



**TREZ** CAPITAL

Quarterly Report

Q1 2023

# First Quarter 2023 Investment & Firm Update

## A Letter from Trez Capital's Chief Risk Officer

In the present economic landscape, marked by rising interest rates and potential bank failures, private debt and equity real estate investors can still capitalize on wider risk premiums and higher yields on floating-rate loans.

**With the right lender and assets, investors can construct a more profitable and diversified portfolio. At Trez Capital, we believe that identifying the right projects and adhering to the highest standards of due diligence and asset management are paramount.**

### **Credit Risk and Underwriting Checkpoints: Three Pillars of Success**

To embark on a new project, lenders must pass three crucial checkpoints. First, market and asset selection must be in sync with areas of expertise and opportunities. At Trez Capital, we concentrate on the residential sector of the United States Sunbelt, characterized by burgeoning demand for housing and growth fueled by the region's business and tax-friendly environment. Our "Boots-on-the-Ground" approach encompasses physical offices and local expertise to enable informed transactions. Second, borrower selection is vital. We limit lending exclusively to high-quality, well-managed borrowers with proven success in real estate development. Finally, in-depth due diligence ensures each project loan aligns with our time-proven investment thesis: population growth + job growth = opportunities. Trez Capital mitigates market risk by focusing on regions where growth is strongest in an under-supplied residential housing market.

### **The Importance of Asset Management: Safeguarding Project Execution**

Once a loan is closed, asset management is crucial to ensure the continued execution of the business plan. Trez Capital's three-pronged approach to oversight and management involves: (1) Actively monitoring the

underlying business plan in accordance with budgets and associated timelines, (2) Identifying and addressing emerging risks to the underlying asset and business plan, and (3) Examining repayment scenarios to ensure the timely and efficient return of capital.

Different loan types necessitate tailored focuses and monitoring. For instance, development projects require close supervision of construction costs. For all loan types, borrower adherence to underwriting, covenants, and planned milestones must be ensured. We collaborate with borrowers, contractors, and other stakeholders to resolve any issues that may arise, such as cost overruns, revised timelines, or scope changes. Our team and/or third-party representatives conduct monthly in-person site visits, engage industry-leading cost consultants, and routinely review our loan book to advise stakeholders and address emerging risks. We recognize the importance of addressing challenges promptly to ensure successful project completion and safeguard investor capital.

### **Adhering to the Highest Standards of Due Diligence: Navigating Economic Uncertainty**

Lenders and investors who embrace rigorous risk assessment, underwriting, and asset management processes can instill confidence even during times of economic uncertainty. Trez Capital has developed strategies, through experience, to navigate various economic cycles while consistently delivering returns to investors.

In these uncertain times, experience is indispensable. At Trez Capital, we possess the knowledge and expertise needed to guide our investors through the current economic environment. We remain committed to the highest standards of due diligence coupled with our comprehensive processes of origination, underwriting, and asset management.

Sincerely,  
Christian Skogen  
Chief Risk Officer

# Quarterly News

## Distribution Rate Increase

At Trez Capital, we pride ourselves on providing investors with strong, reliable, and rising returns. Our returns are uncorrelated to the volatility of other asset classes, and in 2022 we paid out over \$165 million CAD in distributions to our 32,000 investors around the world. Our real estate loans are positioned to benefit from rising interest rates in the U.S. and Canada, and their positive impact on our floating-rate mortgage portfolio returns has enabled us to increase our monthly distribution rates throughout 2022.

Throughout 2023, the Trez Capital team will continue to take a prudent approach when increasing our distribution rates. Any changes will reflect the interest rate environment and the effects on our floating rate mortgage portfolio.

Current effective annual distribution yield based on distribution rate increase effected January 31, 2023:

- Trez Capital Prime Trust: 6.12%
- Trez Capital Yield Trust: 7.20%
- Trez Capital Yield Trust U.S. (CAD): 7.80%
- Trez Capital Yield Trust U.S. (USD): 7.80%

<sup>1</sup>Listed distribution rates are based on a \$10 unit value. Refer to Fund Fact Sheets for full details.

