REPOSITIONED FOR GROWTH

INVESTOR PRESENTATION February 2024

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

FORWARD-LOOKING STATEMENTS

Certain statements made in this presentation will contain forward-looking information within the meaning of applicable securities laws (also known as forward-looking statements) including, among others, statements made or implied relating to H&R Real Estate Investment Trust's ("H&R" or "the REIT") objectives, strategies to achieve those objectives, H&R's beliefs, plans, estimates, projections and intentions and statements with respect to H&R's strategic repositioning initiatives, including the disposition of H&R's remaining retail assets and the monetization of H&R's ECHO interest, the disposition of office properties without redevelopment opportunities, including in each case the proceeds therefrom, H&R's focus on residential and industrial assets and its development pipeline, the benefits to H&R from the foregoing, including the impact on H&R's financial metrics, including NAV, capital structure and opportunities, H&R's development pipeline and activities, including planned future expansions and building of new properties, the expected yield on cost of H&R's developments and other investments, the expected costs and timing of any of H&R's projects and H&R's target business and financial metrics. Statements concerning forward-looking information can be identified by words such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", "project", "budget" or "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect H&R's current beliefs and are based on information currently available to management. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements are not guarantees of future performance and are based on H&R's estimates and assumptions that are subject to risks and uncertainties, including those discussed in H&R's materials filed with the Canadian securities regulatory authorities from time to time, including H&R's MD&A for the year ended December 31, 2023, and H&R's most recently filed annual information form, which could cause the actual results and performance of H&R to differ materially from the forward-looking statements made in this presentation. Although the forward-looking statements made in this presentation are based upon what H&R believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Readers are also urged to examine H&R's materials filed with the Canadian securities regulatory authorities from time to time as they may contain discussions on risks and uncertainties which could cause the actual results and performance of H&R to differ materially from the forward-looking statements made in this presentation. All forward-looking statements made in this presentation are qualified by these cautionary statements. These forward-looking statements are made as of February 13, 2024 and H&R, except as required by applicable law, assumes no obligation to update or revise them to reflect new information or the occurrence of future events or circumstances.

NON-GAAP MEASURES

The REIT's audited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). However, H&R's management uses a number of measures, including the REIT's proportionate share, Same-Property net operating income (cash basis), funds from operations ("FFO"), debt to adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") at the REIT's proportionate share, debt to total assets at the REIT's proportionate share, FFO per Unit, payout ratio as a % of FFO and net asset value ("NAV") per unit, which do not have a meaning recognized or standardized under IFRS or Canadian Generally Accepted Accounting Principles ("GAAP"). These non-GAAP financial measures and non-GAAP ratios should not be construed as an alternative to financial measures calculated in accordance with GAAP. Further, H&R's method of calculating these supplemental non-GAAP measures may differ from the methods of other real estate investment trusts or other issuers, and accordingly may not be comparable. H&R uses these measures to better assess its underlying performance and provides these additional measures so that investors may do the same. For information on the most directly comparable GAAP measures, composition of the measures, a description of how the REIT uses these measures, an explanation of how these measures provide useful information to investors and a reconciliation of the measures to the most directly comparable GAAP measures, section of the REIT's management discussion and analysis as at and for the year ended December 31, 2023, available at <u>www.hr-reit.com</u> and on the REIT's profile on SEDAR+ at <u>www.sedarplus.com</u>, which is incorporated by reference herein.

OTHER

Balance Sheet figures have been converted at \$1.32 CAD for each U.S. \$1.00, unless otherwise stated. Income Statement figures have been converted at \$1.35 CAD for the three months and year ended December 31, 2023 for each U.S. \$1.00, unless otherwise stated.

All figures have been reported in Canadian dollars unless otherwise stated.

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TRANSFORMATIONAL STRATEGIC REPOSITIONING PLAN





REPOSITIONED FOR GROWTH

To be a leading owner, operator and developer of residential and industrial properties, surfacing value through development and rezoning, funded by capital recycling.

TRANSFORMATIONAL STRATEGIC REPOSITIONING PLAN

REPOSITIONING FOR GROWTH

REPOSITION

Advance the rezoning of approximately \$703 million of office properties into predominantly upscale residential properties within growing markets Exit Office over time Exit Retail over time

GROWTH

Grow class A residential property exposure through acquisitions and developments in high growth U.S. gateway and sunbelt cities

Build and expand the institutional-quality distribution-focused industrial platform through acquisition and development



Greater exposure to higher growth asset classes

Greater exposure to **higher growth markets**

Stronger and flexible balance sheet to support growth

Supported by a strong, flexible balance sheet with an investment-grade credit rating



SIGNIFICANT PROGRESS SINCE Q2 2021¹

SIMPLIFIED BUSINESS. STRENGTHENED BALANCE SHEET. MOVING H&R TOWARDS HIGHER GROWTH

OVER \$2.1 BILLION OF	PRIMARIS REIT	\$2.4 BILLION OF	GROWTH IN
NON-STRATEGIC	SPINOUT WITH H&R	DEBT ³ REPAID,	RESIDENTIAL AND
OFFICE & RETAIL	CONTRIBUTING 27	STRENGTHENING	INDUSTRIAL
SALES, SIMPLIFYING	PROPERTIES VALUED	H&R'S BALANCE	SEGMENTS
THE BUSINESS ²	at \$2.4 BILLION	SHEET	SEGMENTS
 August 2021: The Bow and Bell Campus office properties sale valued at \$1.67 billion August 2022: strategic sale of office and retail properties for \$167.8 million, including 100 Wynford April 2023: Sale of 160 Elgin Street office property for \$277.0 million Total of 30 office and retail properties sold encompassing 5.9 million square feet 	 Tax-free spin-off of 27 properties including all of H&R's enclosed malls into a new stand-alone, publicly traded REIT focused on owning and managing enclosed Canadian shopping centres TSX Ticker: PMZ.UN Strong institutional endorsement from HOOPP who became Primaris REIT's largest unitholder 	 BBB credit rating with Stable trend by DBRS Liquidity was \$950.6 million as at December 31, 2023 Debt/EBITDA at the REIT's proportionate share^{3,4,5} has decreased from 10.0x to 8.5x as at December 31, 2023 Conservative payout ratio of 63.0% as a % of AFFO for the year ended December 31, 2023⁴ 	 Residential and industrial real estate assets have grown in aggregate to 61% as at December 31, 2023⁶ from 35% as at Q2 2021⁶ Significant increases in average annual contractual rent per sq.ft Two industrial developments completed Two industrial and two residential developments are currently under construction Eight consecutive quarters of positive growth in excess of 5.2% of same-property net operating income (cash basis)⁷ 10.3% same-property net operating income (cash basis)⁷ growth in the year ended December 31, 2023 compared to the year December 31, 2022 96.5% portfolio occupancy as at December 31, 2023

- 1. Q2 2021 has been used as a benchmark since H&R's Strategic Repositioning Plan was announced prior to the release of Q3 2021 results.
- 2. Retail sales exclude the 27 properties contributed to Primaris REIT and any properties sold through H&R's investment in Echo Realty LP ("ECHO").
- 3. Debt includes mortgages payable, debentures payable, unsecured term loans, lines of credit and liabilities classified as held for sale.
- 4. These are non-GAAP ratios. Refer to the "Non-GAAP Measure" section of this presentation.
- 5. Adjusted EBITDA is based on the 12 months ended December 31, 2023.

