



INVESTOR PRESENTATION

MEMPHIS APARTMENT FUND



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SPECIFIC INVESTMENT MANDATE



Acquire existing older apartments for as little as **\$25,000** per unit.



Targeted ROI of **60%+ profit and 20%+ IRR targets**

└ Mainly capital appreciation



Increasing cash flow thus **higher property value**

└ Through substantial renovations



Exit within **2-3 years with 60%+ profit & 20%+ IRR targets**



No US tax filings for Canadian investors +
Invest in USD or CAD

**WHY
MEMPHIS**

**WHY
APARTMENT
BUILDINGS**

OFFERING

OPERATORS

LOGISTICS HUB: STRATEGIC LOCATION



- **Air: Busiest air-cargo airport in North America**
- **Rail: Five Class 1 railways**
- **Road: #3 busiest trucking corridor in US**
- **River: #5 largest in-land port in US**
- **Significant new investments (see Appendix)**
- **High in-migration**
- **Investor & tax friendly state**
- **High demand for affordable housing**
- **No rent control**



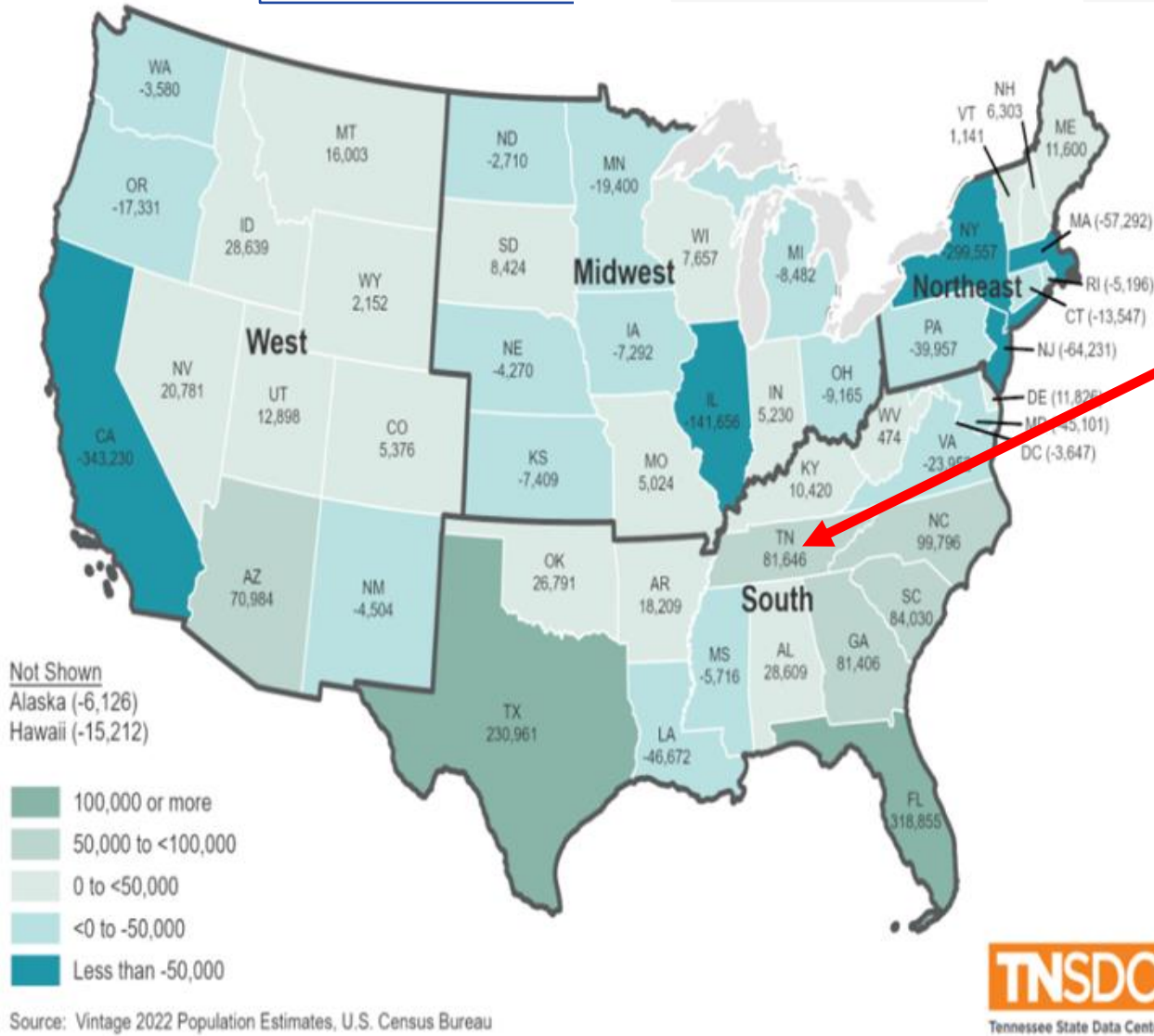
HIGH IN-MIGRATION

Our Target Market

Sept. 25, 2024

NASHVILLE, Tenn. (WKRN) — Almost every county in Tennessee grew in population during the 2022-2023 fiscal year, not due to an increase in births, but because more people are moving to the Volunteer State compared to the number of people leaving.

