

Investing in Real Estate Mortgages

投資房地產抵押貸款

What Every Investor Should Know
每個投資者都應該知道的



What is mortgage investing? / 抵押貸款投資是什麼？

The Basics / 基礎知識

- Investors/lenders lend money against a “real property” for various purposes (e.g. purchase, refinance, renovation, construction) / 投資者/貸款人以“不動產”為抵押，為實現各種目的（如購買、再融資、翻新、建造）提供貸款
- A mortgage charge is registered against the property to secure loan repayment / 對房產進行抵押登記，作為償還貸款的擔保
- Investors/Lenders generate revenue based on interest and fee, and not on the property going up in price / 投資者/貸款人的收入來源於利息和費用，而不是房產價格的上漲
- If the borrower fails to repay the debt, the lender can sell the property to recoup the investment / 如果借款人無法償還債務，貸款人可以出售房產以收回投資



What is mortgage investing? / 抵押貸款投資是什麼?

The Basics / 基礎知識

- Mortgage lending is a practiced method of investment that is **traditionally only available to institutions and high net worth individuals.** / 抵押貸款是一種傳統上只面向機構和高淨值個人的投資方式
- As of February 2024, CMHC reported a total of **\$2.16 trillion** in residential mortgage debt outstanding in Canada. Of this amount, **\$391 billion** is attributable to non-bank lenders. / 據加拿大住房與抵押貸款公司（CMHC）報告，截至2024年2月，加拿大未償還的住宅抵押貸款債務總額達**\$2.16萬億**，其中**\$3910億**來自非銀行貸款機構。
- There continues to be a significant demand for mortgage investment to support Canada's growth (e.g. Ontario's target of 1.5 million new homes by 2031). / 為支持加拿大經濟增長（如安大略省到2031年新建150萬套住房的目標），對抵押貸款投資的需求仍然很大。

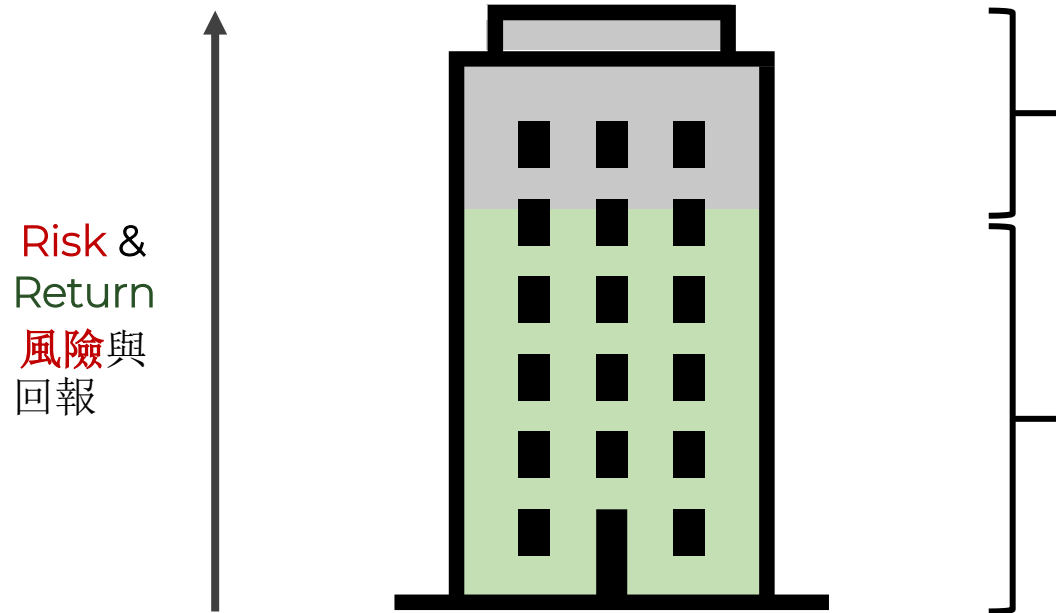


What makes mortgage investing / 是什麼讓抵押貸款投資成為 a secure form of investment? / 一種安全的投資方式?

