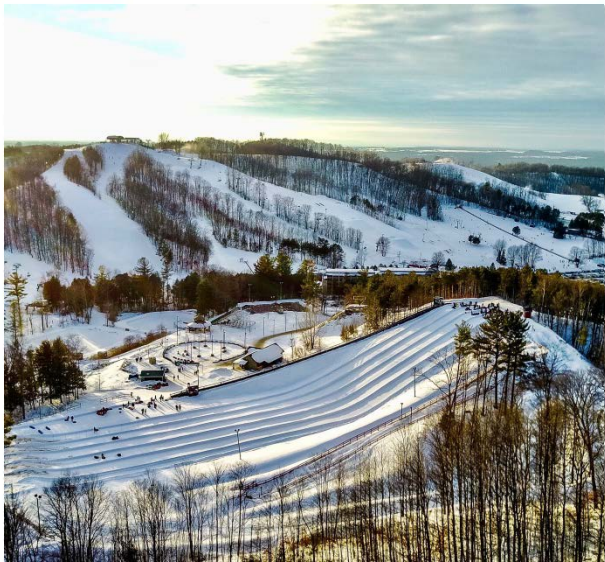




# Corporate Presentation

30.06.2019

SKYLINE  
I N V E S T M E N T S





# Cautionary Statement

## General

This presentation has been prepared by Skyline Investments Inc. (the "Company") as a general presentation about the Company.

This presentation is not intended to replace the need to review the formal reports published by the Company to the public on the Tel-Aviv Stock Exchange. This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in the said reports. In the event of a conflict between this presentation and the contents of the reports of the Company as required by law, the provisions of said reports shall prevail. Additional information about the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

The information included in this presentation does not constitute any advice, recommendation, opinion or suggestion about the Company and does not replace an independent examination and independent advice in light of the specific data of each reader.

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## Forward-Looking Information

This presentation may include forward-looking information within the meaning of applicable Canadian and Israeli securities legislation relating to the business of the Company, including forecasts, evaluations, estimates and other information regarding future events and issues. In some cases, forward-looking information can be identified by using terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts.

Forward-looking information in this presentation is based on current estimates and assumptions made by the Company's management, including, without limitation, a reasonably stable North American economy, the strength of the U.S. lodging industry, and the competitive ability of the Company. Although the forward-looking information contained in this presentation is based on what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with such information. Forward-looking information involves risks and uncertainties, including factors that are not within the Company's control, each of which, or a combination of them, may materially affect the Company's operating results and cause the actual results to substantially differ from the forward-looking information.

There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in the forward-looking statements. Further, all forward-looking information set forth herein reflects the Company's expectations as at the date of this presentation, and, except as expressly required by applicable law, the Company undertakes no obligation to update any forward-looking or other statements herein whether as a result of new information, future events or otherwise.

For greater certainty, the Company's strategy and plans contained in this presentation as of the date of publication may change depending on the resolutions of the Board of Directors of the Company, as may be held from time to time.

## Non-IFRS Measures

In this presentation, the Company uses certain non-IFRS financial measures, which include net operating income ("NOI"), funds from operations ("FFO"), adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and NOI (EBITDA) which are not measures recognized under International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS, and should not be compared to or construed as alternatives to profit/loss, cash flow from operating activities or other measures of financial performance determined in accordance with IFRS. NOI, FFO, Adjusted EBITDA and NOI (EBITDA), as computed by the Company, may differ from similar measures as reported by other companies in similar or different industries. These measures should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS. However, these non-IFRS measures are recognized supplemental measures of performance for real estate issuers widely used by the real estate industry, particularly by those publicly traded entities that own and operate income-producing properties, and the Company believes they provide useful supplemental information to both management and readers in measuring the financial performance of the Company. Further details on non-IFRS measures are set out in the Company's Management's Discussion and Analysis for the period ended June 30, 2019 and available on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) or MAGNA at [www.magna.isa.gov.il](http://www.magna.isa.gov.il)

Note: All amounts are in thousands of Canadian Dollars unless indicated otherwise.

Exchange rate NIS/CAD (as of June 30, 2019) is 0.36731

Exchange rate CAD/USD (as of June 30, 2019) is 1.3087

# Skyline's Vision & Mission

SKYLINE  
INVESTMENTS

**We're creating one of North America's leading hospitality real estate investment companies, with a focus on income producing properties.**

Skyline seeks to create shareholder value and deliver superior risk adjusted returns through the acquisition of income producing properties and select development projects within the hospitality sector, with a focus on active asset management and creativity.





# Corporate Profile

SKYLINE  
INVESTMENTS

**18**

Income Producing Assets

**3,302**

Guestrooms

**\$715M/\$284M**

Total Assets/Equity

**39.7%**

Equity to Total Assets  
Ratio

**Baa1.il**

Bond Rating

**2,315**

Units for Development



# Recent Activity - First Half 2019

Revenue increased **by 19% to CAD \$130.6M**

Same Property NOI increased **by 3.2%** from \$20.8M last year to **CAD \$21.5M** in 2019

Adjusted EBITDA increased **by 13.1% to CAD \$23.7M**

Development revenue increased to **approx. CAD \$34M**, significantly higher than the CAD \$17M in the same period last year

**Slopeside** - The registration of the project completed and the entire construction loan was paid off as part of the closing

**Lakeside** – As of June 30, 2019, Skyline provided occupancy to **133** units and **83** units joined the rental program , increasing the room count at Deerhurst resort by **27%**

The Company closed the sale of the Blue Mountain Retail asset at the end of the quarter **for CAD 31.7M**, which was purchased in 2013 **for CAD 20M**, realizing on the fair value gains recorded on the Company's balance sheet.

## Recent Asset Upgrades:

- HVAC Renovation at the Renaissance Cleveland
- Completed general renovations at the Ft. Myers Courtyard





## INCREASED ACQUISITION PROGRAM OF INCOME PRODUCING ASSETS

### Skyline's Strategy

Acquisition of hospitality properties to further decrease seasonality and diversify our geographic presence.

Continued monetization of land assets to less than 10% of total assets.

