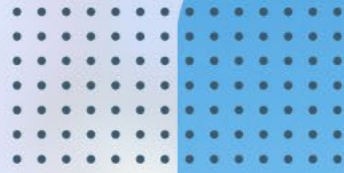


ALITIS
ASSET MANAGEMENT



ALITIS PRIVATE REIT

Q4 2023



Disclaimers and Disclosures

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Unless otherwise noted, the indicated rates of return are the historical annual compounded returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable by any securityholder that would have reduced returns. The investments are not guaranteed; their values change frequently, and past performance may not be repeated. Target returns are determined through a number of methods that are designed and intended to maintain the desired returns within the specified risk tolerance set for the fund. These methods vary. It is Alitis’ view that within the current environment the displayed target returns are reasonable to expect over time, however, returns are not guaranteed. Unless otherwise noted, risk refers to the annualized standard deviation of returns for the period indicated.

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All fund analytics, such as aggregated breakdowns and asset allocation, represent the approximate exposure to the underlying investments relevant to the analytic as of the date of this presentation. Images used are for illustration purposes only and may not be an exact representation.

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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 \$455 million.
- We operate our business by almost exclusively utilizing the seven investment products we manage: Alitis Private REIT, Alitis Private Real Estate LP, 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

- Provide investors with access to a broad range of asset classes and investment styles to generate solid returns with a lower level of risk.
- The inclusion of alternative asset classes (real estate, mortgages) to a traditional investment portfolio increases diversification, which is usually the easiest way to lower risk.
- Our view is that alternative investments are fundamental to a portfolio.
- We work to add incremental value at each step of the investment process.

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 &
Chief Compliance 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.

Types of Real Estate

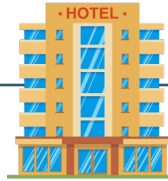
Residential

- Houses
- Condos
- Townhomes
- Apartments or multi-family



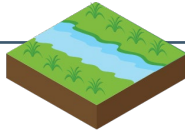
Commercial

- Office
- Hotels
- Seniors Housing
- Retail



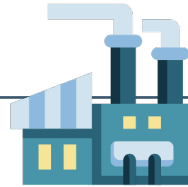
Land

- Agricultural
- Vacant Land
- Ranches
- Farms



Industrial

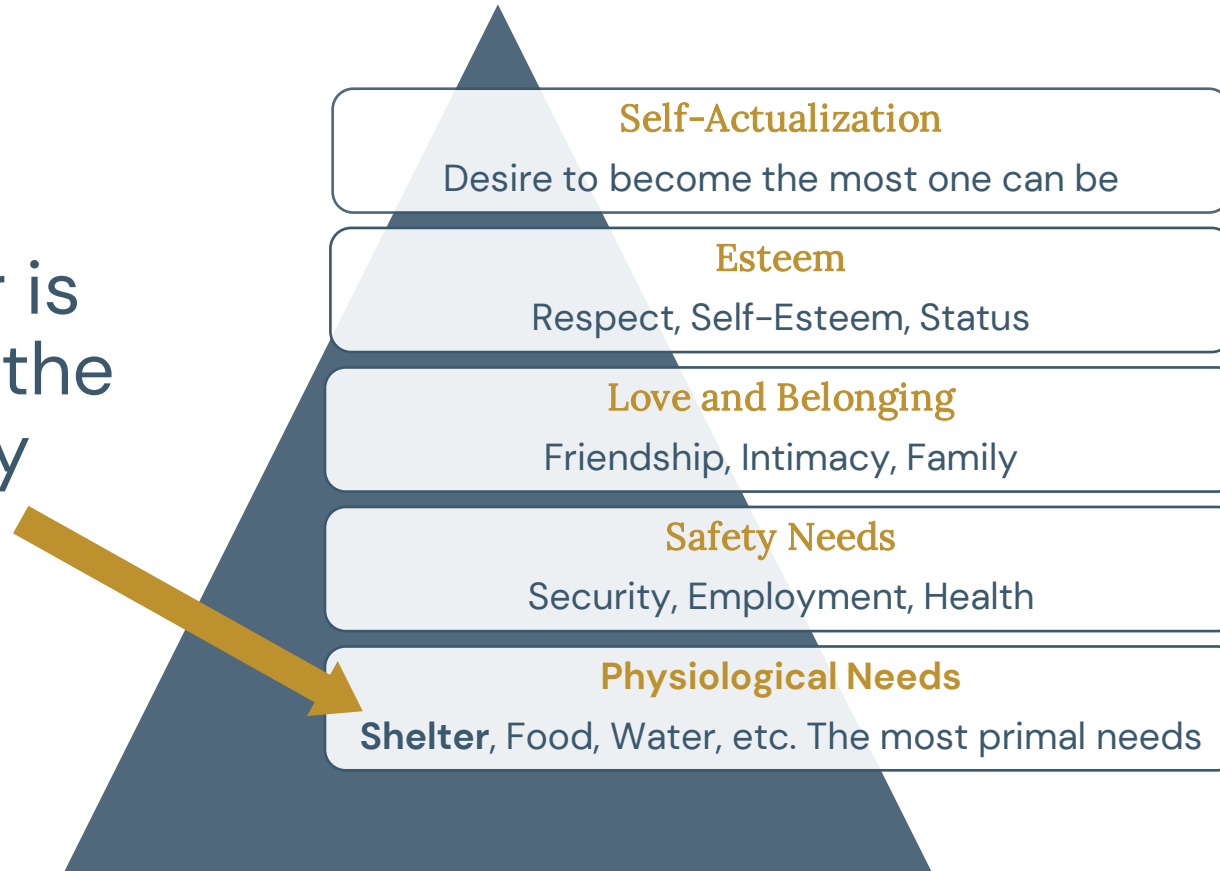
- Warehouses
- Factories
- Distribution Centres
- Self-Storage Facilities



