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Live Better

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Live Better
at Hidden Cove

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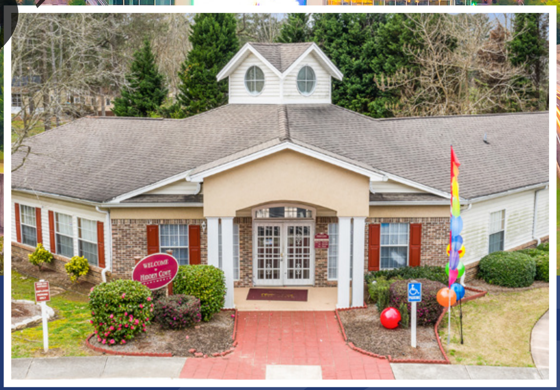


Atlanta Multifamily Real Estate Opportunity

Live Better At Hidden Cove
Investment Summary

Sarmaya Capital Real Estate Fund I Limited Partnership (the "Fund") intends to present select investors with information regarding an opportunity to invest in a unique asset in Atlanta, Georgia, Hidden Cove Apartments. The offering consists of Class A Units in the Fund. The business of the Fund will be to acquire and operate Hidden Cove Apartments, a multi-family residential apartment complex in Atlanta, Georgia. The Fund has a contract to purchase Hidden Cove Apartments, subject to customary conditions of closing. Sarmaya Capital Corp. ("Sarmaya") has been retained to act as asset manager for the Fund.

Home to nearly 6 million people and more than 150,000 businesses, metro Atlanta continues to be an attractive place for Fortune 500 and 1000 companies because of the region's low cost of doing business, ease of travel around the world through Hartsfield-Jackson Atlanta International Airport, a thriving innovative ecosystem, a business-friendly environment and its reputation as a logistics hub.

Conveniently located in the growing East Point suburb of Atlanta, Hidden Cove Apartments has the potential to be a truly unique investment opportunity. The property is located just 10 minutes from downtown Atlanta and Hartsfield-Jackson Airport with easy access to I-85, I-75 and I-285. Alfred Tup Holmes Golf Course is just a mile away. Also, historic Fort McPherson is expected to be the location of a $700 million redevelopment project bringing restaurants, retail, and more than 2,000 housing units.

Live Better At Hidden Cove
Value Creation Summary

Sarmaya plans to improve the property's operations and net operating income through an extensive capital improvement program that will bring 20 down units back online, fix/add/improve amenities, upgrade select units and enhance the property's curb appeal. The six main components to Sarmaya's planned value-add program at Hidden Cove are:

Loss to Lease Burn off

As the rental market has improved, newer leases are being signed for $50 more on average over older leases. By burning off loss to lease as existing leases roll, Sarmaya sees potential to increase gross income by approximately $60,000 annually.

Rehab 20 Down Units

There are currently 20 units in two buildings that are offline. It is estimated to cost approximately $500,000 to bring these units back online, however, doing so is estimated to boost NOI by nearly $200,000 annually.

Achieve Market Occupancy

Hidden Cove is 72.9% occupied when excluding the 20 down units. The South Atlanta submarket is at 94.8% and Atlanta as a whole is at 94.7% occupancy, according to RealPage Axiometrics. Sarmaya's business plan assumes 94% occupancy, which could add up to approximately $270,000 to gross annual income.

Unit Upgrades

Sarmaya expects to budget approximately $1.5 million in capital improvements, of which approximately $400,000 is expected to be allocated to upgrade 60 units. Renovated units in the area are achieving monthly rental premiums in excess of $100 over non-renovated units.

Organic Rent Growth

According to MPF Research, rents in the South Atlanta submarket have increased 6% in the last two years and are projected to continue climbing while they are still affordable and the economy and local market continues to improve. With improvements made to the physical asset as well as property operations, we believe we would be well positioned to grow rents organically over the next few years.

Community Betterment

As the cornerstone of Sarmaya Capital Corp's investment mandate, we believe Doing Well while Doing Good also increases the bottom line. With approximately $50,000 initially budgeted for improvements to the playground, basketball court and swimming pool area, improving the day to day lives of the tenants is expected to drive up occupancy rates and increase brand loyalty. This is expected to be the first of many Community Betterment Programs planned for Hidden Cove.