University of Tennessee's Boyd Center for Business and Economic Research



Workforce Housing Characteristics

High Demand

due to immigration and wage growth

+

No New Supply

due to high costs to build

=

OPPORTUNITY

Buy/Renovate Cost vs Replacement Cost

Purchase/Renovate: \$50,000-\$60,000/unit

Cost to Build New: \$148,000/unit

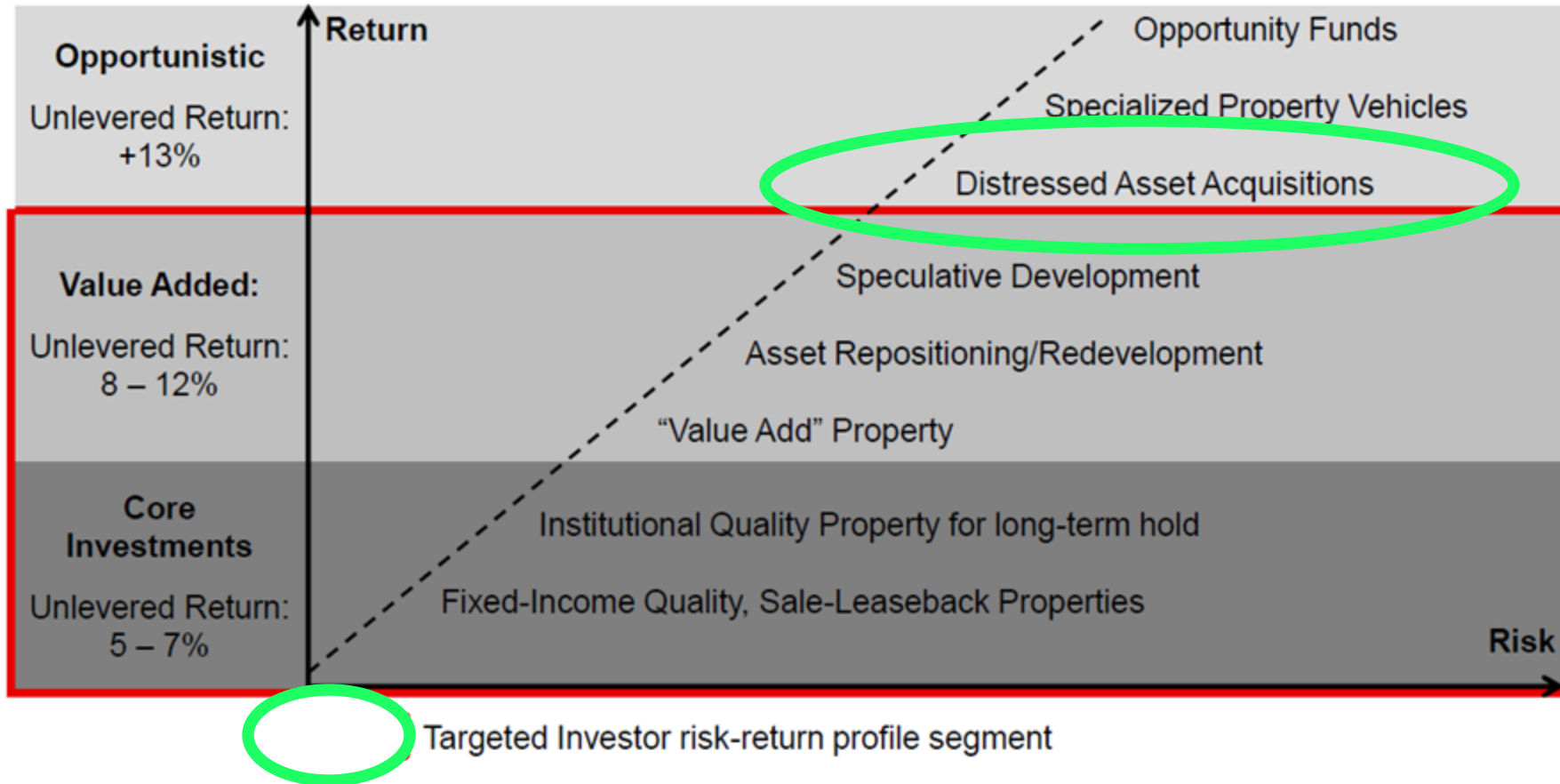
Assume Average Apartment Size: 800sf

Sr#	State	ZIP Code	Cost Range per Sq. Ft.	Average Cost per Sq. Ft.
42	Tennessee	37201	\$120-\$250	\$185

Apartment Building Type	Cost per Sq.Ft.
Infill	\$95 - \$205
Low-Rise	\$180 - \$275
Mid-Rise	\$210 - \$310
High-Rise	\$270 - \$675



