

**Introduction to  
UMC Real Estate Fund**

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## **Introduction**

### **Our Business Model**

UMC Financial Management Inc. (“UMC”) is a financial services firm that specializes in commercial real estate investing. With the funds received from our investors, we purchase or develop quality commercial real estate investments, such as: apartment buildings, condominiums, office buildings, industrial buildings, retail space, etc.

Our investors can earn a return on their investment by receiving any net income earned as well as any potential appreciation in the market value. UMC funds its operations through administration fees for managing these investments.

Most of UMC’s investors invest in real estate through holding units of UMC Real Estate Fund.

### **How UMC Real Estate Fund Operates**

UMC Real Estate Fund is a group of investors – or unitholders – that collectively own a large pool of commercial real estate investments. This structure was created to allow individual investors to benefit from a larger, more diverse pool of real estate assets than they could not otherwise own separately. To review the individual properties in the portfolio, please refer to Appendix II on page 15.

Those who invest in UMC Real Estate Fund hold units that represent partial ownership in the pool of assets held in the fund. For example, if all investors collectively held 50 million units and an individual investor held 0.5 million of those units, they would own 1.00% of UMC Real Estate Fund and would receive 1.00% of the net income earned and subsequent changes in market value from the properties owned by the Trust. To view the legal structure of UMC Real Estate Fund, please refer to Appendix III on page 33.

### **Common Questions**

1. How often are UMC Real Estate Fund units available?

We offer new units to investors effective June 30 and December 31 of each year.

2. What rate of return is the fund expected to earn?

From a review of the properties within the portfolio, we expect that the fund’s total return in 2023 to be 6.79% before fees and 6.12% after fees<sup>1</sup>.

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<sup>1</sup> Please note that this return is a projection and not a guarantee of future performance. Projected returns are calculated based on many factors, such as: current and estimated lease rates, estimated operating expenses and estimated changes in market capitalization rates. Projected returns will usually vary from actual returns and investors should not rely on a projected return as a guaranteed source of income.

3. How is the value of my real estate investments determined?

We order third-party appraisals of market value periodically, we adjust the market value estimate on a quarterly basis between appraisals based on any changes to the underlying fundamentals, such as the property net income or market capitalization rates.

4. How is income distributed to investors?

Income is distributed on a quarterly basis after the income and changes in market value are updated. The net earnings – excluding changes in market value – are reinvested into additional units. Investors who wish to receive regular installments from the fund can redeem units twice annually. For more details on redemptions, see question 5, below.

5. How are units redeemed?

Units of UMC Real Estate Fund are available to be redeemed on a semi-annual basis effective June 30 and December 31 of each year at market value. The fund will require investors to provide notice of their intent to redeem 45 days in advance of these dates.

Unit redemptions will be in cash if there is sufficient cash available in the fund. In circumstances where a redemption is particularly large or if the fund cash balance is low, investors will receive redemption notes in lieu of cash. Redemption notes are a promise by the fund to repay the redemption amount once the cash becomes available and will accrue interest for the investor during the repayment period.

6. Will the value of my units change over time or stay at a fixed amount?

Units of UMC Real Estate Fund will change based on increases or decrease in the market values of the properties within the portfolio. The properties in the portfolio will be evaluated on a quarterly basis to assess changes in market value. For example, if your units were valued at \$1.00 per unit, and the market value of the portfolio then increased by 2%, the unit value would increase to \$1.02 per unit.

7. What fees are associated with investing in UMC Real Estate Fund?

The administration fee that will be charged to the UMC Real Estate Fund portfolio will be 0.60% of assets under administration. All income paid to unitholders are net of these fees.

8. Who will manage the properties in this fund?

UMC oversees the management of all properties through UMC Property Management (a division of Tara Vista Holdings Ltd.). The management of these properties includes leasing, tenant relations, overseeing upkeep and maintenance, as well as bookkeeping and accounting.

9. What information will be reported to investors who hold units of UMC Real Estate Fund?

Investors will receive reports on a quarterly basis that detail the balance of the units outstanding, a summary of transactions and a rate of return calculation for the quarter and the year to date, as well as an attached report providing an update on the status of the fund.

10. What are the risks associated with holding real estate investments?

Like most investments, investing in real estate carries a degree of risk. The primary risks associated with investing in real estate include losses from vacancies, unexpected maintenance or declines in market values. Please ask for a copy of our Relationship Disclosure Form for further information on potential risks of investing.