Business Plan	"Gross Annual Income Increase"	"Gross Value Increase 1"
Loss to Lease Burn Off	$63,180	$1,053,000
Rehab 20 Down Units	$198,960	$3,316,000
Market Occupancy	$272,880	$4,548,000
Unit Upgrades	$72,000	$1,200,000
Organic Rent Growth	$61,296	$1,021,600
Totals	**$668,316**	**$11,138,600**

	"Net Value Increase"
Gross Increase	$11,138,600
Cost, down units 2	$900,000
Cost, other Capex	$1,100,000
Opex Increase 3	$4,218,333
Net Increase	**$4,920,267**
Value	**$13,940,267**

Asset Summary

We believe that this property provides one of the few last true-value add opportunities in Atlanta as the majority have been picked over in the recent years. There are 20 units that are down and currently unrentable in need of renovations as well as room to push rents with upgrades to the remaining operational units. These renovations paired with improved management have the potential to provide a tremendous return for any value-add investor.

Live Better at Hidden Cove is in within the desirable Campbellton Road smart transit corridor.

Campbellton Road Smart Transit Corridor

As part of the City of Atlanta's infrastructure improvement initiative called Renew Atlanta, Campbellton Road will become a Smart Transit Corridor.

Part of the initiative will include technology that will give signal prioritization to buses operated by MARTA at 23 intersections along Campbellton Road from the Oakland City MARTA station to I-285. The area includes landmarks like Tyler Perry Studios, Oakland City MARTA Rail Station and the Greenbriar Mall. The technology will also be used for emergency vehicles to improve safety and response time for the fire department.

The multi-million dollar Campbellton Road Smart Transit Corridor project — which includes the smart corridor technology improvements and the bus-rapid-transit planning — is scheduled to be complete by December 2021.

Redevelopment Of Portion Of Fort McPherson

The redevelopment of Fort McPherson is expected to roll out a new master plan for the future redevelopment of a 145-acre portion of the decommissioned U.S. Army military base.

The first phase is expected to start in the summer of 2019 and to include 1.2M SF, valued at $240M of the total estimated $700M build-out of the project There are also plans for restaurants, retail, more than 2,000 housing units, and a 200K SF office building.

There are expected to be four districts of the redevelopment: the Town Centre/Destination District (live/work/play), the Office District (focused on the Tech, Music and Video Game industries), the Historic District (centre for entertainment, history, and the arts), and the Park District (open to the public, and an amenity for residents).

This will be a national model of sustainable, transit-oriented and mixed-use development, focused on education, job creation and training, affordable housing and healthy living

The comparable sales in the area of the Hidden Cove Apartments show the true underlying value in the asset.

The comparable sales in the area show the true underlying value in the asset

In addition, the asset is surrounded by beautiful greenspaces and the multi-million-dollar upgrades to the close-by Campbellton Road Smart Transit Corridor, immediately behind the property, development has begun on phase one of a best in class senior living facility, with phase 2 promising to bring higher end retail and residential developments.

Purchased at $11,200 per unit LESS than other comparable recent sales

Sales Comparables

	Property Name	Sale Date	Units	Year Built	Price	Price per Unit	Address	City
	Hidden Cove		164	1964/1994	$9,020,000	$55,000	1900 Stanton Delow Rd	East Point
1	Fulton Pointe	Feb 19	160	1971	$10,200,000	$63,750	4171 Washington Road	East Point
2	Capitol View Apartments	Aug 18	120	1948	$7,200,000	$60,000	1191 SW Metropolitan Parkway	Atlanta
3	Biscayne Apartments	Jun 18	370	1972	$23,625,000	$63,851	5401 Old National Highway	College Park
4	The Parc at 1875	June 18	352	1988	$30,000,000	$85,227	1875 E Pleasant Hill Road	College Park
5	The Stations at Richmond Hill	Apr 18	181	1952	$10,226,500	$56,500	1770 Richmond Circle SE	Atlanta
6	Allen Heights	Mar 18	458	1969	$29,000,000	$63,319	3086 Middleton Road NW	Atlanta
7	Park Walk Apartments	Jun 17	124	1985	$7,050,000	$56,855	875 Garden Walk Boulevard	College Park
8	Washington Carver Homes	Jun 17	100	1972	$7,500,000	$75,000	1232 E. Washington Avenue	East Point
9	Paradise East Apartments	Apr 17	176	1974	$12,600,000	$71,591	1504 Bouldercrest Road SE	Atlanta
	Total/Average		2,205		$146,421,500	$65,109.30		