7. These are non-GAAP measures. Refer to the "Non-GAAP Measures" section of this presentation.

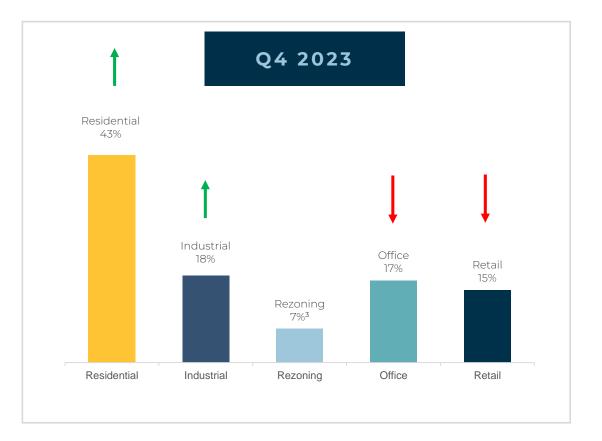
^{6.} At the REIT's proportionate share including assets classified as held for sale. Refer to the "Non-GAAP Measures" section of this presentation.

REPOSITIONING UNDERWAY

WITH ASSET ALLOCATION SHIFTING TOWARDS HIGHER GROWTH ASSET CLASSES

REAL ESTATE ASSETS^{1,2}





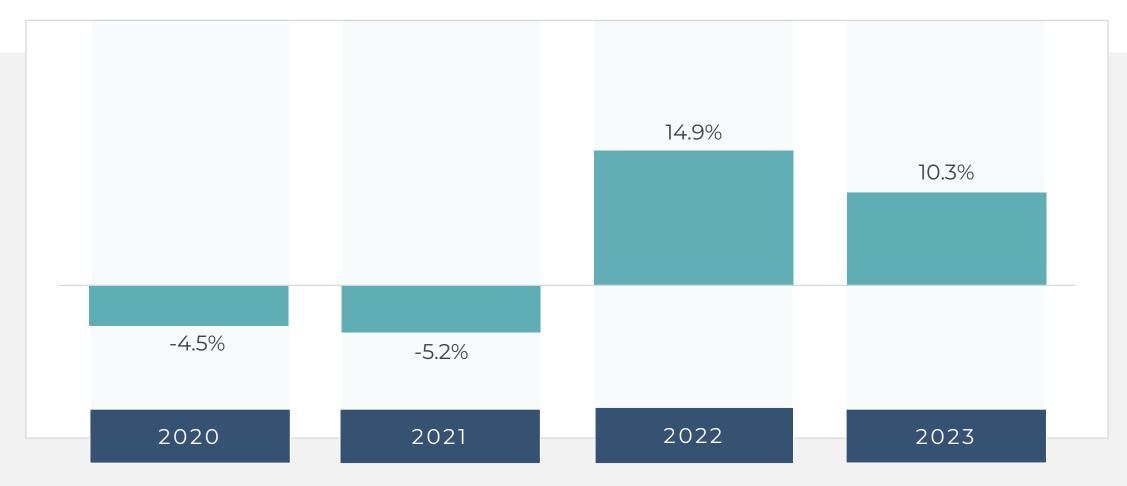


- 1. At the REIT's proportionate share including assets classified as held for sale. Refer to the "Non-GAAP Measures" section of this presentation.
- 2. Q4 2023 excludes the Bow and 100 Wynford.

^{3.} Includes nine properties advancing through the rezoning and intensification process to be converted into predominantly residential properties.

SAME-PROPERTY NET OPERATING INCOME (CASH BASIS) GROWTH¹ YEAR OVER YEAR GROWTH

SIGNIFICANT PROGRESS SINCE THE ANNOUCEMENT OF H&R'S STRATEGIC PLAN IN OCTOBER 2021





. This is a non-GAAP measure. Refer to the "Non-GAAP Measures" section of this presentation.

STREAMLINING THE PORTFOLIO

AND ALIGNING FOR BETTER RESULTS AND HIGHER GROWTH

SAME-PROPERTY NET OPERATING INCOME (CASH BASIS)¹ YEAR ENDED DECEMBER 31, 2023

	Drivers	
RESIDENTIAL	Strong rental rate growth on new leases and renewals and strengthening of U.S. dollar.	+18.7%
INDUSTRIAL	Strong rental rate growth and occupancy increases.	+12.5%
OFFICE	Lease termination payment, bad debt recoveries, contractual rental escalations and strengthening of U.S. dollar. Partially offset by a decrease in occupancy.	+5.2%
RETAIL	Increase in occupancy at River Landing in Miami, FL and strengthening of U.S. dollar.	+5.7%

TOTAL PORTFOLIO

+10.3%



These are non-GAAP measures. Refer to the "Non-GAAP Measures" section of this presentation.
 These are non-GAAP ratios. Refer to the "Non-GAAP Measures" section of this presentation.

