R²CROWD

Exponential Capital Raise & Return in Real Estate

www.R2CROWD.com

JLL Strategic Partner

R2Crowd is an Exempt Market Dealer in ON, AB, BC, MB, NS, QC & SK. NRD # 54940
Disclosure

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This Presentation contains forward-looking information regarding Investments. Forward looking information includes disclosure regarding possible events, conditions or results of the project, and includes project timelines, estimated pro-forma cash-flows, estimated valuation of the completed project, capital expense and other budgets, construction matters, profitability, and investor returns. Forward-looking information in this presentation is based on assumptions about the current and future real estate market, economic condition, the ability of R2’s clients to execute on the asset management plan and development plan, availability of debt financing, leasing matters and other matters, based on the past experience of R2’s clients. R2 has reviewed the assumptions for the Investments and believe they provide a reasonable basis for the forward-looking information contained in this presentation; however, forward-looking information regarding Investments are also subject to various site-specific and market risks inherent in real estate projects. Actual results may vary materially from the forward-looking information contained in this presentation. R2 assumes no obligation to update such forward-looking information except as required by law.
What is R2Crowd?

An Online Marketplace that Connects Investors with Real Estate Investment Opportunities

- Projected Average Returns: 8 - 20%+ annually*
- Average Investment Term: 2 - 5 years

*Quoted as projected annual internal rate of return (IRR)
Capital Stack Solution – Up to 90%

Sponsor Equity

R2: Mezzanine Debt &/or Pref. Equity

35%-25%

R²CROWD

R²CROWD Investors: 15-25%

Senior Debt

65%-75%

Banks, Life Insurance Companies, Pension Funds, Credit Unions, Foreign Lenders, CMBS, MICs
R2 Team
Experienced Real Estate Investment Professionals

Amar Nijjar, B.Eng. MBA
Founder & CEO, R2Crowd
EVP, JLL Canada

Chad Gemmell, BA, MBA
Co-Founder & COO, R2Crowd
VP, JLL Canada

Garret MacGillivray, B.Com.
CTO, R2Crowd
Senior Analyst, JLL

Max Vo, B.Com. MBA
CIO, R2Crowd

Hovsep Seraydarian, BA, MSc
VP Software Development
R2Crowd

Sim Manocha, HBA
Investment Manager, R2Crowd
Associate, JLL

Sid Phanasgaonkar, B.Ms, BBA
Associate, R2Crowd

Jessica Mizuik
Marketing Manager, R2Crowd

Graham Kitching
Investor Relations
R2Crowd

Omar Castillo, B.Eng.
Investment Manager, Latin America
R2Crowd
Credible and Experienced

- Strategic Partnership with JLL
- Experienced Management Team
- Venture Partner with MaRS
- Licensed EMD across Canada
What is Crowdfunding?

• Raising money from a large number of people via the Internet.

• Used for every level of fundraising: microfinance to multi-million dollar companies and projects.
Growth of Crowdfunding

Global Crowdfunding Volume

Exponential growth forecasted to continue!

Source: Massolution
## Investment Choices

<table>
<thead>
<tr>
<th>Investment</th>
<th>Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stocks</td>
<td>Volatile</td>
</tr>
<tr>
<td>Bonds</td>
<td>Low Returns</td>
</tr>
<tr>
<td>REITs and MICs</td>
<td>Blind Pools, Lack of “Say”</td>
</tr>
<tr>
<td>Real Estate – Direct Investment</td>
<td>Capital and Management Intensive</td>
</tr>
</tbody>
</table>

**How about Direct Investing via Crowdfunding?**
Why Real Estate Crowdfunding

• **Technology** – Transact Online: fast and easy

• **Lower Investment Amounts** ($10k min)

• **Access More Deals** – Typically “off-market”

• **Professionally Managed** – Passive and carefree investments

• **Transparency** – Full due diligence and underwriting online

• **Build your own Portfolio** – What, Where, When
Challenges of Crowdfunding

• **Limited Control** – Fractional ownership for many investors

• **Illiquid Investments** – Share transfer in LP / limited secondary market

• **Securities Regulation** – Accredited Investor/Eligible Investor/Crowdfunding
Who can invest?