Active asset management and optimization of cash flow from existing hotel assets:

- Continual analysis of properties performance
- Research of the operation markets
- Implementations of properties upgrades
- Intensive site visits

### Acquisition Targets

Focus on the US and Canada

Stabilized in-place income

Strong potential growth

Strong demand generators

Limited new supply

Low seasonality

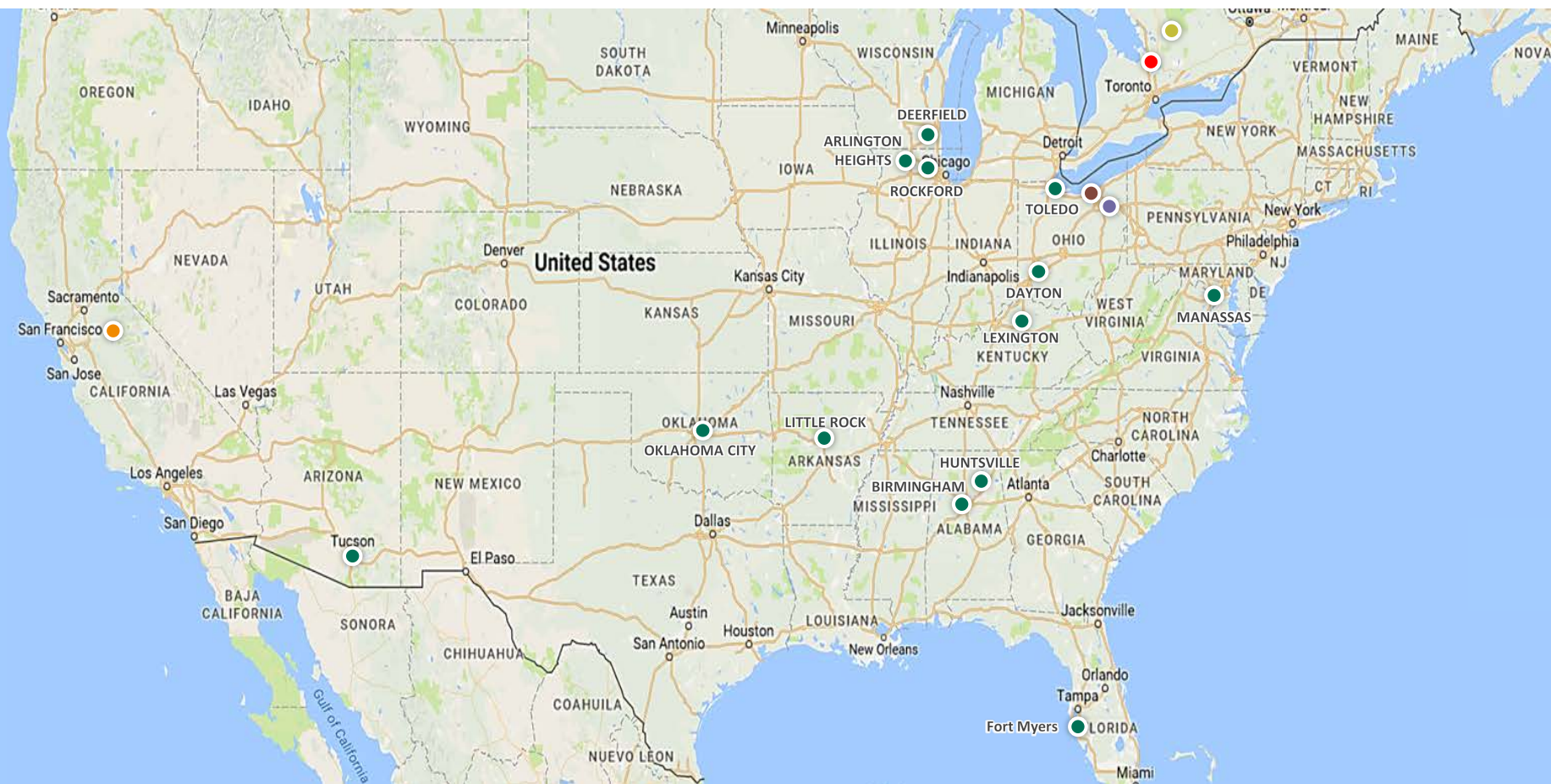
Acquisition cost below replacement cost





# Portfolio Map

SKYLINE  
INVESTMENTS



18 INCOME PRODUCING ASSETS | 3,302 HOTEL ROOMS | 18 CITIES IN THE US AND CANADA



# Senior Management Team

SKYLINE  
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**Blake Lyon CA, CPA**  
CEO



Blake Lyon has an extensive experience in hotel and resort asset management in Canada and Internationally. Before joining Skyline, Mr. Lyon served as the CEO of some of the largest family offices in Canada and was responsible for the management of real estate assets totaling \$9B, and was CFO at Brookfield.

**Robert Waxman**  
CFO



Robert Waxman has over 20 years of experience in accounting, finance, and real estate. Prior to this appointment, Mr. Waxman led Deloitte's Real Estate Practice's Finance Modernization & Effectiveness advisory group.

**Ben Novo-Shalem**  
Head of M&A and IR



In his previous position, Ben Novo-Shalem served as the head of the research department and was in charge of the income-producing real estate sector at Epsilon Investment.