1. **Backed by Real Estate:** Mortgage loan is backed by real estate, which is a strong asset class in Canada. Hence, a mortgage loan can be considered **very secure if** the loan is structured, implemented, and managed correctly. / **以房地產為抵押:** 抵押貸款以房地產為抵押，而房地產在加拿大是一個強大的資產類別。因此，如果貸款結構、執行和管理得當，抵押貸款可以說是**非常安全的**。
2. **Registration on Title:** A mortgage charge gives lenders the right to take legal actions against the property if the borrower defaults on the loan. The lender can take the property through a process called “Power of Sale” to sell the property to repay the mortgage debt. / **產權登記:** 抵押貸款賦予貸款人在借款人拖欠貸款時對房產採取法律行動的權利。貸款人可通過一種稱為“強制出售”的程序將房產出售，以償還抵押貸款債務。
3. **Borrower Guarantee:** Mortgagees tend to also register security under the Ontario Personal Property Security Act (“PPSA”). This registration indicates the lender’s interest in the borrower’s personal property. / **借款人擔保:** 抵押人往往還會根據安大略省個人財產擔保法案 (“PPSA”) 進行擔保登記，表明貸款人對借款人個人財產的權益。
4. **Priority on Insurance Proceeds:** Mortgagees are also protected by the mortgagor’s insurance should anything occur to the property. / **優先獲得保險賠付:** 如果被抵押的房產出現任何意外，抵押人還會得到保險優先賠付。

Comparing equity and debt in a real estate investment

房地產投資中股本和債務的比較



Equity / 股本

- Preferred Shares, Common Shares, REITs / 優先股、普通股、房地產投資信託(REITs)
- Return depends on project performance or value appreciation / 回報取決於項目的績效或價值增長
- Opportunity for higher return / 有機會獲得更高回報
- Repayment occurs at project completion or sale of property (after debt is repaid) / 償還發生在項目完成或房產出售後（在償還債務之後）

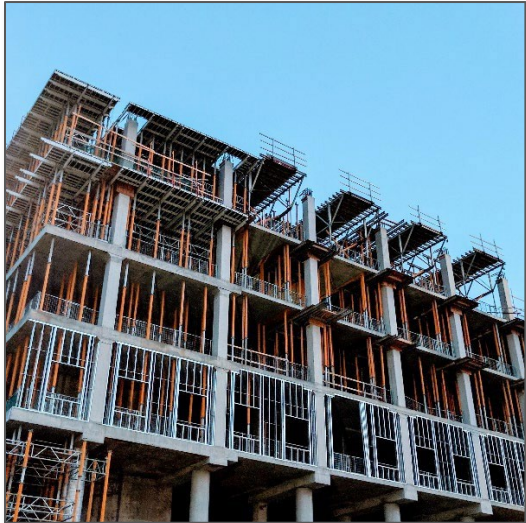
Debt / 債務

- Mortgage Loan, Line of Credit / 抵押貸款、信用額度
- Return is based on interest earned / 回報基於獲得的利息
- Interest earned on a monthly basis / 利息每月結算
- Priority repayment before equity / 優先於股本進行償還

Capital Stack of a Real Estate Development / Property 房地產開發/房產領域的資本堆棧

How is mortgage investing different from other investment vehicles

與其他投資工具相比，抵押貸款投資的不同之處



Developments
開發項目

Investors participate in a project at the equity level. Such projects may produce higher returns but can take 5-8 years before any return is materialized. / 投資者在股本層面參與項目。這類項目可能帶來更高的回報，但在任何回報實現之前可能需要5-8年的時間。



