

The image is a horizontal split. The left half features a dark blue semi-transparent overlay on a background image of a house. The right half shows a clear view of a suburban street with a sidewalk, a black street lamp, and a row of brick houses under a blue sky with clouds.

ALITIS
ASSET MANAGEMENT

ALITIS
**PRIVATE
MORTGAGE
FUND**

Q1 2024

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Alitis Asset Management

- Investment division of Alitis Investment Counsel, founded in 2009, is a BC-based PM, IFM, and EMD.
- We operate in three areas: private client, institutional, and third-party distribution.
- AUM is approximately \$465 million.
- We operate our business by almost exclusively utilizing the six investment products we manage: Alitis Private REIT, Alitis Private Mortgage Fund, Alitis Strategic Income Pool, Alitis Dividend Growth Pool, Alitis Growth Pool, Alitis Income and Growth Pool
- We utilize alternative investments extensively. Over 50% of our private clients' investments are in alternatives.



Alitis' Investment Philosophy

- Risk management is the foundation of what we do, but we also like achieving decent returns.
- We firmly believe in diversification.
- Our view is that alternative investments are fundamental to a portfolio given the market environment where traditional investments have struggled since the beginning of 2022.
- We work to add incremental value at each step of the investment process – not shoot for the stars.

The AAM Portfolio Management Team



Mitchell Prothman, CFA, CFP
Senior Portfolio Manager & Head of Real Assets

Mitchell is the lead Portfolio Manager for the Alitis Private REIT, Alitis Private Real Estate Limited Partnership, and Alitis Private Mortgage Fund with responsibility for the real estate and mortgage strategy of the firm.



Thomas Nowak, CFA
Portfolio Manager

Thomas is a member of the Investment Committee and participates in the due diligence, monitoring, and research processes that go into the management of the Alitis Pools.



Ryan Patterson, BComm.
Senior Real Estate Strategist

Ryan specializes in market rental analysis feasibility studies, multi-family and commercial real estate valuations, including portfolio assessment reviews for large holdings of private and public organizations.

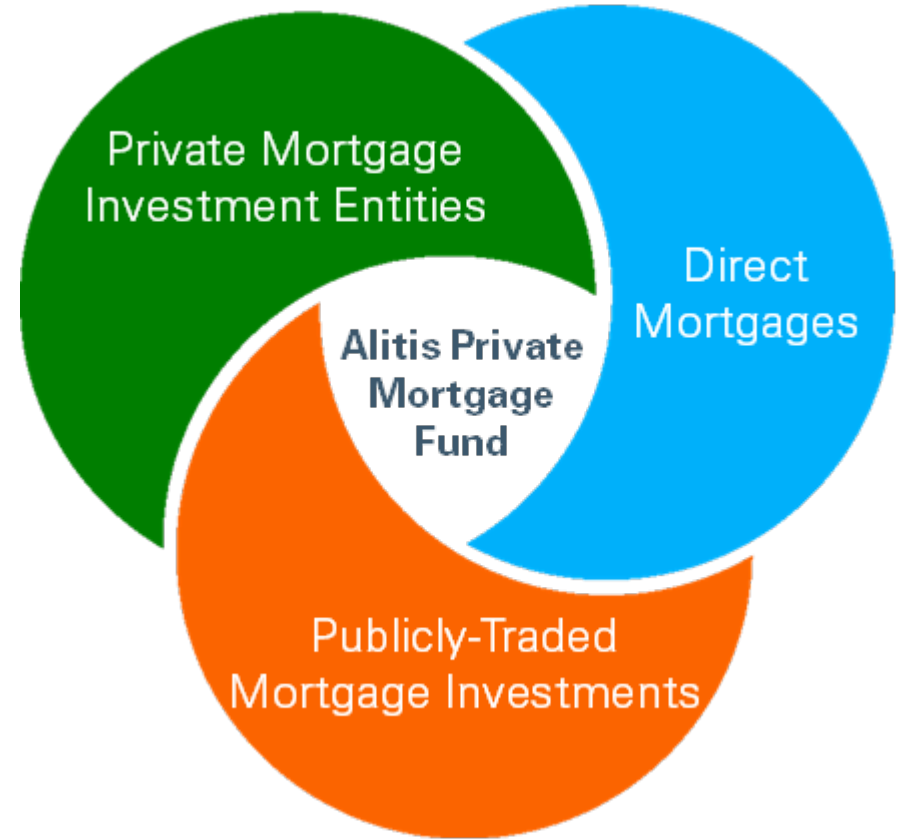


Kevin Kirkwood, CFA
Chief Investment Officer

Kevin is the head of Alitis' Investment Committee, the lead manager of the Alitis Growth Pool and the Alitis Income & Growth Pool, with responsibility for the equity strategy for the firm.