- Institutions
- Family Offices
- UHNW & HNW
- Accredited Investors
- Eligible Investors
- General Public
Canadian CRE Investment Market

Figure 1: Investment Volume Comparison

Source: CBRE Research, RealNet Canada Inc., RealTrack, Collette Plante, JLR Land Titles Solutions, Q3 2016.
Cap Rate Surveys

### Toronto Q2 2016 Cap Rates

<table>
<thead>
<tr>
<th>Category</th>
<th>A Low</th>
<th>A High</th>
<th>B Low</th>
<th>B High</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown Office</td>
<td>4.25%</td>
<td>5.25%</td>
<td>5.25%</td>
<td>6.25%</td>
<td></td>
</tr>
<tr>
<td>Suburban Office</td>
<td>6.25%</td>
<td>7.25%</td>
<td>7.00%</td>
<td>7.75%</td>
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<tr>
<td>Industrial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Single Tenant A</td>
<td>5.25%</td>
<td>5.75%</td>
<td>6.25%</td>
<td>7.75%</td>
<td></td>
</tr>
<tr>
<td>Multi Tenant B</td>
<td>4.75%</td>
<td>5.75%</td>
<td>4.75%</td>
<td>5.75%</td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>4.25%</td>
<td>5.00%</td>
<td>5.25%</td>
<td>6.00%</td>
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<tr>
<td>Regional/Power</td>
<td>4.00%</td>
<td>5.00%</td>
<td>4.75%</td>
<td>5.50%</td>
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<tr>
<td>Community</td>
<td>4.75%</td>
<td>5.00%</td>
<td>4.75%</td>
<td>5.50%</td>
<td></td>
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<tr>
<td>Strip Mall</td>
<td>4.75%</td>
<td>5.00%</td>
<td>4.75%</td>
<td>5.50%</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Colliers International
Structuring Real Estate Transactions

1. **Personally Held** – Unlimited Liability
2. **Corporation** – Limited Liability, Taxable Entity
3. **Partnership** – Not a Legal Entity, Flow through vehicles
   1. General Partnership – No limited liability
   2. Limited Partnership – LPs cannot make decisions
4. **Co-Ownership** – Not a Legal Entity
5. **Trust/REIT** – Avoids Double Taxation
The most common structure for development projects: **Limited Partnership**
2/20 - Refers to a 2% management fee on funds invested, and 20% of the profit above a hurdle rate set by the General Partner (ie. 8% hurdle).
Debt vs Equity Syndicators

• Debt Syndication
  • Regulated under FSCO
  • No investor limits/exemptions

• Equity Syndication
  • Regulated under OSC in Ontario
  • Specific Prospectus Exemptions
    • FFBA
    • Accredited Investors
    • Non-Individual, $150k
    • Offering Memorandum
What happens if things don’t work out?

• **Debt**
  • Keep it Alive
    • Mezz lender keeps senior lender current
  • Get Out
    • First position Lender takes control
    • Court Appointed Receiver – POS or Foreclosure
    • Loan sold to another party

• **Equity**
  • Limited Partnership Agreement Rights – Voting, change of management, etc.
Debt Syndication for Residential Construction

To acquire the land, hire the architects, obtain building permits, pre-sell the units - **before bank financing is available.**

**Warnings:**
- FEES – Can be as high as 16%
- Oversight from FSCO vs OSC
- Is there Proper Alignment?
- Has the debt syndicator ever been banned by the OSC?
- Safe or Risky?