**Paul Mondell**  
Senior VP Development

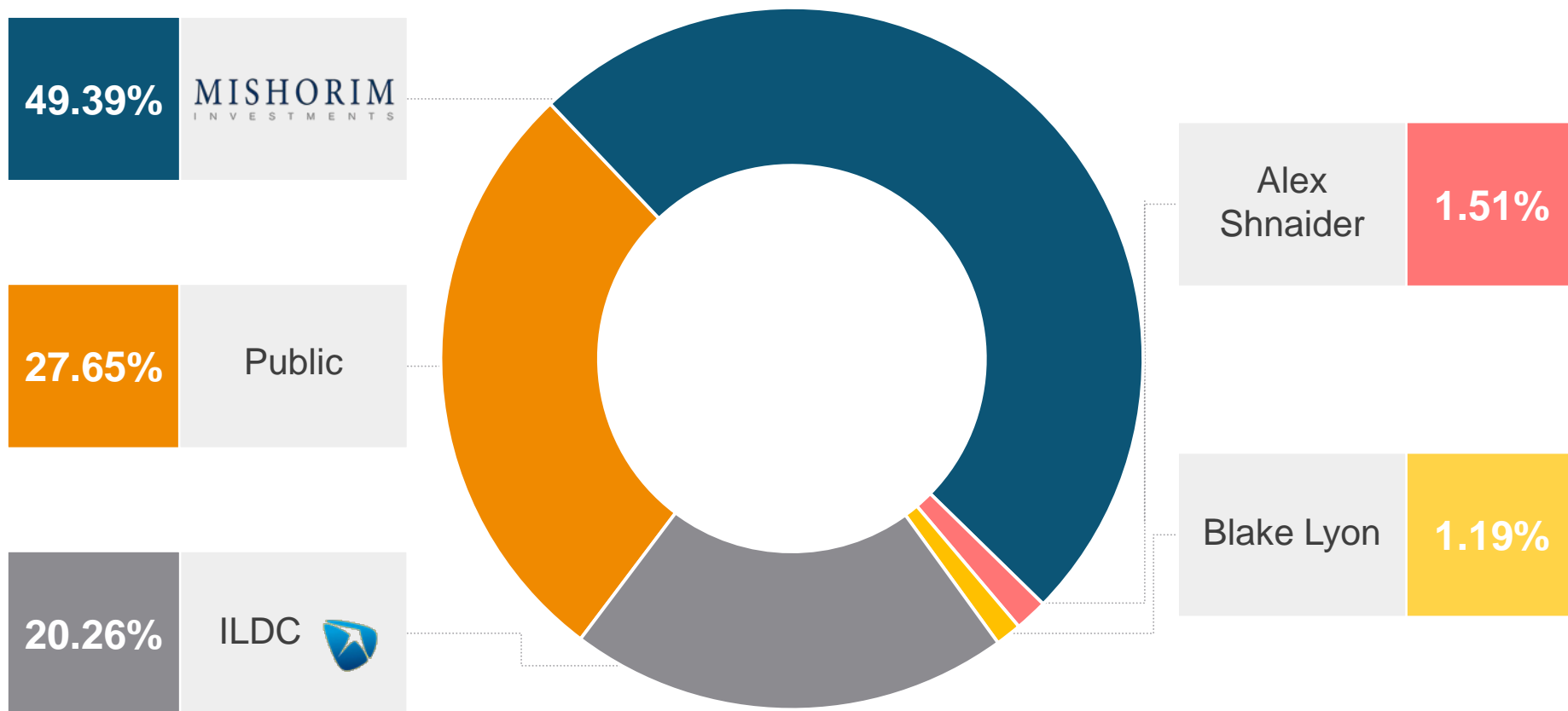


In the last 6 years, served as VP Business Development in two leading companies (Brookvalley Development and Management, and Walton Development).

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# Current Ownership Structure



# Summary of Periodic Results (in 000's CAD)

Section	H1-19	H1-18	2018
Revenue from revenue generating assets	96,665	92,824	185,534
Revenue from sale of residential real estate and other	33,919	16,946	46,722
<b>Total Revenue</b>	<b>130,584</b>	<b>109,770</b>	<b>232,256</b>
NOI from revenue generating assets	22,007	21,783	41,551
<b>Total Adjusted EBITDA*</b>	<b>23,667</b>	<b>20,917</b>	<b>36,983</b>
<b>FFO*</b>	<b>12,994</b>	<b>12,404</b>	<b>20,330</b>
Same Property Revenue*	95,914	91,255	
Same Property NOI*	21,516	20,816	

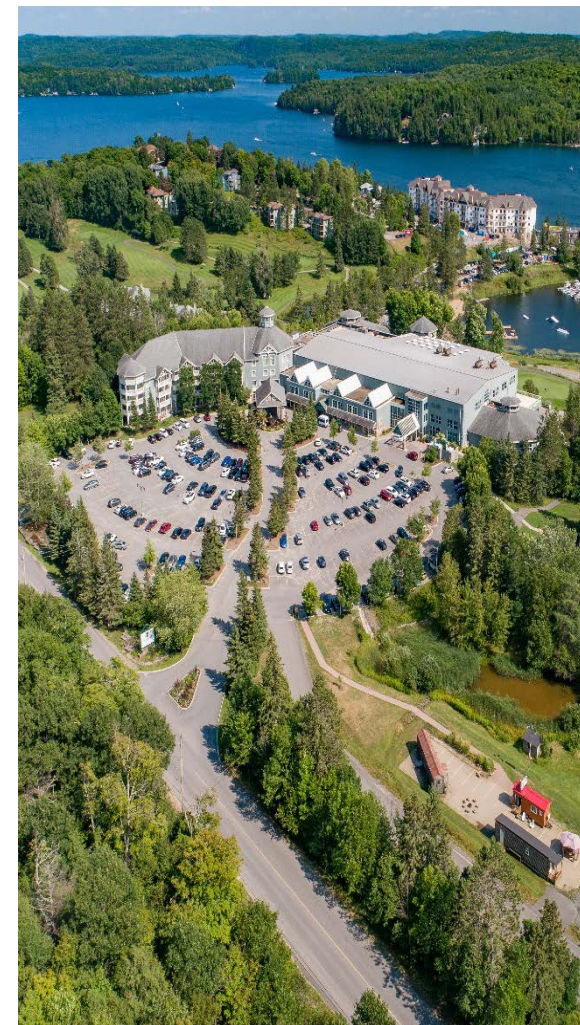


\*Adjusted EBITDA was restated as a result of a change in definition by the Company. The new definition reconciles to the financial statements and reflects the operations of the Company. FFO was restated as a result of a change in definition to coincide with REAPAC's definition for Canadian real estate companies. Same property NOI was restated as a result of an error at the time of publishing. See explanation for calculation in the MDA.



# Main Balance Sheet Parameters (in 000's CAD)

Section	30.06.2019	31.12.2018
<b>Total Assets</b>	<b>714,998</b>	<b>776,594</b>
Gross Debt	334,343	367,269
Cash and Equivalents	32,227	27,983
<b>Net Debt</b>	<b>302,116</b>	<b>339,286</b>
Shareholders Equity	252,612	260,753
Non-Controlling Interest	31,236	40,087
<b>Total Equity</b>	<b>283,848</b>	<b>300,840</b>
Shareholder's Equity Per Share	15.09	15.58
<b>Net Debt to Net Assets</b>	<b>44.2%</b>	<b>45.3%</b>
Equity to Balance Ratio	39.7%	38.7%



# Net Asset Value (in 000's CAD)

	Ownership	BV	2018 NOI	TTM 6/19 NOI	NOI/BV	Loan Balance 06.30.2019	LTV	Equity
<b>Revenue generating assets</b>								
Deerhurst Resort <sup>(1)</sup>	100%	75,710	6,056	5,442	7.2%	48,245	64%	27,465
Horseshoe Resort	100%	40,445	3,335	4,075	10.1%	-	-	40,445
Hyatt Regency Arcade	100%	65,647	5,138	5,054	7.7%	25,999	40%	39,648
Renaissance Hotel	50%	66,143	5,701	5,655	8.5%	28,297	43%	37,846
Courtyard Hotels	100%	195,593	17,870	17,361	8.9%	119,795	61%	75,798
Bear Valley Resort	100%	20,678	1,221	3,080	14.9%	-	-	20,678
<b>Total Revenue generating assets</b>		<b>464,215</b>	<b>39,322</b>	<b>40,667</b>	<b>8.8%</b>	<b>222,336</b>	<b>48%</b>	<b>241,879</b>
Other <sup>(2)(3)</sup>		3,625	2,298	1,177		18,483		
<b>Total Revenue generating assets consolidated FS</b>		<b>467,840</b>	<b>41,620</b>	<b>41,844</b>	<b>8.9%</b>	<b>240,819</b>	<b>51%</b>	<b>241,879</b>
Average Interest rate <sup>(4)</sup>						5.60%		
<b>Lands</b>								
Deerhurst lands	100%	27,451				6,579	24%	20,872
Horseshoe lands	100%	17,900						17,900
Blue Mountain lands	60%	12,355						12,355
Port McNicoll	100%	5,909						5,909
<b>Total lands</b>		<b>63,615</b>				<b>6,579</b>	<b>10%</b>	<b>57,036</b>
Projects under construction and other		30,662				29,191		1,471
<b>Total Real Estate</b>		<b>562,118</b>				<b>276,589</b>	<b>49%</b>	<b>300,386</b>
Cash and cash equivalents		32,227						
Vendor's take back against Port McNicoll lands		29,586						
Receivables & Other		91,067						
<b>Total Assets per Financial Statements</b>		<b>714,998</b>				<b>276,589</b>	<b>39%</b>	<b>300,386</b>
Debt, including bonds		334,343	Including unsecured series B Bonds			57,660		
Payables & Other		55,151				5.65%		
Deferred tax		41,656						
<b>Total liabilities</b>		<b>431,150</b>						
Non-controlling interest		31,236						
Equity attributable to shareholders of the company		252,612						
<b>Total Equity</b>		<b>283,848</b>	<b>Total Debt, including bonds</b>			<b>334,249</b>	<b>Equity</b>	<b>283,848</b>
Number of Shares, 000		16,745				5.65% <sup>(4)</sup>		
<b>Equity per Share (CAD)</b>		<b>15.09</b>						
<b>Equity per Share (NIS)</b>		<b>41.08</b>						

