

Sterling Mortgage Income Trust

CONFIDENTIAL

ACCESS FUND & UNDERLYING FUND TERMS

ACCESS FUND

Sterling Mortgage Income Trust

TRUSTEE/MANAGER

iCapital Network Canada Ltd acts as the trustee and manager of the Fund and performs or arranges the performance of management and administration services of the Fund. iCapital Network Canada Ltd is further responsible for the investment decisions of the Fund and will control and direct the Fund's business activities.

Class of Units	Minimum Subscription
Class A Units Class C Units Class F Units	\$25,000 (\$500 minimum for subsequent subscriptions)
Class UA Units Class UC Units Class UF Units	US \$25,000 (US \$500 minimum for subsequent subscriptions)
Class I Units	\$25,000,000
Class UI Units	US \$25,000,000

INVESTMENT OBJECTIVE

The Trust provides indirect access to the returns of Sterling Mortgage Income Master Fund LP.

ADMINISTRATIVE FEE

0.25% per annum

UNDERLYING FUND

Sterling Mortgage Income Master Fund LP

INVESTMENT OBJECTIVE

The Master Fund's strategy is to generate returns through (i) loans advanced by the Master Fund to borrowers in order to build a portfolio of senior and junior mortgages including bridge loans advanced to owners as operators and/or developers or redevelopers of retail, industrial, office, single family, multifamily or other commercial properties; (ii) residential mortgages; (iii) selected participation or co-investment with other lenders in advancing loans; (iv) acquisition of select mortgage backed securities and real estate backed liens which may include super priority tax liens; and (v) investing up to 15% of the Master Fund's net asset value in real estate and real estate related assets.

MANAGEMENT FEE

2.00% per annum

PREFERRED RETURN

7% per annum

PERFORMANCE ALLOCATION

20%

This presentation and the information contained herein (the “Presentation”) is for informational and discussion purposes only and is not, and may not be relied on in any manner as, legal, tax or investment advice, any recommendation or opinion regarding the appropriateness or suitability of any investment or strategy, or as an offer to sell or a solicitation of an offer to buy shares in Sterling Mortgage Income Master Fund LP (the “Underlying Fund”) or Sterling Mortgage Income Trust (the “Access Fund”).

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The information relating to the Underlying Fund or the Underlying Manager in the iCapital-branded portion of this Presentation (such portion, the “iCapital Wrapper”) has been prepared by or on behalf of iCapital Network Canada Ltd. (“iCapital”) based on certain information supplied to it by the Underlying Manager. The iCapital Wrapper has not been reviewed, or independently verified, by any of the Underlying Manager or its affiliates, and no such person takes any responsibility or liability for, or makes any representation or warranty with respect to, the information contained in the iCapital Wrapper.

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A private placement of interests in the Access Fund may be made only pursuant to the Access Fund Offering Memorandum, which will be furnished only to qualified prospective investors on a confidential basis in those jurisdictions where they may be lawfully sold and only by those entities permitted to sell such interests. This document is not, and under no circumstances is it to be construed as, an offering memorandum, prospectus, advertisement or public offering of interest in the Access Fund or the Underlying Fund. The iCapital Wrapper is qualified in its entirety by reference to the Access Fund Offering Memorandum, which contains more detailed information about the Access Fund’s investment objective, terms and conditions and also contains tax information and risk disclosures that are important to any investment decision regarding the Access Fund. No person has been authorized to make any statement concerning the Access Fund other than as set forth in the Access Fund Offering Memorandum and any such statements, if made, may not be relied upon. Prior to making any investment decision, you should consult with your own advisers and determine, without reliance upon the Access Fund, the Manager, the Underlying Fund, the Underlying Fund Manager or any of their respective affiliates, directors, officers, employees, representatives or agents, the economic risks and merits, as well as the legal, tax and accounting consequences of such investment decision.

No securities commission or similar regulatory authority has evaluated, approved, disapproved or passed on the merits of the offering of interests in the Access Fund or the adequacy of the information contained herein. Any representation to the contrary is unlawful. A prospectus has not been prepared or filed with the Canadian securities regulators and the Interests in the Access Fund have not been registered under the securities laws of any province, state or the securities laws of any other jurisdiction, nor is such registration contemplated.

