

# PORTLAND MEDIUM RISK FUNDS (SHORT TERM AND INCOME/ GROWTH)



**BUY. HOLD. AND PROSPER.®**

(as at August 31, 2020)

|  | Series Start Date | Net Asset Value Per Unit (as at August 31, 2020) | Monthly Distribution | PERFORMANCE (as at August 31, 2020) |          |        |         |         |                  |
|--|-------------------|--|----------------------|-------------------------------------|----------|--------|---------|---------|------------------|
|  |                   |  |                      | 3 Months                            | 6 Months | 1 Year | 3 Year* | 5 Year* | Since Inception* |
| Portland Private Income Fund - Series AP | Dec. 31, 2018     | \$10.0000  | \$0.0204             | 0.6%                                | 1.3%     | 3.2%   | -       | -       | 3.4%             |
| Portland Private Income Fund - Series FP | Jun. 29, 2018     | \$10.0000  | \$0.0288             | 0.9%                                | 1.8%     | 4.3%   | -       | -       | 4.5%             |
| Portland Private Income Fund - Series A  | Feb. 28, 2013     | \$46.2433  | \$0.3333             | 2.5%                                | 1.5%     | 5.5%   | 6.5%    | 6.9%    | 7.2%             |
| Portland Private Income Fund - Series F  | Jan. 7, 2013      | \$47.5759  | \$0.3750             | 2.8%                                | 2.1%     | 6.6%   | 7.7%    | 8.1%    | 8.5%             |

## INVESTMENT OBJECTIVE AND STRATEGIES

Based on the nature of the underlying components of this portfolio, the targeted distribution<sup>1</sup> is 6.2% per annum.

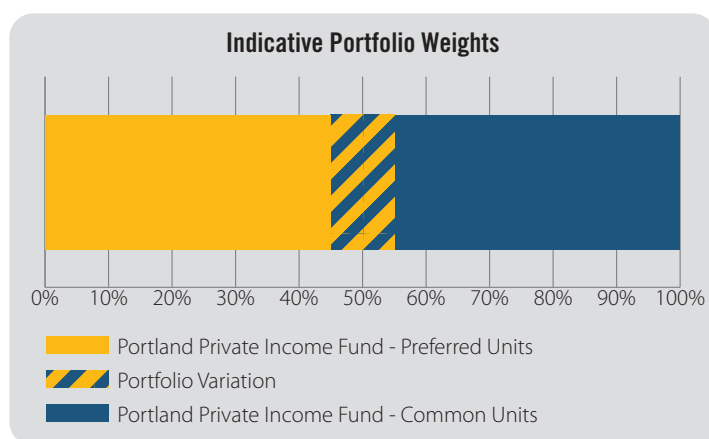
### Portland Private Income Fund

The keystone investments in the Portland Private Income Fund are:

- Private mortgage loans administered by: MarshallZehr Group Inc. (“MarshallZehr”)
- Private commercial loans managed by: Crown Capital Partners Inc. (Crown Capital Partner Funding, LP); and U.S.-based Business Development Corporations
- Infrastructure investments comprised of Crown Capital Power Limited Partnership, Brookfield Super-Core Infrastructure Partners (NUS) L.P., Brookfield Infrastructure Fund IV and the Portland Global Energy Efficiency and Renewable Energy Fund LP
- Maritime loans comprised of the EnTrust Global Blue Ocean Fund

The investments are secured mortgages, loans and participating capital with covenants. Investments are generally short term in nature ranging from terms of 6 months to 5 years. Liquidity may be managed by investing in complementary income producing public securities. Allocation of invested capital between mortgage, commercial lending and other complementary opportunities is the responsibility of the Manager.

The preferred class of units provide an additional source of borrowing to the Portland Private Income Fund. The Portland Private Income Fund may from time to time borrow from the issuance of preferred units, a bank, prime broker, the Manager or its affiliates up to 25% of the total assets of the Portland Private Income LP. Due to the borrowing restriction of 25% of the total assets of the Portland Private Income LP, the Portland Private Income Fund Preferred Units enjoy 4x asset coverage or better on its investments.



|  | Common Units                             |          | Preferred Units |                 |
|--|--|----------|-----------------|-----------------|
|  | Series A                                 | Series F | Series AP       | Series FP       |
| Management Fee <sup>2</sup>              | 0.5%                                     | 0.5%     | 0.5%            | 0.5%            |
| Trailer Fee                              | 1%                                       | -        | 1%              | -               |
| Targeted Distribution <sup>3</sup>       | 8%                                       | 9%       | Prime Rate      | Prime Rate + 1% |
| Current Annual Distribution <sup>4</sup> | \$4.00                                   | \$4.50   | \$0.245         | \$0.345         |
| Redemption Fee                           | Within 18 months - 5%, 19-36 months - 2% |          | None            |                 |
| Risk Rating                              | Medium                                   |          | Low-to-Medium   |                 |

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PORTLAND  
INVESTMENT COUNSEL

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(as at August 31, 2020)



\*Annualized

1. The Manager reserves the right to change the targeted annual distribution at its discretion.
2. See the offering memorandum for fee details.
3. Targeted distribution is 8% for Series A and 9% for Series F, paid annually based on the initial net asset value per unit of \$50.00, anticipated to be fully funded, paid monthly, net of Mortgage Administration/Specialty Investment Manager fees, management fees, trailer fees and expenses. Distribution rate for Series AP and Series FP is reviewed on a quarterly basis. Prime rate is based on the Royal Bank of Canada Prime Rate. As of April 1, 2020, the distribution rate for Series AP is 2.45% and for Series FP it is 3.45%.
4. Distribution rate shown is as at April 1, 2020.

Fees may be associated with this investment program. Indicated rates of return are the historical annual compounded total returns and do not include fees. Investment returns are not guaranteed, their values change frequently and past performance may not be repeated.

Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. An investor's tolerance for risk depends largely on their personal financial circumstances including time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Clients should only make investments that are suitable and consistent with their individual risk tolerance.

Information presented in this material should be considered for background information only and should not be construed as investment or financial advice. Investors should consult their Financial Advisor before making a decision as to whether this mandate is a suitable investment for them. Any reference to a company is for illustrative purposes only; it is not a recommendation to buy or sell nor is it necessarily an indication of how the portfolio of any Portland mandate is invested. Every effort has been made to ensure the utmost accuracy of the information provided. Information provided is believed to be reliable when posted. All information is subject to modification from time to time without notice. Consent is required for any reproduction, in whole or in part, of this piece and/or of its images and concepts. PORTLAND, PORTLAND INVESTMENT COUNSEL and the Clock Tower Design are registered trademarks of Portland Holdings Inc. Used under licence by Portland Investment Counsel Inc. BUY. HOLD. AND PROSPER. is a registered trademark of AIC Global Holdings Inc. used under licence by Portland Investment Counsel Inc.

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