



STOREWEST BLUEBIRD DEVELOPMENT FUND

QUARTERLY REPORT

Q3 2023



MESSAGE TO UNITHOLDERS

Hello Investors,

Thank you for your continued support and trust in MFG and our Self-Storage initiative.

The Storewest Bluebird Self-Storage Development Fund ("The Fund") is off to a fantastic start. 3 projects have begun construction, 4-6 projects have the potential to begin construction by next spring, and new opportunities are being presented to us on a weekly basis. We are very happy with the pace of progress thus far.

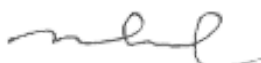
Our management team was recently in Toronto, Montreal and Quebec City visiting 15 properties and potential sites, while meeting with 7 institutional investors. What became very apparent from this trip is that the institutional investor community has a new appetite for the Canadian Self-Storage market. Their current real estate portfolios are generally comprised of the four major asset classes: office, industrial, residential and retail. With some of these asset classes struggling, predominately office and retail, they have hired consultants to educate their investment teams on alternative real estate such as self-storage, student housing and data centers. It is our belief that as these large investors pivot to these alternative real estate classes we will see increased demand for these assets which will lead to strong pricing and returns for investors. This movement will not happen overnight, however it will lead to a tailwind for us to capitalize on for the next decade.

Our partners at Bluebird and StoreWest have been fantastic at sourcing new opportunities, and sourcing them quickly. We need to be prepared to act fast on the projects we feel are a good fit for The Fund. In order to have the ability to capitalize on these, we will be raising additional capital with an expected close date of October 31st. Unitholders should be aware of these details from the recent communication sent out from MFG.

Through the first six months, there has been a tremendous amount of work in order to successfully launch The Fund and put together a pipeline of opportunities to help us build Canada's premier portfolio of Class A Self-Storage facilities. We would not be where we are today without the incredible contributions from the teams at StoreWest, Bluebird and MFG. I would like to thank all members from these teams for their daily commitment and dedication to the success of The Fund.

Without your support, none of this would be possible. So once again, thank you for your trust in MFG and our partners.

Sincerely,



Mark Teal
Portfolio Manager
MFG Ltd.

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FUND OBJECTIVE

The Fund's investment objective is to achieve capital appreciation through the development and sale of Class A self-storage projects across Canada.

The Canadian marketplace is severely underserved in terms of Class A self-storage facilities. Our plan is to capitalize on this opportunity by building, leasing up, and selling individual projects within a 5-year time frame. We project these projects will each have IRR's of 15%+ per annum.

The Fund intends to pursue this objective by co-investing with institutional partners on various projects.

PROJECT OVERVIEWS

The Platinum Bluebird Self Storage facility will be a four storey building with 91,825 in net rentable square footage.

Located in Mississauga's west side, the 5KM radius surrounding Platinum boasts a dense and rapidly growing population, 169,176 as of 2022, with only two other self-storage options.

Platinum will benefit from exposure from Eglinton Ave W, Ridgeway Drive and Platinum Drive with immediate access from both the 403 and 407 highways.

Construction on Platinum began July 2023 with the digging of the foundation. Construction is scheduled to be complete by September 2024 with the grand opening shortly after.

PLATINUM* - MISSISSAUGA, ON



METRO* - MONTREAL, QC



The Metro Bluebird Self Storage facility will be a five storey building with 80,800 in net rentable square footage.

Located on the north side of Montreal's dense urban core, Metro is situated amongst a large number of retailers (such as Wal-Mart & Canadian Tire) and will benefit from the high volume of traffic as well as have tremendous exposure to the TransCanada Highway. The 5KM radius surrounding Metro has an astonishing 500,000 residents, with zero Class A self-storage facilities.

Metro will be a flagship facility. Construction began July 2023 with the digging of the foundation. Construction is scheduled to be complete by November 2024 with the grand opening shortly after.

PROJECT PIPELINE OVERVIEWS

The Bluebird Leman property will be located just north of Montreal Island in Laval, QC. With a growing population of 185,000 within a 5 km radius, this market is severely underserved in terms of Self-Storage, more specifically Class A Self-Storage.

LEMAN* - LAVAL, QC



MACLEOD TRAIL* - CALGARY, AB



The Bluebird MacLeod Trail property is located on Calgary's busiest commercial thoroughfare and just 2 kms away from the Chinook Centre. This location is a key component to Bluebird's regional domination of southern Calgary.

The Bluebird St. Margaret property is located east of Halifax, in the Timberlea community. The property will be able to capitalize on the major growth Halifax will experience in the coming years.

