



scott mcgillivray
real estate fund II

A Message from **Scott McGillivray**...

“Real Estate investing is in the DNA of the McGillivray Group of Companies. For over two decades we’ve participated in real estate investments through a variety of market conditions. With downward pressure on land prices and an increasing sentiment for land owners to sell as a result of rising interest rates, we are in a perfect position to launch Fund II and structure some strategic risk-adjusted opportunities. Demand for housing continues to outpace supply, driven by strong demographic and economic factors, and our fund is well-positioned to meet that opportunity. Continuing on the success of Fund I, our team of real estate professionals are ready for the next step in our real estate journey. We'd love to have you join us.”

- Scott McGillivray



ABOUT THE FUND

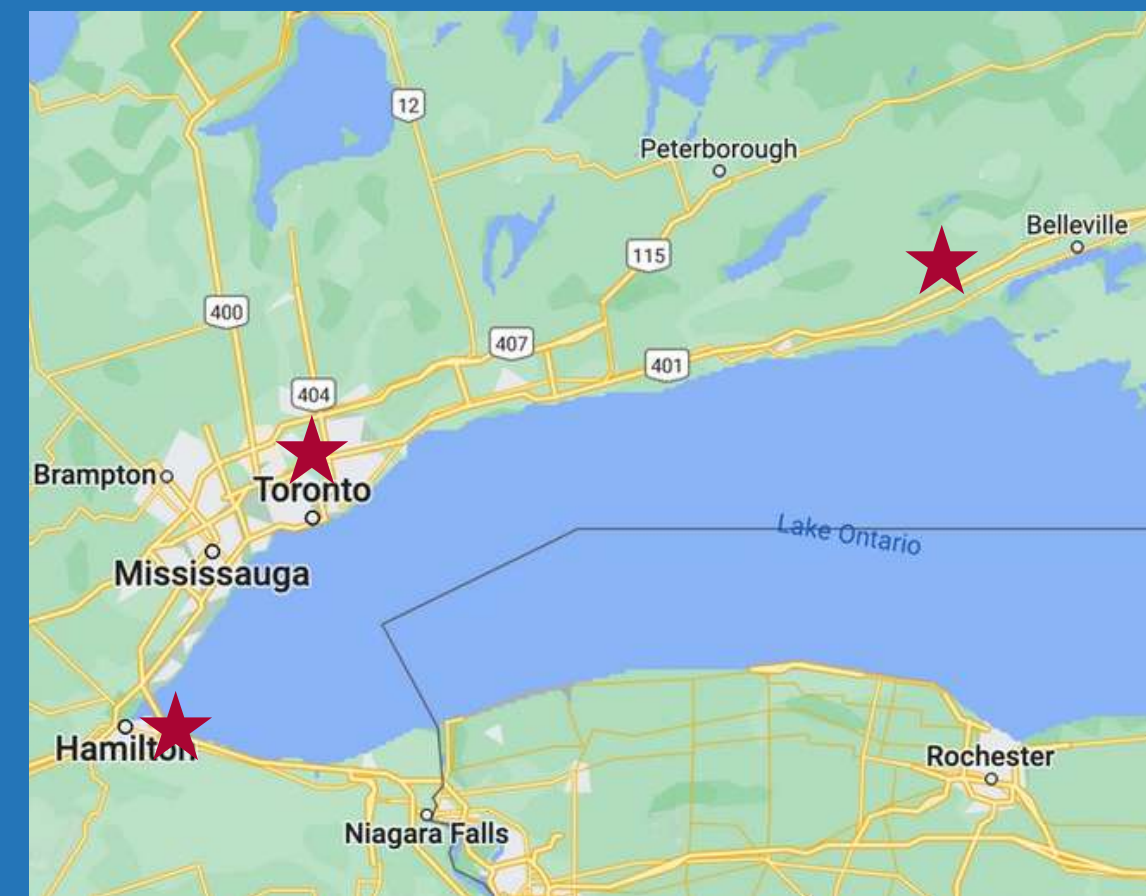
TARGETED ANNUAL RETURN

20%+*

Investment Example:

\$100K Investment into Fund II
assuming a 20% annual return
= \$200,000 paid to investor after 5 years
\$100K return of capital + \$100K profit

★ Scott McGillivray Real Estate Fund I Portfolio Investments



Targeting opportunities primarily in the Greater Toronto & Hamilton Area (GTHA)

The objective of the fund is to build a portfolio of off-market private equity real estate investments (ownership stakes) in residential development properties which will be intensified and sold as condo or purpose-built rental.

