

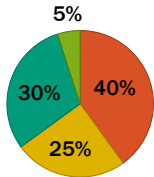


PORTFOLIO DETAILS

Portfolio Balance	\$68,945,861
Average Face Rate	9.14%
Portion in 1st/2nd Mortgages	88%/12%
Average Loan to Value	64.97%

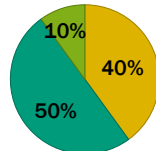
Interest Rate

- 7.99% or lower
- 8.00% - 8.99%
- 9.00% - 9.99%
- 10.00% or higher



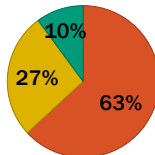
Loan to Value

- 24.99% or lower
- 25.00% - 49.99%
- 50.00% - 74.99%
- 75.00% or higher



GEOGRAPHIC DIVERSITY

■ GTA	\$43,538,287
■ Barrie	\$18,442,999
■ Brantford, Kingston, Niagara Falls	\$6,964,575
<hr/>	
Total	\$68,945,861



COMMENTARY

•Morrison Laurier Mortgage Corporation (“Morrison Laurier”), through its exclusive agreement with Morrison Financial Mortgage Corporation as the Investment Manager (a registrant and licensed in good-standing under the *Mortgage Brokerages, Lenders and Administrators Act, 2006 (Ontario)* operating under Mortgage Brokerage Licence No. 10047 and Mortgage Administrator Licence No. 11447), lends money to builders and developers throughout Southern Ontario, with loan terms of 18 months to two years.

•The underwriting process at the Investment Manager level includes an overview of the character and credit history of the borrower, a review of the project budget and income pro-forma, appraisals, review of borrower’s net worth and relevant experience, audit of the purchase and sale agreements along with deposits, and full review of the fixed price contracts.

•All borrower proposals are debated and reviewed by a 6 person credit committee at the Investment Manager level. If all is satisfactory, a commitment letter is issued to the borrower, and if it is accepted, the borrower pays a commitment fee of between 1 and 2 percent. Any amount over 1% is shared 50% with Morrison Laurier and the Investment Manager.

•As work progresses on the building site, the borrower will draw down on his loan facility. At **each** draw request, a thorough audit of the project is conducted by both an independent quantity surveying firm and by a dedicated internal site audit staff at the Investment Manager level.

•As the project comes to completion, the homes or condominium units are delivered to the purchasers who have paid deposits and are waiting for the closing. The transactions are closed through legal counsel and the net proceeds on each closing are paid to Morrison Financial Mortgage Corporation until the loan is paid out.



PROJECT LOCATION	POSITION	MORTGAGE TYPE	INVESTMENT	% of MLMC	FACE RATE	LTV	Maturity	
North York	First	Construction/Residential	\$ 18,775,821	27.23%	9.20%	66.93%	10/31/17	
North York	Second	Mezz Construction/Residential	\$ 6,698,026	9.71%	13.60%	84.19%	10/31/17	
Markham	First	Construction/Residential	\$ 1,918,285	2.78%	8.40%	65.70%	06/01/19	
Oakville	First	Mezz Construction/Residential	\$ 1,671,864	2.42%	9.50%	38.02%	10/31/17	
Toronto	First	Construction/Residential	\$ 6,154,365	8.93%	8.35%	65.00%	09/30/18	
Kingston	First	Residential Rental	\$ 119,677	0.17%	3.04%	44.54%	12/31/17	
Kingston	First	Residential Rental	\$ 124,267	0.18%	3.04%	46.76%	12/31/17	
Kingston	First	Residential Rental	\$ 209,187	0.30%	3.04%	86.75%	12/31/17	
Kingston	First	Residential Rental	\$ 110,037	0.16%	3.04%	45.63%	12/31/17	
Brantford	First	Residential Rental	\$ 108,660	0.16%	3.04%	39.28%	12/31/17	
Brantford	First	Residential Rental	\$ 101,316	0.15%	3.04%	39.74%	12/31/17	
Brantford	First	Residential Rental	\$ 106,824	0.15%	3.04%	39.67%	12/31/17	
Brantford	First	Residential Rental	\$ 105,906	0.15%	3.04%	39.69%	12/31/17	
Markham	Second	Assignment of 2nd mtg	\$ 1,477,048	2.14%	8.00%	58.05%	12/31/17	
Caledon	First	Construction/Residential	\$ 786,355	1.14%	9.50%	72.51%	12/01/19	
Mississauga	First	Construction/Residential	\$ 1,867,149	2.71%	8.50%	74.40%	01/31/18	
Mississauga	First	Construction/Residential	\$ 2,682,785	3.89%	9.50%	72.90%	01/31/18	
Toronto	First	Term/Residential	\$ 1,506,589	2.19%	9.50%	61.22%	07/31/18	
Barrie	First	Construction/Residential	\$ 18,442,999	26.75%	9.00%	59.18%	12/31/17	
Niagara Falls	First	Construction/Residential	\$ 5,978,699	8.67%	8.50%	68.44%	09/01/19	
					AVG. WEIGHTED			
			\$ 68,945,861	100.00%	9.14%	64.97%		

Preferred Shares are available to qualified investors on a private placement basis only via Offering Memorandum dated January 1, 2017 (the "Offering Memorandum"). The statements contained herein are qualified in their entirety by the Offering Memorandum. The foregoing does not constitute an offer to sell or a solicitation of interest to purchase any securities in any jurisdiction in which such offer or solicitation is not authorized. For more information, please contact Adam Rose at 416-391-3535 X 112



INVESTMENT DETAILS

- Morrison Laurier Mortgage Corporation (“Morrison Laurier”) is a Mortgage Investment Corporation (“MIC”) under section 130.1 of the Income Tax Act. As a MIC, there are no taxes paid by the Corporation. Income net of expenses flows through to the Investor.
- Under the provisions of the Income Tax Act, Morrison Laurier as a MIC, is eligible for inclusion in all registered accounts (RRSP, RRIF, TFSA, etc.) in Canada.
- Morrison Laurier retains its own independent board of directors that review each mortgage presented to it by Morrison Financial Mortgage Corporation (the ‘Investment Manager’) to ensure the mortgage is qualitatively acceptable and that Morrison Laurier remains compliant with the Income Tax Act.
- As a MIC, yearly audited statements are prepared.
- Interest is paid to Morrison Laurier based on the following formula:
 - The first 1% is retained by the Investment Manager.
 - The next Prime plus 2.5% is paid to Morrison Laurier (currently 5.2% based on prime of 3.2%).
 - Any incremental interest above this threshold is split evenly between the Investment Manager and Morrison Laurier.
 - A further 50% of the borrower commitment fee above a 1% threshold is distributed to Morrison Laurier.
- The current average weighted loan to value is 65%.
- 88% of our mortgages are first mortgages.
- The current mortgage portfolio is \$69 million.
- Shares are retractable once a month at the investor’s option subject only to the liquidity of Morrison Laurier.

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