**Diagram:**
- **Beneficial Title**
  - Trust Company
- **Property Title**
  - Investor #1
  - Investor #2
  - Investor #3
  - Investor #4
  - Investor #...
- **Lender/Investor**
  - Loan Participation Agreement $$$
- **Project Developer**
How to analyze any real estate investment opportunity:

- **Value** – Risk adjusted returns
- **Expertise** – Management Team/Company
- **Governance** – Structure, Offering Documents & Mgmt. Agreements
- **Alignment** – Skin in the game? Fee or Promote driven?
- **Scale** – Size and Scope of Investment, right for investor?
R²CROWD

How it works:
How to Invest:

**Step 1: Login**
Step 2: 
Due-Diligence
Step 3: Transact
Step 4: Execute Documents

**Subscription Agreement**

Cacacelli Limewood-Lowther Limited Partnership

Subscription Agreement

Dear Investing Partners:

The undersigned ("Subscriber") has received and read (i) the Subscription Agreement (this "Agreement"), (ii) the Offering Package (the "Offering"), and (iii) all the Offering Materials. The Subscriber is an affiliate of the Partnership, and the Offering contains all the information necessary for the Subscriber to make an informed decision of whether or not to subscribe to the Partnership.

Investment Amount: $25,000.00

IMPORTANT: Please read before completing, signing and submitting.

Raised Of $2,450,000... $1,700,000.00

Offering: LIVE NOW - Cacacelli

Company

City: Cambridge, Ontario

This investment opportunity is for accredited investors only.
How to Invest – R2Crowd Portal

Step 5: Transfer Funds
How to Invest – R2Crowd Portal

**Step 6:**
Track Investments & Receive Payments
R$^2$CROWD

Invest Now!
Six Live Deals Open For Investment
Equity Investment Opportunity
Leased Medical Office Buildings
304 and 404 Victoria Avenue N., Hamilton, ON
Equity Investment Opportunity
Leased Medical Office Buildings
304 and 404 Victoria Avenue N., Hamilton, ON

Key Features

- Two state-of-the-art Medical Office Buildings in Hamilton, Ontario
- Long term leases with General Practitioners, Medical Clinics and Specialists
- Defensive Asset Class – Medical offices are necessity based tenancies that capitalizes on strong healthcare and demographic trends. Tenant renewal rates are high.
- Strategically located and within walking distance to Hamilton General Hospital
- Strong Management Team – Gross Capital has been in business since 2003 and manages over four million square feet of real estate

Gross Capital Group was founded in 2003 by Sheldon and Mark Gross. Sheldon Gross’s business experience includes owning and operating some of Canada’s largest and well known businesses, including National Rubber, Para Paints, The Allan Group and The Equitable Trust Co. Over the past 10 years, Gross Capital has built a portfolio of investment grade real estate assets totaling over 4 million square feet in Canada.

For additional information, please visit the Gross Capital website at http://www.grosscapital.ca.
Equity Investment Opportunity
Leased Medical Office Buildings
304 and 404 Victoria Avenue N., Hamilton, ON

Map and Investment Summary

Investment Summary:
- Address: 304 & 414 Victoria St. N
  Hamilton, ON
- City/Province: 38,828 sf
- Property Area:
- Targeted Investor Return/Yr.: 13.1%
- Targeted Equity Multiple: 1.7%
- Targeted Annual Cash Yield: 7.0%+
- Targeted Investment Period: 5 years
- Investment Profile: Income Producing
- Property Type: Medical Office
- Minimum Investment: $10,000
- Distribution Period: Monthly
- Reporting Frequency: Quarterly

*Quoted as annual internal rate of return (IRR)*
Equity Investment Opportunity
Leased Medical Office Buildings
304 and 404 Victoria Avenue N., Hamilton, ON

