



Company Profile

Killam Properties Inc. is a public company and one of Canada’s largest residential landlords, owning and operating 126 apartment properties and 55 manufactured home communities (MHCs).

Since its first real estate acquisition in 2002, Killam has grown by consolidating Atlantic Canada’s urban apartment market and the Canadian MHC market. During 2010 Killam began to acquire apartments in Ontario. Today Killam owns and manages 9,726 apartment units and 9,290 MHC sites. Killam is focused on maximizing organic growth by increasing net operating income (NOI) through rental growth and operational efficiencies.

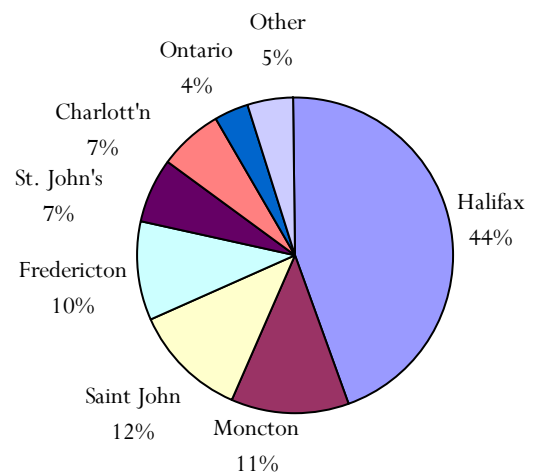
Over the last nine years Killam has built an established portfolio of properties and a strong operating platform. Management is committed to building on this foundation; maximizing the return on Killam’s assets, and continuing to grow geographically with accretive acquisitions and developments in Canada.

12% Market Share in Atlantic Canada

91% of Killam’s apartment assets are located in Atlantic Canada’s largest cities. Atlantic Canada is home to 2.3 million people, and includes 87,200 multi-residential apartment units, as surveyed by Canadian Mortgage and Housing Corporation (CMHC).

Halifax, representing 44% of Killam’s apartment portfolio, is a vibrant city with a growing population of close to 400,000. Killam’s core markets have been experiencing economic growth and stable employment rates. Killam is the largest residential landlord in Atlantic Canada with a market share of approximately 12% in its major markets.

Apartment Units by City



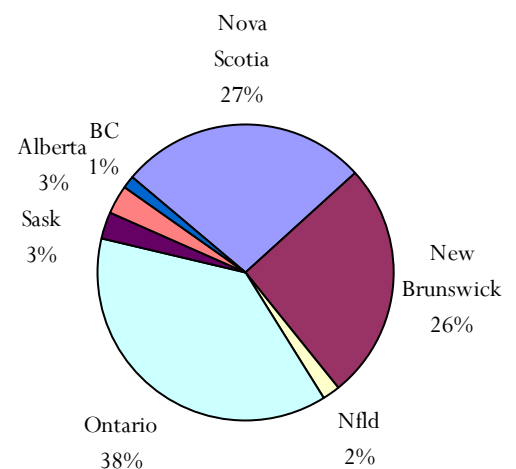
MHCs Represent 20% of Killam’s Capital Asset Base

In addition to apartments, the consolidation and management of MHCs have been identified as offering value enhancing opportunities. Key characteristics of MHCs include:

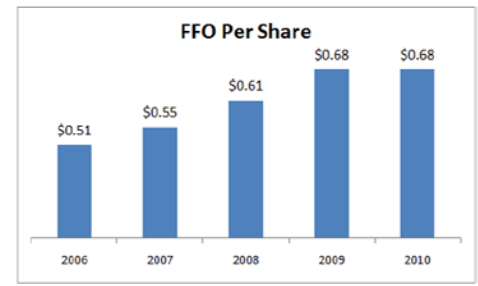
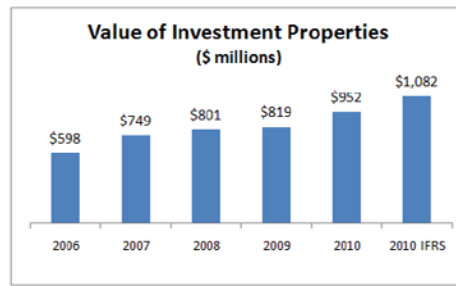
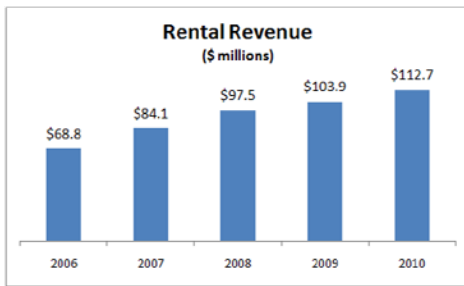
- Low profile asset class.
- Occupancy levels of approximately 99%.
- High barriers to entry due to restrictive zoning.
- Internal growth opportunities through rental increases and the expansion of existing communities.

Killam owns the land for each of its MHCs and may also own the water, sewer and road systems. Tenants own their own homes and pay a monthly rental fee for the land and access to utility services. The average monthly fee for Killam’s MHC sites is approximately \$232.

MHC Sites by Province



Financial Results Reflect Killam's Significant Growth



Funds from operations (FFO) is a key financial measurement for management, calculated as net income or loss plus future tax expense and depreciation, less fair value gains and non-controlling interest. FFO per share results noted above are calculated based on the definition of FFO adopted in 2011 in response to the implementation of IFRS.

Highlights from 2010

- Completed \$115 million in property acquisitions.
- Expanded the geographic footprint of Killam's apartment portfolio with the acquisition of three buildings in Ontario.
- Increased the profitability of the same store portfolio, achieving same store net operating income growth of 4.8%.
- Maintained high occupancy levels throughout the year, with average year-end occupancy of 98.3%.
- Strengthened the balance sheet, reducing total gross debt to the gross book value of assets to 63.8%.
- Began construction of Killam's first development project.

2011 Goals and Objectives

- Grow same store NOI by 2% to 4%.
- Complete \$100 million to \$150 million in acquisitions.
- Maintain debt levels between 62% and 67% of GBV of assets.
- Complete 40 to 50 new manufactured home sales.

Share Information

Killam common shares are listed on the TSX under the ticker KMP. As at March 31, 2011 there were 45.0 million common shares outstanding with a market capitalization is approximately \$470 million. A 3.6% dividend increase was approved in May 2011. The new dividend is \$0.58 per share, paid monthly. Killam offers a Dividend Reinvestment Plan (DRIP) with a 3% bonus feature.

Killam has two convertible debentures that trade on the TSX, listed under the ticker KMP.DB.A and KMP.DB.B.

Corporate Officers

George Reti *Chairman*

Philip Fraser *President and CEO*

Robert Richardson *Executive Vice President & CFO*

Analyst Coverage

Beacon Securities
Michael Mills

BMO Capital Markets
Karine MacIndoe

Canaccord Genuity
Mark Rothschild

CIBC World Markets
Alex Avery

Dundee Securities
Brad Cutsey

GMP Partners
Jimmy Shan

M Partners
Michael Krestell

Macquarie
Michael Smith

Scotia Capital
Mario Saric

RBC Capital Markets
Neil Downey

TD Newcrest
Jonathan Kelcher

To learn more about Killam Properties Inc. please visit the Company's website at www.killamproperties.com or contact Dale Noseworthy, VP Investor Relations and Corporate Planning at (902) 442-0388 or dnoseworthy@killamproperties.com.