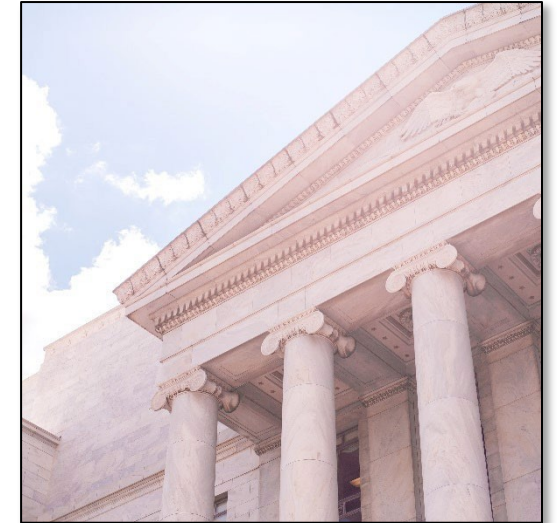
REITs
房地產投資信托

A REIT is a form of equity investment focusing on ownership of stabilized real estate. Investors benefit from income (i.e. rent) and potential capital appreciation. / REIT是一種股本投資形式，注重擁有穩定的房地產所有權。投資者從租金收入和潛在的資本增值中獲益。



Dividend Stocks
股息股票

The investment relies on a company rather than real estate to generate returns. Stocks are more liquid than real estate but is highly correlated to public markets. / 這種投資依賴於公司而不是房地產來產生回報。股票比房地產更具有流動性，但與公共市場高度相關。



Public Bonds
公共債券

Bonds that generate similar returns as mortgages are typically junk bonds, which have higher default risk. 產生類似於抵押貸款回報的債券通常是高風險債券，其違約風險更高。



Mortgage Investment

A Source of Passive Income

將抵押貸款作為一種被動收入来源

- 1 Consistent Monthly Income without Significant Lock-in Period / 穩定的月收入，沒有長期鎖定期限
- 2 Priority Repayment over Equity Investments / 比股本投資優先償還
- 3 Premium Yield over Traditional Fixed Income Products / 相較於傳統的固定收益產品，能獲得更高的溢價收益
- 4 Alternative Investment with Low Correlation to Public Markets / 與公共市場相關性較低的另類投資



How can one participate in
Mortgage Investing?

如何參與
抵押貸款投資？

Various Ways to Participate in Mortgage Investing

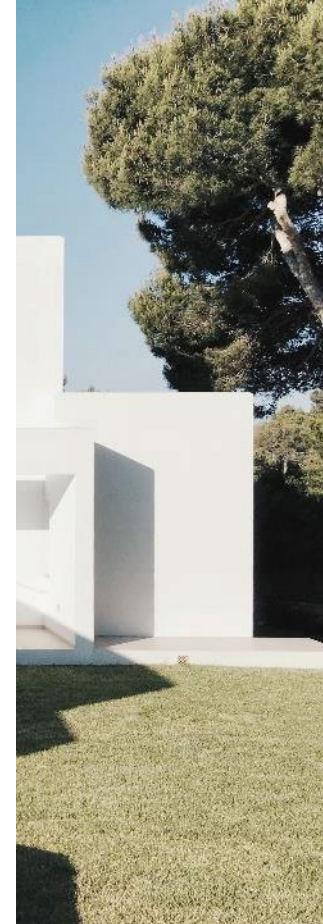
參與抵押貸款投資的多種方式

Group Investment / 集體投資

- Mortgage Funds, Trusts, or Investment Corporations / 抵押貸款基金、信托或投資公司
- Mortgage Syndication / 抵押貸款銀團

