

Consolidating Canada's Automotive Dealership Properties

Investor Presentation



September 2022

FORWARD-LOOKING STATEMENTS

Certain statements contained in this presentation constitute forward-looking information within the meaning of applicable securities legislation. Forward-looking information may relate to the REIT's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the REIT. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the REIT or the real estate or automotive dealership industry are forward-looking statements. The REIT has based these forward-looking statements on factors and assumptions about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs, including that the Canadian economy will remain stable over the next 12 months, that tax laws remain unchanged, that conditions within the automotive dealership real estate industry and the automotive dealership industry generally, including competition for acquisitions, will be consistent with the current climate, that the Canadian capital markets will provide the REIT with access to equity and/or debt at reasonable rates when required and that the Dilawri Organization will continue its involvement with the REIT. Although the forward-looking statements contained in this presentation are based upon assumptions that management believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the REIT's control, that may cause the REIT's or the industry's actual results, performance, achievements, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements. The forward-looking statements made in this presentation relate only to events or information as of the date of this presentation. Except as required by law, the REIT and Dilawri undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Please refer to "Forward-Looking Statements" in the REIT's regulatory filings.

NON-IFRS MEASURES

This presentation makes reference to certain non-IFRS measures. Funds from operations ("FFO"), adjusted funds from operations ("AFFO"), net operating income ("NOI"), cash net operating income ("Cash NOI") and Same Property cash operating income ("Same Property Cash NOI") are key measures of performance used by management and real estate businesses. However, such measures are not defined by IFRS and do not have standardized meanings prescribed by IFRS. The REIT believes that AFFO is a key measure of economic earnings performance and is indicative of the REIT's ability to pay distributions from earnings, while FFO, NOI and Cash NOI are important measures of operating performance and the performance of real estate properties. The IFRS measurement most directly comparable to FFO, AFFO, NOI and Cash NOI is net income. Please refer to "Non-IFRS Measures" in the REIT's regulatory filings.

Capital Market Profile (TSX: APR.UN)



Recent price: **\$13.22**¹

Market capitalization:
\$648 million¹

REIT Units: 39.70 million

Class B Units: 9.33 million

Investment properties:

\$1.09 billion²

Total return:

IPO to Aug. 17, 2022: **120.8%**³

Annualized distribution

\$0.804 / unit

Yield¹

~ 6.1%

Debt to GBV²

41.2%

TTM AFFO Payout Ratio²

89.7%

2021 tax treatment

53% Return of Capital

47% Interest income

**Internally
Managed**

Analyst coverage



(1) As at Sept. 2, 2022 (market capitalization includes Class B Units)

(2) As at June 30, 2022

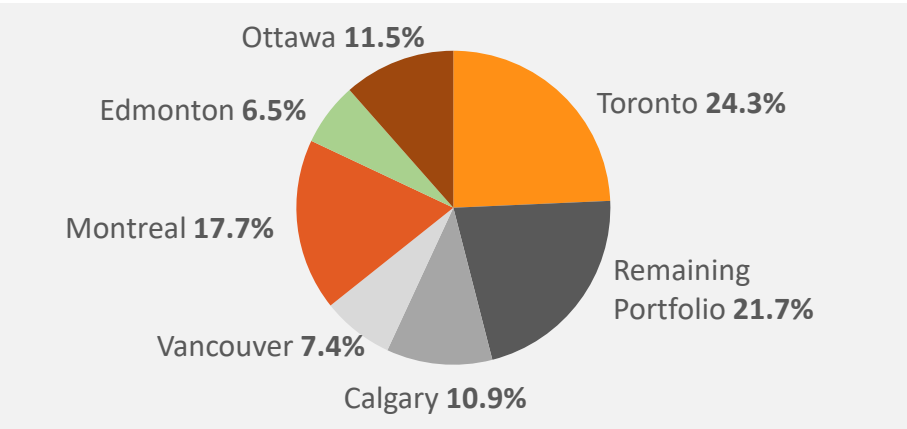
(3) Including reinvested dividends





High-quality portfolio of automotive properties in metropolitan markets across Canada

Audi Queensway (GTA)



GLA by metro (June 30, 2022)

Porsche Vancouver (GVA)



Long-term, triple-net leases with contractual rent escalators
Representing 32 global manufacturers / brands



72
income-producing properties

200 + acres
of commercially-zoned
urban real estate

2.7 million
square feet of Gross Leasable
Area ("GLA")

~ 80%
exposure to VECTOM
markets

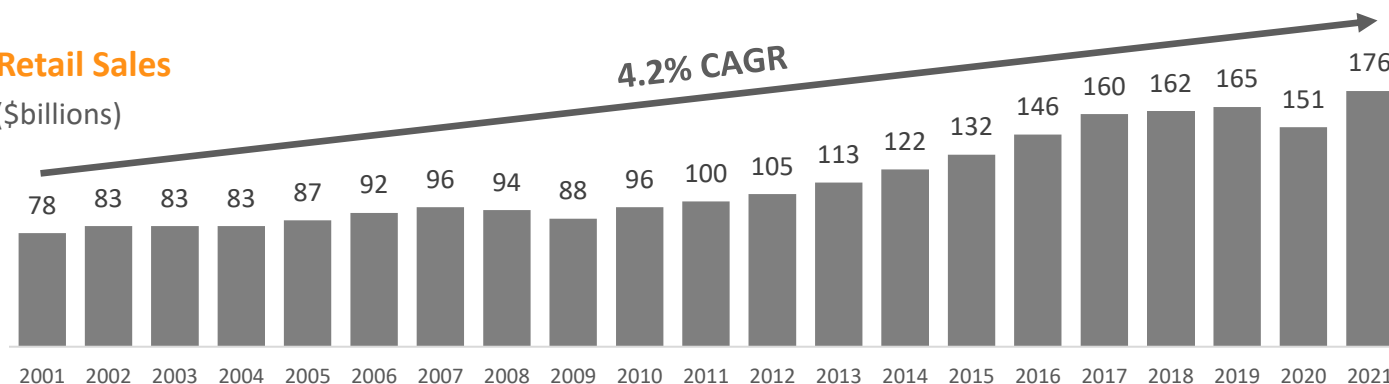
CANADA'S ONLY PUBLIC VEHICLE CONSOLIDATING AUTOMOTIVE PROPERTIES

Canadian Automotive Dealership Industry



Retail Sales

(\$billions)



