

## PORTFOLIO PHILOSOPHY

The Antares Real Estate Pool invests with a goal to build wealth while protecting assets. Prudent investments in commercial and residential real estate have been used by pensions, endowments, and individuals with significant wealth as a core holding for many years. The benefits of real estate can include:

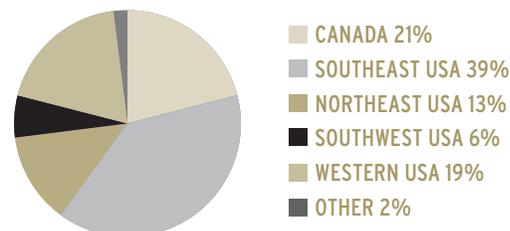
- Increasing income stream
- Capital appreciation
- Lower portfolio volatility
- Non stock market correlated

The overall goal is to purchase privately held real estate in multiple locations and in different types of properties in order to provide a rising income and long term capital appreciation.

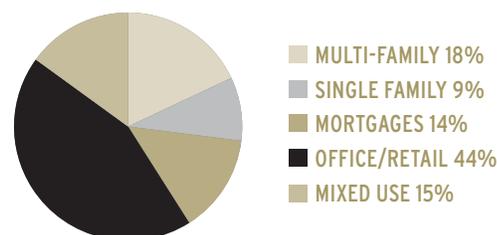
## INVESTOR CLASSIFICATION: INCOME & CAPITAL APPRECIATION

The Antares Real Estate Pool has been built for the investor looking to participate in private real estate. This investor is focused on building a rising income stream while also participating in the capital appreciation that can come from ownership of real estate. Typically, these investors have a longer investment time horizon and do not require liquidity from this part of their portfolio. These investors are drawn to the lower volatility of direct real estate investing compared to traditional stock markets.

## GEOGRAPHIC ALLOCATION



## ALLOCATION BY PROPERTY TYPE



## COMMENTARY FOR Q3-2016

With the U.S. rental market continuing to strengthen after the housing crisis of several years ago, the U.S. continues to be a major focus. Many former home owners still need a place to live, and so the rental market has continued to show strength, particularly in the sun belt region. This has also provided additional interest from buyers, pushing prices up for sellers. In fact, there are several projects that are now slated to be sold into this rising demand, but as always, the final sale will be subject to the price being agreeable to both parties. Of course as sellers we want the highest price, but the potential buyers are looking to pay the least amount possible. Somewhere in between these two extremes there is a price which will make sense to both sides. Because 75% of the portfolio is invested in the U.S., currency swings can have an effect in the short term but is not likely to play a meaningful role in the overall long term performance. Regardless of recent market volatility, the real estate pool has performed as planned, providing enhanced yields.

## INVESTMENT TEAM

### Gerry Bettig, CFA, President

With over 20 years of experience in the investment industry, Gerry leads the portfolio management team as Chief Investment Officer. Gerry founded Antares Investment Management in 2004.

### David Brandt, CFA, Portfolio Manager

With over a decade of experience in the wealth management industry, David provides strategic direction on Antares' investment mandates and facilitates research and analysis on both existing and potential portfolio holdings.

### Ricardo Melo, CFA, Associate Portfolio Manager

Ricardo is a CFA® charterholder with nearly a decade of industry experience. As part of the Investment Team, Ricardo provides in-depth company research in addition to acting as primary trader.

### Dan Burton, D.R. Burton & Associates, Sub-advisor to Antares Investment Management, Inc. Real Estate Pool

With more than 35 years of experience, Dan is a seasoned professional in real estate advisory and investment services. Dan uses his extensive industry knowledge and experience to provide insight into the buying and selling of real estate properties.

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