## Continuing to Build a Winning Team

Trez Capital draws on a diversity of skills, specializations, and backgrounds to consolidate our standing in the market. We are very proud of everyone on our high-performing team. Significant personnel changes during the first quarter of 2023 include:

**David Cooper** promoted to Managing Director, National Retail Sales

**Shoghig Kulidjian** named Managing Director, Institutional Sales

**Andy Leung** promoted to Vice President, Financial Planning & Analysis

**Douglas McDonald** promoted to Managing Director U.S. Structured Investments

**Ernie Nichiporik** promoted to Vice President, Operations, Information Technology & Investor Services

**Vikram Rajagopalan** named Senior Managing Director, Capital Strategy & Distribution

## Trez Capital by the Numbers



\*Trez Corporate Group AUM includes assets held by all Trez related entities as well as \$3.0B Manager AUM (Trez Capital Fund Management Limited Partnership). All data \$CAD estimated as at March 31, 2023.

# Highlighted Equity Investments

## Successful Exit of Austin MSA Portfolio



The Beacon is a residential multi-family community located in a highly sought-after region of the Austin MSA, offering 258 units of one-, two-, and three-bedroom residential dwellings including attractive amenities.

Realized Return <sup>1</sup>	<b>4.9x Equity Multiple</b>
Asset Class	<b>Residential</b>
Location	<b>Pflugerville, Austin MSA, Texas</b>



The Dalton is a residential multi-family community offering 350 units of one-, two-, and three-bedroom residential dwellings with a range of attractive amenities, located in a highly sought-after region of the Austin MSA.

Realized Return <sup>1</sup>	<b>4.2x Equity Multiple</b>
Asset Class	<b>Residential</b>
Location	<b>Round Rock, Austin MSA, Texas</b>

<sup>1</sup>Pre-Tax Project L.P. Past results are not indicative of future performance, which may differ significantly.

Trez Capital is proud to announce the dual sale of The Beacon and The Dalton located in the Austin metropolitan statistical area (MSA) of Texas. This dual sale equity project portfolio is one of the largest in Trez Capital's history, with the two exited projects selling for just over \$170 million USD to a single purchaser; which reflects a blended cap rate of approximately 4.4% and will yield total profits of approximately \$68.6 million USD.

Both projects are in the Trez Capital Opportunity Funds (TOFs), specifically TOF#4 and TOF#5, and returns have surpassed every expectation, resulting in significantly higher-than-projected internal rate of return (IRR) to investors. After the sale of the remaining investments held by each TOF#4 and TOF#5, the IRR on these funds are projected to be between 30% and 40%. There are several existing projects still performing in these TOFs, which will provide additional income to investors upon sale.

Trez Capital's Equity Investment Program partners with experienced developers in markets with strong population, job and gross domestic product (GDP) growth. The sale of both projects speaks to the continued growth and unwavering demand in Texas.

The Beacon and The Dalton are the fourth and fifth projects that Trez Capital has built in partnership with Thompson Realty Capital, which has over 25 years of experience in acquisitions, development, and property management of multi-family, office, and single-family residential projects.

Trez Capital continues to invest in high-quality development opportunities across North America – particularly in the Sunbelt states such as Texas, Arizona, and Florida – for the TOF series and Trez Capital Private Real Estate Fund Trust (TPREF).

Please contact your Trez Capital representative for our latest Equity Investment opportunities.

# Trez Capital Financings & Investments

## 2022 Year-At-A-Glance

We continually seek to uncover the most favourable investment opportunities for our investors. This means we don't follow a "pack mentality" when we are looking for real estate-based investment opportunities to bring to market. We often find extremely attractive prospects in areas that others have overlooked.

2022 transactions were characterized by regions with continued population growth, strong labour demands and job growth, paired with continued gross domestic product (GDP) growth supporting Trez Capital's thesis and focus on residential real estate.