Atlanta, Georgia

- Atlanta ranks third in the U.S. for metropolitan population growth
- 2016 job growth was 2.21%, well above the national average of 1.56%
- Atlanta is home to 15 Fortune 500 companies including; The Home Depot, Coca-Cola, and Turner Broadcasting Systems
- Due to the more than 30 colleges and universities located in the city, Atlanta is considered a centre for higher education

Location Summary

Atlanta's Dynamic South Side

Hidden Cove is located in the northern part of Fulton County, five miles southwest of Atlanta's downtown CBD. The metro's south side, mainly comprised of south Fulton County and north Clayton

County, is economically focused on Hartsfield- Jackson Atlanta International Airport, the world's busiest passenger hub, and the extensive airport-centered network of industrial, service, and distribution facilities that benefit from the area's excellent air, rail, and highway freight services.

Interstates 20, 75, 85, 285, and 675 traverse the south side, providing access to the airport as well as direct routes north to Atlanta's Central Business District and to other major employment hubs throughout the metro area. U.S. 19 and Georgia highways 54, 85, 138 and 331 are other prominent arteries.

Other southside economic drivers include the 1.2 million SF Camp Creek Marketplace lifestyle center, Porsche North America's headquarters, Southern Regional Medical Center, Chick-fil-A headquarters, Clayton State University, Southlake Mall, and the district's numerous industrial parks, especially the massive industrial/warehouse zones near the airport and all along Fulton Industrial Boulevard. Significant future employment is expected to be generated by the "Aerotropolis" business park and redevelopment of two closed army bases, Fort McPherson and Fort Gillem.

Hartsfield-Jackson Atlanta International Airport

The northern part of Clayton County is dominated by Hartsfield-Jackson Atlanta International, the world's busiest passenger airport (104 million passengers in 2016). More than 64,000 people are employed by various entities on its 4,700-acre campus, making it Georgia's largest employment hub. Its annual economic impact in 2014 was estimated at $64 billion. "Hartsfield" recently completed a $9 billion expansion of its passenger and cargo capacity. This five-year project added a $1.5 billion international terminal, North America's tallest control tower, and a 9,000-foot fifth runway, among many other upgrades. A new $6 billion master plan calls for a sixth runway, new parking decks, and new or renovated terminals and concourses. Delta Airlines is headquartered near the airport, its primary hub, and employs 30,000+ Atlantans. In 2008, the merger of Delta with Northwest created the one of the world's largest airlines. Other prominent employers near the airport include a major FedEx air cargo hub, Wells Fargo's Operations Center, the Georgia International Convention Center, and large facilities for Sysco Food Services and Coca-Cola Bottling.

Industrial Powerhouse

The large number of industrial and commercial parks located near the airport and/or interstates are major economic drivers for the south side. In south Fulton County near Hartsfield Airport, Majestic Airport Centre II is a 600-acre industrial park that distribution centres for Costco, Kellogg's, General Electric, Newell Rubbermaid, Del Monte, and Caterpillar. The nearby Majestic Airport Centre IV is anchored by a 1.2 million SF Walmart distribution centre.

In southwest Fulton County, the Fulton Industrial District is the largest industrial corridor in the eastern United States. Stretching for nine miles along Fulton Industrial Boulevard near Interstate 20, the district boasts 48 million SF of warehouse space, 522 industrial buildings, 20,000 workers and close to $1 billion in payroll. First developed in the 1960s, this area attracts industry due to its ease of access and close proximity to I-20, I-285, downtown Atlanta, two intermodal rail yards, and Hartsfield Airport's cargo facilities.

Pro Forma Financial Summary†

†In considering the financial information contained in this document, prospective investors should bear in mind that targeted or projected results are not necessarily indicative of actual results, and there can be no assurance that the targeted or projected results will be achieved by the Fund.