11. Why hold a pool of real estate assets over owning an investment property?

As a unitholder of UMC Real Estate Fund, your real estate holdings will see improved diversification over holding a single investment property. Improved diversification is important because it tends to lessen the impact of a negative event – such as a vacancy or decrease in market value – associated with a single property.

While real estate investments are generally intended to be held over a longer time horizon, there are circumstances where a full or partial liquidation of the real estate investment may be necessary. Holding units of UMC Real Estate Fund have the potential for greater liquidity, although are not guaranteed to be liquid. Additionally, in circumstances where a partial liquidation of UMC Real Estate Fund units is necessary, the diversification of the remaining real estate in your portfolio continues to be the same as the remaining units held represent fractional ownership in a diversified real estate portfolio.

In addition to the above, the properties in UMC Real Estate Fund are professionally managed, allowing you to avoid involvement in the day-to-day management of real property.

## **Firm Information**

### **Background**

Founded in 1978, UMC Financial Management Inc. is an Edmonton based independently owned and operated financial and investment consulting firm comprised of a group of individuals whose key focus is to help clients achieve financial success.

Since its inception, UMC has managed commercial mortgage and real estate investments for various non-profit groups, small businesses, universities and individuals across Canada. Having experienced considerable growth since 1978, UMC now manages over \$340,000,000 in client assets.

On March 31, 2011 UMC became registered as an Exempt Market Dealer and a Restricted Portfolio Manager in several jurisdictions across Canada. These registrations were required under new securities legislation for mortgage and real estate investment entities. To further adapt to these changes, UMC began the creation of UMC Mutual Fund Trust in 2013 to pool the assets of several of its individual mortgage portfolios into one large mortgage portfolio. In 2021, we created UMC Real Estate Fund that allowed our real estate investors pool their assets to enjoy greater diversification.

### **Portfolio Management Team**

UMC's team consists of fifteen individuals who provide financial management services to our clients. Working as a team, these individuals use their expertise and experience to ensure proper service is provided. The key individuals of the portfolio management team are as follows:

**CLÉMENT LAVOIE, CFA**: Clément has the responsibility for the monitoring of all investment portfolios and the daily management of all of our real estate investments. He is also responsible for the day-to-day analysis of the portfolios and markets. Clément assumes responsibility of investor relations and analysis of potential real estate investments. Clément is also the firm's Chief Compliance Officer and is registered as an Advising Representative and a Dealing Representative in several jurisdictions across Canada. He has over 30 years of experience with UMC.

**LISA PUECH**: Lisa is responsible for the daily administration, investor reporting and the security administration for all the investments under our management. She has experience in the administration of all mortgage assets including the monitoring and verification of all investment security. She has over 35 years of experience with UMC.

**DANEKA-LEE PUECH**: Daneka is responsible for the accounting area as well as the compliance with both the Real Estate Council of Alberta and the Alberta Real Estate Association. She also manages the mortgage analysis personnel and performs the analysis of potential mortgage investments. She has over 41 years of experience with UMC.

KYLE PEDERSON, CFA: Kyle assists with the monitoring of all investment portfolios and the daily management of all our real estate investments as well as providing assistance in the planning of investor portfolios and preparation of investor reports. Kyle is also registered as an Advising Representative and a Dealing Representative in several jurisdictions across Canada. Kyle has over 11 years of experience with UMC.

### **Compliance and Transparency**

UMC is licenced as an Exempt Market Dealer, Restricted Portfolio Manager in Alberta, British Columbia, Manitoba, Newfoundland and Labrador, Northwest Territories, Nunavut, Ontario, Quebec and Saskatchewan. UMC is also licenced as an Investment Fund Manager in Alberta, Quebec, and Newfoundland & Labrador. As a registered firm, UMC submits its corporate annual and quarterly financial statement information to the Alberta Securities Commission.

UMC recommends that all current and potential clients confirm the registration of the firm and its individual advising and dealing representatives at least once. The Canadian Securities Administrators has a website that allows investors to verify a firms' and individuals' registration in every jurisdiction in Canada. Verifying UMC's registration is a quick and simple process:

1. Go [www.aretheyregistered.ca](http://www.aretheyregistered.ca) and click on "check now"
2. Select "firm" and click "next"
3. Type in UMC Financial Management Inc.