**Trez Capital has provided exceptional returns to its investors and has built a reputation for providing innovative financing and investments for commercial properties in major centres throughout Canada and the U.S. for more than 25 years.**

● 2022 transactions

# Economic Update

## First Quarter 2023

### Canadian Economy and Real Estate Market

Continued consumer spending, combined with an expanding job base and higher wages reflected positive GDP estimates for the first two months of the year, according to Statistics Canada. In March, employers added 35,000 positions. While this was below the 61,000 average monthly increase over the last six months, the labour market remains tight, with the unemployment rate hovering at 5.0%.

The Bank of Canada (BoC) has recently taken a more cautious approach toward monetary policy, gauging the effects of tightening on economic activity and inflation. After increasing its short-term policy rate by 25 basis points (bps) to 4.5% in January, the BoC held rates steady at its March policy meeting. Inflation has gradually moderated, with core prices (excluding food and energy) increasing 4.5% year-over-year (YoY) in March, following a 4.8% YoY increase in February. Despite the improvement, inflation remains above the BoC's 2.0% target rate.

After a difficult 2022, green shoots emerged in the nation's housing market, as both February and March home sales were up on a month-over-month basis. While March sales remained more than 34% below year-ago levels, tight inventories of homes available for sale – only 3.9 months of inventory were available at the March sales rate – contributed to the first monthly increase in home prices since February 2022.

Commercial real estate transaction activity remains subdued, with advance estimates indicating that total commercial sales volumes for Q1 2023 are close to one-half of year-ago levels. Office transactions have been slowed by weakening demand: in Q1 2023, the national office vacancy rate reached 17.7%, up from 17.1% in Q4 2022. Meanwhile, the tight industrial market saw increases in supply, allowing the overall availability rate to reach 1.9% in Q1 2023, up from 1.6% in Q4 2022.

### U.S. Economy and Real Estate Market

Stress emerged in the U.S. banking system in March, resulting in two institutions with solvency issues. The U.S. Federal Reserve (Fed) moved quickly to provide liquidity to banks with short-term funding needs, while the Federal Deposit Insurance Corporation (FDIC) guaranteed the deposits of problem institutions in full. While these measures stabilized the banking sector, capital markets were volatile as overall bank lending liquidity became restrained, especially at regional banks with significant exposures to commercial real estate loans.

Despite the possibility that subdued bank lending could further slow economic activity, the Fed proceeded to tighten monetary policy by increasing its short-term Federal Funds rate in March by 25 bps to a target range of 4.75% - 5.0%. There are signs that higher rates are cooling economic activity and inflation. In March, employers added 236,000 jobs, down from the 345,000 average over the previous three months. Core inflation (excluding food and energy) was 5.6% YoY in March, an improvement from the 6.0%-plus core inflation rates in the second half of 2022.

With easing mortgage rates, housing activity stabilized in February and March. However, March home sales were down 22.0% YoY, while the national median home price fell 0.9% YoY. Price declines were tempered by low inventories, which averaged only 2.6 months' supply at the March sales pace.

Commercial sectors show signs of easing demand, amid new construction deliveries. Notably, the Q1 2023 national industrial availability rate jumped to 5.5% from 4.8% in Q4 2022, while the national office vacancy rate increased to 17.8% from 17.3% over this period. The apartment sector, which benefited from strong leasing activity in 2022 following the easing of pandemic restrictions and declining for sale housing affordability, witnessed demand return to normal levels. As a result, the Q1 2023 national apartment vacancy rate rose to 4.9% from 4.6% in the previous quarter.

Sources: Statistics Canada, Oxford Economics, Bank of Canada, Canada Real Estate Association, MSCI/Real Capital Analytics, CBRE, Federal Reserve Bank, U.S. Bureau of Labor Statistics, Freddie Mac, National Association of Realtors, CBRE-EA.