Apartment Buildings – Investment Options



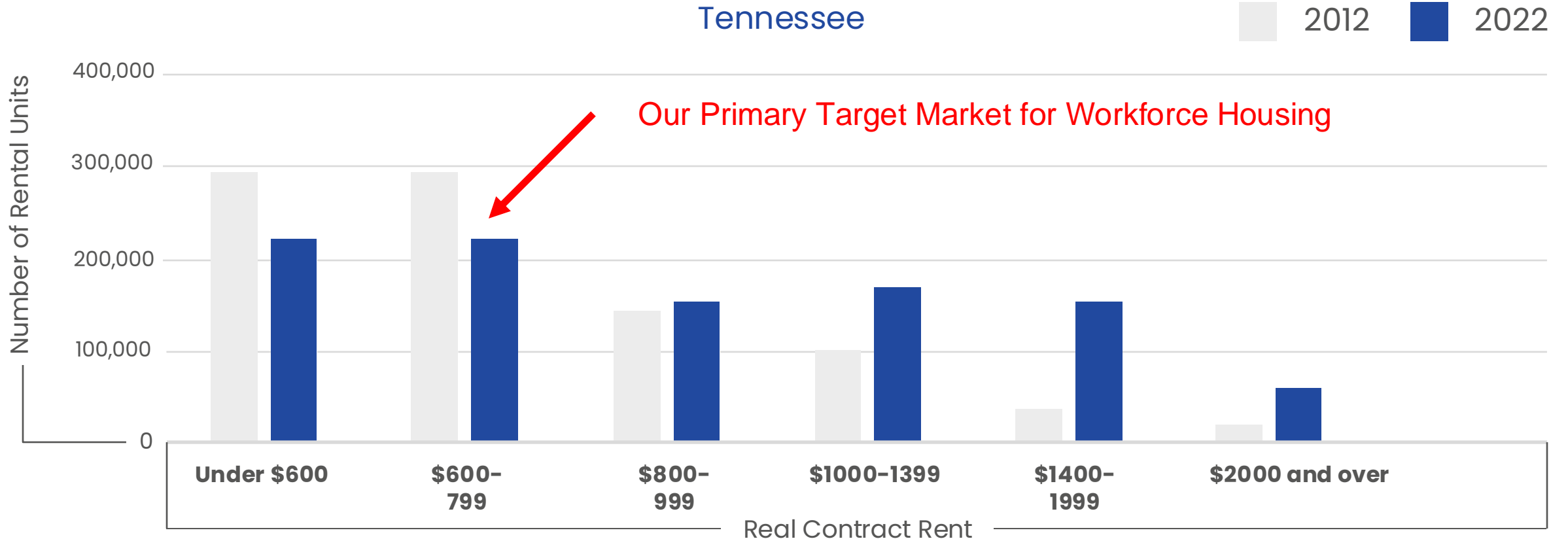
Note: Unlevered return = Return without a mortgage

Become a Landlord. Without the Hassles.™

Why Apartment Buildings

- **Rising/Constant Tenant Demand – due to**
 - A Necessity in all Market
 - Age Demographics & In-Migration
 - Lower % home ownership in US & Canada than previous years (due to higher interest rates and higher homes prices)
- **Cheaper to buy old + renovate than build new**
 - High Risk-Adjusted Returns for investors
 - Positive Cash Flow, even with 75%+ leverage
- **Inflation Protection** (as rents usually rise with inflation at least)

LOW-RENT SUPPLY IS SHRINKING



THE OPPORTUNITY

Investing in Essential Housing (also called Workforce Housing) as an Asset Class

Ongoing high rental demand for safe and AFFORDABLE HOUSING



Acquisition costs per rental unit are low (while new construction costs are 2-3x)



BEFORE



AFTER



MEMPHIS APARTMENT FUND FORMULA



Purchase Price (Equity): **\$22-29,000/unit**



Renovation & Soft Cost (Financed): **\$25-31,000/unit**



Total Cost: **\$47-61,000/unit**



Sale Price: **\$75-85,000/unit**



Profit Target: **\$25-35,000/unit**



Investor ROI Target: **60%+ with 20%+ IRR Target**

Renovation Period: 12-24 months | Proven Track Record



PROVEN MANAGEMENT CAPABILITY



Phil Wazonek

Lead Manager

- **25+ years** in commercial real estate working with various multi-billion dollar companies including Avenue Living Communities, Qualico Developments, Triple Five Corporation, Bentall Real Estate Services and Princeton Developments Corp.
- Extensive experience buying, selling, renovating, managing apartment complexes in excess of \$200M
- Experienced investor in numerous states in the USA since 2008. Now living/ working F/T in Memphis since 2020 with several successful projects executed here
- Former Adjudicator–Appeals, Certified General Accountants of Canada
- Winner US/International Investor of the Year Award, REM Real Estate Magazine, Canada
- Attended Northern Alberta Institute of Technology (Business Administration) and The University of Alberta (Faculty of Commerce).
- Former Chairman, Real Estate Insurance Exchange, Advisory Board. Past President, The Edmonton Inner City Housing Committee

