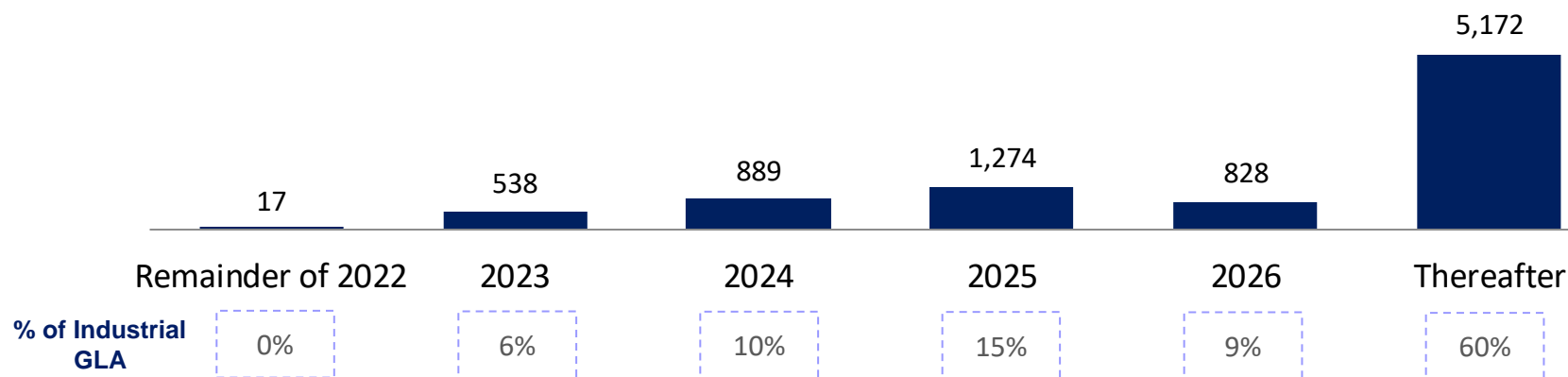
- New and renewal leases for industrial properties that commenced in Q3-2022 were at a renewal rate 23.7% higher than the expiring rate.
- Re-leased expiries amount to ~1.4% of total GLA
- Results in incremental rental revenue of ~\$198,000 at a weighted average rental increase of \$1.34 psf



Lease Expiries and Occupancy

Industrial Lease Expiry Schedule (Square Feet, '000s) at September 30, 2022

Weighted Average Lease Term of ~6.6 Years



Occupancy by Asset Class at September 30, 2022

	GLA (at share)	Occupancy
Industrial	8,804,007	99.0%
Retail	1,362,920	90.6%
Office	526,430	83.6%
Total	10,693,357	97.2%