Hidden Cove - 1900 Stanton Delowe Rd., Atlanta, Georgia

Investment Breakdown	
Purchase Price	$ 9,020,000
Mortgage	-$ 7,500,000
Legal & Closing Costs	$ 231,562
Reserves	$ 500,000
Financing Arrangement Fee	$ 155,120
General Partner Fees	$ 256,428
Capital Improvements & Reserves	$ 1,336,890
Total Equity Required	**$ 4,000,000**

Limited Partner Net Cash Flows	Year 1	Year 2	Year 3	Year 4*	Year 5	Year 6
Limited Partner Net Cash Flows	$ 240,000	$ 240,000	$ 2,374,205	$ 240,000	$ 240,000	$ 240,000
Cash Flow % of Equity	6.00%	6.00%	59.36%	6.00%	6.00%	6.00%
Estimated Limited Partners Cash Distributions**ǂ	$ 240,000	$ 240,000	$ 2,374,205	$ 240,000	$ 240,000	$ 240,000
Principal Paydown***	$ -	$ -	$ -	$ -	$ -	$ 142,952
Limited Partners Net Cash Flows plus Principal Paydown	6.00%	6.00%	59.36%	6.00%	6.00%	9.57%

*In Year 4 the loan changes from interest only to an amortization loan
** General Partner intends to distribute 100% of annual cashflow attributable to the Limited Partners 75% interest in the asset
*** Principal Paydown figures represent the amount attributable to the Limited Partners 75% interest in the asset
ǂAsset value at time of refinancing is at least $13,940,000 USD

Supplemental Financing	Year 3
Estimated Proceeds from Refinance for the Limited Partners	$ 2,386,630
Percentage of Original Equity	59.67%

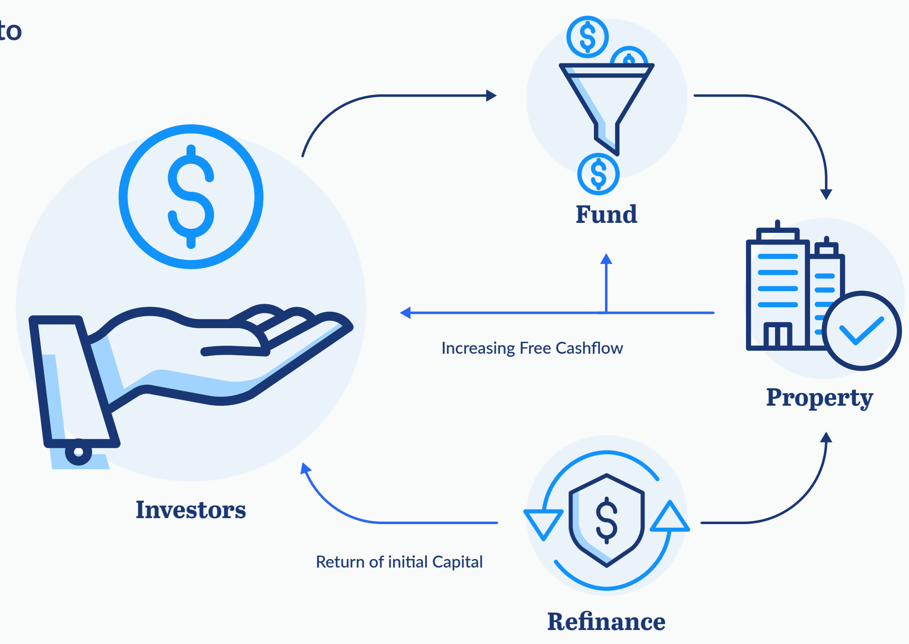
*Assumption that the Refinance event happens at the end of Year 3. End of Year 5 is a possible option

Limited Partner Returns	Year 3	Year 6
Total Limited Partner Return	$ 2,854,205	$ 3,717,157
Limited Partner Return on Equity	71.36%	92.93%
Limited Partner Annualized Return on Equity	23.79%	15.49%

How It Works

The investment allows an investor to participate in the following cycle:

Furthermore, investors can enjoy the ability to maintain their ownership position in the properties, should the assets remain within the fund.



Purpose of this Document

This document is being furnished to you solely for informational purposes in considering an investment in Sarmaya Capital Real Estate Fund I Limited Partnership (the "Fund"). All information included in this document is current as of the date hereof and is subject to change, completion or amendment without notice.

This document does not purport to contain all the information necessary to evaluate an investment in the Fund, and it is understood that you will make your own independent investigation of the merits and risks of the proposed investment.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Fund, Sarmaya Capital GP 1 Inc. (the "General Partner"), or Sarmaya Capital Corp. (the "Manager"), as to the accuracy or completeness of the information contained herein. There are certain risks inherent in an investment in the securities of the Fund that prospective investors should carefully consider before investing in the securities of the Fund. An investment in the Fund is highly speculative and involves significant risks, including the possible loss of the entire amount invested.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in the Fund. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities of the Fund. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of an investment in the Fund and any representation to the contrary is an offence.