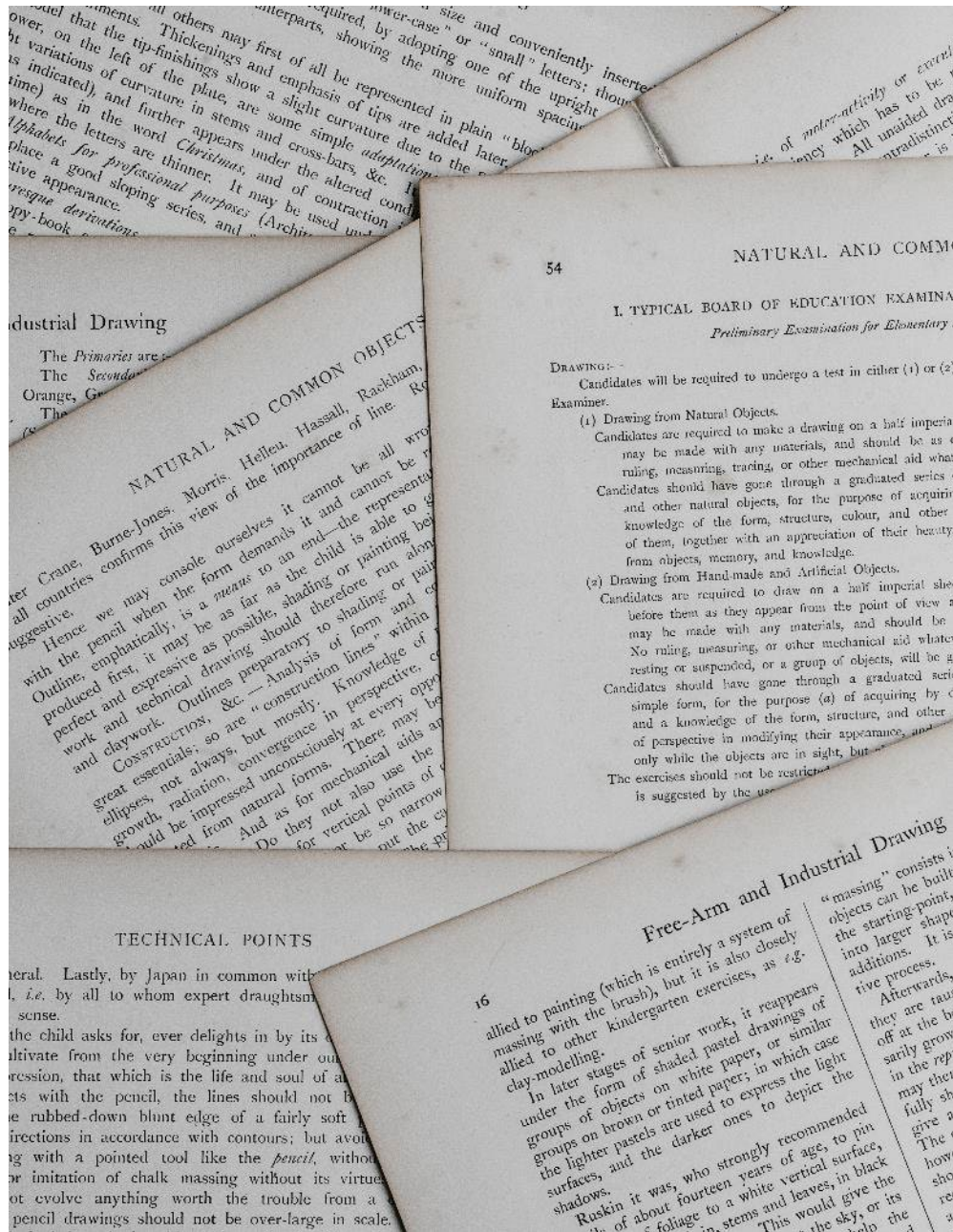
Individual Investment / 個人投資

- Individual Loan / 個人貸款



Regulations governing Mortgage Investing 抵押貸款投資的監管規定

- Mortgage Investment is highly regulated by Financial Services Regulatory Authority of Ontario (FSRA) and the Ontario Securities Commission (OSC). / 抵押貸款投資受到安大略省金融服務監管局 (FSRA) 和安大略省證券委員會 (OSC) 嚴格監管。
- Industry is moving away from Syndicated Mortgages (i.e. investing in a single mortgage) and towards **Fund/Corporation structure**. / 行業正在逐漸摒棄銀團抵押貸款 (即投資於單一抵押貸款) ，並轉向**基金/公司結構**。
- Stricter regulations and reporting requirements to protect investors. / 為保護投資者，監管規定和報告要求更為嚴格。