PROVEN MANAGEMENT CAPABILITY



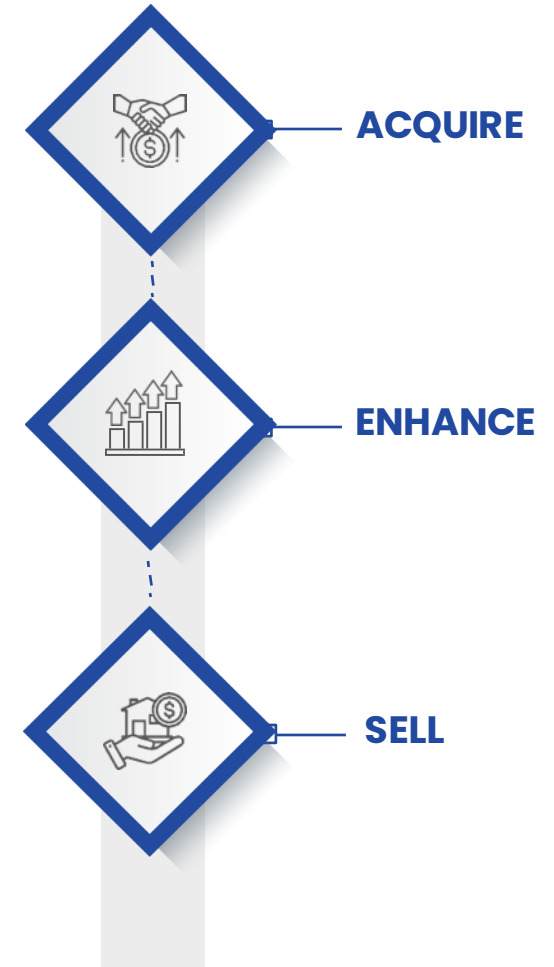
Thomas Beyer
Co-Lead Manager

- **25+ years** of residential rental property acquisition, financing and management of over \$225M – See Appendix for Track Record
- B.Sc. in Computer Science from the Technical University in Munich, Germany, 1986
- MBA University of Alberta, 1988
- Project management and sales & marketing career at IBM from 1990 and then IBM Business Partner to 2004
- Long time REIN member, now Honorary Member, multiple award winner (2005–2010, 2011 “Top Player of the Year” and 2011 Michael Millenar Leadership Award for helping and mentoring others)
- Occasional speaker at Ozzie Jurock LandRush, Michael Cambell MoneyTalks, REAG and REIN events
- President of Prestigious Properties Group with \$35M AUM as of winter 2024/2025 – \$125M AUM at peak with over 1,200 units in 2015
- Former Director of the UNA (University Neighborhood Association, at UBC in Vancouver, BC), Vice Chair and VP Finance, and re-elected as “resident at large” and then acclaimed 2nd time of a financial sustainability taskforce established by UBC and UNA
- Author of the Book “80 Lessons learned on the Road from \$80,000 to \$80,000,000” and co-author of the bestselling book Real Estate Action 2.0
- Happily married and father of two adult children and Opa to 4 grand children

MEMPHIS APARTMENT FUND SUMMARY

- Apartment Buildings – high demand and recession proof
- **Experienced Team .. Having managed \$250M+**
- Memphis, is a growth market & Tennessee is a pro-business, tax friendly state.
- Low Purchase Price Target: **\$25,000** per unit on avg
- Low Sale Price Target: **\$75–85,000** per unit
- Memphis based Ownership and Management
- Conservative Leverage

Proven & Repeatable Concept:



MEMPHIS APARTMENT FUND SUMMARY

Low Operator Fees

- 2% Acquisition Fee
- 1.5% Annual Asset Management Fee
- 2% Disposition Fee

12% Investor Annual Hurdle Rate, then (and only then)

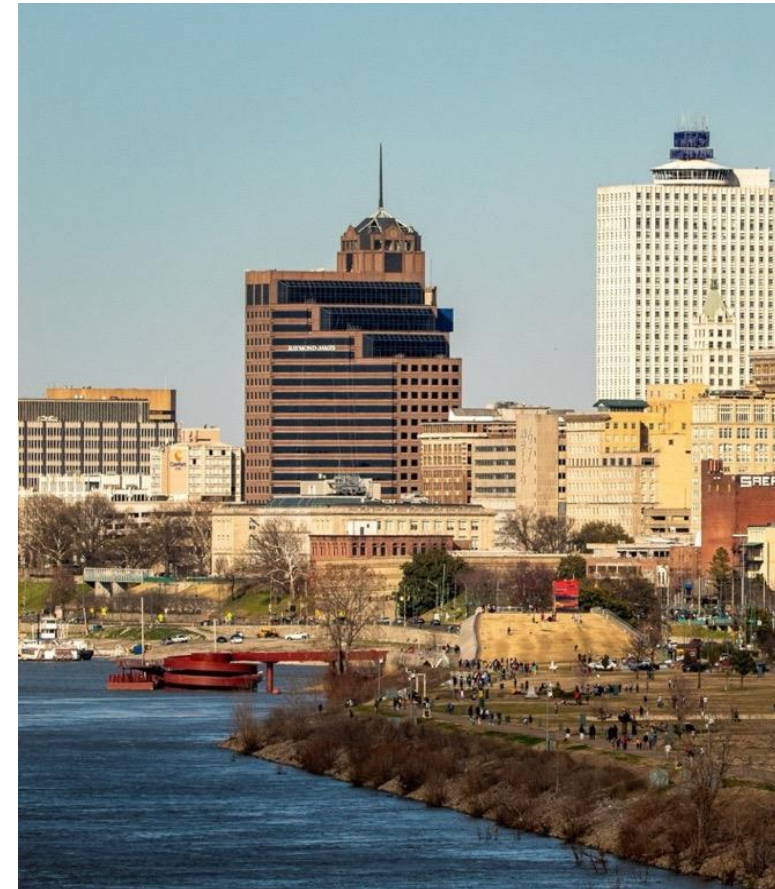
30/70

Accredited Investors Only

50,000 Minimum

Attractive Volume Discounts – see chart

Prestigious Properties Fund PRISM A LP (co-owned 40% by Thomas Beyer) will invest > \$470,000



MEMPHIS APARTMENT FUND

Proven & Repeatable Concept:

More information at:



www.prestprop.com | www.EMD.com



EMD



Thomas Beyer



EMD Tel #



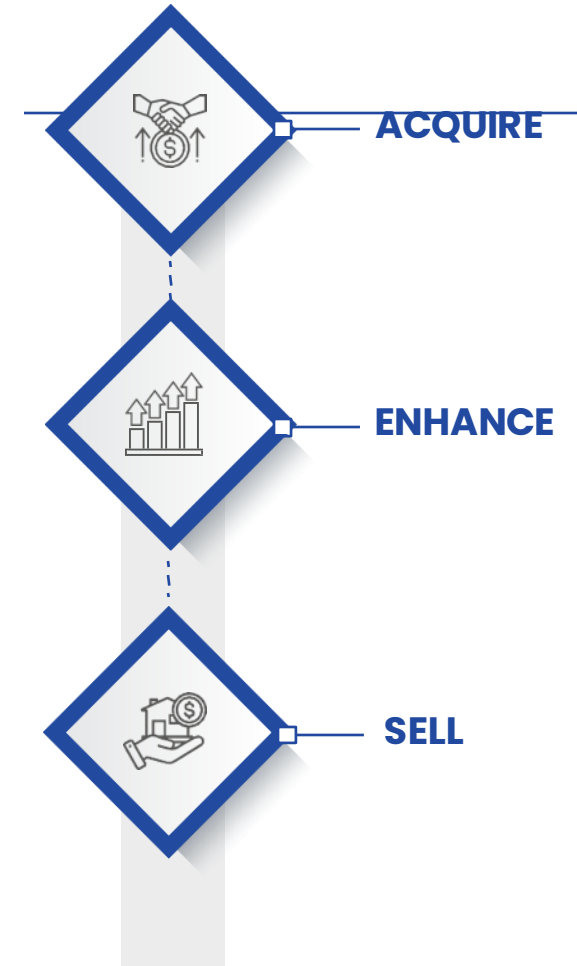
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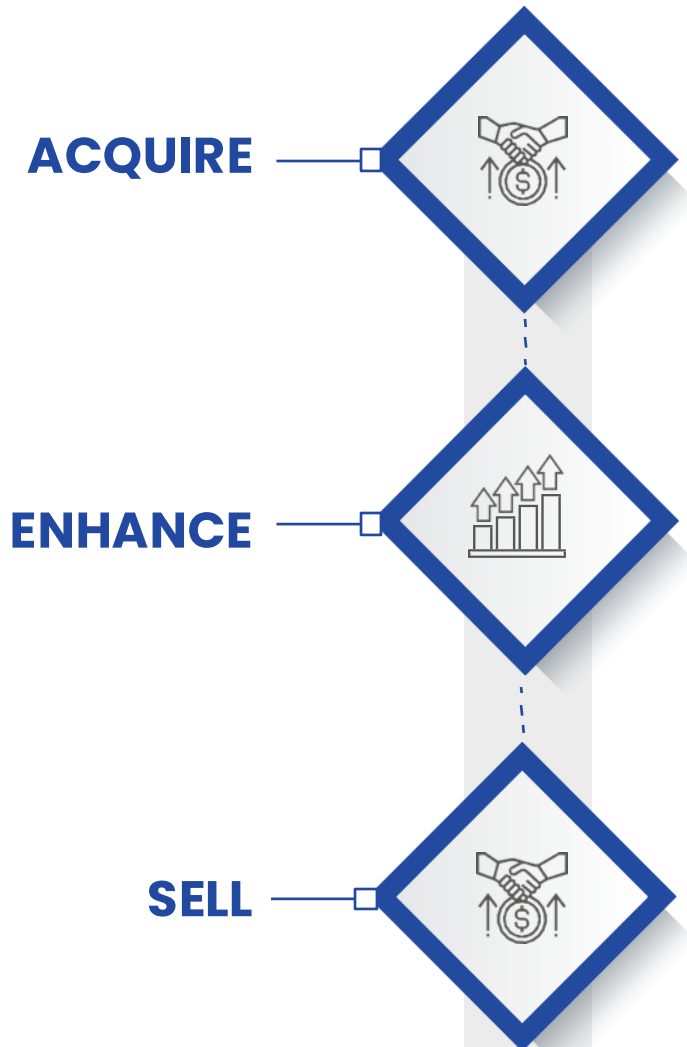


MEMPHIS
APARTMENT FUND

APPENDIX – More DETAILS



BUSINESS MODEL



Superior risk adjusted returns by acquiring existing older, cheap apartment buildings in the Memphis, TN area – significantly upgrading the units, thereby raising rents, NOI and operating cash-flow over the next **1-2 years** with an intended **2-3 year** hold period.

The management team has an extensive network of apartment building related contacts (property managers, lawyers, realtors, financing experts, renovation firms, appraisers, building inspectors etc.) in Memphis, TN. The management team has deep cross-border expertise in acquiring, financing & operating both Canada, TX, AZ, NV or TN based apartment buildings with a combined operating and ownership expertise in excess of 45 years, with over **\$250M** in assets transacted, with over **3500 units**.

Our business model is proven, and repeatable. Sensible leverage will be applied of approx. **70% after acquisition in cash**. Resulting in a target **60%+** return of equity over 3 years, net of all fees to manager and/or third parties.