Prospective investors should be aware that investing in the Access Fund involves a high degree of risk. Private funds, such as the Access Fund and the Underlying Fund, are speculative investments and are not suitable for all investors, nor do they represent a complete investment program. Private funds are available only to qualified investors who are comfortable with the substantial risks associated with investing in private funds. An investment in a private fund includes the risks inherent in an investment in securities. There can be no assurance that the Access Fund or the Underlying Fund will achieve their investment objectives or that investors will receive a return on their capital. The possibility of partial or total loss of capital will exist and prospective investors must be prepared to bear capital losses that may result from investments.

There will be restrictions on transferring interests in the Access Fund, investments may be leveraged, and the investment performance may be volatile. Before deciding to invest in the Access Fund, prospective investors should read the Access Fund Offering Memorandum and pay particular attention to the risk factors contained therein.

There are important differences between the Access Fund and the Underlying Fund described in this Presentation. All information relating to the Underlying Fund and its terms is qualified in its entirety by the final form legal and constitutional documents relating to the Underlying Fund, as supplemented, restated or amended from time to time. In particular, it should be noted that various qualifications and considerations attached to the information presented in the final form legal and constitutional documents have not necessarily been reproduced in this Presentation and, accordingly, prospective investors contemplating the purchase of an interest in the Access Fund should attach correspondingly qualified considerations to such information. The terms of the Underlying Fund may be subject to continuing negotiation with prospective investors and may be different from those summarized herein or otherwise contained in any other materials provided to the Recipient by iCapital or the Manager.

The Access Fund and the Underlying Fund impose, as applicable and described in their constituent documents, management and/or administrative fees, custodial, accounting and other servicing fees, carried interest or performance fees (in the case of the Underlying Fund) and other expenses that will reduce returns. The fees and expenses charged in respect of an investment in the Access Fund and in the Underlying Fund may be higher than the fees and expenses of other investment alternatives and will offset profits. Investors should have the financial ability and willingness to accept the risk characteristics of the Access Fund's investments. Potential conflicts of interest may arise between the Manager and the Access Fund interest holders, as described more fully in the Access Fund Offering Memorandum.

In considering any performance data contained in this Presentation, you should bear in mind that past or targeted performance is not indicative of future results, and there can be no assurance that the Access Fund or the Underlying Fund will achieve comparable results. Prospective investors should also bear in mind that past or targeted portfolio characteristics are not indicative of future portfolio characteristics and there can be no assurance that any fund will have comparable portfolio characteristics or that target portfolio characteristics will be achieved. Nothing contained herein should be deemed to be a prediction or projection of future performance of the Underlying Fund or the Access Fund.

The information in this Presentation may contain forward-looking statements regarding future events, targets or expectations regarding the Access Fund and the Underlying Fund or the strategies described herein, and is only current as of the date indicated. There is no assurance that such events will occur or targets will be achieved. The information in this Presentation, including statements concerning financial market trends, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Due to various risks and uncertainties, actual events or results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements, and there can be no assurance that any unrealized investments used to calculate the return information set forth herein will ultimately be realized for their assumed values. As a result, investors should not rely on such forward-looking statements. General discussions contained within this Presentation regarding the market or market conditions represent the views of iCapital, if set forth in the iCapital Wrapper, or of the Underlying Manager and its affiliates if set forth in the Underlying Fund marketing presentation. Nothing contained herein is intended to predict the performance of any investment. There can be no assurance that actual outcomes will match the assumptions or that actual returns will match any expected returns.

