

ICM Bluebird Canadian Self Storage LP



Quarterly
Report
Q2 2023

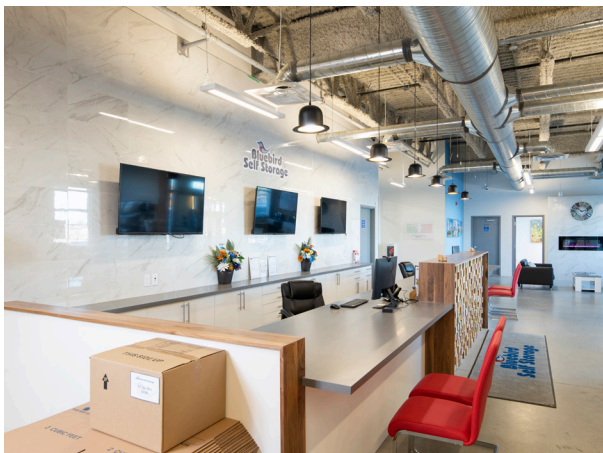
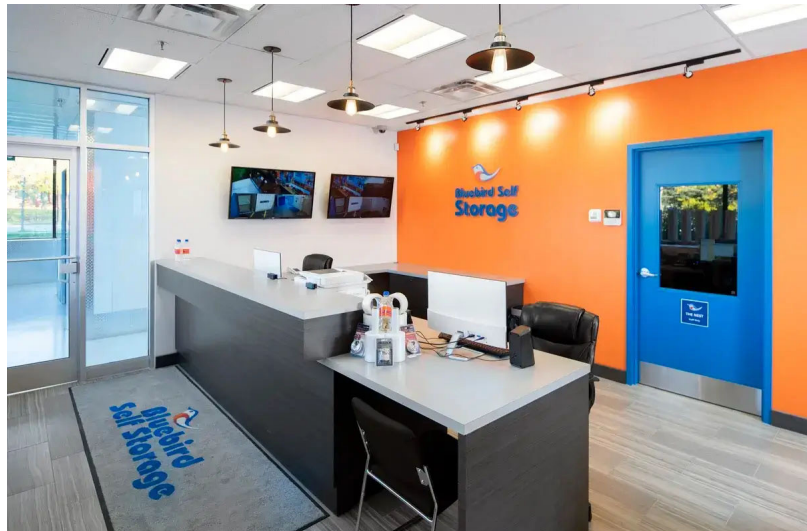




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ICM Bluebird

Canadian Self Storage LP

ICM Bluebird Canadian Self Storage LP (“Fund”) was launched in December 2022 to invest in the consolidation and acquisition of a portfolio of self storage facilities across Canada. The Fund was formed as a strategic partnership between 4 organizations:

ICM Asset Management (“ICM”): Founded in 2003, ICM has earned a reputation as a trusted partner and leading provider of alternative investment solutions by preserving and growing the wealth of retail, private client, and institutional investors.

Bluebird Self Storage (“Bluebird”): Founded in 2016, Bluebird is a rapidly growing self storage operator. The principals behind Bluebird have developed over 100 premium facilities in Canada and the United States under various brands.

StoreWest Developments (“StoreWest”): The developer of choice for Bluebird Self Storage in Canada. StoreWest handles all phases of development from site assessment to delivery.

Meckelborg Financial Group (“MFG”): MFG has been investing in Self Storage since 2017. MFG owns or has interest in 12 assets developed and/or managed by Bluebird. Acting as a strategic partner, MFG will consolidate their ownership in existing assets into the Fund, and will continue to invest in the growth of the Fund.

At the end of Q2, the Fund had acquired 7 assets across 3 major Canadian markets: Victoria, Calgary, and Quebec City. Shortly after Q2 ended, the Fund closed on its first asset in the Greater Toronto Area, offering class A exposure to the country’s rapidly growing economic capital.

