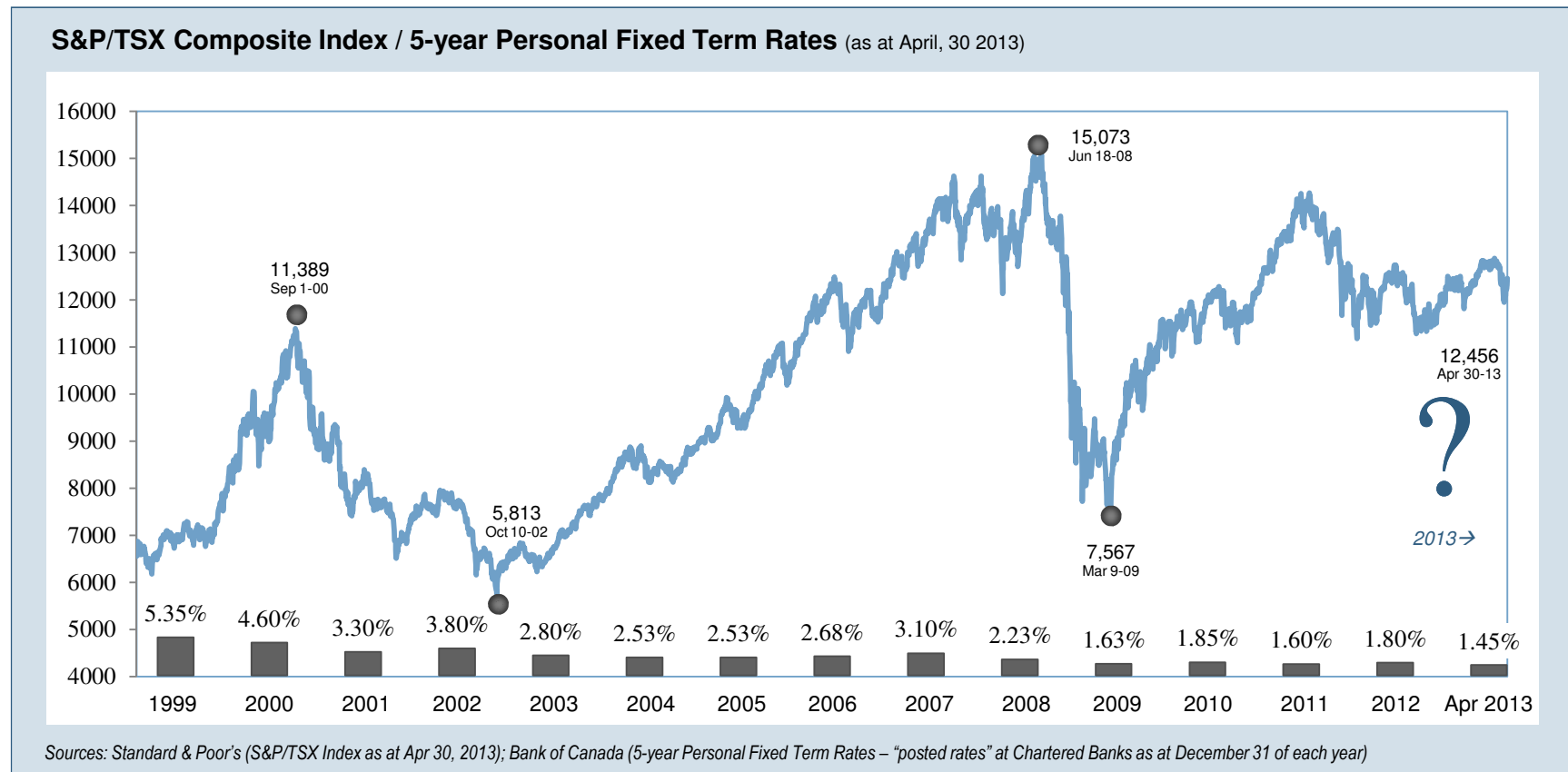


Challenge: Volatile Markets / Low Interest Rates

Riskier asset classes volatile / GIC rates barely cover inflation



Solution: Centurion Apartment REIT

Investing in Apartments for Income & Stability

A timely opportunity to invest in **one of the safest sectors**² within the real estate market – income producing apartment properties in Canada

Key Features

- Monthly distributions
- Tax-advantaged income¹
- Potential for capital growth
- Private apartment REIT
- Low correlation to other income sectors and asset classes⁴

Key Benefits:

- Steady, reliable income to meet investors' financial needs
- More after tax income (vs. other income sources)¹ to afford a better lifestyle
- Moderate capital growth potential to help offset inflationary concerns
- Stable, rational pricing. Lower volatility³
- Real estate can diversify a portfolio and reduce portfolio volatility⁴

