



FIRST CIRCLE  
FINANCIAL



## First Circle Mortgage Investment Corporation

### *September 30, 2018 results*

We are pleased to report on the company's financial results for its fourth quarter and year ended September 30, 2018.

#### Highlights:

- A yield of **9.2%** for the fourth quarter and **8.6%** for the year ended September 30, 2018
- A dividend of **\$0.23** per share paid on December 6, 2018
- Share capital growth year over year of \$14.7 million to a level of \$71.3 million
- Full deployment of the Company's capital throughout the year
- The mortgage portfolio continues to perform well and no loss provisions are required

Yield for 2018 of 8.6% was a significant improvement over that of the prior year (7.5%).

Contributing factors to improved yield include the full deployment of the fund's capital throughout the year as well as several increases in bank prime over the period.

The size of the mortgage portfolio reached the \$100 million mark during the quarter and while we, as Manager, are obviously quite proud and pleased, investors should be happy as well. Your investment is as diverse as ever, secured by close to 200 mortgages situated in the major population centers of Southwest British Columbia (70% Lower Mainland). The portfolio is comprised 85% of first mortgages and the average loan size is \$525,000. The average loan to value ratio (loan amount divided by the value of the secured property) is 54%. In other words, the average mortgage amount is \$525,000 secured on a property valued at \$972,000.

We are also pleased to announce the addition of Colin Dreyer to our Board of Directors. Colin is a graduate of Simon Fraser University and has been involved in the real estate industry for all of his career. In 1990 he founded The Mortgage Source which evolved into one of the seminal mortgage brokerage operations in BC. In 2005 Colin co-founded Verico Financial Group which presently has over 225 mortgage brokerage offices across Canada. In September 2017 Verico was purchased by M3 Mortgage Group. Mr. Dreyer is a highly respected member of our industry and we are extremely pleased that he has accepted our invitation. He will be a tremendous asset.

Should you have any questions, please feel free to give us a shout.

**Anna Solnickova**, BBA, CPA, CGA, ACCA

Vice President, Finance

604-986-3200

[invest@firstcircle.ca](mailto:invest@firstcircle.ca)