

FACT SHEET

Green Thumb Real Estate Investment Trust (the “Trust”) is an open-ended unincorporated investment trust formed under and governed by the laws of the Province of Ontario. The Trust was established on January 4, 2021.


Canadian Manager

Contrast Asset Management Inc. is the manager of the Trust and the Investment LP pursuant to the Management Agreement

Securities Offered

Class 1 Units (Series A-1) | Class 1 Units (Series R-1)

Target Returns & Distribution

Target total net 15%-20%* annualized return, including a 7%* annual distribution, paid monthly

Minimum/Maximum Offering

\$0 / no maximum

Minimum Subscription Amount

\$1,000 USD

Purchase Price

Units are issued at a purchase price equal to the applicable Net Asset Value per Unit at the time of closing. As at the date of Term Sheet, the current Net Asset Value per Unit is \$10.00 USD. The current Net Asset Value per Unit may be obtained by contacting the Green Thumb REIT.

Closing Dates

Monthly end of month closing date.

Distributions

The Trust will target an annual distribution yield of 7% calculated based on the current Net Asset Value per Unit. The distribution per Unit and Net Asset Value per Unit will be the same for all Investors. The Trust declares distributions on a monthly basis. Investors will receive distributions from the Trust, as well as proceeds on a redemption of Units and/or upon termination of the Trust in U.S. dollars. Distribution reinvestment plans (DRIPs) distributions compound monthly and are reported monthly.

Redemptions

The Units will be redeemable at the demand of Unitholders on a quarterly redemption date. Early redemption fees and other limitations may apply. See Offering Memorandum for more details.

Investment Objectives

The Trust's investment objectives are to:

- a) Indirectly acquire and manage multi-family residential assets in the U.S. with a focus on opportunities that utilize leverage in the acquisition process;
- b) Provide Investors with a target annual distributions of 7%, paid monthly, calculated based on the investor's Unit acquisition price; and
- c) Provide Investors with the opportunity to participate in a target of approximately 50% of the capital growth of the Properties.

Investment Strategy

The Trust was formed primarily to acquire, own and lease the Properties indirectly through the Holding LP and the applicable Property LP. The Trust has the following Investment Strategy:

- a) Acquire assets that are underperforming from a management perspective and/or acquire assets that require capital improvements, in order to optimize both short-term increases in net operating income and the overall long-term growth in the underlying value of the asset.
- b) Acquire first mortgage financing between 50-85% loan-to-value ratio in order to increase the overall percentage of return to Unitholders in both distributions as well as long term equity growth.



- c) Rehabilitate revenue generating Properties that provide the opportunity for a valueadd component. While income will not be generated at the start of these projects, once assets are stabilized, the yield will likely be higher, and the Canadian Manager would increase the distribution accordingly.
- d) Focus on acquiring class 'C' and 'B' Properties that are underperforming in secondary and tertiary markets across the U.S., as these properties tend to provide the best yield.
- e) Focus on acquiring Properties in U.S. geographic markets that are currently, or have in the past been, depressed. This allows for upside growth and limits the downside risk from an underlying equity perspective. In addition to the principal recapture realized through debt servicing payments, the debt creates leverage to amplify the 3-5% annual appreciation expectation in these markets.
- f) Enter into a refinancing transaction for a Property to convert equity in such Property to cash to return to the Unitholders and other entities.

Leverage

The Canadian Manager believes the current residential real estate debt financing market offers debt financing at favourable rates and terms which the Canadian Manager intends to fully utilize in order to increase return on equity. The Canadian Manager will focus on opportunities that utilize debt with a loan-to-value ratio as high as possible, with a typical range of 50% to 85% of the value of the Properties. This provides a substantial increase to the return on equity and the potential to pursue future refinancing transactions on Properties to return cash to investors.

Fees & Expenses

Please see Offering Memorandum for complete fees and expenses details.

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