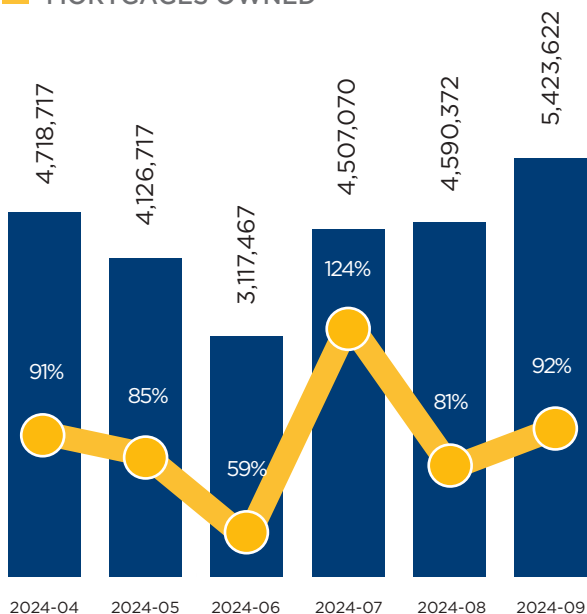# CMI | MIC Funds

Prime Mortgage Fund
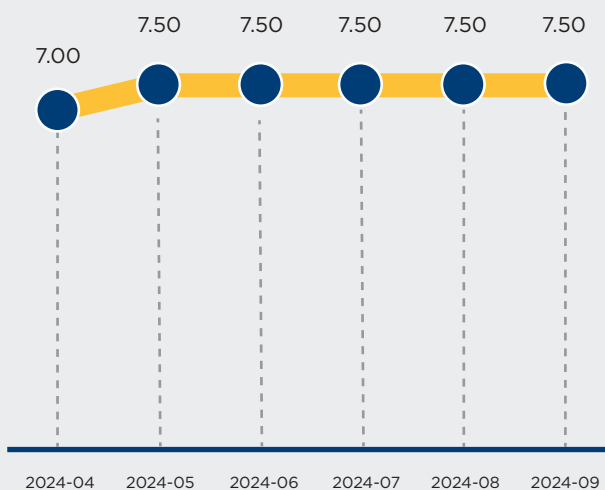
OCTOBER 1ST 2024
FUND REPORT

CMI MIC

Canadian Mortgages Inc. (CMI) is an Ontario based Mortgage Investment Corporation (MIC) that represents ownership in a diversified, professionally managed residential mortgage portfolio. The MIC invests primarily into first and second residential mortgages in strong, stable urban real estate markets across Ontario and the rest of Canada. CMI MICs are designed to minimize overhead and carrying costs, and are 100% backed by real property in prime real estate locations across Canada. The CMI MIC Prime Mortgage Fund is designed to generate net annual returns of 6–7%, comprised of interest and fee revenue minus expenses, directly to shareholders. The CMI MIC Prime Mortgage Fund offers consistent returns, while risk is mitigated through the MIC's investment in multiple mortgages, and the backing of MIC loans by real estate security.

ASSETS UNDER MANAGEMENT

■ TOTAL FUND
■ MORTGAGES OWNED

	2024-04	2024-05	2024-06	2024-07	2024-08	2024-09
Total Fund	4,718,717	4,126,717	3,117,467	4,507,070	4,590,372	5,423,622
Mortgages Owned	91%	85%	59%	124%	81%	92%

NET ANNUAL YIELD (%)*

2024-04	2024-05	2024-06	2024-07	2024-08	2024-09
7.00	7.50	7.50	7.50	7.50	7.50

*CLASS F YIELDS

How Do We Invest?

The CMI MIC is a pure-play investment vehicle focused solely on high quality mortgage investments. Investors' capital is incorporated in a pool of mortgages that is then provided to end-borrowers. Some of the advantages of a MIC include:

✓ Investment in the CMI MIC Prime Mortgage Fund can be made in either cash or registered funds via a qualified trustee.

✓ Tends to have higher yields than other yield based investments on a risk-adjusted basis (please refer to 'Risk Factors'in the Offering Memorandum).

✓ Funds deposited in the CMI MIC Prime Mortgage Fund are exchanged for shares proportionate to the investor's capital investment ($1 preferred share for every $1 invested in the MIC).

✓ Each preferred share entitles the investor to a share of mortgage income earned by the MIC. Shares are RRSP, TFSA, RESP, RRIF and LIRA eligible.

✓ Targeted annual rate of return between 6% and 7%, paid monthly.