25%

Auto industry's proportion of Canada's overall retail sales of products and merchandise in 2021

Automotive dealership retail sales include 4 revenue / profit centres

- 1 Parts, service and repair
- 2 Finance and Insurance
- 3 New vehicle sales
- 4 Used vehicle sales

New vehicle unit sales in Canada in 2021

1.68 Million

~6.8% increase from 2020 levels

Strong sales rebound starting in second half of 2020

-11.8%

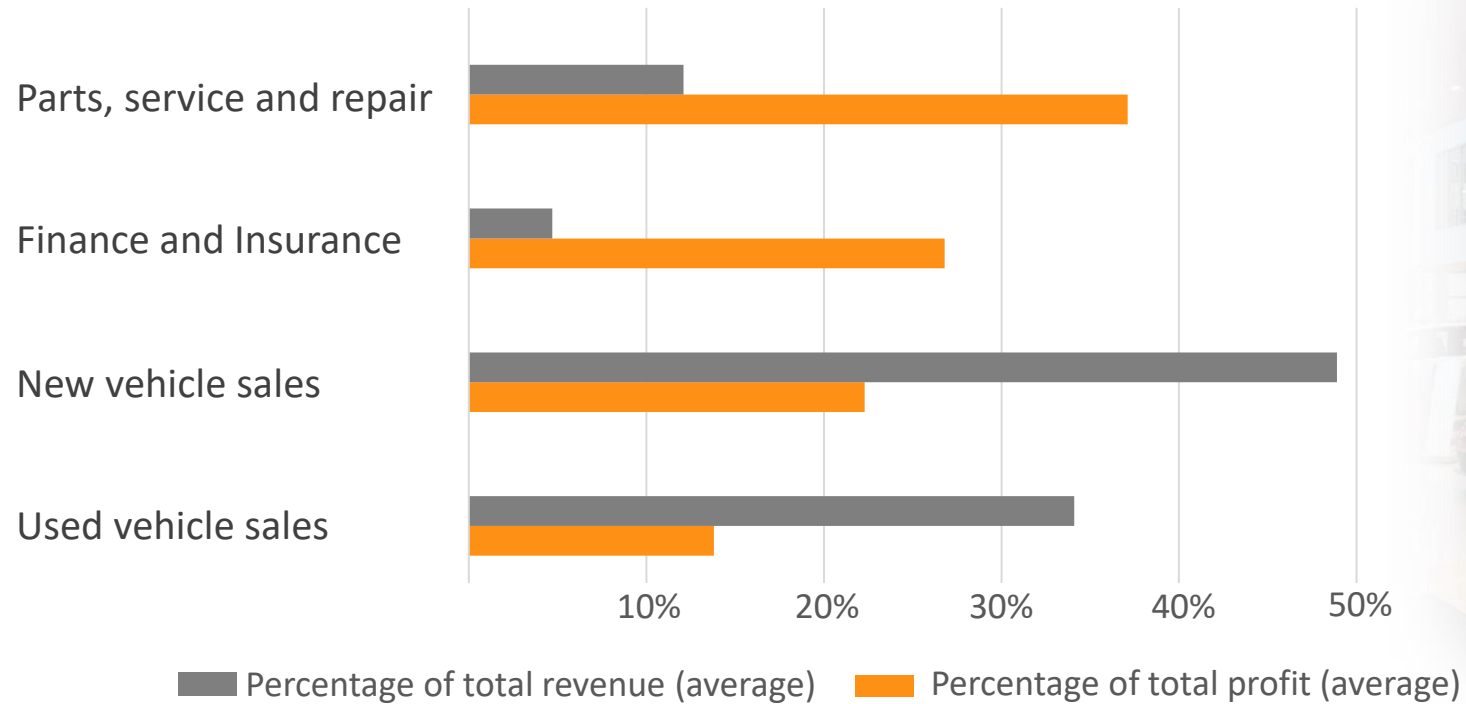
Decline in total Canadian new light vehicle unit sales in H1 2022 compared to H1 2021 due primarily to supply chain constraints, according to DesRosiers Automotive Consultants Inc.

THE AUTOMOTIVE RETAIL SALES INDUSTRY IS CANADA'S LARGEST RETAIL SEGMENT

Automotive Dealership Group Profit Centres



Average revenue / profit % contribution per business segment for major North American automotive dealership groups¹



(1) Chart data is derived from the public disclosure of Asbury Automotive, AutoCanada, AutoNation, Group 1 Automotive, Lithia, Penske Automotive and Sonic Automotive. The data reflects the average revenue and profit contributions from 2020 and 2021

SIGNIFICANT MAJORITY OF PROFITS ARE GENERATED FROM REVENUE SOURCES OTHER THAN NEW CAR SALES

Strong Lead Tenants



- 76 automotive dealerships, representing ~30 brands
- Presence in QC, ON, SK, AB, BC
- REIT has the first right to acquire from Dilawri development and acquisition pipeline

Tesla

- Leading electric vehicle maker with largest market capitalization of any automotive company
- Global leader in transition to sustainable energy
- Nasdaq: TSLA



- 66 automotive dealerships, representing ~27 brands
- Presence in Canada and United States
- TSX: ACQ



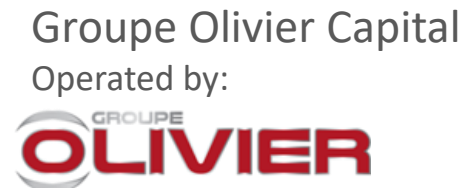
- One of the largest automotive dealership groups in North America, with more than 270 locations
- Acquired Pfaff Automotive Partners in August 2021 to enter Canadian market
- NYSE: LAD



- 11 automotive dealerships, representing 10 brands
- Presence in ON



- 46 automotive dealerships, representing ~20 brands
- Presence in ON, AB, BC, NWT