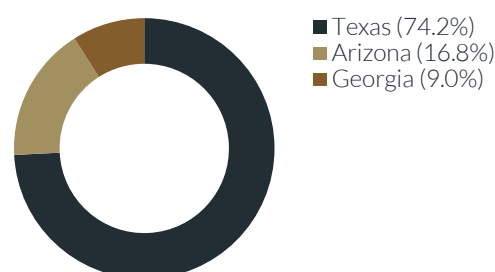
## An opportunistic, long-term real estate equity strategy<sup>1</sup>

Total Fund Assets <sup>2</sup>	<b>\$257,154,876 CAD</b>
Average Investment Size	<b>\$3,893,487 CAD</b>
Number of Investments	<b>30</b>
Net Asset Value (NAV) <sup>3</sup>	<b>\$ 118.23 CAD</b>

### Asset Class



### Geographic Region



Trez Capital Private Real Estate Fund Trust ("TPREF")<sup>4</sup> started 2023 on solid footing, with strong project-level execution and optimism in the multi-family residential markets, offsetting a recent pullback in self-storage valuations. The Canadian Trust's F and I series' net asset value (NAV) per Unit has increased from \$117.73 to \$118.23 so far this year, including April 2023 results, an increase of \$0.50.

Since its inception, the Canadian Trust has raised \$108.1 million and deployed approximately \$85.1 million into 30 multi-family, single-family rental, residential lot development, and self-storage investments in the United States Sunbelt region.

As residential rents resume their growth in the U.S. (albeit at a more modest pace than last year) and construction cost inflation subsides, the residential portion of TPREF's portfolio continues to exceed expectations. Notably, TPREF's first ground-up multi-family project reached positive net operating income (NOI) this quarter while generating effective rents that are 35% above initial proforma underwriting.

Transaction volume has been limited in recent months as the market proceeds through a phase of price discovery. However, based on the most recent appraisals, a 61-basis point increase in cap rates was factored into the March 2023 valuation of TPREF's self-storage portfolio, which resulted in a 2.7% decline in the value of the 14 operating facilities. Fortunately, active management of TPREF's storage holdings created approximately \$1.1 million in incremental portfolio NOI over the past six months, offsetting over 70% of the effect of the cap rate increase. By continuing to maximize NOI, the Manager expects that the self-storage portfolio's value will soon meet and exceed prior valuations – particularly as capital markets normalize.

No acquisitions were made in this quarter. The Manager continues to assess new opportunities, while remaining highly focused on driving performance within the existing portfolio of assets.

\*Refer to Fund Fact Sheet for full details. During the quarter ended March 31, 2023, the Canadian Trust complied with all investment objectives and restrictions set out in the Offering Memorandum dated January 1, 2023, and the U.S. LP complied with all investment objectives and restrictions set out in the Limited Partnership Agreement dated October 28, 2021.

<sup>1</sup>TPREF is best suited for clients with a long-term horizon – typically five years or more – given the asset class and fund terms. Please consult the Offering Memorandum.

<sup>2</sup>Fund AUM represents gross capital under management (both preferred and common equity) and includes Trez Capital Private Real Estate Fund U.S. Investment Limited Partnership, TPREF's USA-based parallel fund.

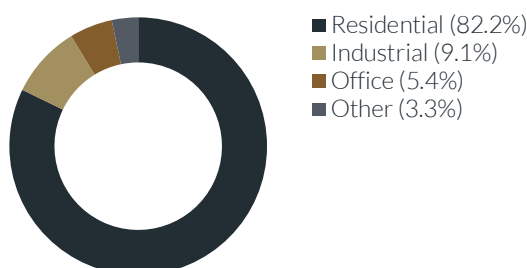
<sup>3</sup>NAV as at March 31, 2023, effective April 30, 2023. Based on F and I series. A series unit value differs to fee structure.

<sup>4</sup>TPREF is jointly comprised of its Canadian and U.S.-based investment vehicles, Trez Capital Real Estate Fund Trust ("Canadian Trust") and Trez Capital Private Real Estate Fund US Investments LP ("US LP").