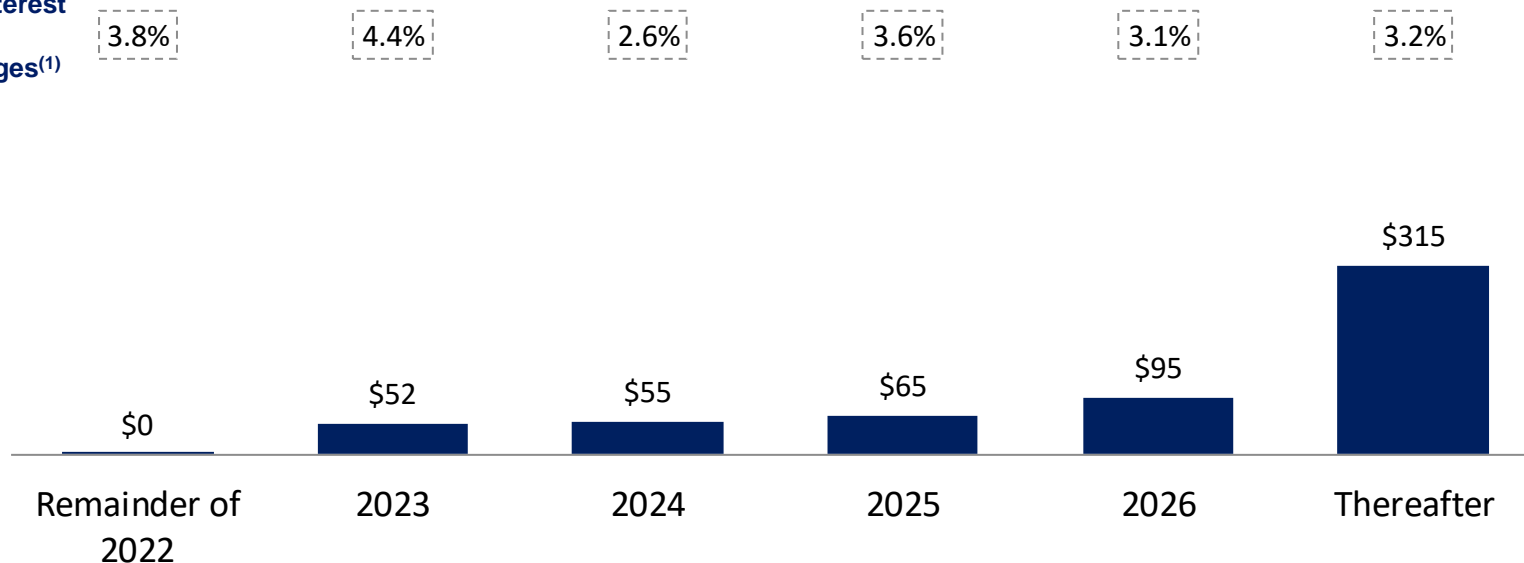


Mortgage Debt Maturities

Mortgage Principal Maturity Schedule (\$MM) as at September 30, 2022

Weighted Average Term to Maturity ~6.3 Years
Weighted Average Interest Rate ~3.3%

W.A. Interest
Rate:
Mortgages⁽¹⁾



No significant near-term mortgage maturities and expectation is that maturing mortgages will be refinanced on reasonable terms

1. Weighted average interest rate – including deferred financing costs and interest rate swap agreements.

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"> Senior Vice President and Chief Financial Officer of MCAN Financial Group 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 and CEO 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 Formerly held senior positions within the Family Account Management and audit services at 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	Distribution	Current Yield	FFO 2023E ⁽²⁾	Price / FFO 2023E ⁽²⁾	AFFO 2023E ⁽²⁾	Price / AFFO 2023E ⁽²⁾	NAV ⁽²⁾	Prem. / Disc. to NAV ⁽²⁾	D / GBV	Q3 2022 D / EBITDA ⁽³⁾
	(C\$)	(MM)	(C\$MM)	(C\$)	(%)	(C\$)	(ratio)	(C\$)	(ratio)	(C\$)	(%)	(%)	(x)
Nexus Industrial REIT	\$ 9.66	87.6	\$ 846	\$ 0.64	6.62%	\$ 0.84	11.5x	\$ 0.73	13.2x	\$ 12.12	(20.3%)	45.2%	9.7x
Industrial REITs													
Dream Industrial REIT	\$ 11.88	274.3	\$ 3,259	\$ 0.70	5.89%	\$ 0.95	12.5x	\$ 0.84	14.1x	\$ 15.26	(22.2%)	36.1%	8.0x
Granite REIT	\$ 69.90	62.7	\$ 4,382	\$ 3.20	4.58%	\$ 4.72	14.8x	\$ 4.36	16.0x	\$ 87.64	(20.2%)	32.4%	8.6x
Weighted Industrial Average (Excl. Summit REIT)					5.14%		13.8x		15.2x		(21.1%)	34.0%	8.3x
Summit REIT	\$ 22.59	189.8	\$ 4,289	\$ 0.58	2.57%	\$ 0.83	27.2x	\$ 0.75	30.2x	\$ 19.68	14.8%	27.3%	7.8x
Weighted Industrial Average (Incl. Summit REIT)					4.22%		18.6x		20.6x		(8.2%)	31.6%	8.1x

- Nexus currently has an approximately 85% industrial weighting.
- Nexus trades at a 13.2x multiple of 2023E analyst consensus AFFO per unit as compared to an average of 20.6x for its industrial REIT peers.⁽²⁾
- Summit REIT recently announced it has entered into an agreement to be acquired by GIC. The purchase price is \$23.50 per unit which is a 19.5% premium to consensus NAV. Nexus' recent trading price of \$9.66 per unit is a 20.3% discount to NAV.
- Current valuation provides substantial trading price upside as Nexus continues moving towards becoming a pure play industrial REIT.

***At the recent \$9.66 trading price, the REIT's units are trading at a 13.2x multiple of 2023E AFFO per unit⁽¹⁾.
The average multiple for industrial REITs is 20.6x***

1. Based on trading price as at 23-Dec-22
2. Non-IFRS measure. Based on analyst consensus data as of 23-Dec-22.
3. EBITDA figures are annualized as per Q3 2022.

Key Takeaways

- 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 a significant discount to industrial multiples on a portfolio that is 85.1% industrial by NOI
- 3 The REIT has access to ample liquidity
- 4 Attractive current distribution yield at ~6.6%⁽¹⁾
- 5 Conservative capital structure with Debt to Assets less than 50%
- 6 Significant development opportunities across the portfolio; opportunity for substantial rental rate growth in southwestern Ontario in the next year.
- 7 In 2023, the REIT is expecting to commence developing ~925,000 sf of industrial GLA with attractive returns, and has the potential to create approximately \$100MM of value
- 8 Strong historical performance with consistent AFFO per unit and NOI growth

Nexus provides investors the opportunity to participate in the growth stages of an industrial vehicle that acquires quality assets across Canada at a valuation that represents a significant discount compared to other industrial REITs

1. Non-IFRS Measure



Kelly Hanczyk
CEO

Phone: (416) 906-2379
Email: khanczyk@nexusreit.com

Rob Chiasson
CFO

Phone: (416) 613-1262
Email: rchiasson@nexusreit.com