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Certain Disclosures Related to an Investment in the Access Fund:

Valuations. The net asset value of the Access Fund may be determined by their administrator in consultation with the Manager, iCapital or its affiliates, or based on information from the Underlying Manager. Certain portfolio assets of the Underlying Fund may be illiquid and without a readily ascertainable market value and accuracy of valuations of other managers may be difficult to verify. Since the value assigned to portfolio securities affects a manager's or adviser's compensation, the Underlying Manager's or its affiliates' involvement in the valuation process creates a potential conflict of interest. The value assigned to such securities may differ substantially from the value the Underlying Fund (and as a result, the Access Fund) are able to realize. Instances of mispriced portfolios, due to fraud or negligence, have occurred in the industry. It may be difficult to value the Access Fund's interests in the Underlying Fund, upon which certain fees are based and upon which distributions or withdrawals, as applicable, will be calculated, because certain investments of the Underlying Fund may be illiquid, making, at times, fair market valuation impossible or impracticable.

Fees and Expenses. The Access Fund may be subject to substantial charges for management, advisory and/or brokerage fees. It may be necessary for those pools that are subject to these charges to make substantial trading profits to avoid depletion or exhaustion of their assets. Please refer to the Access Fund Offering Memorandum for a more complete description of risks and a comprehensive description of each expense to be charged by the Access Fund.

Limited Operating History. Unless otherwise indicated, the Access Fund has limited operating history or performance and this Presentation may include performance which may not reflect actual trading of the Access Fund and should be reviewed carefully.

Performance Data & Information. Any performance data or related derivative information displayed in this Presentation is not indicative of future results. Investors should not place undue reliance on hypothetical, pro forma or predecessor fund performance. The Access Fund's actual performance may differ substantially and may be volatile and result in substantial or complete losses. Any information presented about other funds or selected investments made by the Underlying Manager or iCapital, while informative regarding the experience of the Underlying Manager and iCapital, are not indicative of, and in some cases may be irrelevant to, an assessment of the potential performance or investments of the Access Fund (in connection with its investment in the Underlying Fund). Performance of the Underlying Manager (including with respect to the Underlying Fund and/or its predecessors) is not that of iCapital or the Access Fund, and none of the Manager, iCapital or its affiliates has approved or endorsed, or participated in the creation or preparation of, or edited in any manner, any such performance information. Additionally, Underlying Fund performance data is not net of additional fees and expenses that will be charged at the Access Fund level. An investor in the Access Fund may suffer significant losses. Any losses by the Access Fund will be borne solely by the Access Fund's investors and not by the Manager or iCapital or its affiliates.

Multiple Levels of Fees. The Access Fund imposes administrative or management fees, custodial, accounting and other service fees, as well as other expenses. As a result of the additional layer of fees at the Access Fund level, the returns of the Access Fund will be lower, and may be materially lower, than the returns at the Underlying Fund level. Investors in the Access Fund will experience lower returns than investors committing directly to the Underlying Fund as a result of the additional fees and expenses associated with an investment in the Access Fund.

Mismatched Performance. Although the Access Fund will invest substantially all of its assets in the Underlying Fund, the performance of the Access Fund may not track the performance of the Underlying Fund in lock-step and may differ materially as a result, for example, of funds invested in temporary investments by the Access Fund and delayed distributions by the Access Fund to its investors.

Returns on Unrealized Investments. Actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets, and market conditions at the time of disposition, legal and contractual restrictions, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the prior performance data contained in the Underlying Fund marketing presentation are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the returns indicated therein. The value of investments can go down as well as up. In addition, there can be no assurance that unrealized investments will be realized at the valuations shown, as actual realized returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the valuations contained herein are based.

Benchmarks & Indices: Any benchmarks or financial indices in this Presentation are shown for illustrative purposes only and are provided for the purpose of making general market data available as a point of reference only. Such benchmarks and financial indices may not be available for direct investment, may be unmanaged, assume reinvestment of income, do not reflect the impact of any trading commissions and costs, management or performance fees, and have limitations when used for comparison or other purposes because they, among other reasons, may have different trading strategy, volatility, credit or other material characteristics. No representation is made that any benchmark or index is an appropriate measure for comparison.

The above summary is not a complete list of the risks, considerations and other important disclosures involved in investing in the Access Fund and is subject to the more complete disclosures in the Access Fund Offering Memorandum, which must all be reviewed carefully prior to making an investment.