Proven Expertise

Apartments can add income and diversification to the portfolio

Private REITs: An Important Consideration

All REITs are governed by boards of trustees and produce audited financial statements. The two main categories of REITs in Canada are public REITs and private REITs

Differences between Public and Private REITs

Publicly-Traded REITs:

- Trade on a public stock exchange (provide instant liquidity)
- Trading daily also means investors can push price up or down, reflecting current market sentiment and regardless of actual market value
- Increased costs due to requirements of a publicly listed stock
- History of more volatile pricing
- Tend to be more highly correlated to stock prices. *Example during recent financial crisis:*

2008: Public REIT Market*: **-34.0%** S&P/TSX*: **-33.0%**

* Source: Morningstar Research Inc.

** Source IPD (2008 Edition); Note: Non listed property ownership is similar to a Private REIT

Private REITs:

- Not traded on a public stock exchange (generally offer 30-day liquidity)
- Value of REIT is based on the value of underlying real estate (not a “traded” market price)
- No additional public listing related regulatory costs
- Stable, rational pricing = lower volatility^{3,5}
- Tend to be far less correlated to major equity markets⁴

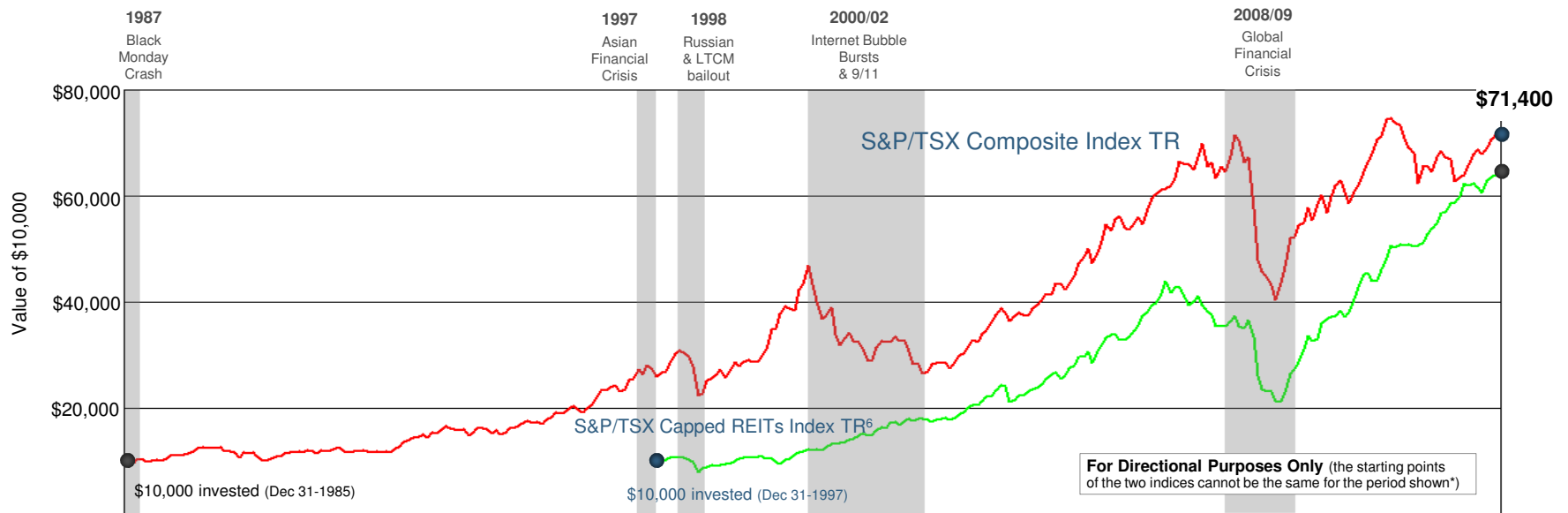
2008: Non Listed Property Ownership**: **+3.7%**

Non Listed Apartment Property**: **+6.4%**

Comparing Asset Class Performance

Publicly-traded REITs tend to exhibit Stock Market volatility & may be correlated ⁶

Growth of \$10,000 invested: past 25-year period as at March 31, 2013 (annual update)



Calendar Returns (%)	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	YTD 2013
S&P/TSX Composite Index TR (%)	11.1	21.4	-14.8	12.0	-1.4	32.5	-0.2	14.5	28.3	15.0	-1.6	31.7	7.4	-12.6	-12.4	26.7	14.5	24.1	17.3	9.8	-33.0	35.1	17.6	-8.7	7.2	3.4
S&P/TSX Capped REITs Index TR (%) [*]	-	-	-	-	-	-	-	-	-	-	-8.5	14.8	21.4	29.9	7.4	25.9	14.0	25.3	24.7	-5.7	-38.3	55.3	22.6	21.7	17	1.7