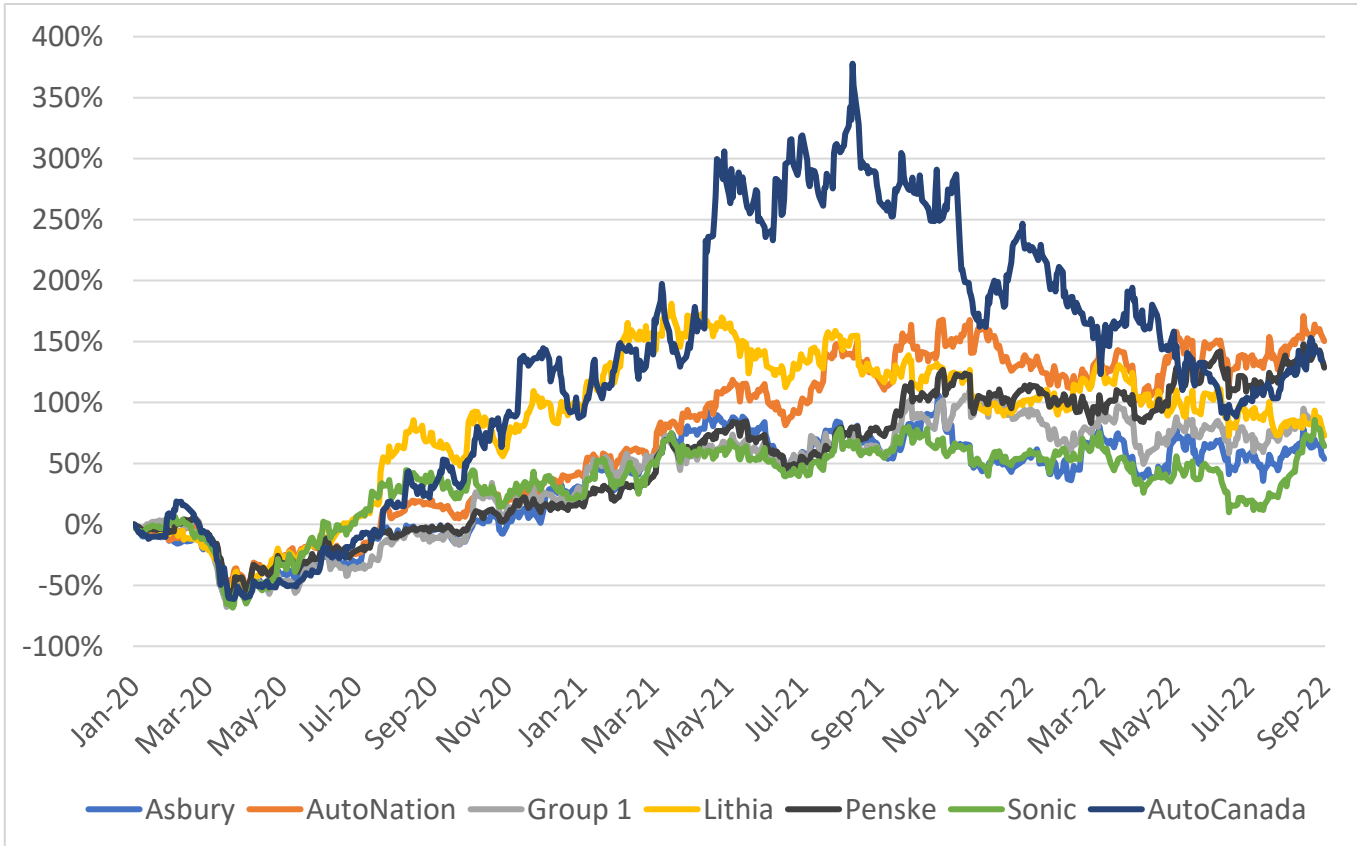


- 17 automotive dealerships, representing ~10 brands
- Presence in QC

Strong Auto Dealership Performance



Stock Performance (January 2, 2020 to September 2, 2022)



- Sales have rebounded from lows in spring of 2020
- Many dealers generating record earnings
 - Rapid cost reduction achieved due to high variable cost component
- Profit margins per unit sold being enhanced through:
 - Technological improvements / enhanced e-commerce offerings and curbside pick-up for sales & service
 - Reduced headcounts
 - Lower SG&A costs
- Supply chain constraints temporarily impacting unit sales in 2022

THE AUTOMOTIVE DEALERSHIP INDUSTRY IS HIGHLY RESILIENT AND HAS RESPONDED EFFECTIVELY TO THE DISRUPTION CREATED BY THE PANDEMIC

REIT structure and strategy mitigate inflation

- Interest rate swaps and mortgages
 - Weighted average interest rate swap and mortgage term of 5.2 years
 - 91.0% of debt fixed through interest rate swaps and mortgages as at June 30, 2022
- Contractual rent increases
 - Fixed annual increases or CPI-linked adjustments
- Property-level costs are the responsibility of tenants under triple-net leases
 - Tenants pay for repairs and maintenance, realty taxes, property insurance, utilities and non-structural capital improvements



THE REIT IS WELL POSITIONED FOR AN ENVIRONMENT OF ELEVATED INFLATION



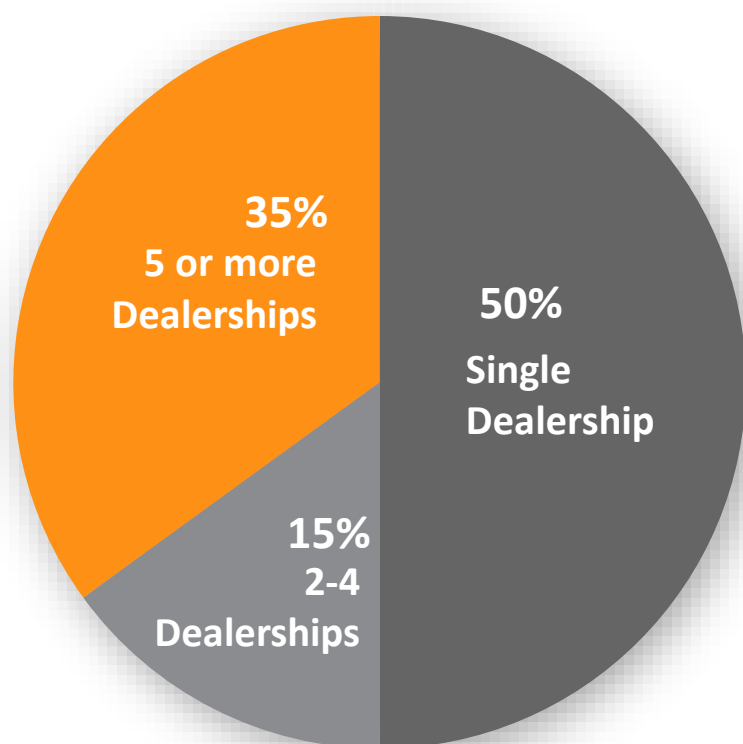
Growth



Further Opportunity to Consolidate Highly Fragmented Industry



Proportion of Canada's ~ 3,500 Auto Dealerships
Owned by Size of Ownership Group¹