Individuals working at UMC can also be verified:

1. Go [www.aretheyregistered.ca](http://www.aretheyregistered.ca) and click on "check now"
2. Select "individual" and click "next"
3. Type in "Clement Lavoie" or "Kyle Pederson"

UMC follows International Financial Reporting Standards (IFRS) and undergoes regular audits by an independent third party. Each audit is effective July 31 and encompasses UMC mortgage investments, trust accounts and UMC's corporate financials. Specifically, some of the items that are reviewed are:

- Funds are deposited in a timely manner into the correct accounts;
- Transactions are recorded both accurately and in a timely manner;
- There is no co-mingling (mixing of) funds between investor, borrower or corporate funds;
- Bank accounts are reconciled in a timely manner; and
- Bank accounts are approved on a monthly basis, by a partner in the firm.

**Professionals Supporting UMC**

**Our Corporate Lawyer:**

Bruce G. Neill Professional Corporation  
103, 14020 – 128 Avenue, NW  
Edmonton, AB

Mr. Bruce G. Neill (780) 488-4152

**Our Corporate Auditor:**

Kingston Ross Pazak LLP  
Suite 1500, 9888 Jasper Avenue, NW  
Edmonton, AB

Mr. Neil Cockburn, FCPA, FCA, CFP, TEP (780) 434-6161

**Our Corporate Bank:**

The Bank of Nova Scotia  
10050 Jasper Avenue  
Edmonton, AB

Mr. Michael Walker (780) 448-7671

**Our Insurance Agent:**

Robinson Dale Insurance Ltd.  
#1180, 10040 – 104 Street  
Edmonton, AB

Mr. Daniel Robinson (780) 424-7287



## **Appendix I**

### **UMC Real Estate Fund Financial Statements**

**UMC Real Estate Fund**  
Consolidated Balance Sheet  
As at December 31, 2022  
(With Year to Date Figures)  
(With Comparison Figures As at December 31, 2021)  
(Unaudited)

|   | 2022                 |                      | 2021                 |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | For the Quarter      | Year To Date         | For the Quarter      | Year To Date         |
| <b>ASSETS</b>                                 |                      |                      |                      |                      |
| Cash in Bank                                  | 977,589.39           | 977,589.39           | 392,221.72           | 392,221.72           |
| Accounts Receivable                           | 99,977.67            | 99,977.67            | 177,467.97           | 177,467.97           |
| Prepaid Expenses                              | 174,243.52           | 174,243.52           | 176,842.85           | 176,842.85           |
|   | 1,251,810.58         | 1,251,810.58         | 746,532.54           | 746,532.54           |
| Due from Related Party                        | 0.00                 | 0.00                 | 300,000.00           | 300,000.00           |
| Property, Plant and Equipment                 | 50,597,341.07        | 50,597,341.07        | 42,870,523.90        | 42,870,523.90        |
| <b>TOTAL ASSETS</b>                           | <b>51,849,151.65</b> | <b>51,849,151.65</b> | <b>43,917,056.44</b> | <b>43,917,056.44</b> |
| <b>LIABILITIES AND PARTNERS' EQUITY</b>       |                      |                      |                      |                      |
| <b>Liabilities</b>                            |                      |                      |                      |                      |
| <b>Current</b>                                |                      |                      |                      |                      |
| Accounts Payable                              | 283,620.36           | 283,620.36           | 777,235.77           | 777,235.77           |
| GST Payable                                   | 19,270.97            | 19,270.97            | 12,171.76            | 12,171.76            |
| Occupancy Costs Payable                       | 16,889.31            | 16,889.31            | 25,514.47            | 25,514.47            |
| Unearned Revenue                              | 154,138.75           | 154,138.75           | 148,760.22           | 148,760.22           |
| Damage Deposits Payable                       | 100,054.64           | 100,054.64           | 64,852.23            | 64,852.23            |
| Current Portion of Long-Term Debt             | 178,918.73           | 178,918.73           | 235,008.00           | 235,008.00           |
|   | 752,892.76           | 752,892.76           | 1,263,542.45         | 1,263,542.45         |
| <b>Long Term</b>                              |                      |                      |                      |                      |
| Share Capital                                 | 30.00                | 30.00                | 30.00                | 30.00                |
| CEBA Loan                                     | 40,000.00            | 40,000.00            | 40,000.00            | 40,000.00            |
| Long-Term Debt                                | 5,363,542.02         | 5,363,542.02         | 351,592.00           | 351,592.00           |
|   | 5,403,572.02         | 5,403,572.02         | 391,622.00           | 391,622.00           |
| <b>Partners' Equity</b>                       |                      |                      |                      |                      |
| Beginning Balance                             | 44,765,496.30        | 42,303,890.44        | 41,480,485.14        | 0.00                 |
| Issuances                                     | 1,300,000.00         | 4,656,893.03         | 0.00                 | 40,593,524.81        |
| Withdrawals                                   | -500,000.00          | -3,468,064.74        | 0.00                 | -904,030.79          |
| Income for the Period                         | 127,190.57           | 2,199,968.14         | 781,406.85           | 2,572,397.97         |
| Ending Balance                                | 45,692,686.87        | 45,692,686.87        | 42,261,891.99        | 42,261,891.99        |
| <b>TOTAL PARTNERS' EQUITY AND LIABILITIES</b> | <b>51,849,151.65</b> | <b>51,849,151.65</b> | <b>43,917,056.44</b> | <b>43,917,056.44</b> |