⁶ Inception date for the S&P/TSX Capped REITs Index was Oct.15, 2002, however, the back calculation pricing is available starting Dec.31,1997. Source: Morningstar Research Inc. as at Mar. 31, 2013. This chart is included to show the volatility of stock market indices in general, the historic correlations between the S&P/TSX Capped REIT index TR and the S&P/TSX Composite Index TR and the performance of these indices during major market corrections during this time frame.

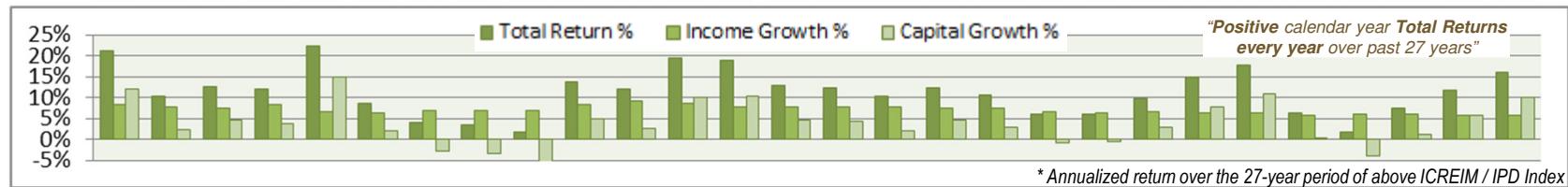
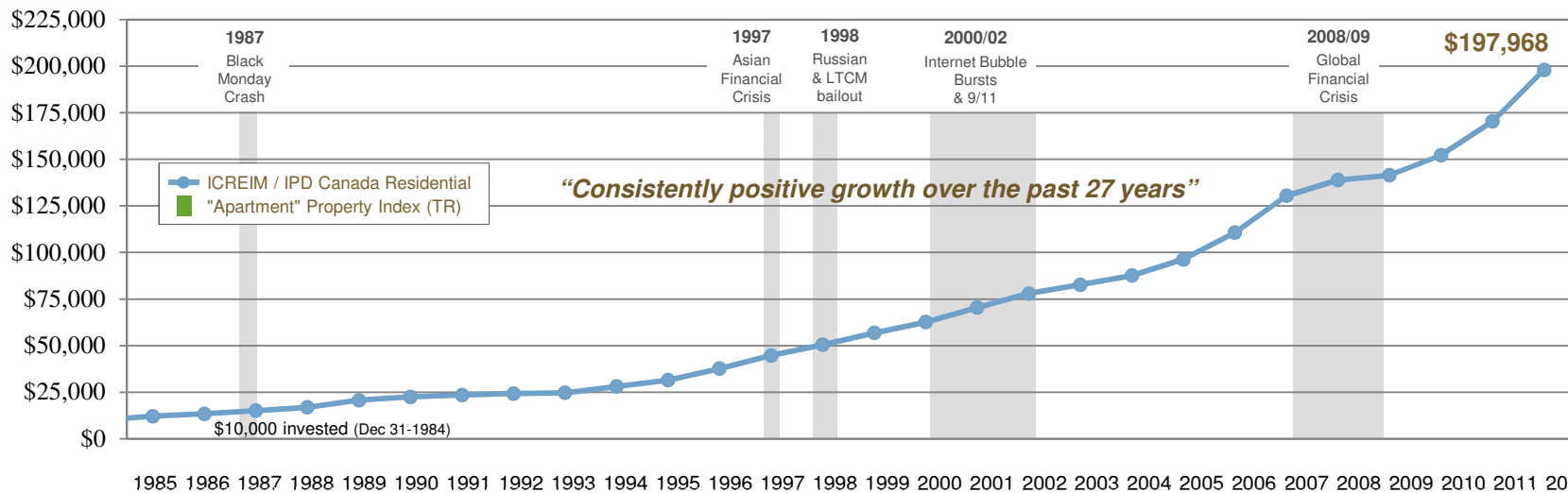
REITs are not guaranteed, their values can change frequently and past performance is no guarantee of future results.