- The Alitis Private REIT focuses on Residential.
- May invest in other types of real estate as well.

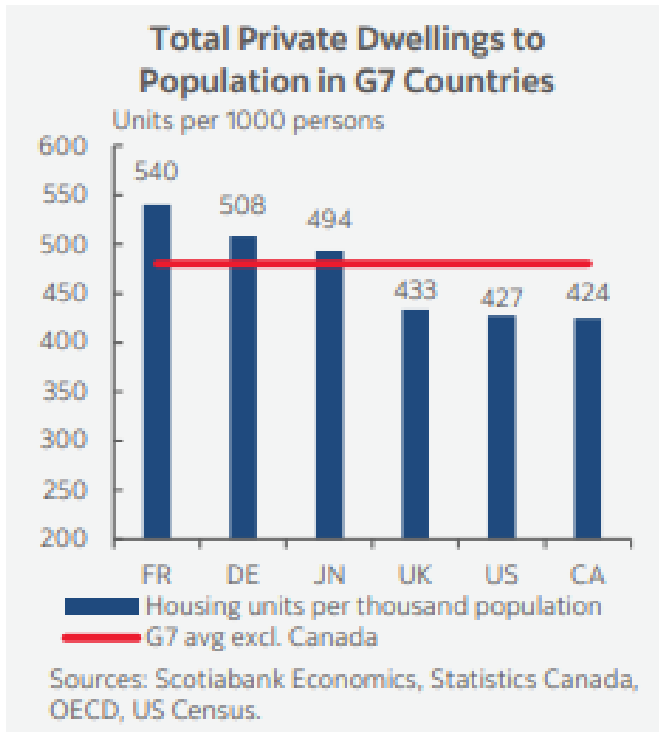
Why Residential? Maslow's Hierarchy of Needs

Shelter is
one of the
primary
needs



<https://www.simplypsychology.org/maslow.html>

Canada's Structural Housing Shortage



Source: Scotiabank – Housing Note,
January 12, 2022

- It would take an additional 1.8 million homes in Canada to achieve the average level of supply (471) of housing relative to population.
- Simply catching up to the UK(433) would require roughly an additional 250 thousand homes in Canada.
- Catching up to the US, we would require another 99 thousand units.
- Canada has averaged 188 thousand home completions in the last 10 years.

Rental Shortage: Supply Constraints



- Historically, higher density suburban housing and high-rise condos have been favoured by investors and developers.
- Rent controls in certain provinces have caused developers to focus on other types of development.
- The legacy of this is an overall shortage of multi-family rental units and an inventory of dated buildings.

Rental Shortage: Demand from population growth

For the first nine months of 2023 Canada's population grew by 1,030,378.*

- Immigration added 371,299 net new residents in 2023 (Jan – Sep).*
- Largest increase was from non-permanent residents (work & study permit holds and, to a lesser extent, refugee claimants)