About Alitis Private Mortgage Fund

- Designed to be beneficial and accessible to investors
- We combine three different mortgage investing approaches into one package:



Benefits

- ✓ High yield compared to more traditional fixed income products
- ✓ Shorter term to maturity
- ✓ Large allocation to floating-rate mortgages helps hedge against rising interest rates
- ✓ Solid, steady returns
- ✓ Reasonable liquidity
- ✓ Extremely diversified borrower base
- ✓ Exposure to multiple best-in-class manager teams
- ✓ A margin of safety based on loan-to-values
- ✓ A single solution to make your “Know Your Product” requirements much easier

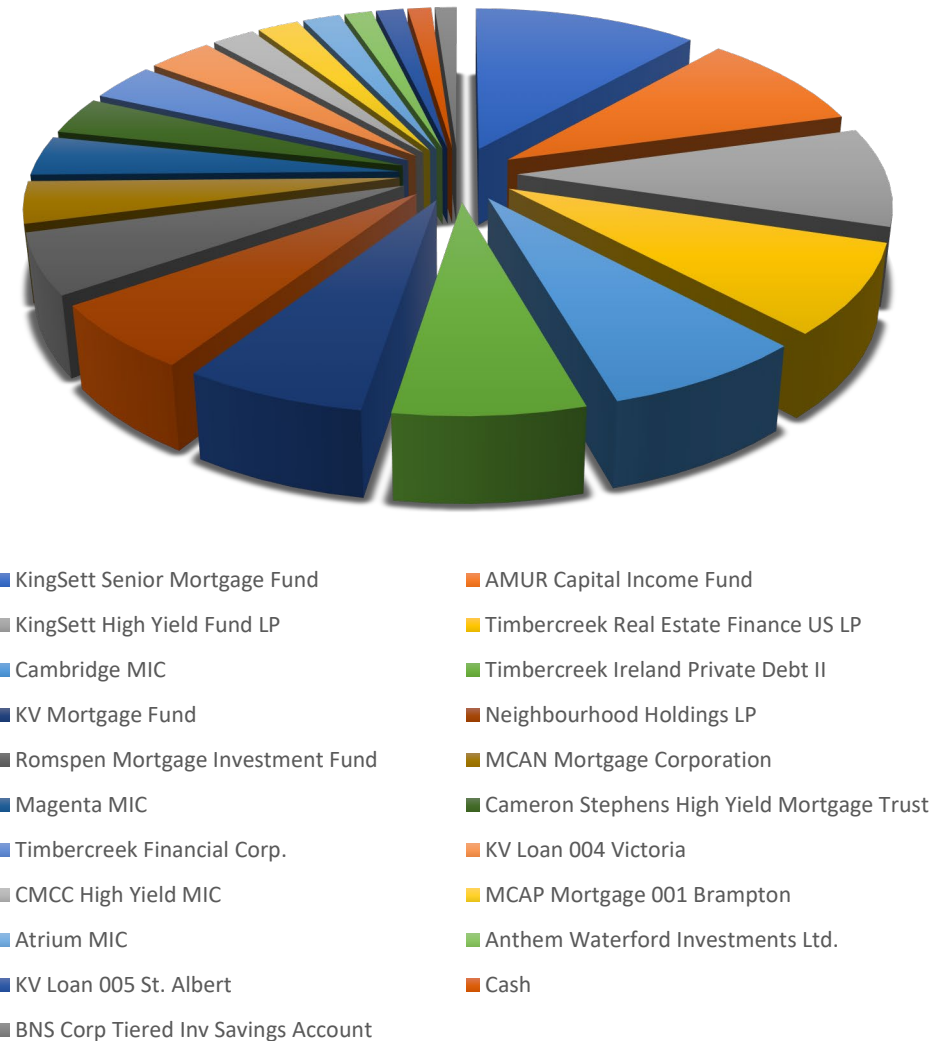
Increased Diversification



Portfolio Allocation

Investment	Dollars	Percent
KingSett Senior Mortgage Fund	\$10,250,000	11.4%
AMUR Capital Income Fund	\$8,100,000	9.0%
KingSett High Yield Fund LP	\$8,100,000	9.0%
Timbercreek Real Estate Finance US LP	\$7,366,178	8.2%
Cambridge MIC	\$6,700,000	7.4%
Timbercreek Ireland Private Debt II	\$6,218,600	6.9%
KV Mortgage Fund	\$5,950,000	6.6%
Neighbourhood Holdings LP	\$5,400,000	6.0%
Romspen Mortgage Investment Fund	\$4,982,970	5.5%
MCAN Mortgage Corporation	\$3,460,852	3.8%
Magenta MIC	\$3,250,000	3.6%
Cameron Stephens High Yield Mortgage Trust	\$3,045,078	3.4%
Timbercreek Financial Corp.	\$3,020,111	3.4%
KV Loan 004 Victoria	\$3,000,000	3.3%
CMCC High Yield MIC	\$2,000,000	2.2%