**UMC Real Estate Fund**  
Consolidated Income Statement  
For the Quarter Ended December 31, 2022  
(With Comparison Figures for the Quarter Ended December 31, 2021)  
(With Year to Date Figures)  
(Unaudited)

|  | 2022                     |                            | 2021                     |                            |
|--|--------------------------|----------------------------|--------------------------|----------------------------|
|  | For the Quarter          | Year To Date               | For the Quarter          | Year To Date               |
| Investment Income  | 967,452.79               | 4,259,509.95               | 869,152.09               | 3,915,679.32               |
| Expenses   |                          |                            |                          |                            |
| Advertising and Promotion                                | 1,478.00                 | 2,799.15                   | 360.23                   | 2,286.64                   |
| Amortization of Leaseholds                               | 0.00                     | 0.00                       | 10,818.62                | 41,998.45                  |
| Commissions  | 46,516.69                | 130,991.01                 | 11,825.04                | 50,393.26                  |
| Condo Fees   | 38,207.49                | 144,249.30                 | 14,599.82                | 58,374.78                  |
| Costs of Goods Sold - Rooms                              | 51,434.92                | 293,253.26                 | 39,996.65                | 182,314.20                 |
| Financing Fees   | 26,563.83                | 72,098.14                  | 0.00                     | 0.00                       |
| Insurance  | 30,737.60                | 123,940.19                 | 39,663.57                | 138,829.58                 |
| Interest and Bank Charges                                | 851.12                   | 27,145.89                  | 2,105.04                 | 4,690.26                   |
| Interest on Damage Deposits                              | 3.04                     | 13.91                      | 3.60                     | 0.00                       |
| Interest on Long Term Debt                               | 78,095.84                | 190,104.18                 | 5,471.60                 | 31,077.01                  |
| Land Leases and Rent                                     | 3,293.13                 | 23,715.74                  | 3,293.13                 | 16,260.88                  |
| Licenses   | 0.00                     | 1,440.48                   | 0.00                     | 2,220.48                   |
| Office   | 3,795.07                 | 15,240.86                  | 8,112.84                 | 21,071.54                  |
| Professional Fees  | 31,545.45                | 270,217.25                 | 87,338.90                | 276,310.30                 |
| Property Management Fees                                 | 74,853.02                | 291,844.40                 | 57,537.66                | 226,414.30                 |
| Property Taxes   | 83,299.24                | 311,380.24                 | 71,790.78                | 285,241.67                 |
| Provision for Bad Debts                                  | 0.00                     | 1,310.01                   | 926.81                   | 6,968.55                   |
| Repairs and Maintenance                                  | 169,974.95               | 549,222.09                 | 112,641.90               | 462,957.47                 |
| Reserve Fund Contribution                                | 160,000.00               | 160,000.00                 | 0.00                     | 0.00                       |
| Travel   | 4,128.55                 | 16,820.07                  | 2,160.32                 | 12,268.90                  |
| Utilities  | 134,793.48               | 423,215.03                 | 103,918.20               | 369,833.79                 |
| Wages and Benefits                                       | 168,069.82               | 656,608.71                 | 143,280.31               | 473,268.59                 |
| GST (non-claimable)                                      | 11,547.80                | 31,829.85                  | 3,362.58                 | 18,316.70                  |
|  | <u>1,119,189.04</u>      | <u>3,737,439.76</u>        | <u>719,204.00</u>        | <u>2,681,097.35</u>        |
| Occupancy Costs Recovery                                 | 154,909.38               | 562,562.35                 | 132,263.03               | 523,344.46                 |
| Net Expenses   | <u>964,279.66</u>        | <u>3,174,877.41</u>        | <u>586,940.97</u>        | <u>2,157,752.89</u>        |
| Net income before administration fees and applicable GST | 3,173.13                 | 1,084,632.54               | 282,211.12               | 1,757,926.43               |
| Administration Fees (including GST)                      | 82,144.43                | 303,359.59                 | 68,946.95                | 260,442.01                 |
| Net Income before gain on sale                           | <u>-78,971.30</u>        | <u>781,272.95</u>          | <u>213,264.17</u>        | <u>1,497,484.42</u>        |
| Gain on sale   | 69,608.41                | 234,784.53                 | 0.00                     | 0.00                       |
| Net Income before increase in market value               | <u>-9,362.89</u>         | <u>1,016,057.48</u>        | <u>213,264.17</u>        | <u>1,497,484.42</u>        |
| Increase in market value                                 | 136,553.46               | 1,183,910.66               | 568,139.08               | 1,074,913.55               |
| Net Income   | <u><u>127,190.57</u></u> | <u><u>2,199,968.14</u></u> | <u><u>781,403.25</u></u> | <u><u>2,572,397.97</u></u> |