DISTRIBUTION, LOGISTICS AND INTERMODAL

MEMPHIS STRATEGIC LOCATION

Because of its central North American location; easy access to Canada and Mexico; Memphis is known worldwide for its multi-modal distribution and logistic capabilities. It's access to interstate highways, energy pipelines and strong workforce add to this strength. The Port of Memphis is the central element in that transportation infrastructure because of its location along the Mississippi River.



MEMPHIS INTERMODAL

Memphis's central location and well-earned reputation as America's Distribution Center have led to unmatched logistics infrastructure.

- The busiest air-cargo airport in North America
- Five Class 1 railways.
- The #3 busiest trucking corridor in USA
- The #5 largest in-land port in the USA.



WHY MEMPHIS, TN, USA?

Memphis surges in 2024 with over \$16 Billion in investments

- **\$1 Billion** FedEx Superhub recently completed
- **\$550 Million** redevelopment/expansion of Memphis International Airport
- **\$200 Million** redevelopment of Memphis Convention Center
- St. Jude Children Hospital continues its largest development in its 60 year history with the construction of two fifteen storey towers dedicated to patient care and clinical research
- Ford Blue Oval City continues construction of its **\$5.6 Billion** campus

In 2023 alone, the Greater Memphis Chamber reported 11 projects announced with \$1 billion in estimated capital investment with another forty or more projects in the pipeline with a total investment estimated at over **\$16 billion for 2024 including:**

- FedEx Forum and Simons Bank Liberty Stadium: **\$450M** Redevelopment/Modernization
- 100 Mainstreet Building: Memphis's tallest Building undergoing a **\$261M** Renovation
- Fifteen Hotels are planned or under construction in downtown Memphis.
- **\$393 Million** construction of New Interstate Bridge over the Mississippi River

MEMPHIS BY THE NUMBERS



1.3 M population



19 colleges



3 Fortune 500 companies:
FedEx, International Paper
and Auto-Zone



Nike's largest
Distribution Centre



Cost of living 18% below
national average



2nd most populated
area in Tennessee



12th top city where
millennials are moving



Over last 8 years,
250 revitalization
projects for \$13B



St Jude's 7 year
\$9B expansion

MEMPHIS HOUSING AFFORDABILITY CRISIS

01 No state in the USA has an adequate supply of Affordable Rental Housing.

- USA has a shortage of 7.3M affordable rental units.
- 46% of American renters spent at least 30% of their income on housing including 23% who spent at least 50% of their income.

02 Average US rent has risen 28% over the last five years.

03 Homeownership costs skyrocketed in 2022 pricing out 2.4 million renters.

Pewresearch.org 2023



- Estimated annual income needed to afford median homeownership costs rose **20%**.

- US housing affordability has continually worsened over the past two decades.

- Home Price-to-Income reaches record high in Memphis

- Rental Stock in Memphis is older than it has ever been. Median age was **44 years in 2021**, up from 34 years two decades ago

- Number of low-rent units in the USA has fallen by **2.1 million** units in the last decade.

- Nearly one third of renters had household income under **\$30,000/y**



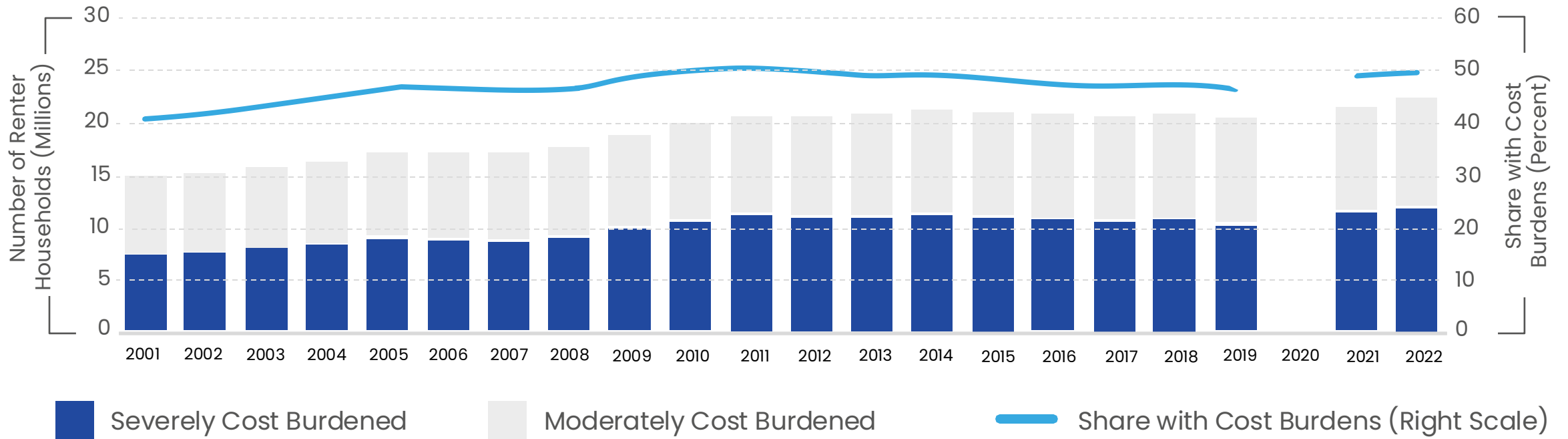
APARTMENT FUND
MEMPHIS



- A growing share of the rental stock is more expensive units in larger buildings.
- New construction is furthering this trend by increasingly targeting the high end of the market. In contrast, the supply of units in small multifamily buildings—which tend to have lower median rents—remains largely unchanged.
- The rental stock is older than at any other recorded time. In 2021, the median age of renter-occupied homes reached 44 years, up from 39 years a decade earlier and 34 years in 2001.
- The already limited supply of low-rent and federally subsidized units is also at risk. Indeed, **3.2 million** units with rents below **\$600 (38 percent)** are in at-risk areas. An additional 1.2 million Low-Income Housing Tax Credit units (40 percent) are at risk from environmental hazards, along with **34 percent** of project-based HUD units.