Property Financial and Investment Returns

<table>
<thead>
<tr>
<th>Consolidated CF</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>3,504,546</td>
<td>3,529,903</td>
<td>3,555,829</td>
<td>3,606,245</td>
<td>3,697,816</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>966,624</td>
<td>988,373</td>
<td>1,010,611</td>
<td>1,033,350</td>
<td>1,056,601</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>2,537,922</td>
<td>2,541,530</td>
<td>2,545,217</td>
<td>2,572,895</td>
<td>2,641,216</td>
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<tr>
<td>Non Recoverable Expenses</td>
<td>681,986</td>
<td>682,347</td>
<td>682,716</td>
<td>683,094</td>
<td>683,479</td>
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<tr>
<td>Structural Reserve</td>
<td>35,045</td>
<td>35,299</td>
<td>35,558</td>
<td>36,062</td>
<td>36,978</td>
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<tr>
<td>Debt Service</td>
<td>1,479,876</td>
<td>1,479,876</td>
<td>1,479,876</td>
<td>1,479,876</td>
<td>1,479,876</td>
</tr>
<tr>
<td>Total Non-Recoverable Expenses</td>
<td>2,196,908</td>
<td>2,197,522</td>
<td>2,198,150</td>
<td>2,199,032</td>
<td>2,200,334</td>
</tr>
<tr>
<td>Distributable Cash Flow</td>
<td>986,347</td>
<td>988,876</td>
<td>991,461</td>
<td>1,017,772</td>
<td>1,084,296</td>
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</tbody>
</table>

304 and 414 Victoria St. N., Hamilton - 5 Year Proforma and Returns Analysis

<table>
<thead>
<tr>
<th></th>
<th>Year 0</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<tbody>
<tr>
<td>Purchase</td>
<td>-36,500,000</td>
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<td></td>
<td></td>
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<tr>
<td>Mortgage Proceeds</td>
<td>24,500,000</td>
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<tr>
<td>Cash Flow</td>
<td>986,347</td>
<td>988,876</td>
<td>991,461</td>
<td>1,017,772</td>
<td>1,084,296</td>
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</tr>
<tr>
<td>Sale Price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>40,343,956</td>
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<tr>
<td>Selling Cost</td>
<td>1.0%</td>
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<td></td>
<td></td>
<td></td>
<td>-403,440</td>
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<tr>
<td>Loan Balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-20,630,963</td>
</tr>
<tr>
<td>Property Cash Flow</td>
<td><strong>-14,000,000</strong></td>
<td>986,347</td>
<td>988,876</td>
<td>991,461</td>
<td>1,017,772</td>
<td>20,393,849</td>
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<tr>
<td>Overall Property IRR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
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<tr>
<td>% Net Cash Equity Investment</td>
<td>10%</td>
<td>95,113</td>
<td>95,357</td>
<td>95,607</td>
<td>98,144</td>
<td>1,966,579</td>
</tr>
<tr>
<td>R2 Investors</td>
<td>16%</td>
<td>-2,300,060</td>
<td>162,047</td>
<td>162,462</td>
<td>162,887</td>
<td>167,210</td>
</tr>
<tr>
<td>Other Co-Tenants</td>
<td>74%</td>
<td>-10,349,920</td>
<td>729,186</td>
<td>731,056</td>
<td>732,957</td>
<td>752,419</td>
</tr>
<tr>
<td>Property Cash Flow</td>
<td>100%</td>
<td><strong>-14,000,000</strong></td>
<td>986,347</td>
<td>988,876</td>
<td>991,461</td>
<td>1,017,772</td>
</tr>
<tr>
<td>R2 Cash on Cash</td>
<td></td>
<td>7.0%</td>
<td>7.1%</td>
<td>7.1%</td>
<td>7.3%</td>
<td>145.7%</td>
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<tr>
<td>R2 IRR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13.1%</td>
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<tr>
<td>Equity Multiple</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.7</td>
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</tbody>
</table>
Equity Investment Opportunity
Single-Family Residential Development
N. 36th St. & E Palm Ln., Phoenix, Arizona, USA
Investment:
• Limited Partnership Units
• Targeted Investment Period – 2 years
• Investment Type - Common Equity

Property
• Location – Phoenix, Arizona
• Property Type – Residential Development
• Size – 42 single-family homes, 1,700 sf (avg.)
• Construction Cost - $90 psf

Investment
• Preferred Return: 30%
• Target Annual Return: 39% (IRR)
• Sale Price: $135 psf

Minimum Investment - $10,000
Equity Close Date – February, 2017
The Grove on Palm Lane
Residential Infill Development

Equity Investment Opportunity
N. 36th St and Palm Lane, Phoenix AZ, 85008

Financing

Construction Financing Details:
- Lender - TBD
- Loan Amount - USD$4.870,000
- Interest Rate - 10.5%
- Loan Term: Interest Only

RAS Developments has worked with a local lender in Phoenix who has provided similar construction financing for the first two phases of this project.