Using a similar strategy to Fund I, this is a passive vehicle for investors to gain exposure to high quality real estate development projects, leveraging the relationships and experience of the McGillivray Real Estate Investment Team.

Focusing in Off-Market Real Estate Opportunities

- Liquidity driven sellers
- Over-leveraged land owners/developers
- Equity takeout
- Bankruptcy/power of sale
- Bank credit tightening
- Equity top-up
- Secured lending

*Targeted Net Annual Total Return, non-compounding.

FUND I HIGHLIGHTS

- Scott McGillivray Real Estate Fund II (SMREF) is a successor fund to the inaugural SMREF I.
- Fund I Closed on Dec.31st, 2022 with a Total Fund Size of \$15M.
- The Management Team achieved the objective to create a Diversified Fund focused on equity capital, across three institutional-grade development projects, providing investors access to three different asset types, and locations.

Toronto

Mid-Rise Condo

- Primary Market
- Potential for up to 19-storeys and 100+ units
- Steps from the subway
- 5 min drive from the QEW



Hamilton

High-Rise Condo

- High Growth Secondary Market
- 30-storey, 330+ unit
- Located in the heart of downtown's revitalization area



Frankford

Low-Rise, Single Family

- Tertiary Market
- Over 40 single family homes
- Less than two hours' drive from Toronto
- 10 mins from Hwy 401



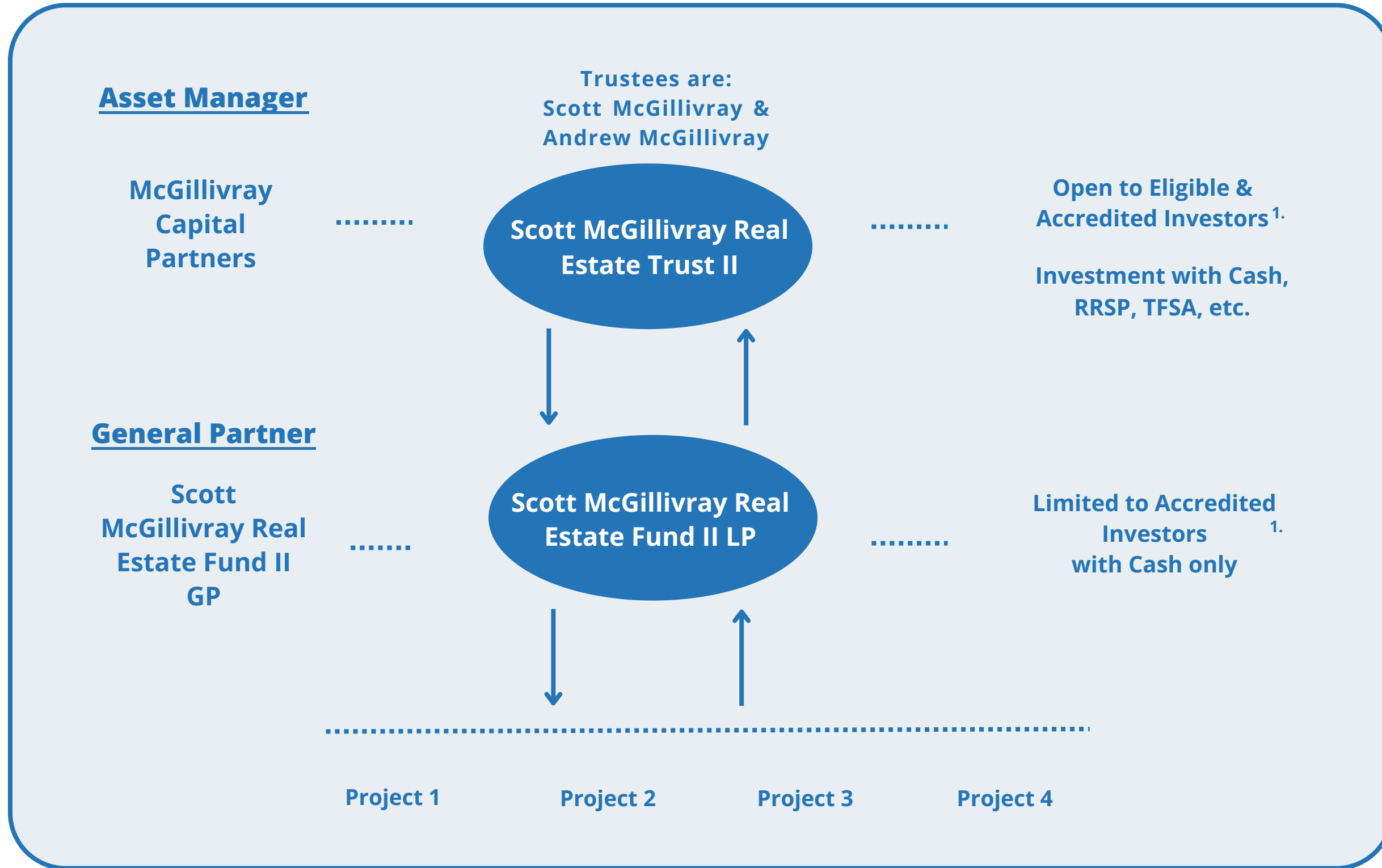
Targeted Net Annual Return = **18% to 20%**