MCAP Mortgage 001 Brampton	\$1,852,025	2.1%
Atrium MIC	\$1,741,884	1.9%
Anthem Waterford Investments Ltd.	\$1,288,733	1.4%
KV Loan 005 St. Albert	\$1,250,000	1.4%
Cash	\$1,041,580	1.2%
BNS Corp Tiered Inv Savings Account	\$1,009,069	1.1%
Cameron Stephens Mortgage 002 White Rock	\$1,000,000	1.1%
Total	\$90,851,993*	100.0%

As of March 28, 2024



*Holdings labelled as 'Cash' represent the aggregated amount in Canadian Dollars of CAD, USD and Open Trade Equity of currency futures held within the pool. Holdings are subject to change and are not guaranteed to be accurate.

Non-Conventional Mortgages



New
Canadians



Commercial
Borrowers



Impaired Credit
or Debt
Consolidation



Property
Developers



People in the
'Gig' Economy



ALITIS
ASSET MANAGEMENT

ALITIS PRIVATE
MORTGAGE FUND
DETAILS

AS OF MARCH 31, 2024

Portfolio Metrics

As of March 31, 2023

Mortgage Details

Underlying Mortgage Holdings	
Number of Mortgages	9,354
Average Term	0.79 years
Average Loan-to-Value	63.4%
Average Leverage Employed	51.9%
Currency Exposure	100% Canada

Class F

Best/Worst Returns	
Best Monthly Return	2.97%
% Positive Months	91.5%
Worst Monthly Return	-2.65%
Worst Drawdown	-2.70%
Days to Recovery	91

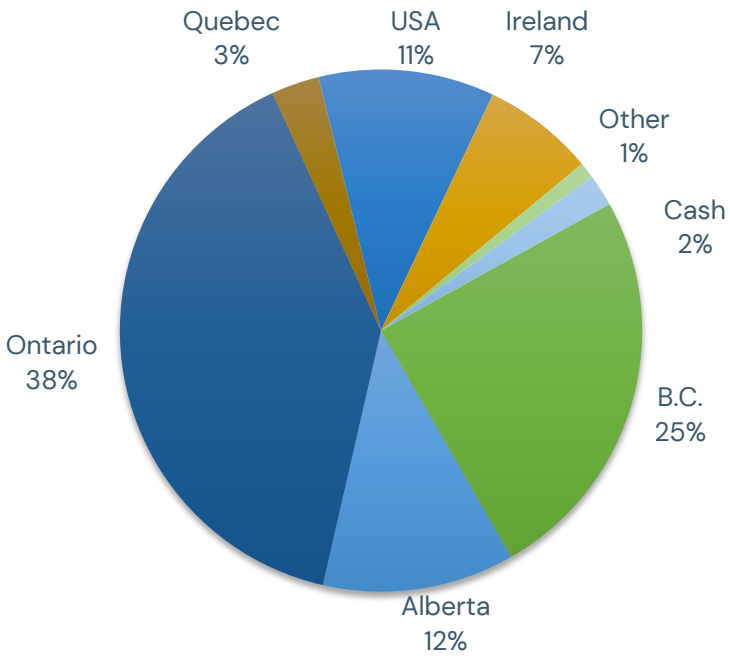
Class E

Best/Worst Returns	
Best Monthly Return	3.01%
% Positive Months	91.6%
Worst Monthly Return	-2.68%
Worst Drawdown	-2.76%
Days to Recovery	91