## APPENDIX II

### Overview of Properties

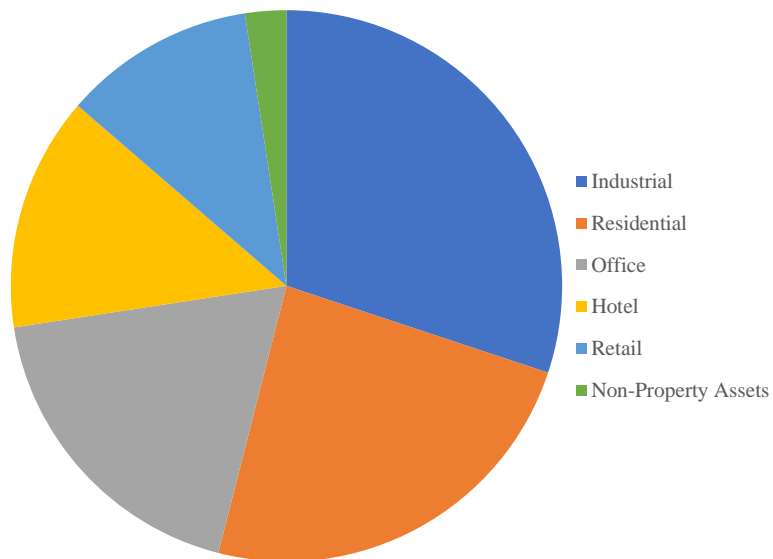
| Property Name                | Estimated Value | Location           | Size (sqft) | Property Type   |
|------------------------------|-----------------|--------------------|-------------|-----------------|
| Aberfoyle Holdings Ltd.      | 930,000.00      | Beausejour, MB     | 10,000      | Retail          |
| Carnoustie Holdings Ltd.     | 3,350,000.00    | Winnipeg, MB       | 21,720      | Industrial      |
| Carnoustie Holdings Ltd.     | 5,341,499.06    | Winnipeg, MB       | 42,430      | Industrial      |
| Niblick Equities Inc.        | 2,727,983.58    | Red Deer, AB       | 20,810      | Industrial      |
| Indigo Springs Equities Inc. | 1,139,395.53    | Red Deer, AB       | 16,410      | Industrial      |
| Laguna Capital Equities Inc. | 2,105,702.54    | St. Albert, AB     | 21,341      | Retail          |
| 1742050 Alberta Ltd.         | 4,901,593.09    | Grande Prairie, AB | 26,785      | Office          |
| 2131896 Alberta Ltd.         | 243,000.00      | Grande Cache, AB   | 3,009       | Residential     |
| 2299301 Alberta Ltd.         | 1,026,000.00    | Warman, SK         | 5,545       | Residential     |
| Swan Lake Hospitality Ltd.   | 7,127,866.82    | Vernon, BC         | 33,011      | Hotel           |
| 2310629 Alberta Ltd.         | 939,657.48      | Grande Prairie, AB | 8,507       | Airplane Hangar |
| 2310629 Alberta Ltd.         | 2,464,866.86    | Grande Prairie, AB | 8,471       | Office          |
| 963900 N.W.T. Ltd.           | 5,307,789.35    | Yellowknife, NT    | 27,418      | Office          |
| 5769 N.W.T. Ltd.             | 1,547,779.88    | Yellowknife, NT    | 11,119      | Residential     |
| 5789 N.W.T. Ltd.             | 1,877,375.72    | Yellowknife, NT    | 13,304      | Office          |
| Yellowknife Townhomes        | 3,708,154.97    | Yellowknife, NT    | 21,120      | Residential     |
| Hilliard Street Apartments   | 2,433,676.19    | Saskatoon, SK      | 7,470       | Residential     |
| Westmount Twelve Plex        | 3,425,000.00    | Edmonton, AB       | 16,167      | Residential     |
|                              | 50,483,495.17   |                    | 314,637     |                 |

To view the individual properties, please refer to Appendix III.

