

# Real Estate Debt Fund XV (REDF XV)

IMC INSTITUTIONAL  
MORTGAGE  
CAPITAL

## About the Fund

REDF XV is a closed-end fund that invests in a well-diversified portfolio of Canadian commercial mortgages and targets a gross yield in excess of 10%. The objective of the fund is to deliver a consistent and attractive long-term income stream to investors, while controlling portfolio risk.

REDF XV is launching in the fall of 2023 and is seeking \$300 million plus in capital commitments.

REDF XIV Portfolio Characteristics <sup>1</sup>			
As at June 30, 2023			
Yield to Maturity	13.2%	Floating Rate Mortgages	94.5%
Loan to Value	64.2%	Duration (Years)	0.1
Secured Mortgages	91%	Recourse	100%

## IMC's Active Approach Enhances Returns

- We utilize both fixed and floating rate mortgages.
- We structure mortgages to target the desired exposure within the debt capital structure.
- We opportunistically participate in the secondary market.
- We construct the portfolio across four key real estate subsectors – stabilized, transitional, construction and pre-development – to optimize risk-adjusted returns.
- We service each loan internally, resulting in a seamless mortgage monitoring process.

## REDF XV attributes will be similar to those of REDF XIV listed below

**Experienced Team** – Over 25 years of managing commercial mortgage portfolios, with strong expertise in the high-yield market

**Relationship Driven Sourcing** – 60% of mortgages with repeat borrowers

**Conservative Positioning** – The average loan to value ratio is 64.2% and 100% of the loans have recourse<sup>1</sup>

**Focus on Generating Income** – Over 99% of the fund's return is generated by income

**Low Interest Rate Risk** – Our short duration portfolio, with a high allocation to variable rate mortgages, provides downside protection in a rising rate environment

**Disciplined and Proven Underwriting** – Focused on credit quality and capital preservation

**Stable and Attractive Long-Term Returns** – Each of our 9 prior high-yield funds has generated a gross return in excess of 10%, across varying market environments<sup>2</sup>

<sup>1</sup>Based on the aggregate characteristics of all loans in the REDFXIV on June 30, 2023

<sup>2</sup>Based on the IRR of each fund, as calculated, before investment management fees are deducted

Source: Institutional Mortgage Capital. As at June 30, 2023

# Real Estate Debt Fund XV (REDF XV)

**IMC** INSTITUTIONAL  
MORTGAGE  
CAPITAL

## About IMC

Founded in 2009, Institutional Mortgage Capital Limited Partnership (“IMC”) is an independently owned investment fund manager and commercial mortgage lender, serving institutional and private wealth clients across Canada. The investment team has originated and closed more than \$14.0 billion of commercial mortgages. The firm invests in all segments of the commercial mortgage market, including Core/Core+, High Yield and CMBS. In addition to fund management and lending activities, IMC has a fully operational commercial mortgage servicing company, rated by Fitch Ratings, with more than \$1.9 billion of Canadian commercial mortgages under administration.

## Key Differentiators and Unique Sources of Value-Add for IMC Include:

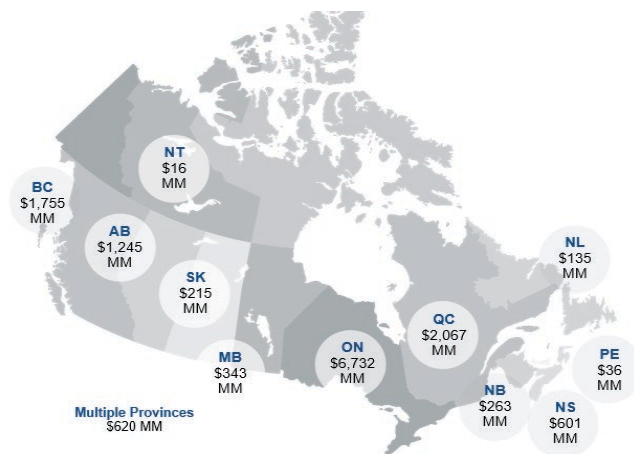
**Extensive Mortgage Experience** – The senior members of the IMC team have been working together for more than 25 years. This experience results in a deep understanding of the entire commercial mortgage market and an ability to execute effectively throughout all market segments and market environments.

**Strong Relationships** – IMC has built long-standing and strategic relationships with borrowers, brokers, and bankers across Canada.

**Strong Performance Results** – Both the Core / Core Plus and High Yield funds have generated strong risk-adjusted returns and have consistently met or exceeded projected Internal Rate of Return (“IRR”) targets.

**Mortgage Structuring** – IMC’s extensive experience in Canadian commercial mortgage banking and structured finance allows it to source and actively structure accretive A/B note and Commercial Mortgage-Backed Security (“CMBS”) opportunities.

**Multiple Value-Add Levers** – The IMC team employs several active strategies that generate strong and consistent risk-adjusted returns. The team’s ability to participate in different segments of the market enable it to take tactical positions and respond to changing market conditions, thereby enhancing the performance achieved for its investors.



25 years of allocating capital across Canada

*The information or data contained in this document does not constitute an offer or solicitation to buy, sell or subscribe for securities or other financial instruments, which are only offered to investors who meet eligibility requirements under applicable securities laws. Important information about the funds managed by Institutional Mortgage Capital (each a “Fund”) is set out in associated offering documents for each respective Fund. These offering documents must be read in detail to understand important information related to each Fund’s fees, objectives and risk factors. Fund returns are not guaranteed, unit values may change, and past performance may not be repeated.*

*Performance and risk measures are in CAD as at June 30, 2023. The returns calculated for the REDF XV are before investment fees are deducted. This document has been issued by Institutional Mortgage Capital and may not be reproduced or distributed, in part or in full, without its prior authorization.*