- +5.2% overall growth in Q4 2023, +10.3% overall growth in 2023 in Same Property net operating income (cash basis)¹
- 96.5% occupancy
- **\$0.299** FFO per Unit² in Q4 2023, **\$1.325** FFO per Unit² in 2023
- **\$0.245** AFFO per Unit² in Q4 2023, **\$1.111** FFO per Unit² in 2023
- **63.0%** Payout ratio as a % of AFFO² in 2023
- \$665.4 million in properties sold or under contract to be sold in 2023 at

the REIT's proportionate share¹ exceeding the disposition target of \$600.0 million

- **\$20.75** NAV per Unit²
- **44.0%** Debt to total assets at the REIT's proportionate share²
- **\$4.2 billion** in unencumbered properties
- **\$950.6 million** in liquidity
- **18.6% increase** in distributions in 2023 (including special cash distributions)

ENHANCED BALANCE SHEET SUPPORTING GROWTH

CREATE FLEXIBILITY AND MAINTAIN INVESTMENT-GRADE CREDIT RATING

Key Metrics	June 30, 2021	December 31, 2023	Positive Impact
Reduce Leverage – Debt to Total Assets at the REIT's proportionate share ^{1,2}	50.0%	44.0%	\bigcirc
Debt to Adjusted EBITDA at the REIT's proportionate share ^{1,2,3}	10.0x	8.5x	\bigcirc
Create Flexibility – Secured/Total Debt at the REIT's proportionate share ^{2,4}	65.8%	54.3%	\bigcirc
Improve Borrower Profile – Unencumbered Assets/Unsecured Debt ⁵	1.7x	2.2x	\bigcirc
Conservative Payout Ratio as a % of FFO ¹	44.9%	52.8%	\bigcirc

Target Credit Metrics 40-50% Debt to Total Assets at the REIT's proportionate share^{1,2} <9.0X Debt to Adjusted EBITDA at the REIT's proportionate share^{1,2}

Unencumbered Assets / Unsecured Debt⁵

>2.0x

45-55% Payout Ratio as a % of FFO¹

- 1. These are non-GAAP ratios.. Refer to the "Non-GAAP Measures" section of this presentation.
- 2. Debt includes mortgages payable, debentures payable, unsecured term loans, lines of credit and liabilities classified as held for sale.
- 3. Adjusted EBITDA figures are based on the 12 months ended December 31, 2023.
- 4. Secured debt includes mortgages payable and secured operating lines of credit.
- 5. Unencumbered assets are investment properties and properties under development without encumbrances for mortgages or lines of credit. Unsecured debt includes debentures payable, unsecured term loans and unsecured operating lines of credit.

INDEPENDENT BOARD OF TRUSTEES AND SENIOR LEADERSHIP TEAM



BOARD RENEWAL AND REFRESHMENT STRONG AND SKILLFUL BOARD WITH UNITHOLDER ALIGNMENT

		_		Committees			
Board Member & Experience		Trustee Since	Independent	Compensation, ESG & Nominating	Audit	Investment	
Leonard Abramsky	 President of The Dunloe Group Inc. Current trustee of First Capital REIT and Dream Residential REIT Former Managing Partner of Brookfield Financial Corp. 	2023	Yes			Member	
Lindsay Brand	 Former Chief Investment Officer of Dream Unlimited Corp and Dream Hard Asset Alternatives Trust and led over \$2 billion of acquisitions and structured over \$3 billion of development partnerships Current trustee of True North Commercial REIT 	2023	Yes	Member			
Jennifer A. Chasson CPA, CA and CBV	 Partner at Zeifmans LLP, Founder and President of Springbank Capital Corporation 25+ years experience in M&A, Finance and Business Valuation Previously Board member at Big Brothers Big Sisters, and Women Entrepreneurs of Canada 	2021	Yes		Chair		
Donald E. Clow FCPA, FCA Independent Lead Trustee	 Strategic Advisor to Crombie REIT and President, Rockcliff Ventures Inc. Previously President and CEO of Crombie REIT from 2009 until 2023. Named Waterstone's Most Admired CEO in Canada (Mid-Market) in 2023 and inducted into Atlantic Canada's Top 50 CEOs Hall of Fame 	2023	Yes	Member	Member	Member	
Mark M. Cowie	 +40 years of experience in commercial real estate Principal with Cowie Capital Partners, previously with Colliers International 	2021	Yes			Chair	
S. Stephen Gross	 Principal of Initial Corp Director of Cross River Bank in New Jersey, member of lending/credit and compensation committees Previously lawyer with Minden Gross LLP 	2021	Yes	Member			
Brenna Haysom	 CEO, Rally Labs Previously in the Private Equity Group at Apollo Global Management, Inc., and Lazard Frères & Co in New York Board member of Venerable Insurance and Annuity Company, and Apollo Commercial Real Estate Finance Inc. 	2020	Yes	Chair	Member		
Thomas J. Hofstedter	 +40 years experience in commercial and residential real estate Founded H&R in 1996 	1996	No			Member	
Juli Morrow	 Counsel at Goodmans LLP Recognized as one of Canada's leading real estate lawyers by Chambers Global 	2017	No				
Marvin Rubner	 +40 years experience in commercial and residential real estate as Manager and founder of YAD Investments Limited 	2020	Yes		Member		



10-Year Term Limit

40% Women

H&R REIT AND LANTOWER RESIDENTIAL **EXPERIENCED AND TENURED EXECUTIVE TEAM**



TOM HOFSTEDTER Executive Chairman & CEO H&R REIT



LARRY FROOM CFO H&R REIT



ROBYN KESTENBERG EVP, Office & Industrial H&R REIT



CHERYL FRIED EVP, Finance H&R REIT



BLAIR KUNDELL

MATT KINGSTON EVP, Development & Construction H&R REIT



EMILY WATSON COO Lantower Residential



COLLEEN GRAHN President, Property Management Lantower Residential



HUNTER WEBB EVP, Development Lantower Residential



TONY DUPLISSE EVP, Portfolio Management Lantower Residential



AUDREY CRAIG EVP, Accounting Lantower Residential

EVP, Operations

H&R REIT

TERRESA PORIZEK EVP, Organization Development Lantower Residential





PORTFOLIO OVERVIEW

WELL LOCATED PROPERTIES IN STRONG MARKETS LEASED TO INVESTMENT-GRADE TENANTS WITH LONG WEIGHTED AVERAGE LEASE TERMS

\$9.2B¹ Fair Value

Retail \$1.5			
Office \$1.8			
Rezoning \$0.7			
Industrial \$1.5			
Residential \$3.7	205 SPEIRS GIFFEN AVE. CALEDON, ON	JACKSON PARK LONG ISLAND CITY, NY	RIVER LANDING MIAMI, FL



