

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 annual target yield is 9.25%, with distributions paid monthly. 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 quality 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.



October 2017



QUICK FACTS

Total Mortgage Portfolio	\$124M
Year-Over-Year Increase	93%
Average Mortgage Value	\$220K
Average Term to Maturity	5.4 Months
Average Appraisal Value	\$806K

Portfolio Composition:

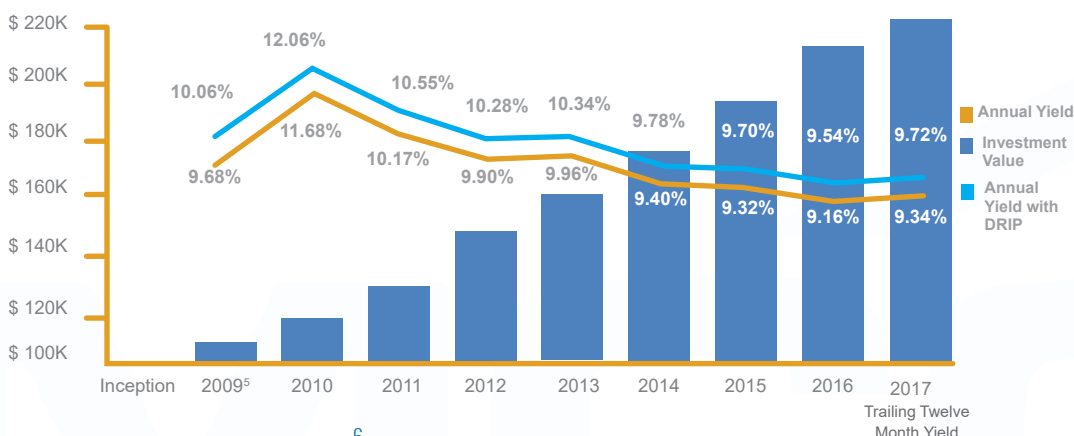
Residential	99.9%
Commercial	0.1%

Investors:

Participating in DRIP	210
Total number of investors	348
Management and Board	~\$7.2M
Investment in common shares	

HISTORICAL RETURNS⁴

A \$100,000 investment in 2009 would be worth \$233,554 today



DEALS FUNDED IN OCTOBER
\$6.5M

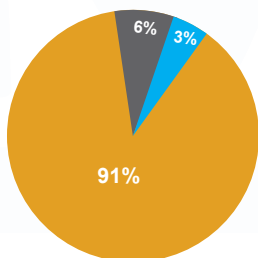
MORE INFORMATION

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

Raj Babber

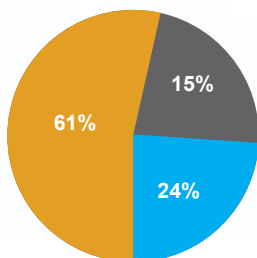
✉ raj.babber@mcoci.com
☎ 905-886-5352 ext. 222

PORTFOLIO SUMMARY⁶



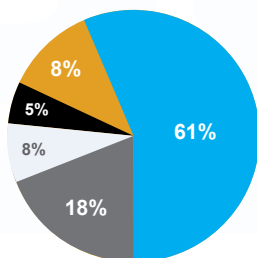
MORTGAGES BY LOCATION

- GTA
- Other
- Golden Horseshoe



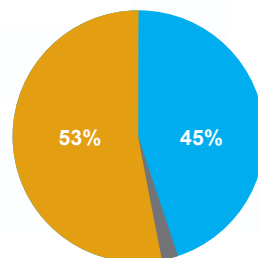
REMAINING TERM TO MATURITY

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



LOAN TO VALUE

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



SECURITY POSITION

- 1st Mortgage
- 2nd Mortgage
- 3rd Mortgage

1) Monthly distributions are targeted at 9.25%. Bonuses reflecting yields generated in excess of 9.25% are paid out quarterly as per the Mortgage Company of Canada Offering Memorandum.
 2) Reflects deals funded by the predecessor company prior to the incorporation of Mortgage Company of Canada on August 8, 2013 and those funded by Mortgage Company of Canada thereafter.
 3) DRIP – Dividend Re-Investment Plan
 4) Reflects yields earned by the predecessor company prior to the incorporation of Mortgage Company of Canada on August 8, 2013 and those earned by Mortgage Company of Canada thereafter.
 5) Actual return for the 10 months ended December 31, 2009.
 6) Weighted by book value of loan.

CEO's COMMENTARY

The Toronto real estate market is gaining strength after an unpredictable spring and summer. October home sales rose nearly 12% from the prior month, according to the Toronto Real Estate Board (TREB), while the average selling price increased 2.3% year-over-year. TREB noted that these numbers point to stronger fall market conditions.

We are not surprised to see this renewed strength in Toronto's residential real estate. Toronto is experiencing an influx of new citizens thanks to ongoing immigration and urbanization trends, while members of the millennial generation are shedding their apartments and condos and buying single-family homes as they look to start families. At the same time, construction of new homes has failed to keep up with surging demand for many years, due to challenges such as long permitting timelines and limitations on development created by the Greenbelt. In addition, Statistics Canada reported that the economy added 89,000 full time jobs in October. This surge in full time jobs came after an even larger addition in September of 112,000 full time jobs. This brings the total full-time job creation for September and October to its highest two-month period on record while unemployment remained low at 6.3%.

Over the summer, we saw how government policy can create short-term fluctuations in the GTA housing market. Today, we're seeing that once the surprise wears off, market forces quickly reassert themselves. The GTA housing market is proving to be very strong and resilient.

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 Shaunessey 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.
- Former Board Member of Mortgage Company of Canada.

1) Refer to Offering Memorandum for additional terms.

INVESTMENT TERMS

Target Yield

- Annual yield of 9.25% 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 approximately \$7.2 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