Certain information contained herein includes market and industry data that has been obtained from or is based upon estimates derived from third party sources, including industry publications, reports and websites. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance or guarantee as to the accuracy or completeness of included data. Although the data is believed to be reliable, none of the Fund, the General Partner, the Manager or any of their respective agents have independently verified the accuracy, currency or completeness of any of the information from third party sources referred to in this document or ascertained from the underlying economic assumptions relied upon by such sources. The Partnership, the General Partner, the Manager and their respective agents hereby disclaim any responsibility or liability whatsoever in respect of any third party sources of market and industry data or information. This information obtained from third-party sources in this document has not been independently verified and any liability with respect to such information is expressly disclaimed by the Partnership, the General Partner and the Manager.

Confidentiality

Your receipt of this document constitutes your agreement with the Fund: (a) to maintain the confidentiality of this document, as well as any supplemental information provided to you by the Fund, the General Partner, the Manager or their respective representatives, either orally or in written form; (b) that any reproduction or distribution of this document, in whole or in part, or disclosure of any of its contents to any other person or its use for any purpose other than to evaluate the Fund is strictly prohibited; and (c) to return promptly to the General Partner this document, as well as other materials that subsequently may be provided to you by and on behalf of the Partnership, the General Partner, the Manager or their respective agents if you decide not to proceed with an investigation of the Fund.

Forward-Looking Statements

This document includes "forward-looking information", "future-oriented financial information" and "financial outlooks" (collectively, "forward-looking information") within the meaning of applicable securities laws. All statements other than statements of historical facts included in this document, including, without limitation, statements regarding the future financial position, targeted or projected investment returns, business strategy, budgets and projected costs and plans and objectives of the Fund, the General Partner or the Manager for further operations, are forward-looking statements or financial outlook. In addition, forward-looking information generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "forecasted," "projected," "estimate," "anticipate," "believe," or "continue" or the negative usages thereof or variations thereon or similar terms, although not all forward-looking information contain these identifying words. The forward looking information contained in this document is based on certain assumptions of the General Partner and the Manager including, without limitation, those assumptions listed under heading "Assumptions" below and other assumptions regarding market trends and conditions, results of operations, performance and business prospects and opportunities (collectively, the "Assumptions"). While the General Partner and the Manager consider these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Forward-looking information is subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from what the General Partner and the Manager currently expect. These risks, uncertainties and other factors include, but are not limited to: competition, interest rate fluctuations, availability of debt financing and refinancing, restrictive covenants, credit, environmental matters, litigation, capital expenditures, general economic, market or business conditions, lease renewals, reliance on key personnel, operational matters, changes in legislation and administrative policies, and other factors that are beyond the control of the General Partner, the Manger or the Fund (collectively, the "Risks"). The Risks may cause actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. Given these uncertainties, readers are cautioned that forward-looking information contained herein are not guarantees of future performance; accordingly, readers should not place undue reliance on forward-looking information. To the extent any forward-looking statements in this document constitute "future-oriented financial information" or "financial outlooks" within the meaning of applicable securities laws, such information is being provided to demonstrate the potential of the Fund and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are based on the Assumptions and subject to the Risks. Actual results may differ materially from what the General Partner and the Manager currently expect and what is projected in this document. Such information is presented for illustrative purposes only. Prospective investors are therefore cautioned not to place undue reliance on any such forward-looking information as of any date and are advised that none of the General Partner, the Manager or the Fund is under any obligation to update such information. All forward-looking information contained in this document, and all subsequent written and oral forward-looking information attributable to the Fund, the General Partner or the Manager, or persons acting on behalf or any of them, are is expressly qualified in its entirety by this cautionary statement.

In considering the performance information contained in this document, prospective investors should bear in mind that targeted or projected performance is not necessarily indicative of future results, and there can be no assurance that the targeted or projected results will be achieved by the Fund.

Fees and Expenses

Prospective investors are solely responsible for their own fees, costs, and expenses incurred in their investigation of the Fund, regardless of whether or not a transaction is consummated including without limitation: travel; accounting fees; due diligence costs; legal fees; disbursements; and taxes.