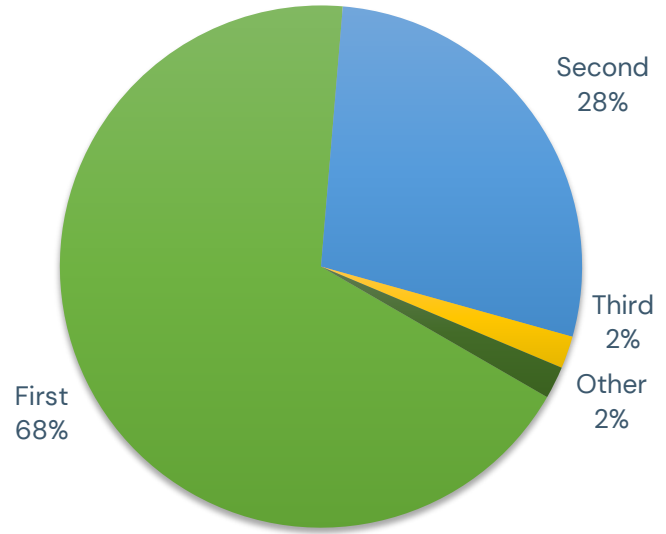
Mortgage Holdings

As of March 31, 2023

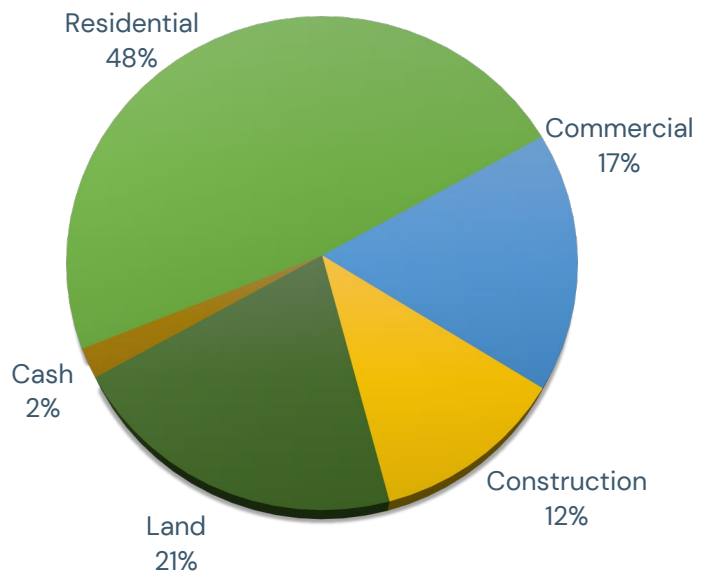
Regional Breakdown



Mortgage Type



Sector/Exposure



Background on the Investment Portfolio

Investment	Percent	Details
KingSett Senior Mortgage Fund	11.4%	<p>KingSett has raised over \$400 million of capital for its income-oriented mortgage fund, the KingSett Senior Mortgage Fund LP (SMF). The SMF offers investors the opportunity to invest alongside KingSett principals in a diversified portfolio of primarily senior secured mortgages on Canadian residential and commercial real estate. Its goal is to generate regular, sustainable income for its unitholders while preserving their capital.</p> <p>The Senior Mortgage Fund is open ended with redemption features, making it suitable for longer-term investors.</p>
AMUR Capital Income Fund	9.0%	<p>AMUR Capital Income Fund was established in 1984 and since then has been offering its shareholders a simple and reliable stream of investment income. The company specializes in private mortgage financing using primarily residential real estate as collateral. Through its focus on private mortgages in British Columbia, Alberta, and Ontario.</p>
KingSett High Yield Fund LP	9.0%	<p>The concept of this fund is to provide mortgage credit to borrowers who, for a variety of reasons, do not fit the lending parameters of the primary mortgage lenders:</p> <ul style="list-style-type: none">• Experienced, reputable borrowers• Primary and largest secondary markets• Less cash equity (higher LTC and LTV ratios)• Less occupancy and less pre-sales (construction projects or IPP assets in transition)
Timbercreek Real Estate Finance US LP	8.2%	<p>Timbercreek is a global real estate investor, owner, operator and lender. This strategy's focus is on underserved, shorter term, mid-sized loans for transitional income-producing US commercial real estate ("CRE") in higher growth and liquid markets.</p>