UNLESS OTHERWISE INDICATED THEREIN, ANY PERFORMANCE SHOWN IN THE UNDERLYING FUND MARKETING PRESENTATION IS NOT THAT OF THE ACCESS FUND, AND PERFORMANCE SHOWN FOR THE UNDERLYING FUND IS NOT NET OF ADDITIONAL FEES AND EXPENSES THAT WILL BE CHARGED AT THE ACCESS FUND LEVEL OR ANY PLACEMENT FEE, IF CHARGED. Such fees and expenses will reduce returns and, as such, the returns of the Access Fund will be lower, and may be materially lower, than the returns at the Underlying Fund level. Returns for the Access Fund may also differ from the returns of the Underlying Fund as a result of funds invested in temporary investments by the Access Fund and delayed distributions by the Access Fund to its investors.

In considering any performance data contained in this Presentation, prospective investors should bear in mind that: (1) there can be no assurance that unrealized investments will be realized at the valuations shown, as actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets, and market conditions at the time of disposition, legal and contractual restrictions, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the prior performance data contained in the Underlying Fund marketing presentation are based. **Accordingly, the actual realized returns on any unrealized investments may differ materially from any unrealized returns indicated therein; (2) past or targeted performance is not indicative of future results, and there can be no assurance that the Access Fund or the Underlying Fund will achieve comparable results,** and prospective investors should also bear in mind that past or targeted portfolio characteristics are not indicative of future portfolio characteristics and there can be no assurance that any fund will have comparable portfolio characteristics or that target portfolio characteristics will be achieved, and the value of investments can go down as well as up; and (3) benchmarks and financial indices are shown for illustrative purposes only and are provided for the purpose of making general market data available as a point of reference only. Such benchmarks and financial indices may not be available for direct investment, may be unmanaged, assume reinvestment of income, do not reflect the impact of any trading commissions and costs, management or performance fees, and have limitations when used for comparison or other purposes because, among other reasons, they may have different trading strategy, volatility, credit or other material characteristics. No representation is made that any benchmark or index is an appropriate measure for comparison.

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Sterling Mortgage Income Fund

Please find below the Q1 2024 commentary from Sterling Global Financial's Investment Management Committee for Sterling Mortgage Income Fund with summary of performance.

	Month	1 Year	3 Year	5 Year	Since Inception
Sterling Mortgage Income Fund*	0.79%	12.19%	11.73%	11.21%	10.92%

*Performance information is for Class UF Series 1 as of March 31, 2024. Returns assumes distributions are re-invested and compounded. 2023 returns are unaudited. Past performance is not indicative of future performance.

Performance

Q1/24 saw SMIF continue its steady performance of positive returns since the Fund's inception in June 2016. YTD SMIF is up 2.44%. Management's dedication to disciplined underwriting and rigorous risk management continue to provide capital preservation and premium risk-adjusted returns. All ancillary fees such as origination, extension, and early redemption always go directly into the Fund for the benefit of our investors, as do all profit participation and equity positions earned through the Fund.

Distributions to investors

The Fund paid out its quarterly distribution at the preferred annual distribution rate of +7% late April.

Sector selection

SMIF continues to be overweight on mixed-use and residential. These two sectors provide for the best downside protection, proving that they are more resilient to economic swings than others. Having a disciplined covenant strategy is a key part of success in alternative lending.

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Portfolio update

During the first quarter, SMIF deployed approximately \$10.76 million of capital allocated to new loans, alongside \$2.40 million in advances on existing loans.

SMIF's portfolio of loans are carefully underwritten and regularly monitored to ensure strong risk management practices. Some highlights of the portfolio:

- As we start Q1, the portfolio consists of loans that are primarily backed by residential and mixed-use properties, with 62% of loans having personal guarantees.
- To mitigate interest rate risk, 93% of our loans are structured with a floating rate with a floor, with the remaining loans at sufficiently elevated fixed rates.
- The average loan-to-value (LTV) ratio for our portfolio is 37%, which provides a large cushion of equity against market volatility and helps to mitigate credit risk.
- Additionally, the weighted average term of our loans is 15 months, which allows us to regularly re-evaluate our portfolio and adjust our strategy accordingly.

