

RECan Canadian Multi-Residential Real Estate Fund I



RECAN GLOBAL
MUNICH · HALIFAX

The RECan Canadian Multi-Residential Real Estate Fund (“Multi-Res Fund”) will provide European institutional and professional investors with the opportunity to invest in ESG compliant, core quality, Canadian multi-residential real estate through a Luxembourg-based RAIF fund structure. The Fund will focus on well-leased, multi-residential real estate in the major urban real estate markets in Central and Eastern Canada. The assets will have lower ongoing capital requirements and will provide long-term stable, predictable cash flows with **no development risk**. The Funds are expected to provide superior returns to similar real estate investment opportunities in Europe while also allowing investors to invest in ESG compliant real estate and to diversify their real estate risk.



Fund Structure

Umbrella Fund

RECan Canadian Diversified Real Estate Fund SCS, SICAV-RAIF

Sub-Fund: *RECan Canadian Commercial Real Estate Fund I*

Sub-Fund: *RECan Canadian Multi-Residential Real Estate Fund I*

Each sub-fund will be operated independently (no shared assets) and investors will have the ability to invest in one, or both sub-funds.

Investment Strategy

- ◆ **Asset type:** well-leased, core quality, multi-residential real estate in urban areas with good access to public transportation, schools, and retail necessities.
- ◆ **Markets:** Toronto, Ottawa, Southwestern Ontario, Montreal, Quebec City, and Atlantic Canada
- ◆ **Properties:** For diversification purposes there will be a minimum of ten (10) properties in the portfolio, in three (3) distinct markets. Targeted minimum asset value of \$20 million.
- ◆ **ESG:** In addition to financial and technical criteria, RECan’s ESG policy will be applied to acquisitions and asset management decisions.
- ◆ **No development risk:** earliest investment at substantial completion and lease-up, with preference for 1-3 years of operating history.

The Multi-Res Fund will source assets in major urban markets throughout “Central and Eastern Canada”.

These target markets have a total population of 15 million people, representing 68% of the total population in Canada’s major urban markets. In addition, these markets contain 80% (1.25 million apartment units) of the 1.575 million apartment units in Canada’s major urban markets.

ESG (article 8)

The RECan Canadian Diversified Real Estate Funds ESG Policy complies with Article 8 of the EU’s “Sustainable Finance Disclosure Regulation” and in the course of this year RECan will also voluntarily commit to comply with and implement the Principles for Responsible Investment (“PRI”) endorsed by the United Nations.

Why Canada?

- ◆ Canada has one of the world’s most stable social and economic environments with a AAA-credit-quality rating and one of the most stable banking systems in the world.
- ◆ Canada ranks second in the G7, second in the G20 and eighth among 149 countries in terms of overall prosperity, based on material wealth and personal well-being.
- ◆ Long-term real GDP growth statistics from the OECD place Canada at the top of the G7 over the last decade.
- ◆ “Safe Harbour” country, second in the FDI Confidence Index.
- ◆ Large, institutionally controlled real estate market valued at over \$1 trillion CAD (€680 billion).
- ◆ Diversification benefits due to low correlation between European and Canadian real estate markets and among Canadian cities.

Why Canadian Multi-Residential Real Estate?

Defensive Investment

- ◆ Low vacancy and increasing demand in RECan’s target markets. The overall weighted average vacancy rate (December 2021) was 3.0% in these markets.
- ◆ Provides stability and security of cash flow throughout the economic cycle.
- ◆ Excellent diversification given both the large number of tenants and differing economic drivers in each target market.

Market Size / Liquidity

- ◆ There are over 1.5 million apartment units in Canada’s major urban markets (1.25 million units in RECan’s target markets).
- ◆ Canadian multi-residential market currently valued at more than CAD \$300 billion (€200 billion).
- ◆ Continued high investor demand for multi-residential real estate, with transaction volume approaching CAD \$10 billion (€7 billion) annually.

Market Demand

- ◆ Canada is targeting 411,000 new immigrants per year, approximately 1% of its population, creating a strong demand for multi-residential housing in RECan’s target markets.

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RECan Global GmbH – Investment Advisor

RECan Global GmbH is a unique investment advisor with an experienced and professional management team in the European Union (Germany and Luxembourg) and in Canada. This allows for both localized and personal service to the investors throughout the EU, as well as local market knowledge and management in the targeted real estate markets in Canada.

The partners of RECan Global GmbH bring together specific and complimentary skills sets that enhances its ability to provide superior investment returns to the investors, while reducing the overall investment risk. Through its affiliate, PG Asset Management Inc., RECan will provide local Canadian transaction and asset management services and a depth of experience in the acquisition and management of Canadian real estate.

The Luxembourg-based SICAV-RAIF, SCS fund structure, along with external partners such as Pancura, Pandomus, Deloitte, and Hauck & Aufhäuser provides investors with a regulated fund structure, an independent fund manager, independent valuations and a focus on reporting and risk management. This provides its investors with local client servicing through its team members in Germany and Luxembourg.

Team & Track Record

The RECan Global GmbH management team has over 100 years of direct real estate and investment management experience in Canada, Germany, Luxembourg, and throughout the European Union.

The team members offer extensive experience in acquisitions, asset management, executive and financial management, and the development/re-development process and they have a substantial real estate transaction / fund manager track record with a total volume of more than \$6 billion CAD plus more than 10 billion Euros.

The Canadian teams extensive contact list and local market knowledge provides early, and off-market access to real estate transactions, along with a continuously updated asset pipeline in its targeted markets.

Senior Fund Team

Investments and Asset Management responsibilities will be undertaken by RECan's Managing Directors as well as with its local Canadian affiliate, PG Asset Management Inc., who will provide exclusive asset sourcing and asset management to the RECan funds. The management team has over 75 years of combined real estate experience in Canada and the EU.



David Pappin
Portfolio Manager
RECan Global GmbH

President and CEO
PG Asset Management
(Halifax, Canada)

- ◆ Portfolio Manager
- ◆ Investment Strategy
- ◆ Asset Sourcing



Todd Bechard, CFA, CPA, CMA
Portfolio Manager
Managing Director
RECan Global GmbH

Chief Investment Officer
PG Asset Management
(Halifax, Canada)

- ◆ Asset Sourcing
- ◆ Asset Management
- ◆ Financing



Dr. Bernhard Engelbrecht
Portfolio Manager
Managing Director
RECan Global GmbH

(Munich & Luxembourg)

- ◆ Portfolio Manager
- ◆ Investor Relations
- ◆ Regulatory Compliance

Fund Details	
1st Closing	Q4 2022 (planned)
Fund Structure	Luxembourg SCS SICAF-RAIF – Reserved Alternative Investment Fund
Investment Advisor	RECan Global GmbH (Munich)
AIFM	Pancura (Luxembourg)
Asset Manager	PG Asset Management Inc. (Canada)
Target Investors	Institutional and professional investors in accordance with the German KAGB
Target Equity	CAD \$500 million - \$700 million
Fund Term	10-year targeted duration (two renewal options of 2 years each)
Minimum Subscription Investment Committee	Please contact us for details
Max Loan-to-Value	50 %
Target Yields	Please contact us for details
Fee Structure	Please contact us for details

Why RECan?

RECan Global GmbH's ability to provide local access and local market knowledge in the core Canadian real estate markets, along with a depth of experience in fund creation and fund management in Germany, Luxembourg and Canada sets it apart from its competitors and provides investors with the opportunity to diversify its real estate investment portfolio in one of the strongest and most stable G7 economies.

RECan Global GmbH

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