CENTURION APARTMENT REAL ESTATE INVESTMENT TRUST
FUND FACT SHEET
Q4 2017: INVESTORS

CENTURION ASSET MANAGEMENT INC

DESCRIPTION

Centurion Apartment Real Estate Investment Trust (REIT) is an income-producing, diversified real estate investment trust. The REIT provides the opportunity for investors to invest in a diversified portfolio of rental apartments, student housing properties, and mortgage investments in Canada and participate in the profits derived from them.

OBJECTIVES

- To provide investors with stable cash distributions, payable monthly, where reasonably possible, tax deferred, with the opportunity for long-term growth and focus on preservation of capital
- To offer a diversified portfolio of income-producing multi-residential apartments, student housing properties, and mortgage investments in Canada
- To maximize unit value through the active management of the portfolio and through acquisition of additional properties
- To leverage on the strategic relationships within Centurion Asset Management Inc.'s network to increase investment opportunities and manage risk

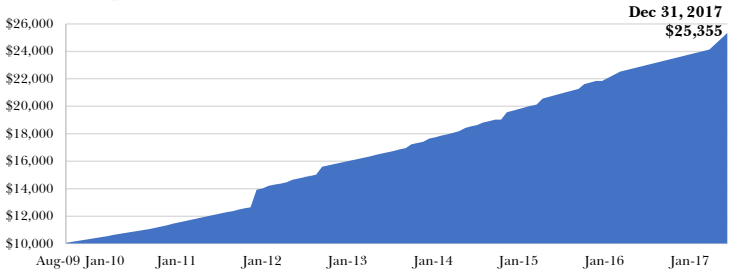
TRUST HIGHLIGHTS

- Monthly distributions
- Growth potential
- Tax efficient[1]
- Eligible for registered plans
- Diversified portfolio of multi-residential real estate
- Moderate risk tolerance
- Re-investment options
- Focus in Canada
- Stable, rational pricing with low volatility[2]
- Low correlation to major equity markets[3]

RETURNS[4]

GROWTH OF $10,000 INVESTED IN CENTURION APARTMENT REIT

(since inception, August 31, 2009)[5]

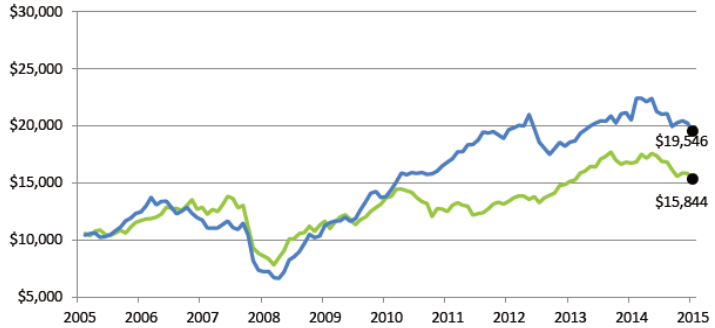


Calendar Returns	2009[6]	2010	2011	2012	2013	2014	2015	2016	2017
Centurion REIT	2.7%	8.5%	10.2%	20.0%	11.0%	9.2%	10.2%	9.8%	17.3%

Compound Trailing Returns	1-Year	2-Year	3-Year	4-Year	5-Year	Since Inception of REIT
Centurion REIT	17.30%	13.49%	12.38%	11.58%	11.46%	11.81%

ADVANTAGES OF A PRIVATE VS. PUBLICLY TRADED REIT

Publicly traded REITs tend to be correlated with the equity markets and can be very volatile[8]
Growth of $10,000 invested: past 10-year period as at December 31, 2015



Calendar Returns (%)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
S&P/TSX Composite Index TR%	24.1	17.3	9.8	-33.0	35.1	17.6	-8.7	7.2	13.0	10.6	-8.32
S&P/TSX Capped REIT Index TR (%)	25.3	24.7	-5.7	-38.3	55.3	22.6	21.7	17.0	-5.5	10.4	-4.65