10 Dealership Groups: Approximately 12% of the Market²

Company	Dealerships	% of Total
Dilawri Group^{(3) (4)}	73	2.2%
AutoCanada^{(3) (4)}	66	2.0%
Go Auto⁽³⁾⁽⁴⁾⁽⁵⁾	57	1.7%
Steele Automotive Group ⁽³⁾	55	1.7%
Murray Auto Group ⁽³⁾	30	0.9%
Gabriel-Prestige-President Group ⁽³⁾	38	1.1%
Zanchin Automotive Group ⁽³⁾	35	1.0%
Performance Group ⁽³⁾	28	0.8%
Albi Group ⁽³⁾	13	0.4%
O'Regan's Group ⁽³⁾	20	0.6%
Top 10 subtotal	415	12.4%
Other	~ 3,100	87.6%
Total	~ 3,500⁽¹⁾	100.0%

(1) Source: DesRosiers Automotive Consultants Inc.

(2) As at December 31, 2021

(3) Information based on publicly available information

(4) Denotes current tenants of the REIT

(5) Excludes collision centres and RV/Marine dealerships

Automotive Industry Developments & Evolution



- 373 new / refreshed / redesigned models planned for production by existing OEMs for 2019 – 2022
- New entrants expected into NA market (China & India)
- Consumer buying habits being met by enhanced dealership e-commerce offerings and curbside pick-up and service
- Electric vehicles – low penetration, but gradually increasing
 - EV registrations increased ~60% YoY in the U.S. in Q1 2022, accounting for 4.6% of all new light vehicle registrations¹
 - Implication on dealer infrastructure
- Automated vs. autonomous
 - Automated – safety / technology expected to be regulated
 - Autonomous – cultural shift
- Other influencers
 - Ride Sharing Platforms – Uber, Lyft

(1) Source: Experian

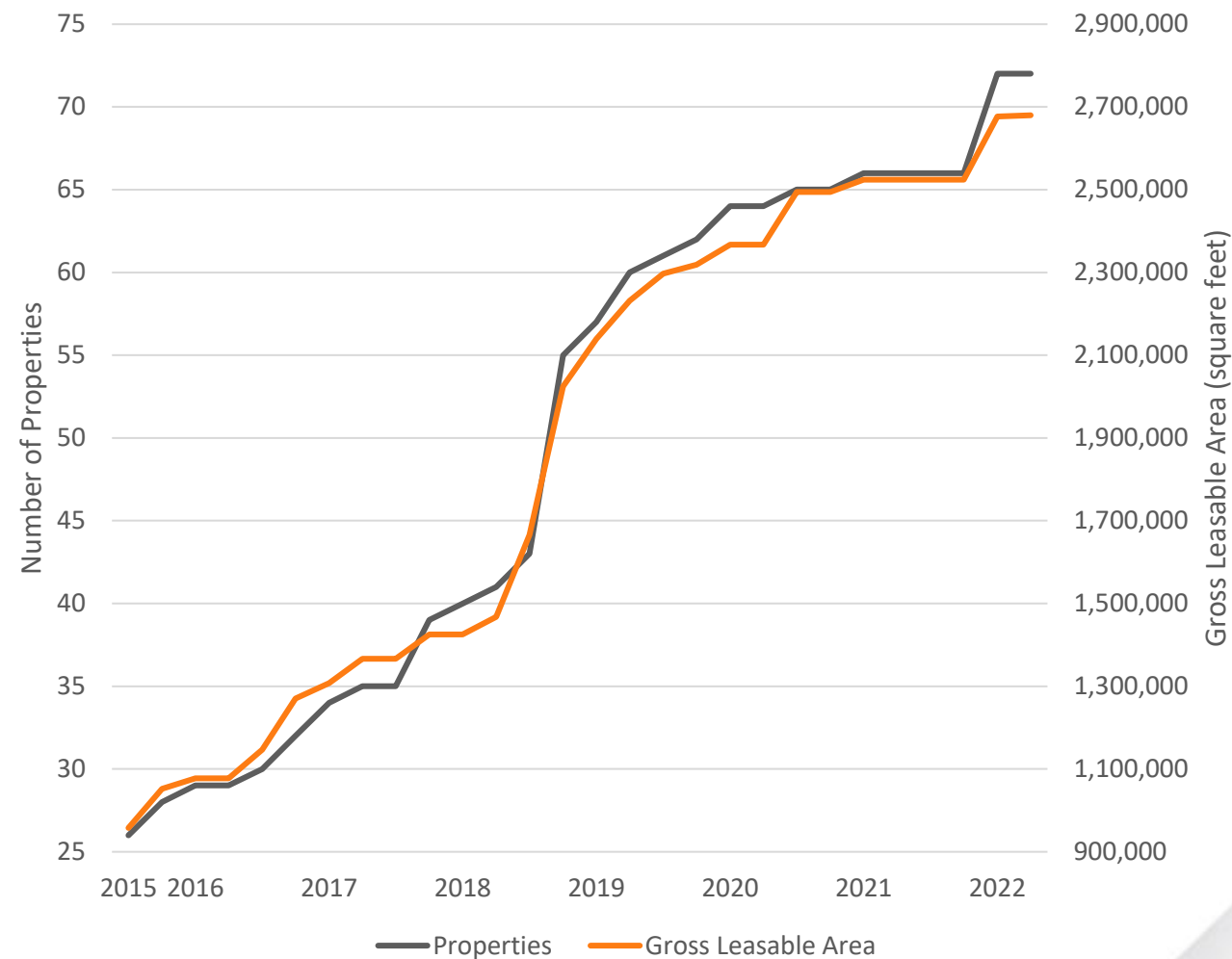


CONTINUED FOCUS ON DEALERSHIP MODEL AND CONSOLIDATION

Acquisition Growth (July 2015 IPO to Present)