✓ Shares may be redeemed without penalty after 12 months with 30 days notice in advance of the monthly redemption period.

✓ Shares in the CMI MIC Prime Mortgage Fund are offered via registered securities dealers and issued contingent upon the investor qualifying.

MORTGAGE INFORMATION - LAST 6 MONTHS

	2024-04	2024-05	2024-06	2024-07	2024-08	2024-09
# Mortgages	14	12	14	16	16	17
Avg Loan Size	294,765	259,789	321,934	286,898	286,898	319,037
Mortgages Owned ($)	4,126,717	3,117,467	4,507,070	4,590,372	4,590,372	5,423,622
Invested Capital	4,881,326	5,258,656	3,635,327	5,700,796	5,700,796	5,888,165

INVESTORS AND DIVIDENDS

	2024-04	2024-05	2024-06	2024-07	2024-08	2024-09
# Investors	50	47	48	34	49	51
$ Distributions	42,514	38,743	41,089	41,024	58,274	42,574
Dividends paid to Investors	30,244	30,499	32,845	32,779	29,989	36,801

WEIGHTED AVERAGE LOAN-TO-VALUE

(%)

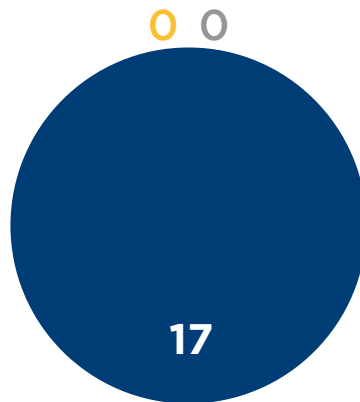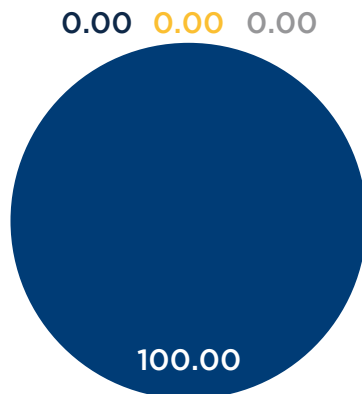| 2024-04	2024-05	2024-06	2024-07	2024-08	2024-09
57.24	56.64	53.49	57.68	57.46	61.18
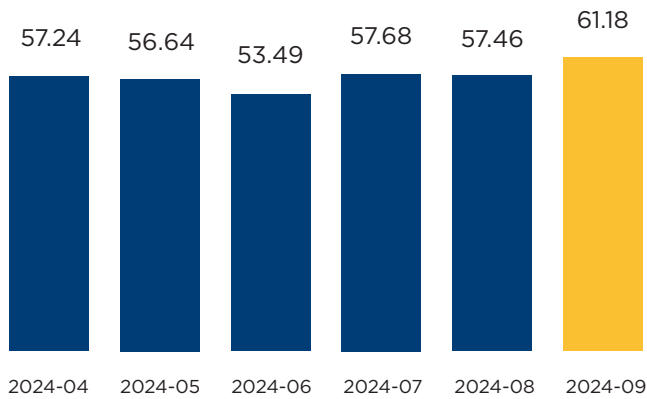
MORTGAGE ALLOCATION PER BUILDING TYPE

2024-09

- Residential-Owner
- Residential-Land
- Commercial

0   0

17

MORTGAGE ALLOCATION PER SECURITY POSITION

2024-09

- First
- Second
- Third
- Blanket

0.00   0.00   0.00

100.00

Risk Mitigation

CMI's diversified mortgage portfolio is based on a diligent assessment of risk and underwriting guidelines, allowing investors to enjoy consistent long-term growth while actively seeking to minimize risk exposure. CMI mitigates risk through a combination of the following practices:

✓ Concentrating on stable, high-growth and recession resistant residential market across Canada.

✓ Targeting moderate-risk mortgages while striving for a weighted-average portfolio loan-to-value of 65%.

✓ Strict mortgage origination guidelines backed by expert underwriters that assess each property's liquidity, equity growth projections and the ability of the applicant to service the debt.

✓ Confirming residential property value through professional appraisers and experienced local realtors.

✓ MIC maintains an appropriate amount of cash so that existing investors can make redemptions of their principal amount in any given year.

✓ Maintaining a diversified pool of mortgages with no single loan exceeding more than 10% of the book value.*

* The corporation will maintain a pool of diversified mortgages with no single loan exceeding more than 10% once the corporation's present value of mortgages exceeds 5 million dollars.

CONTACT US

CMI

Class A: CCI 321, Class F: CCI 322