Investment Committee



John Courtliff

CEO, ICM Asset
Management



Jamie Bennett

Principal, Bluebird Self
Storage



Roland Schatz

President, StoreWest



Mark Meckelborg

Partner & Portfolio
Manager, MFG



Strategy and Objectives

The Fund's primary goal is to acquire and consolidate Class A self storage assets throughout Canada, with returns generated from rental income. These returns will be enhanced through strategies to increase occupancy rates and rental prices. Asset acquisitions will be sourced from three main channels:

- 01.** Acquisition of newly built Bluebird facilities that are not fully occupied, providing up-side on lease up.
- 02.** Acquisition of existing storage assets from 3rd party operators and benefit from Bluebird's best in class operating platform.
- 03.** Acquisition of interests in the development of new self storage assets providing enhanced risk-adjusted returns.



Letter to **Unitholders**

The Bluebird Canadian Self Storage LP (the “Fund”) was launched in December 2022 with the objective of consolidating the Canadian self storage sector under the Bluebird brand. As at June 30, 2023, the Fund has successfully acquired an interest in 7 properties in 3 key markets. These initial acquisitions have provided exposure from the west coast all the way to Quebec.

The current economic environment has presented its challenges, marked by rising inflation and interest rates. However, given the lack of supply and limited institutional ownership of self storage in Canada, the fundamentals and return opportunity for storage is significant relative to more conventional real estate asset classes. The Fund has a vast pipeline of potential

acquisition targets which includes existing assets through third party acquisitions, properties currently owned by the Fund’s General Partners, and development assets that can be rolled into the Fund. As a result, the Fund can maintain a highly selective approach to new acquisitions, reserving capital for only the most compelling opportunities.

Bluebird's approach to property management has proven to be highly effective. A strong emphasis is placed on customer service and experience, a unique focus in the self storage industry. The Fund has managed to drive rents upward across all income generating properties, while maintaining occupancy in a reasonable range. Notably, properties with a history of poor management prior to acquisition have seen significant improvements in both occupancy and rental rates, making them particularly resilient in the face of deteriorating economic conditions. While our primary focus remains on institutional-grade assets, we will continue to explore opportunities to optimize poorly managed "Mom and Pop" facilities through strategic acquisitions.



One particular success story has been 96th Ave in Calgary, AB. We secured fixed financing at a rate of 5.85% in 2022, proving to be a valuable source of leverage as interest rates have increased. Since the property was rolled into the Fund, monthly rental revenue has increased 14% from \$81,600 to \$93,200. This serves as an excellent example of Bluebird's ability to enhance the operational efficiency of under managed facilities.

Following the close of the second quarter, the Fund successfully acquired Matheson, a Class A facility centrally located in Mississauga, with convenient access to the 401 and 403. This acquisition marks the Fund's entry into the GTA market, and serves to provide strategic placement for the Fund's national presence.

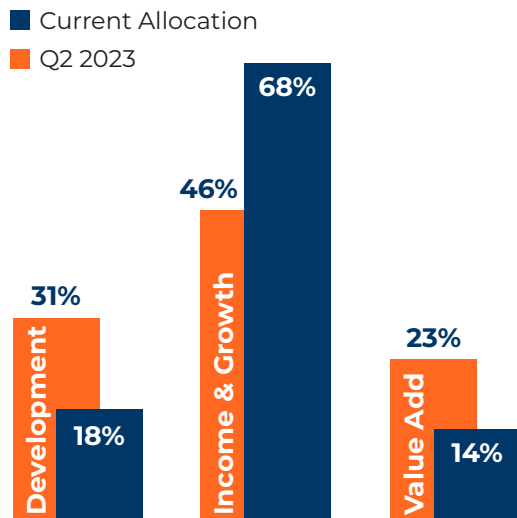
Self storage is a resilient asset class, and fared well through the 2008 financial crisis and 2020 pandemic. Our outlook on the future of the industry remains positive, especially in Canada where the market is significantly under supplied. We will continue to strengthen the portfolio with class A acquisitions in major metropolitan markets.