SMIF's portfolio includes 3 equity positions, 2 real estate owned, and 2 loans with additional profit participation (above interest earned). On an annual basis, third-party independent appraisals are performed on these properties and the change in the valuation of such is reflected in the calculation of the net asset value of the portfolio.

Update on Loans in Special Servicing

The Fund currently has three relationships in special servicing, and we are pleased to report these facilities continue to improve. In the Cayman Islands, we have now received all the required licenses to commence Phase 2, which will consist of 23 condominium units. In Boston, we have a sale underway that will fully repay this exposure. Lastly, we have the two multi-family projects in Orlando. The goal is to stabilize both properties, and then refinance with an Agency loan at a significantly lower interest rate. After the refinancing, SMIF would sell its ownership to repay the loan and outstanding interest. Sterling foreclosed on the collateral securing the loan facility and became equity partners on December 27th, 2023. Both properties are benefiting from Disney's current resurgence, which is driving increased occupancy. Please [click here](#) to view a press release on Disney's plans to double capital expenditure over the next 10 years. Please [click here](#) to read an article published by the New York Times on Disney's estimated profits and growth.

Macro Comment

The Federal Reserve announced following its March 19-29th meeting that it is leaving the federal funds

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rate at a target range of 5.25 to 5.5 percent. It's the sixth time in the last seven meetings that the Fed has left rates unchanged, though the central bank has raised rates a total of 11 times during this economic cycle in an effort to tamp down high inflation. As of March 2024 data shows that year over year inflation has risen by 3.5% which exceeds the Fed's 2% target. The next meeting is scheduled for April 30-May 1st and most people are expecting that there will be no change to the rate although it is widely predicted that rates will fall at some time throughout 2024.

US GDP grew by 1.6% in the first quarter of 2024. This is significantly weaker than the expected growth of 2.4%. However, there are certain States that continue to have strong growth and stable markets. For example, Florida's economy continues to outperform that of the national average. Florida's private sector job growth rate increased by 0.4 percent in January 2024. This is double the national rate of 0.2 percent over the same period. Florida's economic data continues to indicate economic stability and confidence among Florida's workforce as the state's labor force grew by 2.2 percent) over-the-year in January 2024, which is faster than the national over-the-year rate of 0.8 percent. Florida is a State where opportunities for lending secured by strong assets are available.

In March 2024 the Ministry of Tourism and Aviation announced that the country had record-breaking tourism arrivals in 2023. Over 9.5 million visitors arrived in The Bahamas, which is an 38% increase from 2022 as well as a 33% increase from the previous record of 2019, prior to the pandemic. Air arrivals increased by 17% and cruise arrivals increased by over 43%. New Providence saw over 4.4 million visitors, a 36% increase from 2022 while Grand Bahama attracted almost 560,000 visitors, a 44% increase.

Visitors to the Cayman Islands reached 85% of the record-breaking figures from 2019 in 2023. While cruise tourism softened on-island accommodations remain strong. At the start of 2024 Forbes names the Cayman Islands #8 as a top nature destination in the world. In addition, the publication also highlighted Grand Cayman as the Culinary Capital of the Caribbean and a "foodie paradise". Sterling Mortgage Income Fund's financing to build the Grand Hyatt on Seven Mile beach continues to perform well.

Outlook

Regional banks continue to hold a greater concentration of commercial real estate debt relative to larger peers. However, they remain constrained in their ability to originate new financings. This is all occurring in the backdrop of a market where maturities on short term debt are occurring. This demand/supply imbalance will yield good opportunities for those lenders who have the capability and capacity to provide financing. Opportunistic private credit opportunities continue to grow.

We remain vigilant in our lending practices and expect that 2024 will be another strong year for our investors. Capital preservation and an ability to provide an attractive and consistent yield have been what our investors have come to expect from us, and we continue to deliver.

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Thank you for your ongoing trust in Sterling. We will work hard to continue earning your trust in the years ahead. If you have any questions about SMIF or Sterling Global Financial, please contact Karyn Phuong at 647-325-1509 or Ross Brennan at 1-242-677-1900

Best regards,

David Kosoy, Chairman

Stephen Tiller, CEO

Ross Brennan, Managing Director

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