

Profit Participating Series A Summary*

Tri City Group Monthly Income Mortgage Trust (TCGMIMT) aims to deliver superior returns with minimized risks to investors. TCGMIMT was founded by the Tri City Group, leaders in real estate and private lending since the 1960s and is headquartered in Vancouver, British Columbia. Tri City Capital Corp (TCCC), wholly-owned by Michael Goodman, invested the first \$1,000,000 in the Trust. **TCCCs 1,000 Series A Units are subordinated and represents the first risk capital in the event of an unwinding.** Preferred Series P Unitholders will receive their distribution target before Series A Unitholders get their base distribution or profit participation.

Information Snapshot

Investment Type:	Mortgages – Residential & Commercial (private lending)
Structure:	Quasi-Mutual Fund Trust
Cash Flow:	Targeted return of 8.00% annualized (paid monthly)
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:	Adjusted Book Value (less redemption discount)
FundSERV Code:	TCF 106

Lending primarily in British Columbia and Alberta, TCGMIMT plans to expand into Ontario, where we will continue to carefully select and fund short-term residential, construction, commercial and industrial mortgages that provide consistent reliable returns. Borrowers are qualified based on equity in their property and ability to pay. Deal flow is generated through in-house brokers and a network of senior brokers at top firms across Canada.

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 private lenders, 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 2018, average loan to value was 62%, and has generally hovered around this percentage.,
- Using conservative appraisals from our trusted partners,
- Capping the loan size to \$1.5M,
- All loans are approved by the Credit Committee.
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Please contact **Tri City Fund Management Ltd.** to discuss investing requirements:

Phone: 604-569-2015, ext. 236, 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.*