



FIRST CIRCLE
FINANCIAL



First Circle Mortgage Investment Corporation

December 31, 2018 results

We are pleased to report on the company's financial results for its first quarter of the current fiscal year.

Highlights:

- A yield of **8.4%** for the quarter ended December 31, 2018
- A dividend of \$0.21 per share paid out on February 6, 2019

It was another good quarter, both in terms of mortgage lending volumes and receiving mortgage paybacks. Our fund's capital is presently fully deployed and the mortgage portfolio continues to perform very well.

Our mortgage portfolio of just over \$100 million is secured upon almost 200 properties situated in southwestern British Columbia having an average loan amount that is 54% of the appraised value of the property. In other words, our average loan amount is \$528,000 secured by a property value of \$978,000. But, these are average figures.

What about high-end homes, you might wonder? After all, we're all hearing about big price adjustments on higher-end homes. Well, responsible lenders are generally more conservative with the amount of money lent on expensive properties. Conversely, they are more aggressive on lower valued, more affordable, i.e. more marketable, properties.

So, when we break out our mortgage portfolio, we have 19 mortgages secured by properties valued at greater than \$3 million and our average loan to value on those loans is 48%. For example, on a \$4 million dollar west side property, our loan would be approximately \$1,900,000. So, even though there have been some large price adjustments on higher-end properties since last summer, we feel confident that we have very little risk exposure to them.

Please don't hesitate to reach out should you have any questions.

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