

Preferred Series P Summary*

Tri City Group Monthly Income Mortgage Trust (TCG MIMT) aims to deliver superior returns with minimized risks to investors. TCG MIMT was founded by the Tri City Group, leaders in real estate and private lending since the 1960s and headquartered in Vancouver, British Columbia. Tri City Capital Corp. (TCCC), wholly-owned by Michael Goodman, has invested the first \$1,000,000 into Series A units. Series P Units are preferred and, as such, are paid in advance of Series A Units. They offer no profit participation.

Information Snapshot

Investment Type:	Mortgages – Residential & Commercial (private lending)
Structure:	Quasi-Mutual Fund Trust
Cash Flow:	Fixed return of 6.5% annualized for 2018 (paid monthly)
Rate Adjustment:	Rate adjusted annually starting Jan. 1, based on the 2-year Government of Canada bond yield plus 4.8%.
Return Derived From:	Interest and fees from lending
Minimum Investment:	\$10,000 for 10 units
Investment Term:	6 years (suggested)
Eligibility:	RRSP, RRIF, RESP, LIRA, TFSA
Redemption Discount:	6.0% 1st year, reduced by 1% every year thereafter
Redemption Value:	Subscription Price (less redemption discount)
FundSERV Code:	TCF 206

Lending in British Columbia and Alberta, TCG MIMT plans to expand into Ontario, carefully selecting and funding short-term residential, construction, commercial and industrial mortgages that provide consistent reliable returns. Borrowers are qualified based on equity in their property and their ability to pay. Deal flow is generated through in-house brokers and a network of senior brokers at top firms across Canada, based on relationships developed over decades.

A significant amount of repeat business is generated due to our common sense lending parameters and our flexible/collaborative approach to working with borrowers. As a private lender, we take security over real estate and manage risk in the following manner:

- Generally capping the loan term at 13 months (reduces duration mismatch)
- Restricting the Loan-To-Value (LTVs) using our proven formulas with an overall objective under 75%: As of December 2016, LTV is 61% and it has hovered around this LTV for a number of years
- Using conservative appraisals from our trusted partners
- Capping the loan size to \$1.5M and all loans approved by credit committee

Please contact **Tri City Fund Management Ltd.** to discuss investing requirements.

Phone: 604.569.2015, ext 248, or email: info@TriCityMortgageTrust.ca

** This document is for information purposes only and is not to be construed as an offer to sell or a solicitation to buy any securities. All rates shown are calculated on an annualized basis with reinvested distributions. Errors and Omissions Excepted.*