This is expected to increase to 485,000 in 2024.**

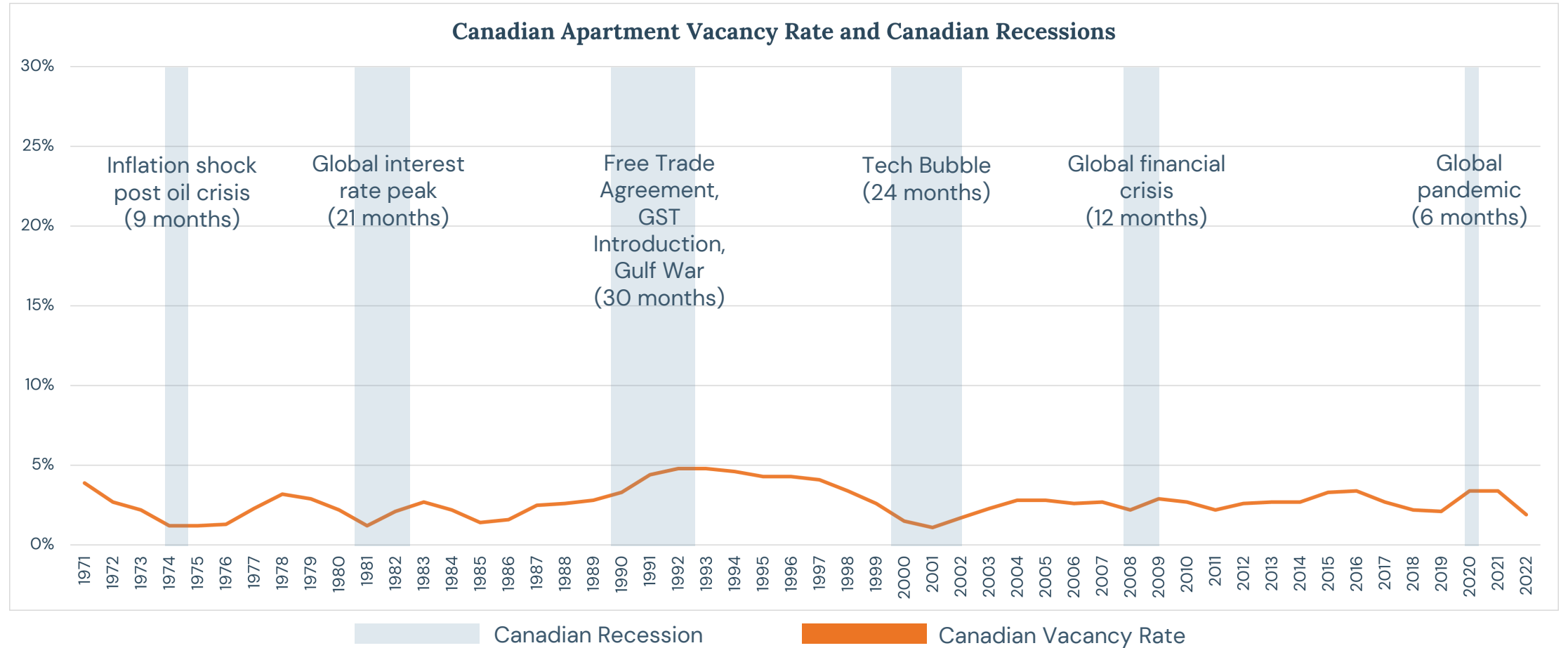
Immigrant Category		2024			2025 ¹¹			2026 ¹¹		
		Target	Low Range ¹²	High Range ¹²	Target	Low Range ¹²	High Range ¹²	Target	Low Range ¹²	High Range ¹²
	Overall Planned Permanent Resident Admissions	485,000	430,000	532,500	500,000	442,500	550,000	500,000	442,500	550,000

Government of Canada:

*<https://www150.statcan.gc.ca/n1/daily-quotidien/231219/dq231219c-eng.htm>

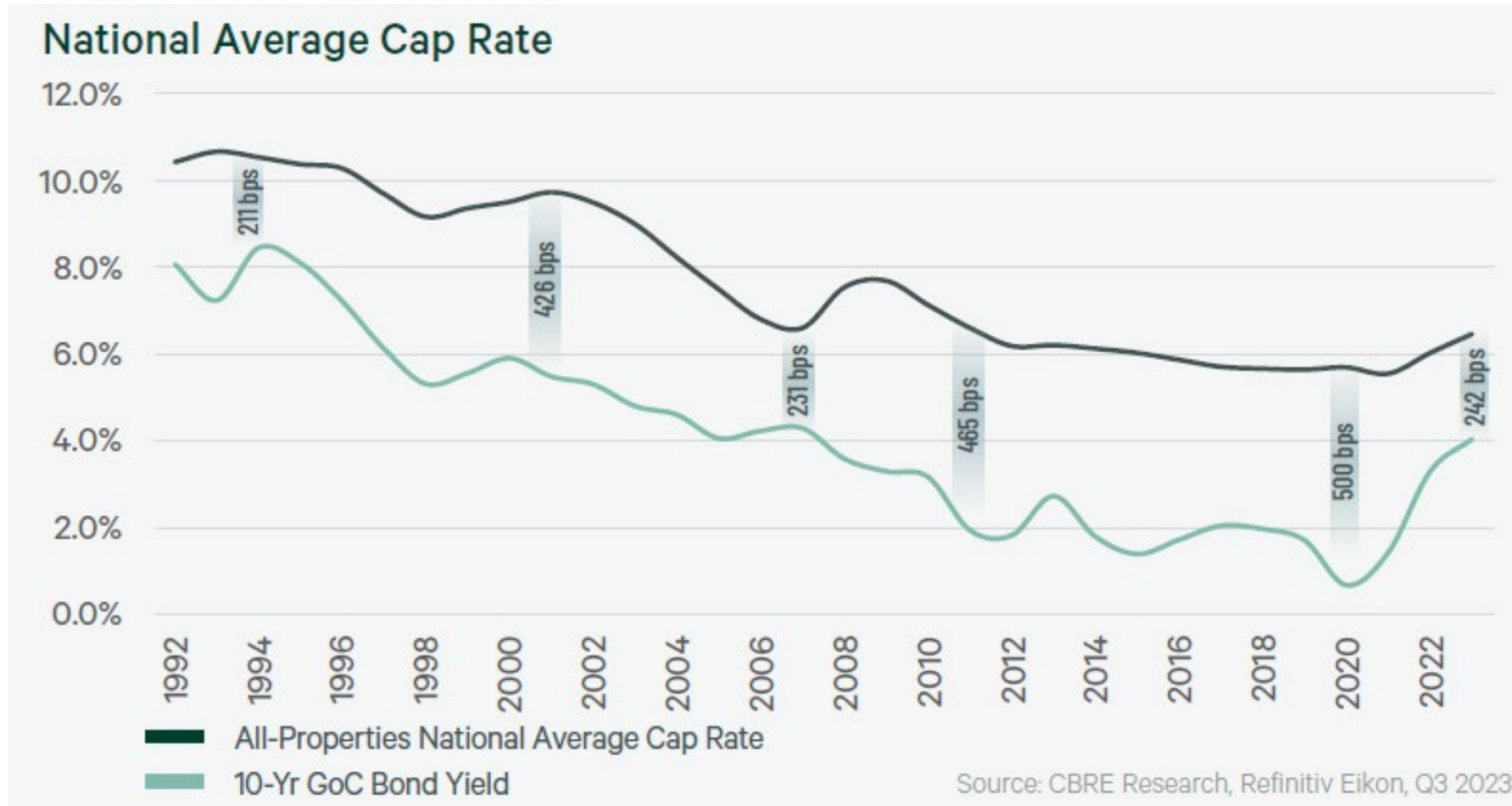
**<https://www.canada.ca/en/immigration-refugees-citizenship/news/notices/supplementary-immigration-levels-2024-2026.html>