Morrison Financial

Mortgage Income Funds

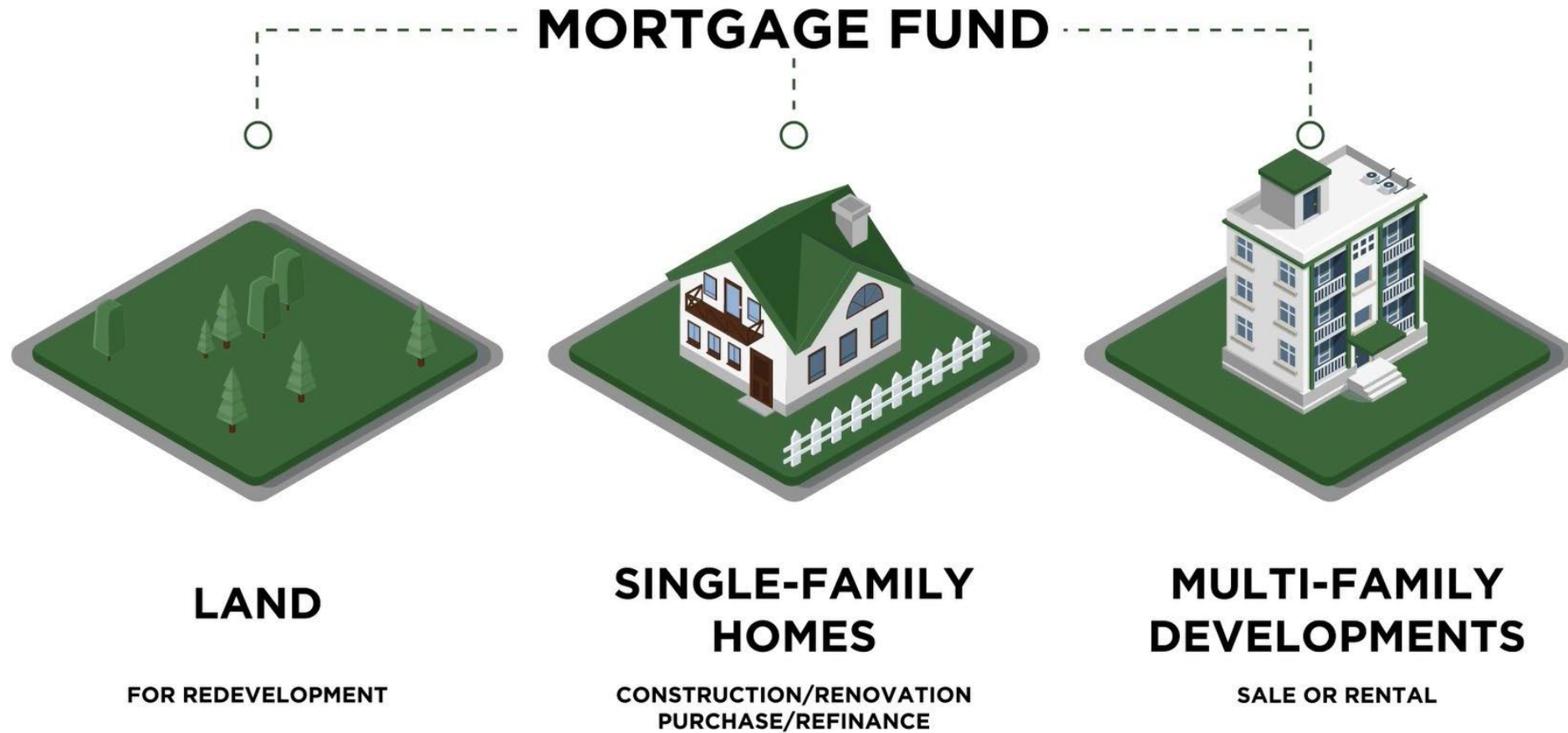
抵押貸款收益基金



In our 37 years of business, Morrison Financial has advanced an aggregate of over **\$1.6B in commercial and mortgage financing**
在我們長達37年的經營活動中，Morrison Financial已累計為商業和抵押貸款提供了超過**\$16億**的融資

Asset Classes / 資產類別

Residential / 住宅



What We Lend to / 我們提供貸款的 Sample Projects / 示範項目



\$8.8MM for Development of 24 Stacked Townhomes in Kitchener, ON / 為安大略省Kitchener開發24套疊拼聯排別墅提供**\$880萬**融資