Capital Stack

<table>
<thead>
<tr>
<th>Equity</th>
<th>$790,000</th>
<th>Sponsor Equity – 56%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Debt</td>
<td>$4,870,000</td>
<td>Investment Available – 42%</td>
</tr>
</tbody>
</table>

Total Capital Stack $6,240,000

Business Plan

Strong Residential Market in Arizona

Located in an east Phoenix neighborhood that is extremely well situated. The neighborhood offers urban dwelling with a rural feel, and is located 15 minutes or less from the airport, downtown Scottsdale and downtown Tempe. It provides easy access to local schools (across the street), malls (Arizona Mills is a 10 min drive) and the Phoenix highway system.

The neighborhood is comprised of mainly older stock homes which are dated and require substantial upgrades. The Grove on Palm Lane offers an infill opportunity proving new stock which is updated and modern, repositioning the community for a new wave of young urban dwellers.

Several new subdivisions are in development in the surrounding area with single family home prices ranging from $350K - $1M, well out of reach for younger families eager to live in this trendy area of the city.

Responding to this niche, RAS Developments, Inc. has designed a set of modern home plans laid out in a subdivision that appeals to this buyer demographic.

Location Map
# Equity Investment Opportunity

**Single-Family Residential Development**

N. 36th St. & E Palm Ln., Phoenix, Arizona, USA

<table>
<thead>
<tr>
<th>Palm Grove Homes LP</th>
<th>JAN - 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>($532,000)</td>
</tr>
<tr>
<td>Mortgage Proceeds</td>
<td></td>
</tr>
<tr>
<td>Unit Sales</td>
<td></td>
</tr>
<tr>
<td>Construction Costs and Expenses</td>
<td></td>
</tr>
<tr>
<td>Management &amp; Development Fee</td>
<td></td>
</tr>
<tr>
<td>Loan Interest and Fees</td>
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</tr>
<tr>
<td>Sales Tax</td>
<td></td>
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<tr>
<td>Selling Cost</td>
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<tr>
<td>Loan Balance Repayment</td>
<td></td>
</tr>
<tr>
<td>Property Cash Flow</td>
<td></td>
</tr>
<tr>
<td></td>
<td>($532,000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Acquired</th>
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</thead>
<tbody>
<tr>
<td>Land</td>
<td>($532,000)</td>
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<tr>
<td>Mortgage Proceeds</td>
<td></td>
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<tr>
<td>Unit Sales</td>
<td></td>
</tr>
<tr>
<td>Construction Costs</td>
<td></td>
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<tr>
<td>Management &amp;</td>
<td></td>
</tr>
<tr>
<td>Development Fee</td>
<td></td>
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<tr>
<td>Loan Interest and</td>
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<td>Fees</td>
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<td>Sales Tax</td>
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<td>Selling Cost</td>
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<td>Loan Balance</td>
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<tr>
<td>Property Cash Flow</td>
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<td></td>
<td>($532,000)</td>
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<table>
<thead>
<tr>
<th></th>
<th>31-Dec-17</th>
<th>31-Dec-18</th>
<th>Total</th>
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<tbody>
<tr>
<td>Acquisition</td>
<td>$0</td>
<td>$0</td>
<td>($532,000)</td>
</tr>
<tr>
<td>Land</td>
<td>$2,540,870</td>
<td>$2,329,130</td>
<td>$4,870,000</td>
</tr>
<tr>
<td>Mortgage Proceeds</td>
<td>$2,200,000</td>
<td>$7,040,000</td>
<td>$9,240,000</td>
</tr>
<tr>
<td>Unit Sales</td>
<td>($2,666,550)</td>
<td>$2,666,550</td>
<td>($5,333,100)</td>
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<tr>
<td>Construction Costs</td>
<td>($187,450)</td>
<td>($187,450)</td>
<td>($374,900)</td>
</tr>
<tr>
<td>Management &amp;</td>
<td>($200,000)</td>
<td>($640,000)</td>
<td>($840,000)</td>
</tr>
<tr>
<td>Development Fee</td>
<td>($55,000)</td>
<td>($176,000)</td>
<td>($231,000)</td>
</tr>
<tr>
<td>Loan Interest and</td>
<td>($132,000)</td>
<td>($422,400)</td>
<td>($554,400)</td>
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<tr>
<td>Fees</td>
<td>($1,693,913)</td>
<td>($3,176,087)</td>
<td>($4,870,000)</td>
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<td>Property Cash Flow</td>
<td>($194,043)</td>
<td>$2,100,643</td>
<td>$1,374,600</td>
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<table>
<thead>
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<th>31-Dec-17</th>
<th>31-Dec-18</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>LP Cash Flow - Before Carried Interest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R2 Investors - 42.3%</td>
<td>($580,000)</td>
<td>$28,322</td>
<td>$581,947</td>
</tr>
<tr>
<td>Sponsor Equity - 57.7%</td>
<td>($790,000)</td>
<td>$1,133,626</td>
<td>$792,653</td>
</tr>
<tr>
<td>Total: 100%</td>
<td>($1,370,000)</td>
<td>$66,899</td>
<td>$1,374,600</td>
</tr>
</tbody>
</table>

