

# CELERNUS Absolute Growth Fund

CAGF | FundSERV: CIP100A

March 31, 2021

## Investment Objectives:

1. Construct a diversified portfolio of absolute-return investments, with a focus on private equity real estate.
2. Achieve high single-digit/low double-digit annual returns over a market cycle.
3. Generate uncorrelated returns to those of bond and equity markets.



Read the commentary!

## Fund Details

### Manager:

Celernus Investment Partners Inc.

### Fund Status:

OM, Continuous Offering

### Fund Structure:

Mutual Fund Trust

Inception Date: May 2012

AUM: \$20,200,000

Minimum Investment: \$25,000

Advisory fee: 0.85%

Performance fee: 20%

High water mark: Permanent

Subscriptions: Weekly

Redemptions: Weekly

### Prime Broker:

National Bank Independent Network

Auditor: KPMG LLP

### Administrator:

Convexus Managed Services Inc.

Legal Counsel: WeirFoulds LLP

### Eligible Accounts:

RSP, RESP, RRIF, TFSA, Cash

### Portfolio Manager:

**Gord Martin, MBA**  
Managing Partner, Celernus

### Contact Us

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## 01 How We've Performed

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	Inception
	0.07%	0.24%	2.41%	2.53%	9.30%	6.89%	5.91%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	0.08	0.09	0.07										0.24%
2020	0.10	16.02	0.05	0.03	0.00	0.02	0.02	0.03	0.02	0.03	0.09	2.04	18.84%
2019	1.52	0.03	0.14	0.11	0.08	0.07	0.18	0.12	0.08	0.04	0.09	2.89	5.37%
2018	2.73	2.30	1.50	0.33	0.39	1.09	0.67	0.05	1.05	1.51	2.05	4.99	7.59%
2017	1.46	0.53	4.72	0.70	1.61	0.08	0.80	0.06	0.45	1.58	2.06	0.63	2.62%
2016	8.08	1.06	5.43	0.22	0.24	0.94	1.67	1.36	0.31	1.80	0.27	2.28	-3.65%
2015	2.48	6.57	0.39	4.38	3.55	3.11	0.87	7.03	2.43	1.79	1.11	1.83	-2.37%
2014	2.54	3.31	1.39	1.81	1.06	0.92	1.69	3.46	2.08	1.56	2.95	0.61	5.81%
2013	3.17	0.02	3.52	1.24	3.42	0.40	3.50	3.50	4.57	1.84	1.97	1.91	21.04%
2012					0.22	0.32	0.46	0.27	0.48	0.33	0.11	1.00	-0.24%

## 02 Where We're Invested



- All investments are in private-market assets. **There are currently no publicly-traded equities**
- Diversifying by strategy with significant focus on **private equity real estate**
- Combining both income-generating and development holdings
- Private equity real estate investments are actively-managed by Celernus and its partners



## 03 Tub to Transit in Two Minutes. Getting to the GO won't be Slow (at Eglinton)

There is very little news with respect to what was a relatively uneventful first quarter. We continued to push forward with all four multi-residential development projects in the fund.

The most exciting news came from our Eglinton Road project. We expect to have our zoning approval completed for this property in the fourth quarter.

However, the good news is that city planners requested that an **entrance to the new transit line be constructed through the building**. This would allow tenants to access transit directly.

Our strategy in Toronto has been to develop properties in direct proximity to public transit. The Weston Road property borders on the GO Transit parking lot and should receive zoning approval in May.

Both the Windsor developments are awaiting approval from the Heritage Preservation Board. Feedback has been highly positive and the building permits are prepared and ready to be issued, pending the heritage approvals. The expectation is that approvals will be granted and the permits will be issued during the second quarter.

Our Marlborough Road property in Blenheim continues to be a success. Renovations on two additional units began in late March and they have been rented for May 1<sup>st</sup> at rents 50% higher than previously received.

Upon completion, 10% of the apartments will have been renovated. The building will be 100% occupied and additional units will be renovated as they become available.

### Why Invest in CAGF?

#### Attractive Returns

- Private equity real estate allows investors to benefit from the purchase, development and sale of various types of real estate assets.
- Financially successful development projects typically generate double-digit annual returns.

#### Low Correlation to Public Market Index Returns

- Private equity real estate investing has low sensitivity-of-returns to both publicly-traded fixed income and equity markets.

#### Portfolio Advantages

- Incorporation of private equity real estate investing reduces reliance on the equity risk premium to drive portfolio returns. This serves to reduce the portion of portfolio volatility typically driven by equities.
- Price volatility is also lower than that of publicly traded securities because private mortgage investments are priced at value rather than marked-to-public-market.

### About Celernus

Celernus Investment Partners manages investment funds for high-net-worth individuals and institutions with a focus on active management of private credit and real estate assets.

Our goal is to generate attractive returns, with low volatility, that exhibit minimal correlation to the returns of broad-based fixed income and equity indices.

Our funds include:

**Celernus Mortgage and Income Trust** [CMIT | CIP200A/B](#)

**Celernus Pivot Private Credit Fund** [CPPCF | CIP600A](#)

**Celernus Absolute Growth Fund** [CAGF | CIP100A](#)

**Celernus Credit Opportunities Fund** [CCOF | CIP500A](#)

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