Comparing Asset Class Performance

Private Apartment Property Index exhibits steady growth ⁷

Growth of \$10,000 invested: past 27-year period as at December 31, 2012 (annual update)



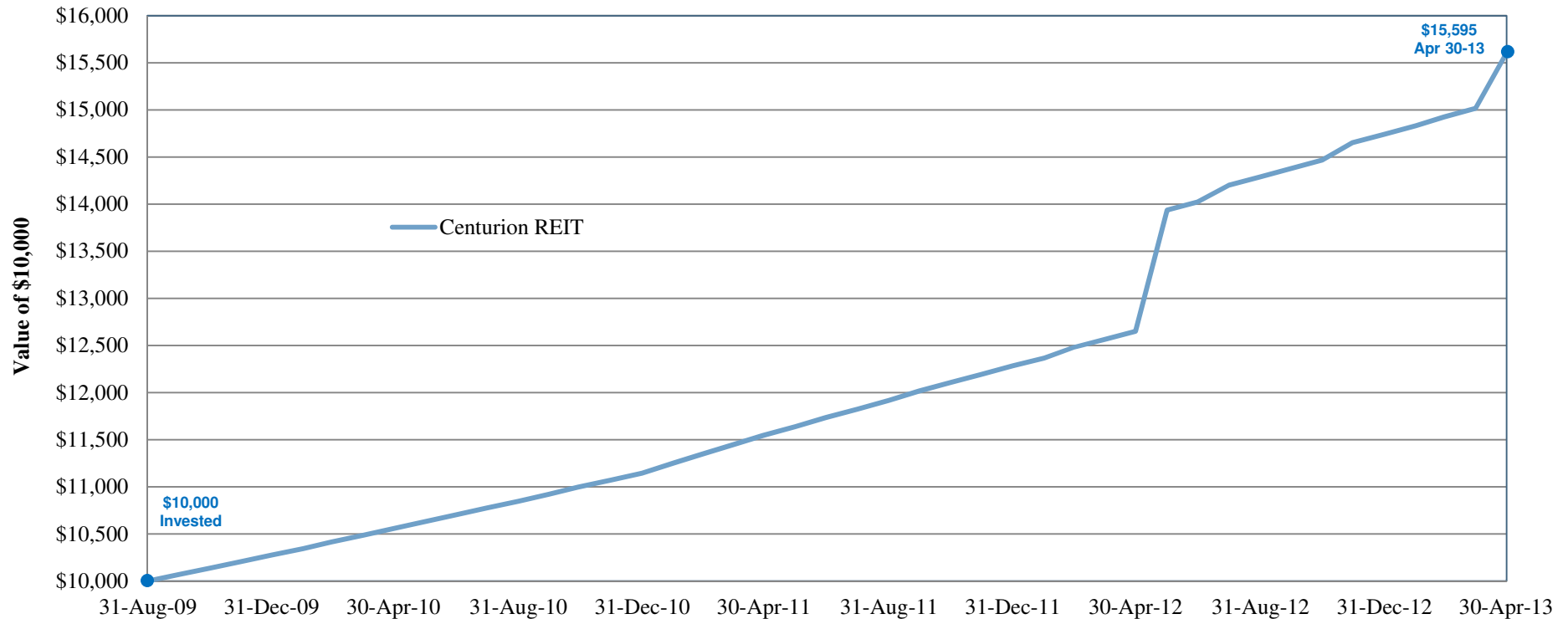
⁷ Source: REALPac/IPD Canada Annual Property Index as at Dec. 31, 2012. This index is referenced as it is the longest direct property data series that Centurion Apartment REIT has found that is commonly used by institutional real estate investors. Centurion Apartment REIT believes that it the best available series to demonstrate the long term cash flow, capital growth and volatility characteristics of apartments as an asset class. It is an unlevered index. **PAST PERFORMANCE MAY NOT BE REPEATED.**

REITs are not guaranteed, their values can change frequently and past performance is no guarantee of future results.

Above ICREAM / IPD Index only available with annual data points versus indices on previous slide shown with quarterly data. It is an unleveraged index.

Performance: Centurion REIT

Growth of \$10,000 invested (since inception of REIT August 31, 2009)⁸



Calendar Returns (%)	2009 ⁽¹⁰⁾	2010	2011	2012	YTD-13
Centurion REIT TR (%)	2.8	8.5	10.2	20.0	5.8