INVESTMENT STRATEGY

Fund II will be a diversified portfolio of 3-5 real estate development projects and/or properties through ownership in development properties which will be intensified and sold as condo or purpose-built rental. Investments may be initiated at various stages of development (Acquisition, Development, Construction) and must meet the investment criteria. Some Project-level criteria include:

Asset Type	<ul style="list-style-type: none">• A focus on residential real estate at various stages of the development lifecycle: primarily mid-rise to high-rise (high density) condo or purpose-built rental.
Geography	<ul style="list-style-type: none">• Targeting areas primarily in Southern Ontario, with a specific focus in the Greater Toronto and Hamilton Area (GTHA) which exhibit strong fundamentals, including population growth and supportive land-use policies.
\$ Size	<ul style="list-style-type: none">• Target Equity investments of \$10.0M+. Developer Partner generally contributing 10%-15% of required equity financing.
Est. Time Horizon	<ul style="list-style-type: none">• 5 years from fund closing – Aim to return capital as projects are completed. Exit strategies must be clearly defined and understood before making the investment.
Targeted Return	<ul style="list-style-type: none">• Targeted underwritten return for Equity investments of 20%+ based on numerous factors including location, term, and size.

FUND STRUCTURE*



1. An accredited investor is generally someone with an annual income greater than \$200K per year and/or \$1,000,000+ in net financial assets (liquid assets).

Note: Investors will have the same underlying investment exposure if they invest in the Trust or the Limited Partnership (LP).

*This is for illustrative purposes only and is subject to change.

FUND II ACQUISITION PIPELINE

Scott McGillivray Real Estate Fund II (SMREF) is a successor fund to the inaugural SMREF I and will implement a similar investing strategy. Fund II will be targeting projects in Southern Ontario, with a primary focus on the Greater Toronto and Hamilton Area (GTHA).

The demand for housing continues to grow in Toronto, driven primarily by strong demographic and economic factors. The Greater Toronto & Hamilton Area population is expected to increase by more than 3.4 million residents within the next 30 years. The Government of Canada announced plans to dramatically increase immigration targets, and considers immigration to be a critical driver of the overall health and prosperity of the Canadian economy.

Hamilton, located only an hour's drive from Toronto, is an area with particular potential for significant growth. The Hamilton City Council has approved an agreement for a ~\$400M investment with the focus of revitalizing its downtown core. Since 2017 over \$733 million in residential and commercial building permits were issued in the City's downtown core and within 2021, over \$2 billion in building permits were issued across all of Hamilton.

The McGillivray Capital Partners team consists of four founding partners with a variety of complementary skill sets, including real estate, development and asset management expertise. Together they have a combined 50+ years of experience and accreditations that include CPA, CFA, PMP and MBA. With a deep understanding of market fundamentals, Scott and his team strategically source high-quality off-market real estate deals. This same team applies institutional-grade due diligence when selecting investments and only considers development partners who are proven and trusted. The SMREF team will regularly draw on their industry relationships and learned experience to make crucial, real-time decisions to balance risk management and return objectives.

The discretionary fund structure allows the team to build a diversified investment offering for investors who are looking for real estate development exposure in their portfolio – this is unique.