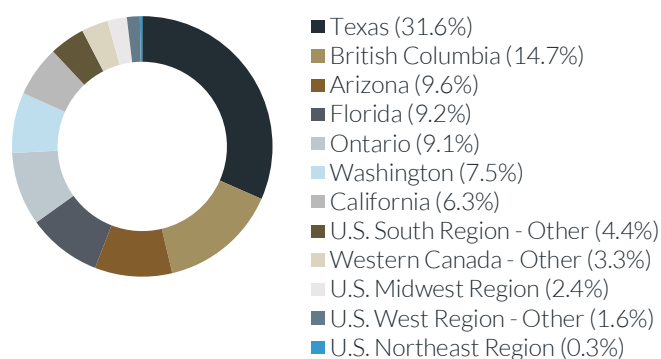
## A conservative short-term commercial mortgage strategy

Total Fund Assets	<b>\$385,958,491 CAD</b>
Average Investment Size	<b>\$5,123,710 CAD</b>
Number of Investments	<b>59</b>
Average Loan-to-Value (LTV)	<b>47.5%</b>
Average Term-to-Maturity (Months)	<b>11.5</b>
Percent of First Mortgage	<b>100%</b>

### Asset Class



### Geographic Region



Performance in Trez Capital Prime Trust (“Trust”) continued to trend upward after the implemented increase in the monthly distribution rate earlier this year to 0.51% (6.12% annualized) on an F series basis, up from 0.46% (5.52% annualized). Although the Bank of Canada has paused its rate-hiking cycle, the Trust’s U.S. loan portfolio remains poised to benefit from any further rate increases initiated by the U.S. Federal Reserve.

Despite an environment characterized by more conservative lending and lower transaction activity, we continued to see borrowers execute their plans. During Q1 2023, the Trust experienced active repayment activity on its Canadian portfolio with five notable repayments, primarily in British Columbia. This led to a decline in the Trust’s B.C. exposure to 14.7% in Q1 2023 (24.3% as at Q4 2022), while the overall share of Canadian exposure decreased to 27.1% in Q1 2023 (38.1% as at Q4 2022).

At the same time, the Trust continued to grow its exposure to the Sunbelt region with Texas becoming the largest geographical exposure at 31.6% (24.2% as at Q4 2022). The Texas economy continued to demonstrate resilience in Q1 2023 with strong employment gains – February became the fastest growing month for labour force levels since the start of the pandemic. Furthermore, despite a normalization from record pricing and activity in 2022, both the new home sale market and rental market remained strong. Nearly 40% of builders in Texas increased prices in March 2023 further, while elevated home prices and mortgage rates created a premium on the cost of home ownership, which continued to spur demand for rental product.

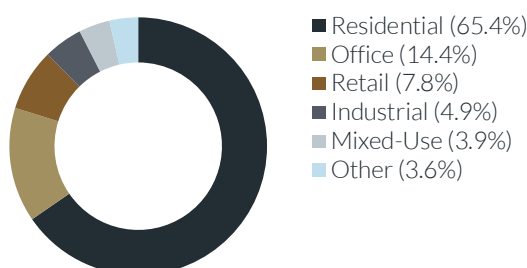
The Trust had one foreclosed asset totaling approximately 1.4% of unitholder capital at the end of the quarter. The Manager believes the value of the underlying collateral is sufficient such that no material loss is anticipated.

\*Refer to Fund Fact Sheet for full details. During the quarter ended March 31, 2023, the Trust complied with all investment objectives and restrictions set out in the Offering Memorandum dated April 30, 2022.

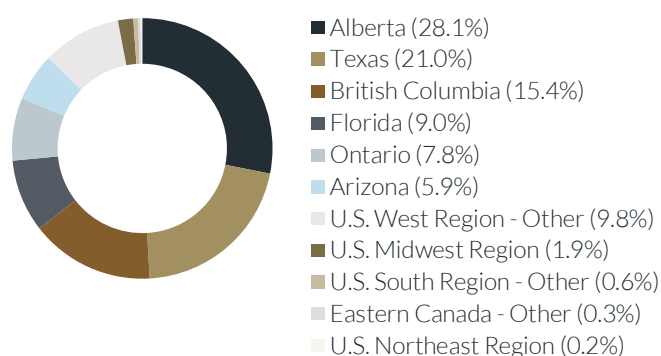
## A diversified, balanced short-term commercial mortgage strategy