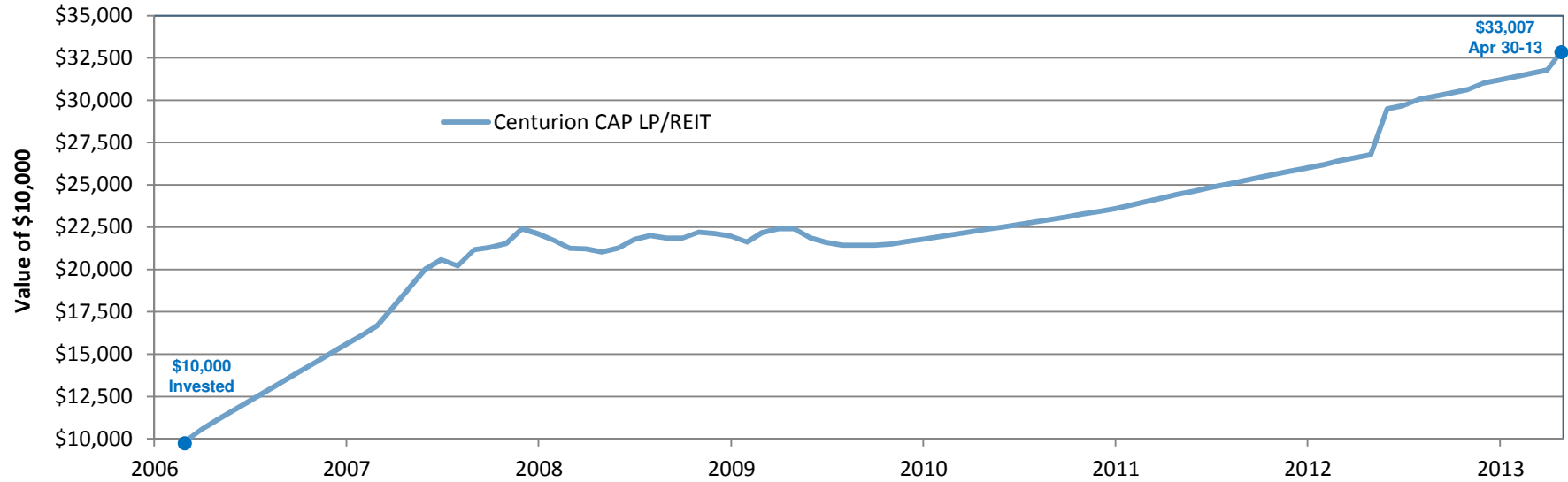
Compounded Returns (%)	1-Year	2-Year	3-Year	Since Inception
Centurion REIT TR (%)	23.3	16.2	13.9	12.9

¹⁰ For partial year August 31, 2009 to December 31, 2009

REITs are not guaranteed, their values can change frequently and past performance is no guarantee of future results.
PAST PERFORMANCE MAY NOT BE REPEATED.

Performance: CAPLP/REIT¹²

Growth of \$10,000 invested (since inception of CAPLP/ REIT March 7, 2006)⁸



Calendar Returns (%)	2006 ⁽¹¹⁾	2007	2008	2009	2010	2011	2012	YTD-13	Compound Returns (%)	1-Year	3-Year	5-Year	Since Inception
Centurion REIT TR (%)	55.8	41.9	-0.7	-0.8	8.3	10.2	20.0	5.8	Centurion REIT TR (%)	23.3	13.9	9.4	18.1

¹¹ For partial year March 7, 2006 to December 31, 2006

¹² This chart is shown only to demonstrate the Manager's track record and experience with managing apartments. The chart is a composite of the performance of CAPLP from its launch both before and after its rollover into Centurion Apartment REIT. CAPLP was formed on 7 March 2006. The REIT was formed on 31 August 2009. CAPLP rolled over into the REIT on 30 June 2010. It is important to note that there are a number of material differences between CAPLP and the REIT which include, but are not limited to: 1) CAPLP used higher degrees of leverage than the REIT intends to use which will, in general have the effect of lowering overall returns but also risk in the REIT relative to CAPLP; 2) CAPLP had a different business and operating strategy than the REIT. CAPLP was designed primarily as a capital growth vehicle and didn't distribute cash flow whereas the REIT is designed to be an income vehicle with modest long term growth; 3) CAPLP bought properties that generally needed higher degrees of capital investment than properties the REIT will likely buy and thus CAPLP may have had outsized opportunities for gains relative to opportunities the REIT may pursue in the future; 4) Because the REIT is designed as an income generating vehicle, the REIT will not generally be as aggressive in repositioning properties on as large a scale as may have been done in CAPLP; and 5) the Manager is targeting a more conservative risk profile with the REIT than it had done with a capital growth oriented vehicle like CAPLP and thus anticipates that the returns of the REIT will be lower than have been achieved by CAPLP. These differences and others will mean that the performance and risk characteristics of CAPLP and the REIT will be different and potentially materially different. Potential investors should not look upon the performance of CAPLP as indicative of potential performance of the REIT. CAPLP is closed to new investment.

PAST PERFORMANCE MAY NOT BE REPEATED.