\$12.9MM for 32 Single Family Homes Development in St. Thomas, ON / 為安大略省St. Thomas開發32棟獨棟別墅提供**\$1290萬**融資



\$3.0MM for Construction of 3 Custom Homes in St. Catharines, ON / 為安大略省St. Catharines修建3套定制房屋提供**\$300萬**融資



\$8.9MM for 5 Homes Development in Pickering, ON / 為安大略省Pickering的5棟住宅開發提供**\$890萬**的融資



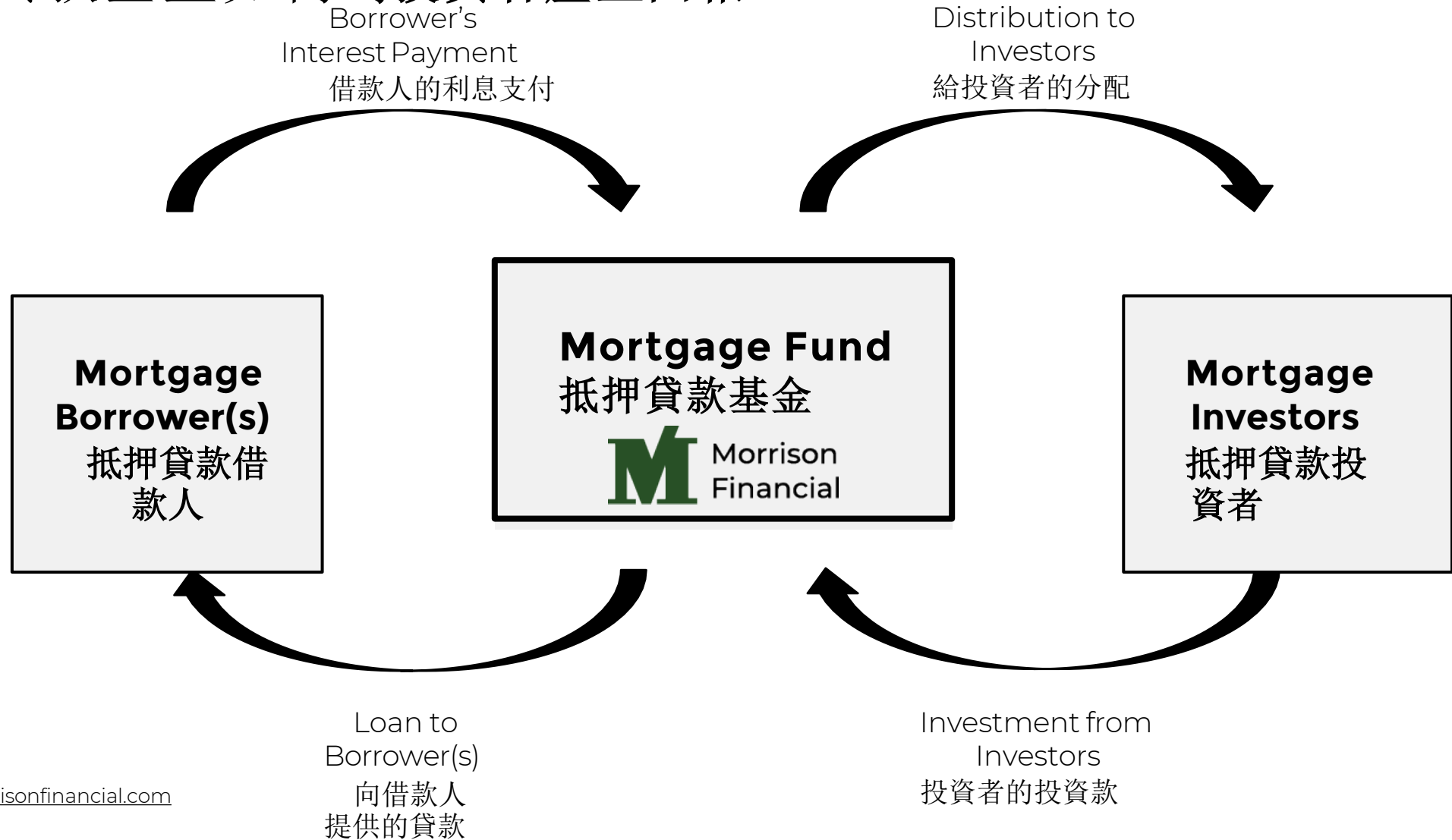
\$8.9MM for 22 Single Family Homes Development in Brantford, ON / 為安大略省Brantford開發22棟獨立住宅提供**\$890萬**融資