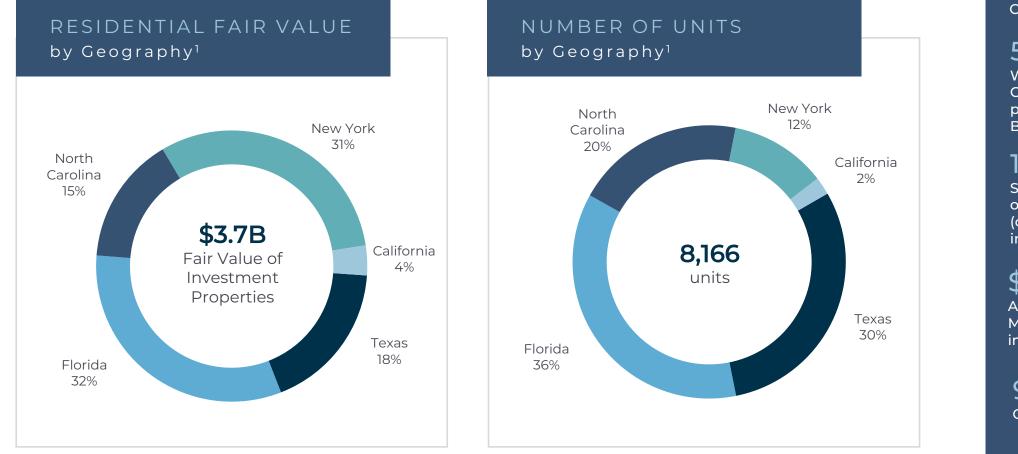
At the REIT's proportionate share, including assets classified as held for sale excluding the Bow and 100 Wynford. Refer to the "Non-GAAP Measures" section of this presentation.

2. These are non-GAAP ratios. Refer to the "Non-GAAP Measures" section of this presentation.

3. Debt includes mortgages payable, debentures payable, unsecured term loans, lines of credit and liabilities classified as held for sale.

. Adjusted EBITDA is based on the 12 months ended December 31, 2023.

PRIME INCOME-PRODUCING RESIDENTIAL PROPERTIES WITH ATTRACTIVE GROWTH CHARACTERISTICS



At the REIT's proportionate share. Refer to the "Non-GAAP Measures" section of this presentation

2. Same-Property net operating income (cash basis) is a non-GAAP measure. Refer to the "Non-GAAP Measures" section of this presentation.

\$3.7B Fair Value¹

4.47%

Weighted Average Cap Rate

5.00%

Weighted Average Cap Rate for properties in U.S. Sun Belt States

14.3%

Same-Property net operating income (cash basis)^{1,2} growth in U.S. Dollars in 2023

\$2.26

Average Contractual Monthly Rent per sq. ft in U.S. dollars

94.3% Occupancy

HIGH-QUALITY DISTRIBUTION FACILITIES LOCATED IN KEY INDUSTRIAL MARKETS

	Tenant	% of Industrial Rentals	Number of Locations	REIT Owned sq.ft. (in 000s)	Avg Lease TTM (Years)
1	Canadian Tire Corporation	20.5%	2	2,104	3.1
2	Finning International Inc.	7.9%	10	366	6.0
3	Purolator Inc.	6.3%	12	535	5.7
4	Deutsche Post AG	5.4%	1	343	7.1
5	Unilever Canada Inc.	4.5%	1	372	0.8
6	O-I Canada Corp.	4.1%	1	371	4.0
7	Advantech Supply Chain Solutions Inc.	3.2%	1	157	8.7
8	Hudson's Bay Company	2.6%	1	369	1.6
9	Graphic Packaging International	2.5%	٦	133	4.2
10	Solutions 2 GO Inc.	2.5%	1	215	8.4
	TOTAL TOP 10	59.5 %	31	4,965	4.4

70 Number of Properties

8.6M Square feet

\$1.5B¹ Fair Value

5.30% Weighted Average Cap Rate

99.2% Occupancy

170,000 sf Average Tenant Size

4.6 years Average Lease Term to Maturity

\$8.92

Average annual contractual rent per sq. ft. (Canadian properties)

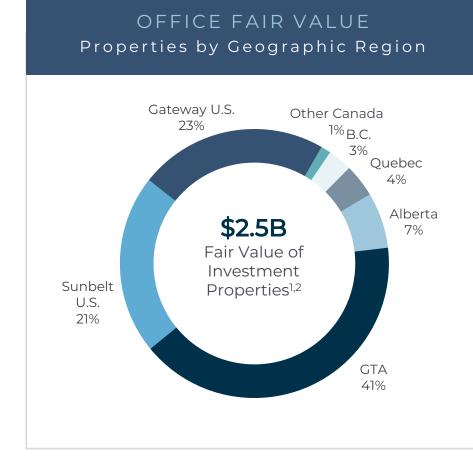
\$3.41 (USD)

Average annual contractual rent per sq. ft. (U.S. properties)

REIT

INDUSTRIAL

HIGH-QUALITY OFFICE PORTFOLIO



- High-quality office properties located in strong major centres
- Long weighted average lease terms
- 80.7% of revenue from investment-grade rated tenants
- 8 properties designated for future intensification were valued at \$703 million using a 4.96% weighted average cap rate
- 10 Canadian properties expected to be sold as part of H&R's strategic plan were valued at approximately \$668 million using a 7.56% weighed average cap rate
- 3 U.S. properties expected to be sold as part of H&R's strategic plan were valued at approximately \$1.1 billion using a 7.68% weighed average cap rate

21 Number of Properties

5.6M Square feet

\$2.5B Fair Value^{1,2}

6.87% Weighted Average Cap Rate

95.9% Occupancy

6.8 years Average Lease Term to Maturity

\$21.51

Average annual contractual rent per sq. ft. (Canadian properties)

\$39.00 (USD)

Average annual contractual rent per sq. ft. (U.S. properties)



Includes assets classified as held for sale and excludes the Bow and 100 Wynford.
 At the REIT's proportionate share. Refer to the "Non-GAAP Measures" section of this presentation.

REZONING PROPERTIES INTO HIGHEST AND BEST USE

Property ^{1,2}	Geography	Future Use	Ownership	Current Square Feet	Anticipated Residential Units	Anticipated Square Feet	Current Storeys	Submitted Storeys	Approval Status ³	Municipal Approval Date
145 Wellington St. W.	Toronto, ON	Residential	100%	160,098	512	555,687	13	60	ZBA Approved & SPA Submitted	August 2022
310 Front St. W.	Toronto, ON	Residential	100%	122,486	578	541,784	9	65	ZBA Approved & SPA Submitted	August 2023
6900 Maritz Dr.	Mississauga, ON	Industrial	100%	104,689	-	122,413	2	1	SPA Approved (with conditions)	January 2024
69 Yonge St.	Toronto, ON	Residential	100%	88,006	125	135,000	15	21	ZBA & SPA Submitted	March 2024
53 & 55 Yonge St.	Toronto, ON	Residential	100%	171,758	511	552,925	5 & 13	66	ZBA & SPA Submitted	Q1 2024
200 Bouchard Blvd.	Dorval, QC	Residential	100%	437,157	850	990,000	6	3-10	Submission Pending	2024
3777 & 3791 Kingsway ⁴	Burnaby, BC	Residential	50%	335,778	1,250	1,230,000	12 & 21	31-63	SPoD Submitted	2024
77 Union St.	Toronto, ON	Residential	100%	195,000	1,400	1,100,000	1	8-39	ZBA & SPA Submitted	2024
TOTAL			-	1,614,972	5,226	5,227,809	<u>.</u>			

1. These properties are currently included in H&R's Office segment; except 77 Union St. which is included in H&R's Industrial Segment.