Total Fund Assets	<b>\$1,247,174,573 CAD</b>
Average Investment Size	<b>\$6,891,932 CAD</b>
Number of Investments	<b>136</b>
Average Loan-to-Value (LTV)	<b>75.8%</b>
Average Term-to-Maturity (Months)	<b>12.0</b>
Percent of First Mortgage	<b>79.8%</b>

### Asset Class



### Geographic Region



Performance in Trez Capital Yield Trust ("Trust") continued to trend upward after the implemented increase in the monthly distribution rate earlier this year to 0.60% (7.20% annualized) on an F series basis, up from 0.55% (6.60% annualized). Although the Bank of Canada has taken a pause on its rate-hiking cycle, the Trust's U.S. loan portfolio remains poised to benefit from any further rate increases initiated by the U.S. Federal Reserve.

During Q1 2023, the Trust saw active repayment activity in its Canadian portfolio, particularly on loans in British Columbia. This led to a reduction in the Trust's B.C. exposure to 15.4% (20.2% as at Q4 2022), while the overall share of Canadian exposure decreased to 51.6% (57.1% as at Q4 2022). Despite a more cautious environment wherein lenders are proving to be more conservative and transaction volumes have slowed, we continue to see borrowers execute on their plans and repay our loans. In fact, we saw borrowers utilize proceeds from a variety of sources including refinancing proceeds, sales proceeds, as well as personal resources, in order to repay our loans.

Meanwhile, the portfolio of the Trust continued to gain exposure to the growing U.S. Sunbelt region. The Trust invested in a multi-family construction loan within a submarket of Austin, Texas, to a repeat borrower. With rapid home price appreciation and higher mortgage rates, the Austin metro area has one of the highest premiums in the U.S. for owning versus renting (more than \$2,000 per month) which will continue to spur demand for rental product. Furthermore, the Austin area has experienced strong employment growth with about 102K jobs added in 2022 (8.7% year-over-year) with employment recovering to 113% of pre-pandemic levels through February 2023. Overall, investments in the U.S. now comprise 48.4% of the portfolio (42.9% as at Q4 2022).

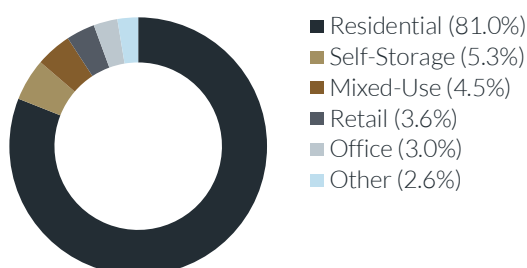
The Trust had four defaulted loans and five foreclosed assets totaling 10.9% of unitholder capital at the end of the quarter. The Manager believes the value of the underlying collateral on the loans is sufficient such that no further material losses are anticipated and continues to actively work to monetize these investments.

\*Refer to Fund Fact Sheet for full details. During the quarter ended March 31, 2023, the Trust complied with all investment objectives and restrictions set out in the Offering Memorandum dated April 30, 2022.

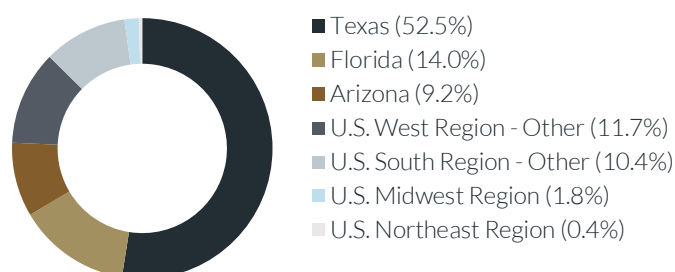
## An opportunistic, short-term commercial financing strategy denominated in CAD focused on U.S. markets

Total Fund Assets	<b>\$1,231,940,455 CAD</b>
Average Investment Size	<b>\$4,912,125 CAD</b>
Number of Investments	<b>182</b>
Average Loan-to-Value (LTV)	<b>68.0%</b>
Average Term-to-Maturity (Months)	<b>16.2</b>
Percent of First Mortgage	<b>81.0%</b>

### Asset Class



### Geographic Region



Performance in Trez Capital Yield Trust U.S. CAD ("Trust") continued to trend upward after the implemented increase in the monthly distribution rate earlier this year to 0.65% (7.80% annualized) on an F series basis, up from 0.60% (7.20% annualized). As the Trust's portfolio predominately includes floating rate loans, performance is expected to remain strong during 2023, benefiting from any further interest rate increases enacted in the U.S.