Private Placement Terms

Issuer: Sarmaya Capital Real Estate Fund I Limited Partnership, a limited partnership formed under the laws of British Columbia and is governed by the terms of a Limited Partnership Agreement dated ⍰, 2019 (the "Limited Partnership Agreement) between Sarmaya Capital GP 1 Inc. and SCC Property Holdings 1 Inc. (the "Initial Limited Partner"))

General Partner – Sarmaya Capital GP 1 Inc.

Manager – Sarmaya Capital Corp.

Offering

The offering consists of an offering of Class A Units of Sarmaya Capital Real Estate Fund I Limited Partnership ("Units").

Minimum Subscription per Investor: USD$80,000. USD$ (80 Units at $1,000 per Unit)

Property

The Fund intends to acquire Hidden Cove Apartments in Atlanta, Georgia (the "Property"). There can be no assurance that the Fund will complete the acquisition of the Property. If the Property has not been acquired by the Fund, whether directly or indirectly, by ⍰, 2020 (unless extended by the General Partner in accordance with the terms of the Limited Partnership Agreement), the Fund will be dissolved and all funds remaining after payments of all debts, liabilities and obligations of the Fund will be distributed to the partners of the Fund. [In such event the Initial Limited Partner will waive its entitlement to share in distributions.] There can be no assurance that, upon dissolution of the Fund, any investor in the Fund will receive the full return of their investment.

Fees Paid To The Manager And The General Partner

The Manager will be entitled to:

- an Acquisition Fee of 2.0% of the total purchase price of the Property, payable to by the Fund upon the completion of the direct or indirect purchase of the Property;
- an Asset Management Fee annually equal to 1.0% of the total purchase price of the Property, such fee to be payable by the Fund semi-annually in advance on June 30 and December 31 of each calendar year, except that the first such payment shall be made on the first Subscription Closing Date to occur after the date of the Limited Partnership Agreement and shall be in respect of the period from such date until the earlier of the next to occur of June 30 and December 31 of any calendar year. The fee is payable until the is dissolved.
- a Financing Fee, in respect of any debt or equity financing of the Fund after the date of the Limited Partnership Agreement or any debt financing of any person through whom the Fund indirectly holds the Property, subject to applicable law. Such Financing Fee will be up to 1.0% of the aggregate gross proceeds of such financing (assuming, in the case of debt, a full drawdown of all available amounts), with the percentage of such fee within such range for any particular financing to be determined by the General Partner, acting reasonably, taking into account the amount of funds raised in connection with the applicable financing and the ease or difficulty of arranging such financing, provided that the maximum fee shall be 0.5% in respect of any debt or equity financing completed through a broker), payable by the Fund on the closing date of such financing.

In addition, if the General Partner, the Manager or any of their respective related parties provides any guarantee, indemnity or other security in connection with any acquisition loan, financing or refinancing in connection with the Property or any other assets of the Fund, such person will be entitled to a Guarantee Fee equal to 1.0% of the amount so guaranteed, indemnifiable or secured, payable upon the completion of such acquisition, financing or refinancing.

Fees Paid For Capital Raising

Capital raising fees, in addition to the Financing fee described above, may be paid to individuals or companies who qualify under the relevant securities legislation in an amount up to 5% of the funds raised by such individuals or companies, subject to applicable laws. Any such capital raising fees will be paid upon closing of acquisition of the identified asset.

Distributions

The Fund may make distributions at any time and from time to time as follows, provided that such reserves as are prudent for the Fund's business are retained.

- Class A Limited Partners will be paid 75% of the distributions.
- SCC Property Holdings 1 Inc., an affiliate of Sarmaya Capital Corp. and the Class B Limited Partner, will receive 20% of the distributions.
- The General Partner will then receive 5% of the distributions.
- Currently, distributions of approximately 75% of net cash flows are anticipated to occur annually on November 30 of each calendar year.

Assumptions

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward- looking statements and financial outlook contained herein include that: building upgrade plans and related expenses will proceed as anticipated; the Fund will remain in good standing with respect to its obligations to any senior lenders; the general economy is stable; local real estate conditions are stable; interest rates are relatively stable; equity and debt markets continue to provide access to capital; and that the Fund's expenses will not be materially greater than anticipated. These factors and assumptions should be considered carefully by readers. Readers are cautioned not to place undue reliance on the forward-looking statements or financial outlook or the assumptions on which the forward-looking statements and financial outlook are based on. Investors are further cautioned that the foregoing list of factors and assumptions is not exhaustive. In addition, information regarding targeted returns is based on the following principles and assumptions: the Fund will maintain a consistent level of cash flow and indebtedness and will not materially incur additional indebtedness, other than with respect to ordinary operating costs or as disclosed herein; the consumer price index, property taxes, operating expense growth, and market rent growth will be as anticipated; existing tenants will fulfil their current contractual lease obligations and remain in occupancy and pay rent for the term of their leases; upon expiry of their leases, the number of retained tenants will meet historical retention experience; and the Fund will maintain cash reserves as anticipated.