ST. MARGARETS* - HALIFAX, NS



MAIN STREET* - AIRDRIE, AB



The Bluebird Main Street property is located in one of the fastest growing municipalities in Canada, Airdrie, Alberta. With prospective population growth, this underserved Class A Self-Storage market makes for a compelling opportunity.

PROJECT PIPELINE OVERVIEWS

Located in Northeast Calgary, adjacent to the Calgary International Airport, the Horizon property enjoys close proximity to major big-box retailers as well as emerging residential communities. Our team successfully secured a construction contract 18-24 months ago and negotiated favorable terms resulting in a final cost of construction that is well below current market rates.

HORIZON* - CALGARY, AB



CALEDONIA* - TORONTO, ON



The Caledonia asset is a shovel ready development that boasts residential density and commercially-rich corridors in each direction of the facility. Surrounded by some of the most affluent residential communities in Canada, the Caledonia asset will have close to 600,000 residents within a 5KM radius.

Located in Northwest Calgary, the Trinity facility sits just off the Trans-Canada Highway giving it premier visibility to daily traffic. This market is severely undersupplied in terms of self-storage access and the limited amount of competitors in the area are achieving the highest rent per square foot in the entire city of Calgary. We will be the only Class A facility within 5KM and believe we will be able to achieve these same rates or better.

TRINITY* - CALGARY, AB



PROJECT UPDATES

METRO (MONTREAL) - *CLOSED*

- Construction is underway
- Demolition of the prior building is now complete
- All existing infrastructure has been disconnected and decommissioned
- Site is ready for construction
- Waiting on final building permit
- Foundation work to start once building permit is in hand
- Estimated date of completion remains September 2024

PLATINUM (MISSISSAUGA) - *CLOSED*

- Construction is underway
- Underground services are being installed
- Our builder, Penalta Construction, is racing to have the foundations in place this fall before the freezing months of winter
- Estimated date of completion remains November 2024

CALEDONIA (TORONTO) - *IN DUE DILIGENCE*

- An existing institutional partner has committed to the project on the condition that the environmental assessment is completed to satisfaction
- There is an additional condition on the development agreement with Toronto Transit Authority
- We are confident that we will be able to remove both these conditions and move forward on the project
- Construction to begin spring 2024

LEMAN (QUEBEC CITY)- *IN DUE DILIGENCE*

- Commitment from an existing institutional partner to fund project as long as it passes diligence with their investment committee
- Expect final commitment/decision before year end 2023
- We feel confident because of our existing relationship with the institution that we will move forward
- Construction to begin spring 2024



PROJECT UPDATES CONTINUED...

MAIN ST. (AIRDRIE) - *IN DUE DILIGENCE*

- We have secured an institutional partner and closed on the purchase of the land
- Construction to begin spring 2024

HORIZON (CALGARY) - *IN DUE DILIGENCE*

- This is a unique deal as we were granted a forward purchase agreement from the construction company
- A deposit has been placed to secure the ability to purchase facility once construction is complete
- Sourcing institutional partner in Q4/23 Q1/24
- Estimated construction completion date June 2024

ST. MARGARETS (HALIFAX) - *IN DUE DILIGENCE*

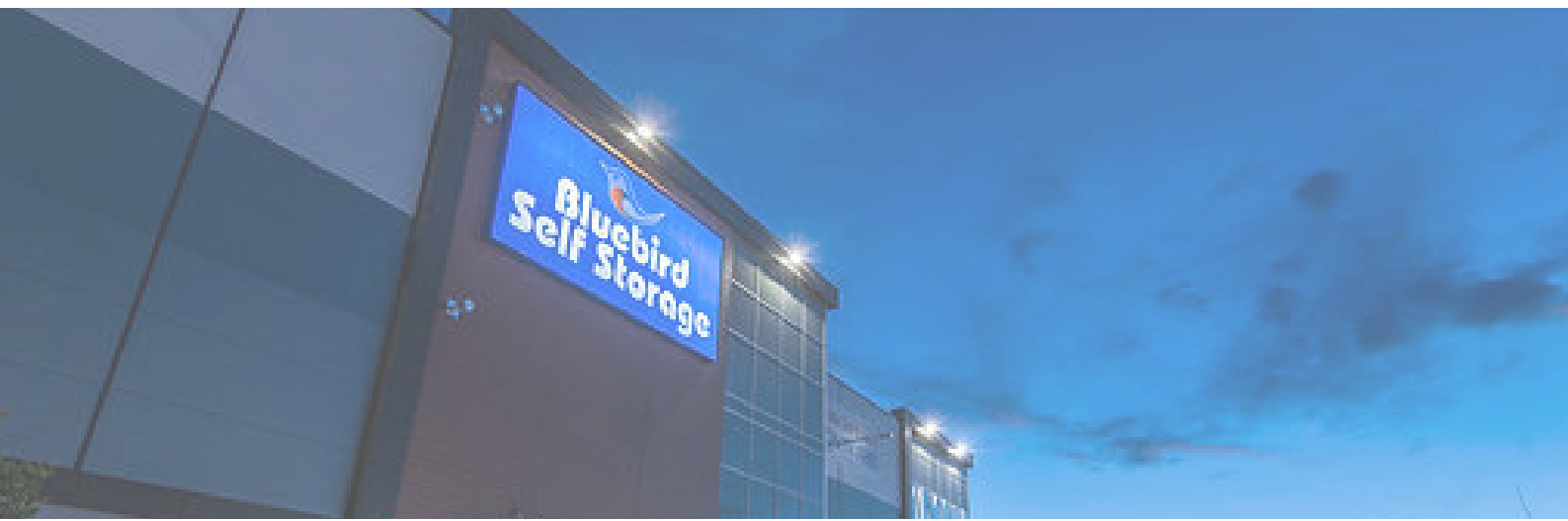
- Currently working with local service providers to progress the development to being shovel ready
- Once this is complete we will begin sourcing an institutional partner