Background on the Investment Portfolio

Investment	Percent	Details
Cambridge MIC	7.4%	Incorporated in 2007, Cambridge expanded its focus from mortgage brokering to investment management. The MIC primarily focuses on residential properties in British Columbia.
Timbercreek Ireland Private Debt II	6.9%	Timbercreek Ireland is a commercial property lender providing alternative structured financing solutions to meet unique project needs across Ireland.
KV Mortgage Fund	6.6%	KV Mortgage Investment Fund Inc. was established January 8, 2009 and predominantly does commercial lending in and around Edmonton as well as Calgary.
Neighbourhood Holdings LP	6.0%	Neighbourhood Holdings offers competitively priced private first mortgages across British Columbia, Alberta, Manitoba, Ontario and Quebec. They provide borrowers with creative and transparent short-term financing solutions for residential properties.
Romspen Mortgage Investment Fund	5.5%	The mandate of the Romspen Mortgage Investment Fund is to provide investors with a consistent monthly income source secured by a portfolio of commercial mortgages prudently underwritten to safe-guard investor capital. Both the Fund and its predecessor structure have consistently generated long term net cash returns to investors. The Fund's successful performance is the result its underwriting and work-out ability as well as the deep experience of its principals.

Background on the Investment Portfolio

Investment	Percent	Details
MCAN Mortgage Corp.	3.9%	MCAN Mortgage Corporation is a public company listed on the TSX under the symbol MKP since 1991. Regulated by the Office of the Superintendent of Financial Institutions. They issue term deposits eligible for deposit insurance from the Canada Deposit Insurance Corporation to lever their capital base to invest in Canadian mortgages. Their objective is to generate stable earnings by investing our funds in a portfolio of mortgages focused on single-family residential and residential construction loans, as well as other types of loans and investments, real estate and securitization investments.
Magenta MIC	3.6%	Established in 1994, Magenta Capital Corporation has current mortgage assets under administration exceeding \$310 million. Magenta sources, underwrites and manages a portfolio of primarily residential first mortgages, secured by properties located in Eastern and Southwestern Ontario.
Cameron Stephens High Yield	3.3%	Cameron Stephens utilizes a combination of institutional and private capital to provide creative loan structures that meet the complex needs of its commercial borrowers. Their investment objectives are first and foremost to preserve the capital, while providing consistent growth and stable, reliable returns over the long term. Our investment philosophy is prudence, and they seek to realize returns through the efficient management of our mortgage investments.
Timbercreek Financial Corporation	2.4%	Timbercreek Financial is a leading non-bank lender providing shorter-duration structured financing solutions to commercial real estate investors. They invest directly in a diversified portfolio of high quality structured mortgage loans primarily secured by stabilized, income-producing commercial real estate, such as multi-residential, office and retail buildings located in urban markets across Canada. Their focus on lending against income-producing real estate ensures that there is income from the property to service the loan, which reduces the likelihood of default. The company was formed through the amalgamation of Timbercreek MIC and Timbercreek Senior MIC in 2016.

Background on the Investment Portfolio

Investment	Percent	Details
KV Loan 004 Victoria	3.3%	The loan was used to facilitate land acquisition in Victoria, BC.
CMCC High Yield MIC	2.2%	CMCC Capital Funds are private real estate investment funds with a focus on residential and commercial developments in major Canadian urban centers
MCAP Mortgage 001 Brampton	2.1%	A 4.95 Acre site proposed for development of 130 townhouse lots and two residential condominium apartment buildings having heights of 14 and 18 storeys with a total of 520 condominium apartment units.
Atrium MIC	1.5%	Atrium is a mortgage lender filling the lending gap caused by the limited number of financial institutions operating in Canada. They lend in major urban centres where the stability and liquidity of real estate is high. Their loan portfolio is of high quality but they are able to charge higher rates than the banks because they offer flexibility, speed, creativity and excellent service. Mortgages on which they lend are secured by all types of residential, multi-residential and commercial real property located in Canada. Atrium has a 15-year track record focusing on real estate sectors with the lowest risk profiles.

Background on the Investment Portfolio

Investment	Percent	Details
Anthem Waterford Investments Ltd.	1.4%	Waterford, a 73.9-acre site located in Chestermere, AB. The property will be entitled to be developed into a 375 to 400 lots land development and homebuilding project.
KV Loan 005 St. Albert	1.4%	The loan was used to acquire and complete construction on a 7-storey, 164-unit 55+ housing project in St. Albert, Alberta.
Cameron Stephens Mortgage 002 White Rock	1.1%	Development will include two residential buildings, proposed to be six stories tall, with 147 units in one building and 100 units in the other with 12 of the units proposed to be rental.

Annualized Returns

Class E Units are only available to clients of Alitis Investment Counsel and are a close proxy for Class F Units, which can be purchased through Alitis Asset Management. Class E Units are to illustrate the historical performance of the Alitis Private Mortgage Fund prior to the inception of Class F Units.