Other assumptions used by Sarmaya Capital Corp to model the costs and create the worksheets laid out in this document include:

- 85% of the purchase price for the initial acquisition of the Property is financed by way of debt
- 7% financing rate for first 2 full calendar years followed by 4.9% thereafter
- "Reserves" to be redistributed as Return on Capital
- Occupancy remains at an average of 94% per year upon stabilization
- Asset value at time of refinancing is at least $13,940,000 USD

Risk Factors

There Are Risks Involved In An Investment In The Units And The Subscriber May Lose His, Her Or Its Entire Investment.

- Investment in the Fund involves a high degree of risk and is suitable only for sophisticated investors who can withstand the loss of their entire investment and requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Fund. No assurance, representation or warranty can be given that the Fund's investment objectives will be achieved or that investors will receive a return of their capital.
- An investment in Units is subject to risk. Standard risks applicable to investments of this nature include:
- No market for Units: There is currently no resale market for the Units and it is not guaranteed that any market will develop. The Units are not transferable without the approval of General Partner and in compliance with applicable securities laws and regulations.
- There are inherent risks with real estate investments: Equity investments in real estate assets are subject to various inherent risks including, but not limited to, the burdens of ownership of real property, general and local economic conditions, adverse local market conditions, the financial condition of tenants, changes in building, environmental, zoning and other laws, changes in real property tax rates and/or assessed values, change in interest rates and the availability of debt financing, changes in operating costs, negative developments in the local, national or global economy, risks due to dependence on cash flow, environmental liabilities, uninsured casualties, unavailability or increased costs of certain types of insurance coverage, inflation, increases in energy costs, in ability to attract and retain tenants, acts of God, acts of war, hostilities, terrorist acts, strikes and other factors that are beyond the control of the Fund, the General Partner and the Manager.
- The Fund has yet to obtain the Property: The Property has not yet been acquired by the Fund. The purchase and sale agreement under which the Fund expects to acquire the property is subject to the satisfaction or waiver of a number of conditions precedent, some of which are beyond the control of the Fund, the General Partner and the Manager. There can be no assurance that the Fund will acquire the Property.
- The Fund has yet to obtain the debt and equity financing that it requires to acquire Property: The pro forma financial information provided in this document assumes that 85% of the purchase price for the initial acquisition of the Property is financed by way of acquisition loan. There can be no assurance that the Fund will obtain an acquisition loan or, if obtained, that it will be obtained on favourable or currently projected terms. In addition, there are currently no binding commitments or agreements with third parties to invest in equity to provide the remainder of the funds required for the acquisition. Further, the Fund intends to significantly leverage the Property. This leverage may subject the Property to various operating covenants and no assurance can be given that these covenants will be met or that they will not limit the Fund's flexibility to respond to changing business and economic conditions. In addition, leverage will increase the Fund's exposure to adverse economic downturns or deteriorations in the condition of the Property or its market. If a default occurs under the debt financing, investors may lose their entire investment.
- Vacancy Rates: The apartment building business relies on a steady supply of good quality tenants. A shortage of quality tenants due to an economic downturn or job losses in a given marketplace could result in higher than expected vacancy and lower than expected revenue.
- No guaranteed return: The projected returns described in this Investment Summary are not guaranteed. An investment in Units is not suitable for investors who cannot afford to assume significant risks in connection with their investments.
- Lack of Diversification: The Fund will be a single property investment.
- Competition: The Property will compete with surrounding residential rental properties. The competitive properties may reduce demand for the Property and adversely affect the Fund's business and financial results.
- Insurance: The Fund's insurance coverage may not be adequate to cover all possible losses the Fund could suffer. The Fund will attempt to maintain insurance coverage in respect of the property against liability to third parties and property damage as is customary for similarly situated properties. However, there can be no assurance that insurance will be available or sufficient to cover any or all such risks. Insurance against certain risks may be unavailable or available only at a very high costs, available in amounts that are less than the full market value or replacement cost of the Property or subject to a large deductible. In addition, inflation, changes in building costs and ordinances, environmental consideration and other factors may also make it infeasible to use insurance proceeds to replacement the improvements at the Property if they are damaged or destroyed.
- Tax matters: Prospective investors are not to construe the contents of this document as investment, financial, business, legal, regulatory, accounting, tax or other advice. Prospective investors should make their own investigation of the merits and risks of an investment in the Fund. The General Partner and the Manager also strongly recommend that each prospective investor consult its own advisors as to legal, business, tax, accounting and other related matters concerning an investment in the Fund.
- Reliance on key personnel of the Manager: The success of the Fund is largely dependent upon the continued efforts of certain key personnel of the Manager. The unexpected loss or departure of any of the key personnel of the Manager could adversely affect the Fund and the Property.
- Ownership Structure/Co-Investor: The Fund intends to acquire units in a Delaware limited partnership (the "US LP"), and the Fund will own units in the US LP. In the event of a refinancing of the property, the Partners will be entitled to participate in the net proceeds of the refinancing on a pari passu basis.
- Investors are advised to review the Limited Partnership Agreement and the Subscription Agreement carefully.