Exchange rate NIS/CAD (as of June 30, 2019) is 0.36731

(1) Loan balance: Series A bonds .

(2) Primarily due to Blue Mountain commercial property sold at the end of Q1 2019, restructuring, prior year prop taxes, and third party non operational costs

(3) Debt consists of equipment lease obligations

(4) Average Interest rate is calculated by multiplying the loan stated interest rate by loan balance

and divided by total loan balances.



## Strong Balance Sheet

- Equity to Total Assets ratio of 39.7%
- Net Debt to Net CAP ratio of 51.6%

## Flexibility

- A cash balance of CAD \$32.2M
- Undrawn low cost credit lines of CAD \$14M at June 30, 2019
- Effective average loan term of 2.9 years, and an average interest rate of 5.65%
- Low LTV (48% for income producing assets and 10% for lands)
- Total value of assets without debt is CAD ~\$95M at June 30, 2019

## Expected Increase in Cash Flow

- Financial closing of major development project Lakeside is expected to take place during 2019 and contribute significant cash-flow to Skyline.
- Blue Mountain development projects, which were sold during the last years, are expected to contribute significant cash flow over the coming years.
- Increased efficiency, renovations, upgrades and expansions of existing properties is expected to improve Revenues and NOI.

# Unencumbered Assets

Name	Book Value (000's CAD)
Bear Valley Resort	23,988
Excluded Lands surrounding Deerhurst Resort (1)	15,270
Excluded Lands surrounding Horseshoe resort (2)	13,192
Lands at Blue Mountain (60%)	6,806
Vendor's take back against Port McNicoll lands	30,098
Remaining Port McNicoll lands	5,899
<b>Total</b>	<b>95,253</b>



(1) In accordance with the terms of the trust deed, a first-level technical lien will be registered on these lands in favor of the bondholders, which will be released in the future upon the completion of the percolation process.

(2) Similar terms and conditions.



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# Main Operating Assets in the United States



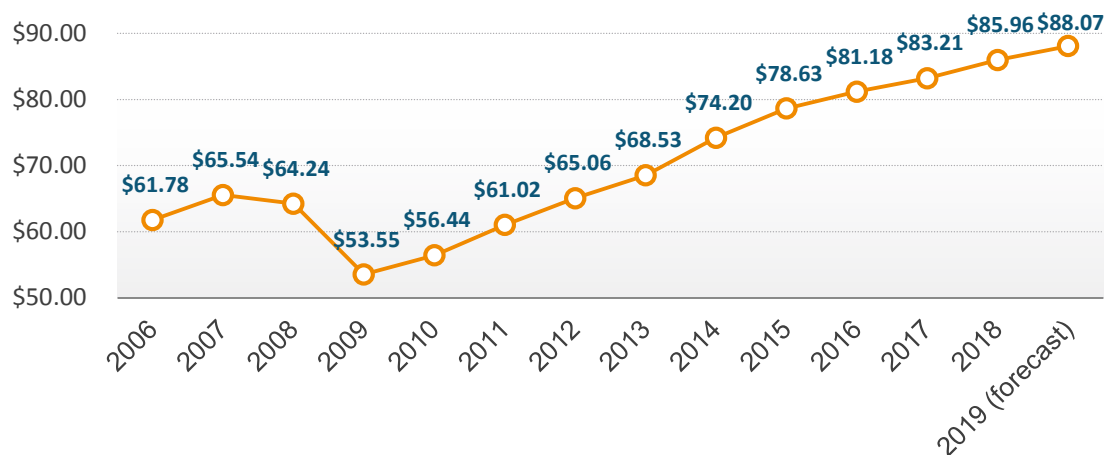
The Hyatt Regency Arcade,  
Cleveland, OH



# USA - Economy and Hotel Market

- In 2018, **GDP grew by 2.9 % to \$20.5 trillion**, the highest growth rate since 2014. Over the coming year, **GDP is expected to grow by an** additional 2.5%.
- According to STR, in 2018, the U.S. **hotel industry recorded record growth** for the second year in a row according to STR.
- In 2018, **Occupancy increased 0.5% to 66.2%**, and a **2.4% ADR increase to \$129.83** drove **RevPAR up 2.9% to \$85.96** over 2017 numbers.
- Based on percentage growth for the year, **demand (+2.5%) outpaced supply (+2.0%)**.
- 22 of the Top 25** Hotel Markets recorded **year-over-year RevPAR growth in 2018**.
- 2019 is expected to increase **Occupancy by 0.1%, ADR by 2.3%, and RevPAR by 2.4%** over 2018.

## United States RevPAR



## 2019 Growth Forecast

	CBRE	PwC	STR
ADR	2.6%	2.7%	2.3%
Occupancy	0.0%	-0.4%	0.1%
RevPAR	2.6%	2.3%	2.4%



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# 13 Courtyard by Marriott Hotels



Courtyard Birmingham Hoover,  
Hoover, AL



Courtyard Manassas Battlefield Park  
Manassas, Virginia



Courtyard Toledo Airport  
Toledo, OH



Courtyard Tucson Airport  
Tucson, AZ



Courtyard Deerfield  
Deerfield, IL

# Courtyard by Marriott Hotels

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## PROPERTIES OVERVIEW (USD)

### Location

9 States

### Brand

Courtyard by  
Marriott

### Management

Aimbridge

### Service Level

Select Service

### Date of Acquisition

November  
14<sup>th</sup>, 2017

### Number of Hotels

13

### Number of Rooms

1,913

### Acquisition Price

\$135,000,000

### Price Per Room

\$70,500

### Five Year Mortgage

\$89,500,000

### Capital Credit Line

\$31,000,000



2016

2017

2018

### Revenue

51,127 52,937 50,628

### NOI

14,508 14,920 13,744\*

### NOI/Revenue

28% 28% 27%\*

HISTORICAL  
PERFORMANCE  
(000's USD)

\*Number updated due to a transcription error in the 2018 presentation.