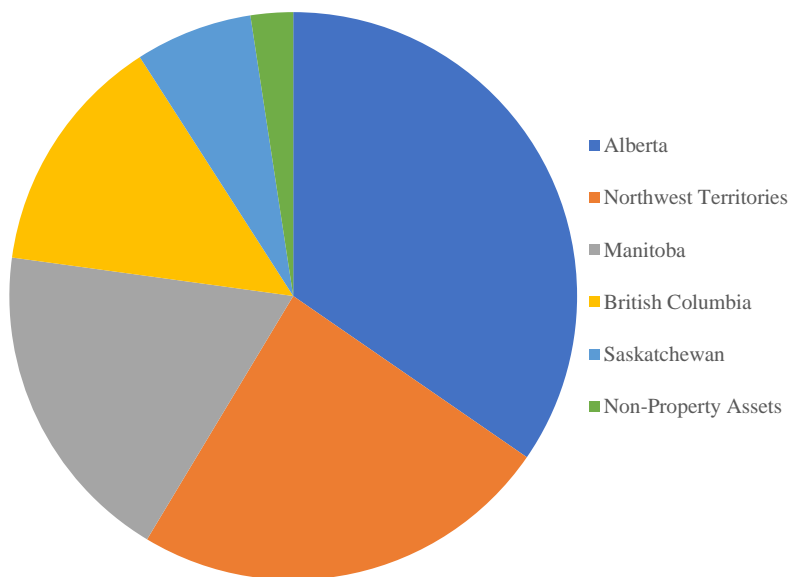
**Diversification**

The following is a breakdown of the diversification of the 18 properties in the portfolio:

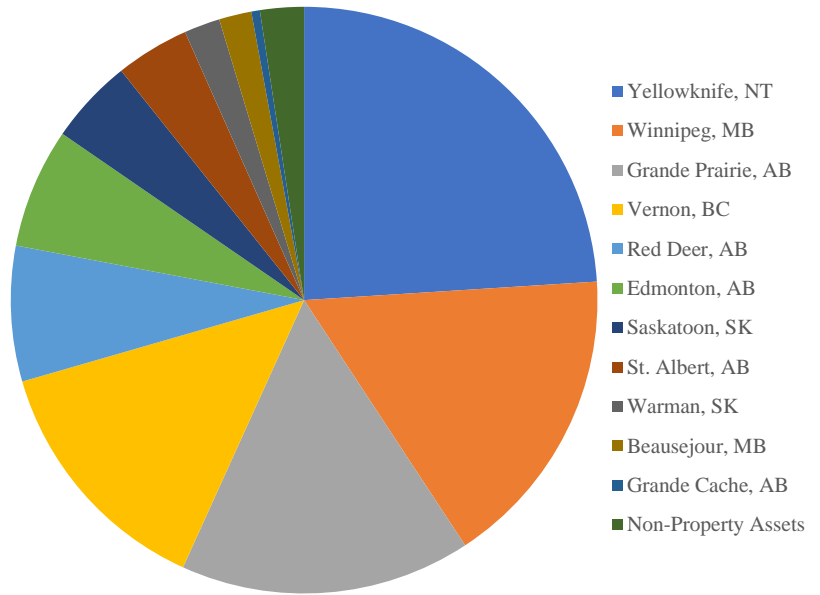
| Property Type              | % Total Assets |
|----------------------------|----------------|
| Industrial                 | 30.10%         |
| Residential                | 23.88%         |
| Office                     | 18.61%         |
| Hotel                      | 13.75%         |
| Retail                     | 11.25%         |
| <i>Non-Property Assets</i> | <i>2.41%</i>   |
| <b>Total</b>               | <b>100.00%</b> |



| Location by Province       | % Total Assets |
|----------------------------|----------------|
| Alberta                    | 34.61%         |
| Northwest Territories      | 23.99%         |
| Manitoba                   | 18.56%         |
| British Columbia           | 13.75%         |
| Saskatchewan               | 6.68%          |
| <i>Non-Property Assets</i> | <i>2.41%</i>   |
| <b>Total</b>               | <b>100.00%</b> |



| Location by City           | % Total Assets |
|----------------------------|----------------|
| Yellowknife, NT            | 23.99%         |
| Winnipeg, MB               | 16.76%         |
| Grande Prairie, AB         | 16.02%         |
| Vernon, BC                 | 13.75%         |
| Red Deer, AB               | 7.46%          |
| Edmonton, AB               | 6.61%          |
| Saskatoon, SK              | 4.70%          |
| St. Albert, AB             | 4.06%          |
| Warman, SK                 | 1.98%          |
| Beausejour, MB             | 1.79%          |
| Grande Cache, AB           | 0.47%          |
| <i>Non-Property Assets</i> | <i>2.41%</i>   |
| <b>Total</b>               | <b>100.00%</b> |