John Courtliff
CEO, ICM Asset
Management

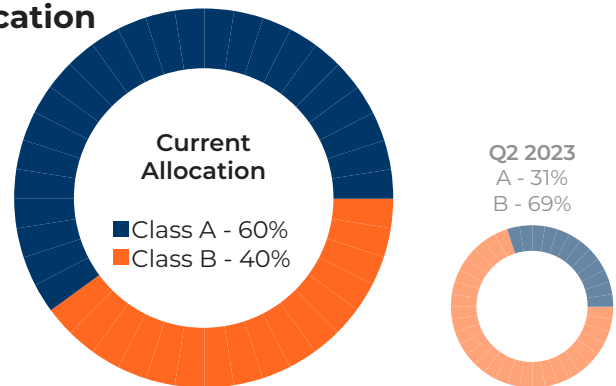
Portfolio Metrics

Current allocation includes properties acquired or under contract subsequent to quarter end, a complete list can be found on page 9 of this report.

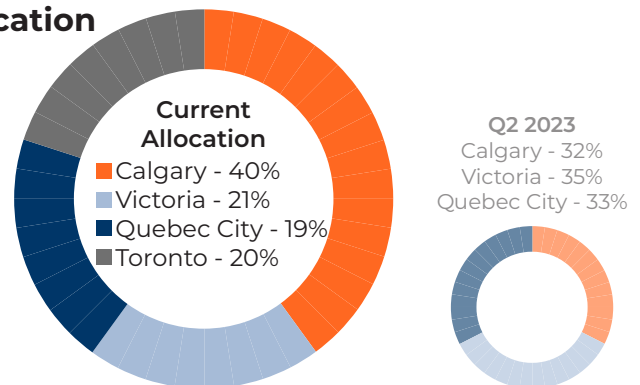
Real Estate Category



Asset Class Diversification



Market Diversification



Property Operating Metrics

Q2 2023

Fund Inception	Dec 2022
Properties	7
Portfolio Occupancy Today	85.4%
# Leasable Units	1,135
# Units in Development	3,126
Total Leasable Area (SF)	106,848
Area Under Development (SF)	282,393
Quarterly I&G Revenue	\$ 643,603
Quarterly I&G NOI	\$ 332,967
NOI Margin	51.7%
Monthly Rent PSF	2.94

Financial Metrics

Q2 2023

Gross Asset Value	\$ 52,196,127
Net Asset Value*	\$ 31,671,377
Total Loan Outstanding**	\$ 20,524,750
Mortgage Loan to Value	39.3%
Weighted Average Interest Rate**	7.4%
Weighted Average Term to Maturity	8/23/2025

* Includes non-arms length debt from ICM Real Estate Income Strategies LP which will be converted to equity in the next quarter.

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Property Overviews

Property	Market	Class	Real Estate Category	Occupancy	Monthly Rent PSF	Size (NRSF)	# Units
Matheson	GTA	A	Income & Growth	49%*	*	103,200	1,000
Dufferin	Calgary	A	Income & Growth	63%**	**	79,900	869
Buffalo Run	Calgary	A	Development	N/A	N/A	83,276	805
Rue Seigneuriale	Quebec City	A	Development	N/A	N/A	85,750	909
96th Ave	Calgary	B	Income & Growth	96%	\$2.69	40,183	422
Johnson Street	Victoria	B	Value Add	N/A	N/A	18,200	271
Chemin Industriel	Quebec City	B	Income & Growth	81%	\$1.74	37,525	284
Princess	Victoria	B	Income & Growth	88%	\$4.56	16,107	429
Charest	Quebec City	A	Development	N/A	N/A	108,200	1,141

*Matheson was acquired subsequent to the end of the quarter. The facility was 49% occupied as of Q2 2023.

** Dufferin is currently under contract and expected to close in September. The facility was 63% occupied as of Q2 2023.

01 Pipeline

Matheson • GTA



1,000 units • 103,200 NRSF

Class A • Acquired July 2023 Renovated in 2019

A 1,000 unit class A facility in Mississauga, Ontario. The facility is 49% occupied as of June 30th. The facility consists of two buildings, the original 2 story building, and the new 6 story storage building constructed in 2019. The building contains 1,000 internal climate controlled walk-up units. This asset is the first acquisition in the Greater Toronto Area.