|                      |          |           |         |
| R2 Cash Flow - After Carried Interest |          |           |         |
| R2 Cash Flow          | ($580,000)| $28,322  | $580,000 |
| R2 - Carried Interest | $0       | $899,678  | $568,487 |
|                      | ($580,000)| $958,165  | $406,487 |

R²Crowd XIRR (annual return) 39.2%
Equity Multiple 1.7
Equity Investment Opportunity
Leased Medical Office Buildings
304 and 404 Victoria Avenue N., Hamilton, ON
Masterbuilt Aurora – Executive Summary
Investment Overview

MasterBUILT Hotels Ltd. (MBH), an established leader in the development of ground up hotels, is pleased to offer Canadian accredited investors the opportunity to invest in the development and ownership of the 100-room Microtel Inn & Suites by Wyndham (“Microtel”) hotel in Aurora, Ontario. MBH believes this is a unique and timely investment opportunity for the following reasons:

- no other hotels are currently servicing the direct Aurora market
- strong overall market fundamentals for a new hotel
- recently introduced DCC incentives will reduce development costs by ~$18K per door
- MBH will have a first mover advantage into the marketplace with fast track permitting from the Municipality
- low site acquisition cost ($675K per acre) from the Municipality
Site Location
Hotel Attributes & Amenities

Number of Rooms / Suites: 100
Gross Floor Area: 49,268sf
Elevation Style: Urban (Flat Roof)
Parking: 100% Exterior Surface
Meeting Space: TBD (~1,200 to 2,000 sq ft planned)
Key Amenities: Swimming Pool and Hot Tub, Fitness Centre (prototypical), Games Room

3 Yr Investment Return Summary

Total Equity Investment $5,500,000
Annual Cash on Cash Return (Year 3) $541,031 | 9.8%
Equity Multiple (3 Year hold) 1.75x
Internal Rate of Return (IRR) 21.7%
Total Profit (3 Year hold) $4,114,158