\$2.2MM in Pre-construction Loan in Oakville, ON / 向安大略省Oakville提供**\$220萬**施工前貸款

How does a mortgage fund generate returns for investors?

抵押貸款基金如何為投資者產生回報？





Our role as **the Funds' manager** 我們作為基金管理者的角色

- 1 Source and Structure Lending Opportunities
/ 尋找和構建貸款機會
- 2 Underwrite Loan Opportunities
為貸款機會提供擔保
- 3 Implement and Manage Loans
執行和管理貸款
- 4 Distribute and Report to Investors
/ 向投資者分配並報告

Our Funds Mandate: 我們的基金的硬性規定：

1. Capital Preservation / 保存本金
2. Consistent monthly income / 穩定的月收入
3. Avoid the volatility of the public equity and bond markets / 免受公共股權和債券市場的波動



Management of Risk / 風險管理

What we do to achieve Funds' target / 為實現基金目標所做的努力



Conservatively underwrite loans to provide additional protection
審慎審查貸款，提供額外保護



Prioritize locations and markets with high liquidity
優先考慮流動性高的地點和市場



Employ third party experts to review opportunities
聘請第三方對投資機會進行複審



High Touch Lender - Invest in loans that can be easily visited
高接觸借款者—投資容易進行現場考察的貸款



Employ diversification strategy to limit exposure
採用多樣化策略限制風險暴露



Continuously deploy capital to enhance yield
持續投入資本以提高收益

Funds Overview / 基金概況

As of June 30, 2024 / 截至2024年6月30日

Fund Type 基金类型	Alternative fixed-income solution backed by Canadian real estate. / 由加拿大房地產支持的另類固定收益解決方案
Inception 成立日期	November 2020 (Funds) / 1987 (Manager) 2020年11月（基金）/ 1987年（管理公司）
Assets Under Management 管理資產規模	\$53.9MM (Funds) / \$270MM (Manager) \$5390萬（基金）/ \$2.7億（管理公司）
Number of Participating Loans 參與貸款的數量	20
Average Participation Size 平均參與貸款的規模	\$2.69MM \$269萬
Weighted Average Loan Term 加權平均貸款期限	17.11 months 17.11個月
Average Loan to Value 貸款平均價值比	54.58%
Registered Plans 註冊計劃	Fully eligible (TFSA, RRSP, RESP, etc.) 完全符合資格（TFSA, RRSP, RESP等）
Distribution Frequency 分配頻率	Monthly as cash or reinvested (DRIP) 每月以現金或再投資形式分配（DRIP）

Since the Funds Inception:

自基金成立以來：

- ✓ Participated in **30+** loans with a total funding of over **\$120MM** to date / 參與了30多筆貸款，迄今為止總資助金額超過\$1.2億
- ✓ Financed the development and construction of over 300 residential units. Over **3000** more units are in development. / 為300多個住宅單元的開發和建設提供了資金，還有3000多套正在開發中
- ✓ Distributed over **\$6MM** to the Funds investors / 向基金投資者分配了超過\$600萬