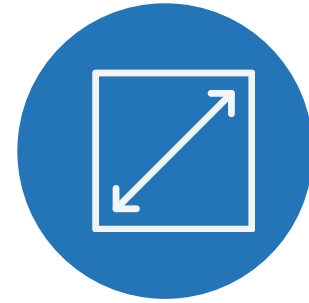
FUND II – OPEN FOR INVESTMENT



Target Equity Investments \$10M+



Targeting areas in Southern Ontario, Focused on transit and local fundamentals



Offering Size \$50M



3-5 residential real estate development projects

\$30M+

CAPITAL RAISED

20%+

TARGET ANNUAL RETURNS

500M+

GROSS DEVELOPMENT VALUE

550+

INVESTORS

700K

TOTAL SQFT OF GFA INVESTED IN

700+

NUMBER OF UNITS

SITE SELECTION STRATEGY

Off-market properties with attractive deal terms

Unzoned high density redevelopment opportunities

Established liveable neighbourhoods with amenities

Transit-oriented locations with policy support for intensification

FUND II PORTFOLIO INVESTMENT #1



Location: Downtown Hamilton

- Size: 18 storey, 252 residential units
- Lot Size: 0.3 acres (13,627 sq. ft.)
- Type & Build Form: Mixed Use, including 3 levels of underground parking
- Development Time horizon: 4-5 years

The Property provides an exciting opportunity for an 18-storey mixed-use building with 3 levels of underground parking. At present, the development will have a total GFA of 176,506 sq. ft. of which 4,147 sq. ft. is proposed to be commercial space at ground level. The Site offers an ideal suite mix with a unit total of 252 residential units.

This is an Equity Investment by SMREF II LP, which represents an ownership stake in the Property. The Partnership has secured a short-term acquisition loan from SMREF I LP (a Fund Related Party) to acquire an interest in this portfolio investment.*

Rationale for Investment: This development is located in a high demand area in Hamilton, ON, a high-growth secondary market that has seen significant development in recent years. It is expected this growth will continue with City support for further density in the downtown core, as well as large investments in infrastructure, and the waterfront.

The Property is exceptionally well located in the downtown core within walking distance of the Hamilton Centre GO Station, allowing direct connections across the GTA. In addition, the proposed Hamilton LRT line is planned to run along Main Street, providing unprecedented transit opportunities for future residents.

Downtown Hamilton is an area exploding with vibrant restaurants, great shopping, distinctive cultural events and more. With a diverse local economy, the City continues to provide opportunities for growth and development.

*Please see Offering Memorandum for full details.

FUND II PORTFOLIO INVESTMENT #2



Location: Toronto, Bloor & Dundas

- Size: Site to be Re-Zoned for 25+ Storey Condominium, 245 Residential Units
- Total Gross Floor Area (Density): 193,835 sq. ft.
- Development Time Horizon: ~5 years from closing
- Purchased under market comps for the area

An off-market development property months in the making which checks all the boxes for inclusion in SMREF II – including its transit-oriented location, planning feasibility, investment size, and project economics.

Rationale for Investment: This is an opportunity to assemble seven properties of Mixed-Use development land totalling 14,175 SF at an attractive land basis, only footsteps from the most significant transit hub in Toronto’s west end. Located near the intersection of Bloor and Dundas, the development site is situated in the middle of three highly sought-after neighbourhoods – High Park, the Junction and Roncesvalles; and is only footsteps from the most significant transit hub in Toronto’s west end. Specifically, it is within 200 Meters from TTC, Go, and UP Express stations.

The area has recently seen a significant influx of interest from developers after years of no new housing supply. With a changing demographic and strong demand, this area is poised for significant upside as several proposed and under-construction developments will revitalize this neighbourhood over the coming years.



SCOTT MCGILLIVRAY REAL ESTATE FUND II INVESTMENT TERMS*

The Scott McGillivray Real Estate Fund II is available to both Accredited and Eligible investors in Canada, and is Registered Funds Eligible. Our goal is to make this opportunity available to as wide a section of the population as possible.

Investment Vehicle	<ul style="list-style-type: none"> • Mutual Fund Trust & Limited Partnership
Unit Price	<ul style="list-style-type: none"> • Class A Units - \$10.00
Investment Term	<ul style="list-style-type: none"> • 4 to 5 Years, depending on underlying project investments
Target Fund Return	<ul style="list-style-type: none"> • 20%+ Total Net Annual Returns
Registered Funds Eligible	<ul style="list-style-type: none"> • Yes – RRSP/TFSA/RRIF/LIRA
Investment Eligibility	<ul style="list-style-type: none"> • Canadian Accredited and Non-Accredited (Eligible) Investors

*Please see Offering Memorandum and/or Term Sheet for full details



THE MANAGEMENT TEAM

The McGillivray Capital Partners team consists of four founding partners with a variety of real estate, development and asset management experience, and accreditations that include CPA, CFA, BComm, PMP and MBA. The partners have personally experienced the benefits of both active and passive real estate investing and are passionate about helping others build wealth in the space.