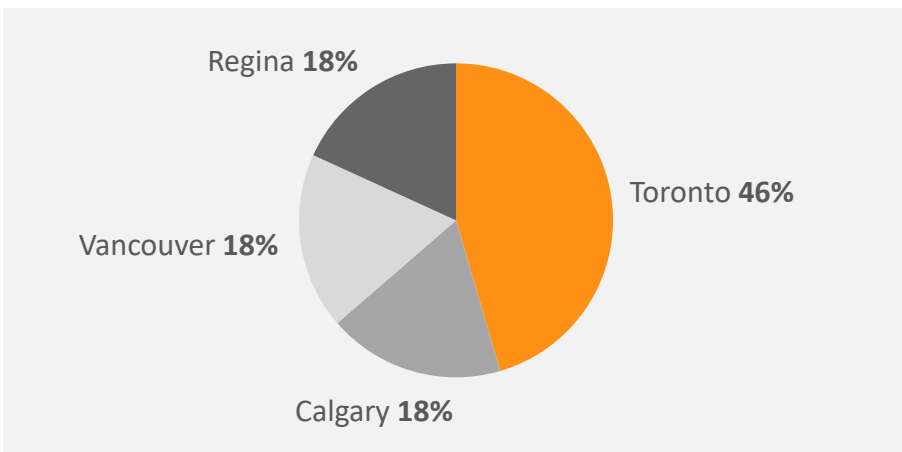
- **46** properties and four expansions
- **~\$595 million** combined purchase price
- Added **~1.7 million** square feet of **GLA** to portfolio
- Acquisitions indirectly funded by **six fully-subscribed equity offerings** totaling **~\$409.5 million**
- Increased **brand, geographic** and **tenant** diversification
- Enhanced **capital market liquidity**
- **Accretive** to AFFO per Unit



Portfolio Diversification & Growth



At July 2015 IPO



Markets >
(By GLA)

Dilawri 100%

Tenants >
Base Rent

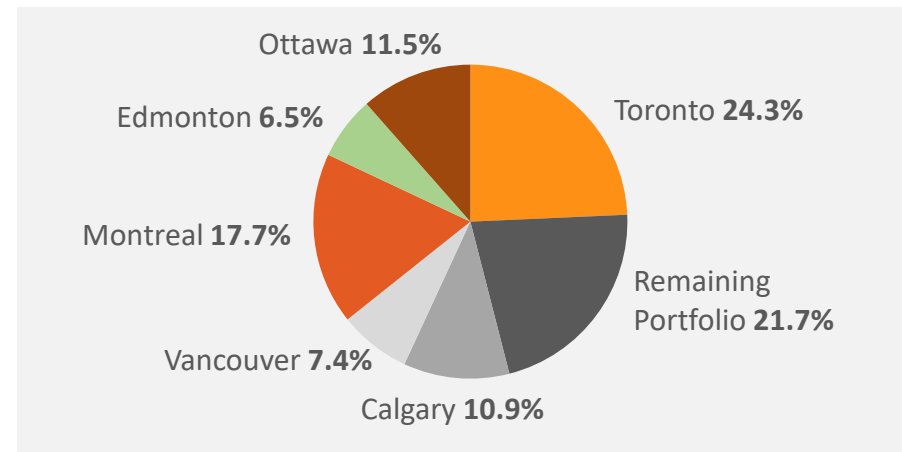
\$357.6 million

Investment Properties >

\$180.0 million

Market capitalization >

As at June 30, 2022



Dilawri 59.1%

\$1.09 billion¹

\$648 million²

(1) As at June 30, 2022

(2) As at Sept. 2, 2022 (Includes Class B units)



Stability



Stable Growth Platform



5.2 years

Weighted average
interest rate swap term
and Mortgage remaining¹

3.80%

Weighted average
fixed interest rate
on debt¹

91%

Portion of total debt at
fixed interest rates¹

~ 80%

exposure to VECTOM
markets¹

11.1 years

Weighted average
lease term¹

2.3%

Q2 2022 Same Property
Cash NOI growth (excluding
bad debt recovery in Q2
2021)¹

100%

Effective occupancy

41.2%

Debt to GBV¹

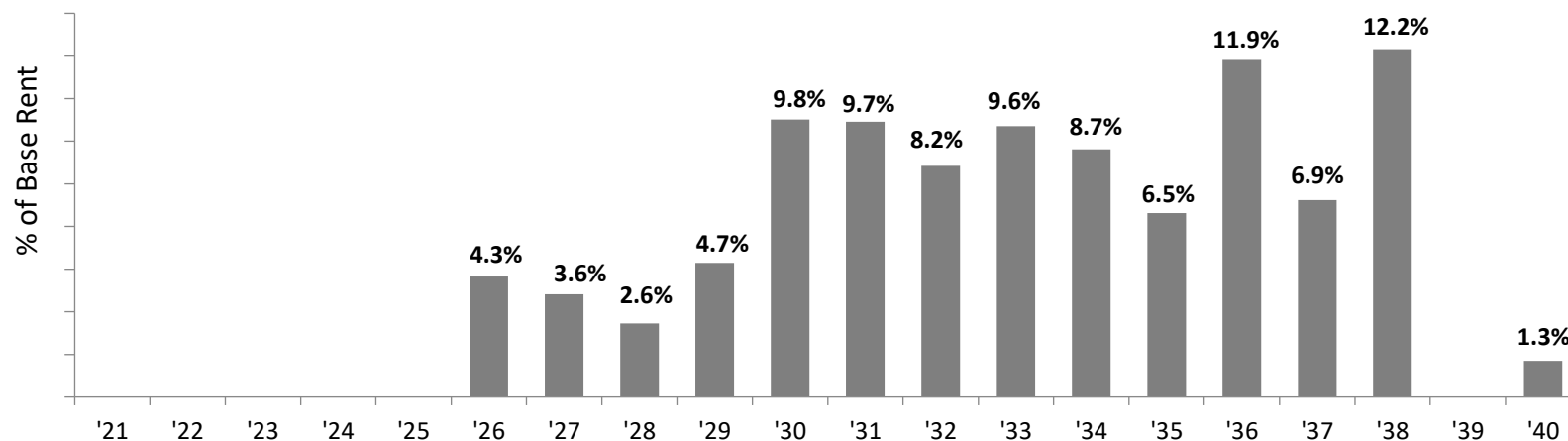
1) As at June 30, 2022

Strong Leasing Profile¹



- Triple-net leases
- 96% of leases are indemnified by multi-brand, multi-location operators (e.g. AutoCanada, Dilawri Group, Go Auto and Lithia Motors)
- Weighted average term of 11.1 years
- Fixed 1.5% annual rent escalator for the 36 Dilawri properties over the next 3.8 – 17.8 years