JOINT CENTER FOR HOUSING STUDIES OF HARVARD UNIVERSITY, AMERICA'S RENTAL HOUSING
2024

THE NUMBER OF COST-BURDENED RENTERS HIT AN ALL-TIME HIGH

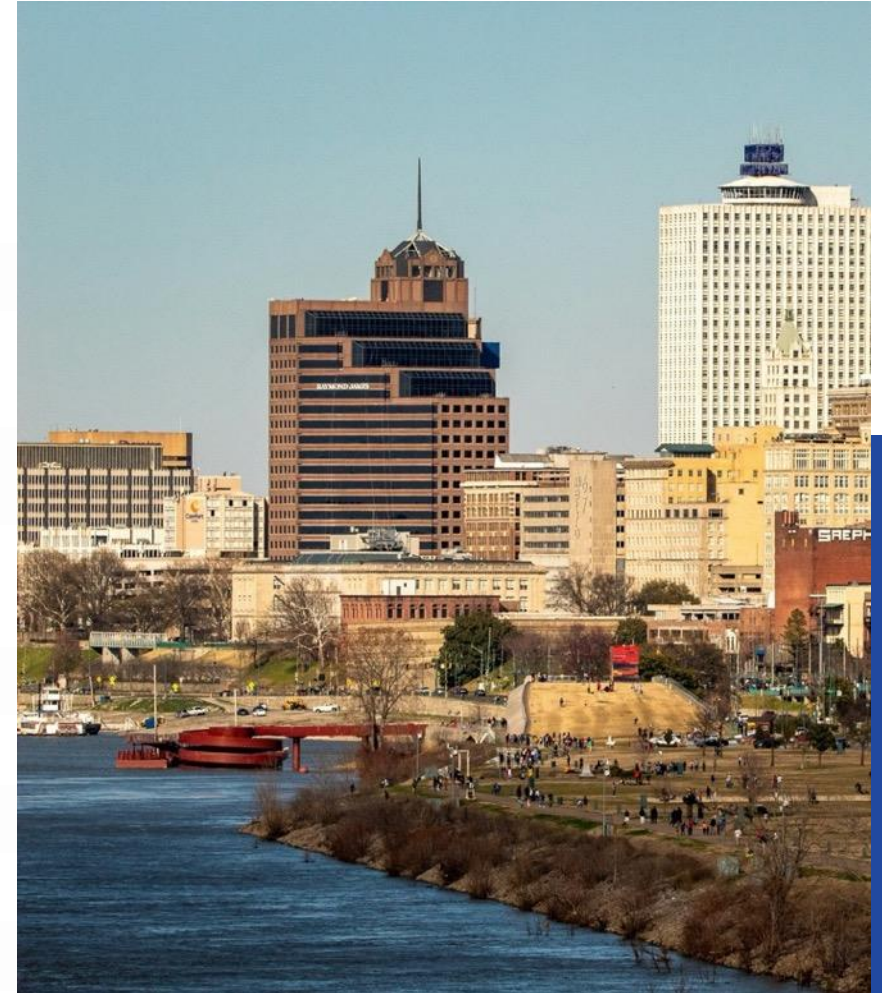


Notes: Moderately (severely) cost-burdened households spend 30–50% (more than 50%) of income on rent and utilities. Households with zero or negative income are assumed to have burdens, and households that are not required to pay rent are assumed to be unburdened. Estimates for 2020 are omitted because of data collection issues experienced during the pandemic.

Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

CHARACTERISTICS

- Typical renters are **“renters by necessity”** and do not have financial capacity for home ownership.
- Limited alternatives mean strong and **sustained demand**.
- Composed of **mostly older** (pre-2000 built) garden style, suburban located properties.
- Traditionally **performs better** (by measure of rent growth and vacancy) than higher class properties.
- Single-family/multifamily workforce renters totalled **13.5 million in 2022** (US Census Bureau).
- **Supply:** Limited due to high costs.
- **Demand:** High due to immigration and wage growth.
- **Performance:** Consistently outperforms other real estate classes.
- Renters typically **do not move often**.
- **Low Average Cost** per unit (\$25,000-\$45,000/unit)
- Renters typically cannot afford **to buy houses**
- Development size returns **without the Development Risks**.