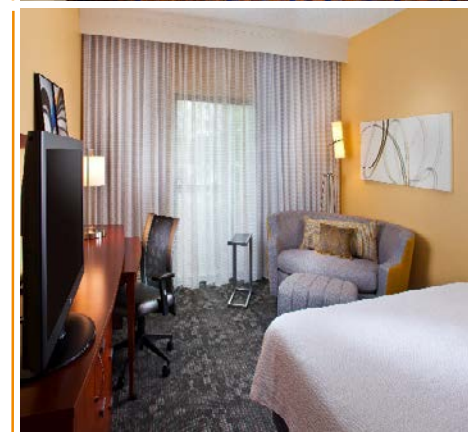
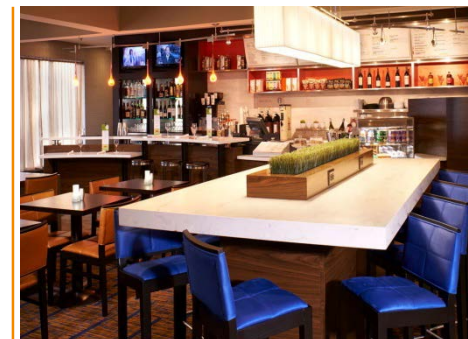
# Courtyard by Marriott: 2018 Updates

## 2018 Updates

- Skyline and Aimbridge replaced 10 of 13 General Managers and hired 13 new Director of Sales, these actions are expected to improve hotel results in the mid to long term though impacted results negatively in 2018.
- Renovations at Courtyard Fort Myers caused a displacement impact on the NOI. Looking forward the renovation is expected to have a positive impact on the hotel performance.
- The Courtyard Portfolio delivered a 9.8% unleveraged return on investment in 2018.
- The Company recognized a \$19.7M fair value increase in the value of the 13 Courtyards on December 31, 2018 primarily due to improved capitalization rates.

## Asset Acquisition

- Skyline signed a new 20-years franchise agreement for the Courtyard by Marriott brand with Marriott International.
- Received a new USD \$89.5M acquisition loan and secured USD \$31M capital credit line for potential improvements and upgrades from one of the biggest banks in the world.
- Transitioned all 13 assets from the previous Marriott brand management to Aimbridge Hospitality\* a third-party management.



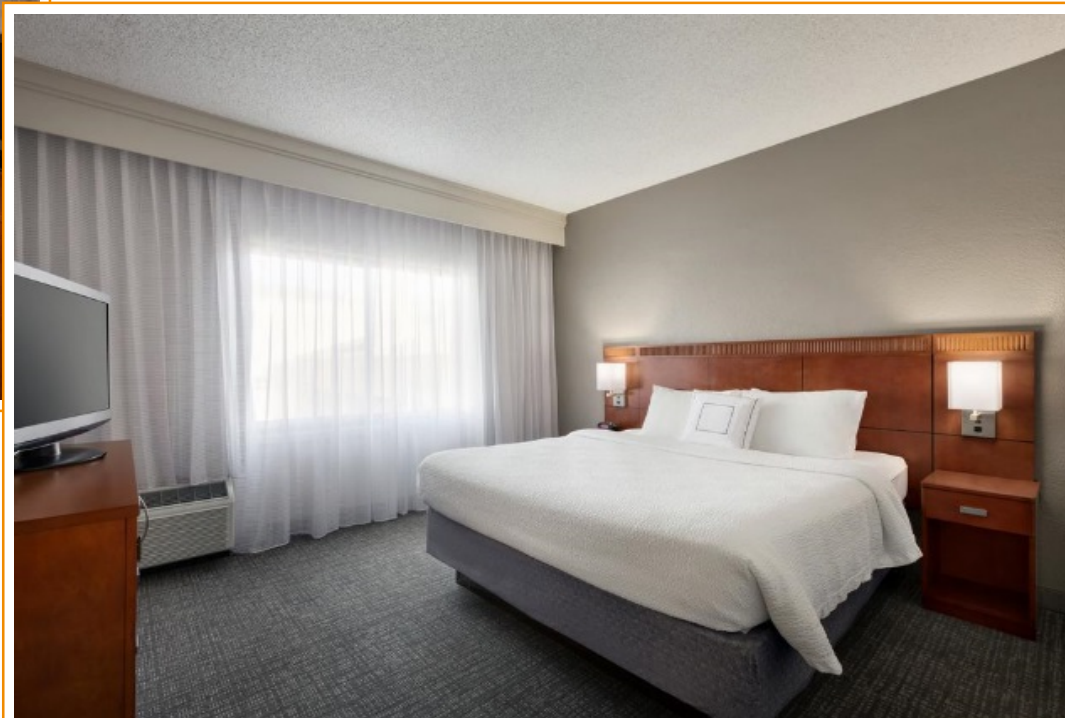
\*Aimbridge currently manages Skyline's Renaissance Hotel and is the largest third party manager of Marriott hotels in the US, and, in particular, the largest third party manager of Courtyard hotels.



## Active Asset Management – Ft. Myers Courtyard Renovations



Before Renovation



After Renovation



# Hyatt Regency Arcade

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HYATT  
REGENCY®  
CLEVELAND



## Overview

The historical Cleveland Arcade was built by John D. Rockefeller in 1890.

The hotel is an attractive event destination and hosts 60 to 80 weddings and other event a year.

## Details

**Location** | Cleveland, USA

**Number of Rooms** | 293

**Meeting Space** | 7,000 Sf

**Franchise** | Hyatt Regency

**Management Company** | Hyatt

## Financial Information 2018 (in 000's CAD)

**Book Value** | \$68,072

**NOI** | \$5,705

## Improvements

- Recently completed renovations of all rooms and meeting spaces. The renovation has improved the hotel's competitive advantage.
- The renovation was mostly funded by the property renovation reserve\*.