Scott McGillivray
Trustee and CEO

Scott McGillivray's passion lies in educating people to make smart investment and renovation decisions and how to succeed in the uber-competitive world of real estate. Scott has been a top rated HGTV star in the US and Canada for over 15 years, starring in over 300 episodes of television, and is best known as the star and award-winning Executive Producer of HGTV's hit series' "Income Property", "Moving the McGillivrays", "Buyers Bootcamp", and most recently "Scott's Vacation House Rules". Scott is also an accomplished real estate entrepreneur; he's CEO of McGillivray Group and McGillivray Entertainment, and co-founder of real estate investing education company Keyspire. As a skilled contractor, best-selling author, educator, and leading guest expert, Scott McGillivray is trusted for his successful real estate investing tactics and is a respected influencer and digital trailblazer who engages daily with his 1M+ followers.



Andrew McGillivray
Trustee and President

Andrew McGillivray is the co-founder and President of the McGillivray Group and is responsible for the management and development of the McGillivray Group of companies. His experience spans over 20 years in executive-level positions leading sales, marketing and operations. Andrew's particular expertise focuses on strategic product/brand development, management and commercialization with a proven track record that spans a variety of industries, business structures and markets.

Throughout his professional career, Andrew has been actively involved in real estate investing both privately and through the establishment of larger-scale partnerships and branded programs. His experience includes all aspects and stages of real estate investing from acquisition and development to management and sale of income-producing assets.



Erik Kroman
Vice-President

Erik Kroman is an experienced real estate professional. At KPMG, Erik worked with a number of middle market clients on audit and assurance engagements, focusing predominantly on private real estate operators. After KPMG, Erik joined Mattamy Homes where he oversaw their Joint Venture portfolio across North America while focusing on partner and treasury management. From there he moved to a mid-sized developer where he served as VP Finance and Chief Financial officer where he oversaw all areas of finance, accounting, treasury and human resources and also served as EVP for a small private REIT. Erik is currently the owner/president of Kroman Capital Advisory, where he helps small and mid size real estate developers with their financial planning and capital strategies.



Dan Pero
COO

Dan Pero is an experienced asset manager and real estate investment professional. Dan was previously Senior Manager, Structured Products for a mid-sized real estate developer where he was instrumental in structuring private investment vehicles (funds) to capitalize in-house development projects. Dan and his team raised \$125 million under various fund strategies during his tenure. Prior to that, Dan was a Portfolio Manager and Director of Operations for Perennial Asset Management Corp., a boutique Toronto-based investment firm managing discretionary high-net worth capital across two proprietary investment funds in excess of \$400 million. Dan was also registered as an advising representative with the Ontario Securities Commission (OSC).



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Disclaimer

This investor overview is informational only and in the case of the Scott McGillivray Real Estate Fund II LP is solely for use by accredited investors in determining whether to seek additional information. Both the Scott McGillivray Real Estate Fund II LP and the Scott McGillivray Real Estate Trust II make up the “Fund”. This does not constitute an offer to sell or a solicitation of an offer to buy any securities. Offers are made only by the official offering documents and are subject to rejection or acceptance by the Fund. This investor overview is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of any securities. By accepting delivery of this investor overview you are deemed to have represented that you are not prohibited from receiving this investor overview under applicable laws. This investor overview may be deemed to constitute an offering memorandum under the securities legislation in certain of the provinces of Canada. See “Purchasers’ Rights of Action in the Event of a Misrepresentation”.

No securities regulatory authority in Canada or any other jurisdiction has reviewed or in any way passed upon this investor overview or the merits of any securities of the Fund and any representation to the contrary is an offence.

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Confidentiality and Use

This investor overview includes forward-looking information and forward-looking statements (collectively, “forward-looking information”) with respect to the Fund. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, “expects”, “does not expect”, “is expected”, “anticipates”, “does not anticipate”, “plans”, “estimates”, “believes”, “does not believe” or “intends”, or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be “forward-looking information”. Readers are cautioned that such forward-looking information are not guarantees of future performance, and should not be considered as such information represents predictions and actual events or results may differ materially.