Lease Maturity Schedule²



(1) As at June 30, 2022

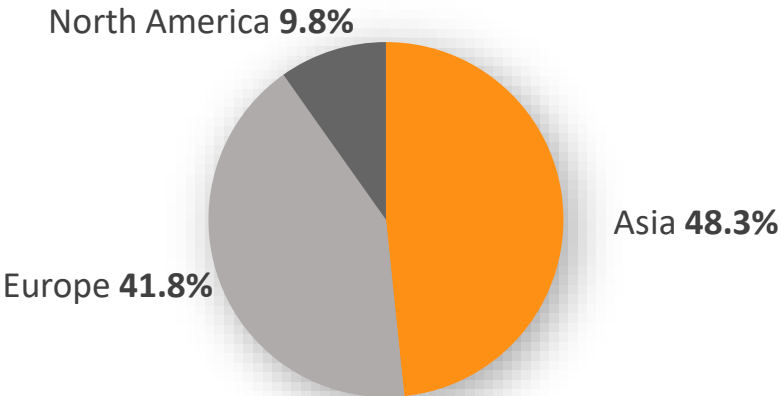
(2) Based on 12-month rolling average as at June 30, 2022

RELIABLE LONG-TERM CASH FLOW, WITH CONTRACTED, LONG-TERM RENTAL INCOME GROWTH

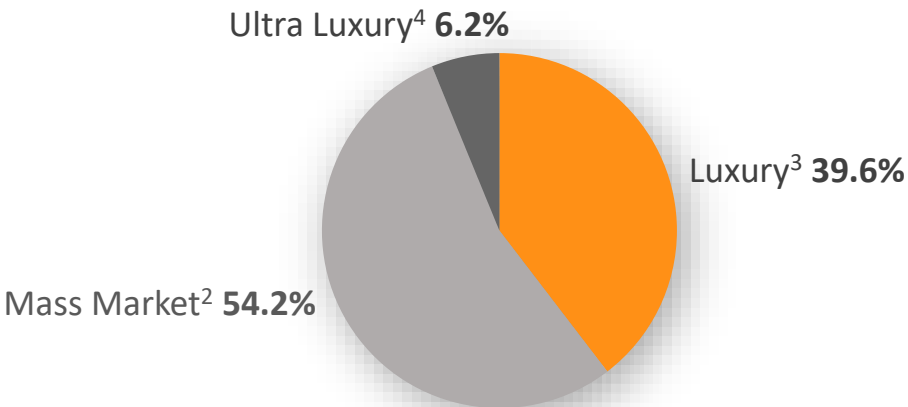
Manufacturer / Brand Diversification



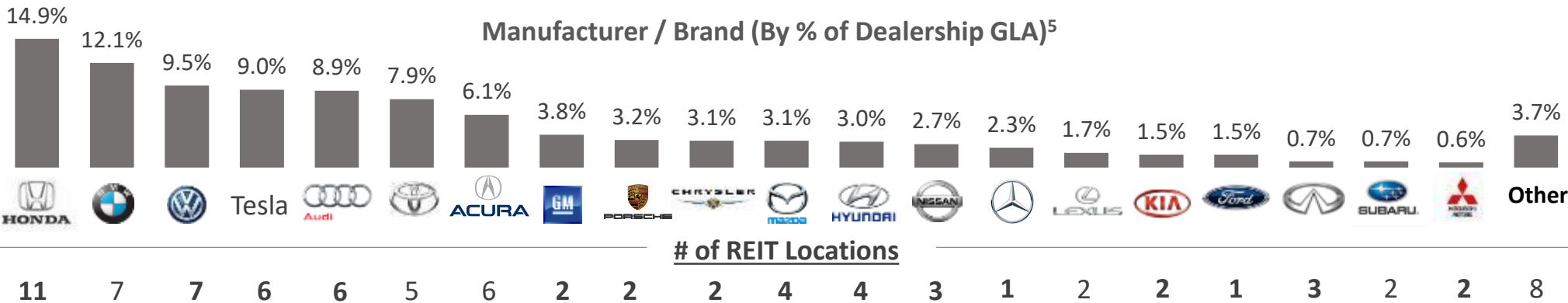
Manufacturers by Region
(% of Base Rent from Dealership Properties)¹



Brands by Market Segment
(% of Base Rent from Dealership Properties)¹



Manufacturer / Brand (By % of Dealership GLA)⁵



(1) As at Dec. 31, 2021. Excludes properties acquired subsequent to the end of 2021
(2) Mass Market segment includes: Chrysler, Ford (including Lincoln), General Motors, Kia, Nissan (including Nissan Infiniti), Honda, Hyundai, Mazda, Mitsubishi, Subaru, Toyota and Volkswagen
(3) Luxury segment includes: Acura, Audi, BMW, Infiniti, Lexus, Mercedes-Benz and Tesla
(4) Ultra-Luxury segment includes: Aston Martin, Bentley, Lamborghini, Land Rover, Lincoln, Porsche, Maserati and McLaren
(5) As at June 30, 2022

- As at June 30, 2022, the REIT had cash on hand of ~\$0.2 million, undrawn credit facilities of \$74.2 million and 10 unencumbered properties valued at ~\$122.3 million
 - \$75.1 million of undrawn credit facilities as at August 15, 2022
- In April 2022, the REIT extended the maturity of Facility 1 for a five-year term to June 2027, and increased the amount available under the non-revolving component by \$50 million
- Debt to GBV as at June 30, 2022 was 41.2%, compared to 41.3% as at June 30, 2021
- With interest rate swaps, the weighted average term to maturity is approximately 5.2 years as at June 30, 2022

At June 30, 2022 (\$000s)	Maturity	Principal Amount	Effective Fixed Rate of Interest	Amount withdrawn against Revolving Credit Facility	Repayment
Facility 1 ¹	Multiple	\$233,716	3.93%	\$10,000 of \$30,000	Open
Facility 2 ²	June 2024	\$88,319	3.52%	\$0 of \$15,000	Open
Facility 3 ³	June 2026	\$108,287	3.91%	\$0 of \$40,000	Open
Mortgages	Multiple	\$23,707	3.24%	n/a	Closed
Total/Weighted Average:		\$454,029	3.80%	\$10,000 of \$85,000	