<table>
<thead>
<tr>
<th>Total Hotel Cost</th>
<th>$13,748,338</th>
<th>$137,483</th>
<th>$279,05</th>
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<tbody>
<tr>
<td>(rounded)</td>
<td>$13,750,000</td>
<td>$137,500</td>
<td>$279,09</td>
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<tr>
<td>Project Financing</td>
<td>$8,250,000</td>
<td>60%</td>
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<tr>
<td>Debt</td>
<td>$5,500,000</td>
<td>40%</td>
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</table>

Partnership Closing: December 31, 2016
Land Closing: February 23, 2017
Construction Commencement: May / June 2017
Hotel Opening: June 2018
1945 Dundas St. E. - Mississauga
Equity Investment - Neighbourhood Retail/Office
Neighbourhood Retail Mixed-Use Equity Investment Opportunity
Income Producing Real Estate
1945 Dundas St. E., Mississauga, ON

Project Overview
R2Crowd and Rebuzz Group Ltd. ("Rebuzz") are pleased to present an equity investment opportunity in 1945 Dundas St. E., an income-producing, Neighbourhood Retail Mixed-Use Property located in Mississauga, Ontario.

Total project cost is approximately $8.7 million and $1 million is available for R2Crowd investors.

This project is expected to return 12.5%* per year over a 5-year period.

The Property is a two-story building with retail tenants on the ground floor and office tenants on the second floor. The property is located on the north side of Dundas St. E.

Project Highlights
- 12.5% targeted IRR, with 10% preferred return
- Experienced Management Team with over 3.4 million sf of homes constructed
- Convenient Location: Located close to retail amenities, schools, job centers, and major highways
- 99% Leased to local and regional tenants

Investment Summary
- Property Acquisition Cost: $8,680,000
- Investment Vehicle: Limited Partnership
- Targeted Annualized Return*: 12.5%
- Targeted Equity Multiple: 1.7x
- Targeted Investment Period: 5 Years
- Investment Profile: Income-Producing
- Property Type: Mixed Use, Retail and Office
- Minimum Investment: CA$10,000
- Reporting Frequency: Quarterly

Location
The Property is located on Dundas Street East in South-East Mississauga, Ontario. It is located in the Dixie corridor, a busy commercial thoroughfare connecting the cities of Toronto and Mississauga, which boast numerous national and international retailers. It is located just a few minutes north of Sherway Gardens Mall, a 1.2 million square foot super-regional retail mall.

Mississauga is the sixth most populous city in Canada with a population over 700,000. The city lies on the shores of Lake Ontario and is located in the central part of the Greater Toronto Area, to the west of Toronto. It is located within a day’s drive of North America’s richest markets and is less than a 90-minute drive to the US border. The city has a multicultural population and is home to T1 Fortune 500 Canadian head offices, and Canada’s largest airport and the 2nd busiest airport in North America - Toronto Pearson International.
Neighbourhood Retail Mixed-Use
Income Producing Real Estate

Equity Investment Opportunity
1545 Dundas St. E., Mississauga, ON

Financing Details
- Lender – Alterna Savings Credit Union
- Loan Amount – $2,750,000
- Interest Rate – 3.45%
- Loan Term: 2 Years
- Amortization: 25 Years

The property has current financing in place until October, 2018. At that point in time, it is assumed that the General Partner will find new financing for a 3-year term at 3.65%.

Capital Stack
- Equity: $2,950,000
- Sponsor Equity – 66%
- Senior Debt: $875,000
- Investment Available – 34%
- Total Capital Stock: $8,680,000

Business Plan
The property is 95% leased to local and regional tenants and produces stable and improving cash flow and investment returns due to built-in rental escalations. Over the 5-year projected holding period, less than 15% of the lease rollover in any given year. Where possible, the management team will continue to increase rents as tenants expire to enhance income and capital appreciation. As well, they will monitor and manage capital requirements at the property to ensure return targets are met and additional rent amounts charged to tenants are competitive when compared to market rates.