## **Appendix III**

### **Review of Individual Properties**

## **Aberfoyle Holdings Ltd.**

Location: 518 Park Avenue, Beausejour, MB

Size: 10,000 square feet

Tenant: The Bargain! Shop Holdings Inc. (o/a Red Apple)

Nature of Business: Retail outlet

Lease Expiry: January 31, 2027, with two 5-year options to renew.

Lease Rate: \$70,000 per year, with occupancy costs paid directly by the tenant.





## **Carnoustie Holdings Ltd. (Wajax Building)**

Location: 75 Aimes Road, Winnipeg, MB

Size: 21,720 square feet

Tenant: Wajax Industries Ltd.

Lease Expiry: April 30, 2023, with one five-year option to renew.

Lease Rate: \$222,630 per year with occupancy costs paid directly by tenant.

Nature of business: This property is used by Wajax Industries Ltd. to facilitate the sale and servicing of heavy equipment.



## **Carnoustie Holdings Ltd. (Russell Metals Building)**

Location: 210 Agri Park Road, Oak Bluff, Winnipeg, MB

Size: 42,430 square feet

Tenant: Russell Metals Inc.

Lease Expiry: February 28, 2024, with two five-year options to renew.

Lease Rate: \$328,832.52 per year with occupancy costs paid directly by tenant.

Nature of business: This property is used by Russell Metals Inc. for the storage and distribution of industrial grade metal tubing.





## **Niblick Equities Inc.**

Location: 7980 Edgar Industrial Drive, Red Deer, AB

Size: 20,810 square feet

Tenant: Delta Rental Services

Lease Expiry: September 30, 2024

Lease Rate: \$222,662.04 per year with tenant directly paying occupancy costs.

Nature of business: This property is used by Delta Rental Services Ltd. for the rental and servicing of oilfield equipment.



## **Indigo Springs Equities Inc.**

Location: 7920 Edgar Industrial Way, Red Deer, AB

Size: 16,410 square feet

Tenant: Topco Oilsite Products

Lease Expiry: July 31, 2023

Lease Rate: \$172,305 per year, with occupancy costs paid directly by tenant.

Nature of business: This property is used by Topco Oilsite Products servicing of oilfield equipment.



## **Laguna Capital Equities Inc.**

Location: 35 Riel Drive, St. Albert, AB

Size: 21,341 square feet

Tenant: Boyd Autobody & Glass

Lease Expiry: May 31, 2026

Lease Rate: \$174,000 per year to May 31, 2026, with occupancy costs paid directly by tenant.

Nature of business: This property is used to operate an autobody repair shop.





## 1742050 Alberta Inc.

Location: 11745 – 105 Street Grande Prairie, AB

Size: 26,785 square feet

| Tenant                                      | Lease Expiry  |
|---|---|
| Royal Oaks Pharmacy Inc. (Unit 101)         | November 30, 2027, with one five-year option to renew |
| Royal Oaks Pharmacy Inc. (Unit 102)         | November 30, 2027, with one five-year option to renew |
| Prime Care Health Network                   | December 31, 2026                                     |
| Saigon Pho House (o/a 1856694 Alberta Ltd.) | January 31, 2032                                      |
| Inviva McKesson Pharma Care                 | April 15, 2023, with two three-year options to renew  |
| Surehire Occupational Testing Services      | October 31, 2024, with one five-year option to renew  |

Annual Lease Revenue: \$375,362.88 per year, less occupancy costs

This property primarily provides space for various businesses that operate in the healthcare industry. Currently, 22% of the rental area is vacant; however, given the healthcare tenants in place and the construction of a hospital nearby, we expect that the remaining space will be leased to high quality tenants in the healthcare industry.



## 2131896 Alberta Ltd.

Location: 160 Moberly Road, Grande Cache, AB

Size: 3,009 square feet

Lease rate: \$32,400 per year less occupancy costs

This investment represents two residential condominiums that are leased on a month-to-month basis.