2. Excludes 100 Wynford which was sold in August 2022, however the REIT will continue to advance the rezoning process as it has an option to repurchase 100% of the property for

approximately \$159.7 million in 2036 or earlier under certain circumstances.

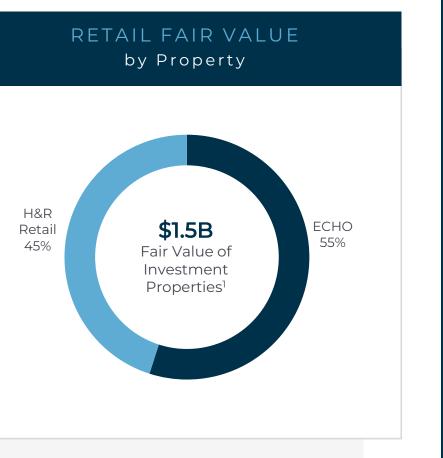
Zoning By Law Amendment is referred to as "ZBA", Site Plan Control Application is referred to as "SPA" and Suitable Plan of Development is referred to as "SPAD" in the table above.

4. 3777 and 3791 Kingsway figures for current square feet and anticipated commercial GLA (square feet)/residential units have been shown at H&R's ownership interest.

EXIT RETAIL OVER TIME

HIGH-QUALITY GROCERY-ANCHORED AND SINGLE-TENANT PROPERTIES

- \$703 million of high-quality grocery-anchored and single-tenant properties
 - 34 Canadian properties, totalling 1.9M square feet
 - 4 U.S. automotive-tenanted properties, totalling 43,264 square feet
 - River Landing Commercial, Miami, FL which includes 341,814 square feet of retail space and 149,178 square feet of office space
- \$504 million net investment in ECHO, an attractive grocery-anchored real estate portfolio
 - 233 properties totalling 2.8M square feet at H&R's ownership interest
 - Giant Eagle, Inc. a supermarket chain in the U.S. is ECHO's largest tenant representing ~55.6% of revenue earned by ECHO with an average remaining lease term of 8.9 years



272 Number of Properties

5.2M Square feet

\$1.5B Fair Value¹

6.49% Weighted Average Cap Rate

96.2% Occupancy

8.3 years Average Lease Term to Maturity

\$12.92

Average annual contractual rent per sq. ft. (Canadian properties)

\$19.21 (USD)

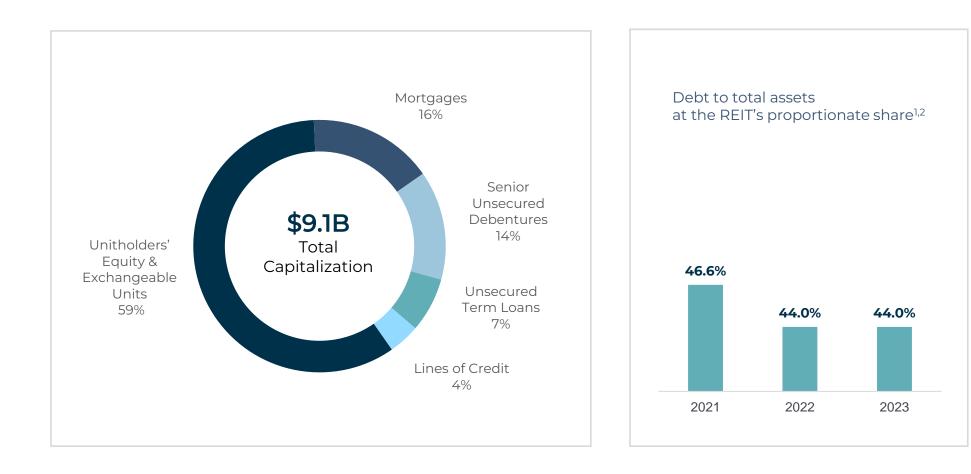
Average annual contractual rent per sq. ft. (U.S. properties)

STRONG AND FLEXIBLE BALANCE SHEET

문격법열(



MAINTAIN A STRONG AND FLEXIBLE BALANCE SHEET WITH AN INVESTMENT-GRADE CREDIT RATING



BBB by DBRS

\$4.2B Unencumbered Assets

8.5x

Debt to Adjusted EBITDA at the REIT's proportionate share^{1,2}

\$886.5M

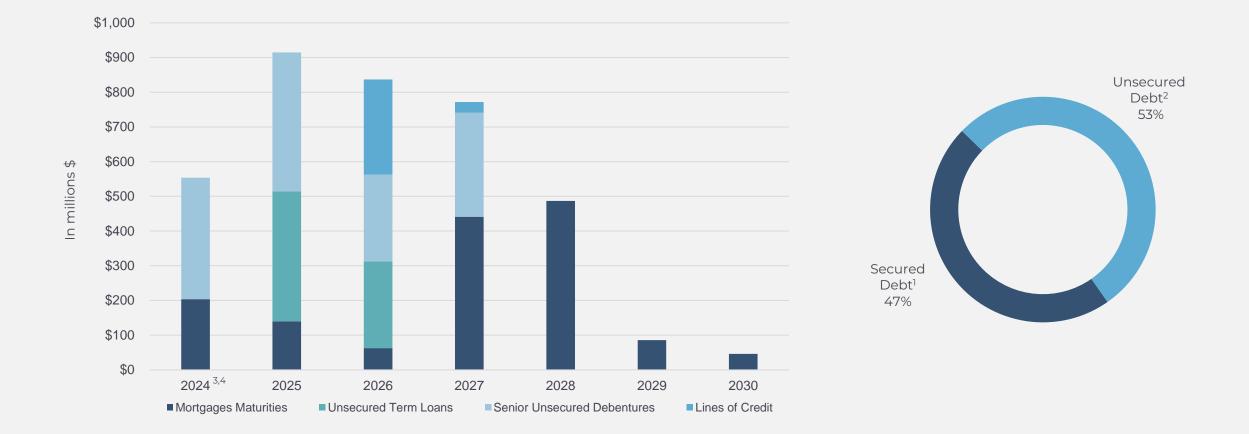
Available under Lines of Credit

4.0% Weighted Average Interest Rate of debt¹

1. Debt includes mortgages payable, debentures payable, unsecured term loans, lines of credit and liabilities classified as held for sale. Adjusted EBITDA figures are based on the 12 months ended December 31, 2023.