Dufferin • Calgary



869 units • 79,900 NRSF

Class A • Anticipated Acquisition September 2023 • Constructed in 2019

As of September 2023, the Fund is under contract to purchase a 4 story, 869 unit class A facility in the under served region of southeast Calgary. The facility is 63% occupied as of June 30th. The property is located just 2 Km from the 96th Ave facility, the two properties offer east Calgary residents a wide variety of storage locker options, with minimal competitors in the area.

02 Acquisitions

Buffalo Run • Calgary



Class A • Acquired December 2022 Constructed in 2023

A 32.1% interest in the development site at Buffalo Run which began construction in Q2 2022. Development was largely completed as of June 2023, with a grand opening in July. The site is located off the ring road Tsuut'ina Trail (Hwy 201), with zero competitors in a 5km radius.

Rue Seigneuriale • Quebec City



Class A • Acquired December 2022 Construction Beginning in 2024

A 1.7 acre unoccupied lot in Quebec City. Development of a 3 story, 120,000 SF (gross), 909 unit facility has been approved. Construction is expected to begin in Q4 2023, and is expected to be complete in Q3 2024. The site is located directly off Highway 40 and Rue Seigneuriale, a high traffic area for commuters approaching the downtown core from the east.

96th Avenue • Calgary



Class B • Acquired December 2022 Constructed in 2001

A fully stabilized class B facility in SE Calgary. The property consists of 4 buildings with 225 internal climate-controlled walk-up units, 70 unheated drive up units, plus an additional 14 miscellaneous units including yard space, office space, and warehouse space. There are also 113 parking spots for Recreational Vehicle Storage. The property is located directly off Barlow Trail, a major north-south arterial road with convenient access to Highway 2.

Johnson Street • Victoria



271 units • 18,200 NRSF

Class B • Acquired December 2022 Under Renovation in 2023

A facility located in the heart of Victoria's Central Business District, right off one of the city's main thoroughfares. It is currently undergoing renovations to enhance its layout and align it with Bluebird standards. While the renovation is in progress, certain sections of the building will remain accessible. The renovation is anticipated to be completed in the first quarter of 2024.

Chemin Industriel • Quebec City



284 units • 37,525 NRSF

Class B • Acquired December 2022 Constructed in 2013

A fully stabilized class B facility in Saint-Nicolas, a suburb to the south of Quebec City. The property consists of two buildings with 157 heated drive-up units, 106 heated internal walk-up units, 1 office space, and 20 parking spaces for recreational vehicles. The property is located directly off the Trans-Canada highway with visibility to thousands of cars per day.

Princess • Victoria



429 units • 16,107 NRSF

Class B • Acquired February 2023 Renovated in 2000

A fully stabilized class B facility comprising 429 units, situated just north of downtown Victoria. The property enjoys a prime location just off Hwy 1, providing visibility to thousands of passing vehicles daily. Furthermore, it's conveniently located only 700 meters from the Johnson Street property. Together, these two properties effectively serve the downtown core and enjoy favourable positions relative to competing properties.

Charest • Quebec City



1,141 units • 108,200 NRSF

Class A • Acquired May 2023 Construction Beginning in 2024

A 2.7 acre unoccupied lot in Quebec City. Development of a 5 story, 152,000 SF (gross), 1,141 unit facility has been approved. Construction is expected to begin in Q4 2023, and is expected to be complete in Q3 2024. The site is located directly off Boulevard Charest, a busy thoroughfare for access to the downtown from the west. With Rue Seigneuriale on the east side, the two properties will straddle downtown.

