



Tri City Fund Management Ltd.

A member of the Tri City Group of Companies

Dear Investor,

Thank you for your interest in the **Tri City Group Monthly Income Mortgage Trust ("TCGMIMT")**. Please find enclosed an information package for your consideration. This trust is our second, the first being Tri City Mortgage Investment Fund. In our first trust we have been able to hit an 8.0%* return for the first three years and an 8.1%* return in the last 2 years. Based on this experience and the market improving for private lenders, we believe we can do the same for the second trust in the near future.

TCGMIMT is an open-ended offering of trust units that are invested in a pool of carefully selected mortgages originating primarily in the urban real estate markets of Western Canada.

What distinguishes this Trust from other trusts or MICs you might consider is that Tri City Group's founder has invested the first \$1 million into TCGMIMT (though his family office, Tri City Capital Corp) **and** has agreed to make this investment subordinated to all the other investors. This subordination means that Tri City Capital Corp will only receive its share of monthly distributions after all other investors have received theirs first. It also means that if the Trust is wound up, all investors will receive a return of all their invested capital before Tri City Capital Corp can receive any of its invested capital.

Investors participate alongside Tri City Capital Corp in a what we believe is a conservative, diversified portfolio of mortgage loans with Preferred Series P Units yielding 6.5%* (P-1 and P-IN for 2018) and Profit Participating Series A Units targeting a yield of 8.0%*, plus profit sharing (A-1 and A-IN). The **Tri City Group Monthly Income Mortgage Trust** units may be held in self-directed registered accounts for RRSPs, RRIFs, RESPs, LIRAs and TFSAs.

Management fees at 1.25% are one of the lowest in the industry. Management incentives are only triggered after TCGMIMT delivers an 8.0%* hurdle rate to certain Series A units (A-1 and A-IN). Any excess net returns beyond the 8.0%* hurdle rate are split 70/30% in favour of Series A investors (A-1 and A-IN). We would welcome any questions you have about this trust, mortgage strategies and our company. Please contact our office at (604) 569-2015 Ext. 248 or email info@tricitymortgagetrust.ca. For additional information, we invite you to visit our website at www.tricitymortgagetrust.ca.

Best regards,

Tri City Fund Management Ltd.

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Sandy Oh
President

** E. & O. E. Past returns are no indication of future results. All quoted returns are annualized and assume reinvestment of distributions.*