2. These are non-GAAP ratios. Refer to the "Non-GAAP Measures" section of this presentation.

DEBT MATURITY SCHEDULE

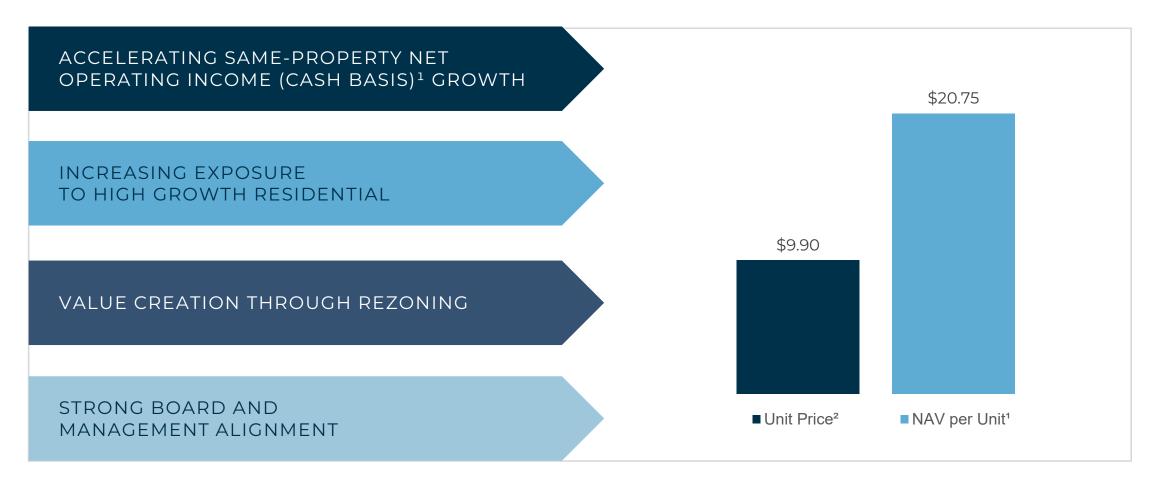


REIT

- Secured debt includes mortgages payable and secured operating lines of credit. Unsecured debt includes debentures payable, unsecured term loans and unsecured operating lines of credit. 2.
- Mortgages payable due in 2024 includes two mortgages totalling \$85.4 million secured against two properties that were classified as held for sale as at December 31, 2023 with an aggregate fair value of \$293.2 million. These mortgages are expected to be repaid prior to the closing of each respective sale. 4. In January 2024, the REIT repaid all of its outstanding Series N senior debentures upon maturity for a cash payment of \$350.0 million.

INVESTMENT PROPOSITION

MANAGEMENT COMMITTED TO SURFACING VALUE FOR UNITHOLDERS





. This is a non-GAAP ratio. Refer to the "Non-GAAP Measures" section of this presentation. 2. Unit price as at December 31, 2023.



RECENTLY COMPLETED DEVELOPMENTS





COMPLETED: Q2 2022

COMPLETED: Q2 2022

HERCULES, CA

Hercules Phase II

Urban mixed-use property

COMPLETED: Q2 2021

341,814 sf of retail space

149,178 sf of office space

528 residential rental units

1,000 feet of waterfront on Miami River, adjacent to the Health District, close to downtown Miami

H&R ownership: 31.2%

35-storey residential tower consisting of 315 residential rental units

6,643 sf of retail space

Tallest residential tower in Long Beach with views overlooking the Pacific Ocean

H&R ownership: 31.7%

232 residential rental units including a state-ofthe-art fitness center, bike shop, residents lounge and sporting club

FUTURE PHASES: 21.1 acres of land to be developed into a waterfront master planned community which will be surrounded by a future intermodal transit centre and is adjacent to an 11-acre future waterfront regional park



RECENTLY COMPLETED DEVELOPMENTS



COMPLETED: Q3 2022

105,014 square feet of industrial space

Leased to Lindstrom Fastener (Canada) Ltd. for a term of 10 years which commenced in January 2023

As at December 31, 2022, the property was valued at \$28.5 million compared to costs incurred of \$17.1 million



COMPLETED: Q3 2022

77,754 square feet of industrial space

Leased to Coast Holdings Limited Partnership for a term of 10 years which commenced in December 2022

As at December 31, 2022, the property was valued at \$32.6 million compared to costs incurred of \$15.5 million

- This site is situated next to Highway 410 Interchange, west of Toronto and is ideal for manufacturing or warehousing facilities.
- This completes the first phase of H&R's Caledon industrial park, which consists of three properties totalling 525,589 square feet all fully leased to creditworthy tenants.



CURRENT DEVELOPMENTS

REIT

(in thousands of 0 Property	Canadian Dollars) Geography	Use	Ownership	Acres	Total Dev. Budget	Costs Incurred to Date	Costs Remaining to Complete	Expected Yield on Budgeted Cost	Expected Completion Date	Anticipated Industrial GLA (square feet)/ Residential Rental Units
1965 Meadowvale Blvd.1	Mississauga, ON	Industrial	100%	7.5	\$46,879	\$42,333	\$4,546	7.1%	Q1 2024	187,290 GLA
1925 Meadowvale Blvd.²	Mississauga, ON	Industrial	100%	8.0	38,682	33,793	4,889	6.7%	Q1 2024	149,510 GLA
West Love	Dallas, TX	Residential	100%	5.4	139,513	91,418	48,095	5.7%	Q3 2024	413 units
Midtown Park	Dallas, TX	Residential	100%	4.2	137,429	67,348	70,081	5.7%	Q4 2024	350 units
TOTAL				25.1	\$362,503	\$234,892	\$127,611			



In March 2023, H&R entered into a lease agreement fully lease 1925 Meadowvale Blvd. for a term of 12.5 years at current market rents with annual contractual rental escalations.

