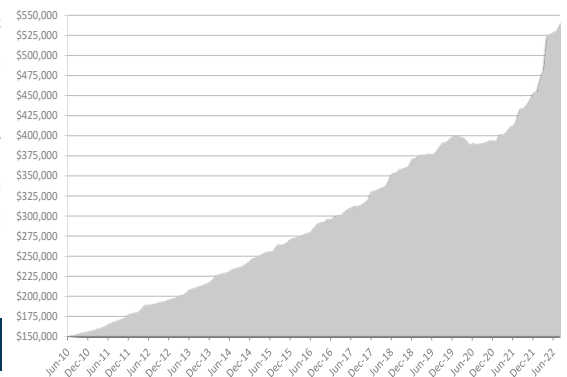




# GLOBAL PRIVATE REAL ESTATE

The DaVinci Alternative Income Fund is an alternative to traditional income and equity funds. The Fund invests outside the public markets with the objective of offering higher returns while maintaining lower levels of volatility. The Fund is made up of private mortgages and cash flow generating real estate. The Fund's objectives are to earn moderate rates of return while minimizing volatility, and have a low or zero correlation with stock and bond markets.

## GROWTH OF \$150,000 SINCE INCEPTION



### LOW VOLATILITY | CONSISTENT RETURNS | 6% DISTRIBUTIONS

The Davinci Alternative Income fund continues to have a strong year adding another 2.3% in August. Most of the gain was generated from the Rio Grand Valley property located in Texas. The gain came from increases in Net Operating Income, based on increases in rents and better property management. These properties located in McAllen, Brownsville and Harlingen are part of the Rio Grand Valley metropolitan area with a population base of 1.4 million people. All of the cities are located close to the boarder with Mexico. This area has modern infrastructure with a deep sea-port, the Gulf Intercostal Waterway and 12 international bridges. The economic upside comes from the three LNG projects being built there and the Space X launching facility being constructed by Elon Musk. In addition to the 520 rental units, the property has 10.6 acres of excess land ready for construction of additional rental capacity.

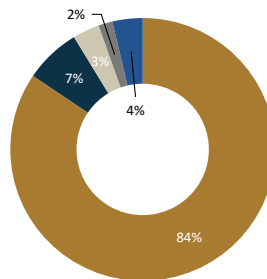
## TOP TEN HOLDINGS BY PROPERTY

HOLDING NAME	LOCATION	PROPERTY TYPE	ACQUISITION DATE	SECURITY TYPE	% OF PORTFOLIO
1 Piney Point	Houston, Texas, US	Multi Family Residential	2021	Equity	8.2%
2 Hamlet & Continental	Broward, Florida, US	Multi Family Residential	2020	Equity	7.6%
3 Slate Real Estate Capital	Various, US	Various	2021	Mezzanine	7.5%
4 Post Oak Apartments	Euleess, Texas, US	Multi Family Residential	2022	Equity	6.7%
5 Lakehouse Apartments	Lake Elsinore, California, US	Multi Family Residential	2020	Equity	6.6%
6 Rincon Apartments	Hidalgo, Texas, US	Multi Family Residential	2021	Equity	6.4%
7 The Hermitage	St. Petersburg, Florida, US	Multi Family Residential	2019	Equity	6.1%
8 Pine and Princeton Grove	Miami-Dade, Florida, US	Multi Family Residential	2021	Equity	4.3%
9 Ridgeway Village Apartments	Glendale, Arizona, US	Multi Family Residential	2021	Equity	4.0%
10 Terra Real Estate	Sao Paulo, Brazil	Office	2019	Equity	3.0%
<b>TOP 10</b>					<b>60.4%</b>

## WHY PRIVATE REAL ESTATE?

1. Lower volatility than public REITs
2. An alternative source of income and returns
3. Low correlation to other asset classes

## PROPERTY BY CLASSIFICATION



- Multi Residential
- Retail
- Self Storage
- Student Housing
- Office

### QUICK FACTS

Minimum Investment Amount	\$5,000
A/F Class Code	A: GCC104, F: GCC102
NAV	Monthly
Distributions	6% Annually Paid Quarterly
Management Fee	A: 2%, F: 1%
Performance Fee	10%
Redemptions	Monthly
Notice Period	90 Days
Structure	Mutual Fund Trust

## DAVINCI'S UNIQUE INVESTMENT STRATEGY

1. Actively managed, opportunistic approach
2. Cash flowing opportunities with near term distributions
3. No development projects
4. Focus on "value add" projects
5. Diversified by asset class, sector & geography
6. Proven partner relationships
7. No Additional leverage at fund level



## OPPORTUNISTIC APPROACH

Latitude to invest in debt or equity, across real estate sectors, in Canada and the US, and occasionally, outside of North America.