Stability of Multi-Family



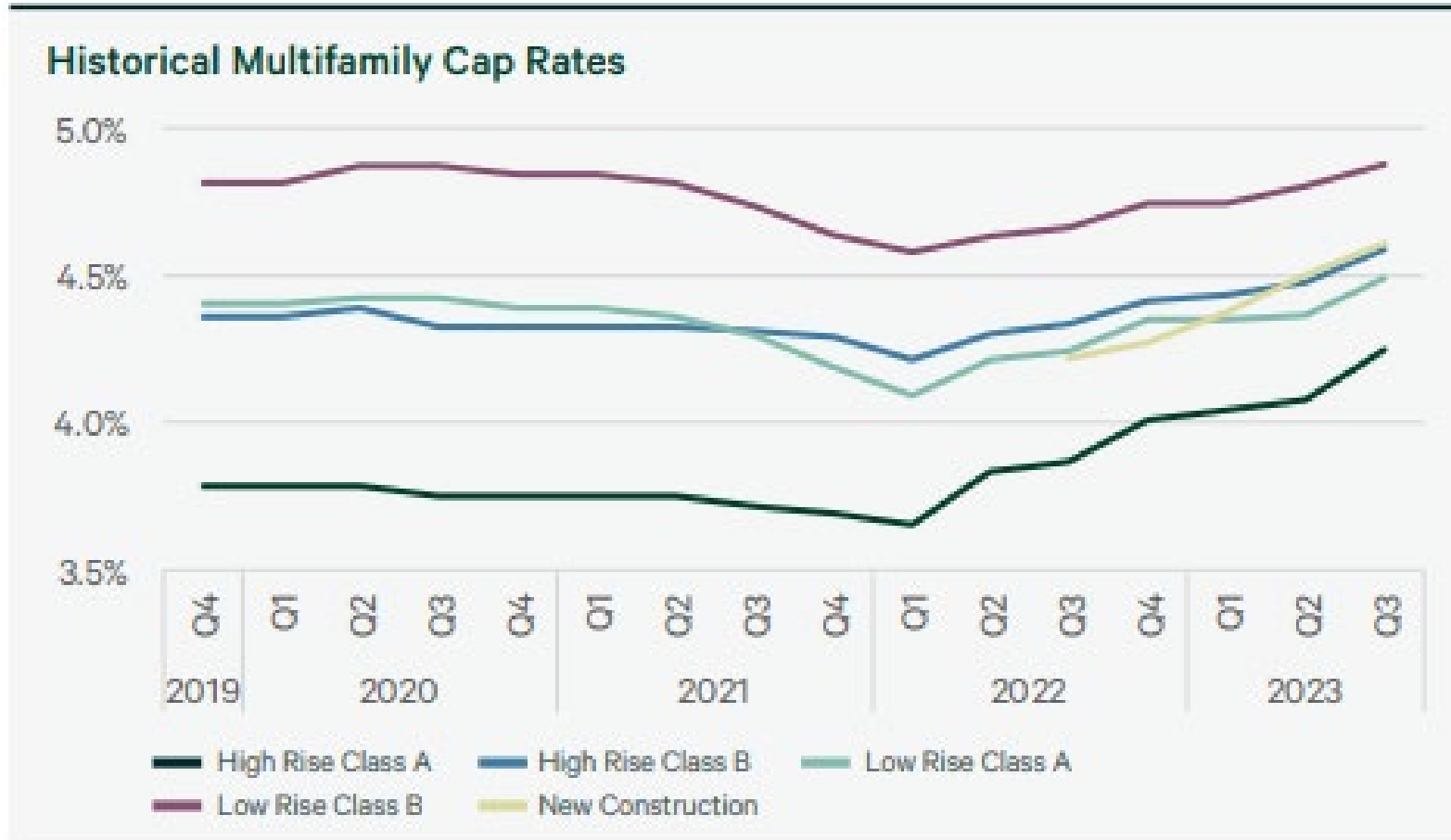
Vacancy Rate: This table displays the results of Canada Mortgage and Housing Corporation, vacancy rates, apartment structures of six units and over, privately initiated in census metropolitan areas. (<https://www150.statcan.gc.ca/t1/tbl/en/tv.action?pid=3410012701>). Canadian Recession Dates: from C.D. Howe Institute Business Cycle Council (<https://www.cdhowe.org/council/business-cycle-council>).