Lantower West Love Dallas, TX 30

Lantower Midtown Dallas, TX

OWER MID

PROGRESS UPDATES

Finishes in main lobby and amenity spaces are in progress.

Garage is being punched out.

Pool construction has commenced.

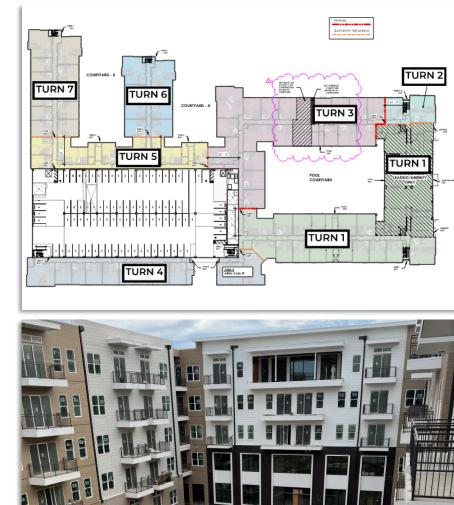
Cabinets, countertops, flooring, etc. are being installed at turn one and two units.

Doors, windows, and building wrap installation ongoing at turns six and seven (final turn).

Internet provider is scheduled to land the circuit by February.

KEY DATES

- Construction Start: Q2 2022
- Leasing Start: End of Q1 2024
- Final Units Delivered By: Q3 2024



Address 2223 Hawes Ave. Dallas, TX

H&R Ownership Interest 100%

Stage Under Construction

of Suites 413

of Stories 5

Monthly Rent per sq. ft. \$2.36 (USD)

Total Budget \$105,692,000 (USD)

Construction Buy Out % 99%

Cost per Suite \$255,913 (USD)

Expected Yield on Budgeted Cost 5.7%

R

LANTOWER MIDTOWN

PROGRESS UPDATES

Garage is being punched out.

Framing is ~70% complete:

- Section 1 complete
- Section 2 complete
- Section 3 complete
- Section 4 75% complete
- Section 5 30% complete
- Section 6 20% complete

Mechanical, Electrical and Plumbing rough-ins are ongoing at turns one through three.

Fire sprinkler rough-ins are ongoing at turns one through three.

Windows and doors are being installed at turns one and two.

TURN

URN

TURN 1

Address 10650 N. Central Expy. Dallas, TX

H&R Ownership Interest 100%

Stage Under Construction

of Suites 350

of Stories 5

Monthly Rent per sq. ft. \$2.49 (USD)

Total Budget \$104,113,000 (USD)

Construction Buy Out % 99%

Cost per Suite \$297,465 (USD)

Expected Yield on Budgeted Cost 5.7%



KEY DATES

- Construction Start: Q2 2022
- Leasing Start: End of Q2 2024
- Final Units Delivered By: Q4 2024

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DEVELOPMENT PIPELINE – U.S. SUN BELT STATES¹

SITE NAME	MARKET	STATUS	START DATE	# OF ACRES	# OF SUITES
West Love	Dallas, TX	Under Const.	Q2 2022	5.4	413
Midtown Park	Dallas, TX	Under Const.	Q2 2022	4.2	350
CityLine Phase I	Dallas, TX	Shovel Ready	TBD	3.7	295
CityLine Phase II	Dallas, TX	Early Design	TBD	2.4	250
Singleton	Dallas, TX	Shovel Ready	TBD	5.8	436
Bayside	Tampa, FL	Shovel Ready	TBD	8.4	271
Clearwater	Tampa, FL	Permitting	TBD	6.8	433
Wiregrass	Tampa, FL	Permitting	TBD	14.8	332
Sunrise Phase I	Orlando, FL	Shovel Ready	TBD	11.6	330
Sunrise Phase II	Orlando, FL	Early Design	TBD	12.4	340
NeoCity	Orlando, FL	In Design	TBD	16.3	371
Dallas High School	Dallas, TX	On Hold	TBD	3.3	201
Prosper	Dallas, TX	On Hold	TBD	20.3	1,000
West Town ²	Orlando, FL	On Hold	TBD	13.5	271
TOTAL:				128.9	5,293







The "Development Pipeline – U.S. Sun Belt States" excludes a wholly owned land parcel in Miami, FL. Figures have been reported at H&R's 50% ownership interest.

145 Wellington St. W. TORONTO, ON

ZBA APPROVED IN AUGUST 2022 SPA SUBMITTED

In August 2019, H&R submitted a rezoning and site plan approval application for the redevelopment of 145 Wellington St. W., which is currently a 13-storey office building.

The rezoning approval contemplates a new modern 13-storey podium, topped with a 47-storey residential tower, for an overall building height of 60 storeys.

A total of 155,000 square feet of office space, 1,000 square feet of grade-related retail and 512 new residential units is proposed.

In July 2022, the City of Toronto adopted the final report recommending approval of the re-zoning application for this redevelopment. The statutory appeal period for the passing of the zoning by-law was completed in August 2022, and the rezoning came into force and became binding.

145 Wellington St. W. is located at the junction of Toronto's Financial and Entertainment Districts.





310 Front St. W. TORONTO, ON

ZBA APPROVED IN AUGUST 2023 SPA SUBMITTED

In April 2021, H&R submitted a combined rezoning application and official plan amendment application for a mixed use tower including residential, office and retail uses.

This tower would replace the existing nine-storey office building at 310 Front St., and would integrate into H&R's larger office block which includes 320 and 330 Front St. W.

In July 2023, the final report recommending approval of the rezoning application was adopted by Toronto City Council. The statutory appeal period for the passing of the zoning by-law was completed in August 2023, and the rezoning came into force and became binding.

The approval is for a 65-storey mixed use tower including, 578 residential units , approximately 119,000 square feet of replacement office area and approximately 2,000 square feet of retail area.

310 Front St. is located at the junction between Toronto's Financial and Entertainment Districts.



6900 Maritz Dr. MISSISSAUGA, ON

SPA APPROVED (with conditions) IN JANUARY 2024

In October 2023, H&R submitted a Site Plan approval application to the City of Mississauga to replace the existing 104,689 square foot office building with a new 122,400 square foot industrial building.

In January 2024, H&R received Site Plan approval with conditions from the City of Mississauga. H&R is preparing a resubmission to clear all conditions by the end of Q1 2024.

6900 Maritz Drive is a 6.01 acre property located in Mississauga, Ontario. The property is located in close proximity to access points to Highways 410, 401 and 407.

Demolition of the existing office building has commenced and construction is expected to begin in Spring 2024.