Returns to March 31, 2024

	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	5 Years	Since Inception*	Mgmt. Fee	Performance Fee
Class F	-1.75%	-0.06%	2.39%	6.24%	6.08%	6.75%	6.70%	6.70%	0.60%	None
Class E	-1.82%	-0.25%	1.99%	5.44%	5.48%	6.25%	7.29%	6.76%	1.35%	None

Monthly & Calendar Year Returns

Class F

	2018	2019	2020	2021	2022	2023	2024
January		1.19%	0.37%	0.32%	0.43%	0.76%	0.93%
February		0.75%	-0.05%	0.95%	0.99%	0.69%	0.79%
March		1.24%	-2.65%	0.57%	0.47%	0.48%	-1.75%
April		0.43%	0.66%	1.34%	0.12%	0.72%	
May	0.64%	0.59%	1.65%	0.65%	0.70%	0.56%	
June	0.53%	0.76%	0.80%	0.38%	-0.11%	0.68%	
July	0.82%	0.53%	0.72%	0.64%	0.65%	1.00%	
%August	0.84%	0.43%	0.47%	0.76%	0.46%	0.34%	
September	0.16%	0.75%	0.33%	0.71%	0.06%	0.40%	
October	-0.94%	0.30%	0.09%	0.58%	0.77%	0.34%	
November	0.92%	1.07%	2.97%	0.17%	1.02%	1.10%	
December	-0.11%	0.64%	0.29%	0.68%	0.19%	0.99%	
Total	N/A	9.03%	5.71%	8.04%	5.90%	8.36%	-0.06%

Monthly & Calendar Year Returns

Class E

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
January		-0.57%	0.41%	1.19%	0.35%	1.16%	0.34%	0.26%	0.41%	0.73%	0.87%
February	0.16%	0.23%	1.40%	1.01%	0.19%	0.72%	-0.08%	1.04%	0.99%	0.66%	0.73%
March	0.39%	0.10%	1.30%	0.79%	0.33%	1.21%	-2.68%	0.56%	0.45%	0.44%	-1.82%
April	0.86%	0.58%	1.08%	-0.43%	0.73%	0.40%	0.63%	1.31%	0.08%	0.69%	
May	1.15%	0.55%	1.31%	0.37%	0.65%	0.57%	1.62%	0.65%	0.67%	0.50%	
June	0.87%	0.08%	0.97%	1.54%	0.51%	0.74%	0.77%	0.35%	-0.15%	0.60%	
July	0.80%	-0.28%	0.15%	0.49%	0.83%	0.51%	0.69%	0.61%	0.62%	0.94%	
August	0.73%	0.48%	0.60%	0.30%	0.82%	0.40%	0.46%	0.74%	0.44%	0.28%	
September	-0.66%	0.16%	0.24%	1.04%	0.16%	0.73%	0.30%	0.69%	0.03%	0.33%	
October	0.65%	1.84%	0.13%	1.27%	-0.97%	0.27%	0.05%	0.54%	0.74%	0.28%	
November	0.22%	1.90%	1.46%	0.78%	0.89%	1.05%	3.01%	0.15%	0.99%	1.04%	
December	-0.69%	0.40%	0.65%	0.77%	-0.14%	0.62%	0.22%	0.65%	0.15%	0.91%	
Total	4.55%	5.58%	10.13%	9.49%	4.40%	8.70%	5.38%	7.80%	5.54%	7.66%	-0.25%

Risk & Correlation

As of March 31, 2024

Annualized Standard Deviation of Returns

	1 Year	2 Years	3 Years	5 Years	Since Inception
Class F	2.63%	2.00%	1.74%	2.37%	2.33%
Class E	2.64%	2.01%	1.75%	2.40%	2.23%

* Inception Dates – Class F: April 27, 2018; Class E: January 15, 2014

Correlation Class F Returns to Other Indices and Investments

	Cdn Stocks	US Stocks	Real Estate	Cdn Bonds
1 Year	0.03	0.15	0.17	0.13
3 Years	0.31	0.27	0.37	0.22

Indexes referred to in order of Cdn Stocks, US Stocks, Real Estate and Cdn Bonds are: S&P Capped Composite TR Index, S&P 500 TR Index (\$C), S&P/TSX Capped Real Estate TR Index, and FTSE Canada Universe Bond Index.

Reasons to own the Alitis Private Mortgage Fund

- Steady income stream
- Safety of capital
- Uninterrupted liquidity
- Single solution for ease of asset allocation adjustments



ALITIS
ASSET MANAGEMENT

QUESTIONS?

Contact Information



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