Projected Financial and Investment Returns

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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</thead>
<tbody>
<tr>
<td>Purchase</td>
<td></td>
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<tr>
<td>Mortgage Proceeds</td>
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<tr>
<td>Cash Flow</td>
<td>$156,151</td>
<td>$155,259</td>
<td>$218,612</td>
<td>$189,731</td>
<td>$158,783</td>
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<tr>
<td>Sale Price</td>
<td>$9,901,711</td>
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<tr>
<td>Selling Cost</td>
<td>3.5%</td>
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<tr>
<td>Loan Balance</td>
<td>$(5,023,986)</td>
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<tr>
<td>Property Cash Flow</td>
<td>($2,929,725)</td>
<td>$156,151</td>
<td>$155,259</td>
<td>$218,612</td>
<td>$189,731</td>
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<tr>
<td>% Net Cash</td>
<td></td>
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<tr>
<td>Equity Investment</td>
<td>34%</td>
<td></td>
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<td></td>
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<tr>
<td>Limited Partner - R2Crowd Investors</td>
<td>$53,423</td>
<td>$52,994</td>
<td>$74,619</td>
<td>$64,761</td>
<td>$1,567,877</td>
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<tr>
<td>Limited Partner - Rebuzz Investors</td>
<td>$(5,192,725)</td>
<td>103,092</td>
<td>102,265</td>
<td>143,964</td>
<td>124,970</td>
</tr>
<tr>
<td>Property Cash Flow</td>
<td>($2,929,725)</td>
<td>$156,151</td>
<td>$155,259</td>
<td>$218,612</td>
<td>$189,731</td>
</tr>
<tr>
<td>R2Crowd Cash Flow</td>
<td></td>
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<tr>
<td>Initial Equity</td>
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<tr>
<td>Annual Cash Flow</td>
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<tr>
<td>Preferred Return - Catch up to 8%</td>
<td>8.0%</td>
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<tr>
<td>Return of Capital</td>
<td>$34,315</td>
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<tr>
<td>Carried Interest Return (75% of profit over 8%)</td>
<td>80%</td>
<td>$875,000</td>
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<tr>
<td>R2Crowd Investor/Cash on Cash Return</td>
<td>5.3%</td>
<td>5.3%</td>
<td>7.5%</td>
<td>6.5%</td>
<td>147.2%</td>
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<tr>
<td>R2Crowd Internal Rate of Return/year (IRR)</td>
<td>12.9%</td>
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<td></td>
</tr>
<tr>
<td>Equity Multiple</td>
<td>1.7</td>
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</tr>
</tbody>
</table>

Management
R2Buzz (www.R2Buzz.ca) is a private real estate investment and company with over 15 years of experience in accounting, developer, owner and manager of retail commercial real estate, with a focus in Ontario, Canada. R2Buzz's current portfolio is valued at over $100 million and includes interests in multiple properties totaling over 500,000 square feet across Canada and land held for the development of hotels, convention centers and piazzas. R2Buzz properties are anchored to 75% national tenants. R2Buzz has consistently created and delivered value by fostering strategic relationships with tenants, lenders, suppliers, partners and investors. The team is hands on and manages all aspects of the real estate management and development.

Sukh Sandhu
President

Mr. Sandhu is President of R2Buzz Group, a private equity real estate investment and property management company located in Mississauga, Ontario. Mr. Sandhu has been investing in real estate for 15 years and has acquired over 20 assets in his portfolio. In addition to launching R2Buzz, Mr. Sandhu was founder and CEO of Corporate Rent A Car, a luxury rental car service serving the Greater Toronto Area. The company started in 2004 with one location, and quickly grew to 12 locations by 2010. In 2010, Mr. Sandhu sold the business to focus all his time and efforts on R2Buzz Realty.

Ameer Sandhu
CFO

Ameer Sandhu is R2Buzz's CFO, and she oversees all the accounting and finance functions for R2Buzz. Ms. Sandhu has held positions of increasing responsibility in accounting, including Ontario Hydro, Cigna Corporation, and Liberty Utilities. Ms. Sandhu holds a BBA from the University of Toronto and is certified as a CPA, CGA.