



EQUITON®

We see what others don't.

MARKET MOVEMENTS

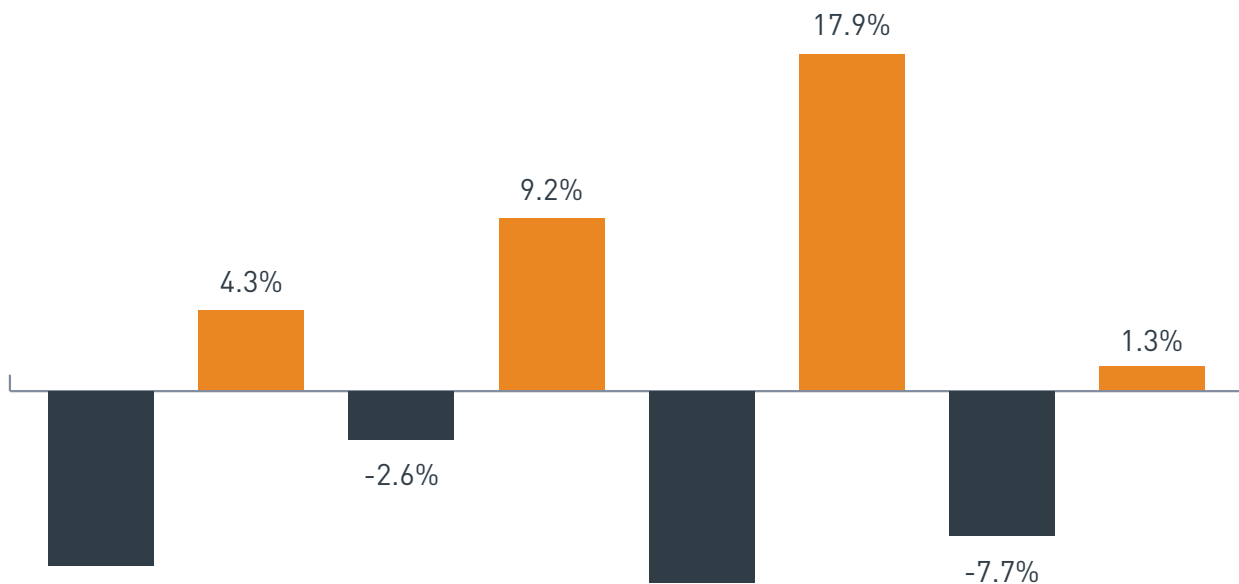
Now is the **Perfect Time** to Invest
in the Right type of Real Estate

Over the three months ending June 2022, the Single-Family House Prices have dropped by 7.7%. This has caused concerns amongst real estate investors wondering if there is any correlation between the drop in the value of single-family homes and the importance of Multi-residential / Apartments.

The chart below shows that not all residential-related real estate is created equal. **The graph looks at periods when single-family home prices decreased and compares that to the returns of Canadian Private Apartment properties.**



Decrease in Single-Family Home Prices vs. Returns on Private Canadian Apartments



Sources:

1) The Canadian Real Estate Association, MLS® Home Price Index (HPI) MLS® - Single Family Homes. Accessed August 28, 2022

2) MSCI/REALPAC Canada Quarterly Property Fund Index- Residential / MSCI Real Estate Analytics Portal- Accessed August 28, 2022



History shows that a downturn or correction in single-family homes has no bearing on or correlation to the performance of multi-residential properties.

MULTI-FAMILY REMAINS STRONG

Multi-family properties represent an essential sector and fulfill the most basic of human need of finding a place to live. Multi-family properties are attractive to investors because of the built-in, perpetual demand for housing. Further, annual rent increases provide an excellent hedge against inflation. This type of investment is attractive in markets that are supply constrained and are seeing immigrational and migrational population growth due to strength in the underlying regional economy.

Here are some other trends that should impact multi-family properties positively:



Would-be homebuyers are being side-lined partly by tighter lending policies and rising interest rates. Such changes have made it harder for first-time buyers to purchase a new home. Several purchasers have either been entirely side-lined or looked at more affordable options, like renting.



Vacancy rates are extremely low. Even with the extensive increase in condo-related rental units over the last several years, most economically desirable regions in Ontario have continued to experience extremely low vacancy rates. Anticipated future demand for housing is expected to continue to outweigh the supply, thereby keeping vacancy rates low for the foreseeable future.



Rental prices are high. Despite the good intentions of the rent control legislation, numerous municipalities are experiencing increasing rent due to the low vacancy rate and heightened rental competition.

Diversify Your Portfolio with Equiton's Apartment Fund

Equiton's Apartment Fund specializes in acquiring underperforming and undervalued multi-residential properties and select new developments in Canada and increasing value through active management. Investors in the Fund receive the yield from rental income and participate in the growth of the underlying properties. Targeted Annual Net Return of 8%-12%.



Contact our team today at inquiries@equiton.com to learn more about how our investment solutions can help you invest in multi-residential and add diversity to your portfolio.

IMPORTANT INFORMATION: This communication is for information purposes only and is not, and under no circumstances is to be construed as, an invitation to make an investment in the Equiton Residential Income Fund Trust. Please refer to the Offering Memorandum which may be obtained upon request.