## HIGH IRRs

Identify and model assets which can generate 12%-18% IRRs over a period of 3 to 5 years.

## SMALLER PROPERTY SIZE

Market inefficiency exists in properties under \$100 million dollars, often overlooked by large institutions, yet generally too big for high net worth individuals.

## STRONG DEMOGRAPHICS

Identify geographic areas with significant demographic and economic growth.

Examples: Texas post 2008, Florida in 2014, Cleveland in 2017, Nevada in 2019.

## "VALUE ADD" COMPONENT

Looking for solid business plans to increase net operating income (NOI) via properties with rents below local market rates, replacing property managers, minor unit upgrades, etc.

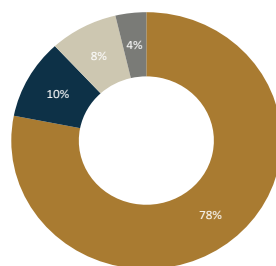
## QUALITY OPERATORS

Partner with best of breed real estate operators with local teams on the ground that specialize in the targeted geography and asset type.

## NO CONSTRUCTION/ DEVELOPMENT RISK

Only buy cash producing assets, we do not take on development or construction risk

SUMMARY	# OF INVESTMENTS	# OF PROPERTIES	# OF BUILDINGS	# OF UNITS	RENTABLE SQ FT
US Based Diversified REIT	1	50	-	-	-
Multi Family Residential	13	14	130	3750	3,157,749
Self Storage	1	1	3	133	10,000
Office	2	8	9	101	220,259
Student Housing	1	4	126	428	594,370
Retail - Grocery Anchored Retail	2	111	111	198	640,318
Retail - Restaurant	1	12	12	12	26,400
Retail - Mall/Plaza	1	1	3	63	361,440
<b>Total</b>	<b>22</b>	<b>201</b>	<b>394</b>	<b>4685</b>	<b>5,010,536</b>



## PROPERTY BY LOCATION

- US
- Canada
- Europe
- Brazil

## RISK RETURNS

RETURNS AND RISK SUMMARY (NET OF FEES AND EXPENSES)	
Return Since Inception (AUGUST 1, 2010)	260.13%
Annualized Return Since Inception	11.11
Sharpe Ratio	3.67
Sortino Ratio	7.71
Down-Market Capture Ratio	-29.46%

## STRATEGY PERFORMANCE

For periods ending AUGUST 31, 2022 | NAV \$13.44

TOTAL RETURNS	1 MONTH	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
DaVinci Alternative Income Fund	2.03%	19.22%	29.00%	12.60%	11.56%	11.01%	11.11%
S&P TSX Capped REIT INDEX ETF (XRE.TO)	-4.85%	-17.45%	-13.42%	-0.90%	5.46%	4.56%	8.67%
Outperformance	6.88%	36.67%	42.42%	13.50%	6.10%	6.45%	2.44%



**Jim Goren** CFA, MBA, CGA  
MANAGING DIRECTOR  
SENIOR PORTFOLIO MANAGER

Jim Goren is a co-founder, and senior portfolio manager at DaVinci. He specializes in origination, due diligence, structuring, valuation and monitoring of investments in real estate, private equity and private debt.



**Mark Irwin** CFA  
MANAGING DIRECTOR  
SENIOR PORTFOLIO MANAGER

Mark Irwin is a founding principal at DaVinci, as well as being a Managing Director and Senior Portfolio Manager. He has 27 years of experience performing research and financial analysis, and providing strategic guidance on structuring portfolios.



**Bill C. Hallman** CFA  
SENIOR PORTFOLIO MANAGER

Bill Hallman brings 25 years of active wealth management experience to the DaVinci Investment Committee, and is the lead manager for our DaVinci Large Cap Equity Fund.

## SERVICE PROVIDERS



This monthly update does not constitute or purport to constitute a complete description of the DCP Alternative Income Fund and is in all respects subject to the more detailed provisions found in the fund's declaration of trust. The returns above are net of all fees, including management fees at a rate of 1.00% and a 10% performance fee. As the series F units have only been offered since AUGUST 2017, the above returns prior to that are based on the returns of the series I units with the fees applicable to the series F units applied to calculate such returns. Other than the difference in management fees the units of the two series are identical. Any reference to historical returns is not a guarantee of or indicative of future returns.

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