## Future Potential

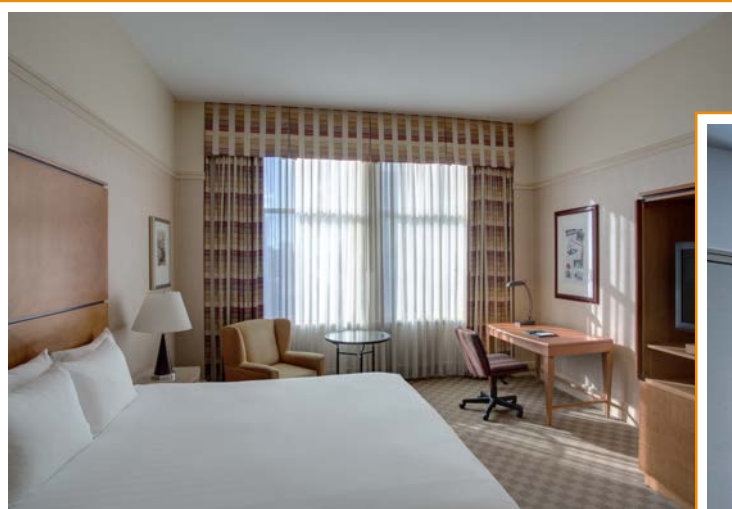
- Increasing NOI as the USD \$465M Cleveland Convention Center is expected to grow in popularity.
- Continued rental of the commercial areas.
- Expectation of growth in the Cleveland economy leading to an increased number of visitors.



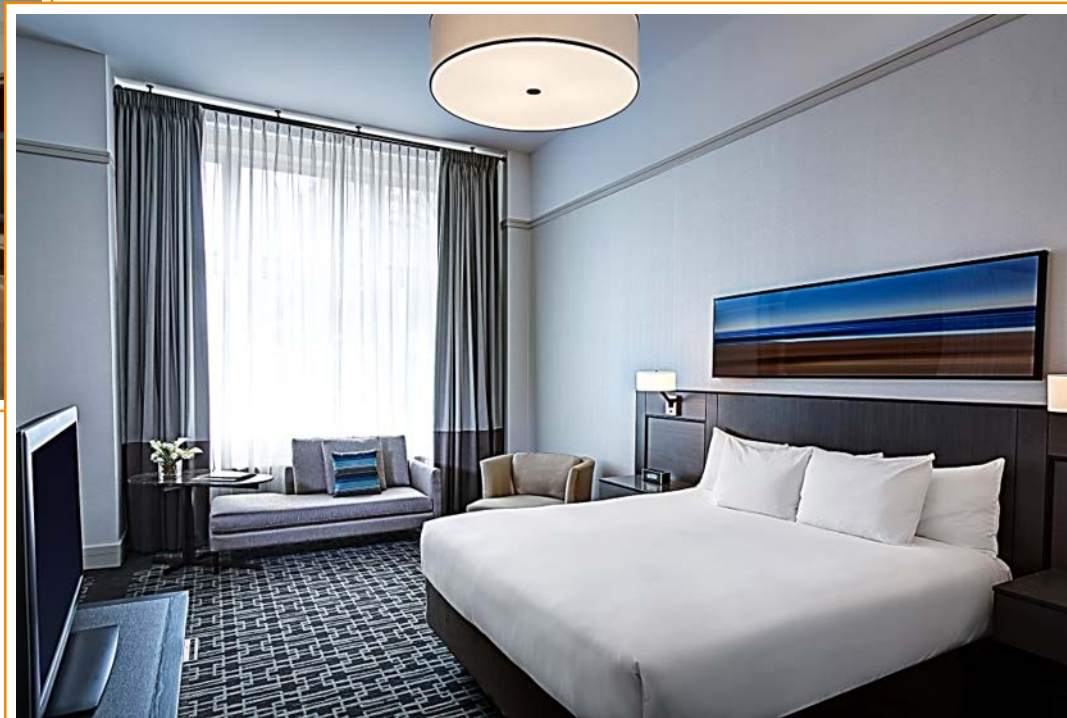
\* Property Renovation Reserve: Restricted cash reported separately from cash and cash equivalents balances



## Active Asset Management – Hyatt Room Renovations



Before Renovation



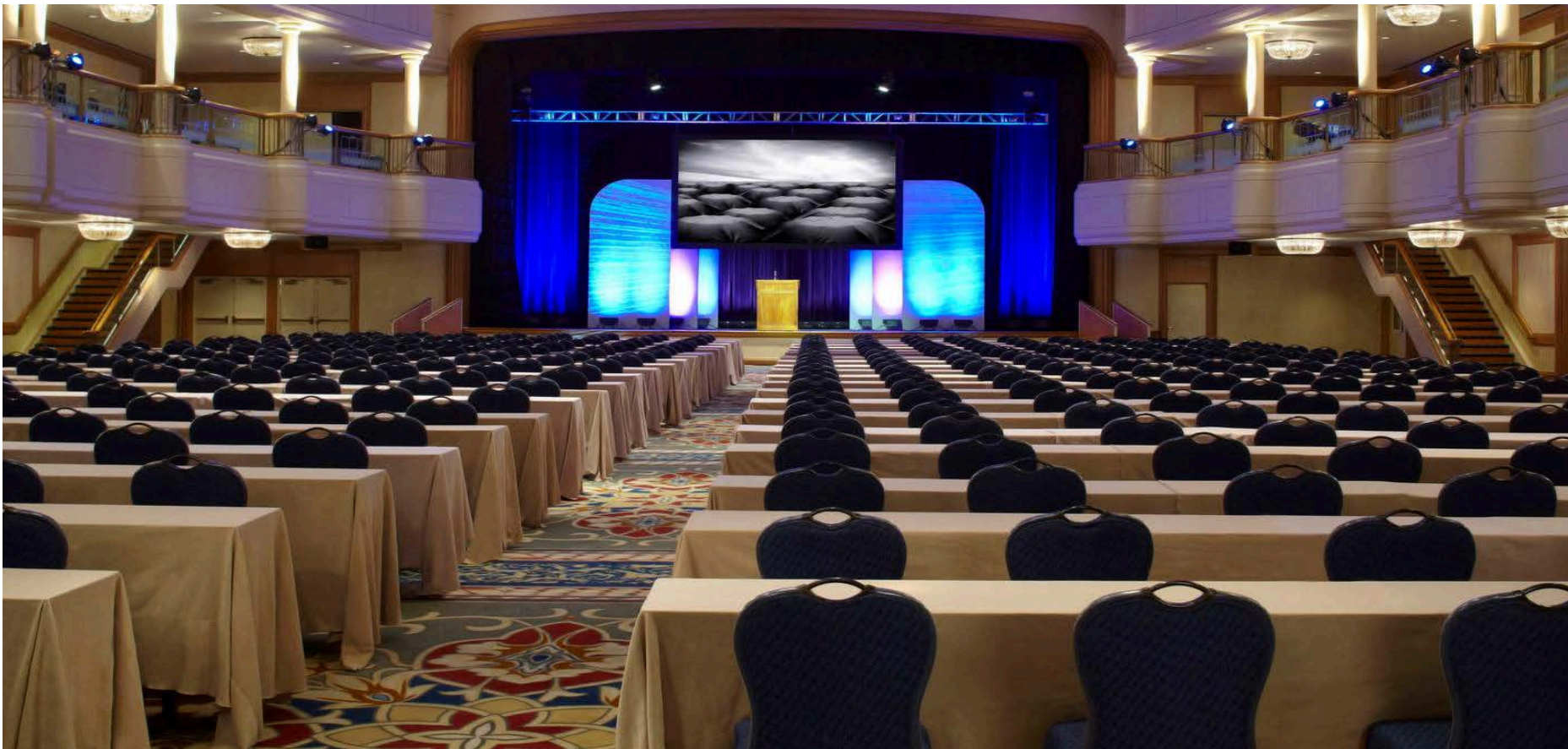
After Renovation

# Renaissance Cleveland Hotel

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R  
RENAISSANCE®  
CLEVELAND HOTEL





# Renaissance Cleveland Hotel

SKYLINE  
INVESTMENTS

## Overview

Historical Heritage asset established in 1918 as The Cleveland Hotel.