(1) As at June 30, 2022, Facility 1 consisted of a non-revolving loan worth \$223.7 million maturing in June 2027, and a \$30 million revolving credit facility (of which \$10.0 million was drawn) maturing in June 2023

(2) As at June 30, 2022, Facility 2 consisted of a non-revolving loan worth \$88.3 million, and a \$15 million revolving credit facility (of which nil was drawn)

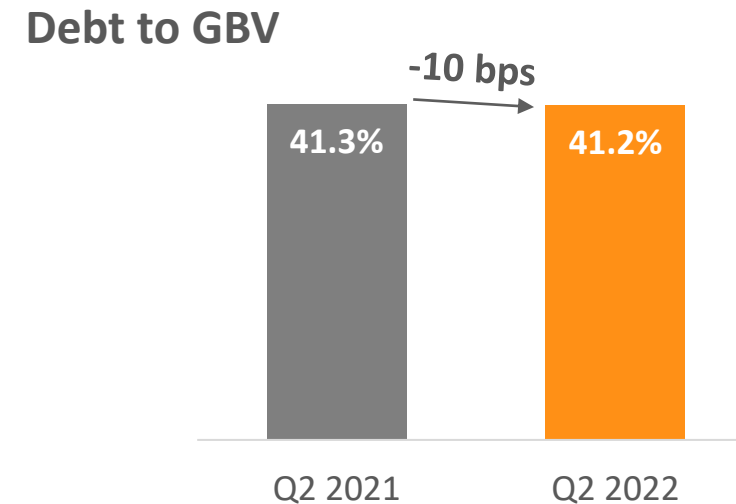
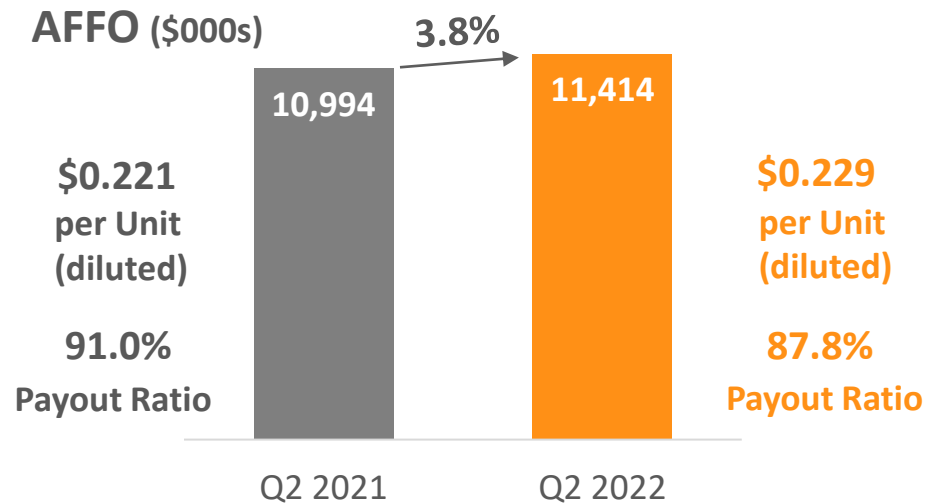
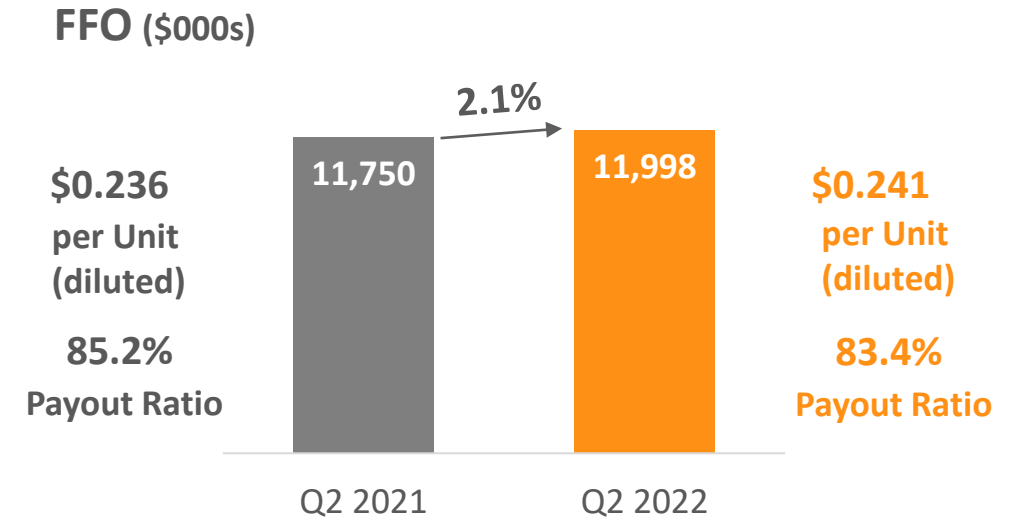
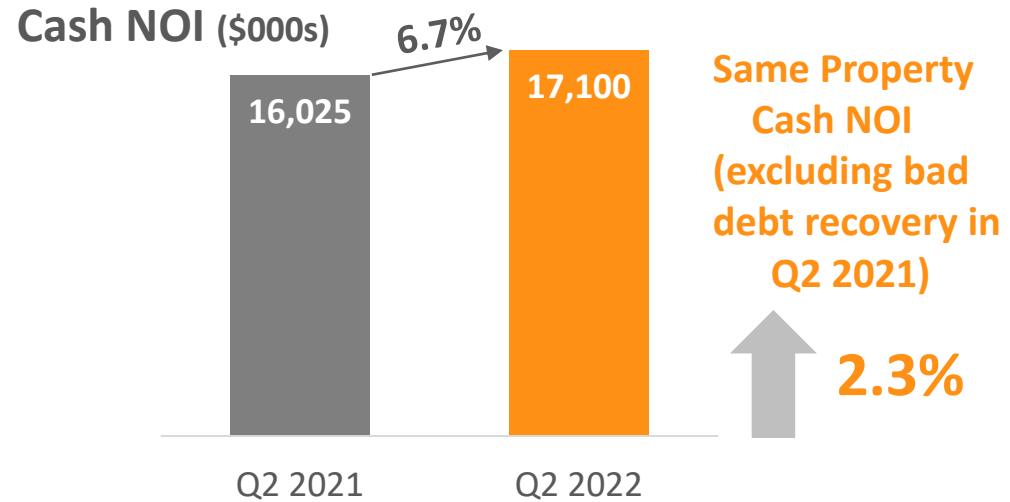
(3) As at June 30, 2022, Facility 3 consisted of a non-revolving loan worth \$108.3 million, and a \$40 million revolving credit facility (of which \$28.0 million was drawn)



