

Leith Wheeler Income Advantage Fund Series F

Summary of Investment Portfolio as of August 31, 2017

Fund Objective:

To provide investors with a relatively stable source of tax efficient monthly income, with some potential for long term growth through capital appreciation and growth in dividends. The Fund derives its income from allocating its investments primarily among fixed income securities, preferred shares, and dividend paying equities.

Investment Style:

We take a conservative, disciplined approach to managing our Income Advantage Fund. We will adjust the investment mix between fixed income and equity securities as opportunities arise. A portion of the Fund will be maintained in each asset class.

Fixed income securities are chosen to provide safety of capital, liquidity, and strong cash flows. To manage risk, we set targets for duration, sector and credit quality factors which align with our interest rate outlook, industry sector and credit views. We aim to add value by generating yield using a relative valuation approach and investing in investment grade corporate bonds, high yield bonds, preferred shares, and other fixed income securities. Within the dividend paying equity component, we utilize a value investment philosophy, applying bottom-up, fundamental analysis to all investment decisions. Our investment goal has always been to protect our client's capital while offering superior investment growth, regardless of economic conditions. We approach this challenge by seeking out companies with stable earnings and reasonable business valuations and never investing unless we have a high level of comfort in the long term business model and management team.

Fund Details:

Asset Class	Balanced	Minimum Investment	\$5,000; \$1,000 for additional purchases
Fund Size	\$78.4 million	RRSP/RRIF Eligible	Yes
Fund Inception Date	December 21, 2010	Distribution Frequency	Monthly
Series Inception Date	September 11, 2015	MER	0.70% + taxes
Effective Yield	3.20% (before fees)	Fund Code	LWF030
Number of Holdings	192		

Performance History of F Series (Annualized over 1 Year):

	1 Month	3 Months	YTD	1 Year	Since Inception (Sept. 11, 2015)
Income Advantage Fund	0.9%	-0.1%	2.2%	6.6%	11.0%

Distribution History of F Series:

	Dist./Unit	Per \$10,000		Dist./Unit	Per \$10,000
Mar-17	\$0.0371	\$34.42	Jun-17	\$0.0254	\$23.97
Apr-17	\$0.3355	\$310.76	Jul-17	\$0.0249	\$23.63
May-17	\$0.0363	\$34.01	Aug-17	\$0.0280	\$26.40

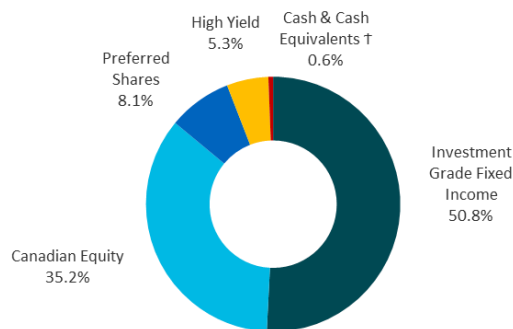
Top 10 Holdings (% of Net Asset Value):

LW Canadian Dividend Fund Series A	35.2%
LW High Yield Bond Fund Series A (CAD Hedged)	5.3%
Royal Bank of Canada FF 3.31% January 20, 2026	1.6%
Enbridge Pipelines Inc 3.45% September 29, 2025	1.4%
Bank of Nova Scotia 1.90% December 2, 2021	1.3%
Bank of Nova Scotia 1.83% April 27, 2022	1.3%
Royal Bank of Canada 1.97% March 2, 2022	1.2%
Enbridge Inc Preferred B	1.1%
TD Bank 2.62% December 22, 2021	1.0%
CAN 97506898 1.48% April 1, 2021	0.8%

Equity Sector Mix (% of Net Asset Value):

Energy	9.8%
Industrials	15.9%
Consumer Discretionary	4.1%
Consumer Staples	4.3%
Financials	44.4%
Information Technology	5.0%
Utilities	8.9%
Real Estate	7.6%

Portfolio Composition (% of Net Asset Value):



Monthly Commentary:

The Leith Wheeler Income Advantage Fund was up 0.9% in August, after fees and expenses. Over the month Canadian equities in the Fund rose by 1.6%, investment grade bonds by 0.9%, high yield bonds by 0.2%, while preferred shares fell by 0.9%. The asset allocation of the Fund remained relatively unchanged over the month.

The Canadian equities in the Fund outperformed the TSX Composite in August. Positive stock selection and an overweight in the Industrials sector were the top contributors to performance. **Toromont** announced that it was purchasing the Hewitt Group of Companies. Hewitt is the Caterpillar dealer in Quebec, Western Labrador and the Maritimes. We believe this is a great acquisition for Toromont shareholders, once the deal closes the company will have a geographic footprint that starts in Manitoba and ends in Newfoundland. In addition to the cost synergies, the growth opportunities are also attractive. **Finning** announced solid Q2 results, revenues were up 21% to \$1.6 billion boosted by new equipment sales and product support revenues. The backlog rose 30% to \$900 million with increases in each of Finning’s geographic regions.

In preferred shares, thin trading volume, geopolitical risk between the United States and North Korea and the risk of a U.S. government shutdown were all reasons behind the risk aversion bias leading to a flight to safety that pushed yields lower. However, the month ended on a positive note with the Canadian economy growing at an annualized rate of 4.5% during the second quarter. Fixed rate-reset issues, which we overweight, were the worst performers in the preferred share space in August. Pipeline issuers such as **Enbridge** and **TransCanada** (which accounts for 23% of all Fixed Rate-Resets by market value), were hurt by lower energy prices and outages that weighed in on sector results.

In investment grade bonds, we added to our Real Estate (**CT Real Estate Investment Trust, bclMC Realty**) and Resource (**Canadian Natural Resources**) issuer exposure and rotated some proceeds out of Financial issuers, in particular Banks (**Toronto-Dominion Bank**).

High yield performance has been loosely correlated with equity markets in the last few months, posting respectable total returns through modest spread tightening and coupon returns. The United States equity softness in August also led to a slight high yield spread widening; resulting in index level OAS spreads similar to early 2017 levels.

In late 2016 and early 2017 we have seen a convergence of leveraged loan asset class yields and broad high yield yields (3 year takeout/maturity comparison). High yield spreads have compressed and loan yields have been stable to increasing as LIBOR has increased. Loans rank higher in corporate capital structures, have historically higher recovery rates and offer partial protection from rising interest rates with LIBOR resets every quarter (floating rate product). Given these characteristics, the relative value proposition for loans against high yield is more compelling today compared to a year ago. The high yield component of the Leith Wheeler Income Advantage Fund allows some flexibility to hold up to 10% of AUM in loans, we now have three secured loan investments in the portfolio: **Everi Payments, Kinetic Concepts and Dell Technologies.**

† Cash and cash equivalents includes other assets and liabilities

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The forward looking information contained in this summary is based on our current expectations about future events. Forward-looking statements are not guarantees of future performance, the assumptions upon which they are based may not prove to be accurate. Actual results could differ materially from those expressed. Do not place undue reliance on forward-looking statements.

Additional information about the Leith Wheeler Funds is available in the Funds' Annual Information Form, Fund Facts, Management Report of Fund Performance and financial statements. You can get a copy of the Simplified Prospectus, and the other documents, at no cost by calling 1-866-292-1122, on our website at www.leithwheeler.com or by contacting your dealer. These documents and other information about the Funds, such as information circulars and material contracts, are available at www.sedar.com.

This summary is not intended to provide advice, recommendations or offers to buy or sell any product or service. The information provided is compiled from our own research that we believe to be reasonable and accurate at the time of writing, but is subject to change without notice.

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