Cap Rate Spreads



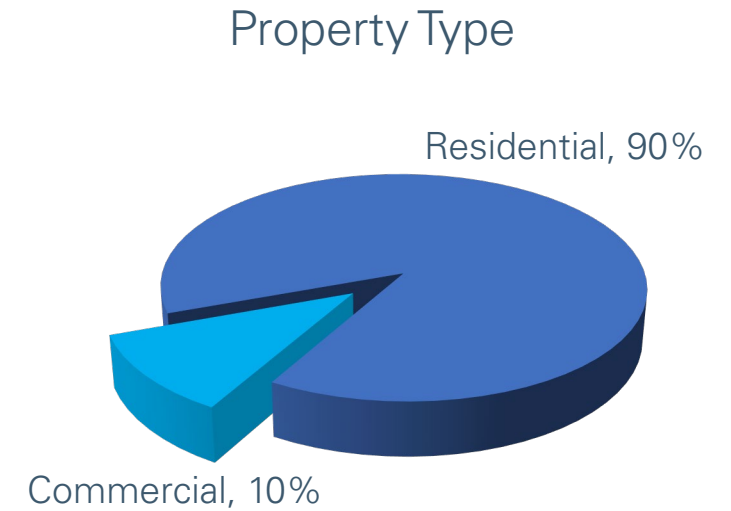
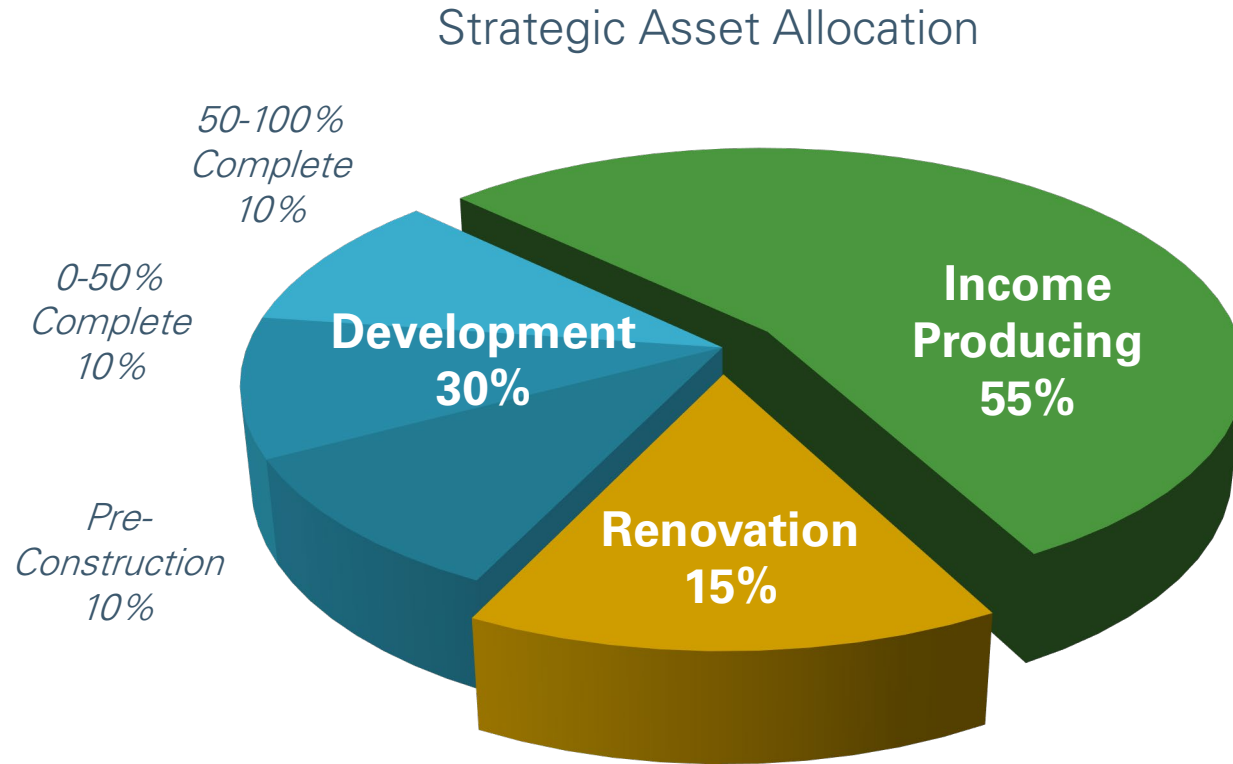
Source: CBRE Q3 2023 Cap Rate Report; [Canada Cap Rates & Investment Insights Q3 2023 | CBRE Canada](#)

Cap Rate Spreads



Source: CBRE Q3 2023 Cap Rate Report; [Canada Cap Rates & Investment Insights Q3 2023 | CBRE Canada](#)

Long-term Target Asset Mix



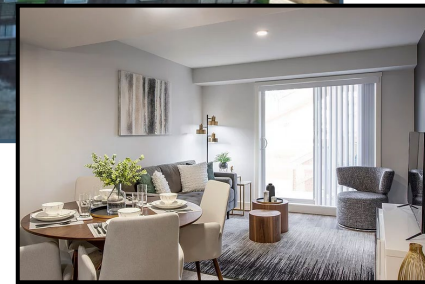
OUR MAIN STRATEGIES

- INCOME PRODUCING
- DEVELOPMENT
- RENOVATION



Income Producing

- Newly constructed modern pet-friendly apartments, generally located in secondary markets.
- Properties generally offer amenities including gym, business center, games room and an outdoor patio as well as private balconies and in-suite laundry.



Onyx (Ironclad Dev Pembina LP)



Location	Winnipeg, MB
Type	282 Unit Apartment
NOI	\$3,625,000
Capitalization Rate	4.85%
Est. FMV	\$78,100,000
Mortgage	\$61.8M @ 1.77% (7-years remaining)
DSC Yield	1.57X 6.3%

Onyx II (Future Development)



Treanor Terrace (Ironclad Dev Treanor LP)



Location	Langford (Victoria), BC
Type	95 Unit Apartment 4,078 sqft Retail
NOI	\$1,940,000
Capitalization Rate	4.36%
Est. FMV	\$46,300,000
Mortgage	\$34.6M @ 3.25% (8-years remaining)
DSC Yield	1.21X 3.1%

Renovation

- Repositioning the properties through heavy value-add upgrades to the common areas (lobby, elevator, exterior, etc.) as well as in-suite remodeling, generating a significant uplift in rents.
- Included in the Alitis Private REIT is Starlight's Canadian Residential Growth Fund and Starlight's Canadian Residential Growth Fund II.

Before



After



Some investments in the Starlight Canadian Residential Growth Fund

220 Bay St (Anthem Properties)



Development – With Intent to Retain



- Alitis teams up with long trusted and proven development partners to create desirable multifamily income producing properties.
- Development risk is reduced by both partners' experience and LP structures which may give Alitis cost guarantees and reduce the amount of time that Alitis' capital is at work.