## Swan Lake Hospitality Ltd.

Location: 7905 Greenhow Road, Vernon, BC

Size: 33,011 square feet

This property is a 44-room hotel that features a restaurant as well as an adjacent log home. We are currently in the process of converting the hotel into hotel condominium units that can be sold on an individual basis as investment properties. Our research has indicated that this conversion will significantly increase the value of the property. We expect that the conversion process will have a duration of approximately three years, during this period, the hotel will continue to operate and generate income.





## **2310629 Alberta Ltd. Grande Prairie Hangar**

Location: 11010 Airport Drive, Grande Prairie, AB

Size: 8,507 square feet

Lease Rate: \$32,400.00 per year less occupancy costs

This property is adjacent to the airport in Grande Prairie and is fully leased to house five different aircraft. The aircraft leases are on a month-to-month basis. The hangar has experienced few vacancies and provides regular cash flow.



## 2310629 Alberta Ltd. Grande Prairie Office

Location: 10055 – 120 Avenue, Grande Prairie, AB

Size: 9,701 square feet

Lease Rate: \$120,944.22 less occupancy costs

This property is an office condominium that has recently been renovated to include four different suites to better accommodate the demand for office space in the Grande Prairie region. We have subdivided the floor space into smaller units and have leased 2,226 square feet of space to date; we expect to lease the remainder over the coming year.

| <b>Tenant</b>                     | <b>Lease Expiry</b> |
|-----------------------------------|---------------------|
| Brandy Mazurek Prof. Corp. (205E) | October 1, 2026     |
| Bear Creek (205D)                 | January 1, 2024     |
| Wood Canada Limited (205A & 205B) | March 1, 2028       |



## 963900 N.W.T. Ltd.

Location: 5020 – 48 Street, Yellowknife, NT

Size: 27,418.00 square feet

Lease Rate: \$651,161.40 less occupancy costs

This is an office building in the downtown area of Yellowknife, NT that is leased to the Government of Canada and the Government of Northwest Territories.

| Tenant  | Lease Expiry  |
|---|---|
| Department of National Defence (1st floor)      | August 31, 2025, with two one-year options to renew   |
| Department of National Defence (2nd Floor)      | June 1, 2023, with two one-year options to renew      |
| Government of Northwest Territories (3rd floor) | November 30, 2024, with one one-year option to renew  |
| Government of Northwest Territories (2nd Floor) | February 16, 2023, with two one-year options to renew |



## **5769 N.W.T. Ltd.**

Location: 4910 – 46 Street, Yellowknife, NT

Size: 11,119 square feet

Lease Rate: \$237,240.00 less expenses

This property is a 12 unit, two-storey apartment building that is fully leased. The units are leased on a month-to-month basis with five of the twelve units are leased through Northwest Territories Housing Corporation. Due to the low vacancy rates in Yellowknife, the building tends to have few vacancies.





## 5789 N.W.T. Ltd.

Location: 4510 – 50 Avenue, Yellowknife, NT

Size: 13,304 square feet

This property is a two-story office building that is leased to multiple tenants:

| <b>Tenant</b>                       | <b>Lease Expiry</b> |
|-------------------------------------|---------------------|
| Government of Northwest Territories | January 31, 2026    |
| Up Here Publishing Ltd.             | Month to Month      |
| Native Communications Society       | December 31, 2025   |

Lease Rate: \$350,556.66 per year less occupancy costs for UP Here Publishing Ltd.



## Yellowknife Townhomes

Location: 601 – 631, Range Lake Road Yellowknife, NT

Size: 17,160 square feet

Lease Rate: \$251,400.00 less expenses

This property consists of 11 townhomes that are rented to a variety of tenants. Based on our research, we have found that we can significantly increase the value of the units by converting the property from a single property on title to 16 townhome condominiums with individual titles. The conversion has been completed and we have sold two of the townhomes. We continue to proceed on selling the remaining townhomes.



## Hilliard Street Apartments

Location: 811 Hilliard Street West, Saskatoon, SK

Size: 7,470 square feet

Lease Rate: \$168,120.00 less expenses

This property is an 8 unit, three-storey luxury apartment building that is nearly fully leased. The property was built in 2020, has underground parking, and is overlooking the South Saskatchewan River.





## Westmount Twelve-plex

Location: 12505 111 Ave NW, Edmonton, AB

Size: 16,167 square feet

Lease Rate: \$202,260.00 less expenses

This property is a twelve-plex containing twelve 2-bedroom units that are fully leased. The property was built in 2017 and is in a prime neighbourhood in Edmonton within walking distance of numerous amenities making it suitable for young adults and families with young children.





### Appendix III

## Simplified Legal Structure of UMC Real Estate Fund