Performance



Q2 2022 Financial Review



First Half 2022 Financial Review



(\$000s, except per unit amounts and payout ratios)	Six months ended June 30, 2022	Six months ended June 30, 2021	Variance
Revenue from investment properties	\$ 41,269	\$ 38,975	5.9%
Cash NOI	34,040	32,106	6.0%
Same property Cash NOI ¹	31,880	31,133	2.4%
FFO	23,947	23,412	2.3%
AFFO	22,776	22,059	3.3%

Per Unit Amounts / Payout Ratios			
Distributions	\$ 0.402	\$ 0.402	--
FFO (diluted)	0.481	0.477	0.004
AFFO (diluted)	0.458	0.449	0.009
FFO payout ratio	83.6%	84.3%	-0.7%
AFFO payout ratio	87.8%	89.5%	-1.7%

(1) Excluding bad debt recovery in H1 2021

Investment Highlights



- Solid growth in key performance metrics in Q2 2022
- Canadian automotive dealership industry proving its resilience as an essential business with strong sales and service levels
 - Dealers have lowered operating expenses and leveraged e-commerce offerings
- APR's diversified lead tenants are well positioned to play a leading role in consolidating automotive dealerships in Canada
- High-quality portfolio of strategically located dealership properties across Canada, representing 32 global manufacturers / brands
- Long-term, triple-net leases with fixed rent escalators provide stable, predictable cash flows
- Interest rate swaps and triple-net lease structure reduce the REIT's exposure to rising interest rates
- Pursuing acquisitions on a strategic basis
 - Deployed ~\$65 million in six acquisitions in Q1 2022
- Strong liquidity position





Appendix



APR.UN Price Performance



12 months ended September 2, 2022



Sept. 2, 2022:
\$13.22

Strong Majority Independent Board



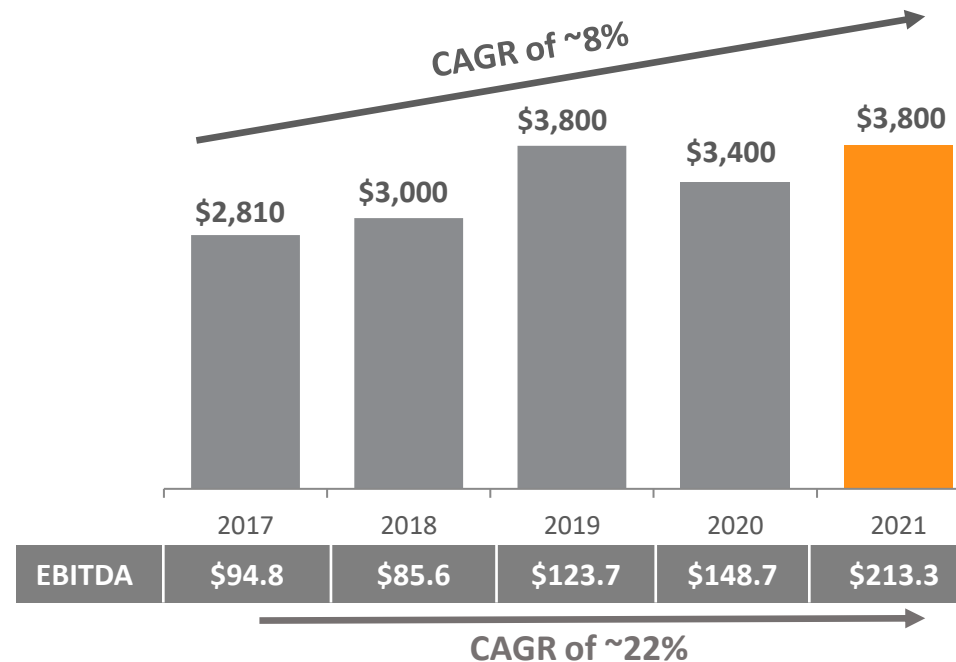
Name & Domicile	Principal Occupation
Kap Dilawri, <i>Chair</i> Ontario, Canada	Co-Founder, Vice President and Secretary of the Dilawri Group
Patricia Kay Massachusetts, United States	Former Senior Vice President, Dealer Finance – Bank of America Merrill Lynch
Milton Lamb Ontario, Canada	President & CEO of Automotive Properties REIT
Stuart Lazier Ontario, Canada	Chairman, Northbridge Investment Management Inc. and former CEO of Fiera Properties Ltd.
James Matthews Ontario, Canada	Executive Vice President of the Dilawri Group
Julie Morin Ontario, Canada	Chief Financial Officer of Minto Apartment Real Estate Investment Trust
John Morrison, <i>Lead Trustee</i> Ontario, Canada	Former Vice Chairman and CEO of Choice Properties Real Estate Investment Trust

MANAGEMENT & TRUSTEES FOCUSED ON LONG-TERM AFFO PER UNIT GROWTH
AND SOUND GOVERNANCE



- REIT has the first right to acquire from Dilawri development and acquisition pipeline
 - Historically, Dilawri has, on average, opened or acquired five new automotive dealerships per year, including two to three automotive dealership properties
- Pro forma adjusted rent coverage ratio of 5.4x as at June 30, 2022 (LTM)
- Pro forma adjusted rent coverage ratio of 4.4x as at June 30, 2021 (LTM)

Dilawri 5-Year Historical Revenues (\$millions)



* Dilawri has agreed to provide the financial information above up to the year ending December 31, 2023

ALIGNMENT OF INTERESTS THROUGH DILAWRI'S 30.11% EFFECTIVE OWNERSHIP INTEREST¹ IN THE REIT

1) As at Aug. 31, 2022