Prestigious Properties – Track Record for 24+ Years

	#	Property Name	Location	# of units	Purchase Price	Selling Price	Approx. Value (1Q 2025) - Properties Still Owned	Change in Value (%)	Year Bought	Year Sold
	1	Westview Manor	Edmonton, AB	15	\$ 570,000	\$ 750,000		31.6%	2000	2002
	2	Crestview Place	Edmonton, AB	20	\$ 712,000	\$ 1,000,000		40.4%	2001	2003
	3	Piccadilly	Edmonton, AB	24	\$ 1,233,600	\$ 1,480,000		20.0%	2002	2005
	4	Washington Court	Edmonton, AB	24	\$ 1,080,000	\$ 1,488,000		37.8%	2003	2007
	5	Sandstone	Red Deer, AB	21	\$ 900,000	\$ 1,597,500		77.5%	2004	2008
	6	Spruce Manor	Edmonton, AB	12	\$ 492,500	\$ 585,000		18.8%	2004	2004
	7	Westview Manor	Stony Plain, AB	47	\$ 2,140,000	\$ 4,394,500		105.4%	2004	2011
	8	Lexington	Edmonton, AB	39	\$ 1,900,000	\$ 3,900,000		105.3%	2004	2007
	9	Windsor Estates	Edmonton, AB	120	\$ 5,050,000	\$ 10,600,000		109.9%	2004	2023
	10	College Plaza	Edmonton, AB	101	\$ 4,161,000	\$ 9,929,000		138.6%	2005	2007
LP1	11	Casa Bella & Casa Grand	Fox Creek, AB	38	\$ 1,300,000	\$ 1,563,000		20.2%	2005	2007
	12	Cedar Gardens	Fox Creek, AB	20	\$ 730,000	\$ 1,350,000		84.9%	2006	2007
	13	Oceanview Estates	Powell River, BC	64	\$ 3,300,000	\$ 2,856,960		-13.4%	2006	2009
	14	Worthington	Powell River, BC	41	\$ 1,600,000	\$ 1,607,040		0.4%	2006	2009
	15	Grizzly Manor	Fox Creek, AB	21	\$ 600,000	\$ 1,546,000		157.7%	2006	2007
LP2	16	Kensington Manor	Camrose, AB	42	\$ 2,150,000	\$ 4,719,930		119.5%	2007	2010
	17	Grand Park Village	Camrose, AB	84	\$ 6,700,000	\$ 9,036,000		34.9%	2007	2010
LP3	18	Poplar Grove Estates	Wetaskiwin, AB	104	\$ 8,125,000	\$ 9,568,000		17.8%	2008	2012
	19	Sunset Vistas	Powell River, BC	19	\$ 1,000,000	\$ 1,090,000		9.0%	2006	2009
	20	Yorkton Manor	Yorkton, SK	45	\$ 1,050,000	\$ 2,610,000		148.6%	2007	2011
LP4	21	Seward Place	Detroit, MI	45	\$ 599,436	\$ 100,000		-83.3%	2007	2010
	22	Parks of Denton	Denton, TX	308	\$ 13,320,000	\$ 25,250,000		89.6%	2007	2016
	23	Prestigious Place	Sudbury, ONT.	93	\$ 3,950,000	\$ 5,350,000		35.4%	2008	2014
PRISM A LP	24	Sherbrooke House	Yorkton, SK	25	\$ 875,000	\$ 1,592,901		82.0%	2009	2012
	25	Highland Estates	Yorkton, SK	8	\$ 338,200	\$ 509,728		50.7%	2009	2012
	26	Parkview Place	Yorkton, SK	48	\$ 2,256,000	\$ 3,058,370		35.6%	2009	2012
	27	Yorkton Village	Yorkton, SK		\$ 365,000	\$ 970,000		165.8%	2009	2012
	28	Discovery Village	Campbell River, BC	65	\$ 4,290,000	\$ 5,192,375		21.0%	2009	2014
	29	Westview Manor	Stony Plain, AB	47	\$ 4,394,500	\$ 5,400,000		22.9%	2009	2017
	30	Courtyard Estates	Abbotsford, BC	108	\$ 8,500,000	\$ 10,300,000		21.2%	2010	2015
	31	Castleview Park	Calgary, AB	104.4	\$ 10,878,750	\$ 21,757,500		100.0%	2010	2025
Kings Castle LP	32	Castleview Park	Calgary, AB	8.4	\$ 875,000	\$ 1,288,000		47.2%	2010	2023
	33	Hawkwood Manor	Red Deer, AB	18	\$ 1,750,000	\$ 1,812,500		3.6%	2010	2015
	34	Castle Harbour	Edmonton, AB	71	\$ 10,650,000	\$ 9,500,000		-10.8%	2015	2020
	35	Spruce Vale Place	Red Deer, AB	18	\$ 1,890,000	\$ 1,812,500		-4.1%	2010	2015
	36	Grand Rocky Estates MHP	Cranbrook, BC	67	\$ 2,700,000	\$ 4,200,000		55.6%	2018	
	37	Kimbrook	Kimberley, BC	57	\$ 4,500,000	\$ 6,250,000		38.9%	2021	
MHP LP	38	Rocky Mountain Estates MHP	Rocky Mountain House, AB	85	\$ 3,757,303	\$ 5,500,000		46.4%	2018	
	39	Eckville Estates MHP	Eckville, AB	62	\$ 1,976,404	\$ 1,985,000		0.4%	2018	2021
	40	Drayton Valley MHP	Drayton Valley, MHP	15	\$ 566,292	\$ 624,000		10.2%	2018	2018
MHP 2 LP	41	Blackfalds Estates MHP	Blackfalds, AB	30	\$ 1,350,000	\$ 1,800,000		33.3%	2018	
Addy Wealth CV LP	42	Castleview Park	Calgary, AB	15.6	\$ 2,386,480	\$ 3,242,500		35.9%	2022	2025
	TOTAL			2184	\$ 124,575,986	\$ 146,416,304	\$ 42,750,000	51.8%		

