



ICM PROPERTY PARTNERS TRUST

Due Diligence Questionnaire – April 2019

1. ICM Asset Management:

- a) is a registered Investment Fund Manager (IFM) and Portfolio Manager (PM)
- b) currently manages over \$815 million of assets under management
- c) maintains a zero-investment loss track record since the company's inception in 2003
- d) manages over 6,000 clients and growing
- e) headquarters in Calgary with offices in Munich, Atlanta and Mexico City
- f) maintains a client retention ratio of over 99%
- g) all of the above

2. When you combine all of the ICM fund activity (from 2003 to 2018) in an equal weighted composite, the total return on a \$100,000 investment made in 2003 would have translated to what value in 2018 for an investor?

- a) \$328,483 and an 8% total return per year (net of fees)
- b) \$449,663 and an 10.2% total return per year (net of fees)
- c) \$548,567 and an 11.6% total return per year (net of fees)
- d) None of the above

3. How does ICM PROPERTY PARTNERS TRUST provide diversification to investors?

- a) By offering access to multiple countries (Canada, U.S., Mexico)
- b) By offering access to multiple real estate markets (Investment grade cities across North America)
- c) By offering access to multiple asset types (Office, Industrial, Retail, Multi-Family, Hotel)
- d) By offering access to different investment types (real estate and lending)
- e) All of the above

4. A multi-asset, multi-market real estate investment strategy theoretically will:

- a) Reduce concentration risk when compared to investments that only have one or two assets in a single market
- b) Generally, have a higher risk adjusted return when compared to investments that only have one or two assets in a single market
- c) Have greater diversification when compared to investments that only have one or two assets in a single market
- d) All of the above

- 5. Alameda, one of ICM Property Partners Trust's acquisitions in Mexico City is known for several significant reasons including:**
- a) Alameda fronts and overlooks the oldest park in North and South America (the Americas)
 - b) Alameda was acquired in an off-market transaction through existing relationship
 - c) Alameda has a target of 18.0-20.0% IRR (unleveraged)
 - d) When renovations are completed, the Alameda project will become a boutique hotel overlooking Palacio de Bellas Artes (Palace of Fine Arts) in the heart of Mexico City
 - e) All of the above
- 6. True or False. ICM Property Partners Trust has already established a diversified portfolio of real estate acquisitions and investments across all five of the investment strategies.**
- a) True
 - b) False
- 7. ICM has identified five real estate investment strategies that it believes will outperform in the current macro-economic environment. They are:**
- a) U.S. Income Growth, U.S. Development, Canadian Mezz Debt, Canadian Opportunistic, Mexican Opportunistic
 - b) Buy Low, Sell High, Don't Lose Money, Buy Lotto Tickets, Buy Bitcoin
 - c) Buy cannabis companies stock, Invest in GIC's, Invest in Mutual Funds, Buy Vancouver hi-rise condos, invest in single assets in a single market
- 8. Which of the below are components of the U.S. Income Growth investment strategy that forms one of five investment strategies for ICM Property Partners Trust?**
- a) Acquire existing U.S. properties in investment grade secondary markets
 - b) Acquire underperforming assets
 - c) Assets that present opportunities for meaningful income growth through active management strategies
 - d) All of the above
- 9. With respect to the Canadian Mezz Debt investment strategy that makes up one of the five investment strategies for ICM Property Partners Trust, what are some of the benefits of this strategy in the opinion of ICM?**
- a) More favourable position in the capital stack vs. equity investments
 - b) Returns rival available common equity returns
 - c) As an established real estate operator in Western Canada, ICM is in a strong position to step in as an operator to protect any lending investment that may experience challenges
 - d) All of the above

10. Which markets are identified as part of the Investment Strategies?

- a) Canada only
- b) Canada and U.S. only
- c) Canada, U.S., and Mexico
- d) U.S. and Mexico only

11. The redemption price is:

- a) 90% of Series NAV until the end of the first year
- b) 95% of Series NAV in the second and third year
- c) 100% of Series NAV after the third year
- d) All of the above

12. One of the intentions of ICM Property Partners Trust is to allow investors to invest on their terms. What are some of the ways that the Trust allows investors to do that?

- a) Investors can choose to either earn cash returns or compound returns through different DRIP options that suit their individual needs
- b) Liquidity through monthly redemption – at NAV beginning after year 3, no redemption fee
- c) Different series units with differing commission and fee structures – Lower load and lower management fees on larger investment size.
- d) All of the above

13. Investors have the option to reinvest their distributions (DRIP) through either the Advantaged DRIP Strategy™ (which is 100% DRIP) or the Balanced DRIP Strategy (50% DRIP, 50% Cash). What are some of the benefits to these DRIP strategies over the Basic Strategy which is 100% cash with no DRIP?

- a) Investors can obtain DRIP units at a significant discount to the issue price of their original investment (the range of discount will depend on the Unit series that an investor subscribes for)
- b) Advisors will be paid a commission on the additional DRIP units that an investor accrues
- c) Investors will realize a higher total return in both of the Advantaged DRIP and Balanced DRIP strategy than if they did not DRIP (as in the Basic Strategy)
- d) All of the above

14. Depending on the different Series of unit that investors subscribe to, the total target return for the Trust is:

- a) 8%-10% per annum
- b) 15%-20% per annum
- c) 9%-12% per annum
- d) 6-8% per annum

15. With respect to the Mexican Opportunistic Strategy, what is the reason(s) that ICM is pursuing this strategy as a small but important portion of the fund allocation?

- a) Unleveraged returns rival leveraged returns for similar profile assets in Canada and the U.S.A
- b) The low-cost of renovation/construction and high profit margins
- c) By 2050 Mexico is projected to be the world's 7th largest economy, overtaking France, UK, Germany & Japan
- d) Mexico has one of the youngest populations in the world, with 45% of the population under the age of 25.
- e) Canadian institutions have invested over \$5 billion in Mexico over the past 3 years (AIMCO, Brookfield, CPPIB, PSP and Cadillac Fairview)
- f) All of the above

16. True or False: ICM maintains a control position in every real estate equity investment made in ICM Property Partners Trust?

- a) Yes
- b) No

17. NEW! ICM Property Partners Trust now has a US\$ dollar series unit available to investors. What is the minimum investment (in US dollars) for that series unit?

- a) \$5,000
- b) \$150,000
- c) \$1,000,000
- d) \$25,000

18. What are the restrictions associated with redemptions?

- a) The Redemption Price payable to Unitholders redeeming Trust Units may be lower than the price per Trust Unit paid by the Unitholder for such Trust Unit.
- b) Once the monthly Trust Unit redemption threshold of 1% of the total number of Trust Units issued and outstanding at the beginning of such calendar month is reached, redeeming Unitholders may receive from the Trust (in lieu of cash), Redemption Notes.
- c) Redemption Notes will be unsecured and subordinated debt securities of the Trust.
- d) All of the above

19. Which of the following are potential risks to this offering?

- a) Less than Full Offering
- b) Government Regulation
- c) Competition
- d) Acquisition Risks
- e) All of the above

20. Under what conditions can the Manager be removed?

- a) Under no conditions can the Manager be removed.
- b) The Manager of the ICM Property Partners Trust can be removed by votes of the Unitholders holding more than seventy five percent (75%) of the votes in respect of all of the outstanding Units.
- c) The Manager can be easily removed with a simple written request.
- d) None of the above