The Funds' Yield / 基金收益率

Investing With Us / 和我們一起投資



SENIOR FUND

Target annualized return of
7%-8%

目標年化回報率為**7%-8%**



JUNIOR FUND

Target annualized return of
9%-10%

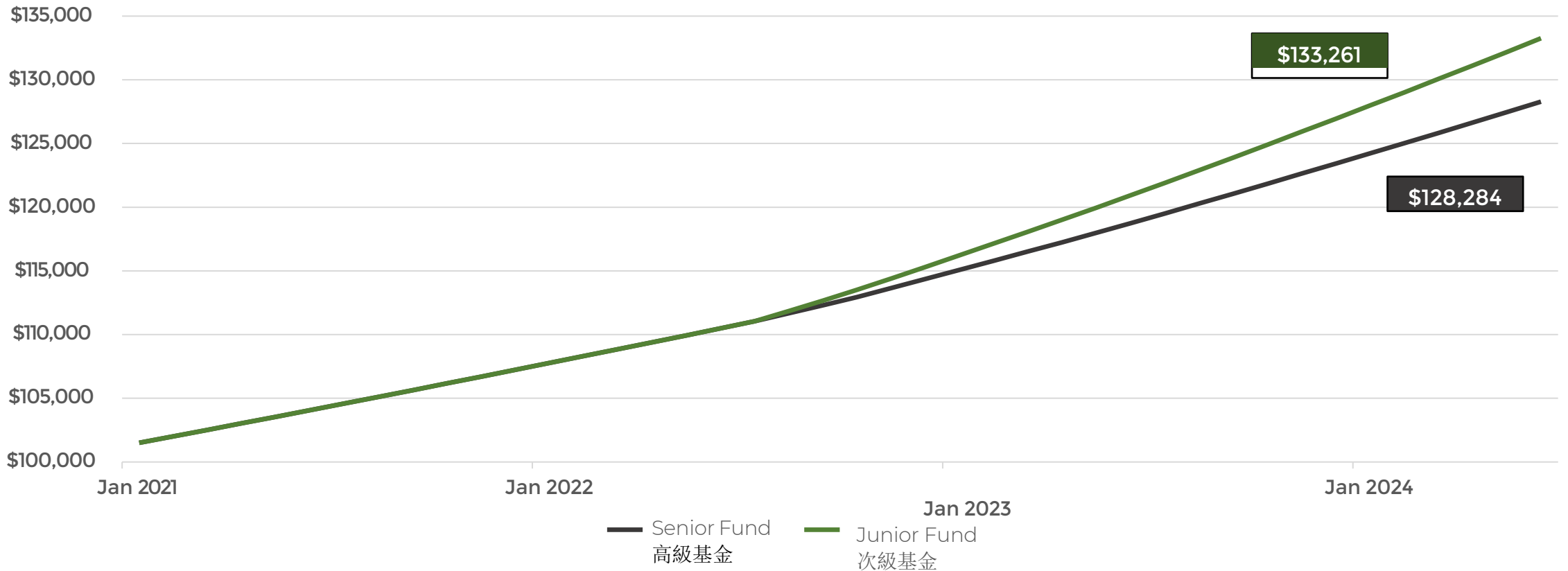
目標年化回報率為**9%-10%**

The Senior Fund and Junior Fund invest in the same mortgage portfolio. In exchange for a higher target return, the Junior Fund takes on a higher risk by being in the position of first loss across the mortgage investment.

高級基金和初級基金投資於相同的抵押貸款組合。次級基金為了獲得更高的目標回報要承擔更高的風險，因為處於抵押貸款投資中的首要虧損位置。

Funds Performance

Since Inception / 基金自成立以來的表現



Notes / 備注:

- Returns are closely associated with the bank prime rate of interest. / 基金回報與銀行基準利率密切相關。
- Illustrated returns of \$100,000 since Funds inception, assuming enrolment in Dividend Reinvestment Plan, and NAV at par. / 假設在分紅再投資計劃下以及淨資產值相等的情況下，基金成立以來收益為\$10萬。
- Returns have stabilized as of August 2022, currently distributing monthly **7.75%** and **9.75%** annualized return for Senior Fund and Junior Fund, respectively. / 截至2022年8月，基金回報已穩定，目前高級基金和次級基金分別提供月度分配7.75%和9.75%的年化回報。

Contact / 聯系我們

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If you are interested to learn more about our investment offering, please reach out to:

如果您對進一步了解我們的投資產品感興趣，請聯系：

Justin Aubry

Registered Dealing Representative at Belco Private Capital

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Document Disclosure 文件披露

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