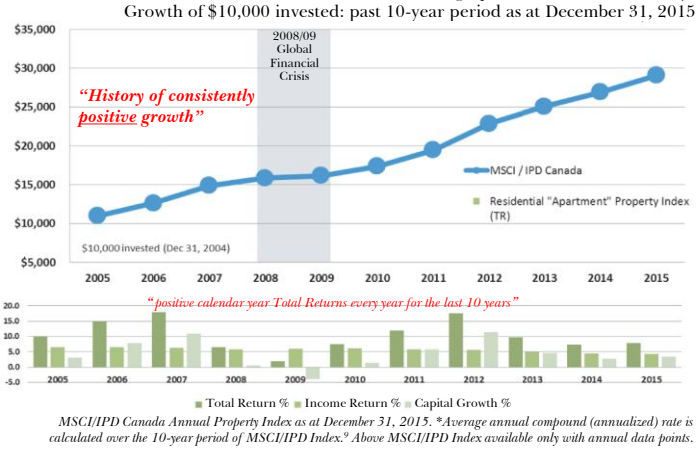
Source: Bloomberg as at December 31, 2015

PORTFOLIO DIVERSIFICATION (by city)

18 cities / 51 properties / 6,329 rental units[4,7]

	Properties		Rental Units	
City	Apartment	Student Housing	Apartment	Student Housing
Acton	1		33	
Barrie	2		43	
Brighton	2		59	
Cambridge	5		679	
Dartmouth	1		114	
Edmonton	1		126	
Gravenhurst	1		39	
Guelph	1		66	
Huntsville	1		25	
Kitchener	7		662	
London		4		950
Mississauga	3		267	
Montreal		1		440
Oshawa	2		71	
Regina	1		208	
Toronto	12		1155	
Waterloo		5		1,356
Whitby	1		36	
18 cities	**41 Properties**	**10 properties**	**3,583 units**	**2,746 units**

Private Apartment Property Index exhibits steady growth through periods of market volatility[9]
Growth of $10,000 invested: past 10-year period as at December 31, 2015



*MSCI/IPD Canada Annual Property Index as at December 31, 2015. *Average annual compound (annualized) rate is calculated over the 10-year period of MSCI/IPD Index.[9] Above MSCI/IPD Index available only with annual data points.*

ABOUT CENTURION ASSET MANAGEMENT INC.

Asset Manager: Centurion Asset Management Inc.

Property Manager: Centurion Asset Management Inc.

Legal Advisors: Cassels Brock and Blackwell LLP

Auditors: KPMG LLP (Canada)

Registrar and Transfer Agent:
The Investment Administration Solution Inc.

- Established in 2003
- Focused on investing in, and managing multi-unit residential properties and student housing
- Experience management team in all aspect of real estate investments, supported by strong majority independent Board of Trustees
- Established, process-driven investment and operating methodology to manage risk and uncover opportunities to maximize income value

TERMS AND FEES			
Investment Minimum:	$25,000 (qualified investors)	**Valuations:**	Monthly
Purchases:	Monthly	**Asset Management Fees:**	Internalized Management
Redemptions:	Monthly (30 days notice before redemption date)	**Performance Fees:**	5% Carried Interest*