The Mercury Block (The Mercury Block LP)



Location	Edmonton, AB
Type	163 Unit Residential Apartment + 10,452 sq ft Commercial
Status	Completed (Occupancy Dec 2023), Leasing Up
Target IRR	12 – 18%
Initial Investment	December 2021
Target Stabilization	Fall 2024
Developer	Autograph Group

Opportunistic Development (intent to sell)

- Alitis partners with trusted and experienced developers to build and sell highly sought after residential and commercial properties.
- Past investments have included smaller-scale residential townhome developments, large pre-sold condominium projects, and purpose-built rentals.



Centennial (Ironclad Costin & Carlow LP)

Location	Langford (Victoria), BC
Type	155 Unit Residential Apartment
Status	SOLD - \$70.5 Million
Achieved IRR	39.3%
Investment Timeframe	Sep 2021 – Oct 2023
Developer	Ironclad Developments



Tenth Line (Ironclad Tenth Line LP)



Location	Orleans (Ottawa), ON
Type	251 Unit Apartment + 4,085 sqft Commercial
Status	Under Construction – 95% Complete 48% Leased
Initial Investment	June 2021
Target IRR	20 – 25%
Developer	Ironclad Developments

Anthem – High Rise Fund



Jinju

533 Cottonwood Avenue
Coquitlam, BC
42 storey tower
467 residential units



The Standard

6444 Willingdon Avenue
Burnaby, BC
43 storey tower
516 residential units



Nuvo at Central Park

6075 Wilson Avenue
Burnaby, BC
44 storey tower
444 residential units



Form

1530 West 6th Avenue
Vancouver, BC
11 storey tower
51 residential units



Park

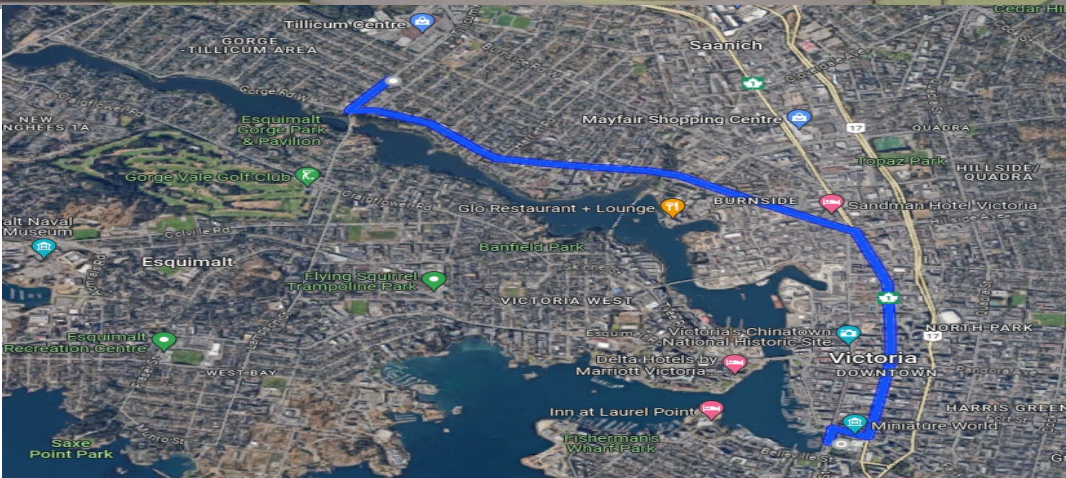
1698 West Georgia St
Vancouver, BC
31 storey tower
126 residential units



SOCO One

319 North Road
Coquitlam, BC
South Tower: 28 storey, 222 residential units
North Tower: 32 storey, 272 residential units

Actively Raising Capital (New Opportunities)



ALITIS PRIVATE REIT DETAILS

AS OF DECEMBER 31, 2023



Alitis Valuation Policy

1. Cost
2. Preferred Return Accrual
 - Used during Pre-Construction Phase
3. Monthly Valuation
 - I. Income Properties
 - Desktop valuation (actual results with cap rates from appraisal or cap rate reports)
 - II. Development
 - Desktop valuation with percentage of completion methodology
 - Cost + Percent complete X Fair market value increase upon completion
 - Percentage of completion determined by independent Quantity Surveyor
4. Annual Appraisal
 - Independent appraisals obtained for income producing properties, usually towards the end of the year
5. Updated NAV or FMV provided by Investment Manger

Annualized Returns

Class D & E Units are only available to clients of Alitis Investment Counsel. In order to illustrate the historical performance of the REIT, Class E Units will be shown as these units have a slightly higher management fee than the Class F Units that are being offered to dealers.