55 Yonge St toronto, on

ZBA & SPA SUBMITTED ZBA APPROVAL EXPECTED BY THE END OF QI 2024

In March 2021, the REIT submitted a rezoning application to replace the existing 13-storey office building with a mixed used tower including residential, office and retail uses.

In February 2023, H&R attended a settlement hearing with the Ontario Land Tribunal ("OLT") and received rezoning approval with conditions. Subsequently, H&R made re-submissions to clear conditions set by the OLT.

The approval is for a 66-storey mixed use tower, including 511 residential units with approximately 159,000 square feet of replacement office area and 13,000 square feet of retail area.

55 Yonge is a winner of the 2022 International Architecture Awards, which was awarded by The Chicago Athenaeum and The European Centre.

55 Yonge is located in the heart of Toronto's Financial District.





77 Union St toronto, on

ZBA & SPA SUBMITTED ZBA APPROVAL EXPECTED IN 2024

H&R acquired this existing industrial property in December 2021 for the purposes of intensification. The site consists of approximately 4.8 acres and is located in Toronto's rapidly growing Stockyards District neighbourhood.

In April 2022, H&R submitted an Official Plan Amendment, Zoning By-Law Amendment and Site Plan Application to transform the property into a new, transit-oriented development comprised of six new mixed-use buildings.

H&R has proposed 1.46 million square feet of density including a mix of residential and commercial uses, parkland and new roads. The site would include approximately 1,400 residential units and approximately 91,000 square feet of commercial area.

The location of the site provides transit connectivity, situated directly adjacent to the approved future SmartTrack St.Clair-Old Weston Station and a 5 minute walk to the TTC's St. Clair streetcar line.





3777 Kingsway Burnaby, BC

SPoD SUBMITTED AND APPROVAL IS EXPECTED IN 2024

In June 2020, H&R along with its partner, submitted a rezoning application for the east and north portions of its 3777 & 3791 Kingsway sites. H&R has a 50% ownership interest in this property.

The proposal could add five mixed-use high-density towers including retail and residential uses with approximately 2,500 residential units and 21,000 square feet of retail area.

The property is located on the Kingsway at the intersection with Boundary Rd., directly across from Central Park. The park features 220 acres of green space containing walking paths and gardens, as well as facilities for special events, sports and games.





OUR APPROACH TO SUSTAINABILITY

STRATEGIC PLANNING

In line with our strategic planning processes, H&R's Executive team identifies and assesses material environmental, social and governance risks. Annually, the Executive team reviews the key environmental, social and governance factors for the upcoming years.

ASSET MANAGEMENT

By applying Sustainability and Environmental guidelines for Operations, our Property Operations and Asset Management departments integrate sustainability opportunities into their daily management and tracking processes.

Integrate sustainability priorities into decision making across all stages of an asset's lifecycle



H&R REIT has well established governance structures, such as the Board Investment Committee, to oversee and approve acquisitions inline with the REIT's strategic plan. H&R conducts environmental due diligence prior to acquiring a property, and if recommended, undertakes further remedial action and monitoring.

DEVELOPMENT

Sustainability goals are established for our assets that are selected for renovation or redevelopment.

SUSTAINABILITY HIGHLIGHTS¹

CLIMATE AND RESOURCE EFFICIENCY

- Utility consumption and emissions reporting boundary increased to 76%
- H&R scored third (tied) among 12 Canadian REITs (Carbon Disclosure Project 2022 Reporting)
- 74% of H&R's office portfolio is LEED, BOMA Best and/or Energy Star certified²
- H&R's Lantower Residential Division is now actively tracking 100% of their portfolio on ENERGY STAR Portfolio Manager

DIVERSITY AND

- 40% of the Board of Trustees are female as of June 2023
- We are proud to share that WOMEN represent the following percentages of our team.

	2022	2021	2020
Senior Executives	40%	45%	45%
All Executives	44%	50%	42%
Overall Workforce	38%	37%	47%
Board of Trustees	38%	33%	25%

GOVERNANCE PRACTICES

- Tenure for all new Trustees is limited to 10 years
- Achieved the 30% Canada Club goal
- Independent Lead Trustee
- 3 new independent Trustees added in 2023
- Say on Pay vote (89% support for 2022) strongly supports executive compensation
- Expanded the minimum unit ownership to Trustees and named executive officers
- >5x minimum unit ownership for CEO

E-WASTE RECOVERED FROM H&R REIT'S ELECTROBAC BINS ARE EQUIVALENT TO³:

955 Mature Trees Saved



15,863 Litres of Oil Saved



35,778 Recycled Plastic Bottles

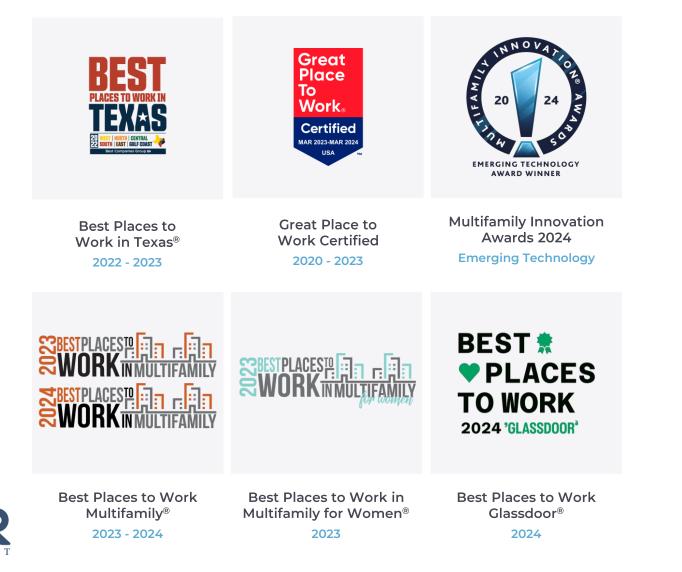


H&R's full 2022 Sustainability Report and Report Supplement can be found on H&R's website under Sustainability.

Based on Gross Leaseable Area as to December 31, 2022.

3. As of December 31, 2022. Data provided by ALLGREEN RECYCLING CARBON FOOTPRINT CALCULATOR.

AWARDS LANTOWER RESIDENTIAL



GREAT PLACE TO WORK® 2023* GLOBAL EMPLOYEE ENGAGEMENT STUDY



HR.UN - TSX Ticker

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Additional information regarding H&R REIT is available at www.hr-reit.com and on www.sedar.com.