Forward-looking information may relate to the Fund’s future outlook and anticipated events or results and may include statements regarding financial results, expected distributions and targeted returns, future financial position, expected growth of cash flows, business strategy, budgets, projected costs, projected capital expenditures, taxes, plans, objectives, industry trends and growth opportunities. Forward-looking information contained in this investor overview is based on certain assumptions regarding expected growth, results of operations, performance, industry trends and growth opportunities.

While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Fund to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to risks associated with loss of investment; value of securities; additional funding requirements; the ability of the Fund to implement its business strategies; competition; loss of key employees; the ability of the Fund to main industry relationships; ability to acquire and develop properties as planned; statutory and regulatory developments; unforeseen tax consequences; general economic conditions; interest rate fluctuations; global health pandemics; and other factors set out under the heading “Investment Risk Factors”. The foregoing factors are not intended to be exhaustive.

To the extent any forward-looking information in this investor overview constitutes “future-oriented financial information” or “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate management’s anticipation of market penetration and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out above. The actual financial position and results of operations may differ materially from management’s current expectations and, as a result, the Fund’s revenue and profitability may differ materially from the revenue and profitability profiles provided in this investor overview. Such information is presented for illustrative purposes only and may not be an indication of the Fund’s actual financial position or results of operations



Purchasers' Rights of Action in the Event of a Misrepresentation

Purchasers Rights Securities legislation in certain of the provinces and territories of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a "misrepresentation"). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defenses and limitations contained under the applicable securities legislation. The following summary is subject to the express provisions of applicable securities legislation applicable and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province or territory along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The statutory rights of action described below are in addition to and without derogation from any other right or remedy that purchasers may have at law.

If you are subject to the laws of Ontario, Saskatchewan, Nova Scotia or New Brunswick, those laws provide, in part, that if there is a misrepresentation in an offering memorandum, which was a misrepresentation at the time that you subscribed for the securities, then you will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the issuer of the securities (and, in certain instances, other persons) in respect of the securities purchased by you for damages, or alternatively, while still the owner of any of the securities purchased, for rescission, in which case, if you elect to exercise the right of rescission, you will have no right of action for damages against the issuer of the securities, provided that: (1) no person or company will be liable if it proves that you purchased the securities with knowledge of the misrepresentation; (2) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (3) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by you. In Ontario, Saskatchewan or New Brunswick, in the case of an action for rescission, no action may be commenced more than 180 days after the date of the transaction that gave rise to the cause of action. In the case of any action other than an action for rescission, (A) in Ontario, no action may be commenced later than the earlier of (i) 180 days after you first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action, and (B) in Saskatchewan or New Brunswick, no action may be commenced later than the earlier of (i) one year after you first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action. In Nova Scotia, no action (for rescission or otherwise) may be commenced later than 120 days after the date on which payment was made for the securities.

The foregoing are summaries only and are subject to the express provisions of the applicable securities legislation and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions. Purchasers should refer to the applicable provisions of the securities laws of their applicable province for particulars of those rights or consult with a lawyer. You are advised to consult your legal advisors for advice concerning your rights of action.

Investment Risk Factors

An investment in the Fund involves significant risks. There can be no guarantee or representation that the Fund will achieve its investment objective. An investment in securities of the Fund should only be made after consulting with independent and qualified sources of legal, financial and tax advice. An investment in the Fund is speculative and involves certain considerations and risk factors that prospective investors should consider before investing, some of which are described below. An investment in the Fund is not intended as a complete investment program. Only investors who can reasonably afford the risk of loss of their entire investment should consider the purchase of securities of the Fund.

Please see the term sheet and offering memorandum of the Fund for further information. The following is not, and does not purport to be, a complete or exhaustive list or explanation of all risks involved in an investment in the Fund. It is important to note that there could be further associated risks not mentioned in this investor overview or the term sheet or offering memorandum of the Fund.

Risks associated with the fund: Loss of investment; value of securities; additional funding requirements; the ability of the Fund to implement its business strategies; competition; loss of key employees; the ability of the Fund to main industry relationships; ability to acquire and develop properties as planned; statutory and regulatory developments; unforeseen tax consequences; general economic conditions; interest rate fluctuations; global health pandemics; and other factors set out in the term sheet. The foregoing risk factors do not purport to be a complete explanation of all risks involved in purchasing securities of the Fund issued at any time. Potential investors should consult with their legal and other professional advisors before making a decision to invest in the Fund.