

INVESTMENT OBJECTIVE

Mortgage Company of Canada is a mortgage investment corporation whose objective is to provide investors with an attractive risk-adjusted return by primarily investing in mortgages secured by single family homes in the Greater Toronto Area. Our experienced management team employs an independent Board approved credit policy, follows rigorous underwriting analysis and leverages its third-party mortgage brokerage relationships as well as its affiliated mortgage brokerage for mortgage originations. Mortgage Company of Canada's Board of Directors ("Board of Directors") comprises a majority of independent members who provide a framework around best practices.

9.38%¹
2017 TTM Yield
with DRIP²

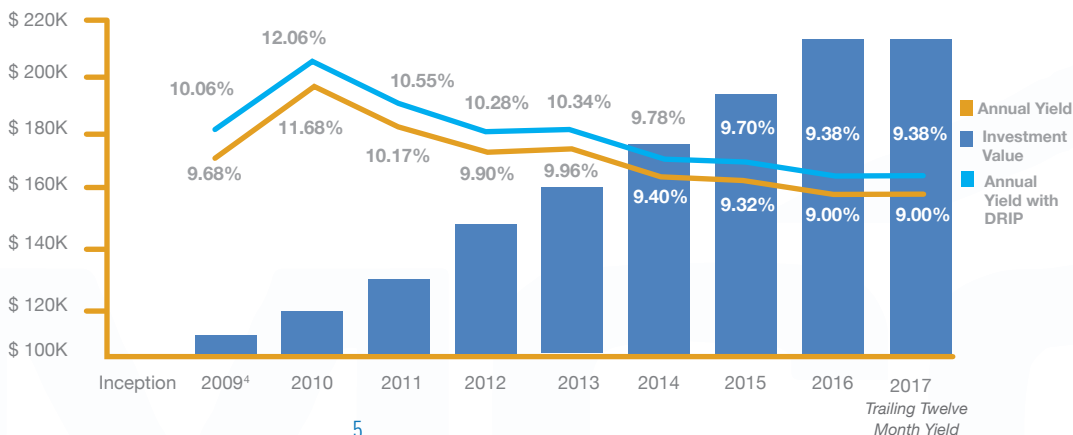
70.0%
Average
Loan-to-Value

429
Mortgages
Outstanding

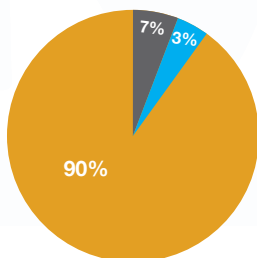
\$261M
Total Deals Funded
since inception as of
January 31, 2017

HISTORICAL RETURNS³

A \$100,000 investment in 2009 would be worth \$218,105 today

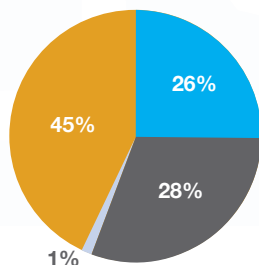


PORTFOLIO SUMMARY⁵



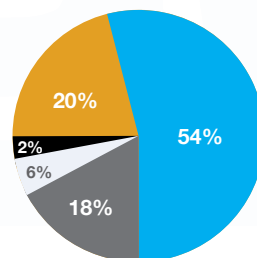
MORTGAGES BY LOCATION

- GTA
- Other
- Golden Horseshoe



REMAINING TERM TO MATURITY

- ≤ 6 months
- ≤ 9 months
- ≤ 12 months
- >12 months



LOAN TO VALUE

- > 75.1%
- 65.1 - 75%
- 55.1 - 65%
- 45.1 - 55%
- < 45%



January 2017

QUICK FACTS

Total Mortgage Portfolio	\$78.2M
Year-Over-Year Increase	58%
Average Mortgage Value	\$182K
Average Term to Maturity	6.6 Months
Average Appraisal Value	\$721K

Portfolio Composition:

Residential	100%
Commercial	0%

Investors:

Participating in DRIP	177
Total number of investors	286
Management and Board	\$6.3M
Investment in common shares	

TOTAL DEALS FUNDED IN JANUARY: \$10.39M

MORE INFORMATION

To learn more about Mortgage Company of Canada, please email or call:

Raj Babber

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☎ 905-886-5352 ext. 222

1) Monthly distributions are targeted at 9%. Bonuses reflecting yields generated in excess of 9% are paid out quarterly as per the Mortgage Company of Canada Offering Memorandum.