Ontario Residents

Statutory Rights of Action

In certain circumstances, purchasers resident in Ontario are provided with a remedy for rescission or damages, or both, in addition to any other right they may have at law, where an offering memorandum (such as this document) and any amendment to it contains a misrepresentation. Where used herein, "**misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

The following summary is subject to the express provisions of the applicable securities laws, regulations and rules, and reference is made thereto for the complete text of such provisions. Such provisions may contain limitations and statutory defences not described here on which the Partnership and other applicable parties may rely. Purchasers should refer to the applicable provisions of Ontario securities legislation of their province for the particulars of these rights or consult with a legal adviser.

Section 5.2 of Ontario Securities Commission Rule 45-501 – Ontario Prospectus and Registration Exemptions provides that purchasers who have been delivered an offering memorandum in connection with a distribution of securities in reliance upon, among others, the "**accredited investor**" prospectus exemption in section 73.3 of the Securities Act (Ontario) (the "**Ontario Act**"), the "**family, friends and business associates**" prospectus exemption in section 2.5 of National Instrument 45-106 – Prospectus Exemptions, and the "**Private Issuer**" exemption in section 73.4 of the Ontario Act, have the rights referred to in section 130.1 of the Ontario Act. The Ontario Act provides such purchasers with a statutory right of action against the issuer of the securities for rescission or damages in the event that the offering memorandum and any amendment to it contains a misrepresentation.

Where an offering memorandum is delivered to a purchaser and contains a misrepresentation, the purchaser, without regard to whether the purchaser relied on the misrepresentation, will have a statutory right of action against the issuer for damages or for rescission; if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the issuer. No such action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or, in the case of any action other than an action for rescission, the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action.

The Ontario Act provides a number of limitations and defences to such actions, including the following:

1. the issuer is not liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;
2. in an action for damages, the issuer shall not be liable for all or any portion of the damages that the issuer proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and
3. in no case shall the amount recoverable exceed the price at which the securities were offered.

These rights are not available for a purchaser purchasing in reliance upon the "accredited investor" prospectus exemption in section 73.3 of the Ontario Act that is:

a. a Canadian financial institution, meaning either:
   ii. an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
   iii. a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a province or territory of Canada to carry on business in Canada or a territory in Canada;
b. a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada);
c. the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or
d. a subsidiary of any person referred to in paragraphs (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of the subsidiary.

About Sarmaya Capital Corp.

Mission And Vision

The Vision of Sarmaya Capital Corp. is to revolutionize the Real Estate Investment and Residential Tenant experience simultaneously, by aligning the interests of investors with those of tenants to do well and to do good at the same time. With the belief that safer, nicer and better managed communities improve lives but also improve returns in the long run, Sarmaya Capital Corp. strives to be on the forefront of active investment and to change the landscape of Residential Real Estate. We are custodians of our clients' investments, while allowing our clients to become custodians of better, safer, thriving communities that will transform neighbourhoods and cities in which they exist. Sarmaya Capital Corp. will set the standard for what the essence of Real Estate investing should be.

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