Property Demographics

Property	Class	Population within 5km (2021)	Population within 5km (2026)	Average Household Income within 5km (2021)	Average Household Income within 5km (2026)	Total Competitors Supply per Capita within 5km (2021)	Class A Competitors Supply per Capita within 5km (2021)
96th Ave	B	57,368	59,697	\$ 134,505	\$ 145,068	5.4 SF/person	1.4 SF/person
Chemin Industriel	B	30,391	30,752	\$ 138,732	\$ 138,732	0 SF/person	0 SF/person
Rue Seigneuriale	A	124,425	125,978	\$ 89,139	\$ 103,963	0.8 SF/person	0.3 SF/person
Johnson Street	B	182,103	277,960	\$ 97,923	\$ 113,974	1.5 SF/person	0.5 SF/person
Buffalo Run	A	88,000*	93,000*	\$ 105,000*	\$ 105,000*	0 SF/person	0 SF/person
Princess	B	196,064	209,255	\$ 98,563	\$ 114,549	1.4 SF/person	0.4 SF/person
Charest	A	185,275	186,639	\$ 78,953	\$ 93,603	2.0 SF/person	0.8 SF/person

The portfolio seeks to acquire or develop class A properties in markets characterized by high growth and demand. Our market studies have shown that many high population areas across Canada are greatly under served for self storage space. Facilities in critically under served regions see significantly decreased lease up time, allowing a faster return of capital to investors. The lack of supply and competition at these locations allows Bluebird to control the market and drive pricing more effectively.

* Median Household Income 2020, information not available for 2026.

Property Debt

Property	Address	Type	LTV	Amortization	Interest Rate	Maturity
96th Ave	4046 96 Ave SE	First Mortgage	49.8%	25	5.85%	Jan 2028
Chemin Industriel	1100 Chemin Industriel	First Mortgage	50.9%	I/O	9.35%	May 2025
Rue Seigneuriale	230 Rue Seigneuriale	-	-	-	-	-
Johnson Street	824 Johnson Street	-	-	-	-	-
Buffalo Run	11501 Buffalo Run Blvd	First Mortgage	43.8%	I/O	8.95%	Nov 2023
Princess	747 Princess Avenue	First Mortgage	61.1%	I/O	6.75%	Mar 2025
Charest	885 Blvd Charest	-	-	-	-	-
Total/Weighted Average			45.7%		7.20%	Aug 2025

The Fund was launched during a period characterized by significant volatility in both equity and debt markets, and as a result liquidity for financing was very limited. Despite these challenges, the Fund was able to secure market financing for many of its assets. The Fund's strategy is to secure temporary and short-term debt for assets (interest only if possible), and allow Bluebird to optimize occupancy and rental rates at the properties. This will provide time for the Fund to scale and allow inflation and interest rates to return to normal. Once the properties are fully stabilized, the Fund will refinance assets with more conventional term debt, providing a stronger covenant and achieving lower interest rates. Excludes non-arms length debt from ICM Real Estate Income Strategies LP which will be converted to equity in the next quarter.

Property Updates

Property	Acquisition	Ownership	NAV	Market	# Units	Class	Real Estate Category	Size (NRSF)	Occupancy Q2 2023	Rent PSF Q2 2023	Gross Occupied Revenue Q2 2023
96th Ave	Dec 2022	100.0%	22.4%	Calgary	422	B	Income & Growth	40,183	86%	\$ 2.69	\$ 93,229.00
Chemin Industriel	Dec 2022	100.0%	11.4%	Quebec City	284	B	Income & Growth	37,525	81%	\$ 1.74	\$ 52,839.00
Rue Seigneuriale	Dec 2022	100.0%	7.1%	Quebec City	909	A	Development	85,750	-	-	-
Johnson Street	Dec 2022	100.0%	23.5%	Victoria	271	B	Value-Add	18,200	-	-	-
Buffalo Run	Dec 2022	32.1%	9.1%	Calgary	805	A	Development	83,276	-	-	-
Princess	Feb 2023	100.0%	11.9%	Victoria	429	B	Income & Growth	16,107	88%	\$ 4.56	\$ 64,790.00
Charest	May 2023	100.0%	14.6%	Quebec City	1,141	A	Development	108,200	-	-	-



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