

INVESTMENT OBJECTIVE

Earn a consistent monthly distribution of income while preserving invested capital, with a targeted yield of 8% per annum net of management fees.

TWO INVESTMENT OPTIONS

Series A - Profit Participating Trust Units: target 8% return, plus annual profit share.

Series P - Preferred Trust Units: a more conservative investment, initially set at 6% for two years; thereafter adjusted annually, paid in priority to Profit Participating A Trust Units.

PROFIT PARTICIPATION UPSIDE

Profit Participating A Unitholders are entitled to 70% of the Trust's profits earned above the targeted returns. The Fund Manager earns the remaining 30%.

ALIGNMENT WITH INVESTORS

All lender fees are paid to the Trust.

FIRST INVESTOR

Tri City Capital Corporation, fully owned by Michael Goodman, has invested the first \$1 million in A Trust Units, which is subordinated to all other investors. Tri City does not receive its interest until after P Unitholders receive theirs.

INVESTMENT STRATEGY

Capital is invested in a diversified portfolio of carefully selected short-term mortgages, primarily residential and residential-construction mortgages in urban markets of Canada. Unless unanimously approved by our Credit Committee, loan-to-value ratios will not exceed 75%. This provides a significant buffer between the loan amount and the property's value.

FREQUENCY OF PAYMENT

Monthly, in cash or reinvested.

RRSP ELIGIBILITY +TAX TREATMENT

RRSP, RRIF, TFSA, RESP and LIRA eligible. Existing registered plans may be transferred into the Trust. For tax purposes distributions are treated as interest income.

MINIMUM SUBSCRIPTION

10 Units - \$10,000

MANAGER

Tri City Fund Management Ltd.

MANAGEMENT FEE

1.25% per annum

CONTACT

Tri City Group Monthly Income Mortgage Trust

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The securities referred to herein are being offered by offering memorandum only and only to investors who meet the investment eligibility criteria described in the offering memorandum. All information herein is qualified by the information contained in the offering memorandum, which should be carefully reviewed by prospective investors with advice from their professional advisors.

 TRI CITY GROUP

MONTHLY INCOME MORTGAGE TRUST



ABOUT THE TRI CITY GROUP

The Tri City Group of Companies have been mortgage lenders, developers and landholders in Western Canada since the 1960s. For over 50 years, we have enjoyed steady returns gained from funding short-term residential and residential-construction mortgages.

Henry Goodman, the founder, told his son Michael, "As an investment, mortgages have always been more secure and steady than stocks. When I was a young man in the 1930s, I saw many corporations plummet and vanish leaving stockholders with nothing, whereas real estate lenders were protected. Decades later, during subsequent recessions, those family and friends who invested in mortgages with us were safe. By having access to the ownership of the underlying land and buildings our interests were protected."

HENRY GOODMAN'S LEGACY

Henry passed on and left the company to his wife, Ruth, and eventually to their son, Michael.

According to Michael,

"My father's wisdom has proven itself to be true, time and again. In 2008, when the stock market crashed, our friends' and family's money was safely invested in mortgages and still providing us with steady returns. Myself along with our trust managers are veterans of the interrelated mortgage, banking and real estate industries and have personally invested in both mortgage Trusts. As such, our interests are fully aligned with those of the investors. My personal holding company has invested over one million dollars in this Trust. The Trust is uniquely constructed so that the more conservative Preferred P Unitholders receive their returns before me and the other A Unitholders.

Evaluated on an individual basis and guided by our conservative approach to lending, we fund fewer than 1 in 8 mortgage proposals submitted.

Safer mortgages with smaller returns take precedent over riskier ones with potentially higher returns. All loans are short-term, normally one year in duration, enabling us to reset rates as the market moves. That is the way my father did it and that is the way we do it today."

In October 2011, Tri City Group launched its first mortgage trust open to public investment, the Tri City Mortgage Investment Fund. It targeted an 8% annual return, calculated with distributions reinvested, and has sold out. **We are proud to report this target has been reached every year since inception.**

THE FOUNDER'S COMMITMENT

Tri City Capital Corporation, fully owned by Michael Goodman, is the first investor in the Tri City Group Monthly Income Mortgage Trust. With an initial investment of over one million dollars, Michael's interest is subordinated and as such he is the last in line to recover his equity.

8%

Per annum delivered on the Tri City Mortgage Investment Fund since October 2011, based on distributions reinvested.

THE TRI CITY GROUP MONTHLY INCOME MORTGAGE TRUST

The Tri City Group Monthly Income Mortgage Trust is a licensed and regulated mortgage lender and is 100% owned by its investors.

The Trust is managed by Tri City Fund Management Ltd., which underwrites and funds each loan. The maximum loan-to-value ratio is capped at 75%. This may only be exceeded in rare circumstances with unanimous Credit Committee approval.

The Trust is an equity lender, so its rates are higher than those of the banks. Borrowers are prepared to pay the Trust's rates because of its efficient lending process and simple guidelines. In some cases, borrowers may be acquiring real estate in need of short-term improvements to increase its value before being resold or refinanced. In other instances, borrowers' credit may be impacted for short periods due to factors such as immigration status or self-employment. This makes them ineligible to borrow at major bank rates.

The Trust is a transitional lender, providing interim financing, which allows borrowers the time to reorganize and qualify for less costly funding. Management uses common sense and has a simple formula. We look for equity protection, the borrower's ability to pay, and their plan to move on to a less expensive lender.