Notable visitors in the hotel's history: Dwight D. Eisenhower, Gerald Ford, Martin Luther King and The Beatles.

The hotel is located in the City's CBD near the main square.

The city invested about USD \$40M in the renovations of the public square as part of an urban renewal strategy.

## Details

Location	Cleveland, USA
Number of Rooms	491
Meeting Space	34 conference rooms, about 65,000 Sf
Owned Parking Spaces	300 Spaces
Franchise	Renaissance
Management Company	Aimbridge
Ownership	50%

## Financial Information 2018 (in 000's CAD)\*

Book Value\*\* | \$79,260

NOI | \$5,413

\*Skyline owns 50% while financial information is representative of 100% of the asset.

\*\*The fair value of the asset has decreased by ~ \$11,900 as a result of the increased cost of the property improvement plan. The Company is considering proposals to sell all or part of the property. For further details, please refer to Q2 2019 published Financial Reports.

## Improvements

- Skyline completed the full HVAC replacement. This was the top complaint from hotel guests and is also expected to contribute to energy savings.
- Skyline is planning the next two phases of hotel renovations which will include updates to the meeting space and rooms.
- 1st phase renovations were mostly financed by the in-place USD \$17M credit line.

## Future Potential

- Increasing NOI as the USD \$465M Cleveland Convention Center is expected to grow in popularity.
- Continued rental of the commercial areas.
- Expected performance improvement following the HVAC replacement, the #1 guest complaint.
- Expectation of growth in the Cleveland economy leading to an increased number of visitors.





# Bear Valley

SKYLINE  
INVESTMENTS





## Overview

A ski resort in Southern California, three and a half hours from San Francisco.

Acquired on December 2014 for USD \$3.7M from the Company's own resources.

## Details

**Location** | 3.5 hours from San Francisco

**Asset Type** | Ski Resort

**Numbers of Rooms** | 51

**Land Area** | Approx. 1700 Acres

**Amenities** | 75+ Ski Trails

## Financial Information 2018 (in 000's CAD)

**Book Value** | \$21,280

**NOI** | \$1,221

## Improvements

- Since the acquisition invested USD \$3.2M in equipment and improvements
- In 2017 Skyline invested USD \$5.5M on a new ski lift which allowed the Company to increase day-use lift tickets from USD \$79 in 2017 to USD \$99 at the end of 2018

## Future Potential

- Continued growth of NOI by returning the number of visitors to historical levels.
- Opportunity to develop land near the property.





SKYLINE  
INVESTMENTS

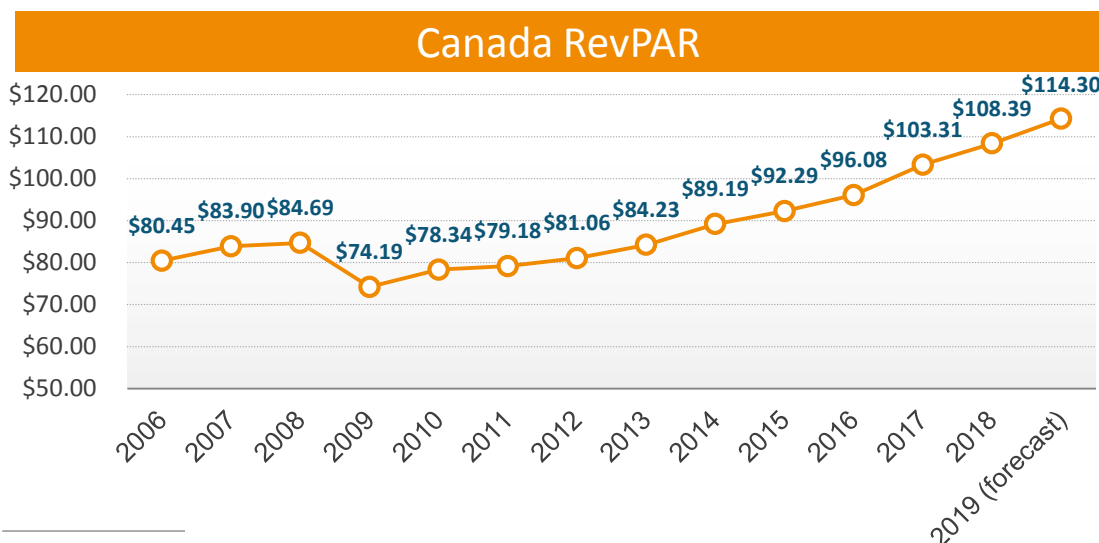
# Main Operating Assets in Canada





# Canada - Economy and Hotel Market

- Canada's **GDP grew by 1.8% in 2018** buoyed by rising exports.
- Hotel **occupancy reached 66.3%** the highest level since 1999.
- ADR increased by 4.3% to \$163.40** and **RevPAR rose 5.3% to \$108.39**. This is compared to +4.9% to \$156.73 RevPAR growth in 2017.
- According to HVS, **2019 RevPAR is forecast to increase by 5.5% and reach \$114.3**.
- 2018 demand growth (+2%) was double the supply growth (+1%).**
- An October 2018 report from Destination Canada showed **total international arrivals to the country were up 1.2%** year-to-date



Hotel Metric Growth			
	2017	2018	2019 Forecast
Occupancy	65.9%	66.3%	N/A
ADR	\$156.73	\$163.40	N/A
RevPAR	\$103.31	\$108.39	\$114.3



# Deerhurst

SKYLINE  
INVESTMENTS



DEERHURST  
A SKYLINE RESORT  
MUSKOKA





## Overview

World-class four-season resort located in Muskoka near Toronto, Canada.