**See Offering Memorandum for full details.*

NOTES

1. "Tax Efficient" and "Tax Advantaged" Income means that due to the general ability of real estate owners (like Centurion Apartment REIT) to deduct capital cost allowances against income, that current taxes can often be reduced and/or deferred whereas with an interest bearing instrument such as a bond or deposit no such offset from capital cost allowances are available. In 2009, 2010, 2011, and 2012, 100% of Centurion Apartment REIT's distributions were treated as return of capital (Box 42 on a T3 Form) for tax purposes. There is no guarantee that this will be the case in the future.
2. "Rational pricing with lower volatility" means that property values are based on a methodical process involving a number of highly skilled professionals that must opine on and thus impact upon value including a) knowledgeable and professional buyers and sellers, b) third party appraisers, and c) financial institutions (that will be restricted in loan to value ratios and debt service ratios and other financial covenants). Valuation methods would follow standard valuation guidelines used in the industry and third party appraisers would be accredited professionals. Further, buyers and sellers are not casual participants in the marketplace and are risking substantial capital in a transaction given that the average equity required for a purchase would be substantially larger than that required to buy a few shares of stock in a publicly listed company. Whereas regular stock market investors need to have no specific skills, industry knowledge, infrastructure, substantial capital, substantial capital at risk in a single investment and relationships that would otherwise serve to exclude them from the marketplace, direct property investors must have these at a minimum. The participation of knowledgeable buyers, and the limitations imposed by lenders for debt service and leverage further act to constrain valuation parameters which constraints may not apply on a traded stock. This rational pricing means that in the absence of changes in property net operating income (which ceteris paribus tend to move with inflation) or capitalization rates, that valuations tend to move slowly over time in comparison to how stocks can move constantly and with great volatility over the course of the day (or any other investment horizon). As such, rational pricing would tend to be associated with lower volatility.
3. Source: Canadian Investment Review, Spring 2001. "Canadian Real Estate and Inflation" by Victor W. K. Li
4. Source: Centurion Asset Management Inc. as at December 31, 2017.
5. This chart only includes the performance of Centurion Apartment REIT during its period as a REIT. Given that the REIT evolved from CAPLP which was founded on March 7, 2006, readers may be interested to view a composite of the performance of CAPLP and the REIT which is available in the Investor Presentation of the REIT but was omitted here due to space considerations.
6. For partial year August 31, 2009 to December 31, 2009
7. "Rental Units" means, in the case of apartments, apartment suites, irrespective of the number of bedrooms in a suite. In the case of student housing properties, a Rental Unit is a bedroom. Thus a 25 suite student apartment building with 4 bedrooms per suite would show in the table as 100 Rental Units. This table also only shows Rental Units that are undiluted by joint ventures. Thus 100 Rental Units where the REIT has a 50% stake will show as 100 Rental Units and not as 50 Rental Units. Detailed tables breaking down the portfolio are available in the Offering Memorandum.
8. Inception date for the S&P/TSX Capped REITs Index was Oct.15, 2002, however, the back calculation pricing is available starting Dec.31,1997. Source: Bloomberg December 31, 2014. This chart is included to show the volatility of stock market indices in general, the historic correlations between the S&P/TSX Capped REIT index TR and the S&P/TSX Composite Index TR and the performance of these indices during major market corrections during this time frame.
9. Source: REALPac/IPD Canada Annual Property Index as at Dec. 31, 2015. This index is referenced as it is the longest direct property data series that Centurion Apartment REIT has found that is commonly used by institutional real estate investors. It is an annual return series that dates back to 1985. Centurion Asset Management Inc. believes that it the best available series to demonstrate the long term cash flow, capital growth and volatility characteristics of apartments as an asset class. It is an unleveraged index. **PAST PERFORMANCE MAY NOT BE REPEATED.**

DISCLAIMER

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 Centurion Apartment REIT. Investing in Centurion Apartment REIT Units involves risks. There is currently no secondary market through which Centurion Apartment REIT Units may be sold and there can be no assurance that any such market will develop. A return on an investment in Centurion Apartment REIT Units is not comparable to the return on an investment in a fixed-income security. The recovery of an initial investment is at risk, and the anticipated return on such an investment is based on many performance assumptions. Although Centurion Apartment REIT intends to make regular distributions of its available cash to Unitholders, such distributions may be reduced or suspended. The actual amount distributed will depend on numerous factors, including Centurion Apartment REIT's financial performance, debt covenants and obligations, interest rates, working capital requirements, and future capital requirements. In addition, the market value of Centurion Apartment REIT Units may decline if Centurion Apartment REIT is unable to meet its cash distribution targets in the future, and that decline may be material. It is important for an investor to consider the particular risk factors that may affect the industry in which it is investing and therefore the stability of the distributions that it receives. There can be no assurance that income tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Centurion Apartment REIT .

PAST PERFORMANCE MAY NOT BE REPEATED. Investing in Centurion Apartment REIT Units can involve significant risks and the value of an investment may go down as well as up. There is no guarantee of performance. An investment in Centurion Apartment REIT is not intended as a complete investment program and should only be made after consultation with independent investment and tax advisors. Only investors who do not require immediate liquidity of their investment should consider a potential purchase of Units. The risks involved in this type of investment may be greater than those normally associated with other types of investments. Please refer to the Centurion Apartment REIT Offering Memorandum for a further discussion of the risks of investing in Centurion Apartment REIT .