2) DRIP - Dividend Re-Investment Plan

3) Reflects yields earned by the predecessor company prior to the incorporation of the Mortgage Company of Canada on August 8, 2013 and those earned by Mortgage Company of Canada thereafter.

4) Actual return for the 10 months ended December 31, 2009.

5) Weighted by book value of loan.

CEO's COMMENTARY

I'm pleased to report a strong start to 2017 for Mortgage Company of Canada.

According to Re/Max's recent Market Outlook Report, the demand/supply dynamics for detached, semi-detached and townhomes in the GTA remain compelling. On the supply side, Re/Max indicates that the inventory of such properties is at a historic low. Current new builds of approximately 20,000 units are only half of the level that prevailed a decade ago. Meanwhile, strong demand is being driven by population growth of approximately 100,000 people per year.

With the economy expected to remain strong and low interest rates continuing, the outlook for the properties in our mortgage portfolio remains positive. According to Re/Max, 52% of Ontarians are expecting to buy a home at some point, with 47% anticipating that will be in the next 5-10 years. This provides strong comfort in the sustainability of the market.

At Mortgage Company of Canada, we continue to adhere to our disciplined lending approach: a focus on single-family homes in the GTA; short average terms to maturity; modest average mortgage sizes; average loan-to-value ratios of 70%; and no condominium high-rise. I look forward to reporting to you on continued success throughout the year.

MAJORITY INDEPENDENT BOARD OF DIRECTORS

Mortgage Company of Canada is committed to best practices and the preservation of shareholder capital. Accordingly, we have appointed four well respected business and finance professionals with public company experience as independent members and strategic advisor to our Board of Directors.

JAMES GARCELON

- Over 20 years of experience in the financial sector
- Portfolio Manager at Shaunessy Investment Counsel Inc.
- Former Co-Founder and Principal of Grove Capital Group

TAMMY OLDENBURG

- Over 19 years of experience within the finance and real estate sectors
- Chief Financial Officer at Credit Suisse Canada
- Former Vice President and Chief Financial Officer of MCAN Mortgage Corporation

RICHARD SENECHAL

- Former President and Chief Executive Officer of DUCA Financial Services Credit Union
- DUCA Director for over 30 years, served as Board Chair, Vice Chair, Chair Executive Committee, Chair Investment Committee, Chair Budget Committee and member of the Audit Committee.

STRATEGIC ADVISOR

DANIEL DRIMMER

- Over 20 years of experience in the multi-family residential and commercial real estate sectors in Canada and the United States
- President and Chief Executive Officer of Starlight Investments Ltd., Chairman of the Board, President and Chief Executive Officer of True North Commercial Real Estate Investment Trust and Chief Executive Officer of Starlight U.S. Multi-Family Core Funds.

¹⁾ Refer to Offering Memorandum for additional terms.

INVESTMENT TERMS

Target Yield

- Annual yield of 9% (paid since inception) plus discretionary quarterly bonus
- Distributions paid monthly

Minimum Investment

- \$25,000

Dividend Reinvestment Plan

- DRIP available

Deferred Income Plans

- Eligible for RRSP, RRIF, TFSA, RESP and deferred profit sharing plans

Redemptions

- Locked in for 1 year, 30 day notice, up to 60 days for redemption thereafter¹

Management Fees

- 0.5% annual base fee
- Performance fee above minimum threshold return of 9.5%

Auditor

Ernst & Young LLP

Legal Counsel

Stikeman Elliott LLP
Gowling WLG

FundSERV Code

MCO100

MANAGEMENT TEAM

Our management team has demonstrated an excellent track record over a combined 45 years of lending experience. Management and the Board of Directors have over \$6 million invested in Mortgage Company of Canada on the same terms as our investors, insuring that our interests are aligned.

RAJ BABBER

Founder, CEO and President

GREG GOUTIS

Chief Financial Officer

SANJAY KAITH

Chief Operating Officer