During the first quarter, the Trust invested in two new loans with repeat borrowers in the single-family lot development space. We continue to see select opportunities with strong sponsors on projects that are pre-sold to large national and regional homebuilders within growing submarkets. Lot development accounts for 35.9% of the portfolio at the end of Q1 2023, while multi-family construction accounts for 41.9%, representing a total of 77.8% in two primary asset classes that we continue to have strong conviction. Ultimately, the Trust continued to capitalize on strong fundamentals underpinning growth in the U.S. Sunbelt region, such as internal migration and short supply of housing. The region now accounts for 91.0% of the portfolio of the Trust.

Texas, the largest allocation in the portfolio at 52.5%, posted one of the strongest employment growth rates nationally in March 2023 (4.3% compared to prior year). Total home sales had robust month-over-month growth in both January (3.7%) and February (7.8%), while single-family permits declined in February from 10% year-over-year in Fort Worth, TX, to 35% in places like Phoenix, AZ, suggesting we will continue to see a housing supply-demand imbalance within growing metros.

The Trust also continued to see strong repayment activity including on an acquisition bridge loan for a 268-unit multi-family building in New York. The property was successfully sold in February 2023, leading to repayment of the loan ahead of its November 2024 maturity date.

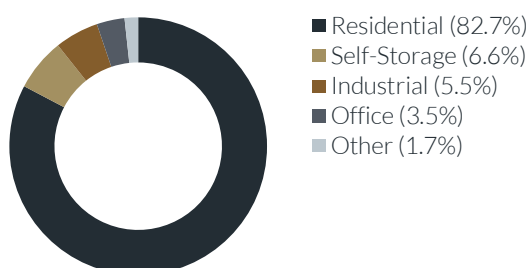
As of Q1 2023, the Trust had four defaulted investments and two foreclosed assets which accounted for 7.6% of unitholder capital. The Manager believes the value of the underlying collateral on the investments is sufficient such that no material losses are anticipated.

\*Refer to Fund Fact Sheet for full details. During the quarter ended March 31, 2023, the Trust complied with all investment objectives and restrictions set out in the Offering Memorandum dated April 30, 2022.

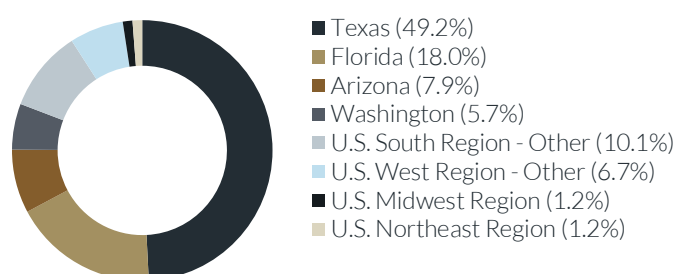
## An opportunistic, short-term commercial financing strategy dominated in USD focused on U.S. markets

Total Fund Assets	<b>\$175,301,453 USD</b>
Average Investment Size	<b>\$1,021,955 USD</b>
Number of Investments	<b>130</b>
Average Loan-to-Value (LTV)	<b>67.4%</b>
Average Term-to-Maturity (Months)	<b>16.7</b>
Percent of First Mortgage	<b>80.0%</b>

### Asset Class



### Geographic Region



Comparable with that of Trez Capital Yield Trust U.S. CAD, performance of Trez Capital Yield Trust U.S. USD ("Trust") continued to trend upward after the implemented increase in the monthly distribution rate earlier this year to 0.65% (7.80% annualized) on a F series basis, up from 0.60% (7.20% annualized). As the Trust's portfolio predominately includes floating rate loans, the performance is expected to remain strong during 2023, benefiting from any further interest rate increases enacted in the U.S.

