

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.



February 2017

9.54%¹
2017 TTM Yield with DRIP²

69.7%
Average Loan-to-Value

441
Mortgages Outstanding

\$269M
Total Deals Funded since inception

QUICK FACTS

Total Mortgage Portfolio	\$81.8M
Year-Over-Year Increase	64.6%
Average Mortgage Value	\$185K
Average Term to Maturity	6.8 Months
Average Appraisal Value	\$725K

Portfolio Composition:

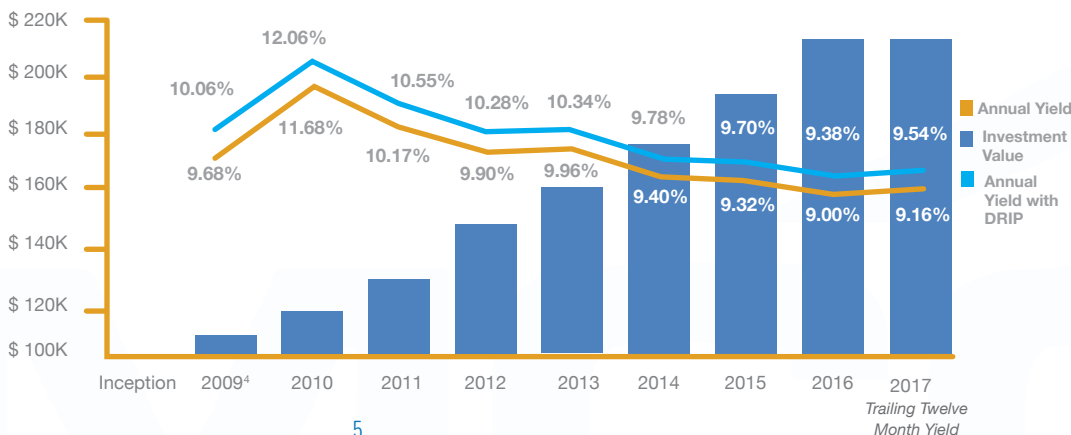
Residential	100%
Commercial	0%

Investors:

Participating in DRIP	182
Total number of investors	296
Management and Board	\$6.4M
Investment in common shares	

HISTORICAL RETURNS³

A \$100,000 investment in 2009 would be worth \$219,770 today



TOTAL DEALS FUNDED IN FEBRUARY: \$7.8M

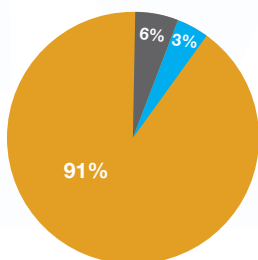
MORE INFORMATION

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

Raj Babber

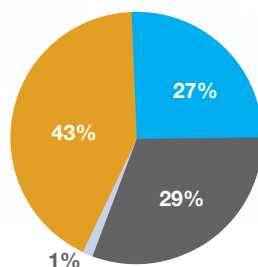
✉ raj.babber@mcoci.com
☎ 905-886-5352 ext. 222

PORTFOLIO SUMMARY⁵



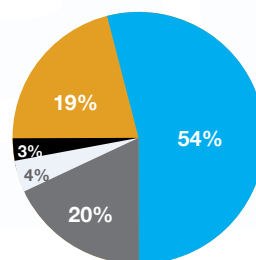
MORTGAGES BY LOCATION

- GTA
- Other
- Golden Horseshoe



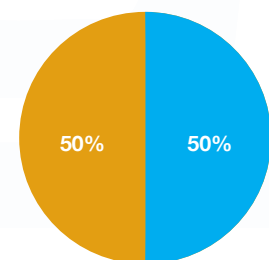
REMAINING TERM TO MATURITY

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



LOAN TO VALUE

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



SECURITY POSITION

- 1st Mortgage
- 2nd Mortgage

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

At Mortgage Company of Canada, we have a strong track record of consistent returns from our mortgage portfolio. In fact, since the inception of the MIC, we have underwritten \$269 million in mortgage loans, with cumulative loan losses amounting to less than \$50K. This speaks to our strict underwriting criteria and disciplined approach to lending. As I have communicated in the past, our portfolio is focused on single-family homes in the GTA; short average terms to maturity; modest average mortgage sizes; average loan-to-value ratios of below 70%; and NO condominium high-rise.

In this month's commentary, I'd like to talk about the importance we place on one of those criteria—the loan-to-value ratio. Quite simply, this ratio compares the amount of our loan to the appraised value of the subject property. By keeping this ratio below 70% and focus on properties located in the GTA we can help insulate the MIC from an unexpected downturn in market value.

It is also worth noting that housing prices in the GTA are continuing to increase. This is important because our portfolio has an average term of six months, so the loan-to-value ratio of our assets is improving over the course of that term. This further provides our portfolio with insulation against market or credit risk.

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