Returns to December 31, 2023

	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	5 Years	Since Inception*	Mgmt. Fee**	Performance Fee
Class F	1.72%	3.58%	6.72%	7.35%	7.93%	10.24%		10.25%	1.6%	None
Class A	1.50%	3.29%	6.12%	6.14%	6.73%	9.01%		9.62%	2.6%	None
Class E	1.72%	3.59%	6.74%	7.37%	7.98%	10.29%	10.24%	10.63%	1.7%	None

* Inception Dates - Class E: April 2016, Class F: November 2019, Class A: October 2020

** Management fees changed on July 1st, 2022. Previously, management fees were lower, and a performance fee was charged.
All returns prior to this date are net of all fees.

Monthly & Calendar Year Returns

Class F

	2020	2021	2022	2023
January	-0.54%	1.26%	1.11%	0.07%
February	0.30%	1.37%	1.84%	-0.22%
March	0.11%	1.24%	1.45%	-0.08%
April	-0.05%	1.82%	0.90%	0.37%
May	-0.55%	1.35%	0.87%	0.87%
June	1.05%	0.80%	0.28%	-0.41%
July	1.04%	1.20%	0.51%	0.61%
August	1.22%	0.66%	0.32%	1.66%
September	1.28%	0.83%	0.10%	0.73%
October	2.59%	1.17%	0.31%	0.37%
November	1.95%	0.99%	0.11%	1.46%
December	1.50%	1.37%	0.43%	1.72%
Total	10.32%	14.99%	8.52%	7.35%

Class A

	2021	2022	2023
January	1.19%	1.02%	-0.01%
February	1.28%	1.75%	-0.30%
March	1.16%	1.37%	-0.19%
April	1.71%	0.79%	0.29%
May	1.27%	0.78%	0.76%
June	0.70%	0.18%	-0.52%
July	1.11%	0.42%	0.53%
August	0.57%	0.24%	1.57%
September	0.69%	-0.01%	0.62%
October	1.06%	0.22%	0.29%
November	0.90%	0.03%	1.37%
December	1.27%	0.32%	1.60%
Total	13.71%	7.33%	6.14%

Class E

	2017	2018	2019	2020	2021	2022	2023
January	0.25%	0.94%	0.11%	-0.49%	1.28%	1.12%	0.08%
February	-0.10%	0.35%	0.48%	0.36%	1.38%	1.86%	-0.22%
March	1.45%	0.79%	0.74%	0.17%	1.25%	1.47%	-0.08%
April	0.34%	0.86%	0.90%	0.01%	1.84%	0.90%	0.38%
May	2.03%	0.83%	0.92%	-0.49%	1.37%	0.87%	0.85%
June	0.82%	1.41%	0.51%	1.11%	0.81%	0.27%	-0.41%
July	2.17%	0.61%	0.81%	1.10%	1.21%	0.51%	0.62%
August	0.05%	0.78%	0.90%	1.25%	0.66%	0.33%	1.66%
September	1.60%	0.90%	0.67%	1.47%	0.78%	0.10%	0.73%
October	0.04%	1.41%	0.50%	2.90%	1.18%	0.31%	0.38%
November	1.59%	1.22%	1.18%	1.97%	1.00%	0.12%	1.46%
December	2.08%	2.25%	0.89%	1.52%	1.38%	0.44%	1.72%
Total	12.91%	13.05%	8.97%	11.38%	15.07%	8.59%	7.37%

Risk & Correlation

As of December 31, 2023

Annualized **Standard Deviation** of Returns

	1 Year	2 Years	3 Years	5 Years	Since Inception*
Class F	2.50%	2.18%	2.07%		2.40%
Class A	2.50%	2.19%	2.07%		2.15%
Class E	2.50%	2.19%	2.09%	2.27%	2.30%

* Inception Dates –Class E: April 2016, Class F: November 2019, Class A: October 2020

Correlation Class E Returns to Other Indices and Investments

	Cdn Stocks	US Stocks	Real Estate	Cdn Bonds
1 Year	0.08	0.02	0.25	0.26
3 Years	0.250	0.02	0.28	–0.02
5 Years	0.10	–0.02	0.20	–0.11

Indexes referred to in order of Cdn Stocks, US Stocks, Real Estate and Cdn Bonds are: S&P/TSX 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 REIT

- Tax efficient, total return mandate
- Reduce client portfolio correlation to the stock and bond market indices
- Reduce recession impact in portfolios
- Relatable and tangible investment
- Focus on an essential need in life
- Differentiation from advisor peer group asset mix

QUESTIONS?

ALITIS
ASSET MANAGEMENT



Contact Information



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