

## NEW RESEARCH: A COMPARISON OF STRUCTURAL COSTS OF EXEMPT MARKET OFFERINGS

### ExemptAnalyst report ranks exempt market issues on offering costs and net proceeds from an investor perspective

A new report released today by ExemptAnalyst compares the costs structures of exempt market offerings. The report, Structural Costs of Exempt Market Offerings, ranks the issue costs of 32 offerings currently raising private equity in Canada's exempt market. Analyzing the net proceeds from an individual investor perspective, the report compares the fixed costs (legal fees, marketing, administrative fees, and accounting fees) and variable fees (selling commissions and management fees), to determine the net proceeds compared to the fees for an investment of one hundred thousand dollars.

Included in the analysis are funds offered by companies in a variety of industries including real estate, green energy, traditional energy, pre IPO financing, mortgage backed securities, private equity, REITS and pre IPO financings. The exempt market offerings used in the report are not identified in the ranking but are included in alphabetical order in the appendix.

Findings of the report include:

- Out those firms analyzed with management fees, the average management fee paid out was roughly 4.63%
- Dealer commissions varied from 3% - 17.5%
- The average commission paid out was 10%, with nearly half of commissions paid to dealers falling in the 9% - 11% range

The final report will be submitted for publish in the Financial Analyst Journal. This is the first report in a planned research series by ExemptAnalyst regarding alternative investments and the exempt market industry.

For more information about ExemptAnalyst visit [www.exemptanalyst.com](http://www.exemptanalyst.com).

For media inquiries contact:

Angela Joyce  
Marketing & Communications Consultant  
White Rabbit Communications  
1-403-681-9286  
[angela@whiterabbitcommunications.com](mailto:angela@whiterabbitcommunications.com)

#### About ExemptAnalyst

ExemptAnalyst provides independent, third-party research on alternative investments. With the goal of helping to foster a culture of transparency within the exempt market, our experienced roster of Chartered Financial Analysts perform rigorous quantitative and qualitative research on specific investment offerings in a variety of asset classes. ExemptAnalyst's research and analysis has gained momentum in 10 countries across many diverse investment sectors including mortgage backed securities, pre IPO financings, real estate and resort development, private equity, hedge funds, REITs, teak, as well as hydro, bio fuels and traditional energy.