MACLEOD TRAIL (CALGARY) - *IN DUE DILIGENCE*

- The project under a Purchase Sale Agreement (PSA)
- Refundable deposits have been placed and due diligence is in progress

TRINITY (CALGARY) - *IN INITIAL STAGES*

- A PSA is expected to be signed in Q4 of 2023
- Due diligence will commence on the completion of the PSA



CLOSED PROJECTS

Project	Location	Closed Date	Estimated Opening Date*	Estimated IRR (5 Year Hold)**	MFG's Equity Allocation	Institutional Partner	Partner's Equity Allocation	Preferred Return	Profit Share After Preferred Return
Metro	Montreal	June 12	Nov 2024	29.1%	\$1.02M	Pension Plan	\$9.76M	12%	80/20
Platinum	Mississauga	June 12	Sept 2024	25.3%	\$1.37M	Pension Plan	\$12.33M	12%	80/20
Total					\$2.39M		\$22.09M		

*Please be advised that the estimated project opening date remains subject to change, as various factors may influence the construction and delivery timeline.

**Please be advised that the estimated IRR is subject to variability due to several factors that can potentially impact the project's performance.

PROJECT PIPELINE

Project	Location	Status of Funding	MFG's Estimated Equity Allocation	Potential Institutional Partner	Partner's Estimated Equity Allocation
Leman	Laval	First Deposit June 23	\$950K	Pension Plan	\$8.6M
MacLeod Trail	Calgary	Second Deposit July 14	\$980K - \$3.0M	Real Estate Group	\$6.9M - \$8.9M
St. Margarets	Halifax	First Deposit July 7	\$680K - \$2.0M	TBD	\$4.8M - \$6.1M
Main Street	Airdrie	Second Deposit September 28	\$3.5M	Real Estate Group	\$3.5M
Horizon	Calgary	First Deposit August 25	\$1.0M	TBD	\$7.0M
Caledonia	Toronto	First Deposit August 16	\$1.0M	Pension Plan	\$9.0M
Trinity	Calgary	First Deposit TBD	\$1.0M-\$3.0M	TBD	\$7.0M - \$9.0M
Total			\$9.1M - \$14.5M		\$46.8M - \$52.1M

DEBT SCHEDULE



Project	Location	Lender	Debt (\$M)	Loan-to-Value	Notes
Metro	Montreal	Schedule 1 Bank	\$20.35	64%	Interest only during construction & lease-up phase
Platinum	Mississauga	Schedule 1 Bank	\$25.20	65%	Interest only during construction & lease-up phase
Total / Weighted Average			\$45.55		

CONSTRUCTION SUMMARY



Project	Location	Estimated Date of Completion	Are We On Schedule?	Estimated Cost to Complete	Are We On Budget?
Metro	Montreal	Sept 2024	Yes	\$30.23M	Yes
Platinum	Mississauga	Nov 2024	Yes	\$39.10M	Yes



CONSTRUCTION INFORMATION

The below projects are both in construction phases:

- Metro
- Platinum

If you would like to see full construction schedules and detailed construction updates please click the links below

[CONSTRUCTION SCHEDULES](#)[CONSTRUCTION UPDATES](#)

FINANCIAL INFORMATION REPORT

If you would like to see the detailed Financial Information Report and financial information for the Fund, please click the link below

[Q3 2023 FINANCIAL
INFORMATION REPORT](#)

PROJECT INVESTMENT SUMMARIES

If you would like to see detailed investment summaries of each project, please click the link below

[PROJECT INVESTMENT SUMMARIES](#)