With conditions in the residential real estate market normalizing following a run-up in values into 2022, the Trust continued to build its presence in the U.S. Sunbelt region characterized by a low tax, business friendly environment and more affordable cost of living, where both population and job growth remained robust. In March 2023, Nevada (5.0%), Florida (4.5%), and Texas (4.3%) were the top-three states in terms of job growth year-over-year (YoY) nationwide. Compensation costs, with wages being the largest portion, grew by 6.1% YoY in Miami and 5.2% in the Dallas metro areas. And home sales in Texas expanded in both January and February, gaining more than 2,000 transactions a month, with Dallas alone contributing to 1,200 additional home sales in February.

The focus on the Sunbelt is reflected in the Trust's geographic exposure with the region accounting for 88.0% of the portfolio and Texas leading at 49.2% as at the quarter end (46.4% as at Q4 2022). Lot development comprised 28.8% of the portfolio, while multi-family construction accounted for 43.0%, representing a total of 71.8% in these two primary asset classes of focus.

The Trust also continued to see repayment activity in its portfolio including on a renovation loan for a 100%-leased, multi-tenant grocery store anchored community center in Florida. The borrower refinanced the loan ahead of its scheduled maturity.

As of Q1 2023, the Trust had four defaulted investments and one foreclosed asset which accounted for 7.1% of unitholder capital. The Manager believes the value of the underlying collateral on the investments is sufficient such that no material losses are anticipated.

\*Refer to Fund Fact Sheet for full details. During the quarter ended March 31, 2023, the Trust complied with all investment objectives and restrictions set out in the Offering Memorandum dated April 30, 2022.



For further information, please visit us at [trezcapital.com](http://trezcapital.com) or contact Investor Services  
T: 1.877.689.0821 | E: [investor-services@trezcapital.com](mailto:investor-services@trezcapital.com)

This presentation contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "estimates", "intends", "anticipates" or "believes", or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Trez Capital Finance Fund I LP, Trez Capital Finance Fund II LP, Trez Capital Finance Fund III LP, Trez Capital Finance Fund IV LP, Trez Capital Finance Fund V LP, Trez Capital Finance Fund VI LP, Trez Capital Finance Fund VII LP, Trez Capital Finance Fund VIII LP, Trez Capital Finance Fund IX LP, Trez Capital Private Real Estate Fund Trust, Trez Capital Yield Trust, Trez Capital Yield Trust US, Trez Capital Yield Trust US (Canadian \$), Trez Capital Prime Trust, Trez Capital Opportunity Fund I, Trez Capital Opportunity Fund II, Trez Capital Opportunity Fund III, Trez Capital Opportunity Fund IV, Trez Capital Opportunity Fund V, Trez Capital Opportunity Fund VI and Trez Capital Opportunity Fund VII (collectively, the "Funds") to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such forward-looking statements include, but are not limited to: the annual yield of the Funds that Trez Capital Fund Management Limited Partnership (the "Manager") is targeting, the nature of the Funds and their affairs. Actual results, performance and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this presentation. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect including, but not limited to: the ability of the Funds to acquire and maintain a portfolio of mortgages capable of generating the necessary annual yield or returns to enable the Funds to achieve their investment objectives, the ability of the Funds to establish and maintain relationships and agreements with key financial partners, the maintenance of prevailing interest rates at favourable levels, the ability of borrowers to service their obligations under the mortgages, the ability of the Manager to effectively perform its obligations to the Funds, anticipated costs and expenses, competition, and changes in general economic conditions. While the Funds anticipate that subsequent events and developments may cause its views to change, the Manager specifically disclaims any obligation to update these forward-looking statements, except as required by applicable law. These forward-looking statements should not be relied upon as representing the Trust's views as of any date subsequent to the date of this presentation. Although the Funds have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Funds. Additional factors are noted under "Risk Factors" in the Funds offering documentation.

This presentation does not constitute an offer to sell or a solicitation to buy any security in any jurisdiction.

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