The new 150-room\* Lakeside Lodge has almost completed construction, sales and delivery are underway

## Details

**Location** | Muskoka (2 Hours from Toronto)

**Number of Rooms** | 308 (102 Owned / 206 Managed)

**Meeting Space** | 40,000 Sf

**Land Area** | 790 Acres

**Amenities** | Golf Courses, 10 Event Halls, Spa, 5 Restaurant, Private Airport

## Financial Information 2018 (in 000's CAD)

**Book Value** | \$76,200

**NOI** | \$6,056

## Future Potential

- Increasing NOI by streamlining operations.
- Sold 145 of 150 units at Lakeside Lodge. 83 units have joined the hotel's rental program\*.
- Improving occupancy during off-season by marketing to new audiences.
- Existing approved zoning plan for 640 housing units and 48,500 sq.f of retail space for development.
- In 2018 and early 2019, Skyline upgraded part of the Deerhurst meeting space to increase the amount of events.



\*During Q1, 2018 some one-bedroom units at Deerhurst were consolidated into larger units and, as a result, the total number of units in the project decreased from 162 to 150 units.



# Horseshoe Resort

SKYLINE  
INVESTMENTS



**HORSESHOE**

A SKYLINE RESORT

BARRIE





## Overview

An all-season resort based around the Horseshoe Ski Mountain, one of the closest Ski Resort to Toronto, Canada.

The Horseshoe Adventure Park and Horseshoe Lake are at the center of summer activities.

## Details

<b>Location</b>	Barrie (1.5 hours from Toronto)
<b>Numbers of Rooms</b>	163 (101 Owned / 62 Managed)
<b>Meeting Spaces</b>	14,500 Sf
<b>Land Area</b>	220 Acres
<b>Amenities</b>	25 Ski Trails, 2 Golf Courses, Spa, 5 restaurants

## Financial Information 2018 (in 000's CAD)

<b>Book Value</b>	\$41,400
<b>NOI</b>	\$3,390

## Improvements

- Sold 41 of 44 units at Slopeside Lodge. All sold units have been delivered and financial closing happened in June 2019 for 41 units sold.
- Officially opened the new Horseshoe Lake in August 2017, enhancing summer activities and snow making capacity.
- Skyline is currently working on plans for its next development project, Valley Lodge.

## Future Potential

- Increasing NOI by adding rental units.
- The new lake improves off-season amenities.
- The lake alongside the new pipes and snow-making equipment increased snow production fourfold.
- Continued sale and development of land within Horseshoe.





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# Land Sales and Development





# Projects in Advanced Stage of Sale<sup>(1)</sup>

## Main Projects Under Development (CAD 000's)

Project	Location	Type	Number of Units	Ownership	Number of Units Sold <sup>(2)</sup>	Sales Rate <sup>(2)</sup>	Expected Revenue	Recognized Revenue <sup>(2)</sup>	Expected Gross Profit	Recognized Gross Profit <sup>(2)</sup>	Revaluation Gains <sup>(3)</sup>	Gross Profit Including Revaluation <sup>(3)</sup>	Gross Profit Rate Including Revaluation	Expected Net Cash Proceeds upon completion of Project <sup>(4)</sup>	Date of Completion
Lakeside	Deerhurst	Residential Building	150 <sup>(5)</sup>	100%	145	97%	57,722	50,793	12,074	8,810	-	12,074	20.9%	16,074	Jun-19
Slopeside	Horseshoe	Residential Building	44	100%	41	93%	17,172	16,383	3,073	3,996	-	3,073	17.9%	6,438	Apr-19
Second Nature 2	Blue Mountain	Land	54	60%	54	100%	8,910	-	648	-	2,487	3,135	35.2%	3,134	Oct-19
Second Nature 4	Blue Mountain	Land	88	60%	88	100%	19,976	-	1,451	-	5,576	7,027	35.2%	7,027	Oct-19
Monterra Phase 2	Blue Mountain	Land	33	60%	33	100%	5,610	-	442	-	1,980	2,422	43.2%	2,422	Dec-19
<b>Total</b>			<b>369</b>		<b>361</b>	<b>98%</b>	<b>109,390</b>	<b>67,176</b>	<b>17,688</b>	<b>12,806</b>	<b>10,043</b>	<b>27,731</b>	<b>25.4%</b>	<b>35,095</b>	

## Main Sold and Delivered Projects, Currently Under VTB Loan Terms (CAD 000's)

Project	Location	Type	Ownership	Sales Rate	Recognized Revenue	Recognized Gross Profit	Recognized Gross Profit Including Revaluation <sup>(3)</sup>	Gross Profit Rate Including Revaluation <sup>(3)</sup>	Remained Net Cash Proceeds upon full repayment of VTB <sup>(4) (2)</sup>	Year of full VTB payment
Second Nature 1	Blue Mountain	Land	60%	100%	6,232	342	2,063	33%	1,838	2019
Port McNicoll <sup>(6)</sup>	Port McNicoll	Land	100%	100%	39,690	-	25,013	63%	29,586	2023
<b>Total</b>				<b>100%</b>	<b>45,922</b>	<b>342</b>	<b>27,076</b>	<b>59%</b>	<b>31,424</b>	

(1) All the numbers are as of December 31, 2018 unless stated otherwise.

(2) Accurate to June 30, 2019

(3) Skyline recognizes lands assets based on a revaluation method before reclassification of these assets from investment properties to inventory. Gross profit including the revaluation gains represents the gross profit based on the cost method.

(4) Including Equity Invested in the Project, before income tax.

(5) During Q1, 2018 some one-bedroom units at Deerhurst were consolidated into larger units and, as a result, the total number of units in the project decreased from 162 to 150 units.

(6) The Company has not received the last 5 monthly payments. As a result, based on Canadian Law, the Company is pursuing its rights through a power of sale.



# Lakeside Lodge

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# Slopeside Lodge

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# Blue Mountain Development Lands

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Second Nature  
Phase 3/4



Second Nature  
Phase 1



Snowbridge Townhomes



# Thank You!



## Questions?

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# Asset Ownership Breakdown

Property	Property Owner	Manager	Brand/Franchise	Leased
Deerhurst	Skyline	Skyline	Independent	None
Horseshoe Valley	Skyline	Skyline	Independent	None
Bear Valley	Skyline	Skyline	Independent	None
Hyatt Regency Cleveland	Skyline	Hyatt	Hyatt Regency	None
Marriott Renaissance Cleveland	Skyline	Aimbridge	Marriott Renaissance	None
Marriott Courtyard Hotels	Skyline	Aimbridge	Courtyard by Marriott	None

	Owned	Managed	Franchised	Leased
<b>Description</b>	Owned and operated by an owner who bears all the costs associated with the hotel but also benefits from all of the income	Owner of a hotel uses a third-party manager to operate the hotel on its behalf and pays the manager management fees	Owned and operated by an owner under a third-party brand name, and the owner pays a brand licensing fee to the brand owner	Owner-operator of a hotel does not have outright ownership of the hotel but pays rental fees to the ultimate owner of the property
<b>Owner's Income</b>	All revenues and profits after management and franchise fees	Fee % of revenue plus success fee	Fee % of room revenue	Rental Fee to Property Owner